

## **Draft, To be Approved**

### **Sky Country Estates Mutual Domestic Water Consumers Association Board of Directors Meeting Minutes**

Date: Wednesday, May 14, 2025, at 3:00 pm MDT

Location: 63 Clear Sky Road, Cloudcroft, NM and by conference call.

Meeting called to order at 3:00 pm MST by President Koch.

Directors present in person: Treasurer Lourdes McDaniel, President Ed Koch. Director present on phone: Vice-President Ray Estrada. Three of five Directors present, quorum established.

Members who attend via phone are Tim Navrkal, Mary-Anne Estrada, John Fenoglio and Shelly Fenoglio.

There were no Director or Public comments.

President Koch presented the minutes from the April 9, 2025, Board meeting. Treasurer McDaniel made a motion to approve the minutes. Vice-President Estrada seconded the motion. Motion approved by unanimous vote. Minutes approved.

Treasurer McDaniel gave a financial report as of the end of April. The administrative April expense total was \$370.27, April water system expenses totaled \$277.15. The total revenue in April was \$1900.99. The checkbook balances at the end of April totaled \$88,105.74. Treasurer McDaniel reported one of our most delinquent accounts has paid and is now up to date.

President Koch gave a short report on the current state of the water system. As of this date we have no operational issues and we are running both wells to meet demand. Well # 2, the well on lot # 68, is on 24 hours a day. The well doesn't pump water continuously for 24 hours due to the available water in the well needing to recharge. It is unknown how often the well is actually running to pump water during the 24-hour period. Well # 3, on lot # 32 on the east side of the subdivision, is run when needed to increase the amount of water in the storage tank when well # 2 cannot keep up with demand, approximately 6 days per month. Well # 2 production has dropped to around 600 gallons per day and well # 3 produces around 700 gallons per day. Our daily water use varies from around 700 gallons per day to 1,000 gallons per day. President Koch expressed a concern about the water production during the summer and the possibility of having to purchase water to supplement the system.

President Koch said we are still waiting to find out the amount of money the State Legislators hopefully will make available to us for our water improvement project. He said we may know something by the end of May or early June. Once we get the amount then we will be able to progress with the project. Our engineering firm has updated and increased the projected project

phase costs with the State Finance Authority based on the recent bids they are getting for their other projects. Phase one includes all project engineering costs; phase two is a new well and associated items. Phase three is additional storage; phase four is a new supply line from the well # 3 to Well # 2 and phase five is replacement of current supply lines. Treasurer McDaniel asked to confirm we will have to apply for financial assistance for phases three through five. President Koch said that was correct.

Under Old Business President Koch said the POA will be meeting later tonight to consider what actions to take regarding the possible issue with access to Clear Night Rd from Capricorn Point down to Lot # 68 as it regards to the adjacent property owned by Mr. Edwards.

President Koch, in reference to the State stated requirement to replace the 15,000 gallon fiberglass tank by November 21 of this year, suggested a possible solution to the engineering firm. Mr. Koch emailed the engineers with a suggestion about using the existing 12,000-gallon poly tank and building a new higher pad for the poly tank. Since our engineers expect to receive a full grant for engineering costs, that part of the State requirement would be covered. The other costs of pad construction, plumbing and tank moving could be covered under the expected grant and if not, we could cover the costs from our reserve funds. Mr. Koch has not talked with the engineers since sending the email but will follow up. Board and members present backed this option.

Under New Business President Koch stated our By-Laws refer to the Rules and Regulation on procedures for voting and proxy votes. Our Rules and Regulations currently do not cover voting, so it was suggested at the next Board meeting we amend the Rules and Regulations with voting procedures. The Board agreed.

The 2025 Annual Meeting and Board elections were discussed. President Koch will send out the annual meeting and election notice soon. The annual meeting is set for July 5, 2025. The Board will also have to create and approve a FY 2025-2026 budget at the next meeting that can be presented to the members for approval at the annual meeting. There was a discussion regarding handling the budget surplus we will have at the end of this fiscal year. Discussing resulted in preferring to add the surplus to the improvement project reserve to help cover any matching funds we may be required to provide. Member John Fenoglio added he would prefer to bank the surplus money because it will be needed somewhere down the line. A final decision will be made at next month's Board meeting when next year's budget is created.

President Koch brought up the need to add a chlorination system to well # 3 since that untreated water under the current system is mixed with chlorinated water before it gets to the main storage on lot # 9. This mixed water is included in the supply line from the main storage tank on lot # 9 to every home east of lot # 9. This will eliminate any possible contamination of service water to the homes on the east side. The water system improvement project includes separating the supply line from the delivery line in phase 4 to eliminate the possible cross contamination issue, but that is several years down the road. The cost would be approximately \$1,500. President Koch will get better cost estimates and present it at the next Board meeting.

President Koch also suggested including in next year's budget replacing the plastic buckets on the main and service line valves risers with actual caps. He will get a list of supplies needed and present that at the next Board meeting.

Mary-Anne Estrada commented on possibly modifying the Rules and Regulations to include procedures that under water shortages and by approval of the Board, to prevent water use by contractors during construction to save available water for the residents.

Treasurer McDaniel made a motion to adjourn the meeting. The motion was seconded by Vice-President Estrada. The motion passed unanimously and the meeting adjourned at 3:36 pm MST.

Approval of Minutes:

---

Date