

SLPPOA Board Minutes
May 7, 2003

Board Members Attending:

Sondra Cantrell, Ann Cooke, Mark Doub, Marj Lawrence, Donna Smith, Suzanne Star, Kirk Thompson

Board Members Absent:

Brian Reardon, Wayne VanderHam

Guests: Brad and [Melanie Sabine](#) Shurter, Elmer Salazar and Martha Torrez

Meeting Called to order at 19:20.

Board Meeting minutes for April were reviewed and approved as corrected.

The meeting focused on water system management and long-range planning. Elmer Salazar from the US Department of Agriculture and Los Alamos National Laboratory is also Chairman of the Governor's Blue Ribbon Task Force on Water. Martha Torrez is a Loan Specialist with the US Department of Agriculture Rural Utilities Service. Salazar and Torres were invited to discuss long-range water system issues and to provide their expert advice and perspectives.

Salazar started the discussion with a perspective on issues facing water systems and users in NM. The major issues in Northern NM have been having sufficient water rights and fire protection. Waste-water handling is starting to be a concern.

After a general description of the water systems, its operation and issues SLPPOA has encountered, Salazar stated there are several questions at the Board and Association need to address:

1. The average water bill in NNM for 2500 – 3000 gallons per month is \$19.75. Will the SLPPOA members be willing to pay such a rate for a water system?
2. Is the community ready for water meters and willing to take responsibility for water use?
3. How do we raise the funds needed to improve and operate the water system? Are the members willing to fund the system through assessments or monthly payments?
4. Are the Association and Board contemplating how to address the long-term drought? Do we have a way to restrict water use if the wells lose water due to the drought?
5. Do we have sufficient funds to replace pumps, drill a new well, replace valves, etc when they break? Are there sufficient reserve funds to handle emergencies?
6. Will the SLPPOA members pay a loan to upgrade the water system?
7. Are we prepared/willing to spinout the water system to make it eligible for state or federal funding, grants or loans?
8. Are SLPPOA members willing to or do they want to have fire hydrants installed on the water?

A water system that is installed well should last 25 – 30 years with reasonable maintenance. The Board noted that most of the SLPPOA water system is currently 25 – 30 years old.

Water Rights - Salazar recommended the Board check the priority date(s) of the water rights currently owned by SLPPOA. The older the water rights the better if there is insufficient water to meet all demands. Water rights younger than 1907 are generally considered weak, as there are so many rights with earlier priority dates. Salazar recommended that SLPPOA begin active purchasing water rights (with early priority dates if at all possible) to ensure sufficient water availability. Water rights are likely to cost \$4000 - \$7000 per acre foot.

Water Supply – The water quality in SLPPOA is outstanding. The monthly tests consistently demonstrate that the water system has not been contaminated by any pollutants, e coli or other naturally occurring contaminate such as arsenic. The water level in the wells currently being used for production has not dropped due to pumping. Salazar noted that if individuals in SLPPOA were to drill their own wells under a domestic use permit, they could harm the existing wells. This circumstance is happening in several communities in NNM. Similarly, poor septic tank maintenance or drain fields could contaminate the water supply.

The water storage currently on the system will cover about 3 days of consumption.

Water use – Salazar stated that the current recommendation in Colorado, Arizona and from his perspective on the Blue Ribbon Task Force on Water is to have .6 - .75 acre feet of water rights per household. This does not include an allocation for losses in the water system. A second way to view water use is to allow 150 gallons/per person/per day (EPA estimates in SLPPOA Long-Range Plan). This calculation for a 4-person household yields 219,000 gallons or .67 acre feet per house.

Water system costs – Based on experience in other water systems in NNM, Salazar and Torrez rough estimate for SLPPOA water system is \$2 Million. In Savoia NM, the water system cost approximately, \$1.25 Million for 95 metered households.

Funding available – Torrez explained there are several different programs available for funding water systems. The State of NM makes grants and loans for water system and other infrastructure development programs. The USDA has grants and loans, as does the Department of Housing and Urban Development. The eligibility for grants from USDA is depends on the income level of the households affected. Given the relatively high-income level in SLPPOA relative to the rest of NM, SLPPOA likely will not be eligible grants. The comparison for grants is the average income in NM (in the 1990 census), which was \$21,656. If the SLPPOA income, as reported in the 1990 census, was greater than the NM income, SLPPOA would not be eligible for grants, but would be able to obtain an loan.

The purchase of water rights can be funded by a loan that is repaid over a number of years.

Legal organization – In order to obtain low-interest loans or to receive funds from the State of NM, the water system will have to be a Mutual Domestic Water Association (MDWA), under the Sanitary Water Act or part of a municipality. A MDWA is a legal entity with a defined service area. Other operators are not allowed to enter into a declared service area. The MDWA also defines other operating parameters, such a meeting schedule, board member elections, and potentially other restrictions such as whether or not domestic wells can be drilled in the service area.

Salazar noted that during a drought or priority water call a MDWA may have a stronger position to argue for water access to supply its system users.

The Board asked for any problems or potential down-sides to being a MDWA. Torrez identified:

Issue	Status with respect to SLPPOA
Water system must be monitored for water quality	SLPPOA system is currently monitored monthly
Must have a certified water system operator	Don Bednar is currently the certified water system operator for SLPPOA
Must have an elected board	SLPPOA is currently has such a board
Meetings must be open and conform to NM Open Meetings Act, including notices and minutes	SLPPOA board has regular meetings and posts minutes. Published notices prior to the meetings would be an additional requirement. In addition, the Board members could not meet informally

The USDA and other funding agencies require an engineering plan prior to funding a water system. A Preliminary Engineering Report (PER) is a specified format from the USDA that all the funding organizations in NM have agreed to use. A number of engineering firms in NM are qualified and available to develop such a report, which would likely cost \$5,500 - \$8,000. The PER will define the system needs and the plan to meet those needs. Installation of a system according to the specifications would yield a high-quality, more maintainable system than we currently have.

The next step is for the Board and members, if interested, to meet May 29, to begin developing a specific plan for consideration by the Association membership.

Reports

Treasurer –Account balance is \$55,829.40. There are 6 unpaid Association members with an outstanding debt of \$3,776.47. All bills received are paid in full.

Marj Lawrence noted that the outstanding debt fee is \$5 or 1/5% monthly. The annual dues of \$345 now make a minimum payment of \$5.17. Should the minimum payment be raised or is the \$5 minimum still appropriate? The board took no action on this question and tabled any discussion to a later meeting.

The addresses for several new SLPPOA members are not correct and mail sent to them has been returned. We will continue to try to find correct addresses.

Water – System 1 continues to have a leak that cannot be located. Three valves on the main on Trilobite were broken – 2 broken open and one broke closed. These are being replaced and the system will be tested to determine if the valve replacements address the system leaks.

The System 2 booster pump went down and was replaced within 24 hours. The storage capacity on the system meant that users were not without water. Kirk Thompson found a new brand of pump for the booster station upgrade which will cost \$1375, approximately \$800 less than anticipated.

Someone stole a valve key that will cost \$60 to replace. Thompson and Don Bednar will purchase a replacement.

Thompson has the final easement survey for the water line from the well to the booster station. He will send the final easement documents to each property owner with the survey to get the completed easement documents.

Roads – Meskimens has not started the road work yet. Mark Doub will work with him. Doub will also contact Don Cunnett, the civil engineer to check on the road plan.

Architecture – No report.

Legal/Covenants – No report.

Forest Service/Parks/Neighborhood Watch – Sondra Cantrell reported the burglaries in La Cueva are believed to be from a local. The Sandoval County Sheriff's Office is actively working this case.

Long Range Planning – No report

Unfinished Business – None

New Business – None

Next SLPPOA Board meeting will be June 18, 2003 at 19:15.

Meeting adjourned at 2145.

Respectfully submitted
Donna Smith, Secretary