

VISTA REDONDA MUTAL DOMESTIC WATER CONSUMERS ASSOCIATION (VRMDWCA)

P.O. Box 375
Tesuque, NM 87574

2017 WATER REPORT SUMMARY

June 9, 2018

Overall Water Quality is Good

In 2017 we conducted tests for over 80 contaminants. Only 9 of these contaminants were detected and none were found at a level higher than the NMED allows. The long standing issue regarding gross alpha has been resolved. As required by the state, the Consumer's Confidence Report (CCR), which provides full details, is being distributed with this package. It is also available on our website – vistaredonda.net.

Assessments, Base Allotment and Excess User Fees Remain Unchanged

Our budgets for FY '18 - 19 are based upon maintaining the current operating and capital assessments for both developed and undeveloped lots. The operating assessment will be \$1,000 per developed lot, \$500 per undeveloped. The capital assessment will be \$1,000 per lot. The base usage allotment of 163,000 gallons (0.5 acre feet) will also continue unchanged. Progressive excess user fees above 163,500 gallons will also remain in place. Proposed Operating and Capital Budgets are included in the package.

Water Tank Replacement Project

Efforts to bid and contract for the proposed water tank project were initiated in early 2018. As a result of evaluating the bids the board concluded that it would be more cost effective to build one larger storage tank now than the prior options considered. This resulted in a special vote of the community which approved both the change in scope plus significant increases in project costs. While the special vote was in progress, we continued to examine the bids. Based upon benchmark data from tank projects executed in 2017 and feedback from our engineering firm and the bidders, we concluded that the current construction market in New Mexico is overheated. The bids included a significant "premium" over what we had earlier estimated and what would be expected in a more normal construction market. Since our tank replacement is a discretionary project, i.e. with modest maintenance we can extend the useful life of our current tanks, the board made the decision to defer execution of the tank project for at least another year to see if the construction market returns back to a more normal level of activity and cost. Given this uncertainty, we have decided to continue to include the tank project as a placeholder in our proposed capital budget, asking the community to authorize the board to go ahead in the new year if the time is judged to be right to rebid and execute it then.

David Rule

President – Vista Redonda Mutual Domestic Water Consumers Association

davidrule@hotmail.com – 505 982 2832 (Vista Redonda) – 281 757 5565 (mobile)