VISTA REDONDA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

(VRMDWCA)

MINUTES OF BOARD MEETING

Tuesday, June 11, 2019 -- 3:00 PM

Rule Home – 105 Paseo Encantado S.W.

1. **Call to Order:** D. Rule called the meeting to order at 3:01 PM.
2. **Certification of Quorum:**  S. Rule certified that 7 of the 8 board members were present. A quorum was met. (José Lopez stepped down from the Board in April.)
3. **Board Members Present:** David Rule, President; Chris van Schayk, Vice President; Susan Rule, Secretary and Treasurer; Directors: Bill Berra, Harvey Simon, Audrey LaFehr, Peter Frank; Adjunct Director: Laurent Cavalie

**Board Members Not Present:**  Nirvair Khalsa, Director

**Community Members Present:** John Geldersma, Keitha Leonard, Judy Simon, Anna van Schayk

**Others Present:**  None

1. **Approval of Minutes of the February 18, 2019 Board Meeting:** H. Simon made the motion to approve the minutes, S. Rule seconded, and all approved.
2. **Financial Report:** S. Rule presented the financial statements and noted that there is nothing unusual to report, other than that we have moved more money from LANB to Edward Jones, and that we need to move our Directors’ insurance policy to a carrier that doesn’t exclude water associations.
3. **Insurance for Errors and Omissions:** S. Rule raised the question of whether or not to purchase additional insurance, which was tabled until we can do further research to determine what we actually need.
4. **Water Tank Refurbishment Project:** D. Rule reported that the older tank has been repaired and internally recoated. He recommends putting an OSHA cage around the ladder to bring it up to current OHSA safety code. Although he noted that the newer tank is in pretty good shape, he recommends going ahead with internal recoating this tank now at the same time that we do needed repainting of the exterior. Refurbishing has been a very cost-effective solution compared to building new tanks.
5. **Well Project Options:** D. Rule reminded the Board that we are down to five wells from the original seven, and he is concerned about pumping capacity especially during times of high demand combined with mechanical problems as we had last summer. He explained in detail two ways of fixing Well #3, which is a very good well except for too high uranium levels (it has been off line for many years), which justifies putting money into rehabilitating it.

One option is to plug the bottom where the uranium is highest. Shoemaker recommends against this as it also may significantly decrease the well’s production, turning it into a mediocre or weak well. D. Rule agrees that while this may be the less expensive option, the risk is too high that plugging could ruin the well.

The second option is to treat Well #3 to correct the uranium levels, which is a common solution to this problem, though not inexpensive (estimated $135,000). D. Rule would like to explore this further with Jerry May, a professionally licensed engineer recommended by Jack, our Water Master. May has treated seven or eight wells in Northern New Mexico for this problem.

Third Option: Well #4 is problematic in terms of capacity and mechanical issues, but it is currently on line and is still producing quality water. Re-drilling a new well at the #4 site would be expensive (estimated $267,000) but would produce a lot more water with fewer problems. This option would require transferring the water acre feet allowance from our dead Well #6 over to #4, increasing its capacity from 3 acre feet currently to approximately 9 acre feet.

Frank suggested putting both viable options (treating Well #3 and re-drilling Well #4) in the proposed Capital Budget to present to the property owners at the Annual Meeting in July.

1. **FY ’19 – ’20 Proposed Budgets**: D. Rule presented the Operating and Capital budgets. P. Frank made the motion to approve the Capital Budget, keeping the annual assessment the same at $1,000 per lot. H. Simon seconded, and all approved.

After discussing several different variations on the Operating Budget, the Board chose “Option 6” which included an increase in the annual assessments to $1,200 per developed lot and $600 per undeveloped lot. H. Simon made the motion to approve Operating Budget #6, Frank seconded, and all approved.

1. **Annual Meeting Arrangements**: H. Simon confirmed that the Annual Meeting will be held at the restaurant El Nido on Monday, July 15, from 4:00 – 6:00 PM.
2. **NMED Notice of Violation**: Following up from the February meeting, Berra confirmed that he will handle the re-testing of the tap water in conjunction with Jack in time for the September 2019 deadline.
3. **Proposed Slate of Directors for FY ’19 – ’20:** The nominating committee (H. Simon, P. Frank, N. Khalsa) proposed the following slate:

Nirvair Khalsa, President

Harvey Simon, Vice President

Susan Rule, Treasurer and Secretary

Directors: Bill Berra, Laurent Cavalie, Peter Frank, Chris van Schayk

Adjuncts: Phil Marineau, Matt Waller

Van Schayk made the motion to approve the slate, H. Simon seconded, and all approved.

1. **Resolution of Appreciation:** C. van Schayk proposed a resolution of appreciation for David Rule’s many years of dedicated and excellent service to the community of Vista Redonda as President of the VR Water Board.
2. **Adjournment:** H. Simon made the motion to adjourn, van Schayk seconded, and all approved. The meeting was adjourned at 4:33 PM.

Respectfully Submitted,

Audrey LaFehr

Director and Acting Secretary