

VISTA REDONDA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION (VRMDWCA)
MINUTES OF ANNUAL MEETING

Tuesday, August 1, 2023, 4:00 PM – via Zoom

1. **Call to Order:** Audrey LaFehr called the meeting to order at 4:00 pm Mountain Time.
2. **Certification of Quorum:** Betsy Garside certified that 52 property owners were present via Zoom or via proxy. A quorum was met.
3. **Current Board Members Present:** Audrey LaFehr, President; Wendy Pierard, Vice President; Laurent Cavalie, Treasurer; Betsy Garside, Secretary. Directors: Steve Marquart, Harvey Simon, Susan Rule, Chris van Schayk. Adjunct members: Kevin Pierard, Susan Waller.
4. **Others Present:** Dennise Russ and Dennis Trujillo, III-D.
5. **Opening comments:** A. LaFehr welcomed new property owners and all attending the meeting via Zoom. She informed attendees that Zoom votes would be used to tabulate responses to votes. She then told the story of Rio Verde Foothills, a neighborhood in Arizona that had its water supply summarily cut off, to make the point that Vista Redonda is different: As a neighborhood we have control over and responsibility for our community's water. A big step in controlling the system is this year's purchase of new smart meters for each property, part of professionalizing and modernizing the system. These meters can detect water loss in real time, as well as help narrow down the type of leak and where it is located, and will transmit monthly readings instantly. The Association has also made excellent strides in banking and financials, of which the Treasurer will speak more.
6. **Approval of Minutes of the 2022 Annual Meeting:** S. Rule made a motion to approve; W. Pierard seconded. The motion passed unanimously.
7. **Approval of Board Actions for FY 2022–2023:** C. van Schayk made a motion to approve; S. Rule seconded. The motion passed unanimously.
8. **Election of the Board of Directors of VRMDWCA for FY 2023-2024:** C. van Schayk presented the slate of directors and officers, introducing Kristi Brislawn as a new adjunct director. K. Brislawn has been a resident for 20 years, and had been promising to serve upon retirement. She has just retired and the Board expressed its pleasure at her addition to the team. L. Cavalie made a motion to approve the slate as presented; S. Marquart seconded. The motion passed unanimously.
 - Audrey Lafehr, President
 - Wendy Pierard, Vice President
 - Betsy Garside, Secretary
 - Laurent Cavalie, Treasurer
 - Directors: Steve Marquart, Susan Rule, Harvey Simon, Chris van Schayk.
 - Adjunct Directors: Kristi Brislawn, Kevin Pierard, Susan Waller.

- 9. Presentation of Financial Statements, and Approval of Capital and Operating Budgets and Assessments:** L. Cavalie presented the capital and operating budgets, pointing out that these were final numbers. A notable difference from FY2022-2023 was that that budget included \$36,000 to purchase smart meters; as a one-time expense, this is not included in the proposed budget. For 2023-2024, there will be an income line to capture the interest on new CDs.

This year's operating costs were high for emergency maintenance, all for the PNM/Kelly power project, mostly for D. Trujillo's time in responding to pipe locate requests and performing emergency pipe repairs. That project is close to completion; there will not be similar expenses in the upcoming fiscal year. The power project also affected III-D's ability to complete scheduled projects, affecting planned expenses. For example, the Association purchased transducers – a tool installed in a well to measure water levels from the bottom – in the current year, but the expense of installing them will be incurred in FY2023-2024.

In the interest of both protecting and growing the Association's reserves, L. Cavalie placed a portion of reserves in CDs. The CDs are split across three banks, ensuring that each account is below the FDIC threshold and will be covered by insurance against bank failure.

L. Cavalie presented several historical perspectives on the Association's finances, pointing out that revenue is relatively consistent year over year (with a recent settlement creating an anomaly in FY2021-2022). He expects assessments to go up a bit in FY2024-2025.

Responding to a question, L. Cavalie pointed out that the Association's Board keeps reserves high because the type of project that would tap those reserves – replacing a tank or a well on an emergency basis – is a six-figure project. Reserves of approximately \$1 million are prudent.

The Board is recommending that assessments remain the same as current year: an operating assessment of \$1,150 and a capital assessment of \$1,400 for developed lots. The assessment for undeveloped lots stays at \$550.

C. van Schayk made a motion to approve both budgets; Bill Daily seconded. The motion passed unanimously.

- 10. Approval of the Resolution for the 2022-2023 Fourth-Quarter Final Budget:** In keeping with state requirements, the Association presented a resolution for the final quarter budget for the current fiscal year. Bill Whelan made a motion to approve the resolution; B. Daily seconded. The motion passed unanimously.
- 11. Approval of the Resolution for the 2023-2024 Fiscal Year Budget:** L. Cavalie made a motion to approve the resolution; C. van Schayk seconded. The motion passed unanimously.
- 12. Update on VR Water System:** A. LaFehr presented a brief update on the system, with D. Trujillo available for additional detail.
- The power-replacement project is almost finished, with Kelly turning over the final elements to PNM. S. Rule has a PNM contact, a Mr. Tabett, with whom she will connect to understand when PNM will convert to the new lines, and whether that will entail an outage or a surge.

- Sanitary Survey items will be completed in the next month or so, and the transducers will be installed at the same time.
- All residents have received the water report, showing that Vista Redonda is in compliance with all quality testing.
- Wells 1, 3, 5, and 7 are all working normally. The Well 3 pump was repaired by its manufacturer at no cost and returned to the Association to hold as a spare.
- Wells 2 and 4 are problem children, but with more time III-D will be able to continue to troubleshoot these wells.
- All wells will have new chips installed to be able to send updates; this is a no-cost upgrade to the SCADA system.

Responding to questions, D. Trujillo pointed out that when the smart meters are installed, they will be able to detect and flag unusual water usage indicating a leak. Homeowners will still be responsible for pinpointing and having the leak fixed. One smart meter has been installed so far; more will be installed as III-D has availability. There will be no cost to individual homeowners for the smart meters.

13. Special invitation for participation in quarterly meetings: A. LaFehr pointed out that the great majority of action occurs at the quarterly meetings, and invited all residents to pick one in the next year and sit in on it. She pointed out that learning more about the water system is interesting, that the meetings are brief – and that the same people are volunteering over and over again.

14. Other business: There was no new business.

15. Motion to adjourn: S. Rule made the motion to adjourn, H. Simon seconded, and the motion passed unanimously. The meeting was adjourned at 4:42 p.m. Mountain Time.

Respectfully submitted,

Betsy Garside
Secretary