

Vista Redonda Mutual Domestic Water Consumers Association

(VRMDWCA)

Minutes of Annual Meeting

Tuesday, July 23, 2013

Encantado Resort

David Rule, President, welcomed everyone and called the meeting to order at 5:31 pm.

Certification of Quorum: Susan Rule, Treasurer and Secretary Pro-Tem certified a quorum, with a total of 56 homeowners represented (24 present and 32 proxies).

1. 2013-2014 Budgets – Operating and Capital: D. Rule presented the 2013-2014 Operating Budget. As there was no discussion, D. Rule made a motion to approve the Operating Budget. N. Sloane seconded and the Operating Budget was passed unanimously. D. Rule presented the 2013-2014 Capital Budget. After comments and discussion – in particular around the need to re-establish payments into the capital reserve fund, D. Rule made a motion to approve the Capital Budget. H. Simon seconded and the Capital Budget was passed unanimously.

2. Status of the Water System: D. Rule made a presentation on the status of the water system. This report basically touched on the key points included in the 2012 Water Report, distributed to the community in conjunction with the 2012 Consumer Confidence Report (CCR).

Water quality is good except for the uranium content in one well, which continues to marginally exceed the EPA standard. We will continue to monitor recent actions to correct this well, but if unsuccessful may make the decision to suspend production or abandon the well as the most cost effective means to bring the system into compliance with the NMED Administrative Order issued in 2009.

Increases in demand over the last few years have resulted in our having a very narrow margin of reserve over our current maximum beneficial water rights. This resulted in the action to encourage conservation by re-instating excess user fees in 2013-2014. Since announcing the need to conserve and the new fee structure, increases in demand have tempered.

An issue of ongoing concern is the capability and willingness to sustain a volunteer water association in the face of increasing complex operations, community and regulatory demands. We will be looking for cost effective ways to support our organization utilizing paid outside services. One longer term option may be to join the Santa Fe County Water Utility – but this step – if ever taken – is still probably some years away.

3. OSE Agreement: Chris Van Schayk made this presentation. This litigation began the Office of the State Engineer (OSE) in 2006 and a settlement was agreed to in May, 2013. VRMDWCA will receive up to a maximum of an additional 15 acre ft. of water rights. VRMDWCA agreed that the organization would not provide service to anyone within the service boundary who drills a private well after May,

2014. All existing private wells and wells drilled before May, 2014 will be not be affected by the settlement.

4. Adjournment: D. Rule made a motion to adjourn, S. Marquart seconded, and the meeting was adjourned at 6:30pm.

Respectfully Submitted:

Susan Rule, Secretary Pro-Tem