

VRMDWCA Board Meeting minutes  
Monday, June 3, 2024, 4:00 PM (MST)  
LaFehr/Marquart Home (7 Hermosa Ln) and Zoom

1. **Call to Order and Certification of a Quorum:** Audrey LaFehr called the meeting to order at 4:06 pm. Betsy Garside certified a quorum with eight voting board members present in the room or on Zoom.

**Board members present:** Audrey LaFehr, President; Wendy Pierard, Vice President; Laurent Cavalie, Treasurer; Betsy Garside, Secretary; Steve Marquart, Susan Rule, Chris van Schayk, Harvey Simon.  
**Adjuncts:** Kevin Pierard, Kristi Brislawn.

**Community members present:** David Arnett, Valerie Arnett, Teresa Baysden, Bill Daily, Caroline Cavalie, Anthony Moore, Harley Rinzler, Bo Sanford.

**Others present:** Dennis Trujillo, III-D

2. **Approval of Minutes from the February 22, 2024 Meeting:** Chris van Schayk moved that the board approve the minutes of the February 22 meeting; Wendy Pierard seconded. The motion passed unanimously.
3. **Financial Report and Budgets:** Laurent Cavalie had emailed reports and budgets to the board, and showed them on the screen for those in the room and on Zoom. He noted the Association has \$1.7M in the bank, \$600,000 of which is in a CD. The CD expires June 20, and will ultimately yield about \$27,000. Cavalie is considering renewing for \$500,000 rather than \$600,000 to free up cash; he expects next year's rate to be about the same as this year at 4.87 percent.

**Operating** income is tracking a bit higher than budget (based on water overages and transfer fees). Service fees are higher than expected due to increased use of the water-master's time. System maintenance is \$6,000-\$7,000 above budget due to several breaks and well maintenance; Wells 5 and 7 were just fixed. The operator of the SCADA system forgot to invoice VRMDWCA last year, so the Association will pay twice this year. Operating budget will be approximately \$10,000 over for this year, causing reserves to end up below \$100,000. The system has been operating in the red for the past couple of years.

One new expense: The New Mexico Department of Finance now requires that the Association enter quarterly numbers online. In order to do that, the Association must have a current audit. This audit needs to be done by a state-approved auditor; estimates are about \$8,000 for auditor plus CPA to manage the process.

**Capital** budget reflects installation of 2-4 of the smart meters. The Association is installing transponders to remotely read the water level of the wells. A pump failure on Well 2 was repaired this month with an unbudgeted \$30,000. The big number in this budget is \$475,000 for a new well to increase production. This number includes all elements (hydrology, permitting, drilling, and all certification/testing, etc.). Developing a new well will take more than one year, with a spend stretching over two years. If approved at the annual meeting, this new well would be operational at the end of 2025.

**Assessment** calculations: The Association replaces capital reserves at about \$100,000 per year (including the \$25,000 from the CDs). Incorporating costs for a new well, the capital reserves will go down to about \$526K; it will take four years to get back to the current level of reserves. Cavalie recommends keeping

the capital assessment where it is at \$1,400 (for developed lots) and increasing operating assessments to cover persistent budget gaps:

**Current:**

\$550/undeveloped lot  
\$1,150/developed

**Recommended:**

\$750 – undeveloped lot  
\$1,500 – developed

Van Schayk moved to accept the budget and assessments, Marquart seconded. The motion passed unanimously.

4. **Resolution and Approval of Third Quarter Budgets:** This is the reporting required by the New Mexico Department of Finance. The Association will also need an approval at the end of June, but after that the information will be put into the portal. Van Schayk moved to accept the resolution and approval of third-quarter budgets, Garside seconded. The motion passed unanimously.
5. **Water Master Report:** Dennis Trujillo reported that April had seen water usage double, and in early May the tank level was down to 11 feet. He went house-to-house to identify high-water-use issues, identifying several leaks. Well 5 was already down; in his investigation Trujillo found Well 7 electrical system was defunct. Wells 5 and 7 are now back on line, and the tank is close to the 26-foot mark. The system has been flushed and chlorinated; Trujillo is continuing to monitor. All noted that smart meters will make this kind of sleuthing less labor-intensive. Trujillo suggested a note to the community to monitor their irrigation systems, and to keep an eye on infiltration rates (sand, etc.) which can jam valves open.

The system is aging; the board discussed potential issues with electronics in Wells 1, 5 and 7. A question arose about balancing repairs to old wells with the development of the new well. The general sense is that there should be a combination of the two, for further discussion, but that the priority for fixes is to order the list from best-producing well down to the worst.

Trujillo will be meeting with a potential drilling company soon to discuss new well. Installation of smart meters should happen over the timeframe of June to August, now that all wells are functioning.

6. **Materials for Annual Meeting Mailing:** The board acknowledged it had simplified the proxy form, which was discussed by email.
7. **Nominating Committee Report:** The nominating committee presented the proposed list of board members and officers for the next year:

Officers

- President - Wendy Pierard
- Vice President - Audrey LaFehr
- Treasurer - Laurent Cavalie
- Secretary - Betsy Garside

Directors

- Kristi Brislawn
- Kevin Pierard
- Stephen Marquart
- Harvey Simon
- Christian van Schayk

Adjunct Directors

- Anthony Moore
- Stephen Warren

Simon moved that the slate be approved as submitted, van Schayk seconded. After questions and discussion of how the committee worked to select the slate, the motion passed unanimously.

8. **Any New Business:** There was no new business.
9. **Adjourn:** W. Pierard moved that the meeting be adjourned, van Schayk seconded. All in favor, the meeting was adjourned at 5:35 p.m.