

El Creston Mutual Domestic Water Consumers' Association
Board Meeting Minutes
January 5, 2012 7pm 89 Roadrunner Road

Present: Mitch Barker, Ken King, Juan Lucero, Karyl Lyne, Rudy Nolasco, Jim Peters, Gene Solyntjes, Blanca Surgeon, Joe Zebrowski

1. **Call to order and proof of quorum** The meeting was called to order at 7:07 pm an a quorum established with four board members present.
2. **Proof of notice of meeting** Meeting announcements were in the usual places.
3. **Approval of Agenda** - Agenda approved Jim/Gene
4. **Approval of previous meeting minutes** Dec. 1, 2011 minutes were approved with the addition of Mitch Barker's name. Joe/Gene
5. **Treasurer's Report** Jim reported a cash balance as of 12/31/11 of \$14,946.01. The first attachment labeled Operating Budget as of 1/5/12 shows the cash activity for 2011 and the budgets developed for the Water Trust Board application for 2012 and The second, third and fourth attachments are the GAAP (generally accepted accounting principles) financial statement for 2011. The Board voted to approve the 2011 financial statement and adopt the 2012 budget as presented by Jim. Joe/Gene

Additionally Jim reported that 1) we had 6 water deliveries in Dec.; 2) Ric Valenzuela is being paid for driving the truck and is therefore eligible for worker's compensation insurance; 3) that all tax returns and reports for the year-end have been filed except the employee's W-2s; 4) the D&O (directors & officers) insurance has been paid and will take affect immediately; 5) Jim continues to send monthly statements for one account in arrears for a water delivery in Sept.; and 6) Jim asked about the status of the lettering for the truck.

6. Old Business

- a. **El Creston request to Governor for emergency declaration** Joe will pursue this with the County Emergency Director to get a statement of support from the County. If that is not forthcoming, we will pursue Senator Griego's offer to take the request directly to the Governor's Office. Should this occur, we will inform the County of our action.

Blanca suggested that we prepare a file or "storybook" detailing as many aspects of our situation as possible with news releases; photos of wells, tanks, the water hauling truck, the cattle cube trucks, for sale signs, and abandoned homes; affidavits of residents who have lost their wells telling the kinds of burdens that has placed on them and their families; maps of the area showing the dry wells; the fire danger

posed to the area because the Sheridan Volunteer Fire Department has no water with which to fight fires and the incidence of two serious fires in the last six months; the actions taken thus far by El Creston to assist area residents with our water hauling service and our efforts to involve the whole community in water conservation, as well as the development of a comprehensive plan to create a community water system. This storybook will be created and presented to a variety of funding agencies and the Governor's Office to underscore the financial, emotional, physical impact of the water loss on human life in our community. Joe will work on this project.

- b. **Water Rights Brochure idea** Ken and Joe have reviewed the draft of this and will work with Mitch on completing this project.
- c. **Memorandum of Agreement w/ City of Las Vegas** -- Joe will go back to Ken Garcia to push for the MOA (legally binding). The City prefers an MOU (not legally binding). Joe thinks we need someone above us to "broker" this like Richard Rose or someone from NMFA. Pursuit of the shows El Creston's desire to collaborate and cooperate with the City.

7. New Business

a. Review of current and planned funding applications

- i. **CDBG** -- Application was submitted by Ramon in Dec. the second time.
- ii. **Water Trust Board** We made it through round one. We should know if we make round two by Jan. 16, the beginning of the legislative session.
- iii **Next Steps**

The Bureau of Reclamation may be a direction we could go to fund the 2nd well.

We can put in another application with the WTB in October, but we need to have match monies for it like the USDA emergency monies which can be applied for any time. So if we applied now for those monies, we'd hear by March if we got them and they would be awarded in July or so and could then be used for the match required by WTB application in October.

Another possibility is to apply for county CDBG construction monies often used for roads. Blanca and Melanie have worked on one of these with Glorieta and Santa Fe County and got it.

This is an election year and thus a good year to apply to USDA.

- b. **Board Training needs** Gene will review the Board training requirements and what we need to be trained in in the near future. Jim has developed a listing of all of the various federal and state reporting requirements and dates.
- c. **Rural Community Assistance Corporation Technical Assistance Requirements** Blanca reported that for RCAC we simply need to agree on what we will be working on together for next year which is funding.
- d. **Next steps for amending joining fee and establishing assessment** Joe suggested that the Board have a work session to determine these fees. We're ahead on this because we have the financial reports which show our income and expenses and clearly indicate that our joining fee of \$25 is not covering the cost of the \$45 Quit Claim filing fees and the administrative costs of the Association. Joe said he would like a listing of all of the various scenarios of membership (members connected to the system, members but not connected to the system, members with no well, members with wells, multiple households on one well, etc) as we consider changing the joining fee. Blanca suggested we talk with West Rim MDWCA (Taos), because they have been through this process and would have a lot of information and advice to share. Gene visited this group in Dec. and echoed Blanca's comments saying they were most eager to meet with us to share their experiences.

The establishment of an assessment for members can take a variety of forms, but it needs to be established now to provide ongoing revenue to the Association. We also need to develop an implementation strategy for these two changes. Blanca pointed out that the most important part of implementing these fees is that they are clearly defensible and suggested we would be wise to keep them as simple as possible. In developing budgets for 2012 and 2013 the board has discussed making the joining fee \$50 to cover the cost of enrolling a household in the association--\$45 filing fees plus \$5. The annual assessment for members will be determined by looking at the projected expenses of the Association and the number of members. The more members there are the less it will cost each member. It will also be necessary to begin consideration of the rates we will charge households connected to the system.

It was decided that we would invite the West Rim folks down to meet with us on Saturday, January 28, perhaps over lunch and then we'll have a Board meeting after that meeting to develop the fee structure. This meeting will, of course, be open to anyone who wishes to attend it. The specifics of time and place will be disseminated as soon as they are set.

e. **Water emergency update**

- i. Number of households that have lost water There was a report of another family leaving the area because of the water situation. That needs to be confirmed.
- ii Status of information gathering--Joe will visit with Mr. Tenorio regarding his dry community well and possible assistance from El Creston.

f. **Water hauling**

- i. Review of current needs and activities Six deliveries were made in Dec. for a total of 125 in 2011.
- ii. New driver A new driver has been identified and will go with Ric on Monday to make water deliveries.

g. **Membership drive update/number of members** Rudy reported that Louis Garcia and Anna Aragon, neighbors on either side of him, are ready to join the Association. Rudy will take the membership papers to each of them. We need a new push for members in the next few months.

h. **Cloud-based information system** Jim reported that the online information management system being created by one of his students for El Creston is up and ready for documents and membership information to be loaded. This will be password protected and will allow board members to view El Creston documents and membership information at any time. Jim said the designer will also be adding an accounting component which may be integrated with the membership component. Karyl will load documents and membership information.

8. **Adjourn** Meeting adjourned at 8:40 pm.

Respectfully submitted,

Karyl Lyne, Secretary

Next meeting: Thursday, February 2, 2012 7:00 pm 89 Roadrunner Road