

BRAZOS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, INC.

2021 Annual Newsletter

P. O. Box 92945
Albuquerque, New Mexico 87199
Website www.bmdwca.com

Annual Meeting of the Brazos Mutual Domestic Water Consumer's Association, Inc. (BMDWCA) was canceled due to the COVID-19 issue not being able to have more than 10 people present. This letter is to advise the community and update everyone on the actions taken to continuously run the water board activities.

As many of you know, 2020 came with some huge challenges. Many have lost loved ones, suffered from the virus themselves, and altered our way of life beyond our wildest expectations. The board did the best we could to plan ahead, trying to anticipate the Governors orders. After a year, we are still in various forms of lockdown and restrictions throughout the State as we speak. The board has been meeting regularly via conference calls however, we have never gotten the green light to have a formal in person Annual Meeting. With a 10-person limit, we chose to cancel the meeting once again in 2021. There were other Coop's throughout the State that chose to take the same action, including NORA. This decision presented new challenges for the board. So based on these decisions, we were not able to conduct a formal election in 2020, as well as in 2021. All of the current board members have agreed to stay on and conduct board business regardless of their terms, so we are all still in place, doing what we can to keep the BMDWCA in full operation. There are six (6) board members whose term has expired, and three (3) that will expire in 2022. We are planning to have an Annual Meeting next Spring (2022) along with new elections for the board. We need you help by putting your name up to run on the board next year. We have included a form that you can fill out and mail back so we can start getting a list of volunteers. We need your help! Many of the current board members have served this community with multiple terms, so it's time for some new faces! We trust you will find this letter informative of the board's actions and progress in the community with regard to keeping our water system flowing.

We did have a board member who sold his property, (Mr. Clay Kilmer sold to his brother Eddie Kilmer) and Eddie was agreeable to be placed on the board to fill Clay's position. I want to take this opportunity to say thank you to the following individuals who served this past year and continue to serve on the Board. Jim Walker (Vice-President), Jay Mason (Treasurer), Marco Lucero (Director), Richard Dramer (Director), Curtis Goodfellow (Director), Clay Kilmer who was replaced by Eddie Kilmer (Director), David Oelschlegel (Secretary), and Arch Wells (Director). They are hardworking, selfless, and very dedicated to making this water system the best it can be, especially with today's circumstances.

Our snowfall once again has been less than desirable in 2020-2021, so it will probably be another dry summer. Thanks to everyone for their conservation to help the Association in getting through 2021. Our system relies on the run off to recharge the water supply.

We **ALL** must conserve and save water every way we can. Remember, no outside watering or car washing. Be sure you have no leaks at your cabin site--especially check for dripping faucets, running toilets, and leaking stop valves.

Web Site

The Association website (www.bmdwca.com) has been up and running with new additional information. We have also utilized the PayPal function for those who wish to pay their water bill electronically. We post information about Board Meetings, and system operational service information to keep everyone up to date. Items posted are upcoming meetings, agendas, draft and final minutes, and the treasurer's report monthly. We will also post urgent messages regarding water conservation when the need arises. Be sure to check in this season from time to time.

Association Background

The BMDWCA is a public water utility with a service area that encompasses approximately 120 acres in the Brazos Canyon. The utility's service area is roughly bounded to the east by Corkin's property, to the south by the Brazos River, to the west by Serenity Drive and to the north by Blue Jay Lane and Hilltop Road. The Association has 129 user members, 16 non-user members and one commercial-user member. The BMDWCA maintains approximately 20,000 feet of water distribution lines and two (2) storage tanks with total storage capacity of approximately 86,000 gallons. The utility derives water from three water wells, and soon to be from the new supplemental well. The utility produces approximately 15 acre-feet of water annually.

The Association is regulated by the New Mexico Environment Department-Drinking Water Bureau in matters of maintaining and demonstrating compliance with regulatory drinking water quality standards and system design, materials and maintenance. The Association is regulated by the New Mexico Office of the State Engineer in matters related to maintaining adequate water rights to meet our demand. The Association is also regulated by the New Mexico Public Utilities Regulation Commission in matters related to authorized service area and rights of way.

By law, we are required to have a budget that allows us to keep track of expenses and income to operate the water system. We are a small water system with limited resources. We obtain finances for operating and maintaining the system from annual fees shared among all Association members. The annual fees are periodically reviewed and adjusted by the Directors to ensure that adequate budget is available for recurring system and financial operating costs, plus reasonable contingency costs for system repairs. Since portions of our distribution system are dated and near or past their design service life, we also maintain a fund to underwrite costs for annual system upgrades and line replacements to ensure a well-maintained system.

Work of the Association is performed by a handful of skilled and dedicated professional contractors, as well as by the generous donation of time by members of the BOD. The Directors ask you to take ownership of your water utility and do your part to ensure we have a good system now and in the future. Consider serving a term on the BMDWCA Board, as we need to relieve those who have served many full terms.

Board of Directors/Terms and Other Personnel

Current BOD members and their terms are summarized as follows:

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
John Hoffman,	President	2020
Jim Walker,	Vice-President	2020
Marco Lucero,	Director	2022
Jay Mason,	Treasurer	2020
Arch Wells,	Director	2021
David Oelschlegel,	Secretary	2021
Eddie Kilmer,	Director	2021
Richard Dramer,	Director	2022
Curtis Goodfellow,	Director	2022

The Association maintains contractual relationships with professionals to operate and maintain the system and to perform financial tasks such as billing and accounting as follows:

<u>Name</u>	<u>Position</u>
Levi Sandoval	Maintenance Operator (under contract)
Gretchen Denman	Bookkeeper
Nick Loftis	Tax Accountant
Deej Banister	Custodian of Records (non-salaried)

Association Financial Summary

The Association operates on a fiscal year that runs from April 1 until March 31 of the following year.

Assets

The Association maintains financial accounts in the New Mexico Bank and Trust and in Fidelity Investments.

The BMDWCA has the following financial assets as of February 28, 2021:

New Mexico Bank and Trust	\$ 8,141.39
Fidelity Cash	\$ 13,558.38
Fidelity Investments:	
Thompson Bond Fund	\$ 4,751.62
FTBFX	\$ 60,532.80
Total Checking and Investments	\$ 86,984.19

Current Liabilities

<u>Loans</u>	<u>Annual Payment</u>	<u>Loan Balance</u>
2000-04	\$5,726.54	\$5,726.54
2005-02	<u>\$1,684.91</u>	<u>\$7,715.95</u>
Total	\$7,411.45	\$13,442.49

Expenses

Average monthly expenses, including electrical power, insurance, contract labor and water treatment chemicals are approximately \$2500. Coupled with debt service costs, we anticipate that the Association's monthly costs are approximately \$4,500. There are other expenses regarding water rights adjudication and audit fees. All of these fees and expenses are part of our budget.

Revenue/Projection Income

The expected income for 2021-2022 will be approximately \$59,625 from the following sources:

Non-User Fees	\$ 1,760.00
User Fees	\$ 56,115.00
Commercial Fee	\$ 750.00
Investment	\$ 1,000.00

Financial Audit

State law requires that an audit be performed every year to comply with the requirement set forth in New Mexico Environment Department-Drinking Water Bureau Regulations. The Association retained the Hinkle & Landers Group to perform the Audit for years 2018-2019 and the group is currently working on 2020 and beyond.

Addresses/Phone Numbers/Property Changes

Members are obligated to keep contact information current. Please notify the Association of any changes in mailing and email addresses, phone numbers, and property transfers. Our bookkeeper keeps

the email list. This will allow us to send out important and timely notices regarding the Association and urgent bulletins.

Water Rights

We are continuing to work on the ongoing 40-year water rights plan with the State Engineer's office.

Fire Hydrant Testing/Water System Flush

Yearly, the Volunteer Fire Department and the Association's maintenance operator team-up to flush the water lines and test the fire hydrants. Flushing the water system may result in temporary discoloration of the water due to the mineral sediments collecting in the water lines over the year. The Directors recommend that you store some drinking water so that you have some available if water becomes discolored after the testing. If you have any questions, do not hesitate to contact a Board member.

Water Conservation

Our water system has limited storage and well capacity. On weekends and holidays when most residents are in the Brazos, it is a struggle to keep up with demand. Even small leaks can rapidly deplete our system. The Board earnestly asks every member to refrain from wasting water and to identify and fix residential leaks.

Shut-Off Valve Compliance

Each meter vault is equipped with a valve that is intended to disconnect your water service only in the event of an emergency. It is your responsibility to maintain water line infrastructure for plumbing on the user's side of his/her designated water meter. In 2012, the Board issued a requirement that all users must have a functioning user-owned shut-off valve for his/her service by 8/20/2014, Rules and Regulations, VIII.5. Problems with leaks in our system are an ongoing concern. This year the Board will continue checking all members shut-off valves for compliance. Those who have not installed the required valve or the valve is not working properly, will be locked out until compliance is met. The water meter valve cannot be the only shut-off valve on a water line.

New Well

Last year we contracted with an Albuquerque Engineering firm and got the new supplemental well drilled. It is around 250' deep and was producing an average of 5GPM. The well is next to the Upper Tank. The board has secured a low interest loan from the State which has been approved. Our next steps are to get the final well permit (summer of 2021) which is in progress, and work with Sierra Engineering to get the power, chlorination, and plumbing from the well to the tank. Once operational, this well should help us, especially on high demand weekends. We hope to have this project completed by the summer of 2022, if not sooner. A very special thank you to Clay Kilmer. Clay has been instrumental in helping us move this project along.

If you have any questions regarding your water service, do not hesitate to contact a Board member.

Thank you

John Hoffman
President

Brazos Mutual Domestic Water Consumers' Association, Inc.