

Tranquillo Pines MDWCA Board and Member Open Meeting

December 19, 2025

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Agenda

- Review Minutes from November 20th Board & Member meeting
- Officer Reports
- Unfinished Business
- New Business
- Member discussion and questions
- Adjournment
- Membership Transfers/Recalls

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Tranquillo Pines MDWCA President's Report

December 19, 2025

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President's Report

- Update on water losses and leak detection
- Status of PER
- Manager in training
- Level 2 operator search
- Asset Management Plan

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Tranquillo Pines MDWCA Vice-President's Report

December 19, 2025

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Vice President's Report

- Over \$2M in funding asks this calendar year
 - No guarantees
- Capital Outlay - \$950k
 - April approval, September award
- Office of the State Auditor request for financial assistance
 - Tier 6 AUP anticipated \$7k-\$15k
 - Under review by OSA
- WTB application – \$1.1M
 - Readiness to Proceed Application due January 22nd

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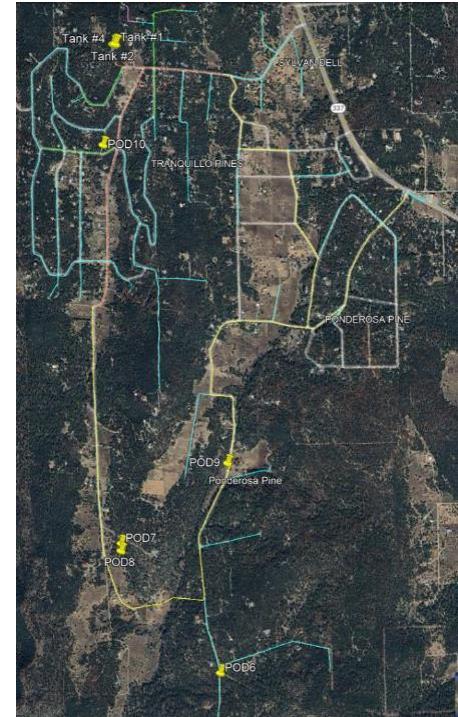
Tranquillo Pines MDWCA Secretary's Report

December 19, 2025

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Administrative Compliance Order

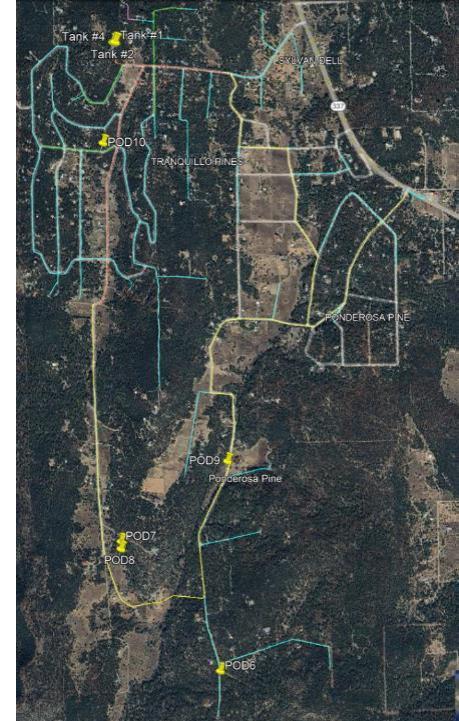
- As of 6/4/2025, Well #7 is still in violation at 4.8 mg/L
 - (4 mg/L maximum)
- As of 8/1/2025 the TPMD is out of compliance, and we are under an Administrative Compliance Order (ACO) No. 2024-ACO-07 (See next slide.)**
- NMED recommends drinking and cooking with bottled water, especially children**
- The highest concentrations from #7 are southern Skyland
- The Board has been working with NMED and now Horrocks on potential solutions
- The Preliminary Engineering Report will address this issue as the highest priority.



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ACO No. 2024-ACO-07

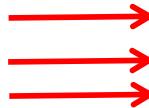
- NMED requires that we submit a Proposed Action Plan **ASAP** that includes:
 - A detailed description of the remaining steps necessary to achieve compliance with the fluoride MCL requirement under 20.7.10.100 NMAC and 40 C.F.R. § 141.62(b)(1)
 - Tentative start and completion dates for each step
 - Key milestones, including completion of the Preliminary Engineering Report (PER), design selection, funding approvals, construction start, and anticipated operational date of the selected fluoride treatment solution
 - Identification of responsible parties for each milestone
 - Any anticipated challenges or dependencies that could impact timely completion
- **Horrocks will help us prepare this plan**



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ACO No. 2024-ACO-07

- Proposed Action Plan
- SWEFC/UNM/Horrocks



ONGOING AND PROPOSED ACTION PLAN	
Action Item	Estimated Date of Completion
1. Began working with technical assistance provider (Southwest Environmental Finance Center)	April 2025
2. Conversion to MDWCA from private water system	Completed June 2025
3. Kick-off meeting with engineering company (Horrocks) for PER for fluoride removal and pressure issues, along with system water modeling	7/28/25
4. Engineering Site Visit (Field Meeting)	8/18/25
5. Water Trust Board Application Submitted	9/11/25
6. Water Trust Board Hearings	10/1/25
7. Draft PER (Horrocks)	Mid-November 2025
8. Finalized PER (Horrocks)	End of December 2025
9. Asset Management Plan (SW EFC)	End of December 2025
10. Rate Study (RCAC)	End of December 2025
11. Solicitation of funding for design and construction (Various)	Ongoing 2025 and 2026
12. Design (TBD)	By June 2026
13. Bid Phase (TBD)	By August 2026
14. Construction (TBD)	Fall 2026-Spring 2027 (9+ months)
15. Startup of fluoride removal treatment system, electrical, Contractor Substantial Completion achieved	June 2027
16. Contractor closeout	July 2027
17. Treatment system verification samples, achieve compliance	August 2027
18. Owner and NMED DWB project closeout submittals	October 2027
19. Receive NMED DWB Certificate of Project Completion	November 2027
20. Submit letter to NMED DWB Enforcement Coordinator requesting termination of Administrative Order	November 2027

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- ACO No. 2024-ACO-07

- Extension from NMED approved with Proposed Action Plan

Key milestones outlined in the plan include completion of the Preliminary Engineering Report, Asset Management Plan, and Rate Study by the end of 2025; design and bidding phases through 2026; construction of the fluoride removal treatment system from fall 2026 through spring 2027; and system startup, compliance verification, and project closeout by November 2027.

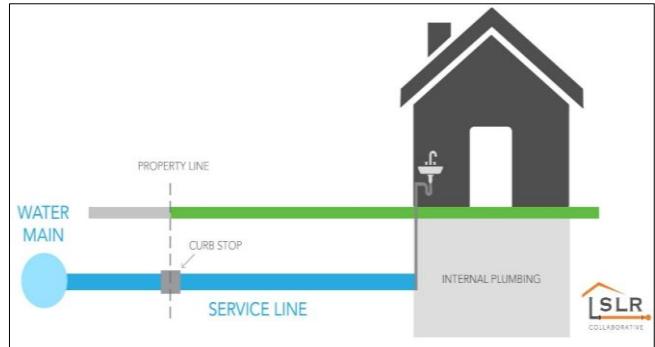
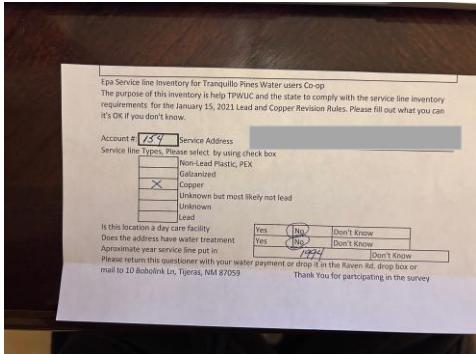
NMED has reviewed your request and agrees to extend the deadline currently found in Paragraph 11 of Administrative Compliance Order No. 2024-ACO-07 from July 31, 2025, to November 30, 2027.

This extension is granted with the understanding that the system will continue to implement the outlined improvements and will promptly notify NMED of any additional changes, delays, or challenges that may arise in returning the system to full compliance. If the Tranquillo Pines Water Users Coop does not reach compliance with the fluoride MCL by November 30, 2027, NMED may assess civil penalties of up to one thousand dollars (\$1,000) for each instance of noncompliance, consistent with the Department's enforcement authority.

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- Compliance items

- NMED Lead Service Line Inventory – due December 31st, 2025
 - Residence's that report unknown material for service lines
 - 35 follow up notices
- RCAC rate analysis – due December 31st, 2025
 - Requested commentary on water hauling provided



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Tranquillo Pines MDWCA Treasurer's Report

December 19, 2025

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Financial Overview

November Financial Summary					
Total Revenue	Prior Mo Avg	Total Expense	Prior Mo Avg	October Closing Balance	November Closing Balance
\$37,600	\$47,600	\$28,600	\$43,400	\$52,100	\$61,200
Water Hauling	Prior Mo Avg	Contractor Repairs	Prior Mo Avg	Parts and Equipment	Prior Mo Avg
\$5,200	\$22,500	\$6,100	\$4,500	\$4,600	\$2,300
\$1,300 December thus far					

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NM3561101		TPWUC											Cash Flow Worksheet												
		Budget	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov												
Revenue																									
Customer Payments	\$ 562,087	\$ 42,045	\$ 45,070	\$ 53,440	\$ 38,731	\$ 50,831	\$ 52,901	\$ 52,102	\$ 47,168	\$ 42,165	\$ 52,431	\$ 37,603													
Bank Fees and RTN check fees	\$ -	\$ (17)	\$ (18)	\$ (18)	\$ (16)	\$ (192)	\$ (406)	\$ (574)	\$ (774)	\$ (15)	\$ (170)	\$ (14)													
Interest Income		\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ -													
Investment Income		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -													
Past Due Accounts		\$ -	\$ 20,969	\$ 17,696	\$ 15,697	\$ 14,585	\$ 17,397	\$ 8,469	\$ 10,222	\$ 11,744	\$ 13,025	\$ 13,889	\$ 10,643												
Total Revenue		\$ 562,087	\$ 42,030	\$ 45,052	\$ 53,423	\$ 38,716	\$ 50,640	\$ 52,496	\$ 51,528	\$ 46,394	\$ 42,150	\$ 52,461	\$ 37,589												
Expenses																									
Fixed Costs (Indirect)																									
Debt Service	\$ 5,108	\$ -	\$ -	\$ 1,277	\$ 1,277	\$ 1,277	\$ -	\$ 2,554	\$ -	\$ 1,277	\$ -	\$ -													
Manager Salary	\$ 33,600	\$ 1,400	\$ -	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 3,440	\$ 2,800	\$ 2,800												
Water Rider Salary	\$ 33,600	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800	\$ 3,728	\$ 2,940	\$ 2,940												
Payroll Taxes	\$ 5,000	\$ (523)	\$ (259)	\$ (501)	\$ (506)																				
Billing Software, Website service	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 759	\$ -	\$ -	\$ -	\$ 16	\$ 11												
Postage	\$ 2,000	\$ 108	\$ 112	\$ 168	\$ 768	\$ 168	\$ 56	\$ 200	\$ 132	\$ 189	\$ 183														
Rent - Storage	\$ 2,400	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200												
Rent - Office	\$ 4,800	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400												
Utilities - Electric, phone, internet	\$ 19,000	\$ 1,627	\$ 1,530	\$ 1,456	\$ 1,520	\$ 1,364	\$ 1,376	\$ 1,670	\$ 1,473	\$ 1,568	\$ 1,538	\$ 1,580													
Tank Maintenance	\$ 15,000	\$ -	\$ 1254	\$ 2,509	\$ -	\$ 2,859	\$ 1,605	\$ 1,254	\$ 2,509	\$ -	\$ 3,764	\$ -													
Insurance BOD Liability annual (Higginbotham Ins)	\$ 1,000	\$ -	\$ -	\$ 963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -												
Insurance TPWUC Liability annual (Cincinnati Ins)				\$ 907	\$ 25	\$ -																			
Insurance - Workmans Comp monthly NM Mutual	\$ 2,400	\$ -	\$ 198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -												
Insurance - Vehicle monthly Farmers Ins	\$ 1,200	\$ 49	\$ 109	\$ 270	\$ 125	\$ 224	\$ 249	\$ 241	\$ 119	\$ 213	\$ 328	\$ 259													
Fuel Only	\$ 1,200	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -												
Truck Maintenance	\$ 6,500	\$ 538	\$ 54	\$ 54	\$ 538	\$ 538	\$ 538	\$ 538	\$ 562	\$ 538	\$ 544	\$ 2,153													
Permits & other fees (SOS filings)		\$ -	\$ 271	\$ -																					
Financial Audit	\$ 3,000																								
Dues (NMRWA, WARN) annual	\$ 700	\$ 321	\$ -	\$ 236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16	\$ -												
Office Supplies	\$ 1,000	\$ -	\$ -	\$ 130	\$ 1,442	\$ -	\$ 33	\$ 41	\$ 100	\$ 15	\$ 32	\$ 46													
Operator Fee	\$ 6,000	\$ 531	\$ 531	\$ 531	\$ 531	\$ 1,061	\$ 531	\$ 531	\$ 531	\$ 531	\$ 531	\$ 531													
Facilities and Emergency Fund	\$ 24,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -												
Total Fixed Costs		\$ 166,208	\$ 7,749	\$ 7,008	\$ 13,338	\$ 13,235	\$ 13,766	\$ 11,972	\$ 13,327	\$ 11,888	\$ 12,250	\$ 13,516	\$ 11,378												
Variable Costs (Direct)																									
Labor and System Testing overtime	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -												
Technical Support	\$ 5,000	\$ -	\$ 38	\$ -	\$ 710		\$ 199																		
D & M																									
Parts, Supplies, Equipment	\$ 10,000	\$ 1,516	\$ 1,349	\$ 1,447	\$ 174	\$ 1,083	\$ 2,420	\$ 243	\$ 5,600	\$ 3,338	\$ 5,384	\$ 4,603													
Contractor Repairs	\$ 45,000	\$ 2,163	\$ 2,000	\$ 8,172	\$ 1,179	\$ 1,121	\$ 2,117	\$ 3,877	\$ 5,489	\$ 16,087	\$ 3,045	\$ 6,064													
Water Hauling	\$ 200,000	\$ 27,087	\$ 35,573	\$ 30,954	\$ 21,119	\$ 24,567	\$ 18,102	\$ 25,141	\$ 21,138	\$ 14,654	\$ 6,896	\$ 5,172													
Gross Receipt Tax	\$ 10,500	\$ 2,031	\$ -	\$ 933	\$ -	\$ 1,709	\$ 899	\$ 892	\$ 674	\$ 842	\$ 854	\$ 846													
NM State Tax	\$ 4,500	\$ 307	\$ 141	\$ 74	\$ 117	\$ 315	\$ 217	\$ 217	\$ 501	\$ 79	\$ 217	\$ 428													
Federal Taxes	\$ 10,000	\$ 778	\$ 454	\$ 694	\$ 1,449	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,249	\$ 1,587	\$ 1,070													
Conservation Tax	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -													
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -													
Total Variable Costs		\$ 288,800	\$ 33,881	\$ 39,755	\$ 42,274	\$ 24,748	\$ 29,828	\$ 24,788	\$ 31,741	\$ 34,435	\$ 36,249	\$ 17,983	\$ 18,183												
Total Expenses		\$ 455,000	\$ 41,631	\$ 46,763	\$ 55,613	\$ 37,982	\$ 43,594	\$ 36,760	\$ 45,068	\$ 46,323	\$ 48,499	\$ 31,499	\$ 29,561												
Net Revenue		\$107,079	\$399	\$51,710	\$52,190	\$734	\$7,046	\$15,736	\$6,460	\$71	\$6,349	\$20,762	\$8,028												

Tranquillo Pines MDWCA Manager's Report

December 19, 2025

Manager's Report

- Maintenance and repairs
- Tank level and Pump logs
- Accounts in arrears
 - Disconnect notices and membership recalls

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• November Tank Level

Date	Tank Levels (ft)				Gallons Hauled	Feet Leveled	Time	Notes on Leveling - Tank levels Before/After
	1	2	3	4				
11/1/25	-	32 1/2	12.82	13 3/4	-	-	8:15	leveled late yesterday
11/2/25	-	27	12.8	13 3/4	-	4.3	8:35	Tank 2 leveled adjusted
11/3/25	-	27	12.8	13 3/4	8000	3.8	8:40	2 loads to #2
11/4/25	-	27	12.8	13 3/4	4000	1.6	8:15	1 load to #2
11/5/25	-	27	12.8	13 3/4	4000	2	8:05	
11/6/25	-	27	12.8	13 3/4	4000	1.8	8:10	
11/7/25	-	27	12.8	13 3/4	4000	.7	8:15	
11/8/25	-	27	12.8	13 3/4	-	.4	8:10	lose 450-500 gallons last night in 12 hr.
11/9/25	-	27	12.8	13 3/4	-	1.8	8:15	
11/10/25	-	27	12.8	13 3/4	4000	2.7	8:30	
11/11/25	-	27	12.8	13 3/4	-	-	8:15	Not transfer N. Lands
11/12/25	-	27	12.8	13 3/4	16000	2.1	8:50	transferred water from #4 bottom hole of 1 on
11/13/25	-	26	13.0	13 3/4	-	-	8:15	
11/14/25	-	26	13.22	13 3/4	4000	-	8:15	1 load into Tank 2
11/15/25	-	27	13.42	13 3/4	-	-	8:15	
11/16/25	-	27	13.10	13 3/4	-	-	8:15	
11/17/25	-	27	13.10	13 3/4	4000	2.3	8:15	1 load to Tank 4 well 9 off line at 11:50
11/18/25	-	27	13.10	13 3/4	4000	2.8	8:15	1 load to Tank 4 line off at 10:15
11/19/25	-	27	14.8	27 1/4	-	-	8:15	
11/20/25	-	27	15.25	27 1/4	-	-	8:15	
11/21/25	-	27	15.52	27 1/4	-	-	8:15	
11/22/25	-	27	14.86	27 1/4	-	-	8:17	
11/23/25	-	27	15.07	27 1/4	-	-	8:15	
11/24/25	-	27	14.4	27 1/4	4000	-	8:15	1 load to tank 2
11/25/25	-	26	13.53	27 1/4	-	-	8:15	
11/26/25	-	26	14.03	27 1/4	-	-	8:00	
11/27/25	-	25 1/2	14.97	27 1/4	-	1.8	8:35	Thanksgiving Day
11/28/25	-	25 1/2	14.81	27 1/4	-	2.5	8:20	
11/29/25	-	25 1/2	14.77	27 1/4	-	.9	8:15	
11/30/25	-	25 1/2	14.81	27 1/4	-	2	8:40	

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- December 1-17 Tank Levels

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- Pump Logs

Tranquillo Pines Water Users Co-op Pump Log						
PUMP 6		Well depth 460'		Pump at 445'		
Reading	Usage	Water	Change in GPM	Reading	Usage	Water
90,149.800				73,487.100		
January	90,337,400	177,600	429	7.25	January	73,648,100
February	90,498,400	171,000		7.26	February	73,890,800
March	90,671,000	173,700	429	0	March	74,049,500
April	90,833,700	175,300	453	-6	April	74,285,100
May	91,014,900	168,300	452	-3	May	74,420,800
June	91,189,000	175,000	452	7.4	June	74,565,900
July	91,371,400	182,400	431	-1.6	July	74,834,300
August	91,538,900	165,500	443	-13	August	75,005,900
September	91,720,000	183,100	444	-1	September	75,193,800
October	91,885,800	175,800	445	-1	October	75,371,800
November	92,060,400	164,600	445	0	November	75,561,600
December					December	
Totals		1,910,800			Totals	2,074,500

PUMP 10		Well depth 560'		Pump at 535'		
Reading	Usage	Water	Change in GPM	Reading	Usage	Water
2,077,480				1,736,380		
January	2,080,300	240,000	490	5.75	January	181,400
February	2,051,390	200,050		5.75	February	2,071,550
March	2,083,760	267,370	499	-0.95	March	2,234,800
April	3,054,290	245,530	498	0	April	2,388,680
May	3,298,720	244,430	498	1	May	2,535,790
June	3,551,600	252,880	498	1	June	2,684,840
July	3,804,440	252,840	499	-1	July	2,834,930
August	4,057,240	233,000	500	-1	August	2,977,020
September	4,297,340	209,290	500	0	September	3,118,070
October	4,546,010	248,670	500	0	October	3,284,200
November	4,793,190	247,180	500	0	November	3,414,490
December					December	
Totals		2,715,710			Totals	1,678,110

TOTAL GALLONS PUMPED		
YTD	Acres ft	
January	763,920	2.34
February	797,240	1.63
March	799,630	2,360,790
April	765,220	3,126,010
May	745,040	9.59
June	750,530	4,621,580
July	772,360	5,520,000
August	712,860	6,107,170
September	787,280	6,994,450
October	752,600	7,647,050
November	731,870	8,678,920
December	-	8,378,920
Totals	8,378,920	25.71

January	772,360	5,520,000	5.55	January	772,360	5,520,000	5.55
February	797,240	1.63	February	797,240	1.63	February	797,240
March	799,630	2,360,790	2.75	March	799,630	2,360,790	2.75
April	765,220	3,126,010	3.16	April	765,220	3,126,010	3.16
May	745,040	9.59	May	745,040	9.59	May	745,040
June	750,530	4,621,580	14.18	June	750,530	4,621,580	14.18
July	772,360	5,520,000	5.55	July	772,360	5,520,000	5.55
August	712,860	6,107,170	18.74	August	712,860	6,107,170	18.74
September	787,280	6,994,450	21.16	September	787,280	6,994,450	21.16
October	752,600	7,647,050	23.47	October	752,600	7,647,050	23.47
November	731,870	8,678,920	25.71	November	731,870	8,678,920	25.71
December	-	8,378,920	-	December	-	8,378,920	-

August Well 6 new pump and motor installed now running 24 hours 7 days a week

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Accounts in arrears

- Memberships recalled from 3 accounts with 2 being abandoned houses #057, #125. One acct 197 recalled membership owing
- Account #125 property sold with the transfer of water membership, lien or small claims court to recover cost \$2005. For discussion next month
- Account 057 no ownership found recommend lien \$3,405. For discussion next month
- Acct 197 owing \$6445 recommend placing lien. For discussion next meeting
- Account 257, 258 has the same owner on both accounts entered into repayment contract 12/15/2025
- Account 216 sent recall of membership notice 12/16/2025
- A/R list at 17 accounts total cost \$7,179
- I now have a “Past Due” stamp for all bills going out at 60 days past due

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Tranquillo Pines MDWCA Unfinished Business

November 20, 2025

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Unfinished Business

- No unfinished business

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Tranquillo Pines MDWCA New Business

November 20, 2025

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New Business

- Member Liaison Roles and Responsibilities
 - Discussion
- Special Payment Contract
 - Discussion

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Tranquillo Pines MDWCA Discussion from membership

November 20, 2025

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Tranquillo Pines MDWCA Meeting Adjourned

November 20, 2025

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Tranquillo Pines MDWCA Membership Transfers/Recalls

November 20, 2025

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