

# Tranquillo Pines MDWCA Board and Member Open Meeting

February 19, 2026

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## Agenda

- **Introduction of Horrocks engineers and other dignitaries**
- **Preliminary Engineering Report presentation by Karen Perez, P.E., Horrocks (~1-hour)**
- Review Minutes from January 15, 2026, Board & Member meeting
- Officer Reports
- Unfinished Business
- New Business
- Member discussion and questions
- Membership Transfers/Recalls
- Adjournment

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# Tranquillo Pines MDWCA President's Report

February 19, 2026

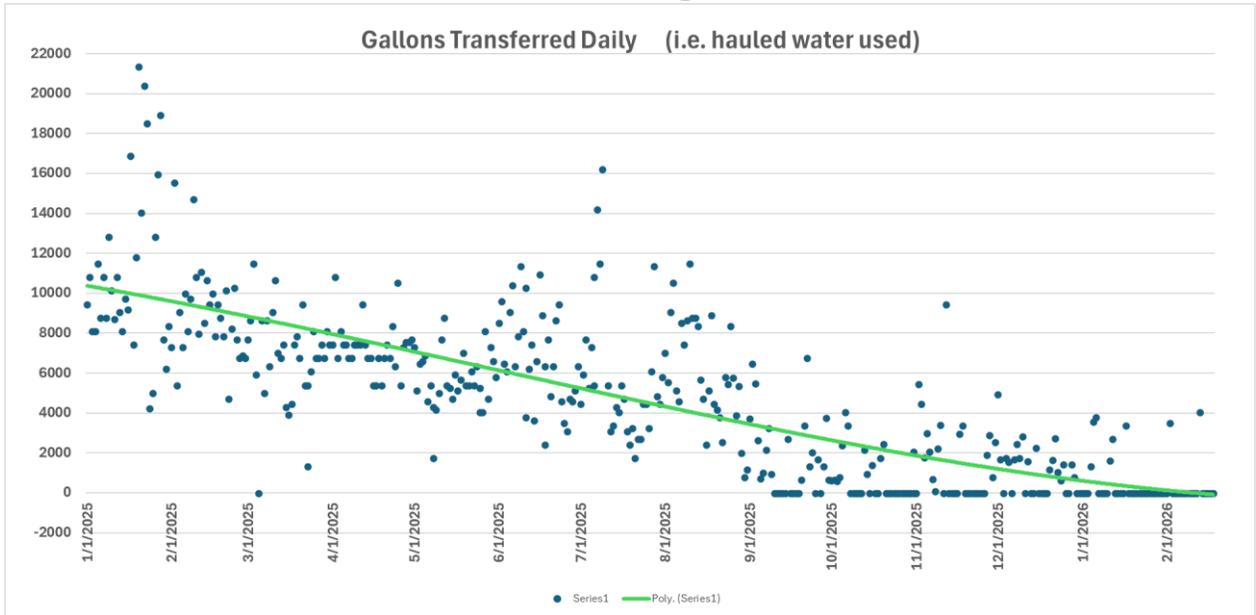
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## President's Report

- Water Trust Board (WTB) readiness review application complete January 21, 2026, now in compliance review period
  - Asset Management Plan (AMP) and Preliminary Engineering Report (PER) Complete
- Need to update easement at POD7 to add/expand building or get a new location
- Manager in training search and Level 2 operator search
- Update on water losses and leak detection
  - Test results for Bobolink and west Raven
  - Upcoming work on Falcon valves, upper Kuhn tests, valve at south Raven and Skyland

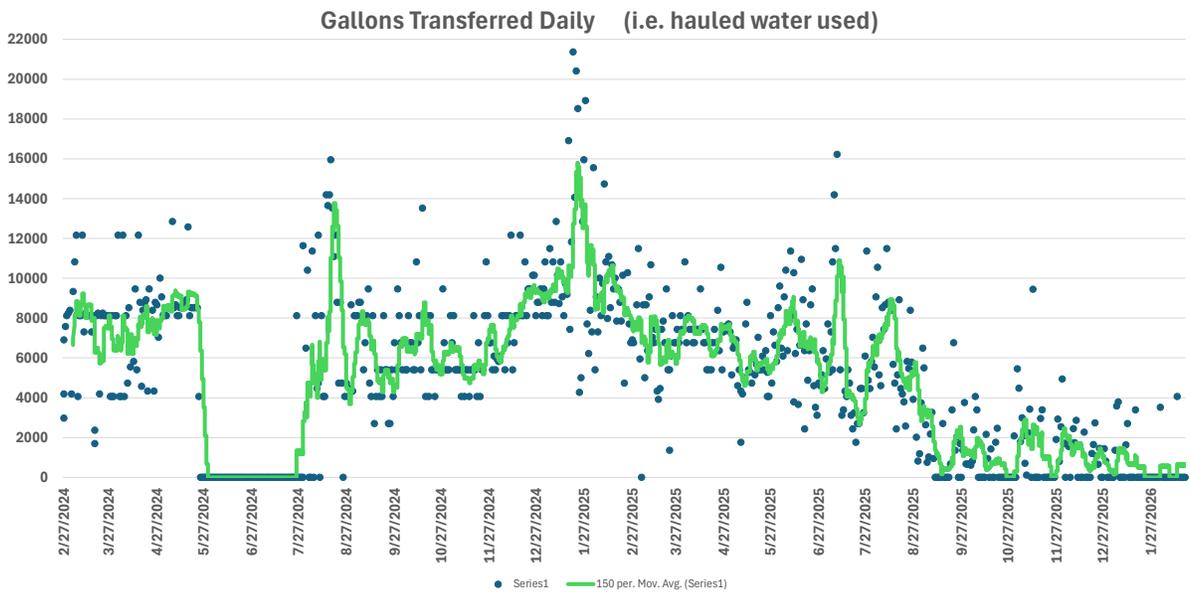
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# Water Losses – Trending Down



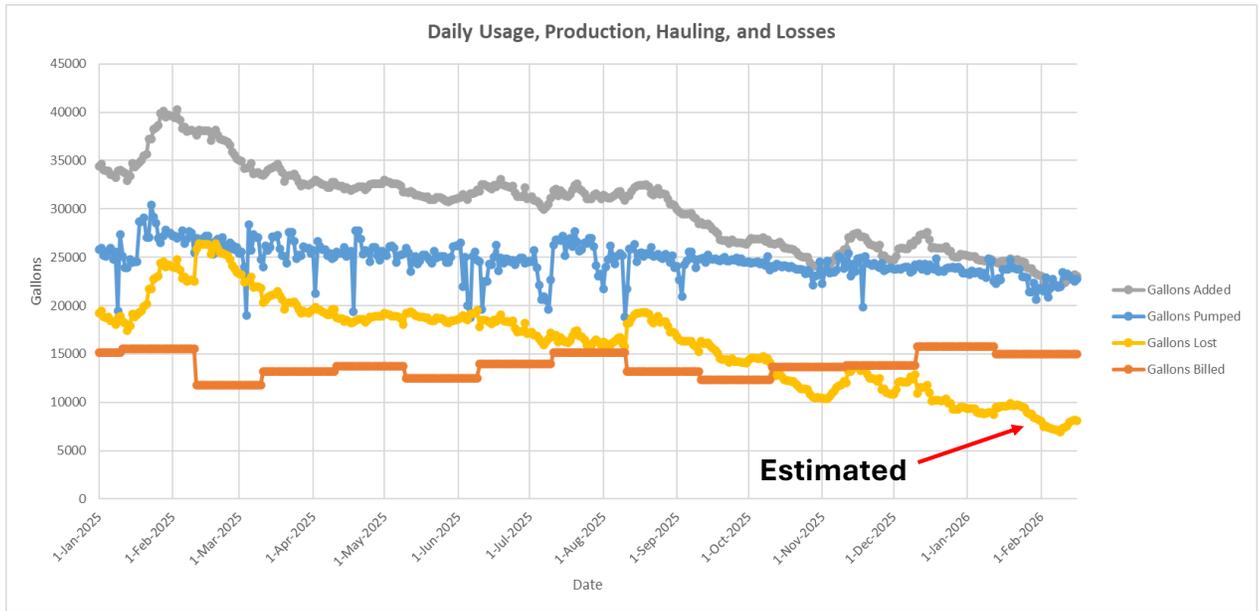
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# Water Losses Over Two Years



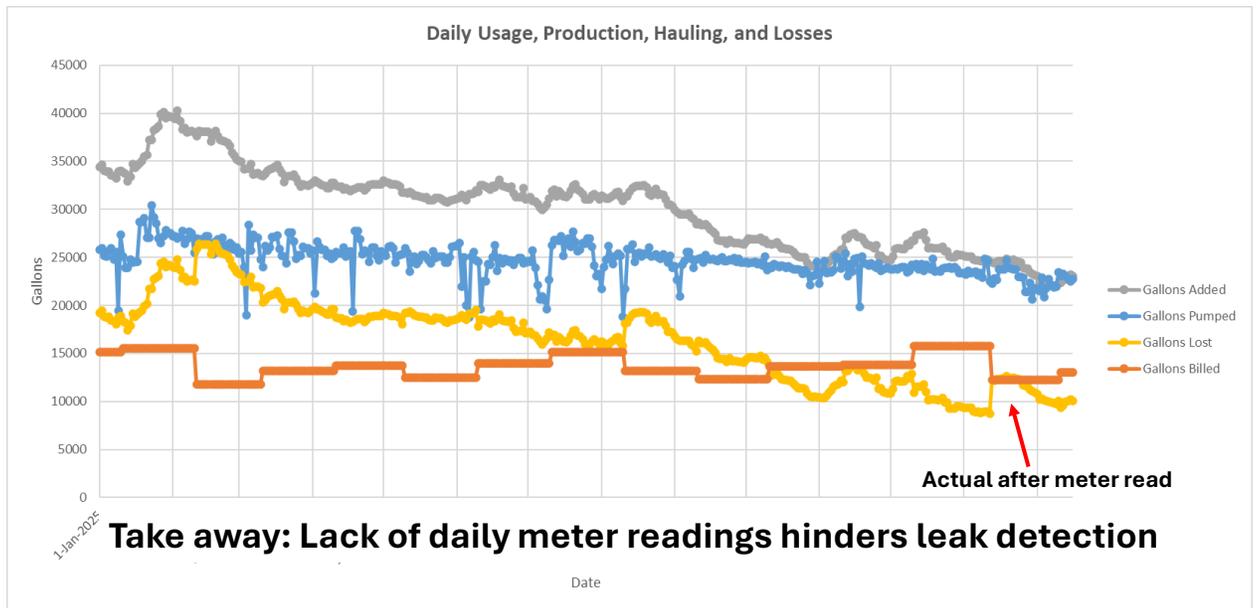
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# Loss Rate Improving – But Still High



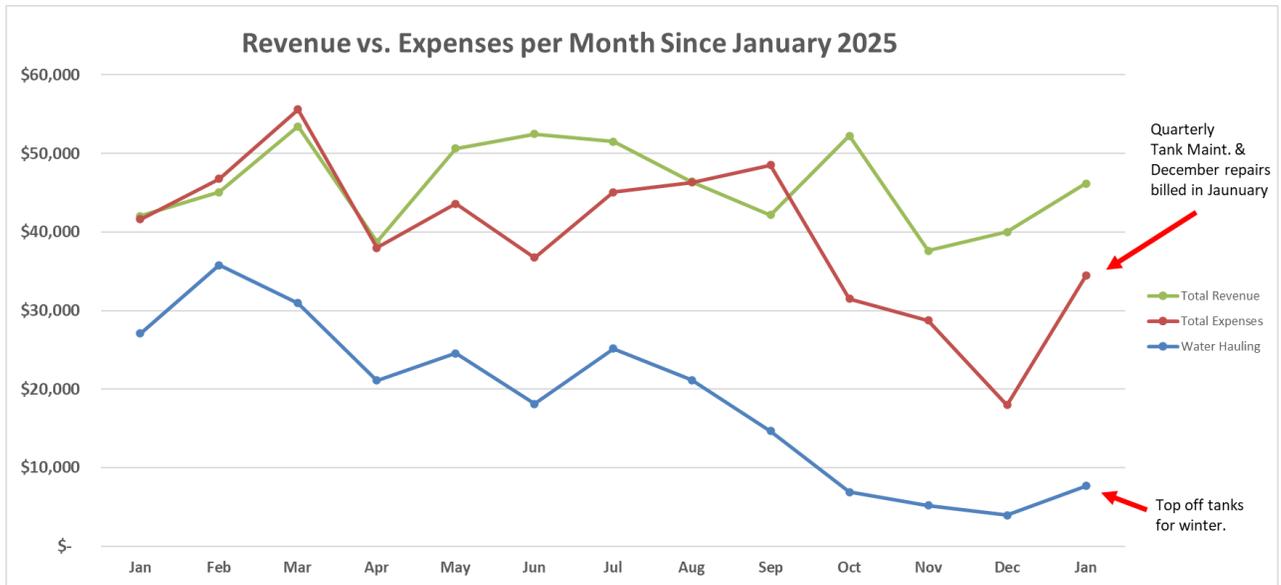
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# Loss Rate Improving – But Still High



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## Expenses – “generally” Trending Down



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# Tranquillo Pines MDWCA Vice-President & Secretary’s Report

February 19, 2026

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# Vice President and Secretary’s Report

- Status of Capital Outlay Request - \$950k
  - April approval, September award
  - Legislative sessions ends Feb 19th
  
- Horrocks and BOD reached out to Senator Ant Thornton and Representative Stephanie Lord for capital allocation. Both were invited to tonight’s meeting
  
- Review of **Administrative Compliance Order (ACO) No. 2024-ACO-07**
  - Flouride levels in excess of MCL – violation notices mailed out
  - (Overview slides in the appenxic of this presentation)

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## ACO No. 2024-ACO-07

- Proposed Action Plan
- SWEFC/UNM/Horrocks
- New date for items 8-10, Jan 19, 2026
- UPDATE 2/19/2026:
  - PER completed 
  - AMP substantially completed 
  - Rate Study needs more input from Assoc. 

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.

# Tranquillo Pines MDWCA Treasurer's Report

February 19, 2026

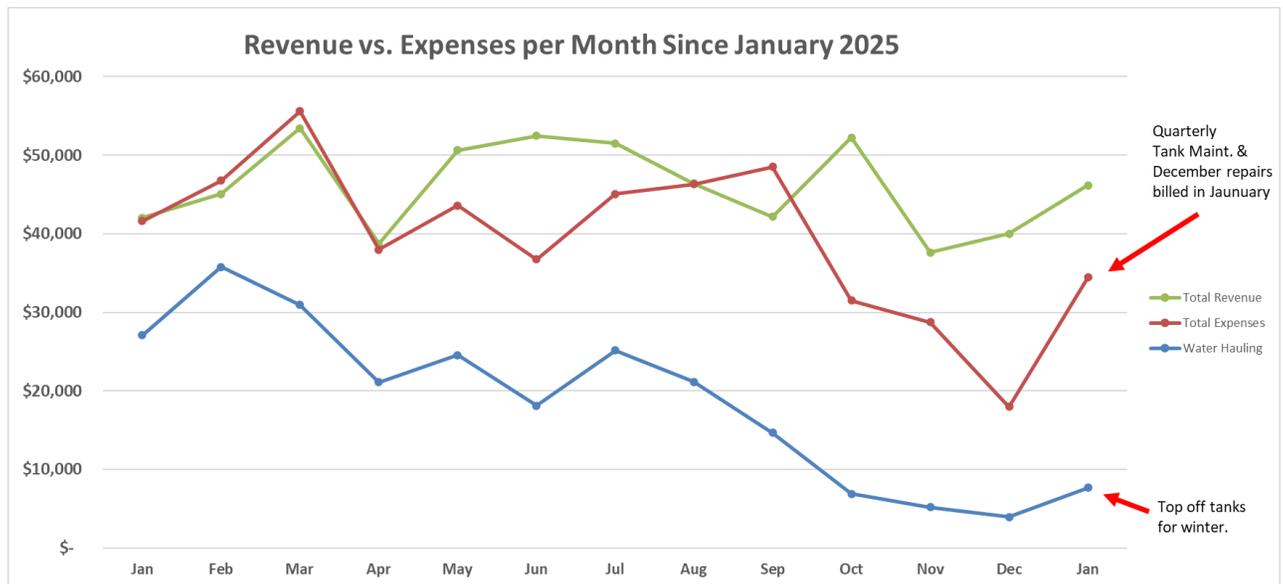
# Financial Overview

January Financial Summary					
Total Revenue	Prior Mo Avg	Total Expense	Prior Mo Avg	December Closing Balance	January Closing Balance
\$46,167	\$46,000	\$37,021	\$40,000	\$91,500	\$102,100
Water Hauling	Prior Mo Avg	Contractor Repairs	Prior Mo Avg	Parts and Equipment	Prior Mo Avg
\$7,677	\$19,500	\$10,404	\$4,300	\$534	\$2,400

\*\*\*\*\* December contractor repairs billed in January

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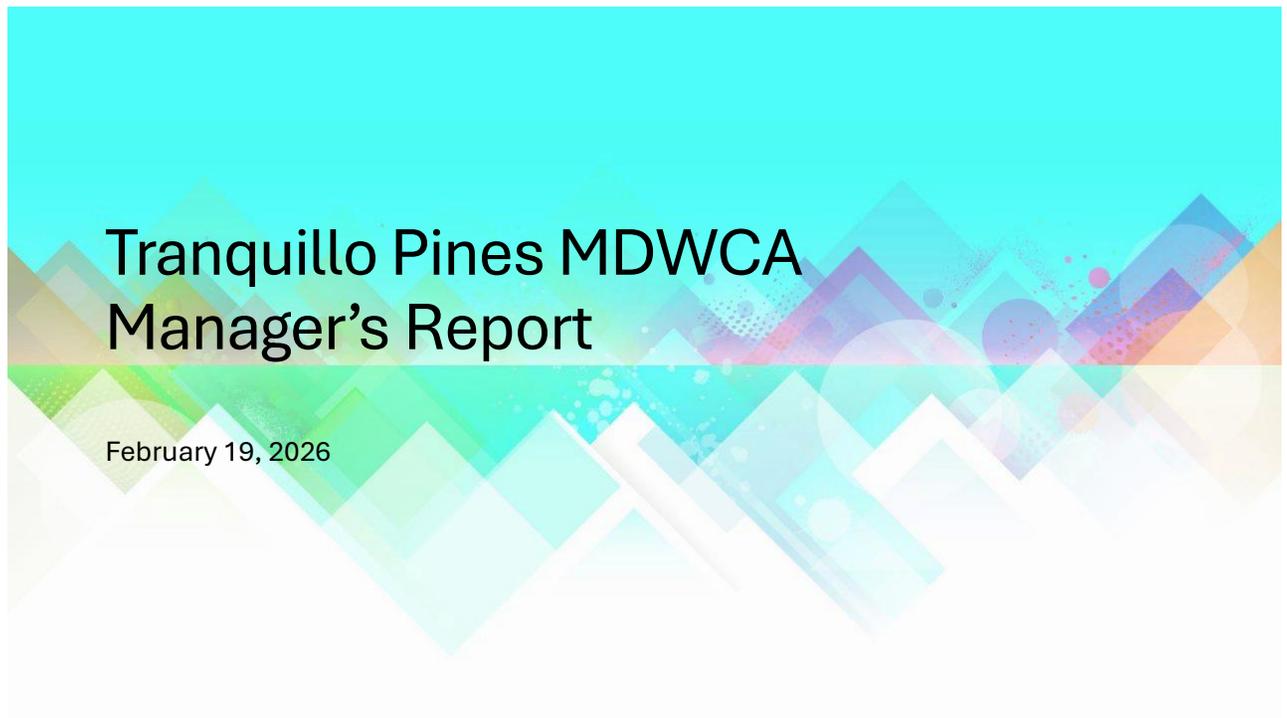
## Expenses – “generally” Trending Down



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NM3561101		Cash Flow Worksheet												2026
Revenue	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	
Customer Payments	\$ 46,184												\$ 46,184	
Bank fees and ATM check fees	\$ (20)												\$ (20)	
Interest Income	\$ 3												\$ 3	
Investment Income	\$ 0												\$ 0	
Past Due Accounts	\$ 2,436												\$ 2,436	
<b>Total Revenue</b>	<b>\$ 46,167</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46,167</b>	
<b>Expenses</b>														
<b>Fixed Costs (Indirect)</b>														
Debt Service	\$ -												\$ -	
Manager Salary	\$ 2,302												\$ 2,302	
Water Rider Salary	\$ 2,596												\$ 2,596	
Payroll Taxes	\$ -												\$ -	
Billing Software,Website service	\$ -												\$ -	
Postage	\$ 417												\$ 417	
Rent - Storage	\$ 200												\$ 200	
Rent - Office	\$ 400												\$ 400	
Utilities - Electric,phone,internet	\$ 1,727												\$ 1,727	
Tank Maintenance	\$ 3,764												\$ 3,764	
Insurance BOD Liability annual (Higginbo)	\$ -												\$ -	
Insurance TPWUC Liability annual (Cincin)	\$ -												\$ -	
Insurance - Workmans Comp monthly NM	\$ -												\$ -	
Insurance - Vehicle monthly Farmers Ins	\$ 213												\$ 213	
Fuel Only	\$ 186												\$ 186	
Truck Maintenance	\$ 183												\$ 183	
Legal/Accounting (mo fee plus filings)	\$ 538												\$ 538	
Permits & other fees (SOS filings)	\$ -												\$ -	
Financial Audit	\$ -												\$ -	
Dues (NMRWA,WAR) annual	\$ 16												\$ 16	
Office Supplies	\$ 495												\$ 495	
Operator Fee	\$ 531												\$ 531	
Reserve Fund-Emergency Fund	\$ 3,000												\$ 3,000	
<b>Total Fixed Costs</b>	<b>\$ 16,568</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,568</b>	
<b>Variable Costs (Direct)</b>														
Labor and System Testing overtime	\$ -												\$ -	
Technical Support	\$ -												\$ -	
<b>O &amp; M</b>														
Parts, Supplies, Equipment	\$ 534												\$ 534	
Contractor Repairs	\$ 10,405												\$ 10,405	
Water Hauling	\$ 7,677												\$ 7,677	
Gross Receipt Tax	\$ 773												\$ 773	
NM State Tax	\$ 334												\$ 334	
Federal Taxes	\$ 619												\$ 619	
Conservation Tax	\$ 111												\$ 111	
Other	\$ -												\$ -	
<b>Total Variable Costs</b>	<b>\$ 20,453</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,453</b>	
<b>Total Expenses</b>	<b>\$ 37,021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 37,021</b>	
<b>Net Revenue</b>	<b>\$9,146.12</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$9,146</b>	

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# Manager's Report

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

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## 2025 Pump Log

2026 Tranquillo Pines Mutual Domestic Water Consumer Association Pump log

PUMP 6					PUMP 7				
Well depth 460'					Well depth 700'				
Reading	Usage	Water	Change in	GPM	Reading	Usage	Water	Change in	GPM
		Level ft	water level				Level ft	water level	
92,212,200					75,746,300				
Jan	92,362,000	149,800	445	0 3.5	Jan	75,922,700	176,400	534	0 4
Feb					Feb				
Mar					Mar				
Apr					Apr				
May					May				
Jun					Jun				
Jul					Jul				
Aug					Aug				
Sep					Sep				
Oct					Oct				
Nov					Nov				
Dec					Dec				
Totals		149,800			Totals		176,400		

PUMP 10					PUMP 9				
Well depth 560'					Well depth 748'				
Reading	Usage	Water	Change in	GPM	Reading	Usage	Water	Change in	GPM
		Level ft	water level				Level ft	water level	
5,031,650					3,555,090				
Jan	5,259,830	228,180	495	5 4.38	Jan	3,695,800	140,710	660	-12 3.38
Feb					Feb				
Mar					Mar				
Apr					Apr				
May					May				
Jun					Jun				
Jul					Jul				
Aug					Aug				
Sep					Sep				
Oct					Oct				
Nov					Nov				
Dec					Dec				
Totals		228,180			Totals		140,710		

TOTAL GALLONS PUMPED		YTD	Acre/Ft	Total GPM
Jan	518,690	518,690	1.59	15.3
Feb				
Mar				
Apr				
May				
Jun				
Jul				
Aug				
Sep				
Oct				
Nov				
Dec				
Totals			1.59	

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# Tranquillo Pines MDWCA Unfinished Business

February 19, 2026

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## Unfinished Business

- Committee update on permitted septic field at 19 Big Dipper near well #10 at 23 Big Dipper
- Report/ recommendations from accounting firm committee
  - Contacted every ABQ firm on OSA list by email
  - Screened respondents based on Association needs
  - Conducted interviews with two front runners
  - One proposal received, second proposal due end-of-week
- Report/ recommendations from committee to change language in Rules and Regulations, similar to Section 2025.9.K. Death of a Member, which would allow a transfer of a membership to a family member at no cost.

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## New septic field at 19 Big Dipper near well #10

- County permitted a septic drain field 130' from our wellhead

- 200' is the setback for commercial well
- State Engineer permitted our conversion of well from multi-family to commercial on Sept. 26, 2022
- Electrical permits for well approved, Jan 30, 2024 / May29, 2023 / Oct 21,2021
- Easement approved May 20, 2022
- Approval from NMED to add supplemental well and formally noted project completion 5/22/2024
- Well #10 went online 5/24/2024
- Jan. 13, 2026-County notified TPMDWCA that we should have gotten a permit from them because they didn't know the well was converted to commercial. (New requirement?)
- The County has requested that the board apply for a permit and a "variance"
- Well # 10 is our top producer. It produces about 5.5gpm, or about 8,000gpd with a total production for the year 2025 of nearly **3-million gallons**.



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## Tranquillo Pines MDWCA New Business

February 19, 2026

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## New Business

- Reduce assessment(s)?
- Combine assessments line items on monthly bill to a single line “delivery, maintenance, and improvements fund”
- Tranquillo Pines MDWCA is officially registered with the NM Taxation and Revenue Dept. Need to close out the old Taxpayer Access Point account of the Cooperative’s.
- Add online payment to section paragraph 2025.5.C of Rules and Regulations
- Resolution to combine Resolution 2025-3 with Bylaws as a single version 2 document, sign, and publish.
- Appetite for drilling test wells at \$50k each?

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## Tranquillo Pines MDWCA Discussion from membership

February 19, 2026

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# Tranquillo Pines MDWCA Membership Transfers/Recalls

February 19, 2026

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# Tranquillo Pines MDWCA Meeting Adjourned

February 19, 2026

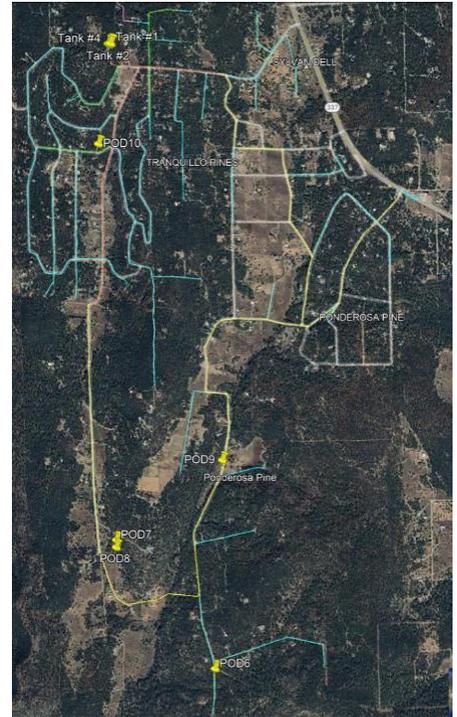
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## Administrative Compliance Order

- As of 12/31/2025, Well #7 is still in violation at 4.3 mg/L
  - (4 mg/L maximum)

Sample Location	Quarter & Year	Result mg/L
Well #7 Treatment Unit	1 <sup>st</sup> Quarter of 2025	4.5
Well #7 Treatment Unit	2 <sup>nd</sup> Quarter of 2025	4.8
Well #7 Treatment Unit	3 <sup>rd</sup> Quarter of 2025	4.3
Well #7 Treatment Unit	4 <sup>th</sup> Quarter of 2025	4.3
<b>Running Annual Average</b>		<b>4.5 mg/L</b>

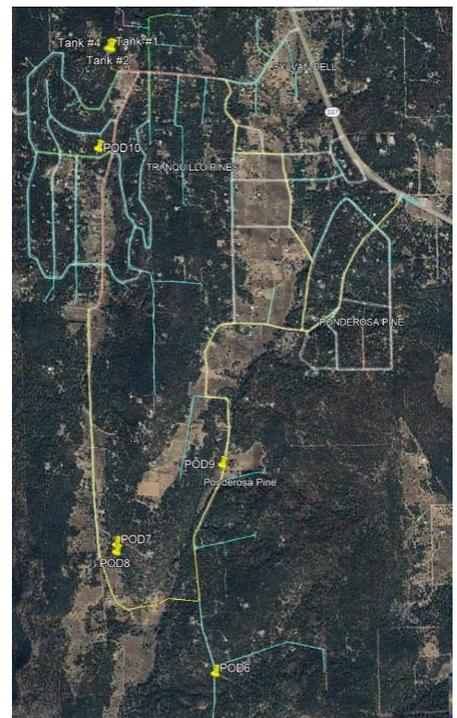
- As of 8/1/2025 the TPMD is out of compliance, and we are under an Administrative Compliance Order (ACO) No. 2024-ACO-07 (See next slide.)**
- NMED recommends drinking and cooking with bottled water, especially children**
- The highest concentrations from #7 are southern Skyland
- The Board has been 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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