

Tranquillo Pines MDWCA Board and Member Open Meeting

March 19, 2026

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Agenda

- **Introduction of Kimberly Beisner, Hydrologist, USGS, and other dignitaries**
- **USGS water sampling results presentation by Kimberly Beisner**
- Review Minutes from February 19, 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

March 19, 2026

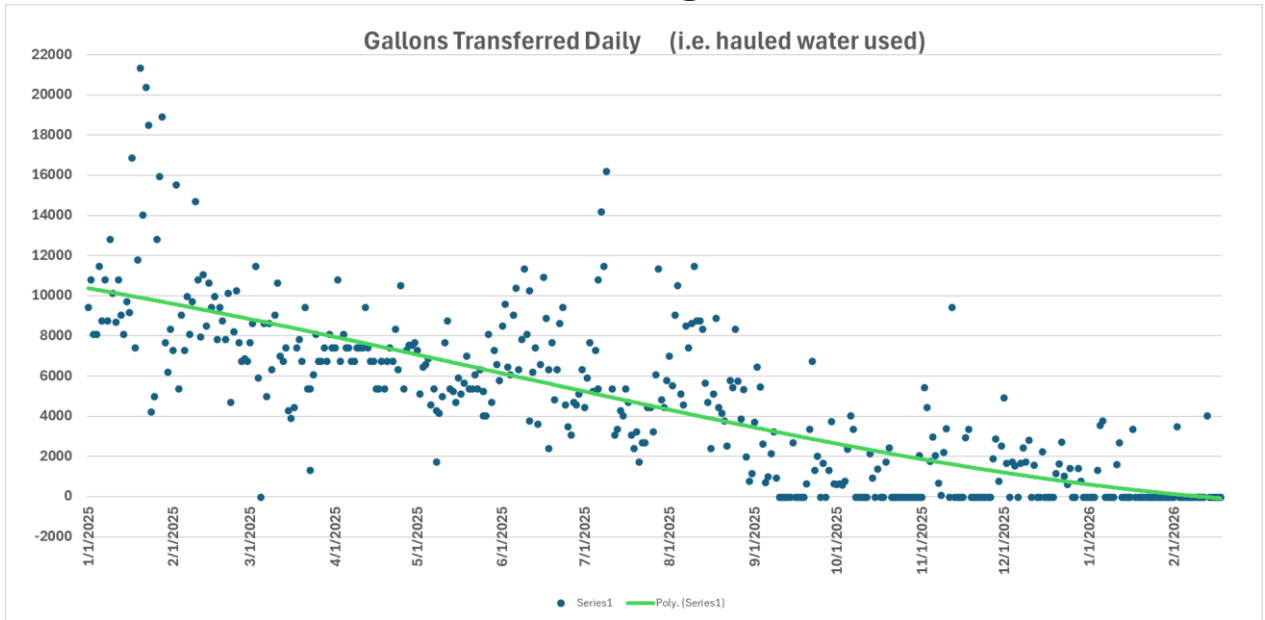
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President's Report

- Water Trust Board (WTB) readiness review application complete January 21, 2026, now in compliance review period
 - Compliance wavier granted for fluoride violation
 - Still in running
- 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
 - Following slides have not been updated, but still valid
 - Upcoming work on Falcon valves, upper Kuhn tests, valve at south Raven and Skyland

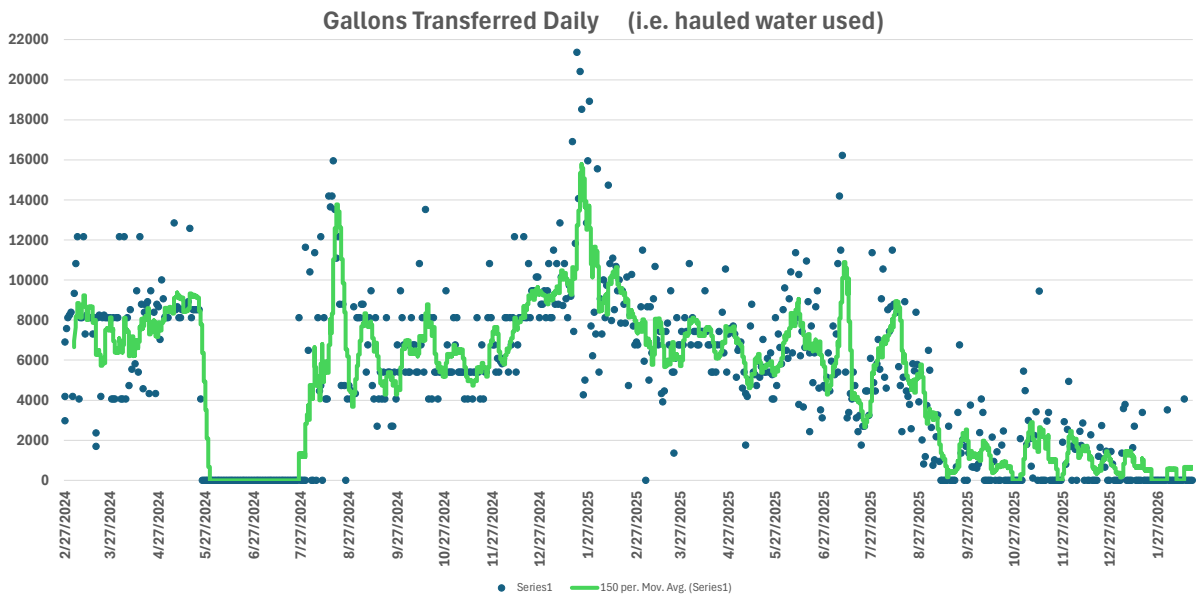
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Water Losses – Trending Down



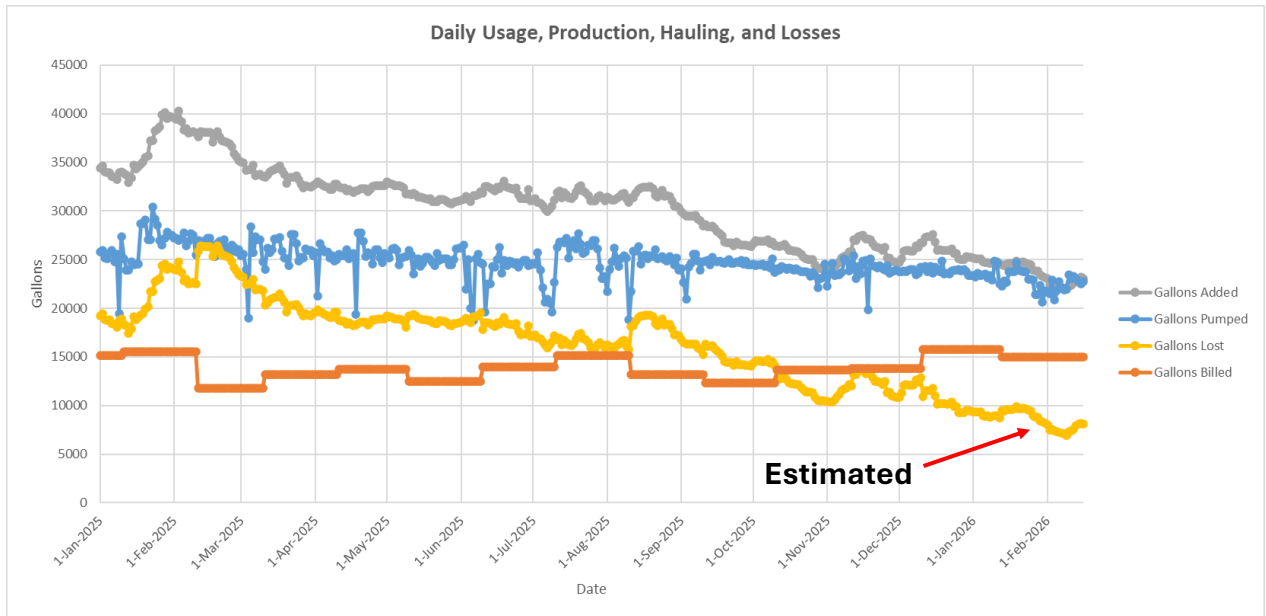
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Water Losses Over Two Years



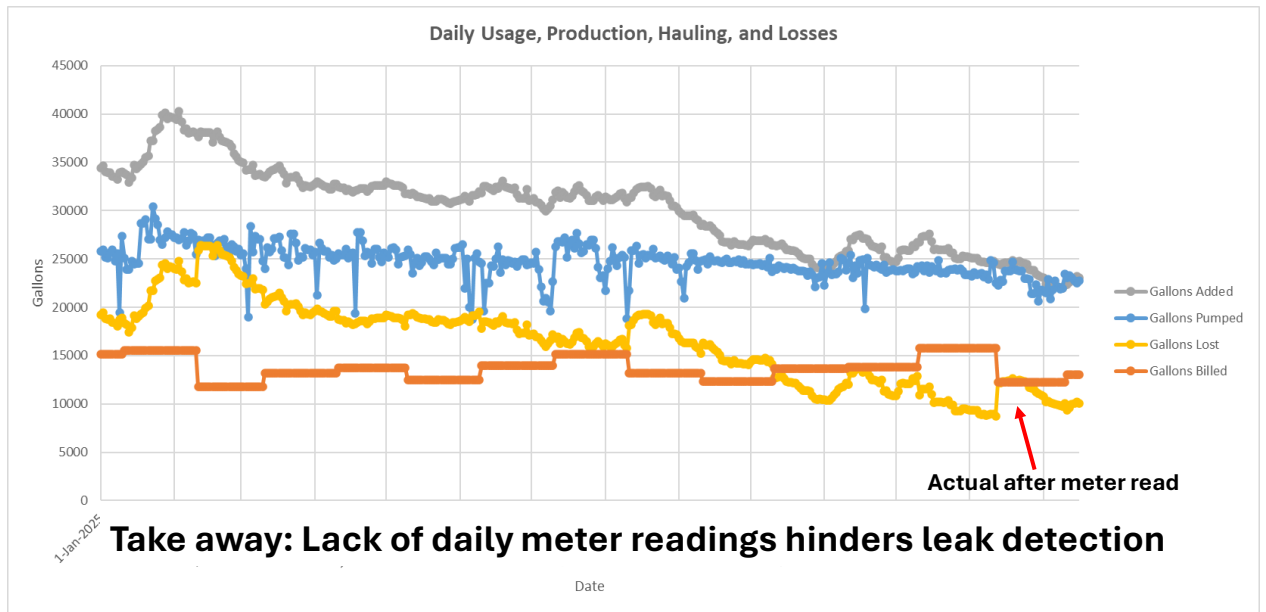
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Loss Rate Improving – But Still High



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Loss Rate Improving – But Still High



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Tranquillo Pines MDWCA Vice-President & Secretary's Report

March 19, 2026

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Vice President and Secretary's Report

- Status of Capital Outlay Request - \$950k
 - Senator Ant Thornton funded \$250k SB240 GF
 - Governor asked for \$700k – waiting notification
 - April award letters, September funding
- Status WTB Application - \$1.1MM
 - Completed compliance review, issued compliance waiver from NMED recommending WTB funding
 - April 21 funding recommendations to NMFA
- Application for Congressionally Directed Funding - \$2MM
 - \$750k from Senators Heinrich and Lujan, \$500k from Rep Stansbury
 - Need your letters of support – Project Name Tranquillo Pines MDWCA Infrastructure Upgrades 3/5/2026

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ACO No. 2024-ACO-07

- Proposed Action Plan
- SWEFC/UNM/Horrocks
- New date for items 8-11, Jan 19, 2026
- UPDATE 2/19/2026:
 - PER completed
 - AMP substantially completed
 - Rate Study ongoing
 - Soliciting funding ongoing

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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Tranquillo Pines MDWCA Treasurer's Report

March 19, 2026

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Financial Overview

February Financial Summary					
Total Revenue	Prior Mo Avg	Total Expense	Prior Mo Avg	January Closing Balance	February Closing Balance
\$38,461	\$46,400	\$15,932	\$39,400	\$102,100	\$124,820
Water Hauling Avg	Prior Mo Avg	Contractor Repairs	Prior Mo Avg	Parts and Equipment	Prior Mo Avg
\$1,293	\$17,900	\$0	\$5,000	\$160	\$2,300

***** December contractor repairs billed in January

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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	\$ 38,560												\$ 84,744
Bank Fees and RTN check fees	\$ (20)	\$ (105)												\$ (124)
Interest Income	\$ 3	\$ -												\$ 7
Investment Income	\$ 0	\$ 1												\$ 1
Past Due Accounts	\$ 2,436	\$ 2,434												\$ 4,870
Total Revenue	\$ 46,167	\$ 38,461	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,628
Expenses														
Fixed Costs (Indirect)														
Debt Service	\$ -	\$ -												\$ -
Manager Salary	\$ 2,302	\$ 3,471												\$ 5,773
Water Rider Salary	\$ 2,596	\$ 3,907												\$ 6,503
Payroll Taxes	\$ -	\$ -												\$ -
Billing Software,Website service	\$ -	\$ -												\$ -
Postage	\$ 417	\$ 122												\$ 539
Rent - Storage	\$ 200	\$ 400												\$ 600
Rent - Office	\$ 400	\$ 800												\$ 1,200
Utilities - Electric,phone,internet	\$ 1,727	\$ 1,548												\$ 3,275
Tank Maintenance	\$ 3,764	\$ -												\$ 3,764
Insurance BOD Liability annual (Higginbo)	\$ -	\$ -												\$ -
Insurance TPWLC Liability annual (Cincinnati)	\$ -	\$ -												\$ -
Insurance - Workmans Comp monthly NM	\$ -	\$ -												\$ -
Insurance - Vehicle monthly Farmers Ins	\$ 213	\$ 213												\$ 426
Fuel Only	\$ 186	\$ 211												\$ 397
Truck Maintenance	\$ 183	\$ 42												\$ 226
Legal/Accounting (mo fee plus filings)	\$ 538	\$ 538												\$ 1,076
Permits & other fees (SOS filings)	\$ -	\$ -												\$ -
Financial Audit	\$ -	\$ -												\$ -
Dues (NMRWA,WARN) annual	\$ 16	\$ 225												\$ 241
Office Supplies	\$ 495	\$ -												\$ 495
Operator Fee	\$ 531	\$ 531												\$ 1,062
Reserve Fund-Emergency Fund	\$ 3,000	\$ 3,000												\$ 6,000
Total Fixed Costs	\$ 13,566	\$ 12,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,577
Variable Costs (Direct)														
Labor and System Testing overtime	\$ -	\$ -												\$ -
Technical Support	\$ -	\$ -												\$ -
D & M														
Pairs, Supplies, Equipment	\$ 534	\$ 160												\$ 694
Contractor Repairs	\$ 10,405	\$ -												\$ 10,405
Water Hauling	\$ 7,677	\$ 1,293												\$ 8,970
Gross Receipt Tax	\$ 773	\$ -												\$ 773
NM State Tax	\$ 334	\$ 1,428												\$ 1,762
Federal Taxes	\$ 619	\$ 1,042												\$ 1,661
Conservation Tax	\$ 111	\$ -												\$ 111
Other	\$ -	\$ -												\$ -
Total Variable Costs	\$ 20,453	\$ 3,923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,376
Total Expenses	\$ 34,021	\$ 15,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,953
Net Revenue	\$ 12,146.12	\$ 22,529.27	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 28,675

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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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Tranquillo Pines MDWCA Unfinished Business

March 19, 2026

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Unfinished Business

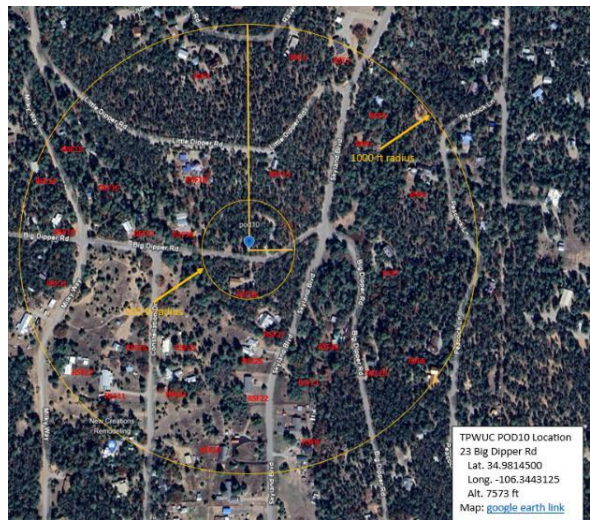
- Committee update on permitted septic field at 19 Big Dipper near well #10 at 23 Big Dipper
- Need to update easement at POD7 to add/expand building or get a new location
- Report/ recommendations from accounting firm committee
 - Contacted every ABQ firm on OSA list by email
 - Screened respondents based on Association needs
 - Conducted interviews with two front runners
 - One proposal received, second proposal due end-of-week
- Status of closing out the old Taxpayer Access Point account and bank account
- Add online payment to section paragraph 2025.5.C of Rules and Regulations (email 2/21/26)
- Combine Resolution 2025-3 with Bylaws as a single version 2 document, sign, and publish. 2/21/26

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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

March 19, 2026

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New Business

- Need a 20-hr/week leak detection volunteer
- Appetite for drilling a new well? Replace #8 or new location? We need a new well regardless of fluoride level because we are operating on the edge.
- Instrument two more tanks? Reduces water aging and chlorine level while keeping data fidelity.
- Discuss approving \$85/day registration fees of board members, manager, and water rider attendance at the NMRWA Conference in Isleta. Any one day April 14-16 with a minimum of four hours of class time. (Board specific classes are April 15.)
- Develop Capital Improvement Plan (CIP)
- Discuss losses attributed to customer leaks
- Discuss change to new membership fees. Were \$7500 in 1986 and now they are \$5000
- Discuss buying the 23 Big Dipper property that #10 is located on? Asking price is \$45k

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Tranquillo Pines MDWCA Discussion from membership

March 19, 2026

Tranquillo Pines MDWCA Membership Transfers/Recalls

March 19, 2026

Tranquillo Pines MDWCA Meeting Adjourned

March 19, 2026

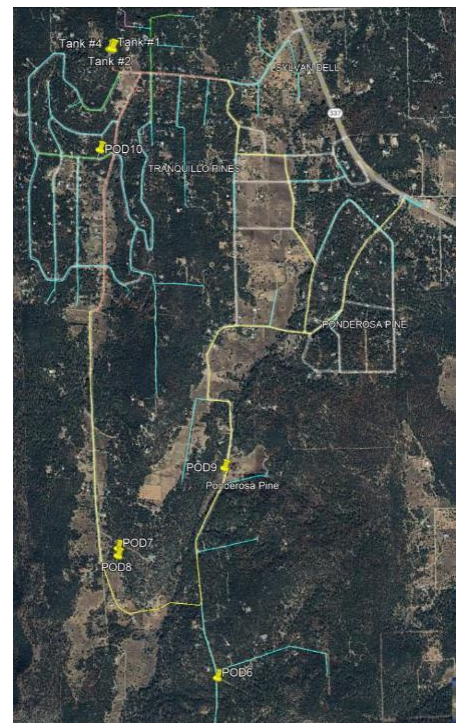
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Administrative Compliance Order

- 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 st Quarter of 2025	4.5
Well #7 Treatment Unit	2 nd Quarter of 2025	4.8
Well #7 Treatment Unit	3 rd Quarter of 2025	4.3
Well #7 Treatment Unit	4 th Quarter of 2025	4.3
Running Annual Average		4.5 mg/L

- 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**

