

# SLPPOA Member's Meeting

## Water Long-term Goals and Funding

February 24, 2023

10:07AM

Scott DeWitt introduced board members - all present except Suzanne Star, Barbara Van Ruyckevelt, and Dave Studell

Donna Smith spoke to the membership to review the information packet that was sent to the membership and answer questions. The information packet is available at:  
<http://slppoa.org/www/node/1388>

The additional comments, questions and discussion were:

1. Water levels in the well are stable and have come up about 2 feet over the last several years, unlike most well systems in NM.
2. The water we have is excellent quality and pre-dates the nuclear and chemistry ages. We do not have contaminations such as PFAS and other problems many modern water systems are dealing with, just have to disinfect.
3. Our water system has been assessed by Harold Corn as "fair" - which is "average" according to American Society of Chemical Engineers, which grades US drinking water systems as C-. This is due to wide-spread underinvestment in maintenance and upgrades.
4. We have 19 million gallons of water rights – 60.12 acre.ft

2020 - 16 million gallons pumped

2023 - <8 million gallons pumped

Jonathan Morris - why? Donna - leak rate went down

5. There has been 1 well failure in the last 40 years. It had silted and corroded (steel casing corroded and dropped down to the bottom of the well). That's why Meadow Well had to be drilled (tens of thousands of dollars).
6. McKinsey & Company estimated average 14-18% leak rate for US drinking water distribution systems. Ours has been above that rate, but has greatly improved over the past 20 years.
7. On the user side we have a number leaks detected and there is currently a ~70,000 gallon leak on a homeowner's side. This is why meter readings are important.  
Leak flag - 1 gallon/hour every hour for 24 hours - emails will be sent out soon to 15 residents with leak flag.

8. The SLPPOA system was installed in 1970s, meters were not installed at that time. Our experience and other studies have shown that the PVC pipe installed in the 1970s typically good for 70+ years. Main weak points are joints.
9. The System is paid from the Annual Assessment with \$57 per household per month budgeted. This is average for private NM water systems serving 50-200 connections.
10. Most of the SLPPOA water system costs are fixed (exceptions are electricity for pumping and chlorination.)
11. The low housing density in SLPPOA - 32 houses / mile of distribution line vs - White Rock, NM with 108, means the fixed costs and distribution system is allocated to far fewer people. Here it takes more line per person to deliver water.
12. Financial options were reviewed. How to pay for these typically fixed costs?
  - More than 10% annual increase would have to be approved by membership
  - Interim assessments (last one was 1989) would have to be approved by membership that raise dues over a 10% increase would have to be approved by membership. (last one was 1989)
  - Special assessments (specific to doing one project only, per assessment), also have to be approved by membership.
  - Financial reserves (which are way down now)
    - these are to deal with emergencies like well failure, tank replacement, fire remediation, etc.
    - not to deal with typical maintenance
    - Reserve study suggested to set aside ~19K/year for reserves (this year was a fraction of that)
  - Water billing (not a short term solution) - one of the questions for the membership informal vote is are you interested in a revised water billing proposal
12. A Preliminary Engineering Assessment was not approved by the Board at this time. The cost for a simplified PEA was \$22,000 and we have not completed the punch list from prior engineering work and have a solid 3 years of work already identified.
13. System needs in the next 3 years were discussed.
  - No freeze ups this winter
  - PVC pipe attached to pump on meadow well (only 3 years old) needs to be replaced
  - Ashley lane leak ~ 1gal/min leak rate estimated from last isolation test
  - Aztec Hovenweep Line is shallow (2ft) - last year a section was replaced, but there's one more section that needs to be replaced
  - Hovenweep to Vallecitos road (last piece on system 1 that has not been replaced)
  - Recoat or replace steel tank ~45 year old tank 12K gallons. 19 years from last recoat, lasts about 20 years (25K to recoat). Needs recoat in the next 2-5 years. Daniel looking into cost estimates for replacing tank

- Household meters (reader system and the meter system) - maybe an option to replace the transponder only part of the meter - wanting something with lifespan longer than 10 years - this is more relevant a few years down the line.

#### 14. Longer term needs

- Improve supply and storage
- In-line metering
- Continued replacement of older lines
- Improved cross-connection between System 1 and System 2.

John Fredlund suggestion for long-term: Bringing line out to fire station (for its water supply in case of wildfire) could lower everyone's insurance

- Paul Lisko: County paying 59K to Engineering firm to design an option for a line up off of FR10 specifically for water for LCVFD (aiming to get this 30K gallon tank with gravity feed down to firehouse by fire season 2025)
- Next Spring: Los Griegos / FR 10 corner - need to replace fire hydrant - going to ask for a volunteer work party

15. We are looking into 2 options for water operator (neither live in the area). We are also putting together a "Water Operations Team" - Daniel Wirth, Tim Umscheid, Harold Corn, probably need 1-2 more people to be able to help with emergency operations (i.e., water shutoff if a major line bursts).

16. There were member questions about Accessory Dwelling Units, also known as casitas. If the State of NM invalidates Restrictive Convents that limit dwelling to one per lot, SLPPOA could define Architectural requirements to specify siting, exterior materials, size and general appearance to integrate Accessory Dwelling Units into the subdivision. Charge someone more in annual assessment for having casita will have to be a by-law change that is voted on by the membership. Jonathan Morris commented that Architecture requirements should be overly restrictive.

17. Jack Nyhan expressed a concern about the water production and water use data and difficulties in balancing them. The Board has also noted this problem and is working to track down the source of the mis-match. The meters on the wells were checked for calibration in Summer 2023 and so we are starting from that point to verify the reader software and work through the data.

#### **Voting on Questions for Membership:**

1. Do you want a 3-year plan with funding specified to address the listed water projects outlined on page 8 or specific projects one year at a time?  
 3 Yr – 18                      1 yr - 7

2. Do you want to budget for road repairs and upgrades as part of large water infrastructure projects (not regular leak repairs)?
 

No – 4	10% - 18	20% - 7
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3. Do you want SLPPOA to budget regular allocations to the Financial Reserves to address unexpected expenses, catastrophic losses, and long-term capital expenditure? What amount?
 

\$0 – 0	\$15,500 – 16	\$20,000 – 6	\$60 - 5
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4. Are you interested in the Association using loans to fund the more expensive water system projects?
 

Yes – 8	Maybe – 2	No - 15
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5. Are you interested in a revised proposal for a future Water Billing program?
 

Yes – 17	No - 15
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6. Are you interested in a revised proposal for excessive water use, with fees defined for excess use?
 

Yes – 32	No – 0
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Additional comment – 8,000 gallon maximum use
  
7. Do you want SLPPOA to develop an Architecture Policy to address Accessory Dwelling Units (casitas), if the State of NM invalidates the one dwelling per lot Covenant Restriction?
 

Yes – 22	No - 4
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8. Do you think a lot with an Accessory Dwelling Unit should pay more in Association dues to address its increased use of water and roads?
 

Yes – 17	Maybe – 1	No – 7
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Parking Lot/Additional Comments

Roads – FR10 needs work and ditch at Los Griego/FR10 needs attention.

Thank you to the members who participated and expressed their opinions and provided input to the Board. The Board will use this information to develop and present specific options and votes to the membership for general approval.

Submitted by

Farita Tasnim and Donna Smith