



BIG MESA SUMMER 2024 NEWSLETTER



Summer has finally arrived. The temperatures have been high but recent monsoon season started early which is welcome!

Big Mesa MDWCA again held its annual meeting on July 20th where the election of members Board seats and selection of Board officers took place. Only 112 ballots were returned to McFarland Accountants of the 512 ballots mailed. Dave Artery and Jeff Mechenbier were elected to the two Board vacancies. Dave Artery has been a Board Member for 14 years and has served as the Board president for 12 of those years. Through Dave's leadership and guidance, the Big Mesa organization is what it is today with the integrity and transparency. Dave decided to transition from President to Vice President where Jeff Mechenbier will be the President. Steve Morgan will be Member at Large. Steve Jones and Jeff Strom will continue in their current positions as Secretary and Treasurer, respectively.

Stuart Fowler from Kelly McFarland accounting firm presented the Annual Financial Report advising of Big Mesa's good financial condition. Big Mesa operated at loss about 10% compared to revenues for 12 months ending June 30, 2024, due to increase in operating costs.

Stuart concluded other water clients of Kelly McFarland have seen an increase in their operating cost which is not unusual with the inflation index. He recommended that Big Mesa review its rates in the future since it has sufficient cash reserves now. Addressing this risk is the focus of your current Board, thus why we have applied for grants/loans, as seeking several alternative funding sources for financial help for our aging infrastructure as noted below.

Big Mesa's Fiscal Year Budget was also approved predicting combined Revenues of \$448,800 and Expenses \$432,000.

The Big Mesa team has done an excellent job of minimizing impact to the budget by not backfilling a position this year when it became vacant. This required Jay, Bruce, Ivonne, and Beate to cover additional operating hours outside of business hours for summer pumping. Thank you, Big Mesa team for going the extra step.

Big Mesa has two pumps that pull water from the lake to the filter plant. The electric cable to one of the pumps failed which caused the variable frequency drive (VFD) that operates the pump to also fail. Both the electrical cable and VFD were replaced, after it took many months to acquire the VFD. The cost for these repairs was over \$20k.

Big Mesa has been approved for \$2.94M from New Mexico Finance Authority (NMFA) for the new water treatment plant. 75% of that total (\$2.2M) is “forgiven” with only 25% (\$735k) to be repaid via a 0.25% interest loan with a 30-year term. The water treatment plant has been advertised for bid in March and Big Mesa did not receive any bids although we had three contractors attend the pre-bid meeting. Big Mesa rebid the project and only received one bid on May 30th. This bid was rejected since it was considerably higher than our allocated budget amount. The New Mexico Environment Department Construction Programs Bureau recommended that we negotiate directly with contractors. We have been working with three contractors to submit bids by August 8th. We will keep you updated as we proceed with this bid process.

Please welcome Diana Powers as our newest employee to the Community Collection Center who replaced Mike Green.

We have made revisions to bylaws, and they are posted on the Big Mesa website. The main purpose for the revisions is to recognize for an uncontested election where the number of nominees is equal to or fewer than the available positions, the winners will be declared by acclamation without balloting. This will save Big Mesa the cost of having to pay for mailing ballots and process the election results. There were a few other updates to capture Big Mesa’s meeting agenda items and some minor typos. These revisions were approved by the MDWCA members at the July 20th Annual meeting.

A new Environmental Protection Agency (EPA) requirement requires testing and mitigating polyfluoroalkyl substances (PFAS). PFAS were first used in the 1940's and are now in hundreds of products including stain- and water-resistant fabrics and carpeting, cleaning products, paints, and fire-fighting foams. Big Mesa water was tested for PFAS in April and the sample showed it did not violate the EPA contaminate level.

Initial monitoring for surface water systems must include quarterly sampling within a 12-month period, with samples collected 2 to 4 months. Monitoring will start by April 26, 2027, and all public water systems must comply with the new standards by April 26, 2029. This is another compliance standard the obligates Big Mesa to pay about \$350 every 4 months for each tested sample. The good news, if Big Mesa needs to mitigate PFAS, the new water filter plant has the capability of adding a carbon filter to remove PFAS.

EPA has several regulations related to lead in drinking water. This regulation is known as the Lead and Copper Rule (also referred to as the LCR). The LCR requires all water systems to determine service line materials, regardless of ownership. Big Mesa does not have lead pipes in its system. However, Big Mesa is required to determine the materials used for the service line for the private portions of the service line to homes, even when this line is completely privately owned by the Big Mesa customer. Big Mesa will reach out to customers by phone, mail and email over the next two months to help us determine your service line material by completing a survey. Big Mesa is required to complete this inventory of service lines by October 16, 2024.

Please attend our monthly meetings the second Saturday of the month. Our next meeting is August 10th at 8:00am. We hope to see you soon in August!

Sincerely,

Your Big Mesa Board and Staff