

Good day fellow Cedar Creek Water Coop Members,

We would like to update everyone on the current condition of our water system and the status of necessary improvements. **As of today our water system is operating below 50% of its previous capacity.** Our water production is provided by two wells, well #1 located behind the mail boxes and well #2 located on Mimbres. Well #1 is over 28 years old and has had declining production due to the original design and currently produces less than 5 gallons per minute. Well #2, our primary and highest yielding well is failing and now produces less than 10 gallons a minute. The short explanation as to what went wrong with well #2 is, the well filtration "screens" are unable to stop the large amount of fine sand and clay from infiltrating the well casing where the pump is located. When the level of the silt reaches the pump, the pump jams and will no longer pump water. Your water board members along with the system operator and Rodgers Well Drilling exhausted all options available to improve the silting problem. It has been concluded, that the only option is to drill two supplemental wells to replace the systems' lost water pumping capacity.

First, we would like to make one thing very clear, **WE DO NOT HAVE A WATER AVAILABILITY PROBLEM WE HAVE A MECHANICAL PROBLEM.** We are located in one of the better areas for water in Placitas and our wells have been drawing good water for over 28 years and we expect that to continue. Your board members are currently working on the procedures to install two new supplemental wells and additional necessary improvements. The process to complete this is not simple due to the numerous requirements of the New Mexico Environmental Department that we are now required to comply with. We have retained an engineering firm and are currently in the discovery phase of this project and should have estimated costs in the next few weeks.

We are working with New Mexico Rural Water to obtain loan funds to augment funds that we have in reserve. It is necessary to seek outside funding as the cost of these improvements would exhaust all funds your COOP currently has on hand. The COOP is required maintain a minimum working capital availability at all times to effectively run the utility. This loan will result in an increase of our monthly water bill in an amount of \$20.00. The \$20.00 assessment payment increase will service the loan and will spare COOP members a lump sum assessment that if required, could possibly exceed \$1500.00 per member household. Please be aware, that as of today we **DO NOT** have an approval for any outside funding and it is not guaranteed that we will get outside funding to help in this project.

The well replacement for the first supplemental well by all estimates of time could take up to two months to get started and three weeks to complete, so this project will take us well into summer possibly mid-July. **IT IS IMPERATIVE THAT WE CONSERVE WATER and eliminate outside watering with system water.** We are aware that this will inconvenience many of you but if we exceed what the system can currently provide we will need to truck water in at a great expense and additional assessment to all COOP members.

We are currently in discussions on how we will enforce water use restrictions. Under consideration is the temporary implementation of an overuse fine of \$500.00 as well as mandatory water system shutdown during peak usage. We are aware this sounds drastic but we are in a very serious water situation. If we have to supplement water by trucking it in, the costs of that action will have a catastrophic effect on our funding and would ensure that we will have a much more substantial assessment to all COOP members.

In the next few weeks we will have a better idea of the costs of this project and a possible time line for the start of work and we will update you with any new information as it becomes available. These system improvements will **REQUIRE A CONSCIOUS EFFORT ON ALL MEMBERS TO CONSERVE WATER.** Please know that your water board members are doing all they can to expedite this project and we will continue to do what we can to get our system running better, producing more water and with greater reliability.

Board Members
Cedar Creek Water COOP