



MICHELLE LUJAN GRISHAM
GOVERNOR

JAMES C. KENNEY
CABINET SECRETARY

**NOTIFICATION PROVIDED VIA E-MAIL AND
CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

July 23, 2026

Henry Sanchez, Board President
Mora Mutual Domestic Water Consumers and Mutual Sewage Association
P.O. Box 304
Mora, NM 87732
Sent via email to h_sanchez717@yahoo.com.

Re: Administrative Compliance Order and Assessment of Civil Penalties, No. 2026-GWACOP-03
Mora Mutual Domestic Water Consumers and Mutual Sewage Association

Dear Henry Sanchez,

Attached, please find Administrative Compliance Order and Assessment of Civil Penalties ("Order") No. 2026-GWACOP-03 issued to Mora Mutual Domestic Water Consumers and Mutual Sewage Association. This Order is issued under the authority of NMSA 1978, Section 74-6-10 of the Water Quality Act, and Section 61-33-10 of the Utility Operator Certification Act.

We encourage you to review the attached Order carefully to understand the actions required to comply with its provisions. Mora Mutual Domestic Water Consumers and Mutual Sewage Association has a right to respond to the allegations in the Order and request a hearing as provided under NMSA 1978, Section 74-6-10(G), and NMSA 1978, Section 61-33-10(E). Mora Mutual Domestic Water Consumers and Mutual Sewage Association May initiate settlement discussions with the Bureau before filing an Answer and Request for Hearing; however, engaging in settlement discussions does not extend or replace the requirement to file the Answer within the 30-day deadline. You can access the referenced statutes at <https://www.nmcompcomm.us/search-laws/>.

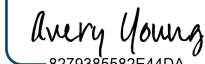
Please note that, pursuant to the NMED Delegation Order dated June 23, 2025, the Cabinet Secretary has delegated the authority to issue Administrative Compliance Orders to the Water Protection Compliance and Enforcement Bureau Chief with concurrence from the Compliance and Enforcement Division Director.

Additionally, your facility will appear on the Department's Enforcement Watch as a result of this administrative order (see: <https://www.env.nm.gov/enforcement-watch/>). The Department may also issue a press release to local media highlighting your wastewater system's appearance on this webpage. Your system will remain listed as an active matter on the Enforcement Watch website until this matter is fully resolved.

If you have any questions or need assistance, **please contact Lochlin Farrell, Enforcement Coordinator, at 505-660-8061 or via email at Lochlin.Farrell@env.nm.gov.**

Respectfully,

DocuSigned by:



8279385582E44DA..
Avery Young, Bureau Chief

Water Protection Compliance and Enforcement Bureau
Compliance and Enforcement Division

cc: Shelly Lemon, Chief, SWQB (Shelly.Lemon@env.nm.gov)
Susan Lucas Kamat, Program Manager, SWQB PSR (Susan.Lucaskamat@env.nm.gov)
Nafis Fuad, Team Lead, SWQB Compliance and Enforcement (nafis.fuad@env.nm.gov)
Justin Ball, Chief, GWQB (Justin.Ball@env.nm.gov)
Jason Herman, Program Manager, GWQB PPS (Jason.Herman@env.nm.gov)
Deborah Carpenter, Water Resource Professional III, GWQB (Deborah.Carpenter@env.nm.gov)
Region 6, EPA (matthews.rachel@epa.gov)
Alissa Herrera, Office Manager, Mora MDWC and MSA (morawater@nnmt.net)
Electronic Central File

**STATE OF NEW MEXICO
BEFORE THE WATER QUALITY CONTROL COMMISSION**

NEW MEXICO ENVIRONMENT DEPARTMENT

Complainant,

v.

**ADMINISTRATIVE ORDER
No. 2026-GWACOP-03**

**MORA MUTUAL DOMESTIC WATER CONSUMERS AND MUTUAL SEWAGE
ASSOCIATION,**

Respondent.

**ADMINISTRATIVE COMPLIANCE ORDER
REQUIRING COMPLIANCE AND ASSESSING A CIVIL PENALTY**

Pursuant to the New Mexico Water Quality Act (“Act”), NMSA 1978, Chapter 74, Article 6, and the New Mexico Water Quality Control Commission Regulations (“Regulations”), 20.6.2 NMAC and 20.6.4 NMAC, the Bureau Chief of the Water Protection Compliance and Enforcement Bureau (“WPCEB”) of the New Mexico Environment Department (“NMED”) issues this Administrative Compliance Order (“Order”) in coordination with the NMED’s Ground Water Quality Bureau (“GWQB”) and the NMED’s Surface Water Quality Bureau (“SWQB”) to the Mora Mutual Domestic Water Consumers and Mutual Sewage Works Association (“Respondent”) for violations of the Act and Regulations. The purpose of this Order is to attain compliance with the Act and Regulations.

I. LEGAL AUTHORITIES

1. Pursuant to NMSA 1978, Section 9-7A-4, NMED is a cabinet department within the New Mexico state government. Pursuant to NMSA 1978, Section 74-6-2(E)(1), NMED is a

constituent agency of the New Mexico Water Quality Control Commission (“WQCC” or “Commission”).

2. The WPCEB is an organizational unit of NMED within its Compliance and Enforcement Division. The WPCEB was created pursuant to authority granted under NMSA 1978, Section 9-7A-6(B)(3).

3. The GWQB is an organizational unit of NMED within its Water Protection Division. The GWQB was created pursuant to authority granted under NMSA 1978, Section 9-7A-6(B)(3).

4. The SWQB is an organizational unit of NMED within its Water Protection Division. The SWQB was created pursuant to authority granted under NMSA 1978, Section 9-7A-6(B)(3).

5. Pursuant to Section 74-6-4(E) of the Act, the Commission shall adopt regulations to prevent or abate water pollution in the state.

6. Pursuant to Section 74-6-4(G) of the Act, the Commission shall assign responsibility for administering its regulations to constituent agencies and shall give priority to the primary interests of the constituent agencies.

7. Pursuant to NMSA 1978, Section 74-6-10(A)(1), when NMED determines that a person violated or is violating the Act, a regulation, or permit created pursuant to the Act, NMED may issue a compliance order requiring compliance immediately or within a specified time period or issue a compliance order assessing a civil penalty, or both.

8. Pursuant to a delegation of authority from the Secretary of NMED, the Bureau Chief of the WPCEB of NMED has authority to issue Administrative Compliance Orders on behalf of the GWQB and SWQB. NMSA 1978, § 9-7A-6(B)(2).

II. FINDINGS OF FACT

9. The Respondent, Mora Mutual Domestic Water Consumers and Mutual Sewage Works Association (Mora MDWC & MSWA), is a Domestic Association in the State of New Mexico, with its principal place of business at address 605 NM-518, P.O. BOX 304, Mora, Mora County, New Mexico 87732. *See* NMSA 1978, Section 3-29-2(B).

10. The Respondent is the owner and operator of the Mora Mutual Domestic Water and Sewerage Works (MMDWSW) Wastewater Treatment Plant (WWTP) (“Facility”), located 1.5 miles east of the intersection of NM Highway 94 and NM Highway 518 with an address of 605 NM-518 Mora, Mora County, New Mexico, 87732.

11. The NMED Ground Water Quality Bureau (“GWQB”) and the U.S. Environmental Protection Agency (“EPA”) Region 6 dually regulate the Facility.

A. NMED GWQB issued Discharge Permit Number 640 (“DP-640”) to Respondent for the Facility on March 8, 1990; subsequently renewed and/or modified the Permit on February 17, 1995, May 3, 2001, and January 15, 2015; and most recently renewed the permit on April 14, 2021.

B. EPA Region 6 regulates the facility through a National Pollutant Discharge Elimination System (“NPDES”) permit (NM0024996), which covers the discharge from the Facility to the Mora River.

12. Respondent is a “person” as defined in Section 74-6-2(Q) of the Act and 20.6.2.7(P)(2) NMAC.

13. Respondent maintains and operates the sewer collection system and wastewater treatment facility and is responsible for the discharge of treated domestic wastewater from the Village of Mora and El Alto Community to the Mora River.

14. Respondent is authorized to treat and discharge up to 60,000 gallons per day (“GDP”) of domestic wastewater. The Facility treats water with a moving bed batch reactor (“MBBR”) and chlorine disinfection under DP-640 prior to the discharge of up to 52,000 gallons of treated effluent per day from the Facility’s outfall to the Mora River in accordance with the terms and conditions of the National Pollutant Discharge Elimination System (NPDES) permit number NM0024996. Additionally, DP-640 authorizes the Facility to use two repurposed impoundments for flow equalization and sludge storage.

15. The discharge site is located at 605 NM-518 Mora, Mora County, New Mexico, 87732 (Section 12, Township 20N, Range 15E, Mora County, New Mexico). The Facility’s outfall discharges to the Mora River in river segment 20.6.4.307 NMAC (Canadian River Basin - Perennial reaches of the Mora River) at the following coordinates: Latitude 35° 58' 0.73" N, Longitude - 105° 18' 8.24" W.

16. Domestic wastewater contains water contaminants such as pathogens (including indicator E. coli bacteria), suspended or settleable solids, nutrients (i.e., nitrogen and phosphorus), and low dissolved oxygen concentrations that may exceed the surface water quality standards codified in 20.6.4 NMAC, which are intended to protect designated uses such as aquatic life and primary contact recreation.

17. 20.6.2.2201 NMAC prohibits disposal of refuse into a surface water: “No person shall dispose of any refuse in a natural watercourse or in a location and manner where there is a reasonable probability that the refuse will be moved into a natural watercourse by leaching or otherwise”. Refuse includes “food, swill, carrion, slops and all substances from the preparation, cooking and consumption of food and from the handling, storage and sale of food products, the carcasses of animals, junked parts of automobiles and other machinery, paper, paper cartons, tree

branches, yard trimmings, discarded furniture, cans, oil, ashes, bottles, and all unwholesome material.” 20.6.2.7(R)(1) NMAC.

18. Condition 10 of DP-640 issued on April 14, 2021, requires the Respondent to use New Mexico certified utility operators at the appropriate level based on population and treatment complexity in accordance with 20.7.4 NMAC. Pursuant to 20.7.4.13 NMAC, a facility that serves a population of 501 to 5,000 and uses a treatment process that NMED considers to be an advanced treatment process requires an operator with a level 3 wastewater (WW3) certification.

19. DP-640 requires Respondent to verbally notify NMED of unauthorized discharges within 24 hours, submit written notification to NMED within one week of discovering the unauthorized discharge, and submit a Corrective Action Plan to NMED within 15 days of discovering the unauthorized discharge pursuant to Condition 28 of DP-640 and Subsection A of 20.6.2.1203 NMAC.

20. Section III of DP-640 issued on April 14, 2021, authorized the Facility to use two synthetically lined impoundments as part of the wastewater system in accordance with Conditions 4, 6, 7, 8, 14, 18, 19, 25, 26, 27, 28, 29, and 30 of DP-640 which specify the operations and maintenance of the two impoundments. Specifically, Conditions 14, 18, and 19 of DP-640 specify that:

- A. The North Impoundment is for high flow diversion and flow stabilization storage, and;
- B. The South Impoundment is for storage of aerobically digested sludge prior to off-site disposal.

21. On September 29, 2022, SWQB calculated a critical low flow for the receiving waters (20.6.4.307 NMAC Canadian River Basin) for this facility to be 0.6123 cubic feet per

second (cfs). The critical low flow is a 4Q3 flow which means the critical low flow as determined by the minimum average flow over four consecutive days that occurs with a frequency of once in three years. NMED calculated the 4Q3 flow using flow data from United States Geological Survey (USGS) stream gauge station # 07215500.

22. On June 20, 2024, the Facility's certified operator informed NMED via email that they resigned their position with the Respondent.

23. On July 3, 2024, GWQB representatives Deborah Carpenter and Lochlin Farrell conducted a site visit with Mora MDWC & MSWA Board Members Antonio Jaramillo and Lawrence Tafoya. While onsite GWQB representatives observed that the Facility had placed the moving bed biofilm reactor (MMBR) in recirculation mode and it was no longer receiving and treating influent. The Facility operator was diverting the influent to the impoundments for storage and not utilizing the impoundments in a manner authorized by DP-640. Additionally, any wastewater discharged from the Facility following the operator's resignation on June 20, 2024, was untreated. Untreated wastewater is considered refuse when discharged into a surface water.

24. On July 9, 2024, GWQB representatives Deborah Carpenter and Avery Young attended the Mora board meeting to discuss a path forward and potential enforcement consequences if Mora could not achieve compliance with DP-640.

25. From July 2024 to September 2025, the Respondent did not report any discharge into the Mora River to the EPA through the discharge monitoring program under the NPDES permit.

26. In September 2024, NMED GWQB and SWQB began attending a working group consisting of EPA, Association Engineers, Rural Community Assistance Corporation, Southwest Environmental Finance Center, NMED's Construction Programs Bureau, and Mora MDWC &

MSWA. Meetings have occurred during the first Friday of every month and continue as of the date of this Order.

27. On December 16, 2024, NMED's GWQB issued a Notice of Non-Compliance (NONC) to Respondent for failing to conduct quarterly analyses and submit results to NMED, and for continuing to operate the Facility without a certified operator.

28. On February 4, 2025, GWQB representatives Phillip Deenik, Andrew Romero, and Jayson Romero observed untreated wastewater (i.e., refuse) discharging from the south impoundment through the chlorine contact chamber to the Mora River in an unauthorized manner.

29. On February 6, 2025, SWQB representative Nafis Fuad called Mora MDWC & MSWA president Antonio Jaramillo to confirm the discharge to the Mora River. Antonio Jaramillo denied any knowledge of any discharge to the Mora River.

30. On February 6, 2025, EPA-credentialed inspectors and SWQB representatives Jason Martinez and Shawnee Suazo conducted a Compliance Evaluation Inspection (CEI) under the Facility's NPDES permit. The Facility representatives Allisa Herrera, Frank Trambley, and Skip Finley could not identify the discharge location or the outfall at that time; therefore, the EPA-credentialed inspectors were not able to confirm the unauthorized discharge.

31. On February 12, 2025, the SWQB's EPA-credentialed inspectors Jason Martinez and Nafis Fuad returned to the facility to complete the CEI that commenced on February 6, 2025. These inspectors identified the outfall and the discharge of refuse into the Mora River. The Facility has a chlorine contact chamber which is the final unit before effluent is discharged to the Mora River. NMED's inspectors confirmed that prior to the inspection date the Facility operator observed liquid in the chlorine contact chamber and Respondent's staff had applied chlorination and dechlorination chemicals into the liquid in the chlorine contact chamber.

32. Thus, NMED’s inspectors established there was an active discharge by Respondent to the Mora River, as any liquid discharged from the chlorine contact chamber was carried into the Mora River via gravity.

33. The Respondent failed to provide information to specify or pinpoint the date from which the Facility started applying chlorination and dechlorination chemicals into liquid in the chlorine contact chamber.

34. The Respondent failed to provide analytical or monitoring data to the inspectors initial document request on the characteristics of the discharge identified on February 12, 2025, by NMED inspectors to NMED.

35. The Respondent disposed of untreated wastewater (i.e., refuse) from the Facility into the Mora River, a natural watercourse and surface water of the State. 20.6.2.2201 NMAC.

36. The Mora River upstream and downstream of the outfall is a surface water of the State of New Mexico protected under 20.6.4.307 NMAC and is a perennial surface water with designated uses of marginal coldwater aquatic life, warmwater aquatic life, primary contact, irrigation, livestock watering and wildlife habitat. Perennial means the “water body typically contains water throughout the year and rarely experiences dry periods.” 20.6.4.7(P)(2) NMAC.

37. Chronic aquatic life criterion for total residual chlorine is 11 micrograms per liter (µg/L). 20.6.4.900(J)(1) NMAC.

38. On February 19, 2025, the USGS stream gauge # 07215500 Mora River at La Cueva¹ showed a flow in the Mora River at La Cueva of 12.2 cfs or 7,885,066 gallons per day.

39. On February 19, 2025, the Respondent reported via email a single sample

¹ <https://waterdata.usgs.gov/monitoring-location/07215500/#dataTypeId=continuous-00060-0&period=P7D>

concentration for chlorine residual of 2,200 µg/L, two hundred times the chronic aquatic life criterion.

40. On February 19, 2025, the Respondent did not report any flow data.

41. On February 19, 2025, at the design maximum discharge of 52,000 gallons per day (gpd), the Respondent discharged chlorine residual that NMED estimated the in-stream chlorine residual concentration to be 14.5 µg/L, exceeding the New Mexico Water Quality Standard (WQS) of 11 µg/L for that section of the Mora River.

42. On February 21, 2025, pursuant to 20.6.2.1203 NMAC, SWQB representative Nafis Fuad requested daily monitoring results for pH and chlorine residual from Mora MDWC & MSWA president Antonio Jaramillo via email.

43. The Respondent failed to provide information requested by SWQB on February 21, 2025.

44. On August 5, 2025, EPA issued an Administrative Order to Mora MDWC & MSWA for failure to submit Discharge Monitoring Reports.

45. On January 19, 2026, the USGS stream gage # 07214550 Mora Creek at La Cueva, NM showed a flow in the Mora River at La Cueva of 0.39 cfs or 254,757 gallons per day.

46. On January 19, 2026, the Facility measured a residual chlorine value in Facility effluent discharged from the Facility to the Facility outfall of 0.09 mg/L and an effluent volume of 75,023 gallons.

47. NMED staff calculated the chlorine in the Mora River resulting from the discharge at the Facility outfall to be 265.04 µg/L, which is twenty-four times the limit for the Wildlife Habitat and Chronic Aquatic Life criterion of 11 µg/L for that section of the Mora River for January 19, 2026.

48. On March 25, 2026, the USGS stream gage # 07214550 Mora Creek at La Cueva, NM measured 4.91 cfs or 3,172,070 gallons per day.

49. On March 25, 2026, the Facility operator observed a residual chlorine value in the effluent discharged from the Facility to the Facility outfall of 0.08 mg/L and an effluent volume of 67,690 gallons.

50. NMED staff calculated the chlorine in the Mora River resulting from the discharge at the Facility outfall to be 17.07 µg/L, which exceeds the limit for the Wildlife Habitat and Chronic Aquatic Life criterion of 11 µg/L for that section of the Mora River for March 25, 2026.

51. NMED staff calculations indicate that residual chlorine in the Mora River exceeded the water quality standard of 11 µg/L for that section of the Mora River on 49 days of the 90-day reporting period from January to March of 2026 based on chlorine residual reading provided by Mora MDWC & MSHA.

52. Mora MDWC & MSHA representatives informed GWQB representatives Deborah Carpenter verbally that on September 8, 2025, an operator certified at the appropriate level began operating the Facility.

53. As of the date of the issuance of this Administrative Compliance Order, Respondent has not verbally notified NMED of the unauthorized discharge, submitted written notification to NMED, nor submitted a Corrective Action Plan pursuant to Condition 28 of DP-640 and 20.6.2.1203 NMAC.

III. VIOLATIONS

54. **Violation 1:** The Respondent violated and continues to violate NMAC 20.6.2.2201 by discharging refuse into the natural watercourse, the Mora River. The Respondent has been out

of compliance on or before February 4, 2025, to present, more than one year demonstrating prolonged and willful negligence.

55. **Violation 2:** The Respondent violated and continues to violate Condition 28 of DP-640 and NMAC 20.6.2.1203 by not providing information on actions proposed or taken to mitigate immediate damage from the discharge. The Respondent has been out of compliance on February 19, 2025, to present, more than one year demonstrating prolonged and willful negligence.

56. **Violation 3:** Respondent has violated the Water Quality Standards of 20.6.4.900 NMAC by exceeding the Wildlife Habitat and Chronic Aquatic Life criterion of 11 µg/L of residual chlorine for that section of the Mora River on January 19, 2026, and March 25, 2026.

57. **Violation 4:** Respondent has violated 20.7.4.13 NMAC and 20.6.2.3104 NMAC by failing to comply with Condition 10 of DP-640 by failing to use an operator certified by the State of New Mexico at the appropriate level pursuant to 20.7.4.13 NMAC. The Respondent collected domestic wastewater and managed the facility without a certified operator from June 20, 2024, to September 8, 2025. This has resulted in the following concomitant violations:

- A. Failure to maintain the impoundment liners to avoid conditions that could affect the liner or the structural integrity of the impoundments per Condition 6 of DP-640;
- B. Failure to submit monitoring reports per Conditions 11 and 13 of DP-640;
- C. Failure to install totalizing flow meters on the influent line to the North Impoundment and the influent line to the South Impoundment per Condition 14 of DP-640;
- D. Failure to conduct required monitoring well analyses per Condition 15 of DP-640;
- E. Failure to collect required influent volume data received by the Facility per Condition 17 of DP-640;

- F. Failure to collect required discharge volume data to the North Impoundment per Condition 18 of DP-640;
 - G. Failure to initiate a corrective action plan (CAP) addressing ground water contamination per Condition 23 of DP-640;
 - H. Failure to initiate a CAP for the significant damage to the impoundments' liners and their ability to contain contaminants per Condition 25 of DP-640; and
 - I. Failure to notify NMED of unauthorized discharge and initiate contingency actions per Condition 28 of DP-640.
58. **Violation 5:** Respondent has violated 20.6.2.3104 NMAC by utilizing the impoundments in an unauthorized manner and discharging from them into the Mora River per DP-640, section 3, "Authorization for Discharge". This has resulted in the following concomitant violations:
- A. Failure to address impoundment sludge depth per Condition 4 of DP-640; and
 - B. Failure to maintain impoundment liners and berms per Condition 6 of DP-640.
59. The Respondent has been out of compliance on or before February 4, 2025, to present, more than 60 days demonstrating prolonged and willful negligence.

IV. COMPLIANCE ORDER

60. Based upon the foregoing findings and conclusions, Respondent is hereby ordered to complete the following Corrective Actions.
61. Immediately, after the date of service of this Order, Respondent shall cease to discharge refuse into the Mora River.

62. Immediately, after the date of service of this Order, Respondent shall provide all information requested by the SWQB, including the following:

A. Date on which the Respondent had knowledge of liquid in the chlorine contact chamber.

B. Proof of installation and calibration of influent and effluent flow meters capable of measuring any discharge from the Facility or its collection system bypassing the Facility.

C. Status update for the Facility and personnel operating the Facility.

D. Characteristics of refuse discharged into the Mora River including flow, pH, total nitrogen, total phosphorus, and *E. coli* bacteria. The test methods used to quantify these parameters mentioned above, shall be approved by the EPA and sufficiently sensitive. A method is “sufficiently sensitive” when (1) the method minimum level (ML) of quantification is at or below the level of the applicable water quality criterion for the measured pollutant or pollutant parameter; or (2) if there is no EPA-approved analytical method with a published ML at or below the water quality criterion, then the method has the lowest published ML (is the most sensitive) of the analytical methods approved under 40 CFR Part 136 or required under 40 CFR Chapter I, Subchapters N or O, for the measured pollutant or pollutant parameter; or The Respondent has the option of developing and submitting a report to justify the use of matrix or sample-specific MLs rather than the published levels. Upon written approval by SWQB the matrix or sample-specific MLs may be utilized by the Respondent for all future reporting requirements required in this order.

63. Within thirty (30) calendar days after the date of service of this Order, Respondent shall submit to NMED a list that details any specific actions taken to correct the violations cited in this Order.

64. Within thirty (30) calendar days of the effective date of this Order, Respondent shall submit to NMED a comprehensive written plan for the elimination of the cited violations.

A. The plan shall include a list of all deficiencies associated with noncompliance and a schedule of actions to correct each deficiency.

B. The plan shall describe in detail the specific corrective actions to be taken and why such actions are sufficient to correct the water quality standards violations cited herein.

C. The plan may include interim corrective measures to address water quality standards violations cited herein as quickly as possible, followed by subsequent permanent measures.

D. The plan shall include preventative measures the Respondent will take to prevent these or similar violations from recurring.

E. The plan shall include a training plan and schedule that familiarizes Respondent's staff with plans, policies, agreements, and procedures and provides board members, managers, and responders with a mechanism to evaluate operations and plans for continual improvement.

65. Within thirty (30) calendar days after the date of service of this Order, Respondent shall develop and submit to NMED a public notification plan for the Respondent to inform downstream users, the general public, and stakeholders when the Mora Mutual Domestic Water and Sewerage Works Wastewater Treatment Plant discharge exceeds the effluent limitations for *E. coli*, total phosphorus, or total nitrogen, which are established to comply with the water quality standards and protect public health and the environment. Respondent's public notification plan shall include notification action levels for *E. coli* of 126 cfu/100 mL (monthly geometric mean) and 410 cfu/100 mL (single sample) and notification action levels for total phosphorus and total nitrogen that may pose a threat to human health:

A. May 1 through September 30 (single sample): 0.81 pounds per day (lbs/day) for total phosphorus and 5.91 lbs/day for total nitrogen; and

B. October 1 through April 30 (single sample): 0.26 lbs/day for total phosphorus and 2.0 lbs/day for total nitrogen.

66. On a semiannual basis, beginning with the October 1, 2026, to March 31, 2027, reporting period, the Respondent shall submit a status report to NMED that includes:

A. a detailed description of the projects and tasks as implemented according to the plan;

B. a detailed description of any new standard operating procedures and process improvements that the Respondent has implemented;

C. a description of any operating problems encountered, and the solutions thereto; and

D. photographs of project activities.

The reporting periods for status updates are April 1 to September 30 and October 1 to March 31. Reports are due within 45 days of the end of the reporting period. The last report will be due for the next reporting period after the cited violations are resolved.

67. Within six months after the date of service of this Order, the Respondent shall complete a preliminary engineering report (PER) for the Facility. Within two years after the date of service of this Order, the Respondent shall submit to GWQB final engineering plans and specifications to decommission or rehabilitate existing impoundments and address chosen WWTP improvements based on the selective alternative of the PER. Within three years after the date of service of this Order, the Respondent shall complete decommissioning or rehabilitation of the existing impoundments and wastewater treatment plant improvements per the final plans and specifications submitted to the GWQB.

68. All plans, reports, corrective actions, schedules, and other documents or information submitted to the NMED under the terms of this Order shall be sent to:

Lochlin Farrell, Enforcement Coordinator
Water Protection Compliance and Enforcement Bureau
New Mexico Environment Department
1190 St. Francis Dr.
Santa Fe, NM 87505
Telephone: 505-660-8061
Email: Lochlin.Farrell@env.nm.gov

69. Failure to comply may subject Respondent to additional civil penalties. Subsection F of Section 74-6-10 of the Act authorizes the additional assessment of \$25,000 for each day of continued noncompliance if Respondent fails to submit the plan or documentation as required by this Order.

V. CIVIL PENALTY

70. Sections 74-6-10(C)(1) and 74-6-10.1(A) of the Act authorize a civil penalty of up to \$15,000 per day for noncompliance with the provisions of Section 74-6-5 of the Act, including regulations and permits issued pursuant to that section.

71. Section 74-6-10(C)(2) of the Act authorizes a civil penalty of up to \$10,000 per day for each violation of a provision of the Act other than those based in Section 74-6-5.

72. NMED hereby assesses a civil penalty in the amount of \$447,500.00 for the violations set forth in Section III. The penalties are based upon the penalty calculation narrative attached to this Order. *See Exhibit 1.*

73. Payment of the civil penalties is due no later than thirty (30) calendar days after this Order becomes final. Payment shall be made to the “State of New Mexico General Fund” by wire transfer (“ACH deposit”). On the date that delivery of funds is initiated, the Mora MDWC &

MSWA shall notify the Senior Program Financial Manager, Compliance and Enforcement Division by email at:

EJ Peinado, Senior Program Financial Manager
Compliance and Enforcement Division
New Mexico Environment Department
P.O. Box 5469 (87502)
1190 St. Francis Drive
Santa Fe, New Mexico 87505
ej.peinado@env.nm.gov

ACH deposits shall be made to Wells Fargo Bank as follows:

Wells Fargo Bank, N.A.
200 Lomas Blvd. NW
Albuquerque, New Mexico
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502

Routing Transit Number: 121000248
Deposit Account Number: 4123107799
Descriptor: NMED-2026-GWACOP-03

Written notification of the payment shall also be provided to the following address:

Tom Kricka, Assistant General Counsel
New Mexico Environment Department
1190 St. Francis Drive, Suite N4050
Santa Fe, NM 875052
Email: tom.kricka@env.nm.gov

VI. NOTICE OF OPPORTUNITY TO ANSWER AND REQUEST A HEARING

74. Pursuant to Section 74-6-10(G) of the Act, Respondent has the right to answer this Order and to request a public hearing.

75. If Respondent: (a) contests any material or legal matter upon which the Order is based; (b) contends that the amount of the penalties proposed in the Order is inappropriate; (c) contends that Respondent is entitled to prevail as a matter of law; or (d) otherwise contests the appropriateness of the Order, Respondent may mail or deliver a written Request for Hearing and Answer to the Order to the New Mexico Water Quality Control Commission, at the following address:

Commission Administrator
Water Quality Control Commission
P.O. Box 5469
Santa Fe, NM 87502-5469
Telephone: 505-660-4305
Email: Pamela.Jones@env.nm.gov

76. Respondent must file the Request for Hearing and Answer to the Order within 30 days after Respondent's receipt of the Order.

77. Respondent must attach a copy of this Order to its Request for Hearing and Answer to the Order.

78. A copy of the Answer and Request for Hearing must also be served on counsel for NMED at the following address:

Tom Kricka
Assistant General Counsel
New Mexico Environment Department
1190 St. Francis Drive, Suite N4050
Santa Fe, NM 875052
Email: tom.kricka@env.nm.gov

79. Pursuant to 20.1.3.19 NMAC, Respondent's Answer shall clearly and directly admit, deny, or explain each of the factual allegations contained in the Order of which Respondent has any knowledge. Where Respondent has no knowledge of a particular factual allegation, Respondent should so state, and Respondent may deny the allegation on that basis.

Any allegation of the Order not specifically denied shall be deemed admitted. Respondent's Answer shall also include any affirmative defenses upon which Respondent intends to rely. Any affirmative defense not asserted in the Answer, except a defense asserting lack of subject matter jurisdiction, shall be deemed waived.

80. The New Mexico Water Quality Control Commission's Adjudicatory Procedures, 20.1.3 NMAC, shall govern the hearing if Respondent requests a hearing.

VII. FINALITY OF ORDER

81. This Order shall become final unless Respondent files a Request for Hearing and Answer to the Order with the WQCC within 30 days of receipt of this Order.

82. The failure to file an Answer to the Order and Request for Hearing constitutes an admission of all facts alleged in the Order and a waiver of the right to a hearing under Section 74-6-10(G) of the Act concerning this Order.

VIII. SETTLEMENT

83. Whether or not Respondent requests a hearing and files an Answer, Respondent may confer with NMED concerning settlement. NMED encourages settlement consistent with the provisions and objectives of the Act and Regulations. To explore the possibility of settlement in this matter, Respondent may contact the attorney assigned to this case at the following address:

Tom Kricka,
Assistant General Counsel
New Mexico Environment Department
121 Tijeras Avenue NE, Suite 1000
Albuquerque, New Mexico 87102
Email: tom.kricka@env.nm.gov

84. Settlement discussions do not extend the 30-day deadline for filing of Respondent's Request for Hearing and Answer to the Order, nor alter the deadlines for compliance with this Order. Settlement discussions may be pursued as an alternative to and simultaneously with the hearing proceedings.

85. Respondent may appear at the settlement conference alone or represented by legal counsel.

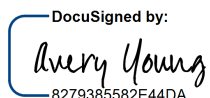
86. Any settlement reached by the parties shall be finalized by a written settlement agreement and a stipulated final order. A settlement agreement and stipulated final order must resolve all issues raised in the Order, must be final and binding on all parties to the Order, and may not be appealed.

IX. COMPLIANCE WITH OTHER LAWS AND WAIVER

87. Compliance with the requirements of this Order does not relieve Respondent of the obligation to comply with all other applicable laws and regulations, including compliance orders or enforcement actions.

X. TERMINATION

88. This Order shall terminate when Respondent certifies that all requirements of this Order have been met, and NMED has approved such certification, or when the Secretary approves a stipulated final order.

DocuSigned by:

8279385582E44DA...
Avery Young, Bureau Chief
Water Protection Compliance and Enforcement Bureau
New Mexico Environment Department

7/23/2026

Date

CERTIFICATE OF SERVICE

I hereby certify that on 7/23/2026, a true and accurate copy of the Administrative Compliance Order Requiring Compliance was served by certified mail and email on Respondent at the following address:

Henry Sanchez, Board President
Mora MDWC & MWSA
P.O. Box 304
Mora, NM 87732
morawater@nnmt.net

Elouterio Trujillo, Registered Agent
Mora MDWC & MWSA
2831 Highway 518
Mora, NM 87732

Signed by:

Thomas Kricka

57180403D4264C7

Tom Kricka, Assistant General Counsel
New Mexico Environment Department
121 Tijeras Avenue NE, Ste. 1000
Albuquerque, New Mexico 87102

PENALTY CALCULATIONS

NMED EXHIBIT 1

FIRST VIOLATION

20.6.2.2201 NMAC & 20.6.4.307 NMAC - Discharging refuse into a natural watercourse

1. Gravity Based Penalty

a. Potential for Harm

The potential for harm is **major**. The Respondent violated and continues to violate NMAC 20.6.2.2201 by discharging refuse into a natural watercourse, the Mora River. The Respondent has been out of compliance on or before February 4, 2025, to present, more than one year, which demonstrates prolonged and willful negligence.

b. Extent of Deviation

The extent of deviation is **major**.

c. Gravity Based Penalty Assessed

Discharging refuse into a natural watercourse is a violation of a provision of the Water Quality Act other than the provisions in Section 74-6-5 NMSA 1978 or of a regulation or water quality standard adopted pursuant to the Water Quality Act and is punishable by a civil penalty not to exceed \$10,000 per day. Using the appropriate gravity-based penalty matrix, this violation is assessed as a civil penalty of \$10,000.

d. Multi-Day Penalty

The Department exercises enforcement discretion to assess a multi-day penalty. The facility has been Discharging refuse into a natural watercourse since February 2025 to present. However, the Department has elected to exercise its discretion and limit the multi-day penalty to 60 days. A maximum of \$2,500 for 60 days is a civil penalty of \$147,500.

2. Adjustment Factors

The Department made a 10% adjustment upward for the willfulness and negligence for discharging refuse into a natural watercourse.

The Department made downward adjustments by 50% to account for issues related to the Covid pandemic and the Calf Canyon-Hermit's Peak fires and flood recovery hampering efforts to effectively retain plant personnel. Covid supply chain issues challenged the Association as prices for routine equipment and services increased compounding decades of deferred maintenance. The 2022 Calf Canyon and Hermits Peak fires with subsequent floods further exacerbated compliance efforts by the Association as routine operational focus shifted to emergency management functions. The fires exerted an enormous demand on the aging

infrastructure as the Association was tasked with maintaining utilities for remaining residents, the large influx of first responders and providing water for firefighting efforts. This left the Association in a poor position to pursue routine planning, operations and maintenance activities during fire response and finally recovery operations, nor were neighboring utilities able to assist. Additionally, the utility’s ability to manage the facility effectively was also hampered by several new board member replacements in Fall 2024.

The overall adjustment is a downward adjustment of 40%.

3. Economic Benefit

The economic benefit gained from noncompliance is the amount the Respondent would have spent to comply with the discharge permit requirement, including delayed costs, such as an operator’s salary, and avoided costs, such as routine sampling and electricity to run the Facility. The Department did not calculate an economic benefit.

4. Total Penalty

Gravity Based Penalty	\$10,000
Multi-Day Penalty	\$147,500
Total Prior to Adjustments	\$157,500
Adjustment Factors (-40%)	\$63,000
<u>Economic Benefit</u>	<u>\$0</u>
Total	\$94,500

SECOND VIOLATION

20.6.2.1203 NMAC - Failure to take corrective actions to control the water contaminants and mitigate damages to the environment and relieve the potential public health threat.

1. Gravity Based Penalty

c. Potential for Harm

The potential for harm is **major**. The Respondent violated and continues to violate NMAC 20.6.2.1203 by not notifying the Department within 24 hours after learning about the discharge, not providing information on actions taken to mitigate immediate damage from the discharge, and not completing any corrective actions to mitigate or repair any damage to the environment caused by the discharge. The Respondent has been out of compliance from February 19, 2025, to present, more than one year which demonstrates prolonged and willful negligence.

d. Extent of Deviation

The extent of deviation is **major**.

c. Gravity Based Penalty Assessed

Failure to take corrective actions to control the water contaminants and mitigate damages to the environment and relieve the potential public health threat is a violation of a provision of the Water Quality Act other than the provisions in Section 74-6-5 NMSA 1978 or of a regulation or water quality standard adopted pursuant to the Water Quality Act and is punishable by a civil penalty not to exceed \$10,000 per day. Using the appropriate gravity-based penalty matrix, this violation is assessed as a civil penalty of \$10,000.

d. Multi-Day Penalty

The Department exercises enforcement discretion to assess a multi-day penalty. The facility has failed to report nor take corrective actions to control the water contaminants, mitigate damage to the environment, and relieve the potential public health threat since February 2025 to present. However, the Department has elected to exercise its discretion and limit the multi-day penalty to 60 days. A maximum of \$5,000 for 60 days is a civil penalty of \$295,000.00.

2. Adjustment Factors

The Department made a 10% adjustment upward for the willfulness and negligence for failure to report nor take corrective actions to control the water contaminants, mitigate damages to the environment, and relieve the potential public health threat.

The Department made downward adjustments by 50% to account for issues related to the Covid pandemic and the Calf Canyon-Hermit's Peak fires and flood recovery hampering efforts to effectively retain plant personnel. Covid supply chain issues challenged the Association as prices for routine equipment and services increased compounding decades of deferred maintenance. The 2022 Calf Canyon and Hermits Peak fires with subsequent floods further exacerbated compliance efforts by the Association as routine operational focus shifted to emergency management functions. The fires exerted an enormous demand on the aging infrastructure as the Association was tasked with maintaining utilities for remaining residents, the large influx of first responders and providing water for firefighting efforts. This left the Association in a poor position to pursue routine planning, operations and maintenance activities during fire response and finally recovery operations, nor were neighboring utilities able to assist. Additionally, the utility's ability to manage the facility effectively was also hampered by several new board member replacements Fall 2024.

The overall adjustment is a downward adjustment of 40%.

5. Economic Benefit

The Department did not calculate an economic benefit.

6. Total Penalty

Gravity Based Penalty	\$10,000
Multi-Day Penalty	\$147,500
Total Prior to Adjustments	\$157,500
Adjustment Factors (-40%)	\$63,000
<u>Economic Benefit</u>	<u>\$0</u>
Total	\$94,500

THIRD VIOLATION

20.6.4.307 NMAC and 20.6.4.900 NMAC – Exceedance of Water Quality Standards

1. Gravity Based Penalty

a. Potential for Harm

The potential for harm is **major**. With respect to environmental harm, the presence of residual chlorine in the Mora River highly toxic to aquatic ecosystems and may contaminate groundwater at losing segments of the Mora River which additionally threatens to contaminate the groundwater that downstream residents may rely on for drinking water. With respect to regulatory harm, the limit set for this segment of the Mora River has been exceeded by several times the limit.

b. Extent of Deviation

The extent of deviation is **moderate**.

c. Gravity Based Penalty Assessed

The failure to prevent an exceedance of water quality standards violates a regulation adopted pursuant to the WQA, §74-6-5 and is punishable by a civil penalty not to exceed \$15,000 per day. Using the appropriate gravity-based penalty matrix, this violation is assessed as a civil penalty of \$9,000.

d. Multi-Day Penalty

The Department exercises enforcement discretion to assess a multi-day penalty of 1 day which results in a penalty of an additional \$2,250.

2. Adjustment Factors

No adjustment was made.

3. Economic Benefit

The Department did not calculate an economic benefit.

4. Total Penalty

Gravity Based Penalty	\$9,000
Multi-Day Penalty	\$2,250
Total Prior to Adjustments	\$11,250
Adjustment Factors (0%)	\$0
Economic Benefit	\$0
Total	\$11,250

FOURTH VIOLATION

20.6.2.3104 NMAC and 20.7.4.13 NMAC – Failure to utilize certified operators

1. Gravity Based Penalty

c. Potential for Harm

The potential for harm is **major**. With respect to regulatory and environmental harm, the WQCC Regulations, 20.7.4.13 NMAC, 20.6.2.3104 NMAC, and Condition 10 of DP-640 require a New Mexico certified utility operator to manage a discharge permit and system to protect human health and the environment. The Facility was receiving and treating domestic sewage without an operator from June 20, 2024, to September 8, 2025. The lack of active management by a trained operator has resulted in multiple deleterious downstream events to include treated wastewater not meeting effluent quality standards protective of groundwater and public health, failure to perform required groundwater analyses and submit results in required quarterly monitoring reports, failure to enact contingency plans to address groundwater contamination and volume exceedances, failure to maintain impoundment sludge levels, and failure to maintain the synthetic liners for the impoundments.

d. Extent of Deviation

The extent of deviation is **major**. The Department issued a voluntary enforcement

action in December 2024 to the Respondent for the same issue and had many follow up meetings, phone calls, and emails reiterating the importance of maintaining a certified operator for the Facility. The Respondent did not ameliorate the chronic issue until September 1, 2025.

c. Gravity Based Penalty Assessed

The failure to procure a certified operator violates a regulation adopted pursuant to the WQA, §74-6-5 and is punishable by a civil penalty not to exceed \$15,000 per day. Using the appropriate gravity-based penalty matrix, this violation is assessed as a civil penalty of \$15,000.

d. Multi-Day Penalty

The Department exercises enforcement discretion to assess a multi-day penalty. The facility was without an operator for 15 months between June 2024, to September 2025. Nine months passed from NMED GWQB issuing the December 2024 NONC to the date a certified operator began. The Department has elected to exercise its discretion and limit the multi-day penalty to 60 days. A maximum of \$3,750 for 60 days is a civil penalty of \$221,250.

2. Adjustment Factors

The Department made a 10% adjustment upward for the willfulness and negligence for failing to utilize a certified operator. Continuing to collect and store wastewater without a certified operator to appropriately manage plant operations and maintenance needs has resulted in an unknown amount of damage, therefore continued operations warrant adjustment upward of the fine amount by 10%.

The Department made downward adjustments by 50% to account for issues related to the Covid pandemic and the Calf Canyon-Hermit's Peak fires and flood recovery hampering efforts to effectively retain plant personnel. Covid supply chain issues challenged the Association as prices for routine equipment and services increased compounding decades of deferred maintenance. The 2022 Calf Canyon and Hermits Peak fires with subsequent floods further exacerbated compliance efforts by the Association as routine operational focus shifted to emergency management functions. The fires exerted an enormous demand on the aging infrastructure as the Association was tasked with maintaining utilities for remaining residents, the large influx of first responders and providing water for firefighting efforts. This left the Association in a poor position to pursue routine planning, operations and maintenance activities during fire response and finally recovery operations, nor were neighboring utilities able to assist. Additionally, the utility's ability to manage the facility effectively was also hampered by several new board member replacements Fall 2024.

The overall adjustment is a downward adjustment of 40%

3. Economic Benefit

The economic benefit gained from noncompliance is the amount the Respondent would have spent to comply with the discharge permit requirement, including delayed costs, such as an operator’s salary, and avoided costs, such as routine sampling and electricity to run the Facility. The Department calculated an economic benefit based on the market salary of an operator certified at the appropriate level for two months.

4. Total Penalty

Gravity Based Penalty	\$15,000
Multi-Day Penalty	\$221,250
Total Prior to Adjustments	\$236,250
Adjustment Factors (-40%)	\$94,500
<u>Economic Benefit</u>	<u>\$11,000</u>
Total	\$152,750

FIFTH VIOLATION

20.62.3104 NMAC – Unauthorized Use of Impoundments

1. Gravity Based Penalty

a. Potential for Harm

The potential for harm is **major**.

With respect to regulatory and environmental harm, the WCCC Regulations, 20.6.2.3104 NMAC, requires utilization of the impoundments in a manner to protect human health and the environment. The Facility’s moving bed batch reactor treatment plant operated in bypass mode since June 20, 2024. Wastewater is currently being received by the Facility and flowing through the impoundments with insufficient treatment before discharging into the Mora River. Pursuant to DP-640, the impoundments are authorized for flow equalization and sludge storage, and discharge from the impoundments is not authorized in the Discharge Permit. The inadequate treatment of the wastewater discharged from the impoundments poses significant threats to human health, groundwater quality, and potential property damage.

b. Extent of Deviation

The extent of the deviation is **major**.

c. Gravity Based Penalty Assessed

The failure to resume normal plant operations violates a regulation adopted pursuant to the WQA, §74-6-5 and is punishable by a civil penalty not to exceed \$15,000 per day. Using the appropriate gravity-based penalty matrix, this violation is assessed as a civil penalty of \$15,000.

d. Multi-Day Penalty

The Department exercises enforcement discretion to assess a multi-day penalty. There have been 23 months between June 20, 2024, to present. The Department has elected to exercise its discretion and limit the multi-day penalty to 60 days. A maximum of \$3,750 for 60 days is assessed as a civil penalty of \$221,250.

2. Adjustment Factors

The Department made downward adjustments by 10% for the good faith efforts to bring the moving bed batch reactor back online. An additional downward adjustment by 50% to account for issues related to the Covid pandemic and the Calf Canyon-Hermit’s Peak fires and flood recovery hampering efforts to effectively manage facility operations. Covid supply chain issues challenged the Association as prices for routine equipment and services increased compounding decades of deferred maintenance. The 2022 Calf Canyon and Hermits Peak fires with subsequent floods further exacerbated compliance efforts by the Association as routine operational focus shifted to emergency management functions. The fires exerted an enormous demand on the aging infrastructure as the Association was tasked with maintaining utilities for remaining residents, the large influx of first responders and providing water for firefighting efforts. This left the Association in a poor position to pursue routine planning, operations and maintenance activities during fire response and finally recovery operations, nor were neighboring utilities able to assist. Additionally, the utility’s ability to manage the facility effectively was also hampered by several new board member replacements Fall 2024.

The overall adjustment is a downward adjustment of 60%.

3. Economic Benefit

The economic benefit gained from noncompliance is the amount the Respondent would have spent to comply with the discharge permit requirement and was not assessed.

4. Total Penalty

Gravity Based Penalty	\$15,000
Multi-Day Penalty	\$221,250
Total Prior to Adjustments	\$236,250
Adjustment Factors (-60%)	\$141,750
<u>Economic Benefit</u>	<u>\$0</u>
Total	\$94,500