

Concerned Members report and comments on the Board meeting of SLPPOA-- December 14, 2021

NOTE: this is not the official Board meeting minutes that the Board is responsible for producing.

Author's comments:

The board has ignored our top priority project; the excessive 300,000 gals./mon leaks on system 1 main lines in favor of a low priority co-mingle project. We have argued for postponement of the co-mingle project based on:

- Is the project a necessity? NO
- Is the project high priority? NO
- Will it fix our leaks? NO
- Will our reserves pay for the project leaving enough for emergencies? NO
- Should we be pumping good water from system 2 into a leaking system 1? NO
- Should a 6" co-mingle line, valves and hydrant be installed on our 4" lines? NO-- not until a decision has been made whether a system upgrade to 6" lines and components will benefit or be cost effective for our small community.
- Is the co-mingle project design and construction costs worth an investment of ~\$110,000 *at this time*? NO
- Would our funds be better dedicated to find, repair or replace lines to fix leaks? YES.

During the last few years, \$80,000 - \$100,000 has been invested to replace more than 4000 ft of 4" main water lines, adding new iso/gate valves, hot taps, coupling restraints, a fire hydrant, a PRV regulator, and supply and drain lines and access ports at the storage tanks. Leak detection companies have on occasion been hired to help.

- Has progress been made? YES. According to water usage data, we've dropped the leak rate from ~70% to ~50%.

It doesn't make any difference what the community wants or is willing to pay for. Three people have decided without a long range plan to initiate a project that will provide little benefit and drain our reserves.

Zoom meeting called to order 6:35 pm.

Board members present:, Oepping, Lisko, Rightley, C. Hines, Stuedell, Cooke, Rigney, Toennis, Cross (new secretary).

Guests: Star, J. Hines -water operator, Moore, Van Ruyckevelt, Corn (*some attending via phone*)

The board approved the agenda, and the minutes of the Nov meeting.

President – Lisko

The special water system meeting video in Jemez Springs was sent to ten members.

There was a donation recommendation for use of the Presbyterian Church and facilities for the meeting. Lisko suggested donating \$150. The board approved.

Lisko went over some of the items regarding the current co-mingle project that were requested by Star to be included on the meeting agenda.

- *When did the board discuss and unanimously decide on the co-mingle project as "a first step in the overall repair of significant and on-going leakage within System 1?"*

He stated that this was discussed at the May 11 board meeting, *however no such mention was reported in the SLP minutes. Answer evaded.*

"Each individual board member, with the exception of Paul Rightly who left early, voted in favor of awarding the bid for Tasks 2&4

The other items that didn't directly match Star's request, but were briefly commented upon:

- *There's been no discussion about any bid approval as no bids are yet received.*

It was argued by Star that the board already has an estimate from NV5 of \$89,000 that according to Lisko, is a trustworthy figure. She claimed that either the board has figured out whether it can afford the project based on this estimate or not. Taking the project out for bid, knowing that it will substantially deplete our reserve fund and then once the bids come in, deciding whether its affordable is not a good way to do business with external contractors.

- *Nyhan and Star's concerns at the NV5 "kick-off" meeting were ignored.*

Both members voiced concerns about the priority of the co-mingle project. It was noted in the meeting that both members felt the co-mingle project was low priority until the main line leaks on system 1 were within reasonable limits. Lisko disputed that the concerns weren't ignored. He cited NV5's draft proposal as evidence. (See [Task 4](#) where text states:

"...it was mentioned there is a strong interest to begin waterline replacement throughout the SLPPOA jurisdiction in efforts to upgrade water distribution lines that are old, outdated, and undersized and have generally run the course of their useful life."

No mention of the excessive leak rate that should be top priority. In fact there is no mention in NV5's proposal about line leaks. Line replacement isn't the same as leak detection and repair or maybe that's the easy but more expensive way out.

Lisko gave some reasons the co-mingle task, at a cost of \$22,828 for the initial design analysis, was chosen over the \$10,000 cost for annual line replacement design. He claimed the co-mingle serves as a failsafe if problems occur. *Pumping good water from system 2 into system 1 leaking 54% of its water is wasteful and stupid.*

Star questioned why the board keeps talking about the co-mingle, and when did the board decide between Task 2 and Task 4.

Lisko stated that when the board decided on the 2 projects it wasn't up to every board member to decide. They referred that decision to the water professional, i.e. NV5, J. Hines and Corn. *It wasn't clear that the board had any say in the matter at all.*

Lisko explained that the details of NV5's cost estimates for the co-mingle project that was noted in a 251 pg document, will not be released because information could be misinterpreted. *In fact the entire process has been a covert action.*

Moore asked when NV5 describes the line replacement in their original proposal does that refer to looking for leaks or indiscriminately replacing lines.

Lisko surmised that NV5 could determine where it would best to replace the lines, but none of that has been talked about. *There was no copy of the proposal posted on the SLP web for members to review however it's available [here](#).*

Moore continued, will there be consideration of line that has already been replace. *There has been over 4000 ft of new 4" line installed from 2016-2019.* Lisko affirmed.

Star questioned who decided on 6" lines? Lisko stated that nothing is set in stone, but that 6" was recommended by J. Hines, however Hines stated that the recommendation of 6" lines could be revisited. Lisko stated that at some point line replace will be a discussion among the board. NV5 will take their direction from the board. NV5 will make recommendations. Lisko assured that what we want done, NV5 will accommodate. *So far the board hasn't been a part of the decision. We'll see if that changes.*

J. Hines interjected that one of the reasons 6" lines were considered is because fire standards across the US require 6" lines. His conclusion was that we should be ready to adjust to those standards. He continued that putting in 6" lines we double our water storage in the mains. He states that there is not much cost difference. *Increasing to 6" line components like valves and especially fire hydrants will increase cost and maintenance substantially. And, there has been no discussion or compelling reason as to whether our small community would benefit from replacing with 6" lines.*

Stuedell ask whether installing a 6" co-mingle line within our existing 4" lines may create pressure problems. J. Hines claimed that it's a matter of hydraulics. That the pressure remains the same and there won't be a problem.

Rigney commented that we need to get the bids before we would know what we are dealing with in terms of money. And then it would be up to the board to decide.

Star voiced her concern stating that over the past 3 years there has been nothing done to fix the leaks on system 1 and that we are pumping 300,000 gals. a month into the ground, and yet the board is pushing a co-mingle project that is low priority and that the excessive leaks on system 1 should take priority.

There was talk about the tools that have been available for checking for leaks, but who's going to do the work? The board is still hoping for volunteers that dried up years ago.

Without volunteers we need to hire help and if we spend 70% of our reserves on an unnecessary co-mingle we will have little left in the reserve fund to work with.

Moore asked whether NV5 could help.

J. Hines suggested that the co-mingle and leak detection could be done at the same time. *An interesting statement considering that the money spent on the co-mingle will substantially deplete our reserves leaving few funds for any additional projects.*

Lisko mentioned that the leak rate didn't improve with the 2016-2019 line replacement based on his sample of usage. *We disputed that claim in an email. The line replacement stopped 3 years ago, however system 1 was at a ~70% leak rate before the replacements started and did drop to ~50%. Regardless of Lisko's claim, we still have a 54% leak rate and the board has done nothing to address the excessive water loss on system 1 over the last 3 years.*

Stuedell questioned if we deplete the reserve fund, where will the next funds come from for other projects. He questioned, how do we build up for line mitigation and what happens if something else comes up? What's the plan for the money?

Van Ruyckevelt stated that we need much more in the reserve fund (*currently at \$127,000*). It is too low. She reminded that the board doesn't even have a reserve study. She reiterated that \$100,000 is a drop in the bucket. She asked if the board was going to do a reserve study.

Oepping replied that the last study was in 2017 and there is no plan for one in 2022. He reviewed the 2017 study and their recommendation at that time was to put \$18,000/yr into the reserves. We currently put in ~\$8,000 a year.

Lisko suggested that getting underway with the water billing would help solve the problem, but Van Ruyckevelt said the point is we don't have the money NOW to be pulling from our reserves for the co-mingle project estimated to be \$89,000. *And there is no guarantee that water billing would even pass a vote by the members.*

Stuedell proposed that a special assessment could be considered. He didn't think it was fiscally responsible to deplete the reserves. With a special assessment, the members would vote on the comingle and its funding.

Paul started to suggest a motion to move forward about considering a special assessment.

Rigney interrupted wanting to wait on the motion. He remarked that the board is currently working on the document to get it out to bid and listening to the attending members and their concerns and he doesn't want to go forward until we have all the figures.

Van Ruyckevelt asked if the board would provide a process. Lisko replied that we have to know what it will cost. Van Ruyckevelt replied that it's not necessary to establish a cost for a process. All the members need to agree on is whether to pay with a special assessment or take it out of the reserves.

Cooke added that a special assessment is covered in the Bylaws.

The idea of a special assessment was tabled.

Lisko claimed that a review of the 251 pg NV5 contract document was ongoing and input was coming from the attorney and board members. He mentioned that if the corrections are OK'd it will go out to bid. *The board was not asked for their input. The silence could be construed that the board member were not invited to the table on this one. It was a decision made by Lisko and others not on the board.*

Lisko mentioned a violation notification letter of Nov.19 from the PRC Pipeline Safety Bureau. He explained that the letter was an attention getting letter. It emphasized the importance of calling before excavation. The new laws require marking underground lines and recalling to confirm.

The board approved his request for reimbursement for cost of the booster pump motor repair of \$246.49.

Vice President – Rigney

Rigney asks for comments on the SLP Facebook chat site, but there was no input.

Moore inquired on how to get onto the chat.

Cross interjected that she was one of the moderators and there were two others.

Secretary – Cross

Cross still hasn't started working on the Special Meeting held in Jemez on Nov 6.

There was discussion on what should be included in the welcome packet. There is still some vital information missing i.e.: board volunteers, meetings, website access.

Treasurer – Oepping

Account Balances:

Operating - \$85,572

Reserve - \$127,350

There are 7 delinquents totaling \$10,236.

There was one change of ownership on 1112 Los Griegos.

Oepping reminded J. Hines that a copy of the meter report for 01/22 is required to assess the water conservation fee.

Oepping explained that the water conservation fee mix up with State was because a check was sent to a different department. The issue was resolved and a credit to the account will be applied 01/22.

Star asked for clarification on the rollover of operating funds from year to year and where they were posted on the financials.

Oepping replied that the operating account carry over funds are found on the balance sheet under the total cash assets. He will confirm the roll over at the Jan. meeting and he is still working on getting a financial page on the website and incorporating a budget

overview document . He noted that since 2018 there was a carryover of \$15,000 of under spent funds, in 2019 , a carryover of \$16,000 and in 2020, \$700, but in 2021 we overspent by \$21,000. Most of the over spending was the \$13,000 in legal fees.

He also offered to explain after a question was asked about the number and amount of the delinquencies carried over each year. Since the intent to lien effort that was encouraged by Moore and Star at last month's meeting he said it helped reduce the delinquencies from \$13,000 to \$10,000.

Star inquired about how many delinquencies roll over from year to year. Oepping asked Star how would knowing the delinquency carryover help.

Star added that years ago we use to track how many delinquents were abusers and why these delinquents were occurring and if needed take a more aggressive action. She queried how many of the current delinquent on the books pass from one year to the other and whether the board has been following through to get these collected.

Oepping agreed to follow up with HOAMCO and investigate the options on what to do with those folks on the books. *No answer to how many delinquents we have been dragging along over the years.*

Moore asked whether the roll over money could go into the reserve fund. Oepping replied that the board hasn't taken up that conversation but that it's a valid idea. He thought the budget next year might be a good time to talk about it. He confirmed that there is no carryover from this year because we are overspent.

Water – J. Hines

He reported that the FR10 well pump went down on 11/19 and the co-mingle valve was open to supply system 2 users with water from system 1. A controller went bad and was fixed by electrician Ken Vigil costing \$3,275.70 for labor and the controller.

He assisted one customer in leak detection. *As system 1 leaks over 300,000 gals/month, J. Hines is helping private property with their leaks for free, but there has been no action since 2019 to attempt any leak detection on system 1.*

J. Hines is still working to schedule the calibration of the well meters.

He took the replacement booster pump motor for system 2 for repair to Lee's Electric on Nov.29 because the capacitors went out.

J Hines has received confirmation from NMED for water operator exam the 1st week of Jan.

Water systems review:

There were 632,276 gals. pumped, 238,046 gals. used on system 1. The average household use was 88 gals.

There was 78,340 gals. pumped and 133,217 gals. used The average household use was 71 gals.

The co-mingle valve was again opened to supply water from system 1 to system 2 because of the faulty controller on the system 2 electronic board for FR10 water well. This skewed the reported numbers of the individual systems pumping and usage. The averaged leak rate reported ~50% *System 1 has lost over 7 million gallons since line replacement and leak detection stopped in 2019.*

Compliance

Both systems were absent of coliform/microbiological issues.

J. Hines reminded that 70% of the leaks on private property are at the standpipes (frostfrees) and that hoses should be removed to prevent freezing and breaking the stands.

Roads - Stuedell

The delayed HOAMCO payment for cinders from Montano Sand & Gravel was finally paid however Stuedell stated late payments are unacceptable. Oepping will reach out to HOAMCO to resolve the late payment problem.

Stuedell stated that the repair and maintenance of the SLP sander by the current snow plow contractor is still being worked on. He suggested possible getting a separate vehicle for the sander.

He requested reimbursement of \$46.14 for the cost of tarp from Metzger's to cover cinders.

He indicated that he will be on vacation until Jan 7. Lisko volunteered to be the contact during his absence.

Legal - Rightley

Rightley is planning to send a courtesy notice to shut down a puppy mill in Area 1 as advised by the attorney. He is giving the owners three options; to remedy before next board meeting, provide a description of process plan to solve the violation, or they can ask for a hearing at the board to discuss the dispute.

An update on the Vacation Rental Policy compliance along with the policy and permit will be sent to the residence located at 66 Ashley Ln.

Firewise - Cooke

Cooke is developing a GOAT Fire Triage Assessment with Chris Romo of NM State Forestry.

The SLP firewise assessment historical prospective and occupancy requested by C. Romo is unknown.

Architectural - Toennis

Toennis reports that one architectural request was received and approved for Nov. 2021: the LANet tower & cabin.

The 3 member committee of Peter Veverka, Scott Goulds and J. Hines reviewed and suggested a possible variance to allow LANet to erect tower without a cabin.

Lisko addressed the suggestion from the attorney that LANet already agreed to building a cabin and he doesn't see the advantage to revisit the issue.

There was discussion on the CCR's and the problem of granting a variance to one that could create problems if there would be another request.

Stuedell asked and was told that the minimum square footage of a cabin according to the CCR's is 600 sq. ft.

Van Ruyckvelt reminded the board that we have already paid for advice from the attorney and the board should follow the advice.

Moore questioned whether a tuff shed would qualify for a cabin.

Parks - C. Hines

C. Hines doesn't know when she will get around to installing the road identification and misc. traffic signs.

She agreed to help update the contents of the welcome packet to include more basic info and a possible architectural control page.

Action Items

Lisko reported that there are no grants currently available to fund transporting and installing an Intel water tank(s) to SLP Sta.#52 for fire suppression and there has been no further update from LCVFD on the Masthead transport and delivery of an Intel water tank. The issues will be tabled until Spring.

Lisko inquired about the progress with the committee formed to develop a water rate billing structure with RCAC. Cooke replied there was no report.

Joe Valdez from RCAC has requested to set a date to start work on the plan.

Meeting adjourned 8:40pm

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