

## Concerned Members report and comments on the Board meeting of SLPPOA Oct. 15, 2019

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

Author's notes and comments:

- Bylaws changes will be in the next newsletter. *Some are reasonable, some are unreasonable. This time there was no committee to reevaluate our bylaws-- the laws we live by.*
  - Water - *what we are going to do about our top priority issue is still being tossed around.*
  - Histories of past issues are lost when new board members replace old board members. *Important issues are slipping through the cracks; the OSE requirement to file an extension for perfection of water rights, past due by 8 years, tank inspections due every 5 years and a 2003 litigation agreement requiring insurance verification. These issues can result in fines from the state, excessive maintenance costs, and liability issues for the community.*
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Meeting called to order 7:29 pm

Board members present:, Lisko, Burnworth, Stuedell, Weary

Board members absent: Oepping, Hines left at beginning of the meeting.

Guests: Star, Corn

Agenda & minutes approved.

Josh Tuennis nominated to board for architectural review committee to fulfill one of the vacancies on the board.

### **Officer reports**

Lisko mentioned a proposed meeting, that didn't pan out with water operator in Madrid, to discuss water co-op vs mutual domestic. The issue has been entertained and investigated to ad nauseum by SLP boards off and on over the years. But, Lisko will be contacting a state rep for more info on reforming to a different water association setup.

Stuedell stated that water is the main focus and roads are a secondary focus for the community. *We still see no aggressive movement toward resolving this issue.*

**Treasurer Report:** Oepping emailed report. Weary read the report. *There was no financial statement provided for board review.*

Account balances: Operating - \$132,596 Reserve- \$109,469

There are 13 delinquents totaling \$5,600. An increase from August.

\$660 was transferred to reserves.

Legal cost remain unchanged at \$52,673.

Other legal costs are \$6,768.

### **Water Maintenance- Weary**

*Water operations and water maintenance apparently have been combined due to a lack of a water chair.*

No water delivery issues for September.

There was a leak at the steel sys 2 storage tank and it was fixed.

Water system miscellaneous - Weary needing assistance on how to report well meter readings that are required to be sent to the state by the 10th. This month is late.

There is a new homeowner (Eaton) under contract on a property that adjoins the sys 2 storage tanks. There is no easement for SLP for tanks access and the new owner would like to change that. He is concerned with the property being disturbed by water system volunteers. Weary mentioned a road to the rear of the property adjoining the forest service that may work. The road will need tree clearing. It's not clear whether the old logging road is on forest service land or can be used. For liability there should be something in writing.

### **Water usage - 745,795 gals lost this month in main line leaks.**

Sys 1 water pumped 493,925 gals. Use was 249,893. A 5.8 gals/min leak rate.

7 users over 7000 gals/mon. Two of the top 3 users have leak flags. There are also leak flags on users under 7,000\* gals. They may be vacation homes. *7,000 gals is the base line of those who will be charged a surcharge should the proposal be accepted. We question why the base line is set higher than state guidelines and investigation shows that the arbitrary number is a miscalculation.*

Sys 2 pumped 680,340 gals. Use was 178,577. A 12gal/min leak rate. 7 leak flags.

It was stated that someone will review whether some of these properties with leak flags are vacant so there is no damage when the cold weather hits.

**Water compliance:** Sys 1 reporting .07 residual - sys 2 reporting - .12 residual.

No other detects on other sampling tests.

### **Roads - Stuedell**

A MOU was sent to David Martinez (Sandoval county) about cinders storage on SLP land for review.

A new tarp needs to be purchased to protect the cinders for the winter. Stuedell sent Raue a notice about snow removal and grading the washboards. Stuedell is assuming Raue is doing the snow removal because we have a 2 year contract. He reports that the

drainage ditch up on Los Griegos needs some work. Leeder could be called for some specific repairs.

The Hovenweep water line replacement repair left some dips in the road. Corn stated Raue was not finished yet.

### **Legal-Burnsworth**

Attorney Hays sent some info about the certification of board members, stating that the board needs adequate errors and omissions policy so board members cannot be sued by members.

For proposed bylaws changes Lynn Krupnick was recommended. Burnsworth will be the point of contact.

HOA concerns that were sent by Kilburg to Hays will be sent it out again.

The plan for bylaws changes will include multiple changes that will be sent out in a future newsletter.

Firewise - all thinning has been halted in the forest because of the spotted owl issue. Judge shut down all activities, until the habitat is determined, however fire wood collection has been reinstated.

Samantha Profitt, a new owner would like to have a property adjacent to hers thinned. It was determined that the land belongs to Bootzin, the developer. The land is a drainage creek that flows into a spring that fills a stock tank. Lisko will draft a letter to Bootzin about the request.

**Parks** - Hines left no report.

**Architectural** - Lisko

No new requests. It was stated that new requests have to be on a form. Property boundaries need to be determined. A committee will have to sign off on the decision; it will not be solely a one person decision.

There was discussion about the different covenants. It was mentioned that the potential buyer on system 2 was interested in building a swimming pool, but it was stated in the covenant that they couldn't fill the pool with SLP water.

### **Old Business**

The ballot for vote on the bylaws is ready however some other changes were discussed.

Changes related to excessive water usage that would put a surcharge on residents that use over 7,000 gals./mon. Lisko personally doesn't think that water charges should be punitive, but charged per gallon of water used and possible adjust dues accordingly. Lisko however accepts the committee's proposal.

Consensus was that there are issues with all options.

Discussion ensued on water rights and per lot allocation. Corn suggested that the excessive use charge should be an interim change to the bylaws and that there are still undetermined issues with the proposal. People who use little water are subsidizing those who use more. Stuedell stated that Fredlund's justification proposal was convoluted. Lisko would still like to have an engineer take look at it, but excessive usage is not acceptable *so they won't wait for a more comprehensive review by an engineer.* Could be another year before working with Schrandt or resolving a different association setup for water improvements. *Schrandt was ready to offer up a plan months ago, but the board continues to delay progress.*

Star commented that Schandt's proposal would take some guesswork out of our future water system plans instead of taking the interim bylaw changes route. She stated that the issues should be addressed and done right the first time, but Lisko states the policy is a start to curtail usage, and that it comes with the attorney's blessing. *The members are given no choice of an alternative offered in a meeting in March by Star, and withheld by the board.* The board could make no decision about the proper approach *because the decision has not been analyzed thoroughly.*

Weary stated that scientific studies may help resolve some of the questions. How does water usage affect our future. *A punitive policy on excessive use does not resolve the excessive leak rates on the system or resolve our aging infrastructure.*

New bylaws changes were discussed and will be sent out to the members. A date will be set . Stuedell stated that there were more changes that need to be addressed.

Star asked and it was affirmed that each change voted upon separately will require a 2/3 approval from the members.

Some new changes include:

- Changing bylaws quorum to 51%. *This has advantages and disadvantages. The advantage is that it will be easier to change rules. The disadvantage is that the present conditions requiring a supermajority of 2/3's controls abuse of board decisions.*
- Changing 400 stems per acre however that is a CCR issue not a bylaws change.
- A 30% reduction of fees for board members. Weary stated that the dues are already a very cheap rate. Stuedell states that the point is to get board volunteers.
- Adding an errors and omissions policy.

Lisko will work on the changes and send them to Burnsworth and Stuedell to be forwarded to the attorney. It will be posted in a newsletter by November.

### **Old Business**

The board will make the short term rental restriction a policy without member approval. Stuedell questioned whether that was legal. It was stated that enforcement was doubtful. *So what's the purpose of a policy that can't or won't be enforced?*

Fire dept property- no one remembers what it was. Star suggested it might be regarding the MO of cinder storage. There was never a survey done when the LCVFD built the fire house. Lisko stated it was a matter of giving them an easement. Stuedell asked if Fredlund could provide a white paper on the issue. Lisko will follow up with LCVFD.

HOAMCO's new waiver per contractor requires a liability clause of a 2 million general aggregate, and that isn't acceptable for some of SLP contractors. They still have no waiver for the engineer. Stuedell stated that there should be some stipulations for liability for certain contractors. Lisko wanted a waiver for Schacht the webmaster and Schrandt the engineer.

Discussion ensued on mutual domestic water associations (MDWA) and public funds. It was stated that a water co-op was not eligible for water trust board funding. More info is needed. Stuedell asked if as a MDWA we would be subject to give water to others than our association.

Star asked if incorporating as a MDWA or water co-op would require water billing and require membership approval. Lisko stated as a MDWA it would, as a water co-op he did not know.

There is a member that may be interested in getting certified as a SLP water operator. Lisko suggested that we would pay for the member's education and there would be stipulations for working requirements. Rules and responsibilities will be determined and if he doesn't comply how would the board handle it. Lisko stated that it will be a 2 year involvement because of different levels of certification. Weary questioned the level of certification needed for an operator if the choice of association incorporation changes.

Discussion ensued about the HOA audit impact within a specific time. The board was concerned with the considerable cost. There was confusion regarding when an audit was due and what are the requirements.

The board talked about meeting with Senator Mimi Stewart to discuss how volunteers can't accommodate the new HOA law. They will try to set up a meeting.

An 8 year past due OSE water rights perfection extension - almost ready. *These are due every 3 years.*

A call for a volunteer/point of contact for 811 call was mentioned. Stanley was considered.

Star commented and asked a few questions.

She reminded the board that tank inspections are due every 5 years. *There was no indication that the board was aware of this need.*

She stated that the budget and increase in dues needs to be addressed in the newsletter. *There is no known approval of next year's budget due in November or dues increases.*

She asked Corn about the last testing of system 1 and why the results stopped at the commingle can. Corn commented that the data from the commingle can to aspen grove

well and beyond produced no leak data but added that there were calibration problems. Star commented that there was about 2 gals./min. data missing and unaccounted for from the results. *We are relying on testing results that are inconclusive to fix the system.*

She reminded the board that there should be yearly documentation submitted from a prior Cantrell/Nyhan litigation. Part of the litigation requirement is a \$500,000 addition to their homeowner policy to indemnify SLP against liability if someone has an accident because of their wall build on the SLP easement. The board acknowledged no understanding of this agreement or requirement.

Executive meeting called. No discussion regarding items.

Cars dispersed 9:45pm

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