

SIERRA LOS PINOS PROPERTY OWNERS' ASSOCIATION
BOARD MEETING
February 10, 2015

Board Members Present: Stan Bennett, Peter Veverka, Judy Kilburg, Katie Ballman, Joe Brophy, Jack Nyhan, Eleni Fredlund, and Scott Downing. Board Member absent: Max Otero. Guests Present: Harold Corn, Eagle, Timo, and Mike Schacht, Josh Cantrell, Cliff Heintschel, Suzanne Star, Barbara Van Ruyckevelt, Sabine Shurter and Mary Moore.

Meeting was called to order by President Stan Bennett at 7:16 P.M.

Mr. Veverka made the motion to approve the agenda. Ms. Fredlund seconded the motion. Motion passed unanimously.

Ms. Ballman made the motion to accept the minutes from the January 13, 2015, meeting. Mr. Veverka seconded the motion. Motion passed unanimously.

OFFICER AND COMMITTEE REPORTS

Treasurer

Ms. Kilburg handed out the Budget and Expenditures report, which included the P&Ls and Balance Sheets.

Ms. Kilburg reported the following account balances:

Balance in Bank Accounts:

Operating Account: \$140,992.54
Reserve Account: \$61,832.30
Special Assessment Account: \$18,544.85

There are a total of nine properties delinquent from past assessments. Uncollectable due to foreclosure remains at two properties. Collection is possible on seven properties, which means their property is not under foreclosure. Four of the property owners are not making payments and, if their balance is over \$500, the attorney is handling their case. Others have been contacted. Three property owners are making payments, although one has become less frequent and has been contacted.

Total Combined Past Due:

Operating Account: \$5,833.78
Special Assessment: \$5,299.21
Total Past Due: \$11,132.99

There are 36 residents who have not paid their annual assessment in full, which totals \$23,895.34.

Last month end-of-year carryover was reported at \$24,438.89, but after further review, the actual carryover from the 2014 budget is \$24,784.67. The Board has not yet determined where this carryover amount will be allocated. It remains in the operating account.

There seems to be a tremendous amount of false information posted on the CM website regarding bank balances, carryover, and retained earnings. Ms. Kilburg explained that:

- a. We are required, per our Bylaws, to establish a budget. Our budget is established every October (and has been performed in October for many years) and is based on the total annual assessment amount for that particular year. Throughout the existence of this association there have been many years when the amount budgeted is not expended and is thus considered “carry-over” for that particular budget year. There have also been many years when the amount budgeted for the year has been exceeded. As an example 2013’s budget was exceeded (by ~\$34,000) because the meter can project was underestimated and the total cost for the meter reader and computer were paid out of year one, so thankfully there was extra money in the bank account from many prior years, to cover the additional costs.
- b. Retained Earnings is the total amount of our equity when the books are closed at the end of the year, and reflect accumulated depreciation on equipment. We are not a “for-profit” corporation that distributes dividends, as has been reported by some members. Therefore, we have never and never will, distribute the retained earnings to the members.
- c. No “detective” work is needed to figure out how much money the Association has as the individual bank account balances are reported each and every month in three places – the minutes, the 2nd page of the Budget & Expense Report, and on the Balance Sheet.

Ms. Kilburg also reported that she received a request for disclosure documents for a property being sold on Los Griegos in Unit 6.

Water Maintenance

Mr. Veverka reported that one of the chlorinators was replaced by Mr. Naranjo. So far, everything is going well.

Mr. Corn reported that they are debating on whether to repair or replace the level-con (tank reporting system). Cost to repair is approximately \$400 and new is around \$700 and is a cellular unit, not a satellite unit. The latest model is coming out in March. Text capability was tested. The company can provide a high-gain antenna, but they will loan us a unit to try out. We will go for a new level-con on System 2 as every year we have lightning strike issues and go through batteries (“D” cell). It’s approximately \$900 for surge protectors. The current monthly cost is \$45 and would be reduced to \$15 for the cellular service. Batteries will last two-three years. A decision will be made at the March meeting.

ACTION: Mr. Corn to obtain costs.

Meter Cans

Mr. Corn reported that this will be year three, and the last year for meter installation. Quotes for labor and material have been received. As expected, costs for year three increased. 29 cans and 30 meters will be installed. Estimated cost thus far is:

Labor Contract	\$20,028.13
Material	<u>\$31,543.29.</u>
Total	\$51,571.00

There was discussion on the costs of the project. A percent complete of the project should be determined. Using carryover from last year’s water maintenance to fund the project was discussed. The budget does show an allocated amount to cover the anticipated shortage. It was decided to wait for more money to come in before the material is ordered.

ACTION: At the end of February, Ms. Kilburg will notify the Board of the Special Assessment bank balance.

Water Compliance

Mr. Nyhan reported that he received a contract proposal from Marine Diving to perform water tank inspections. This is a requirement by the Drinking Water Bureau. This maintenance was deferred by the "Concerned Members" when they were on the Board. The size of the hatches on the tanks should be 24" and ours are 18". Modifications may need to be made. They will check for sediments and leaks and check for leaks in the pipes that go between the tanks. They will charge \$1K per tank and everything is included in the proposal. If hatch work has to be done, it will be extra. They will provide a movie clip of what they find under water. Records from previous inspections found from more than five years ago.

Firewise

Ms. Fredlund reported that she attended the Firewise meeting. This week the Forest Service will begin a 450 acre burn on Virgin Mesa, west of Soda Dam, weather dependent. It will blow up early so as to be settled by the evening. Thompson Ridge and Paliza burns will take place in the fall.

Bill King, FMO, will be leaving the Jemez Ranger District, to work in Santa Fe. His last day is Feb. 22nd.

This fire season the Forest Service has solid resources, with mostly returnees.

There will be a Disaster Preparedness presentation at the Jemez Mountain Baptist Church is La Cueva on April 11th. All are welcome. The Forest Service will bring their 3D sandbox and there will be presenters from the USFS, Fire Department, and Sandoval County, including a presentation on sheltering in place during a forest fire. More information to come and it will be posted on the website.

There will be an all-hands workshop on the Southwest Jemez Mountain Collaborative Forest Landscape Restoration Project, March 12-13th at the Santa Fe Community College from 8:30-5:00. Topics are: Forest thinning, planned and unplanned ignitions, fire and riparian restoration, landscape restoration, invasive species, road closures/restoration.

Resources for slash:

- Howard Fegan – 829-3031.
- The Thompson Ridge Slash Pit to open May 1, 2015
- Cañon dump will take a truck load of slash less than 4 ft. long for about \$500.
- Rio Rancho Landfill

Who to call for fire permits:

- La Cueva FD Chief Lee Taylor at 505-269-6435
- You are not required to get a fire permit for piles less than 3x3x3 feet, but the Fire Department would like a courtesy call in case neighbors call to report smoke.

IT – Web Page Status

Mr. Schacht reported that he has been updating the web page. Mr. Bennett has found an e-mail link belonging to the previous webmaster imbedded in a document that will be removed. A closer look at all documents transferred over from the previous webpage should be reviewed for other imbedded links.

Mr. Schacht discussed having administrative permission for the listserver. Currently Ms. Fredlund and Mr. Studebaker are the only individuals with permissions.

Mr. Bennett informed Mr. Schacht that he was nominated as the Association's "Good Will Ambassador."

Roads

Mr. Downing reported that plowing was completed when requested. Mr. Crane has been unable to sand because the sander is getting jammed. Mr. Downing spoke with some county operators and they explained that they have vibrating motors attached to the equipment to help the sand move freely through the sander. Our operator found a motor to fit the sander and it's on order. Snow melt with sand helps, but will also clog up the sander.

The snow removal contract is in place and does include sanding.

Legal

Mr. Brophy reported that the attorney was on vacation until the end of January.

A lawsuit has been filed against the Board and the attorney has begun working on the case. Mr. Bennett added that we have been served with a suit by the four concerned members seeking civil mediation. We will let everyone know how it moves.

Ratification from the Board to reconvene with the attorney regarding past due accounts is suggested by Mr. Brophy.

Community Relations

Mr. Nyhan suggested another approach to communicating with the community by meeting at 6:30, prior to the Board meetings, to answer questions. Discussion ensued, and concern was that misinformation could be disseminated.

The rest of the community relations activities is on hold due to the legal suit.

Architectural and Parks

Mr. Otero was not present, but submitted his report that there are no activities at the present.

Action Item Status

- IT Corrections – Mr. Bennett will get something written up regarding the Goodwill Ambassador.
- Webpage correction – Give Mr. Schacht a hard-copy or detail on where e-mail links or other necessary changes need to be made. More discussion regarding listserver access was suggested.
- Hardship Request – needs to be sent to Mr. Schacht
- The aging report, without names, was sent to Mr. Schacht for posting.

OLD BUSINESS

- Mr. Bennett reported that the request letter received from Ms. Star has rolled over into the lawsuit, so the Board will not address the letter at this time.

NEW BUSINESS

- Pressure Reducer Valves (PRVs)– In preparation for meter can installation, we need to make contact with some homeowners to make sure they have a pressure reducer valve. Initial tests on properties indicated some have very high pressure, although this may not be the pressure inside the home. If someone has a PRV that we remove, then we replace it at our cost. If they don't have one and want one, they have to pay for it.
ACTION: Mr. Nyhan will send out a list of addresses with water pressure above 60 psi.
ACTION: Mr. Nyhan will identify houses that have a PRV and if they want one upstream.

Mr. Nyhan noted that we need to work the issue where water is supplied to two lots from one service line.

- Mr. Bennett suggested hiring Sunland Management to take over performing the monthly bank reconciliation. They will go on-line to perform the reconciliation. The motion will be made at the next meeting once we have a more accurate dollar amount.
ACTION: Ms. Kilburg will obtain a cost estimate.
- Badger Reader – A one-year service agreement for \$520 was received for the meter reader. Discussion ensued whether to renew the contract. Mr. Veverka made the motion to renew the contract and Mr. Nyhan seconded the motion. The motion passed unanimously.
- The contract proposal for Marine Diving was further discussed. It was questioned whether there are any other incidentals, such as broken belts or pulleys that it covers. Mr. Bennett indicated that we will look further into this and vote at the next meeting.
- Question and Answer session prior to Board meetings – Mr. Nyhan indicated that Heather Margaret offered to cook a meal and deliver if we have the question/answer sessions prior to the Board meetings. Concern was expressed that two Board members should be present and there was also concern that information would be considered as “official” Board input. Mr. Bennett asked the Board to be ready to discuss and vote on this at the next meeting.
- Tank Inspection – Mr. Brophy noted that our tanks are approximately 40 years old. He asked how the inspections will be performed without contaminating the water and asked if there are testing reassurances, chlorination, etc.
ACTION: Mr. Nyhan will ask these questions.
- Ms. Moore handed out a proposal for reporting on delinquencies. She indicated that she thinks 90% of the information is in the treasurer's report, but feels more information is needed. She suggests providing a case history on the delinquencies showing amount due, broken out by annual and special assessments, plus interest amounts, and any other interest or fees; the date the account first became delinquent, remedies taken by the Board, dates of remedies taken, and current status. She also wants the term “uncollectable” defined. Ms. Kilburg stated that this term has been explained numerous times. Ms. Moore also feels this information should be posted on the web as a means to pressure people into paying. Mr. Bennett asked Ms. Moore to rewrite her lengthy proposal in a manner for which meets her needs and for the Board to take action. A Board member asked that other than creating additional work, what benefit is gained from this. Mr. Cantrell asked why they feel individuals need case history and why do members need to know this information. Mr. Bennett added that this proposal touches on the lawsuit and, under legal advice, we are not going to take any action on this request. Mr. Brophy added that the Board has greatly exceeded state and national rates of collection. Most institutions have not had the success in collections that we have had

- and suggested the concerned members review reports in the newspapers.
- Mr. Heintschel asked that he be allowed to speak as he wasn't aware of the protocol to be placed on the agenda. Mr. Heintschel indicated that the roads are the worst he has seen. He claimed the roads were not repaired before winter and now the divots are covered with snow. He also asked about the policy for when snow plowing is performed. Mr. Downing indicated that the contract states they will plow when there is at least 6 inches. The contract gives 18 hours to respond. The contractor has a day job and we can't take him away from that. Mr. Veverka suggested an order of which area to begin plowing first be identified. Mr. Bennett suggested that Mr. Heintschel be part of the watch committee as snow levels vary throughout the sub-development. Mr. Heintschel asked about summer road repairs. It was stated that we've been working in sections and have also had work parties. Mr. Brophy indicated that he had been trying to get an engineering solution on that area of Los Griegos and also that 80% of the effort is spent on 20% of the roads. There is no means of drainage for that area and some residents have diverted the drainage back on to the road. There are also several places where culverts are plugged.
 - Ms. Van Ruyckevelt stated that she would like the chlorine levels posted on the web.

EXECUTIVE SESSION

At 8:45 p.m. the Board moved into an Executive Session.

Delinquent accounts were discussed in detail with determinations made for those which may require legal or other actions.

The meeting with Attorney Hays regarding the lawsuit filed by Ms. Star, Ms. Van Ruyckevelt, Ms. Shurter, and Ms. Moore was discussed. The attorney will file an entry of appearance right away. He has 30 days to respond to the suit, which is February 27th.

Money in the operating account will be used to pay for legal fees.

Meeting adjourned at 9:29 p.m.