

**Minutes of the
Sierra Los Pinos Property Owner's Association (SLPPOA) Annual Meeting
September 14, 2014**

Pre-Meeting Presentation

Todd Lerkie, Jemez Springs Forest Service gave a presentation on the Pino Fire.

Bill King discussed the lightening-caused fire that started on 7/13/14, which prompted the Peliza burn. This has been in preparation for two-three years.

Fire Chief Lee Taylor informed residents that our insurance rating is at ISO-8B. We have an excellent fire department, but we don't have enough water sources. There are plans underway to install more water storage tanks for the fire department use.

Call to Order

The meeting was called to order at 2:21 by president Joe Brophy. Other board members present were Judy Kilburg, secretary/treasurer, Eleni Fredlund, Firewise chairperson, Jack Nyhan, water compliance, and Stan Bennett, vice president. Board member absent: Peter Veverka.

Mr. Brophy started the meeting by reviewing the protocol for the meeting which is the committee reports will be read and then he will open the floor up for comments. Time for discussion will be limited to 10 minutes. If further discussion is necessary, he asked that requests be submitted to continue discussion at the October Board meeting.

Mr. Bennett read the minutes from last year's annual meeting. Ms. Star presented corrections to the minutes. It was noted that she served on the Board and was an active participant in the preparation of the annual meeting minutes from 2013. It became clear that the new corrections would take extensive time to review, so the approval of the minutes from September 2013 were tabled.

Secretary's Report

Ms. Kilburg reported that she had to take over as secretary after our secretary resigned from the Board earlier in the year.

There were six (6) properties that changed ownership since last Annual Meeting. A new requirement that came about in July 2013 was to complete "Disclosure" documents any time a property changed ownership. This gives the buyer full disclosure on assessment amount, any special assessments, whether we carry insurance and what it covers and if there are any pending litigations. We also must provide a copy of our approved budget, Profit & Loss Statement, Balance Sheet, Bylaws, Covenants, Articles of Incorporation, etc. Typically the package is roughly 21 pages. Sometimes they want it faxed, sometimes certified mail – it just depends on the situation. The law allows for charging for this documentation. Although we started out not charging a fee, after discussions with Thompson Ridge and discovering that most other HOAs charge a substantial fee, we decided to be in line with Thompson Ridge and charge \$150.

Treasurer's Report

Ms. Kilburg reported the account balances as follows:

Operating Account: \$87,353.80

Reserve Account: \$61,814.16

Special Assessment Account: \$2,599.44

For our operating account alone this year we've brought in a total of \$113,450.52 and our budgeted income was \$106,950. This is due in large part to the success of collecting on three foreclosed properties and it includes interest collected on past due accounts, which to date totals \$3,036.19.

Our special assessment brought in a total of: \$80,787.21 this year. Several members paid their 3-year assessment in advance for a total credit balance for next year of \$6,191.11. We did have to transfer \$5,000 from the operating account to cover bills, but then more payments came in and we were able to transfer back \$2,500 to the operating account. When we worked the budget for this year, we allocated \$16,000 to transfer to the special assessment based on the overage calculations last year. We're happy

to report that the large transfer wasn't necessary. More on this will be covered under the Meter Can report.

Delinquent Accounts:

We've had 4 properties under foreclosures and were able to collect on 3. According to our attorney, we've been extremely fortunate on collecting on these as typically this isn't the case. The balance due on the one remaining foreclosure (which is reported monthly as the "Uncollectable") is:

\$4,200.78 of which \$2,862.46 is for the Annual Assessment and \$1,338.32 for the Special Assessment. There are 10 properties delinquent at this time, two of which their balance is only for the attorney fees and/or the cost to release the lien on their property. Delinquent account balances where collections are possible are:

Annual Assessment: \$5,215.64 Special Assessment: \$6,139.11 for a total of \$11,354.75

Five of these homeowners are on payment plans.

More on delinquent accounts will be covered under the "Legal" report.

Legal

Ms. Kilburg reported that six property owners were turned over to the attorney for collections. His first course of action is to send the owner a "demand" letter. Once the demand letter was mailed, we had three who paid their balance in full. Two of them now owe either the release of lien fee and/or release of lien and attorney fees. I'll be making contact with them. Mr. Hays, our attorney, has been in discussion with two of the other owners, and we've all been unsuccessful in making contact with one, so the attorney is making one last attempt before we pursue another course of action.

Water Meter Installation Project

Mr. Corn gave a detailed presentation on the meter can project (which will be posted on the web). This year twenty two cans were installed on System 1 and 28 were installed on System 2. Six were installed where there was either no stand-pipe or know water connection location. They were able to secure the contract with DCS Enterprise again this year at the same price as last year. The project this year was completed in less than 30 days. The cost of the project to date has increased from \$1686 to \$1756. The estimated cost/lot/year is:

- \$1756/3 years = \$585/Lot/Year
- Year 2 Cost/Lot
 - \$83,677.81/147 Lots = \$569/Lot/Year2
- Year 1, 2, 3 Billing
 - \$562/Lot/Year
- Year 2 Income
 - Actual = \$80,787
 - Advanced Pmts = \$7,315
 - Total = \$88,102

Causes for the overrun are due to the new federal no/low lead plumbing requirement, original parts estimate was out of date, labor contract projection out of date, vacant lot opt out option, and the water computer purchase cost came out of year one costs. An underrun is expected for year three as there are only 30 cans remaining to install, however labor costs are expected to increase for year three.

They have learned quite a bit about usage, so this has been helpful. There are some high users. Some had high usage and they are part-time residents. They are learning quite a lot about our water system.

Water Maintenance

Mr. Nyhan provided a detailed handout (posted on the web) reported that they have started interacting with residents. He obtained a photo from Google Earth and marked where isolation valves are located. Water pressure measurements were also taken at each residence with the resulting data plotted. Some residents had incorrect pressure reducers in the ground.

American Leak Detection was hired to test for leaks in our system. They discovered several homes with leaks somewhere between the meter and home. Testing was performed helium by pressurizing the lines.

They will be performing other similar tests in the future and we will contact property owners who have known leaks to have testing performed from the main line to the residence to aid in locating leaks. The estimated cost is \$349 for 2 hours.

Several leaks were discovered during the meter can installation project. A large leak was identified in the meadow at about 10' deep.

Mr. Nyhan reported that, after many months of harassment by some members, our water operator quit. . A positive test for bacteria was found, which required repeat samples. A new certified water operator was hired, collected the repeat samples, which came back clean.

A report from the New Mexico Environment Department (NMED) was received stating 14 violations on our drinking water system. Mr. Nyhan has been personally talking to the agency in Santa Fe and Albuquerque to resolve the issues. He has developed a water sampling plan. He and Mr. Veverka have divided the system into four quadrants and can now make comparisons over time. A fence was installed around the water supply tanks and the well head in the meadow, as required by the Drinking Water Bureau. The Consumer Confidence Report for our water quality was written.

Mr. Brophy commented that with a budget of \$106K and the ability to maintain our water system on a \$50,000 budget is very challenging. We've made great strides to improve our water distribution system, and he's not aware of a year in the past that we've made this much progress in identifying and fixing this many leaks. \$50,000 for approximately 150 households is a good deal!

Roads

Mr. Brophy reported that 25% of the budget is allocated to roads. Last year the county spent in excess of \$1M in upgrades to Forest Road 10 from SR-4 to the fire station, and we have only \$27,000 to fix our roads. The last two years we used asphalt millings to resurface some of the worst areas. Last year's road maintenance budget was expended on 20% of the roads. 17 loads were delivered, and the results have been very favorable. For the next few years, we hope to get the other 80% of the roads covered.

Next year we hope to have the culverts cleaned out, as this will reduce damage to the roads. Mr. Meskimen has equipment to blow out the culverts.

We own a sander, which is being stage in La Cueva with Martin Crane, who has a truck to operate the sander. We won't be getting free cinders any longer. We have been working with Sandoval County for a means to obtain cinders.

Community Relations

Mr. Nyhan reported that he's been doing damage control from negative comments that have been made towards the Board. He's been out talking to residents. An issue was discovered where two neighbors shared a water line. He was able to speak with both of them and came to an agreement on the resolution so the meters could be installed. "Neighbors helping neighbors – that's the idea that this board stand for."

Firewise

Ms. Fredlund thanked Mr. Schacht for the new web page. Without him, we wouldn't have the notifications. On the web we are posting all important information on fires, open burning regulations, and other information.

Architectural

Mr. Bennett reported that there was one submittal for a tuff shed, which was approved. All forms are available on the web. When making modifications to your property, please consider your neighbors and how they may think about the changes. There are four sets of restrictive covenants for the community, all posted on the web.

Parks

???? reported that the parks have been mowed, thanks to the Otero's and Mr. Kilburg. There was

discussion regarding improving the parks with a covered picnic area. The shed also needs maintenance, but we have limited resources.

Recognition of Volunteers

Volunteers for the year were announced as follows and presented with a gift card.

Max Otero, Maria Otero, Carolyn Corn, Harold Corn, Tom Horan, Brad Shurter, Barbara VanRuyckvelt, Jan Studebaker, Rich Kilburg, Mark Stanley, Mike Schacht, and Ed Partridge.

Nominations from the Floor

Ms. Souder nominated Scott Downing to run for the Board of Directors. Lynn Bennett seconded the motion.

Discussion

Discussion ensued regarding the extensive proposed revisions to the 2013 minutes by Ms. Star and Ms. Van Ruyckvelt. All were reminded that minutes are to be streamlined, not verbatim. The development of the minutes, in which Ms. Star was part of, and then posted on the web. There was concern that the version posted was not what the Board has submitted for posting. It was decided that the Board would go through the minutes and compare to the proposed changes. Minutes for approval will be posted on the web.

A member asked the status of the water operator. Mr. Nyhan responded that it is a state requirement to have a water operator and have a contract in place. There was also a question regarding the chlorinators and why they were replaced. Mr. Nyhan responded that there was a problem with the chlorinators in which there was a possibility that the 10% hypochlorine could have been added full strength.

A member commented that her e-mails were not being answered. Ms. Kilburg reported that she had personally replied to her three times, as did other Board members. It was obviously an e-mail issue.

A question was raised regarding the policy on road grading. Mr. Brophy responded that they try to get the roads crowned and realize it is a problem.

A member asked what the policy is if they want to bring a concern to a Board meeting. Mr. Bennett responded that he would like a one-weeks' written request. Mr. Bennett stated that under Roberts Rules the first meeting new topics come as a proposal and is discussed further at the next meeting. It shows up on old minutes to vote on. It was added that if a request is submitted by e-mail and you don't get a response, then follow up with a phone call.

A member asked about emergency road access at the end of Los Griegos. Ms. Fredlund responded that the La Cueva Fire Department has contacted the owner of the property and they don't want us using it.

Election to Board of Directors

After a count of the ballots, it was determined that the quorum was met. Election of new Board Member resulted in the following with number of votes:

Joe Brophy – 76
Eleni Fredlund – 62
Max Otero – 46
Katie Ballman – 43
Scott Downing – 7

Welcome New Board Members!

Max Otero made the motion to adjourn the meeting. Harold Corn seconded the motion. The meeting was adjourned at 5:50 p.m.

