

**MINUTES OF THE
SIERRA LOS PINOS PROPERTY OWNERS' ASSOCIATION (SLPPOA) ANNUAL MEETING
September 12, 2015**

Pre-Meeting Presentation

Fire Chief Lee Taylor from the La Cueva Volunteer Fire Department stated he is relieved with all the moisture we've received so far this year. Two 25,000 gallon water tanks were obtained for La Cueva. They are in the design phase right now. The work will go out for bid and he hopes to have installation completed by next spring. Grants and donations are the Department's main funding sources. He thanked those individuals that give to the Department. The 501C3 Corporation supports this area. This year the Department was able to procure two important pieces of equipment for the Department. A stair chair and a \$25,000 power load system unit which is mounted on the rescue truck to slide patients on the emergency vehicles. This equipment saves the responders from getting hurt while loading patients manually. The Department has been busy in this fire district with 911 calls, mostly for home medical emergencies. Because of the low fire danger, Chief Taylor encourages residents to burn slash on their property to create a defensible space and asked that residents help your neighbors that need help. This is a smart proactive move for fire suppression. Chief Taylor reiterated that when you burn on your property please give a courtesy call to the burn hotline, (800) 898-2876. Talk to a live dispatch or leave a message informing them of your intent to burn. A permit will be issued and all other pertinent entities will be advised of the burn. Chief Taylor said that volunteers are always needed and welcomed. He encouraged residents to join up and get trained. There are numerous ways to volunteer your support via administrative, maintenance of equipment or incident response (fire or medical calls). He recognized several residents for their help, i.e., Eleni and John Fredlund, Scott and Julie Allen and Stephanie.

Mr. Ron Gallegos from the U.S. Forest Service, Jemez District provided a map of the area that highlighted the Los Griegos prescribed burn area, which is approximately 17 miles southwest of the city of Los Alamos and northeast of the Sierra Los Pinos community. The prescribed fire will take place between September 17 and October 31, 2015, dependent on weather conditions. He stated the NM Air Quality folks will be monitoring the air quality; however, he recommended that smoke-sensitive individuals and people with respiratory problems take precautionary measures. Mr. Gallegos also stated that a proposed south Peliza burn in November is a priority. Mr. Gallegos informed everyone about the National initiative "Every Kid in a Park" to build the next generation of environmental stewards. Fourth graders and their families are eligible for free access to many parks nationwide. He provided a handout.

Call to Order

The meeting was called to order at 2:00 p.m. by the SLPPOA President, Stan Bennett. Other board members present were Judy Kilburg, treasurer; Peter Veverka, water; Jack Nyhan, water compliance/community relations; Katie Ballman/secretary; and Max Otero, parks and architectural. Board members absent: Joe Brophy, legal and Eleni Fredlund, firewise.

Mr. Bennett presented the agenda for the meeting and reviewed the protocol for the meeting. The committee reports will be presented and then Mr. Bennett will open the floor up for comments. Time is limited to ten minutes for each presented comment.

Ms. Barbara Van Ruyckevelt motioned to approve the agenda. Ms. Janelle Bushnell seconded the motion. The motion passed unanimously.

Ms. Carolyn Corn motioned to approve the September 2013 Annual Meeting Minutes. Ms. Sondra Cantrell seconded the motion. The motion passed unanimously.

Ms. Janelle Bushnell motioned to approve the September 2014 Annual Meeting Minutes. There were two typos which had been corrected. Kent Wolford seconded the motion. The motion passed unanimously.

Treasurer's Report

Ms. Kilburg presented the account balances as follows:

Operating Account: \$106,016.46

Reserve Account: \$65,912.88

Special Assessment Account: \$28,938.18

The special assessment account balance is not extra money left over from the project, but is in fact money owed back to the operating account. Further details will be discussed during the meter can project report.

Delinquencies:

Annual Assessment: \$9,448.80

Special Assessment: \$5,757.89

For a total of \$15,216.69

Amount past due and considered COLLECTABLE:

Annual Assessment: \$1,555.78

Special Assessment: \$2,149.57

For a total of \$3,705.35

Three properties are considered "collectable," of which two property owners are making payments and one owner has been referred to our attorney for collections.

Uncollectable:

Annual Assessment: \$7893.02

Special Assessment: \$3618.32

For a total of \$11,511.34

This Board believes in preserving the privacy of delinquent account holders. This decision has the back and support from our attorney. The three properties are listed as "uncollectable are

due to foreclosure and/or probate issues. Since it can be quite difficult to collect on a foreclosed property and many don't ever collect, these are listed as "uncollectable." Over the past three years we have been very successful in collecting on a foreclosed property.

Ms. Kilburg discussed the following:

- Presented a pie chart of all expenses. The pie chart of expenses will be posted on the SLPPOA website.
- We had \$24,748.67 in carry-over from last years' budget. To date, we have allocated \$6,000 to roads for maintenance and \$8,017.63 to water to cover an unexpected water line installation.
- Due to the lawsuit, our legal costs have greatly exceeded out budgeted amount and this continues to grow. As of the last invoice, legal costs for the lawsuit are at \$6,783.66 and we have five months to go before the trial date.
- Quarterly financial reviews continue to be performed by Sunland Management Company.
- We have other large unexpected expenses this year, which will be covered in other reports. Money from the unallocated funds in the operating account and/or reserve account will be used to cover these expenses.
- The meter can installation costs are tracked separately and will be covered under that project report.
- The property taxes that were incorrectly assess by the State this year were protested and a refund of \$822.89 was provided to SLPPOA from the Sandoval County Assessor's Office.
- Profit and Loss Statement with a breakout of costs to date, the Balance Sheet the A/R Aging Summary was made available to members and will be posted on the web.

Water Maintenance Report

Mr. Peter Veverka provide a detailed account of activities in this area.

- October 2013 – There was a leak in the Aspen well house which was repaired. Three new master water meters were installed. Now these are radio read. There was a lightning strike, two leaks in System 1 which were fixed and System 2 level con.
- January 2014 – There was a leak in the water line on Cerro Pelado Tr.
- February 2014 – System 2 levelcon went down – ok now
- March 2014 - Large leak on Aspen Grove near Los Griegos which caused flooding for one resident. Thanks to some volunteer fire department personnel and other residents who helped move furniture.
- May 2014 – Leak on Los Griegos. The leak was repaired and at the same time the water meter was installed by Mr. Harold Corn and Mr. Jens Peterson.
- June 2014 – The water can installation project was completed!!
- July 2014 – the system 1 well stopped pumping. There was a broken contact which was replaced.
- August 2014 – A new floor and drain plug were placed in the Aspen well house.
- September 2014 – Albuquerque Leak Detection (ALD) provided leak detection. System 1

water shut off for all residents in order to perform leak detection. System 2 is in excellent condition and will not need leak detection. Mr. Mike Schacht the SLPPOA IT specialist has done a great job of posting information regarding resident usage. There are very informative flow charts. This information has allowed Mr. Veverka to contact residents with high usage rates and determine if there are leaks. Residents are encouraged to look at the charts at the SLPPOA website. Three to five thousand gallons of water per month is considered normal usage for each household.

Water Compliance Report

Mr. Jack Nyhan stated there are two residents that have signed up for American Leak Detection (ALD) Company to perform leak detection at their residence. Check the website charts to determine if your residence is flagged for a leak. It's a good idea to consider ALD at this time as the rate is being reduced.

Mr. Nyhan reported on the condition of the tanks. Marine Diving Solutions out of Denver, CO, were hired to inspect the water storage tanks. They charged approximately \$1,000 per tank for inspection and repair work. He provided a handout showing how the tanks are inspected. System 2 has minimal corrosion inside which was taken care of and there was a problem with one of the vents which was repaired. We are now in 100% compliance with the NM State Engineers Office. The tanks need to be inspected every three years. Ms. Van Ruyckevelt requested that the report be posted. Mr. Nyhan stated it will be posted on the SLPPOA website if it isn't already there.

Mr. Kent Wolford requested additional information on the treasurer's report. Mr. Bennett reminded him that in the interest of keeping the meeting on schedule, Mr. Wolford will have a chance to ask his questions after all the committee reports have been presented.

Water Meter Project

Mr. Harold Corn gave a presentation on the meter can project. He stated that the residents and the Board should be commended for the successful completion! The project started on September 12, 2012. The project required member approval for a 3-year plan, identified the material required and included the installation contract. One hundred forty-seven total meter can assemblies were installed and eight members with vacant lots opted out. We now have radio meter reading capability. Volunteers are needed to read the meters monthly for each well and all resident homes. Mr. Corn documented the lessons learned and problems encountered and total project costs (Attachments for the Year 3 of the plan and final cost breakdown are on the website.) We needed to borrow money from the operating account during the course of the project. Any balance of funds from this project will be used to procure parts for maintenance. Any funds remaining after purchase of parts will be returned to the operating account.

We did learn from the pilot that we want a fixed labor contract. We also learned that System 2 has a 4% water loss rate and System 1 has 60% water loss rate.

Firewise

Mr. Stan Bennett discussed the need for volunteers for various things. The Schacht family provided a demonstration regarding healthy vs. unhealthy tree growth. The SLPPOA covenants state that no more than 400 stems per acre but this seems to allow for dense growth and there may be a need to update the covenants. Mr. Jack Nyhan provided a vegetation management handout.

Mr. Mike Schacht presented instruction on how to establish a personal account for the purpose of following individual water usage per month. It provides information i.e., date meter was read, individual usage for the month, average monthly usage, community average and total amount pumped for all 3 systems. Mr. Schacht is responsible for the system architecture but he needs help with content management (he suggests having a few other people authorized to load reports, information, etc.).

Ms. Barbara Van Ruyckvelt asked if there is a plan to start billing for water. Mr. Bennett responded, not at this time.

Mr. Kent WOLFORD asked if there is a way to reduce the loss of water. Mr. Bennett responded, that ALD will be out this week.

Roads

Mr. Bennett stated this has been the year of rains and washouts. Backfill on the roads is needed. Mr. Bennett found a local person that is willing to help. The Trilobite road repair alone cost \$11,000 for labor and materials. We also have to keep in mind that the road budget includes snow removal in the winter months. Mr. Bennett requests that residents with culverts in their area to please clean out the debris. If residents note crushed culverts please let one of the board members know. Mr. Bennett also suggested that rounding off some of the sharp banks on resident properties. This would smooth them out and make a ditch for the water runoff and aid in reconditioning the roads. It is important for residents that have a ravine to allow water to flow through freely.

Mr. Peter Veverka is strategizing with a new contractor to determine the roads with the greatest needs. Currently, they are doing engineering of the roads to determine where culverts are needed, how to set the culverts, if water bars are needed, and identifying and scheduling yearly maintenance requirements. Maintaining the culverts may be a combination of SLPPOA or property owners. The contractor will fill and smooth those roads requiring immediate attention as soon as possible.

Legal

Mr. Stan Bennett stated the Board has been diligent in recovering dues and special assessment fees from delinquent residents.

The Board is busy complying with the law suit requirements. The Board has gone through the process and mediation and is now preparing for when we go before the judge. The additional

cost for this law suit is not known at this time however, the Board will try to recover the legal outlay.

The audit is started for years 2012-2015 by McKinney and Associates which is independent of Sunland Management Corporation. The cost for this is approximately \$9,000.

Community Relations and Recognition of Volunteers

Mr. Jack Nyhan stated that there have been numerous residents helping in our community. Residents' volunteered time has not gone unnoticed. Gift cards were presented to the following:

Harold and Carolyn Corn have been collecting data. Mr. Corn has also been heavily involved in the water meter project.

The Schacht family, Mountain, Eagle, Time, Bear have been helping the community by gathering slash and hauling it away. Mr. Mike Schacht has been instrumental in developing and fine-tuning the SLPPOA website.

Mark Stanley – Water Committee activities

Jan Studebaker – List Server

Mark Martinez – Snow removal

Rich Kilburg – Snow removal and mowing

Jens Peterson – Water leak repairs

Tom Carter – Snow removal

Lyn Alsbrook – Snow removal

Lorraine Otero – Minutes and helping with parks

Mr. Nyhan stated we have a shortage of volunteers. More help is needed!

Architectural Changes and Parks

Mr. Max Otero spoke about the work that has been accomplished at the two parks and the refurbishing of the picnic tables. One of the tables had to be trashed because it was beyond repair. One of the resident's recommended that the seedlings also need to be cut at the parks. Mr. Otero said he will take care of that.

Nominations from the Floor

The floor was opened to nominations. There were no nominations from the floor. The floor was closed to nominations.

Election to Board of Directors

Sixty ballots were received. Fifty-eight ballots were counted. Two of the ballots received could not be counted due to the standing of the residents. After a count of the ballots, it was determined that the quorum was met. Election of new Board Member resulted in the following:

Peter Veverka – 60 Votes

Jack Nyhan – 51 Votes

Scott Bushnell – 28 Votes

Terry Vergamini – 20 Votes and will serve as alternate in the event a board member cannot fulfill their term.

Welcome new Board members!!

Discussions

A question was asked regarding charging for water. Mr. Bennett stated that a “mutual domestic” must be in place in order to charge for water. Additionally, this would require a change to the bylaws.

It was recommended to establish a policy for excess water usage. Other recommendations were to educate the residents, allowance to pump, average per household, a graduated charging system for those above the average.

Mr. Stan Bennett stated water rights has two terminologies: 15 acre foot of consumed water – households and 25 acre foot for irrigation.

Mr. Veverka stated that one of problems is that a large percentage of property owners are not residents.

Ms. Mary Moore recommended a communication blitz. Mr. Bennett stated that water usage information was provided in a letter dated September 5, 2015 and Ms. Janelle Bushnell stated that the letter was clear.

Wendy Brunish stated that the definition of audit and review are not the same. Possibly the bylaws need a revision to clarify? Mr. Bushnell added that the State of New Mexico has its governances and our bylaws are a subsidiary within the state governance. Discussion ensued.

Ms. Mary Moore stated that the financial reports and aging report are improving.

The meeting adjourned at 5:40 p.m.