

MINUTES
SIERRA LOS PINOS PROPERTY OWNERS' ASSOCIATION (SLPPOA)
BOARD MEETING
February 14, 2017

1. CALL TO ORDER: President, Ms. Judy Kilburg called the meeting of the Sierra Los Pinos Property Owners' Association to order at 7:20 p.m. at the SLP Fire Station.

2. ROLL CALL: (P-Present, E-excused, A-Absent without notification)

Pres - Judy Kilburg	P	Water – Peter Veverka	P	Firewise – Eleni Fredlund	E
VP - Harold Corn	P	Roads – Terry Vergamini	P	Parks/Architectural – Max Otero	P
Sec/Treasurer - Lorraine Otero	P	Legal – John Fredlund	P		

GUESTS: Mr. Joe Brophy and Mr. Eric Peterson

3. APPROVAL OF AGENDA: Mr. John Fredlund made a motion to approve the February 14, 2017 Agenda. Ms. Otero seconded the motion. There were no oppositions.

4. APPROVAL OF THE MINUTES: Ms. Kilburg asked if there was a motion to approve the second draft of the minutes. Ms. Otero mentioned that there was a 3rd draft which she didn't forward to the Board due to the minor change which corrected the identification of one of the sanders from "State" owned to "Sandoval County" owned. That was the only change. Ms. Kilburg asked that Ms. Otero forward her draft 3 for her records. Mr. Otero made the motion to approve the minutes. Mr. Corn seconded the motion. There were no oppositions.

5. OFFICER REPORTS:

a. President – No Report, Ms. Kilburg stated that anything that she has to discuss will be covered with the various topics.

b. Vice President – No report, but Mr. Corn wanted to introduce a new member to the community, Mr. Eric Peterson. The Board members introduced themselves.

c. Secretary/Treasurer: Ms. Otero provided the following Monthly Report:

The Financial Report as of December 31, 2016 was revised due to errors found in HOAMCO's calculation of the past due accounts. The past due amount reported last month was \$9,832.45 but the corrected amount in the revised December 2016 report is \$9,197.21. This was the only change from the report provided last month. Again, because this is last financial report of the year, it will need to be approved by the Board in order to close out the year and allow us to proceed with the audit and tax preparation. Mr. Peter Veverka made the motion to approve the revised December financial report and Mr. Max Otero seconded the motion. There were no oppositions.

We won't get the January financial report until HOAMCO receives Board approval on December's report. So next month we'll have January and February's reports to review.

We will be able to collect on one of the past due accounts. The escrow company requested the amount owed which was provided today. They will issue us a check in the amount of \$2,340.77.

Legal costs for the lawsuit increased by \$430.26 to a total of \$33,076.37. These increased costs were due to Drafting Orders for granting Motion for Presentment and Denying Motion to Reconsider and Motion to Strike.

One property closed on 2/6/2017.

QuickBooks member files have been updated to include the member information from John Fredlund's shared file spreadsheet.

6. STANDING COMMITTEE REPORTS:

a. Water

- i. Water Maintenance – Mr. Peter Veverka said he had a call from the son of one of our members to turn on the water. It was turned off because no one was thought to be living there at the time. The meter was turned on.

Mr. Mark Stanley and Mr. Veverka did the meter readings on the 1st of the month and no problems were noted.

Mr. Veverka received a call from Mr. Corn who reported the LevelCon was dropping to thirty percent on System 1 so he and Mr. Stanley checked the pumps and did a meter run on System 1. It took about an hour but they found a leak at a member's home on Hovenweep. Since the meter reading done on the 1st of the month, about 52,000 gallons of water had run through the meter at the reading done on the 10th. Mr. Veverka believes the leak is between the meter and their home. He showed the owner how to turn the meter on and off and provided the owner with Mr. Dave Raue's name and number.

- ii. Water Compliance – Mr. Harold Corn provided the following report January 2017 Water Compliance-Meter Report

Water System Coliform/Microbiological Reports:

- System 1 sample
 - o Total Coliform - Absent
 - o Total E. Coli - Absent
 - o Disinfected, Residual 0.06 mg/l (007 Mesa Verde Rd)
- System 2 sample
 - o Total Coliform - Absent
 - o Total E. Coli - Absent
 - o Disinfected, Residual 0.11 mg/l (631 Aspen Grove)

Water Well Report Received (from all three working wells):

- Samples taken August 2016
- Results should become part of a Consumer Confidence Report
 - o EPA 200.7 ICP/OES Metals (Liquid)
 - o EPA 200.8 ICP/MS Metals (Liquid)
 - o All well samples were near identical

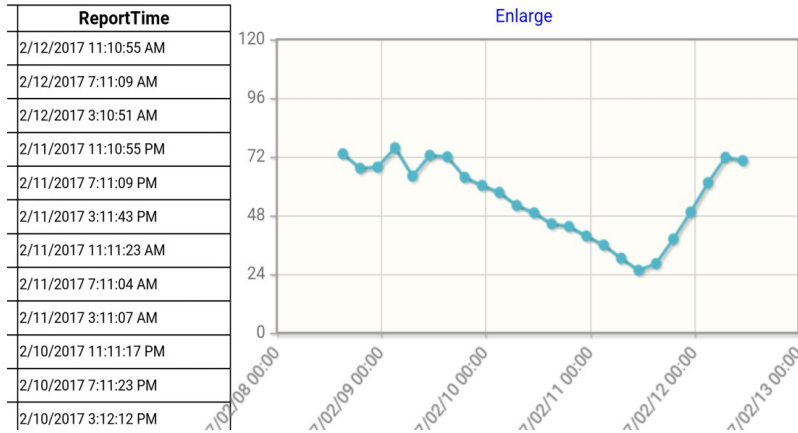
Office of the State Engineer 2015 5 year Water Survey was not completed

- Will check to see if we can submit it late...will need info I do not have

Water System Misc:

- One member emailed questioned why their water was off? This was discussed in the paragraph 6.a.i. above.
 - o Original member was deceased and the property appeared vacated so water was turned off. Water service has been restored.
- System 1 Water Leaking beyond production capability 2/10/17, 8:15am:

o Levelcon alarmed and reported 30%



o Diagnostics began:

- Wells were pumping water
- Sys 1 Meters were read
- Usage calculations revealed a residence had registered over 52,000 gals since the 2/1/17 last reading
- The owner was notified and water service was shut off, except for emergency use
- Volunteers involved: Mark Stanley, Peter Veverka, Harold Corn
- Good news, No other Sys 1 members were out of water

Water Usage: (Meters were read on Feb 1, 2017 by Mark Stanley & Peter Veverka

- System 1
 - o Wells Pumped 721,337 (708,967) gals, (...last month's data...)
 - o Leakage Rate = 11.4 (11.1) gpm
 - o Leak Flags Identified = 15 (16)
 - o Users > 10,000 gals = 1 (1)
- System 2
 - o Well Pumped 150,771 (176,260) gals, (...last month's data...)
 - o Leakage Rate = 0.8 (0.7) gpm
 - o Leak Flags Identified = 7 (7)
 - o Users > 10,000 gals = 2 (2)

Leak flag email notices (20 of 23), via a new Google Group, have gone out for December 2016 with suggestions as where to look for leaks.

Notice format:

Please be informed that our water meter reading system has detected a "leak" flag during the past month for your water usage.

This happens when constant water usage exceeds a threshold of 1 gallon per hour and continues for a period of 24 hours.

Some possible causes:

- *Leaking toilet fill or flush valves*
- *Dripping sink or bath faucets*

- *Leaking frost free hydrants above or below ground*
- *Leaking laundry facilities*
- *Outside irrigation valves and piping leaks*
- *Leaking underground service lines, pressure regulators, shut off valves or other connections*

In the spirit of community water conservation, please make every effort to remedy your leak situation at your earliest convenience.

ALL LEAKS MATTER!

If you have questions please contact:

- *Water Chairman - Peter Veverka [575-829-3754](tel:575-829-3754)*
- *OR contact water1@slppoa.org*

Two responses from the Leak Notifications:

- One positive email, but there is still a leak flag for January 2016.
- One not so positive email.

b. Roads – Mr. Terry Vergamini reported that we are about one half way through the 60 prepaid hours on the snow removal contract. We’ve used 33 hours so far this year. Mr. Vergamini talked about the addendum for the contract. Ms. Kilburg questioned the need for an addendum. She said we should use the original contract that had sanding in it and we need to provide him a map that shows where the sanding is required. The contractor is supposed to send an invoice but instead sends a contract which did not include the sanding. He just needs to re-invoice us each year not submit a new contract.

Mr. Vergamini talked with the County about the cinders. We cannot borrow any more cinders from the County’s pile outside the fire department. There is evidence that someone was taking from the County’s pile. Ms. Kilburg stated that earlier in the fall there were two separate piles. In the future we need to have our cinder pile on the park property versus the fire department lot along with signs designating which pile is which.

Mr. Vergamini said the County got their cinders from Monarch in Santa Fe but he couldn’t find the company. He found Montano Sand which charges \$35/yard, \$250 for delivery up to 13 tons. He’s not certain if they have salt or not. Ms. Kilburg said we probably would need to add the salt ourselves. Ms. Kilburg said we can talk with Pamela Tuttle to see what resources her company uses and what they recommend. If the cinders are purchased now and we don’t use them this season, we will have to find a way to keep the pile covered. Ms. Kilburg said that next fall we will need to go around and make sure all the sand barrels have sand in them and that the lids are secured with rocks on top. Some of the barrels have sand but no lids which is useless. Mr. Otero mentioned that he’s noted several barrels are cracked and leaking. It was estimated that these barrels only last about two years. Mr. Vergamini will call Ms. Tuttle to see what she can do for us. Mr. Vergamini will get a price on the sand and we will make a decision from there.

c. Legal – Mr. John Fredlund sent an email on 12/15/16 to Hays Law about water surcharge, tree house, and PI policy. Treehouse question is now moot, though we may someday need to look at it. Water surcharge response not received as of 2/8/17.

PI policy: We can approve it tonight? Will discuss later in the meeting.
Confirmed that the other 2 plaintiffs did not join in the appeal.

Star has filed a Notice of Appeal and a Docketing Statement. The Court will now place the matter on a Calendar. SLPPOA does not have to file anything until the Court does that. The Record from the trial has been transmitted from the district court to the Court of Appeals.

The Court awarded judgment for costs in the amount of \$1,857.00 against the Star Plaintiffs, jointly and severally, our attorney gave the Plaintiffs thru Friday to pay the judgment. SLP will then file the judgment in the public record and pursue collection action against them. The Appeal does not stay the effect of the Judgment. Star has filed a motion to vacate the costs.

Delinquent account status - will be discussed in closed session

Reserve study – Will be discussed later in this meeting.

Mr. Fredlund asked in terms of collecting the judgement for costs is it the responsibility of the attorney to collect or do we need to do anything. Ms. Kilburg said the attorney will handle this action and we may be entitled to interest.

d. Firewise – Ms. Eleni Fredlund was not present but previously stated she did not have anything to report this month.

e. Parks – Mr. Otero had no actions to report this month.

f. Architectural – Mr. Otero had no actions to report this month.

7. SPECIAL COMMITTEE REPORTS: No special committee reports.

8. OLD BUSINESS:

a. Reserve Study Status – Ms. Kilburg said we have not been invoiced yet. Mr. Fredlund stated that we might be foolish in maintaining a large reserve because we get paid very little interest on it. Mr. Fredlund said ideally we should try to budget as much as possible as operating expenses so we that we don't need large reserves other than for when the tanks go bad or our pumps go out. The maintenance plan would outline regular scheduled maintenance and expected replacement parts and the expenses involved. The reserve fund would be to meet the requirements of the maintenance plan for a couple of years repair. Ms. Kilburg said the only thing we can budget is the entire amount of what the assessment is. The extra money that's in the operating account right now that is above and beyond the yearly budget, theoretically can be transferred over to the Reserve Account. Once we get our updated financials we can see where we're at then we can see how much we have. We've had some carryover over the last few years. As of the end of the year we had \$112,657 in the checking account. So on December 31, 2016 we have spent everything that that we were going to spend out of the 2016 budget. We have to keep some in there for emergencies but then from of the \$112,657, you have to subtract how many people have prepaid on their assessment. We can start building the reserve by looking at how much we can transfer over now. Right now we have almost \$83,000 in reserve. We're doing pretty good for now. Ms. Kilburg also mentioned that we haven't really done anything with the \$20,000 that we approved for roads months ago. Mr. Corn said the reserve study didn't include much in the way of roads and that is a big ticket item. Ms. Kilburg said the engineer that Pam Tuttle had out here last summer looked at all our roads and fixing/repairing culverts. Ms. Kilburg will talk with Ms. Tuttle to see if she can get something more formal form the engineer that we can use as a maintenance plan.

Mr. Corn said we should probably accept the reserve study as is unless we get more comments from Joe Brophy or anyone else. We mentioned last time that we can have the reserve study engineers focus on other areas if we need, like the roads. That could be the biggest expense we have right now. Mr. Corn will request that final comments on the report be provided by the next meeting. Mr. Fredlund said the work that was done on Trilobite was expensive and they used a lot of materials but without engineering the contractor put in swells that direct the water off the road and that is working great.

b. Audit – Ms. Kilburg stated that she and Ms. Otero met with HOAMCO today on numerous topics and the audit and tax preparation was mentioned. Ms. Otero will send the last audit that was

performed and last year's taxes to HOAMCO. We asked what the cost would be for the audit and HOAMCO gave a range of \$1,500-\$3,000, probably on the lower end for us. It will probably cost less than we've paid in the past. The auditor is Thad Porch.

c. Tax Preparation - Ms. Kilburg said she believes the taxes for Corporations have to be done by the end of February.

d. Google Drive/Docs – Mr. Corn said since we have multiple working documents and he would like to see a repository where Ms. Otero could file documents, emails, etc. How do we handle that? Possibly making folders for SLPPOA, i.e., the legal case we're working on where the attorney sends the documents to at least four Board members and all of us file them. One of the concerns we have is the security of these folders. Maybe we could do a sample case where we can try it. Mr. Fredlund said what we need is for the Board to have an account. He said at some point we will need to pay for this but setting up the original folders is free storage space. As for security, we could set up two-factor authentication which makes it very secure and we can change the passwords as needed. We will likely need to purchase more space. We would like it to function like a file cabinet and with a formal way to back it up. Ms. Kilburg said we are still required to keep hard copies for some items. Mr. Fredlund will find out the cost for additional storage. Next meeting Mr. Fredlund will provide a demonstration.

e. HOAMCO – Ms. Kilburg informed HOAMCO of the issues and frustrations we are having and hopefully we will be on the right track now.

9. ACTION ITEMS

a. Road Marker Stakes – Mr. Vergamini stated that he placed 40 of the 50 stakes by the electrical boxes. If anyone knows where other stakes are needed please let him know.

b. Residential water leak flags – Mr. Corn sent out residential leak flag notices to twenty members. There were twenty-three with leak flags but he didn't have emails for three members. Mr. Veverka clarified that they are just informing them that they have a leak, not providing usage or any other information.

c. Excess usage policy (surcharge/meeting) – Mr. Corn said we need to define what constitutes excess use. Mr. Veverka asked how other NM communities determine excess use. Mr. Corn said he sent out the water rate sheet for Jemez Springs. They start with a surcharge for use over 2,500 gallons. Over 30,000 gallons they charge \$.50/gallon. A lot of communities use their water billing for building their funds. Mr. Corn is not opposed to metering and charging. We might include the base charge as part of the annual assessment and anything over 2,500 gallons will be billed to the owner. Mr. Veverka mentioned that excess use is an excessive strain on our system and requires us to do more maintenance. A graduated increase would be sensible. We have posed a question to our attorney, do we need a bylaw change? Ms. Kilburg stated we need to remember that we have a limited amount of water rights available. Mr. Veverka said that as much water as people are using we are losing more to leaks so tightening up our system is the best way to reduce usage. Mr. Corn said members are not incentivized to fix their leaks. He would like to notify members of leaks monthly.

d. Draft policies – Ms. Kilburg sent the Board the attorney's comments on the proposed Protection of Member Information policy. Discussion ensued regarding one of the attorney's comments. Ms. Kilburg is open for suggestions. She asked that the Board look at the policy again and we will revisit at the next meeting. Ms. Kilburg will work on the No Lien policy

10. NEW BUSINESS:

a. Proposed Senate Bill 244 – Ms. Kilburg mentioned that the proposed bill is a revision to modify the HOA Act. It was scheduled to go before the Public Affairs Office today. She has personally sent emails to certain representatives. A message has been placed on the website asking our members to

write their representatives with their concerns too. It affects the entire State. Some of the items requested seem to be targeted to what certain people want, such as bank statements, general ledgers, etc. Ms. Kilburg believes that as long as you are having audits done by professionals, why would anyone else need to see the financial information. Ms. Kilburg said the Board members are all volunteers and the proposed Bill states the HOA has 10 days to respond to requests for information. This would be difficult to respond in the time allotted, especially at Christmas when everyone is gone. A lot of that would be HOAMCO's responsibility but they will charge the Association for their cost to respond to these requests. There is still time for people to send their representatives an email. Also, the fee that can be charged for HOA Disclosure Documents will be increased to \$400. The Disclosure will be good for only 30 days. This could be very costly for sellers that don't close within 30 days which is not uncommon. Ms. Kilburg will send out the email for Board signatures.

b. Windstream Rumor – Mr. Corn said what appeared to be a higher-level Windstream representative was by his home working. Mr. Corn asked the representative if there was any chance that they are considering upgrading the Internet service. The individual responded that they are looking at all options.

c. Ashley Lane Gate – Mr. Corn had a call from his neighbor who asked what he knew about the results of the litigation case of the Ashley Lane gate where it connects with FR 134. There recently was a confrontation with a non-member. Mr. Fredlund believes only members can access and only foot traffic is allowed. Ms. Kilburg said she will take the action to get the proper verbiage from that case and put this information out to our members to avoid further confrontations.

d. New laptop – The Association made an emergency laptop purchase because our Dell laptop that was purchased in 2010 died. We also had to purchase the QuickBooks software. Ms. Kilburg thanked Mr. Fredlund who offered his expertise in purchasing our new laptop.

11. NEXT MEETING: Tuesday, March 14, 2017, 7:15 p.m.

12. ADJOURN: The meeting adjourned at 9:07 p.m.

13. EXECUTIVE SESSION: Lawsuit

Meeting commenced at 9:09 p.m. and adjourned at 9:27 p.m.

Submitted by: Lorraine Otero