

Sierra Los Pinos Property Owners' Association
Board of Directors Meeting
November 9, 2021 at 6:33 p.m.

The meeting was called to order by the President Paul Lisko with a quorum: Ann Cooke, Paul Rightley, Keith Rigney, Kristi Cross, Jeremy Oepping, Josh Toennis, Cindy Hines, John Hines and David Stuedell.

Guests: Mary Moore, Barbara Van Ruyckevelt and Suzanne Star.

Approval of Agenda. With correction for reimbursement to Paul Lisko now in the amount of \$507.39, Jeremy Oepping made a motion to approve the agenda; seconded by Paul Rightley, motion carried.

Approval of Minutes: Paul Rightley moved to approve the minutes of October 12, 2021; seconded by Keith Rigney; motion carried.

OFFICER REPORTS:

PRESIDENT:

Paul Lisko reported:

- In response to his email in October, District Ranger Brian Riley had a crew of men trim up dead slash parallel to Route 4 as you come into subdivision and take down 15 snags that might be threatening. Ranger Riley indicated they would continue the thinning and possibly finish in spring.
- Preliminary contract document from NV5 was sent to lawyer for review, but Mr. Turner has not replied.
- NV5 Engineer's estimate for comingling of two water systems. Construction would be approximately \$88,816, but going out for bid now. The amount is up from original \$57,059 estimate in February.

Paul Rightley commented the cost is what it is, but it's a competitive process.

Suzanne Star had a question concerning bid coming in higher or lower than estimated cost and Paul Lisko indicated the engineer's estimate was based on what some of their current projects cost.

Paul Rightley questioned whether there would be a vote on the bids and Paul Lisko indicated that there would be a vote after the bids came in to accept the bid and move ahead with project.

- Paul thanked Mary for developing the history presented at the special meeting on water and felt that it was very thorough and informative.
- Reported on special meeting re: SLPPOA water system held on November 6, 2021. Felt everything had gone well and was informative with respect to overview of mutual domestic systems and co-ops. The video will be available for those who wish to view it and a transcript will be provided in the future.

Keith thought the meeting went well. There was a lot of information, but would like more information on the co-op because the presenter did not appear that day, especially since my understanding is once you go mutual domestic there is no going back.

Paul L said somebody was saying about mutual domestic, if you look at what we have set up now in SLP, we are 90 percent there. Thought presentation went well.

Paul R attended by zoom and that went well. Heard at least two people indicate we needed to demonstrate solvency? So the idea of whether water would be a separate fee with monthly billing, he felt maybe we should account for water separately, with someone being trained to do a rate study to understand what the future costs would be if we pursue this option in a different organizational manner. He would be willing to be trained by the various parties to try to understand that.

Suzanne commented that she was part of that meeting and was sorry co-op presenter didn't appear to develop the co-op portion. Stated Board went through expense of hiring an attorney for advice but there was no talk about this self-governing option and changing the bylaws with member approval. She wondered if Board is planning in the future to present all the options, mutual domestic, co-op, self-governing with change in bylaws.

Paul L indicated yes, and this will be discussed later in the meeting.

- Paul requested reimbursement for the food at meeting of \$231.62; Smith's \$16.83; case of sparkling water, \$7.79 and travel 99.5 miles at 56 cents per mile \$55.73. Zoom renewal for one year, \$157.58| additional cloud storage of \$37.85; total of \$507.39

Cindy moved to reimburse Paul Lisko \$507.39; David Stuedell seconded. Motion carried.

Paul Lisko ended his report and asked Keith for update on road contract with Ron Brown.

VICE PRESIDENT:

Keith Rigney reported:

- There was nothing new with respect to the road contract for JMD lots at the top of Unit 6. It was sent out about a month and a half ago. No updates from Ron Brown, so he assumes that contract was accepted.
- Made one post about four days ago to Facebook about the special meeting and posted onto the SLP Homeowners Chat page, as well.

SECRETARY:

Kristi Cross reported:

- Notice printed and sent out on October 16th for special meeting; purchased 200 stamps for \$174, and no mileage.

Keith Rigney moved that Kristi be reimbursed for the postage; Paul Rightley seconded the motion; motion carried.

- Video of special meeting was downloaded but would not play because of size. Will work on problem.

Paul noted that Kristi has submitted board member certification as required by the HOA Act of 2019.

- Kristi indicated she had not sent out welcome packets to new property owners because she didn't know what they should contain. Paul stated he may want to revise welcome packet

contents because his came from title company, but this will be discussed later in the meeting.

TREASURER:

Jeremy Oepping reported:

- The balance in accounts as of October 31, 2021 is as follows:
 - Operating Account: \$108,270.23
 - Reserve Account: \$126,667.95
- As of October 31, we have 11 delinquent accounts totaling \$12,995.43 (increase of \$220.64 from last month).
- The October amount of \$666.67 was transferred to Reserves during the month.
- There were no changes in property ownership in October.

The increase in overall delinquent accounts total is because the intent to lien program has been initiated and those charges have been added to those property owners. The notice to delinquent property owners indicates they have 30 days to make payments in full or request a payment plan.

- There was a proposed addendum sent to Board over the weekend. It's a proposed addendum to 2022 budget and its proposed fees for land owners from both SLPPOA and from HOAMCO. This is something HOAMCO had requested we send out as part of the Notice for Dues for 2022.
- The only other thing is based on by-laws; there is requirement to send out notice of assessment for 2022 at least 30 days in advance. I will check with HOAMCO to see if they are sending notice out, but wanted to check if we were including this in any newsletters this month.

Cindy: I will work on getting a newsletter sent out this weekend. I will include that dues for 2022 will be \$996. I'll add water information also.

STANDING COMMITTEE REPORTS:

Water:

John Hines reported:

- Both systems are running well. He has sent leak flag letters, assisted one customer in leak detention; performed two line locations; assisted

two people in shutting off water for winterizing. There was another leak in the well house which was fixed. Worked with meter people to get totalizing meters of our wells recalibrated and tested for calibration, which will be coming up in next few weeks.

System 1:

- Pumped 574,239 gallons
- Used: 260,500
- Average Household Usage; 93.3 gallons per day
- Lost: 313,749 gallons; leakage rate of 45%
- Leak Flags – 11 (eight were repeats)
- Users over 7,000 gallons – seven, with five having leak flags

System 2:

- Pumped 136,000 gallons
- Used: 135,854 gallons.
- Average Household Usage: 70.7 gallons
- Lost: 166 gallons; leakage rate of 1%
- Leak Flags – 4, with 2 being repeats
- Users over 7,000 gallons – 2

Both System 1 and 2 are in compliance with Total Coliform, Absent; Total E. Coli, Absent; Disinfection Residual 0.08 mg/l

David Stuedell asked if there were any additional leaks on main systems after roadwork and was told there were no substantial changes on either system.

Roads:

David Stuedell reported:

- Looking at Agenda, he was not familiar with snow plowing contract and perhaps either Paul or Jeremy could address.

Paul L indicated everything had been sent in, including W-9; Jeremy indicated knowledge of HOAMCO cutting the check, so all is in order.

- He had purchased two loads of cinders and they were delivered by fire station. Jeremy indicated he had confirmed the check for payment to the company was on its way. It had been overlooked and they were expediting the check.
- He indicated that he might need to purchase a new tarp, but would check with new road guy about that. Also will follow up with repairs on sander.

Suzanne suggested that he probably needs to get a new tarp because wetness turns the cinders to cement. Have had problems in the past.

Legal:

Paul Rightley reported:

- The puppy mill on a lot in Unit 1 has an online presence to sell poodle puppies in 2022 and there is one crestipoo available now. Sandoval County previously removed 45 dogs in 16 June 2017, which resulted in two people who were bitten. On a follow up call they were given the name of the ‘Company’ and member-owner. When they responded to complaint on 11 July 2021 there were at least 20 dogs; however, the owners were cooperative and met all county regulations at this time.

Paul R read to the board both the restrictive covenant for the lot and Sandoval County Ordinance. He believes these demonstrate that a SLPPOA member is running a prohibited commercial activity within the Association and that Board needs to contact attorney to work on communication with the member to get them to stop this activity.

Ann Cooke moved that Paul Rightley carry through with attorney to ensure the business is shut down; seconded by Cindy Hines; motion carried.

Paul L inquired about vacation rental property compliance at 66 Ashley Lane.

- Paul R indicated he had left a voicemail with a phone number. Will send a letter through the post office this coming month. If he doesn't get a response, he will send application in December.

Paul L indicated we have two other vacation rental properties that are complaint and he sends the application to them each December, because these have to be filled out annually.

Firewise:

Ann Cooke reported:

- Firewise status has been renewed with Firewise Communities and approved; over \$96,000 worth of volunteer hours and activities compiled for last year.

Paul L indicated he had had a visit from Chris Romo, FMO for Bernalillo County District Office for State Forestry. Todd Haines, the manager, directed Chris to try to get as many properties as possible. They are going to use SLP as an example of how best to plug into that GO triage reporting that he has. He visited just to mention that and took pictures of my property and a few others here in SLP. Sounds like it's going to be a good effort. If you want, Ann, I'll send an email to Chris and ask that he deal with you directly on this. Ann indicated that would be great.

Architectural:

Josh Toennis reported:

- He had just received last piece from LANet to complete their architectural request form, will get out to other members to approve and send back.
- No new architectural requests received in October.

Ann Cooke inquired status of the complaints from a neighbor regarding cameras and lighting a couple of months ago, and Josh told her that Paul R addressed at last meeting and there is nothing against having cameras on your property. It was discussed that there would be if it was a business, but no proof that it is.

Parks:

Cindy Hines reported:

- Nothing new on parks.
- Did send out email reminder regarding the special meeting.
- She will go to Albuquerque this weekend to pick up the signs.

Mary Moore shared with Board that when husband did signs in the 1990s, those were taken down by folks. Cindy indicated they were going to hopefully anchor them well enough to deter someone from doing that.

Suzanne Star inquired who was going to enforce the speed limits and Cindy indicated it could not be enforced.

Barbara inquired how many signs are going up, where they will be located and could an email be sent out with locations. Cindy will put that in the next newsletter. There will be stop signs and street identification signs, plus the speed limit signs.

OLD BUSINESS:

- Paul Lisko inquired about the intent to lien and asked Jeremy to explain.

Jeremy stated that as a follow up from a discussion a couple of months ago, and desire to push people who are delinquent. HOAMCO has sent out letters to the property owners. If they do not bring their accounts current in 30 days or reach out to set up a payment plan, we will move forward with placing a lien on those properties. We have let them go for so long, we're going to go ahead and move forward. It's something we always thought was going on, but was not, so he nudged HOAMCO to go ahead with this based on the conversation from a board meeting months ago to take those actions.

Mary inquired if there were members who had not paid anything this year and Jeremy indicated that there are. She inquired if he knew the Association gives the power to cut off their water? Jeremy stated that is not something that they've discussed, but are aware now. The letters give us a firmer legal basis for future actions to recoup those dollars.

Paul L agrees to the lien letters but doesn't feel comfortable with shutting off water.

Paul R states that if we separated water from the rest of the association, we could consider doing that, but that is not the path we are considering.

Suzanne Star commented that we have a certain time limit for people to pay, so perhaps in the future if they have not had paid in time, then start the notice of intent to lien. Keep track of people who are not paying and get that intent to lien out as soon as possible. Since you're not going to turn off

their water, keep up so you don't go a whole year. It is the responsibility of the treasurer and the board to keep them paying if you can.

Paul indicated this Board is being proactive unlike past boards and notices are going out so we can take further actions.

Ann Cooke commented that with regard to turning off water, there is no practical way to enforce that, no way to lock it down. With regard to liens, it's usually when property gets sold that we can collect if they don't want to pay. The amount needs to be updated consistently so it can be collected.

- Paul L reported on the expenditures for the special meeting which totaled approximately \$310.

NEW BUSINESS:

- Discussion of Welcome Packet: Paul L indicated that his initial packet seven years ago contained articles of incorporation, bylaws, restrictive covenants and a balance sheet of assets and liabilities for HOA and annual profit and loss statement, and a monthly report that broke it all down. He wants to see if we could draft something that would be a little more welcoming. Tell them we are a voluntary board and have information on who members are and phone numbers. Perhaps we can standardize, including how to determine your water usage. He believes the history Mary did for special meeting would be good to include as well as, here is post office, transfer station, hours and numbers.
 - Kristi indicated she would go through files and send an email to board members containing prospective things to perhaps encompass in a welcome packet.
 - Cindy indicated she would do a one-page flyer about water usage to include and she would be happy to help Kristi compile.

ACTION ITEMS:

- Paul L updated members on delivery and installation of Intel water tanks to SLPPOA Station 52 for fire suppression. He called and left a message about FEMA funding on November 2nd. He discovered his

previous contact still worked for the state but no longer worked for DHS. He located the new interim grant manager and learned grants are sent out once a year in September, but is still pursuing funds to get the tank here.

He also stated that he learned at LCVFD business meeting of no further follow-up from Masthead as gentleman has not come up here to scope out the situation. Scott, who is the Assistant Fire Chief and lives up here, will keep following up with them.

- Paul L suggested that Board form a committee to develop a water rate billing structure with help of the Rural Community Assistance Corporation. At the special meeting, the best suggestion was from Jonathan Morris to put together what a water rate billing structure would look like for residents of Sierra Los Pinos, but not institute it. Develop it, make people aware of it to see the cost, but not implement it. Joe Valdez said he is willing to help set up a rate structure based on information we provided him. Since Paul Rightly volunteered earlier this evening, is there anyone else who would be willing to be on this committee? John Hines indicated that he would be willing to serve, as did Ann Cooke. Keith indicated that he did not have time to serve right now, but would be willing to help or serve as an advisor. Paul R indicated he did not want to do more work, but he will. Water is incredibly important. May need numbers from Jeremy. Jeremy said to just let him know. Paul L will send an email to Joe Valdez telling him the names of the committee members.

Suzanne asked how you could go ahead and set up a water rate billing system without a plan for what we need. Don't you need to figure out what improvements you're going to do and then budget to how much money you're going to need and how you're going to do it? Paul R indicated he understood, and that there is training available to understand what sort of assets and costs we have so we can understand going forward. I am unwilling to vote to change status quo until we have information. We need to take a conservative approach and understand the financial proposition

for what water system is going to cost in future. Ann indicated it's all hypothetical and intended to explore these questions. Paul R stated that we can only do it if we understand the costs, benefits and non-benefits and convince the majority of members that this is the best way forward,

Mary added that in her research on historical issues, water finances for 2010-2019, we were spending about a little more than \$30,000 on average a year on water, so you could look at what our expenditures were and that will guide you, too.

Paul L told Suzanne we have to start someplace and this is the place. Joe Valdez of the Rural Community Assistance Corporation will be able to use the information we give him and plug it into an algorithm and maybe people will use less if they know what they are paying and that would cause a decrease in revenue. That's a variable, because Joe has had experience and can plug into an algorithm, so that we come out on the good end of things. Paul L mentioned that Keith had brought up that there are about 40 homes with zero usage and asked if it could be put into a spreadsheet to send to Jon Hines, Paul R and Ann. (Keith dropped off of meeting) John will stop at Keith's and see what information he has.

Next regular board meeting is Tuesday, December 14th at 1830 hours.

Paul L indicated he had sent out a copy of infrastructure bill so everyone can see the amounts of money that may become available in the next couple of years for us to use.

Barbara: There wasn't much discussion on the \$88,000, which is shocking on the price of something that is going to decimate our reserves, so I think Board should consider seriously if there is not an emergency. I don't think this is going to come out of the operational account since there is only \$100,000 on that one. I'm assuming that it's going to come out of the reserves. I think the members, if they read about this and it goes through, decimating your reserves like that is pretty serious if it's not in a die-hard emergency.

Paul L said that there is already comingling from System 1 to System 2 but not the other way and this is going to set that in motion. When we get into any major line replacement in System 1, this is a good backup to have. This should have been started ten years ago, it didn't happen, and now we

have to go with what we have. It will bug people that we're taking a bunch of money out of that reserve fund, but it's what we've got to do.

Paul R stated he has had property up here for quite some time and it was a bit annoying when the HOA decided to spend money to make sure that System 1 could provide water to System 2. Here I am and I've had to live without water here at times. The fact that we are now engineering a solution to move it the other way is very important and the fact that there are 90 homes on System 1 and 60 homes on System 2, it's going to be interesting see if we start voting about who wins here, I don't think we should do that. I think we should have a system where people should be willing to give water to the other side and vice versa. This is what this system is designed to do.

Suzanne stated if you're going to go ahead and put \$88,000 in comingled system, be prepared to tell people that from System 2 when they are starting to suck the water out of System 2 to System 1, which has a 54 percent leak rate, whether or not that's even a viable situation. Agreed that we are all one system but if you start sucking water out of one system that is fairly good to another system that has a 50 percent or larger leak rate, all you're going to do is throw that 50 percent down into ground. So be prepared to talk to people.

Paul Lisko stated that this is an emergency contingency plan, not going to happen on regular basis. Once we start replacing lines in System 1 we need to have a viable backup system that we can use if we need to. We've got to start somewhere, this is where we're starting.

Paul Rightley moved to adjourn the meeting; Cindy Hines seconded, motion carried and meeting adjourned at 8:14 p.m.