

Sierra Los Pinos Property Owners' Association  
Monthly Meeting Minutes  
November 15, 2010 at 7:15pm

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- Call to order: The meeting was called to order by Suzanne Star at 7:15. Also present at the meeting were EleniFredlund, Laurie Lauer, Sabine Shurter, Dave Schmitt, Judy Kilburg, Jan Studebaker, Barbara VanRuyckevelt, and Yvonne Dickey-Folks.
- Guests: The board welcomed Sumner Dean and Paul Martinez.
- Consent Agenda: Ms. Fredlund moved that the minutes be approved with the changes suggested by Mrs. Folks. Ms. Lauer seconded the motion. The minutes were unanimously approved as corrected.
- Approval of Agenda: Additions were suggested as follows: Ms. Fredlund asked to add discussion about the legal letter to Old Business and add the discussion on the Code of Conduct to New Business. Ms. Lauer asked to add Budget Sheets to her presentation of the Financials. Ms. Shurter asked to add discussion about becoming a Mutual Domestic to the Water Report. Mr. Schmitt asked to add discussion about the President's Vote in the absence of a tie to the New Business Section. It was properly moved and seconded that the agenda be approved with the above additions. The agenda was unanimously approved.
- Approval/adoption of proposed budget: Changes were suggested, as follows: Roads money was allocated: \$11,000 to Snow Removal, \$14,000 to Maintenance. The board would like to allocate the Bad Debt expense to water. We'd like to keep the reserve account untouched. To reduce the property taxes, Mrs. Folks will contact CRA and/or the Sandoval County Assessor's office. Ms. Kilburg moved that the budget be approved with the proposed changes. Ms. Lauer seconded the motion. The budget was unanimously approved.
- Monthly Reports:
  - Financial Statements: A summary of Accounts Receivable was reviewed, as was the Balance Sheet and the Statement of Profit & Loss. Delinquencies are estimated at \$950 as of 11/15. Shutoff notices were sent to two association members, one of whom brought himself current. The operator will check to see whether the other can be shut off. Mrs. Folks talked to Laurie about getting a grant from CDBG for the PER; Mrs. Folks and Ms. Lauer will continue to seek sources of funding. Ms. Lauer mentioned the possibility that SLPOA could consider selling some property to raise funds for water system repairs. Ms. Lauer has also spoken with Emmett Cart, who suggested that we speak with Jeannette Wallace about possible funding as well. Ms. Star sent a memo about the possibility of getting a 20 year 3% grant loan combo.

- Autopay was discussed. This is a method of arranging payments directly to SLPPOA's account from customers who have given the proper authorization. This may be an ideal setup for anyone needing monthly payment. Mrs. Folks will follow up with LANB.
- December billing and letter: A letter has been approved, which will be sent to residents along with the December billing. This will be printed on yellow paper in the hope that it will be more noticeable.
- Newsletter Draft: Ms. Lauer suggested changing the phrase "must be paid in full" to "is due by". Mr. Schmitt wondered whether meters were mentioned too much, and asked whether the entire Board should endorse the newsletter, or its authors should be named specifically. Meters are mentioned so that members understand that funders require meters, and to provide more information to members so that they can make a more informed decision. Ms. Lauer suggested that perhaps Ms. Shurter and the water operators could add a section explaining their achievements to the water system so far, so that members can understand that money is being spent responsibly. The board will review the newsletter this week and get their feedback to Mrs. Folks so that the newsletter can be edited, finalized, and printed in time. Each member will put their changes in, and a consensus will be reached for the final edit of the newsletter. Ms. Fredlund reminded the board that it's a good idea to try to come prepared for each meeting.
- No Tampering Policy: A no tampering policy has been proposed which would add penalties if users turned water service back on after it had been disconnected for non-payment. After discussion, it was proposed that the policy reads as follows: "It is the policy of SLPPOA that tampering with shutoff valves after service has been disconnected is a serious issue. When the water operator discovers after service has been disconnected, a shutoff valve has been turned back on without permission from the Board of Directors, the Board has the authority to implement corrective and punitive actions. These measures include a penalty of up to \$300 for tampering with a shutoff valve, and/or the installation of a locking shutoff valve at homeowner's expense (up to \$1,500) to prevent recurrence of the incident. If water service is shut off due to non-payment, service will not be reinstated until payment of the overdue amount, the penalty, and the installation of the shutoff valve (if applicable) has been made. Contact management at (575)829-4612 for further questions. This policy was approved by Board President Suzanne Star and Director Jan Studebaker on November 15, 2010." In the future, this policy will be included in the 2 week shutoff notice. Mr. Martinez pointed out that shutoff valves must be installed in right-of-way. Mrs. Folks will explore how much an installation of a locking shutoff valve costs, and update the policy to reflect this amount.
- Architectural:
  - Ms. VanRuyckvelt reported that the county permit for Brown was received.
  - The plumbing policy was discussed. It would be difficult to enforce, but the distinction is whether the outbuilding qualifies as a second dwelling. Perhaps instead of the policy, we can rely more on the CCR's. Mr. Schmitt suggested that Architectural guidelines be enforced consistently from now on without

favoritism. Ms. Star recognized that the CCR's cannot be ignored. She suggested that to avoid costly legal battles, we put homeowners who do not have proper approval for additions or improvements "on notice". This would create a paper trail which would support the Board and homeowners with minimal legal costs to SLPPOA.

- Matousek's proposed greenhouse is within guidelines, so approval has been sent.
- Ms. VanRuyckevelt has responded to David Ponton.
- Water System Report:
  - Ms. Shurter created a chart of finished and pending projects. After the water system tour, it became apparent that the assessment and outlook for 2011 is quite bleak. The water system's lack of money is terrible. There are dangerous situations, which Ms. Shurter is deeply concerned about. Mr. Studebaker will follow up on creating some waivers and rules.
  - Mr. Schmitt brought up the option of a membership questionnaire to see where members are in terms of possible funding options.
  - Ms. Shurter has been thinking of splitting off the water section and becoming a Mutual Domestic. This will be discussed further over the winter.
  - Leak repairs and other water system work has become more costly and there are factors that make it more expensive and dangerous. We must take every precaution so that workers are aware of the risks. Some of the features of a Mutual Domestic would in fact protect SLPPOA. Ms. Shurter put together a printout explaining the pros and cons of becoming a MDWCA. She requests that the board review it, do some research, and discuss the matter further at the next meeting. Communication with members is essential, and this can be discussed over the winter.
  - Mr. Schmitt reported that there was a 2-day water outage on system 2. The outage was avoidable, and Dave noted that there are no written start-up procedures. The operators drained the tank, closed the valve to the well pump, did their work, then forgot to reopen the valve. This placed increased pressure on the 4" line and caused a rupture. After that, they went home without checking the tank levels. Mr. Schmitt called the operators the next morning, and felt that they didn't respond as quickly as he should have. They finally came up when the tank was dry. Necessary parts were not on hand, and the outage that affected 70 households went on until Monday evening. It would be a good idea to look for a backup operator in case our operators are unavailable. Ms. Star will talk to the operators about ways to prevent recurrences of the issue. Mr. Martinez suggested creation of an operations manual, which our operators are working on.
- Water Operator Insurance: The operators are working without insurance. He could be

given a waiver, but another concern is that we still have no signed contract. Mrs. Folks can look into cost comparison of workers' comp vs. contractors' insurance-the question is whether the operators qualify as contractors or can be brought on as employees.

- Roads Report:
  - Pete Meskimmen has been paid and is under contract for snow removal. He has graded the roads. It is estimated that 10 loads of fill dirt will be needed for Aspen Grove and Los Griegos, and Meskimmen will get us an estimate for the material. He will also widen the corner of Redondo Vista and Los Griegos and build a retaining wall using some trees. This will happen sometime this week. Then Ms. Kilburg will know how much money could be reallocated to water. Mr. Martinez suggested that when Meskimmen maintains the roads, appropriate drainage be considered. (County grading sometimes results in berms at side of road instead of crowning.) Ms. Kilburg noted that if residents notice exposed phone lines, they should contact Windstream so that Windstream can come to repair the damaged wires. Ms. Kilburg will talk to the county people and/or Meskimmen or others to see if the well sites can be plowed out as well. Mr. Schmitt filled the sand barrels that he could find. Ms. Lauer will buy 4 more sand barrels.
  
- Firewise:
  - Ms. Fredlund reported that Ms. Lauer e-mailed her about use of building for community purposes. The building can be used for an event, but Ms. Fredlund needs the SOP's and approval from the Fire Chief first. Someone from the Fire Department must be present, and the rooms must be cleaned up afterwards.
  
  - The fire department still has a 25,000 gallon potable water tank available from Intel, but the county has not finalized the transfer. LCVFD has a grant for the installation of the tank, which will pay for transportation and installation of this tank for fire suppression. The fire department will continue to work on this.
  
  - Enough residents documented work that re-qualifies the community for fire-wise, and the chipper day is planned. Mr. Martinez suggested that the next chipper day be scheduled in the summer, and placed in the newsletter.
  
- Legal: A sensitive legal situation needs to be discussed. Due to the sensitive nature of the legal issue, which involves a board member and other community members, and to protect the privacy of these individuals, a closed session was called. At approximately 9:00 p.m. the Board voted that the session be closed, (Ms. Shurter, Mr. Studebaker, Ms. Lauer, Ms. VanRuyckevelt, Ms. Fredlund, and Ms. Star voted in favor of the closure, and Ms. Kilburg abstained.) and asked our guests to step out for the duration of the discussion. Mr. Schmitt was also asked to step out. Mr. Schmitt and Mr. Martinez objected to being asked to leave the closed session. Mr. Schmitt said he believed there was nothing in the by-laws that authorizes a closed session. Mr. Schmitt requested that the closed portion of the meeting be held at the end of the regular meeting. Ms. Star said this was not feasible because Ms. VanRuyckevelt needed to

leave after the closed session, but should get to participate in the closed session itself. The session was reopened at approximately 9:15 p.m. Mr. Schmitt did not return. Ms. VanRuyckevelt had to leave at this point because of a previous commitment.

- Liability issues regarding independent contractor guideline: This matter was tabled until next month.
  
- Old Business:
  - NMFA loan update: In early 2011, NMFA can resubmit our application for the new grant/loan combo. This is going out in the newsletter so that members can be informed, although the board does not have to go out to the entire membership for a vote. Debt service would come out of the money received from dues. NMFA will not give us a loan that we cannot repay, but they may suggest rate changes to support the debt service. The loan would help us to avoid making a large special assessment. The board is trying to act in the best interest of the entire community. The loan would be acquired in the name of the Association. The Association would be the liable party, rather than individual board members. For funding from many sources, the Uniform Funding Application is necessary. This application asks many questions, including whether the system is metered. Preference is given to systems that do have meters. Installation of meters will help identify leaks in household lines. Comparing metered usage to production at the wells can help identify leaks in the service line. Installing meters is a good first step that would qualify SLPOA for additional funding.
  
  - Attorney review of Bylaw interpretation for loan acquisition: This matter will be tabled until next meeting.
  
  - Ethics Policy (tabled action item): This matter will also be tabled until next meeting.
  
- New Business:
  - Financial Oversight Budget Spending Proposal: The proposed policy was posted on the website. The purpose of the policy is to protect the board from accusations of inappropriate spending, and to ensure accountability. This matter will be tabled until next meeting.
  
  - Roads/Water System Planning : We would like to talk more about plans for the roads and water system departments at the December meeting. Ms. Star would like to consider calling a meeting of the entire membership in January, and any budget plans for these two areas would help members be more informed.
  
  - Association Activities and Website: Ms. Lauer has been thinking of community building activities in the association. These could be events such as a card night, movie night, Christmas Caroling, hiking trips or BBQ, etc. These events could be advertised in the newsletter. Ms. Lauer will write up a brief piece for

the newsletter to inform the association of the new committee and ask the members to join the committee.

- Designated Website Backup: Mr. Studebaker has volunteered to serve as the backup for Ms. Star as the webmaster. This was unanimously approved. Perhaps the website can include a community page that has links to good community features. Ms. Kilburg needs a roads backup to call Meskimmen if plowing is needed and she is out of town. Ms. Lauer volunteered. The ability of the president to vote in absence of a tie: This matter will be tabled until next meeting.
- Adjournment: It was properly moved and seconded that the meeting be adjourned. The meeting unanimously adjourned at 9:40 p.m.