

**Owners Association of Elk Meadows Estates**  
*Minutes of Board Meeting, August 14, 2018*

**A. Opening**

Meeting brought to order at 6:35pm

1. Roll call: Belinda Chisholm (president), Ceann Ingram (2nd Vice President), Maggie Guscott (treasurer). Scott Alamprese (absent for work); Ben Steenblik (absent).
2. Guest: Bill Hamann (member, lot 25)
3. Call for items not on the agenda:  
Sewer update – Bill Hamann  
“Constant Contact” (contract update); Annual meeting (non-respondents, ‘Do-Over’ meeting); Quorum lowering; water restriction policy.

**B. Formal Approval**

1. [Motion to approve minutes for the May 2018 board meeting](#): Ceann I; seconded: Maggie G; all approved. Motion passed.
2. Webmaster Charter signed; to be posted to the website this week.
3. Board of Director positions approved by vote as follows:
  - a. President: Belinda Chisholm
  - b. 1<sup>st</sup> VP: Ceann Ingram
  - c. 2<sup>nd</sup> VP: Ben Steenblik
  - d. Secretary: Scott Alamprese
  - e. Treasurer: Maggie Guscott
4. [Motion to approve minutes from board orientation meeting, July 16, 2018](#): Maggie G; seconded: Ceann I; all approved. Motion passed.
5. [Motion to approve annual transfer of \\$400 from each of water and sewer operating accounts to Solar Reserve account, per plan](#): Ceann I; seconded: Belinda C; all approved. Motion passed.

**C. Treasurer’s overview**

1. Income slightly ahead of budget.
2. Expenses:
  - a. Legal and Professional over budget as anticipated, related to Governing Document revision and lawsuit expenses
  - b. Roads under budget, but anticipate fall expenses per budget
  - c. Office expenses over budget as anticipated, related to 2017 annual meeting do-over and governing document revision publication process
  - d. Insurance: General Liability paid in full, saving \$7 x 4 service fee; D&O not renewed (October), search for new carrier to be conducted immediately.
3. List of delinquencies shorter than in previous years.
4. 2019 Budget: Under review by Finance Committee
5. Dormancy fees related to sewer pump-out fund have been reduced; monies transferred per plan to build for next pump-out event.
6. Legal costs payment plan:

- a. Immediate (first) payment from Operating funds
- b. To a limit of \$40K, from General Fund Reserves
- c. To a subsequent limit of \$20K, from (General) Set-Aside Fund
- d. Special Assessment (TBD) for
  - i. anticipated remainder of legal expenses, plus
  - ii. amount required to replenish Reserves based on assessment of Capital Repair requirements.

**D. Old business**

1. CRP/Reserve Study status: Request for Proposal has been sent to possible vendors; responses expected by mid-September
2. Governing Policy revisions and new policies have been reviewed by BOD and are now being independently reviewed before sending to D. Graf for legal review
3. Infrastructure security cameras: Item tabled

**E. New business**

1. Committees (4) have been launched, the remainder being scheduled in September.
  - a. Charters signed and posted to website
  - b. Duties/Responsibilities handed over and posted to website
  - c. Task lists handed to committees.
2. Engagement of Defense Attorney. Miles Buckingham of Nemirow Perez has been engaged as the HOA defense attorney in the lawsuit filed Sprentall vs EMHOA 2018. The BOD has provided all required documentation; Miles Buckingham has filed the HOA responses with the Ouray County court system.
3. Confidentiality agreement voluntarily signed to show good faith that the lawsuit will be handled in the public forum with respect and care.
4. Bank signature papers signed by present directors (to be completed by absent directors) so that all BOD directors have signing authority on checks for payments.
5. Bulletin board at mailboxes: Item tabled
6. Signage (as proposed at 2018 annual meeting) has been passed to Roads Committee
7. Lot 431 temporary cabin has been approved to live in after their 90 day camping has expired (according to our governing documents). The owners will live in the temporary cabin while construction of their permanent residence takes place, and have been informed that the cabin must be converted into a non-residential building once COO has been given on the permanent residence (according to our governing documents)
8. Lot 403 granting of utility easement recorded with County.

**F. Items from A3 above**

1. Sewer system monitoring and maintenance: Bill Hamann emphasized two issues:
  - a. Need to monitor system behavior such that the need for pump-out can be anticipated and justified:
    - i. Frequency of pump-out of every three years is recommended by the industry (not mandated by any official entity); determining exactly when to pump out depends on monitoring system flow and sludge measurement and build up
    - ii. From a baseline developed last fall and periodic samples, the flow rate during peak periods and in particular, days of highest use (July), shows that the system is only operating at 37% capacity

- iii. Judgment: Based on independent evaluation since 2015 (last pump-out), and periodic sampling, there is no danger of system overload or need for pump-out this fall.
    - b. Need for a detailed monitoring system, including
      - i. Modifications to make it easier to collect samples and monitor build up, and to resolve system idiosyncrasies at upper end
      - ii. Detailed process for monitoring, data collection and reporting.
- Promise: Working with Dan Barteshius (as our contracted operator), Bill will
- iii. provide a report to reflect his findings and a recommendation for a monitoring system and modifications
      - iv. continue to monitor the system, liaise with the BOD, in order to watch sludge build up and trigger recommendation for pump-out.
2. "Constant Contact" contract updated (reduced) to reflect intermittent need for surveys
  3. Annual meeting
    - a. Letters to the (47) 'non-respondent' homeowners have been drafted to encourage attendance at upcoming meetings, and in particular at the 2018 Annual 'Do-Over' meeting
    - b. 2018 Annual 'Do-Over' meeting is scheduled for October 20<sup>th</sup> at the 4H Center, 9am. The homeowner packet of information has been revised and is being reviewed for USPS mailing.
  4. Quorum lowering: David Graf, our HOA attorney, has been given the go ahead to initiate this process based on the approval of the community obtained at the July 7 Annual meeting.
  5. Water restriction plan. Due to a marked increase in water usage over the last two months under current drought conditions, demand has matched our spring supply such that our wells have been triggered to supplement supply. Discussion of a water restriction plan covered the following points:
    - a. Reducing (temporarily) water allowance (from 7,000 gallons to 5,000 gallons per month)
    - b. Increasing the charge for excess (from \$2 per extra 1,000 gallons to 10 cents per gallon for gallons exceeding the (new) 5,000 allowance)
    - c. The plan will be reviewed by the Conservation Committee for recommendations
    - d. Putting such a plan into place will be triggered by demand matching/exceeding supply during this month (August), as well as by surrounding town/county restrictions
    - e. Homeowners will be notified as and when the water restriction plan is put into place. Said plan would remain in place until surrounding town/county restrictions are removed, and/or usage and spring flow revert to normal.

Notice of this plan will go out to the community via MM within the next couple weeks.

G. Meeting adjourned at 8:30pm.

Respectfully submitted;  
EMHOA BOD