

Lions Head Water Users Association Annual Meeting Minutes

August 1, 2014

3:35 PM

Roll Call:

Alan Scott and Anne Meininger - Lot 14

Ann and Rich Donaldson - Lot 16

Lots represented by proxy - Lot 15

Proof of due notice:

Notice of this meeting was sent out on June 25, 2014.

Reading and disposal of the previous minutes:

No changes were made to the 2013 annual meeting minutes.

Nominations for Vacancy on the Board of Directors:

Alan Scott, Anne Meininger and Allen Bejda are on the ballot. There were no write in nominations, and no nominations were made from the floor.

Report of the President or Vice-President:

Alan Scott mentioned that, as in previous years, the water system is currently servicing two homes, on lots 12 and 14. We do not know of any hookups planned for the next year. Alan then reported that a repair was completed on the lot 8 well (our backup well) in September of 2013. As background, Alan explained that in October of 2012 a leak was discovered in the lot 8 well area which Clint Brooks, our water master, temporarily patched. Last September, the repair was completed, and a new water meter was installed at the same time. At that time, maintenance work was done on the lot 8 well. This included turning on the lot 8 well, which Clint recommends doing every 2-3 years to ensure that it remains in good working order. It had been 2 1/2 years since the lot 8 well had been turned on. The lot 8 well was also well chlorinated at that time.

In early July of this year, we found that lots 12 and 14 were out of water. The upper cistern had run dry due to a faulty contactor. Clint Brooks replaced the contactor, and the upper cistern was refilled. It had probably been a period of time since this contactor had malfunctioned, as this is a 10,000 gallon cistern. This large storage capacity is necessary so that we are not constantly pumping water uphill from the transfer station. After this repair, we tested for coliforms, and the result was positive. Alan said that he will chlorinate the system this coming week, he will run about 5,000-10,000 gallons through the system, and we will then repeat the test for coliforms.

Alan then explained that it is Clint Brook's opinion that we are not running enough water through the system, since we essentially only have one house on the system at the present time. Pat Kieffer, the owner of the house on lot 12, is not spending much time there due to health issues. Rich Donaldson asked if we fill the upper cistern all the way, and Alan replied that we do, probably about 9,500 gallons by means of a float. Rich wondered if we should lower that amount so that the water doesn't stay in the cistern too long. Alan replied that Clint has asked us to artificially move more water through the system (rather than lowering the storage capacity in the upper cistern), and recommends about 5,000-10,000 gallons per quarter. When two houses were using water, we were

moving that much water during the warmer months. Alan stated that we plan to move water regularly through the system, and since the houses on the system are metered, we can easily tell how many gallons we are flushing through the system.

Rich Donaldson then asked if these are shallow wells, and Alan replied in the affirmative. Rich also asked if we are allowed to irrigate up to an acre, and Alan said that was correct. Alan then mentioned that the lot 15 well, our primary well, is an excellent well, with exceptionally good pumping capacity.

Alan then said that at this time, the costs of testing and chlorinating are being donated by the Scott-Meiningers. Lion's Head continues to fulfill all the requirements of the Elk Spring's-Lion's Head contractual agreement.

Report of the Secretary:

Anne Meininger reported that copies of the 2013 meeting minutes will be posted on the Lion's Head website, and we'll also update all the previous years' minutes and financial summaries.

Report of the Treasurer:

Anne Meininger reviewed the financial summary. Our beginning balance on August 1, 2013 was \$7,887.64. Our expenses included \$1,311.63 for the electric bills, and \$381.28 to Brooks Well Service to replace a battery in the radio transmitter in January of 2013. Total expenses were \$1,692.91. The addendum to the financial summary shows the electric bills by the month, and expenses go up in the winter as we use more electricity to heat the transfer station. As explained in previous years, Lion's Head has three electric meters, and we currently pay \$30.65 per month for each meter, whether we use electricity or not. About a year or so ago, Empire Electric raised the monthly fee from \$20-\$30 per month per meter, and slightly lowered the cost of electricity per kwh. If you look at previous financial summaries, Lion's Head was paying about \$900-\$1,000 per year for electricity, and now it is about \$1,300. Anne said that we are always concerned that the users are paying their share for the cost of pumping the water. At the present time, the users are still paying a high percentage of the electric bills. Heating the transfer station continues to be our primary cost for electricity, excluding the cost of the meters.

Deposits are \$2,000, \$250 per lot for eight lots, and the users fees this year total \$840. Our base rate per month is \$40 per month for up to 10,000 gallons, and we bill quarterly instead of monthly. Normally the users fees would be \$960 for the year, but one user last year paid in advance for the third quarter. Therefore, \$120 extra was credited for the previous fiscal year, and there was \$120 less credited for this fiscal year.

The total deposits for the fiscal year were \$2,840, minus expenses of \$1,692.91, giving an ending balance of \$9,034.73. We are continuing to slowly build up reserves in case of another large repair bill, such as the \$4,400 that we had approximately five years ago. We want to prevent the need for any more special assessments, if at all possible. Anne mentioned that we do anticipate repair and maintenance costs for the work on the lot 8 well for which we haven't been billed yet, and the contactor repair last month. We're not certain of this cost, but estimate that it could possibly be in the \$1,000 range.

Rich Donaldson asked if Clint charges any retainer fee, and Alan replied that he doesn't. Rich mentioned that it is difficult to find good people like that, and we wholeheartedly agreed. Clint does charge travel time, and comes from east of Durango, so we usually don't receive a bill for less than \$300 for any repair when you factor in travel time and labor.

Unfinished business:

There was no unfinished business.

New business:

Alan reiterated that the finances for Lion's Head are much more stable than in previous years, now that we have more reserve funds in place. Next year we may stay about flat because of the two outstanding maintenance and repair costs. We are not planning to turn on the lot 8 well in the coming year, but will probably do it during the next year. Alan mentioned that he always brings Clint in when we turn on the lot 8 well. Even though Alan knows how to turn on the well, he wants Clint to assess the condition of the well and the pump. Alan then mentioned that our current hope is to preserve a good reserve fund that can handle a large emergency cost.

Election:

Alan Scott, Anne Meininger and Allen Bejda were elected to the Board of Directors for a one year term.

From the floor:

Nothing was brought up from the floor.

Adjournment:

The meeting was adjourned at 4:05 PM.

Respectfully submitted,
Anne Meininger, Secretary-Treasurer