

# Lion's Head Water Users Association Annual Meeting Minutes

August 2, 2020

3:06 P.M.

## Roll Call:

Lot 8 Elk Springs – Ed Grun

Lot 12 Elk Stream – Dave and Vickie Johnson

Lot 14 Elk Stream – Anne Meininger and Alan Scott

Lots represented by proxy – Lot 13 (Queens) and Lot 16 (Donaldsons)

## Proof of due notice:

Notice of this meeting was sent out on June 29, 2020.

## Reading and disposal of the previous minutes:

No changes were made to the 2019 annual meeting minutes.

## Nominations for Vacancy on the Board of Directors:

Alan Scott, Anne Meininger and Dave Johnson 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 we have a new member on the water system, which is Lot 15, owned by the Storms. This is in addition to Lot 12 (Johnsons) and Lot 14 (Scott-Meiningers) who are also on the water system. The Storms are in the process of building their house. Alan said that we do not know of anyone hooking up to the system for the next year.

Alan then talked about the minor pipe break at the Lot 8 well. We discovered it about two years ago in the fall, and Clint Brooks, our water master, was able to fix this break just after our annual meeting last summer.

Alan then discussed the impacts to the water system from the East Canyon Fire. Fortunately, we were very lucky that the fire did not impact the transfer station. We did see an increase in pumping costs, and Alan postulated that the firefighters pulled about 17,000 gallons out of the upper cistern, based on our meter readings. Anne Meininger then mentioned that the firefighters weren't using that water as a main means of fighting the fire. This water was most likely used to put out hot spots.

Alan then explained that when anyone taps into our water system, they effectively have contaminated it. Because we assumed that the firefighters had tapped into our system, we did chlorinate the system. There was no damage whatsoever to our two wells, and as already mentioned, no damage to the transfer station. Alan then said that if we did have a fire coming up the east side of East Canyon, the majority of our infrastructure is in the ground. Ed Grun then

asked how much it would cost to replace the transfer station and its electronics, etc. if it burned. Alan guessed that it would be in the \$10,000-\$20,000 range.

Alan then explained that after the fire we appeared to have lost water (as already explained), and also the system was not acting exactly right. Alan and Dave Johnson debugged the system, and concluded that there was a problem with the pump at the transfer station which pumps water up to the upper cistern. This had nothing to do with the fire. In fact, the fire was the impetus to look a little more carefully. A normal flow from the pump in the transfer station is in the 10-30 gallons/minute range. Talking to Clint, he thought that was about a 20-25 gallons/minute pump. We were pumping about 2-3 gallons/minute. Clint did replace that pump, and the cost will be explained in the Treasurer's report.

Alan then said that due to the fire, the Lion's Head Board decided not to charge for excess water usage for the months of June and July. This was because we weren't absolutely sure why water had disappeared from the system (firefighter use of water was assumed), and the two affected homes had to do a lot of cleaning of the outside of their houses due to the fire suppressant that was used, and also the accumulation of ash as a result of the fire.

Alan then discussed the running of the Lot 8 well (our back-up well). We need to run it about every 2-3 years. Alan and Dave Johnson are in the process right now of running that well. Alan and Dave did discover that the vault of the well was full of water. When they pumped it out, they could see water leaking out of a pressure gauge that is attached to the pipe. Clint was contacted, and will be coming out in the next month or so to replace it. Alan estimates that this will cost about \$300-\$500, as Clint does charge for travel time. The Lot 8 well, the Lot 15 well, and the transfer station cistern will be chlorinated when the process is complete.

Alan then said that we did not test for coliforms this past spring, as the health department was not performing water tests due to Covid 19. The last test performed last year was negative. We will wait at least a month or two post-chlorination to test for coliforms. The Scott-Meiningers continue to donate the costs of chlorinating and testing.

### Report of the Secretary:

Last year's minutes and the 2020 financial summary and all previous years' minutes and financial summaries are posted on the website.

### Report of the Treasurer:

Anne Meininger reviewed the financial summary. Our beginning balance on August 1, 2019 was \$14,059.06. Our expenses included \$1,497.51 for electric bills, and a total of \$3,482.53 to Brooks Well Service for repairs. The expenses to Brooks Well Service included \$749.43 for the pipe break repair at the Lot 8 well and \$2,733.10 for the replacement of the transfer station pump. This brings us to total expenses of \$4,980.04. The addendum to the financial summary shows the electric bills by the month. You can see that our expenses go up in

the winter as we use more electricity to heat the transfer station. Empire Electric is a co-op, and we occasionally receive rebates from them. This shows as credits during the months of February and March, \$42.59 and \$7.34 respectively. As in previous years, Anne summarized that we have three electric meters, and we pay about \$33 per month per meter whether we use electricity or not. This cost per meter is a high percentage of our monthly electric bills. You'll notice that we had a higher-than-normal bill during the month of June (\$160.32). This was due to the increased cost of pumping the water used by the firefighters and the two affected homes both during and after the East Canyon fire. As was already mentioned, the increased cost for a household using more than 10,000 gallons/month was waived for the months of June and July.

We are always concerned that the users are paying their share for pumping the water, and the users are still paying a high percentage of the electric bills. The base cost for the three meters is still our highest electricity expense.

We had deposits of \$3,020 which included \$2,000 in annual assessments (8 lots X \$250/lot/year) and \$1,020 in users fees. Lots 12 and 14 paid \$960 in users' fees (12 months X \$40/month for up to 10,000 gallons per month per house). The Storms tapped into the system in mid-May, so they were charged \$60. We don't send monthly bills, but usually charge by the quarter, and send bills every three or six months.

With total expenses of \$4,980.04 and total deposits of \$3,020, we have an ending balance on August 1, 2020 of \$12,099.02. We did have higher expenses than income this past year due to the cost of repairs to the system. The pump in the transfer station was expensive to replace, but this was replacement of the original pump which was installed in 2001. As we well know, water systems are unpredictable, and we could incur another large repair at any time, as we did this past year. We do anticipate a repair cost for the leaking pressure gauge, but we're not certain how much that will be. We feel that it is fiscally responsible to maintain a good reserve fund. We did have to tap into the reserve fund this year, but we feel like we are still in good financial shape. We strive to avoid the need for special assessments. All members are current on their annual dues and users' fees.

### New Business:

Alan Scott reiterated that our financial situation remains very stable, and we appreciate prompt payment of annual dues and user's fees. Alan mentioned that he asked Clint how much it would cost to replace the Lot 15 well pump, and Clint estimated about \$5,000. And as Alan mentioned earlier, it would cost much more to replace the transfer station and its electronics and cistern. Our current hope is to keep our reserves in the \$12,000-\$14,000 range at the height of our checking account balance, which is August 1<sup>st</sup>.

Dave Johnson then made a request. Due to the damage to both of the homes and properties on the top of the ridge as a result of the fire, Dave recommended that we consider waiving the fees for excess water consumption for some time period, perhaps until the next

annual meeting. Anne asked if we should have a cap on that amount. Dave then replied that a 20,000 gallon/month upper limit would be fine. Alan Scott then made a motion to increase the base amount to 20,000 gallons/month for the next twelve months until the next annual meeting. The motion carried unanimously. Anne then thanked Dave for bringing up that timely issue.

Election of Officers:

Dave Johnson, Alan Scott and Anne Meininger were elected as board members for another year.

From the Floor:

Nothing was brought up from the floor.

Adjournment:

The meeting was adjourned at 3:50 P.M.

Respectfully submitted,

Anne Meininger, Secretary-Treasurer