

## Lions Head Water Users Association Annual Meeting Minutes

August 14, 2021

3:06 PM

### Roll Call:

Alan Scott and Anne Meininger – Lot 14

Dave and Vickie Johnson – Lot 12

No lots were represented by proxy.

### Proof of Due Notice:

Notice of this meeting was sent out on July 8<sup>th</sup>, 2021.

### Reading and disposal of the previous minutes:

No changes were made to the 2020 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 the water system is currently servicing three homes, which are Lots 12, 14 and 15. We do not know of any hook-ups within the next year. There was some discussion about potential buyers for Lot 16.

We did run the Lot 8 well (our back-up well) last summer, and there were no issues. Alan Scott and Dave Johnson performed this task. Alan Scott discovered about a year ago that we were pumping only about 10% of expected volume out of the transfer station pump. Clint Brooks, our water master, replaced that pump, and it has been working well.

The Board of Directors did raise the base water usage from 10,000 gallons/month to 20,000 gallons/month. There is more discussion about this in new business.

We had a major pipe break at the Lot 8 well last spring. This break appears to have been caused by settling beneath the control vault which is a vertical culvert. This vault settled onto the pipe. Due to this break, we pushed many thousands of gallons of water through the system. This raised our electricity costs for that month an additional \$400. This pipe break was repaired this past spring. At the same time of this repair, the pressure gauge at the Lot 8 well was replaced, as it was not functioning. After its replacement, Clint saw that this gauge registered about 150 lbs., which is high for a pipe like ours. There is about a 350 ft. drop between the Lot 15 well (our primary well) and the Lot 8 well, which is contributing to this high pressure. When/if the owners of Lots 16 or 10 should build, we will probably advise them to install a pressure regulator.

About a month after the first pipe break, we had another pipe break at the Lot 8 well. This break appears to have been caused by a bad elbow joint. Clint felt it was a manufacturing defect. It was also exacerbated by the extremely high-water pressure. This break was also repaired last spring. Clint reinforced the new repair with a large cement block, known as a “kicker block”, which has rebar embedded in it. No further pipe breaks have occurred since this repair. Alan stated that due to the age of the system (20 years) we may start experiencing additional issues in this section of the water system in the future.

Alan then discussed the planned alarm system. The vast majority of our electronics issues are pumping issues and piping issues which have occurred at or below the transfer station. We’ve asked Clint to install a low water alarm on the transfer station cistern. This will have a red flashing light that will be visible from the Storm’s property (Lot 15) and probably the northern end of Road 46. There will also be a siren, which most likely will be heard by the Storms. Lots 12 and 14 may not hear it. This alarm will be for the lower four lots and the Lot 15 well, as it will tell us if the water level is low in the transfer station cistern. For the upper four lots, we have a large cistern (8,000-9,000 gallons) of available water, which is a large buffer for these lots. Dave Johnson suggested that Lion’s Head might consider a solar system for these lots in the future as a back-up. Alan stated that the alarm system will probably cost about \$1,000. Clint will probably have to empty the transfer station cistern, drill a hole in the cistern, clean the cistern after installation, and refill it. The Storms might be without water for a day or two during this installation, but we will be sure to let them know when this is happening.

Dave Johnson asked if we should periodically clean the transfer station cistern. Alan answered that we get a little bit of sediment and mud at the bottom of the cistern, but a bigger concern is if bugs get into the cistern. To address this problem, whenever something is done to the water system such as running the Lot 8 back-up well every 2-3 years, or if Clint repairs something, we always chlorinate the whole system. Lion’s Head also has the water tested for E. coli and other coliforms about twice a year. By law, we’re a small enough water company that we are not regulated, so water tests are not required. However, we do test the water voluntarily. The water was negative for coliforms last fall, and Anne plans to test the water soon. We have tested positive for coliforms only once or twice during the last ten years, and chlorinating the system took care of the problem. The Scott-Meiningers donate the costs of testing the water and chlorinating the system.

### Report of the Secretary:

All of the previous years’ minutes and financial summaries are posted on the Lion’s Head website.

### Report of the Treasurer:

Our beginning balance on August 1, 2020 was \$12,099.02. Our expenses included \$1,929.21 for the electric bills. The repairs for the two pipe breaks were paid to Brooks Well Service for a total of \$3,428.20. We also purchased a pump for \$152.89 so we don’t have to borrow one from Clint. This pump is used to pump water out of the vault of the Lot 8 well, as well as to drain the transfer station cistern when needed. Our total expenses were \$5,510.50. The second page of the financial summary shows the electric bills by the month. We had a very high electric bill (\$550) in March due to the first pipe break. In May the electric bill was \$163,

which is higher than we usually pay. This was due to the second pipe break. Empire Electric is a co-op, and sometimes we receive a rebate. We received a rebate of \$25.07 in February. In previous years, Anne has mentioned that Lion's Head has three electric meters. We pay about \$33/month/meter whether we use electricity or not. Empire Electric has indicated that they might be increasing the cost of each meter, but lowering the cost of electricity. This works to our disadvantage because we have three meters. Our deposits included annual assessments of \$2,000 (8 lots X \$250) and users' fees of \$1,450 (that included one \$10 late fee), for total deposits of \$3,450. With a beginning balance of \$12,099.02, total expenses of \$5,510.50, and total deposits of \$3,450, our ending balance on August 1, 2021 was \$10,038.52. Anne then mentioned that the board does have the authority to issue a special assessment if needed.

#### Unfinished business:

There was no unfinished business.

#### New business:

Alan stated that we are in a stable financial situation. If possible, we would like to see an increase in our reserves.

As mentioned in the President's report, the board has increased the maximum base water usage from 10,000 gallons/month to 20,000 gallons/month for each lot on the system before we start charging overage fees. There was a discussion about overage fees. Vickie Johnson noted that she believed the Elk Stream covenants limit the amount of land that you can water around your house to one acre. Lion's Head charges overage fees to encourage water conservation, as we are still in a drought situation. The water rates can be decided by the board, without a need for a vote by the membership. Right now, Lion's Head is charging \$1.50/1000 gallons above 10,000 gallons and \$3.00/1000 gallons above 40,000 gallons. These rates were put in place when the water system was developed twenty years ago. With the increase of the base amount to 20,000 gallons/month, the board felt it was prudent to raise the overage fees. All the directors were present at this meeting, so the board decided to raise the overage fees as follows: \$3.00/1000 gallons for the next 10,000 gallons (above the 20,000 base usage allowance); \$4.00/1000 gallons for the next 10,000 gallons; \$5.00/1000 gallons for the next 10,000 gallons; and \$6.00/1000 gallons for all gallons above 50,000 gallons.

#### Election:

Alan Scott, Anne Meininger and Dave Johnson 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 4:36 PM.

Respectfully submitted,

Anne Meininger, Secretary-Treasurer