

## Lion's Head Water User's Association Annual Meeting Minutes

August 7th, 2022

3:06 P.M.

### Roll Call:

Vickie and Dave Johnson – Lot 12

Alan Scott and Anne Meininger – Lot 14

Ed Grun – Lot 8 Elk Springs

Proxies: Queens – Lot 13

### Proof of Due Notice:

Notice of this meeting was sent out on July 5th, 2022.

### Reading and Disposal of the Previous Minutes:

No changes were made to the 2021 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 serving three homes, which are Lots 12, 14 and 15. We do not know for certain of any hook-ups in the next year. It is possible that we will have a new hook-up within the next 12-18 months, and that will be Lot 16. The Donaldson's sold Lot 16, and the new owners are Michael Hayden and Karen Hoffman. Alan welcomed these new owners to Lion's Head Water User's Association.

Alan indicated that we did not run the Lot 8 well (our back-up well) over this past year. We intend to run the Lot 8 well this coming September, probably the first week in September. Ed Grun (the owner of Lot 8 Elk Springs) requested a call or text when Alan plans to turn the Lot 8 well on and off.

Alan then discussed a few very serious issues that we had with the water system this past year. Last September we had a catastrophic failure of the transmitter located on the transfer station. Unfortunately, it failed in the open position, which flooded out the transfer station. The transfer station was stabilized by Dave Johnson (thank you Dave), and Clint Brooks of Brooks Well Service (our water master) was called. Fortunately we lost no controlling electronics, and the electronics protected everything within the water system. Unfortunately, the cost to replace and install this new transmitter was very high, about \$5,220. This amount included Clint Brook's travel time, as he needed to come out first to troubleshoot the problem, and then to install the new transmitter.

Alan Scott then explained how Empire Electric has changed how they charge for electricity. They now have a flat base rate, plus charges for each Kwh for on or off peak hours.

Finally, there is a much higher rate for maximum use, which is basically the greatest 15 minutes of use per month. Because Lion's Head has three meters, and the pumps draw a lot of power for short periods of time, this new rate schedule has been very detrimental to our electricity budget. Alan and Empire Electric were able to fine-tune these charges by moving two of our meters to another method to drop the cost. As a result, our electric bill costs have dropped about \$20/month.

Alan then spoke about Lion's Head's new charge schedule for water usage. Lion's Head raised the base water usage amount for users to 20,000 gallons/month, an increase from 10,000 gallons/month. Lion's Head also raised the cost for those on the system from \$40/month for base usage to \$60/month. Part of that increase is to compensate for the increased cost of electricity. Alan will discuss this issue in more depth in New Business.

Alan then talked about the planned installation of an alarm system. Because a vast majority of our electronics issues, pumping issues and piping issues have occurred at or below the transfer station, Lion's Head has asked Clint Brooks of Brooks Well Service to install a low water alarm on the transfer station cistern. This will be a red flashing light which will be visible from Lot 15, and much of Road 46 in Elk Springs. It should be quite visible, especially at night. This should give us notice of issues before we run out of water. The cost should be approximately \$1,000. Currently we are scheduled for this installation in early September. Clint Brooks has also recommended that we flush the transfer station cistern. Clint will drain the transfer station cistern, clean out the cistern and flush it, and install the alarm system at the same time. He will do these tasks at approximately the same time that we are running the Lot 8 well. We need to run the Lot 8 well every 2-3 years. Both the Lot 15 well (our main well) and the transfer station cistern will be well chlorinated at this time.

Ed Grun mentioned that an alarm signal could be sent to a cell phone. Alan replied that it would require an internet connection, which would have a monthly fee. This would be an added impact to Lion's Head limited budget. Dave Johnson then said that we don't have a problem very often, and Alan Scott agreed.

Alan then said that testing for coliforms and E. coli were done last fall and again this summer. These tests were negative. Alan also mentioned that Clint Brooks has said there is no need to test when we run the Lot 8 well because we run so much chlorine through the system at that time. We will test again next spring or summer. Alan also said that the costs of testing and chlorinating are being donated by the Scott/Meiningers. Ed Grun asked what it cost to test the water. Anne Meininger answered that San Juan Basin Health charges \$25 for coliform and E. coli testing. Ed then asked if we have tested positive in the past. Anne answered that in our 20+ years we've only tested positive a few times. Chlorinating the system took care of the problem.

Alan then mentioned that much of the debugging and overseeing of the system has been donated by Dave Johnson and himself. Alan then said that Mike Hayden (new owner of Lot 16) seemed very interested in learning about the water system. Alan also mentioned that he has updated the document on the Lion's Head website which explains how the system works, and how to debug the system. Alan then briefly described what he has learned recently about the

wiring for the system. Ed Grun suggested that Alan post a map of all the electrical lines on the website. Alan agreed that it was an excellent suggestion.

### Report of the Secretary:

Anne Meininger reported that all previous yearly meeting minutes and financial summaries are posted on the Lion's Head website, with the exception of this year's financial summary, which will be posted shortly.

### Report of the Treasurer:

Anne reported that our beginning balance on August 1st, 2021 was \$10,038.52. Our electric bills totaled \$1,757.16. Brooks Well Service charged \$5,220.67 for the replacement and installation of the transmitter at the transfer station. Thus, total expenses were \$6,977.83.

The second page of the financial summary lists electric bills by the month. And as you can see, September, October and November were very high electric bills. This was due to the change in Empire Electric's rate policy which was explained by Alan Scott in the President's report. By working with Empire Electric, Alan was able to get our electric bills decreased by about \$20-\$30/month. This was also during the beginning of the winter months when we use more electricity to heat the transfer station. We're now paying on average about \$150/month for electricity, and we used to pay about \$120-130.

The directors decided to raise the base cost of 20,000 gallons/month for users from \$40/month to \$60/month to help pay for these extra electric bill charges. And as it turns out, with this increase in users' fees, the users are generally paying for the cost of electricity. And as Anne has mentioned in the past, Lion's Head has three meters, and we're paying on average \$35/month per meter whether we use electricity or not.

So in summary, total expenses were \$6,977.83 and total deposits were \$3,620.00, which included annual assessments of \$2,000 (\$250 X 8 lots), and users' fees of \$1,620.00. That brings us to an ending balance on August 1st, 2022 of \$6,680.69.

Dave Johnson mentioned that with the alarm system costing approximately \$1,000, Lion's Head will have about \$5,680 in the bank. He asked if that was a sufficient balance to go into the next year. Alan Scott replied that he would discuss that in New Business.

### Unfinished business:

There was no unfinished business.

### New Business:

Alan Scott reviewed the changes in the monthly costs to users on the system. The board changed the monthly base rate from 10,000 gallons to 20,000 gallons. Due to the increases in electrical and maintenance costs, the board also decided to change the monthly charge for up to 20,000 gallons from \$40 to \$60. Charges for additional water usage over 20,000 gallons were also increased. Over 20,000 gallons, Lion's Head now charges \$3.00/1000 gallons up to 30,000 gallons; \$4.00/1000 gallons up to 40,000 gallons; \$5.00/1000 gallons up to 50,000 gallons and \$6.00/1000 gallons for anything over that. What we're trying to do is to encourage people to

conserve water. These changes took place April 1st, and these changes are documented on the website. And of course, these changes only apply to users on the system.

At the present time, our financial situation still remains stable. We currently have about \$6,700 in reserves which will decrease in September about \$1,000 with the installation of the alarm system, and also there will be the monthly electric bills. However, we will have users' fees to pay the cost of electricity. This year's outgo was higher than income due to the cost of the new transmitter. If our reserves go low enough, perhaps around \$2,000 or so, we will create a special assessment if needed. This should only happen if we have unforeseen costs. Our ongoing goal is to keep our reserves in the \$10,000 to \$12,000 range which is a good buffer for costly issues. It is our hope to grow our reserves back to this level in the next 2-4 years. As always, we appreciate prompt payments, and everyone is up to date at this point. There was some discussion about billing every three months instead of every six months. Alan said that he just wants everyone on the same schedule to make it easier to keep track of the payments. Currently we are billing the users every six months, but if funds become short, we may have to revert back to billing every three months.

#### Election of Officers:

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 3:55 P.M.

Respectfully submitted,  
Anne Meininger, Secretary-Treasurer

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