

MOUNTAIN SHADOWS HOA BOARD MEETING MINUTES

Date/Time: March 26, 2018 / 10:00 AM-12:00 PM

Location: Garden Valley Library Conference Room

Meeting called by: Scott Brown

Board Members Present:

Scott Brown, President

Stacy Perryman, Vice President

Cherry VanCour, Treasurer

Ellen Bush, Board of Director

Others Present: Christine Clark and representation from the Water Committee: Bob Seal, Ralph Van Paepeghem, Al Webster, Ray VanCour, Joe Hofstra and Thor Oden

Meeting opened by Scott Brown at 10:05 AM

Approval of Agenda: Ellen Bush motioned to approve and Stacy Perryman second.

NEW BUSINESS

1. **Jim Sipple's BOD Resignation:** Scott stated Jim Sipple resigned from the Board of Directors yet will continue to work on the Water Committee. The Board of Directors thanks Jim for his work on the Board and are pleased he will continue working in the capacity of the Water Committee.

2. **Required Water Policy:** According to the CCR's (Art III sect 3.3c), it reads "*The Board of Directors is responsible for management of the PWS, including setting water use policy and, if appropriate, determining a fair and equitable rate or fee schedule for water consumption. The Water Policy shall be promulgated in writing and will have the full force and effect of the CC&Rs.*". Stacy has worked with the Water Committee on a Water Policy draft and the Water Committee signed off on it, however the Board has not yet approved. Ellen believes the current draft is a good statement but recommends to continue to work on it to make it a 'policy' statement.
 - 2.1. **ACTION ITEM/OWNER:** Stacy will continue working on the Water Policy draft and bring the revision to the next Board meeting for review.

3. **Water System Recommendations:** On 3/9/2018, the Water Committee Chairman, Bob Hammond, emailed 4 water system recommendations to the Board of Directors. Each recommendation contains a rough estimate and is prioritized with a description of work to be done. Scott provided the recommendations to George Simpson (Water Master) for

advisement. George advised he thought the Water Committee would be able to perform the recommendations as written.

3.1. 1st Priority – Well Primary Power Improvement (abridged version):

The wells are currently serviced by single phase electrical power; the well pumps are three phased motors. In order to power the well pumps, a rotary phase convertor was installed (by the developer). The main issue with the rotary phase convertor is that it is the single point of failure. If the convertor fails, there is no power to the wells and no water provided to the subdivision.

Recommendation is to replace the rotary phase convertor with two Variable Frequency Drives (VFDs), one for each well. There are several benefits with this recommendation – it is unlikely both VFD's would fail at the same time, the VFD's reduce wear and tear on the well pumps and allows options for the installation of a backup generator for the wells.

The provided rough estimate is \$10k - \$12k yet Bob Hammond has requested an estimate from Gem Pump. Thor Oden knows a person/company who can provide a secondary estimate.

There was conversation regarding the potential sale of phase 4/5 (currently under contract, in due diligence steps) and if sold, how much of our current water system could receive improvements. Is this a recommendation we want to hold off moving forward on until we know more about the potential sale of phase 4/5? At this point, we're not sure.

Joe Hofstra recommends we keep one old rotary phase converter as a backup. This was not part of the recommendation yet if the Water Committee recommends this, the BOD suggests adding the potential of using a rotary phase converter as a backup within the estimates.

It was determined to wait until both estimates come in to revisit this recommendation. When the estimates come in there may be more information regarding the potential sale of phase 4/5 which could be impactful on the decision as we move forward.

3.1.1. ACTION ITEM: Thor and/or Bob will bring estimates to the next BOD meeting for the Well Primary Power Improvement Recommendation from the Water Committee. BOD to review estimates and any new information regarding the potential sale of phase 4/5 to help determine if we're at the point for the Board to vote on this recommendation.

3.2. **2nd Priority** – Distribution System Mapping (abridged version):

Phase 1 – Determine water system layout, develop a master file of data containing plot drawings, list of valves that control service to each set of lots, list of manholes and elevations of all components. Data to be made available in all booster stations. Would need several people to volunteer with 2-way radios over a 2-3-day period. Should be done during the week since it will be necessary to disrupt water supply to various lots as the work progresses.

Phase 2 – Determine what pressures should be at all Pressure Reducing Valve (PRV) points and lots. This may require the assistance of a civil engineer or the volunteers can calculate pressures and confirm by testing.

This is documentation that is critical when making repairs and when emergencies occur, such as leaks. It will provide the layout of the water system allowing workers to close the correct valves and quickly shut off water in specific areas when necessary.

The estimated cost is \$0.00 unless a civil engineer is required, it's difficult to estimate a cost of a civil engineer at this point. There may be a small cost required for pumping vaults, etc.

Stacy Perryman motioned to approve and Scott Brown second.

3.2.1. **ACTION ITEM:** Cherry to create a Job in QuickBooks to clearly identify the Scope of Work and to track all progress, associated costs and volunteer labor.

3.3. **3rd Priority** – Backup Generators for Booster Stations (abridged version):

The 3 Booster Stations have installed backup generators which are not currently in use. Recommend the generators be put in service and have low water shut offs associated with each booster station to avoid pumps running dry and associated damage. There is much work to be done with each Booster station (broken down in the recommendation) including new batteries, repairing generators, validation of operation after repairs are complete, etc.

The backup generators are critical to keep water flowing within the subdivision if there is a power outage.

The estimated cost is \$1150 - \$4050 depending on scope of volunteer labor and conditions identified within the recommendation.

Cherry VanCour motioned to approve up to \$1150 and if the cost goes over, the Water Committee must come back to the Board for further approval. Ellen Bush second.

3.3.1. **ACTION ITEM:** Cherry to create a Job in QuickBooks to clearly identify the Scope of Work and to track all progress, associated costs and volunteer labor.

3.4. **4th Priority** – Preventative Maintenance (PM):

Jim Sipple has started to document the installed mechanical and electrical systems including the recommended PM cycles and work content. Recommend that we assist Jim in completing this task and then we can generate a PM work plan and schedule. The issue then becomes who will do the work.

George Simpson (Water Master) recently provided the BOD with an Annual Water Log for PM's showing the month(s) when specific PM items must be completed. If George were to perform the PMs on his list, he provided an estimate of an average of \$125.00 per month. It was suggested both Jim and George's PM schedules be merged into one PM schedule making sure to include, at the very least, what George recommends. Once merged, the Water Committee and BOD can collectively start to isolate how much of the PM work volunteers can perform and what work must be hired out.

The estimated cost is \$0.00 at this time.

Ellen Bush motioned to approve and Stacy Perryman second.

3.4.1. **ACTION ITEM:** Regarding the Preventative Maintenance (PM) Recommendation from the Water Committee - Cherry will attend the next Water Committee Meeting and work with the Committee regarding merging the Water Committee's PM schedule with George Simpson's PM schedule; collectively determine what functions the volunteers will perform and what functions will be hired out. Once this is completed Cherry and the Water Committee (or representative) will present the final PM schedule back to the Board to be voted on.

The Board wants to thank the Water Committee for ALL of the work done. These recommendations and the volunteer work helps allow us to keep our water system fully functional at a minimal cost, resulting in our low HOA dues.

4. **Overview and Completion of Job: E2018-BS1 PUMP:** Cherry created a Job in QuickBooks for an emergency repair at Booster Station 1 (BS1). The motor stopped functioning, causing the red light to be on at BS1 for several days/weeks until the repair was completed.
 - 4.1. **Scope of Work:** Replace both submersible pump and motor at BS1, replace wiring due to the wiring in BS1 and Tanks 1 & 2 is worn and frayed and reprogram the Variable Frequency Drives.
 - 4.2. **Root Cause:** The motor wore out and the pump was at the end of it's life. The wiring was compromised by the environment.
 - 4.3. **Estimated vs Actual Cost:** Original estimate cost between \$3500-\$4500, revised estimate cost (Gem Pump) \$2893.31-\$5142.57, actual cost \$5118.45 (\$4318.45 material + \$800.00 labor). There is a 5-year warranty on the pump and motor and a 1-year warranty on the labor.

4.4. **Volunteer Labor:** 8 hours between Jim Sipple and Bob Hammond. Thanks to Jim and Bob for your time, expertise, and follow up with this repair through completion.

Job E2018-BS1 PUMP is considered closed and inactive yet will remain in QuickBooks for future analysis.

Two other Jobs have been created in QuickBooks, are currently being tracked and will be added to the upcoming agenda for a readout.

A2018-WH2 GATE VALVE – Gate valve in Well House #2 is cracked. Need to purchase and replace the cracked gate valve with a new one.

E2018-Valve Leak, Lot 60 – Temporarily plug the leak (geyser) and replace the hose within the valve to permanently repair.

Each Job will be named starting with an 'A' or 'E', the year the job was created and the briefest of description (WH2 means Well House #2, BS1 means Booster Station #1, etc.). The 'A' represents Approved, meaning the recommendation was approved before the work started/Job created. The 'E' represents an Emergency, meaning there is communication between the Water Committee and BOD and the issue may be of such an urgent nature that actions are taken before/while obtaining approvals from the BOD and before the Job is created in QuickBooks. Only under emergency situations should work be done on the water system without approval, without a Job being created in QuickBooks and only when the BOD is engaged – working without approval and Job being created is not optimal yet necessary under certain emergency situations.

The naming scheme will help when analyzing water repairs, PM's, emergencies, etc.

4.5. **ACTION ITEM:** Cherry to add both Jobs, 'A2018-WH2 GATE VALVE' and 'E2018-VALVE LEAK, Lot 60' to the next agenda and provide status.

5. **Contract Between George Simpson (Water Master) and MSHOA:** Scott reported the new contract between MSHOA and George is much more complete. It clarifies emergency work, etc.

5.1. Scott Brown motioned to approve and Stacy Perryman second.

OLD BUSINESS

6. **Financial Report:** Cherry provided and reviewed the Balance Sheet Report, Budget Overview Report and Financial Report. These reports are not included within the minutes as they are considered confidential, for MSHOA members only. The minutes are posted on our website which is public. If a member would like a copy of any of these reports, please contact the Treasurer, Cherry VanCour, at treasurer@mtnshadowshoa.org.

7. **Architectural Review Report:** Stacy reported Dale Bentley requested approval for his garage. Thank you Ralph Van Paepeghem for being instrumental with getting this request quickly approved.

8. **Update on Current Action Items:**
 - 8.1. Scott will reserve the Senior Hall for the Annual Meeting in June (item 2 on 2/9/18 BOD meeting minutes): The Senior Hall is reserved and our Annual Meeting will be on June 9, 2018 at 10:00 AM

 - 8.2. Scott will reiterate the water fee structure via 3 venues: mail, email and the website (item 7.1.1 on 2/9/18 BOD meeting minutes): Scott reported he has restructured the Water Fee paperwork and will be sent out after full approval of the Board via the 3 venues. Once billing actually starts, members who have an overage bill will receive their bill via mail and/or email.
 - 8.2.1. **ACTION ITEM/OWNER:** Scott - to remain on next agenda until complete.

 - 8.3. Scott will obtain a quote for a sign for under the red light on the three pump house/Booster Stations (item 8.2 on 2/9/18 BOD meeting minutes): The price for the signs is \$72.00 (\$24 ea. x 3 signs). Scott Brown motioned to approve and Ellen Bush second.
 - 8.3.1. **ACTION ITEM/OWNER:** Scott to purchase signs that identifies the number to call if the red light is on and have the signs installed under each Booster Station's red light.

 - 8.4. Cherry will purchase QuickBooks and will work with Jim Sipple and Bob Hammond regarding the sub categories under the Water Category (item 4.2.1 on 2/9/18 BOD meeting minutes): QuickBooks has been purchased and the Water sub categories have been created. We are currently using QuickBooks.

 - 8.5. Cherry will drive the decision regarding if the BOD will create and maintain a 'public' membership contact list (item 9.1.1 on 2/9/18 BOD meeting): The Board has agreed to NOT publish a contact list. The decision was based on 2 reasons (1) It takes time to organize and maintain a public contact list and at this point our time is better utilized elsewhere. (2) There was a contact list in the past, for neighbors to communicate unusual activity on a lot. It worked well for a while yet at some point some member(s) decided to use the contact list to vent their frustrations. This caused many members to contact the Board and asked to be taken off the contact list, resulting in the Board communicating all HOA email correspondence as BCC.

If there is a member who wants to be in charge of a public membership contact list, Cherry will help them gain access to the members of Mountain Shadows via Bcc email.

Cherry requests any member interested in maintaining such a list, to send her an email at treasurer@mtnshadowshoa.org addressing who you are and detailing the intended use for the public membership contact list. She will then reply to the originator and Bcc all members asking them to read the information sent by the originator and request members to reply **to the originator** if they are interested with being on the public membership contact list. The Board will NOT create nor maintain this list, the originator/member will. Cherry will Bcc members for this reason only once as she does not want to inundate members with emails.

8.6. Cherry - Cherry to meet with the Water Committee to discuss a formal communication process (Bob's questions, item 3 under Water related questions within the 2/9/18 BOD meeting minutes): Due to timing issues, Cherry wasn't able to meet with the Water Committee. Cherry will attend the next Water Committee to discuss this action item.

8.6.1. ACTION ITEM/OWNER: Cherry – to remain on agenda until complete.

8.7. Stacy will review color differences Bob identifies (item 5.1 on 2/9/18 BOD meeting minutes): The specific difference Bob identified is in paragraph 2.2 of the ACC Checklist. In parenthesis it has the words (ie: the use of brown, reddish or cedar tones). The CC&R's Article II Section 2.2i states "Color. Residence color schemes should be from the earth tone palette and be consistent with the surrounding natural environment.". The CC&R's do not say anything about the use of brown, reddish or cedar tones, therefore (ie: the use of brown, reddish or cedar tones) will be removed from paragraph 2.2 of the ACC Checklist.

8.8. Stacy will update the website to show a telephone number for emergencies (item 8.1 on 2/9/18 BOD meeting minutes): There phone number is now on the website's homepage emergencies.

8.9. Scott will report out on: Jim will clarify with Larry to resolve (this is regarding the cable across the access road to the wells) and Jim will ask Larry for the easement documentation (item 3.1.1 on 2/9/18 BOD meeting minutes): Jim has emailed Larry with no reply yet.

8.9.1. ACTION ITEM/OWNER: Scott – to remain on next agenda until complete.

8.10. Scott will report out on: Jim will obtain a copy of the legal easement for the 5 acres the wells are on (item 3/1/2 on 2/9/18 BOD meeting minutes): Jim has emailed Larry with no reply yet.

8.10.1. ACTION ITEM/OWNER: Scott – to remain on next agenda until complete.

8.11. Scott will report out on: Jim will locate a copy of the legal easement from the wells to the start of Mountain Shadows property (Bob's question, item 4). Jim has emailed Larry with no reply yet.

8.11.1. ACTION ITEM/OWNER: Scott – to remain on next agenda until complete.

8.12. Scott will obtain a copy of the document that transfers ownership of the real and personal property of the water system to MSHOA (Bob's question, item 6): Jim has emailed Larry with no reply yet.

8.12.1. ACTION ITEM/OWNER: Scott – to remain on next agenda until complete.

Public Comment:

9. Chris Clark requested that the Board decide how to address the need to add, revise or change the CC&Rs. According to CC&R's Article IX Section 9.6, it reads "Amendment or Revision. This Declaration may be amended or revised only with the written approval of two-thirds (2/3) of the Owners with each Lot only granted one vote." There must be a vote in order to change the CC&Rs, yet the question is asking what is the process for a member to request a change, how does a member submit a revision to be voted on?

9.1. ACTION ITEM/OWNER: Scott to facilitate a conversation with the BOD to discuss and document a process that addresses how a member can submit a request to revise the CC&Rs.

10. Bob Seal (Board Replacement) recommends that Al Webster be added to the Board. The Board thanked Bob for his recommendation.

11. Joe Hofstra – It seems there are a number of legal issues around the HOA (such as Phase 4/5). Do we have an attorney of record? We have an attorney we have used in the past and will probably use again when the need arises.

Meeting was adjourned at 11:40 AM