



-DRAFT- Annual Meeting 2020 -DRAFT-

PLAYGROUND/OPEN SPACE

Minutes June 17, 2020 Little Elk Creek Annual Meeting

1. **Call to Order/Introductions/Approval of Minutes of 2019 Meeting**

Trustee and President John Ott called the meeting to order at 6:08 pm. and introduced the present Board members (Steve Whitelande, John Ott, Joe Carlson, Harvey Paparo, Tim Vogel), and Manager (Keith Edquist).

2. **Waiver of Notice/Quorum/Approval of Minutes of 2019 Meeting**

The minutes of the 2019 annual meeting were mailed to owners for this meeting. There was a motion and second to approve these minutes; there was no discussion and none were opposed. 45 owners were represented in person and by proxy, constituting a quorum for the transaction of business.

3. **LEC year in review- Manager Edquist**

Keith summarized some of the activities of the Board of Trustees over the last year.

In June, Scott Thompson of the Roaring Fork Fire Rescue Authority-spoke at annual meeting and reminded owners of the availability of no cost fire mitigation assessments for individual homeowners. In July, the play structure was restrained and "No Swimming" signage for the ponds installed in three locations. The Trustees approved these documents: *Water Tap Procedures and Regulations, Investment of Reserve Funds, Requirements for the creation and Installation of Irrigation Ponds. These have been placed on the website.*

In August-Owner Dan Harris discussed his research into an auxiliary water tank, saying there is room for such on the present main tank easement. The present tank is 27 years old. Alternately, he is looking into placing another well or being able to pump directly from the ponds should an emergency water shortage arise. Owners were reminded about illegal uses of the system water, including the \$1000 fine for use of potable water on the landscape.

In September and October there was discussion regarding possible path to green space from the corner of Driskell and Davidson. Trash and recycle services and equipment were discussed. Water system hydrants were inspected, exercised and painted. There was also a draft survey regarding short term rentals AirBnB or VRBO in Little Elk. Trustees reviewed a first draft of the Emergency Water Policy, prompted by the July fires in Basalt. An improvement to the headgate at the Fusaro property on Davidson, using maintenance funds in the budget for the Boram White Ditch Company was approved by the Trustees.



In November-The Trustee had discussions regarding metering and meter types, and excavators. The snow removal contractor for the winter was chosen. There was a decision to forgo a December meeting.

In January-the short term rental survey of owners was collected. Final count, without tabulating individual written comments, was 32 in favor of short term rentals (though usually with comments indicating disruption of the neighbors or neighborhood as undesirable) to 18 owners who were opposed to short term rentals. This was a good response of over half the owners. Any resolution in favor of restricting rentals might require amending the covenants.

The Trustees discussed metering and meter types, excavators and expected costs. There was an extended discussion of metering and meter pits and/or in home meters and metering. This quote was from an email sent to the Board and Management from Dan Harris:

“ . With leaks and at times, Little Elk has exceeded its water right. Dan said at present the State treats leaks passively, believing such water returns to the aquifer/water table. It is possible that view could change with increased scrutiny, water shortages or simply population growth. It is therefore realistic to look to the future and be prepared for more stringent controls from the State on private water systems such as Little Elk's. This has brought him to favor installation of some type of metering for private home water usage.”

There followed a motion by Carlson and second by Whitelande to install 4 and 6 inch meters on the LEC water system main lines to allow quicker localization of leaks, and an estimated cost of \$30,000.

The Leak Protocol and Emergency Water Policy documents were reviewed and approved and have been posted to the website.

In February-there was an extended and well attended session regarding water meters, the project specifics, and if the Board has such powers regarding expenditures. It was noted in this meeting that the \$225,000 plus expense of the pumphouse addition was driven by a requirement from the State for better filtration, and with only 10 months notice provided. Manager Edquist said there was little owner comment regarding this necessary and equally large scale expenditure on the water system at that time, at least which reached the Board and management in regard to that work. The Trustees believe it is better to be ahead of any state mandate to meter water use, rather than behind it and have to scramble--at potentially greater expense-- to comply.

Management worked with the Reserve study spreadsheet using both the \$200,000 proposed expense for in-house meters, and the \$400,000 proposed expense for pit meters, and found that in neither instance did reserve funding fall below 100 percent through 2048. This means



that even using the higher end of the expected costs, owner assessments should not have to be increased beyond their present levels, and that there is little danger of a special assessment being needed, even if \$400,000 were to be expended this year installing meters. Reserves would be funded at 132 percent in 2021 were \$400,000 spent installing meters in 2020.

In March-New information was made available from Dan Harris regarding placement of meters and the State's need for 'accountability' for water use from private systems. At this time, President John Ott made a motion for Little Elk to proceed with installation of pit meters on the system. This was seconded by Trustee Harvey Paparo. John and Harvey voted in favor, Trustee Tim Vogel was opposed. Though these three Trustees comprise a quorum under the LEC bylaws, management was asked to arrange for a vote on the motion by email, in order to have Trustees Carlson and Whitelande on record. This was done and both were in favor.

It is also the intent of the Board of Trustees to use reserve funds to pay for the installation of all the meters on the system, and the necessary hard and software to allow online monitoring and reporting of use. Owner expense may involve replacement of failing service lines should such be discovered during the course of installing pit meters between the main line and the owner's home.

In April there was no meeting as Covid 19 eliminated the Firehouse as usable space.

In May a meeting held at playground open space to review the April financials; ACA matters regarding the Stranger fencing and pond construction and discussion regarding funding of the meter installation project. There was a Trustee motion and vote in regard to excavation contractors for the metering project (Timberline Excavation was chosen), and discussion of potential legal expense in relation to the metering project. The Board then approved 2020-2021 budget, which duplicate that of 2019-2020, and involves no increase in assessments. There were also updates on the Pitkin County Road Re-imburement, and review of the easement agreement attendant on the Burke (nee Ann Grey) lot.

4. Water System Report/Water Metering discussion –Dan Harris

Dan recounted the recent draining of the water tank in relation to fire fighting efforts on the Polsky property, which is served by the water system but not actually a part of Little Elk HOA. This occurred on a Saturday night and the cause of the leak/drain down discovered and repaired by Wednesday evening. Timberline Excavation exposed and replaced the holed section of ductile iron pipe in about 5 hours once the problem area was localized. Dan said he did not feel local fire responders had done anything wrong.

Dan said use went down after this, but he still believes there is a leak in the system of about 12,000 gallons per day. At the time of the meeting the system was drawing down about 37,000 gallons per day. During the fire event from Saturday to Wednesday, almost 500,000 gallons were pushed up to the tank without successfully filling it.



He said the metering project is on-going, beginning with the already authorized purchase for 4 meters to be installed on the system mains at an expected expense of \$30,000. As far as the home metering project, the Board has decided upon use of pit meters, and approved Timberline Excavation for the project work. Dan said the meters themselves are 4 weeks out if and when they are ordered. There remain legal questions to be posed and answered.

Owner Jeff Weiss inquired if there were not others who could have found this leak more readily, but Dan did not feel his time directing others where to look would have sped up his process. Jeff asked if this event could fall under an insurance claim, but was advised that the in ground main lines of the system are not insured, though the pumphouse and related equipment is. Mr. Weiss also inquired if there exists an accurate 'as built' set of plans for the water system. There is not, but the main lines are mapped from the tank down through all the street valves and hydrants.

This concluded Mr. Harris' report, and all present thanked Dan for his diligent work on the water system, including members of the Board and management.

5. **Budget Ratification**

The balance sheet as of April 30th, 2020, and the profit and loss statement through the end of April of 2020 were available at the meeting. The approved 2020-2021 budget was provided to owners by mail earlier in July.

Total assets as of April 30, 2020 were \$840,936 vs. \$695,010 in July the year before. In 2019-2020 through April \$105,524 was added to the LEC capital reserve account, and there were no capital expenses charged against reserves through the date of the annual meeting. The Association was well under budget for the 2019-2020 fiscal year through the April 30th date of the financial report.

At this time made there was a motion to ratify the approved 2020-2021 budget, which was endorsed by those owners and proxy holders in attendance.



6. Election of Trustees

There were four declared candidates for the three seats-John Ott, Steve Whitelände, and Harvey Paparo-available on the Board. Trustees Ott and Whitelände ran for another two year term, while Harvey Paparo declined re-nomination for his seat. Owners Tony Rizzo and Dave Mullaney had self nominated. This prompted a vote by those present and those holding proxies for three of these four candidates. Owners Ross Jacobs and John Corcoran tabulated the owner and proxy votes, providing much appreciated help with this.

Ott and Whitelände were retained on the Board and owner Mullaney was elected. Terms for Ott, Mullaney and Whitelände will be at an end in June of 2022, while Tim Vogel and Joe Carlson's terms will expire in June of 2021. The Board will set its officers at the next Board meeting in July.

7. Other Business or concerns

Attention was again called to those owners who are not taking care of dog waste throughout Little Elk, as this is unsanitary and irresponsible. Other owners also supported this comment and the need for owners to pay attention to all aspects of pet ownership. There was a suggestion to install a doggy bag dispenser near the pond/playground area, which the Trustees will consider.

8. Adjourn

There being no further business to come before the meeting, the meeting adjourned at 7:25 pm

Respectfully submitted, Keith Edquist, Association Manager

John Ott, President