



**BOARD OF TRUSTEES REGULAR MEETING  
MINUTES OF JANUARY 18, 2023 (RESCHEDULED FROM JANUARY 11, 2023)  
BY ZOOM 6:30 pm**

Trustees Present: Clay Stranger, John Ott, Sharon Caulfield, Griff Foxley

Manager Present: Keith Edquist (first part of meeting)

Homeowners present for some or all of the meeting: Dan Harris

1. **Quorum and Minutes**

The minutes of the Trustees meeting of December 14, 2022 were approved without change.

2. **Public Comment** and General Trustee Comments if any

The Board discussed that the significant snowfall this year has not always been addressed quickly, but noted that the number of snowplow operation companies is reduced from prior to the pandemic, and LECVHOA is getting an afternoon plow.

3. **Consent Agenda Written Reports**

The monthly financials reports were accepted unanimously. **The Board noted that the financial statements reflect an increase of between \$60K and \$100K additional reserves (depending upon whether temporarily reserved accounts are counted) over the 2021-2023 end of year reserve account due to funds that were budgeted but not expended in 2021-2022.**

4. **Consideration of Items removed from Consent Agenda**

None

5. **ACA**

Keith Edquist reported that he has been in touch with the builders on the Clark/Kaplan project on Haystack Road and there appear to be no issues for board oversight.

6. **Old Business**

Board interview with Roy Saba and next steps: Roy Saba from SMI participated in the meeting to interview to act as the water system manager for LECVHOA. Mr. Saba acts as the "Operator and Responsible Charge" for other communities in the Roaring Fork Valley. (EPC is currently the OPC for LECVHOA and could work with Mr. Saba if this program goes forward.) He has the ability to provide remote management of water supply equipment and usage. He also can be on site to monitor and manage the ditches and ponds. He performs construction oversight for other community water systems. After about thirty five minutes of discussion with Mr. Saba, the Board excused him and continued discussion. The Board considered a draft Water System Manager position description, prepared by Sharon Caulfield and filled out by John Ott and Dan Harris. The Board heard John Ott and Dan Harris continue to speak in favor of having a local resident provide these services, but noted that no resident has presented a proposal with the



level of experience and detail as Mr. Saba, despite this issue being under discussion for over a year. Sharon Caulfield therefore moved, and Clay Stranger seconded, that the Board would prepare a contract proposal to present to Mr. Saba for further negotiation. Caulfield, Stranger and Foxley voted in favor of the proposal, with Ott voting against it. Ott and Harris reminded the board to be very engaged on the costs associated with this position, and the other members of the Board concurred with that sentiment, noting the budgeted amount.

The Reserve Study discussion was set aside for next month.

The Board reviewed the proposed Amended and Restated Management Agreement for Keith Edquist as manager. The agreement was updated in negotiations by Edquist, Sharon Caulfield and John Ott, to update the existing agreement, which was last addressed in 2010. The updated draft was reviewed by the Association's attorneys, Moeller-Graf. The open questions after negotiations are 1) whether Edquist should have his own fidelity bond or errors and omissions insurance; 2) whether Edquist should spend a few more hours each week doing on-site management services, such as construction oversight; and 3) whether Edquist should provide a monthly written report. It appears that it is not typical for an individual manager company to have its own errors and omissions insurance because generally the manager is considered an 'additional insured' on the Association's policies. Further, although one section of CCIOA requires managers to have a fiduciary bond for legal compliance, that section does not apply to the Association because the Association did not adopt CCIOA. Further, because Edquist does not, and under the new agreement cannot, handle any funds for the Association (all funds are handled by bookkeeper Kim Clinco), it does not seem necessary to call for a fiduciary bond. Therefore, the Board voted unanimously to approve the Amended and Restated Agreement without the insurance requirements, but including the on-site time increase and the simple monthly report requirement. The Board additionally voted unanimously to approve the proposed increased monthly fees, which will come to an annualized fee of \$20,400, and the increased hourly rates for certain specified services of \$50.00 and \$100.00 per hour.

**7. New Business**

Sharon Caulfield reported on a conversation with George Johnson in which George explained that the Two Creeks LLC water rights application has been amended to remove any claim for the junior water rights on the Boram and White Ditch, opting to rely solely on the portion of the Boram and White senior water rights that has been delivered to the prior owner of the property. This is helpful because it will prevent Two Creeks from calling for additional water to flow through LECVHOA. The sole question is whether the Two Creeks LLC portion of the B&W senior rights can be put to a new use, rather than used solely for the irrigation rights that are the adjudicated use for the Boram and White water rights from the 1880s. The matter continues to make its way through the water court in Glenwood Springs.



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John Ott restated his request for reimbursement of the expenses he incurred just prior to the water monitoring project, up to the amount that was allocated per household to accomplish the Eye on Water system. Ott had installed the system prior to the start of the LECVHOA project because his water system required maintenance. Therefore he had specific expense outlays that other owners did not incur because they were paid by the Association on behalf of all owners. The Board reiterated that it has approved Ott's request for reimbursement once documentation of the expenses is provided to Kim Clinco.

John Ott continues to work with the banks to revise signature cards on the LECVHOA accounts to match the current roster of trustees.

8. The meeting was adjourned at 8:30 pm.

**The next meeting will be held on February 8, 2023, by zoom.**