

Elk Springs Homeowners Association, Inc.

Minutes of the Water Facilities Management Committee Meeting

October 2, 2019

The Water Facilities Management Committee (the “Committee”) of the Elk Springs Homeowners Association, Inc. (the “Association”) met on October 2, 2019 at 1155 Elk Springs Drive. The Agenda, that was distributed in advance of the meeting, is attached to and made a part of these meeting minutes.

The meeting was called to order at 6:30 pm by chair, Mike McDill. In attendance were Bob Sweikert and Evelyn Cole. Member Jonathan Kelly was not able to attend the meeting. In addition, Ed Holub, Treasurer of the Association and Samantha Engen with Integrated Mountain Management (IMM) were in attendance

Evelyn Cole distributed the minutes of the Committee meeting held on April 17, 2019. A motion was made, seconded and unanimously approved to accept the minutes of the April 17, 2019 meeting and Mike instructed Samantha to post the minutes to the Association website.

Mike asked if there were any other additions or changes to the Agenda and no items were noted.

Sam presented the reported from IMM. She indicated that she has been reviewing the water meter reports for those Unit Owners whose meters cannot be read as well as performing a weekly inspection of the pump house. She has also received quotes for the regrading of the roads to the pump house, wells and tanks. Refer to below for additional discussion.

Bob presented the report from Environmental Process Control (EPC), the Association’s water operator. At the request of the Committee, EPC is now performing twice yearly measurements of the well level – in spring and fall. The Committee requested this information as a means of gauging the level of the Spring Valley Aquifer. Bob will forward this information to the rest of the Committee.

In addition, Bob reported that the deficiencies reported in the report of the State Sanitary Survey have been addressed and none of the findings were considered serious.

It was brought to the attention of the Committee that EPC responded to an outsider’s request for information on our water system, including usage and information on the infrastructure itself. The Committee asked Bob to contact EPC to ensure that, in the future, such request be forwarded to the Committee and/or Board first before providing such information. Furthermore, the HOA has written procedures regarding the request of HOA information by outsiders and such procedures should be followed in the future.

Bob also reported that water meters have been installed on the hydrants used to irrigate the front entrance and area around the mail boxes. Although the irrigation is part of the HOA common area, the information provided by the readings will assist the Committee in assessing the amount of water usage related to the common area and help assess the difference between the overall amount of water metered and the amount of water pumped from the wells.

Finally, Bob reported that EPC is in the process of installing new electrical wiring to the wells and that the project should be completed in the next few weeks

Evelyn updated the Committee on the Auburn Ridge and Pinyon Mesa Water Contracts. She distributed an analysis of the usage by month for each.

Evelyn presented the year to date July 2019 financial information, analyses of the water billings to Pinyon Mesa and Auburn Ridge for the nine months ended September 30, 2019, and water usage by Elk Springs Unit Owners for the nine months ended September 30, 2019. The financial results of the water operations are on budget.

The Committee requested the Association to review options for investment of the funds at its next Board meeting and directed Ed to meet with ANB and invest all but \$125,000 of the current amount in the Water Reserve Fund in investments that will maximize the return of the funds but still be in accordance with the Association's policy regarding investment of reserve funds.

Bob requested that several items be included in the 2020 Budget for the Water Operations as follows:

Regrading of road to wells and tanks	\$20,000
Dive testing of wells	4,000
Review of pipe condition	5,000
Water testing	4,300
Unexpected expense items	5,000

Ed indicated that these items would be reflected in the 2020 Budget that the Association's Board will be reviewing at its October 30th meeting.

Evelyn reported that she contacted the City of Glenwood Springs and City of Carbondale regarding whether they require the use of certain water metering equipment. No specific meters were required; however, they do require the use of remote readable meters. After some discussion, the Committee agreed to require the use of Badger water meters and the installation of a remote reader that reads in single gallons.

Evelyn Cole provided a detail of water metered for the nine months ended September 30, 2019 versus water pumped during the same period. In addition, she provided the same information for the year ended December 31, 2018.

Nine Months Ended September 30, 2019

Gallons Water Metered	16,134,060	
Gallons Water Pumped	19,753,800	
Percent Water Loss		<u>18.32%</u>

Year Ended December 31, 2018

Gallons Water Metered	21,180,100	
Gallons Water Pumped	26,722,300	
Percent Water Loss		<u>20.74%</u>

A discussion ensued regarding the losses which can be attributed to the following:

- (1) the Association's irrigation system at the front gate and mailboxes are not metered (which has now been metered),
- (2) several Unit Owners do not have working water meters (IMM is reviewing and contacting Unit Owners to resolve the issue),
- (3) the Developer's developed properties are not metered (the Committee referred this to the Board to resolve),
- (4) unmetered farmer/yard hydrants, and
- (5) and a delay between the issuance of a certificate of occupancy on new construction and the date the meter is first read (the Committee will send a note to the Association's Architectural Review Committee to remind them of the policy).

With respect to item (4) above, the Committee has identified several Units where the water usage remains fairly constant throughout the year. The Committee asked IMM

and the EPC water meter reader to review further and determine if the constant water usage may indicate that the Unit is accessing an unmetered farmer/yard hydrant.

Further, the Committee requested the Board, at its May and August Board meetings, to establish a fine of \$500 per month for access to unmetered water, such as farmer/yard hydrants. This policy is in addition to the previously adopted policy regarding inability to access or correctly read remote water meters. The Board has yet to adopt this policy and the Committee requested that the policy be adopted at its October 30th meeting.

Evelyn reported that the new water rates have been determined based on the increase in the Consumer Price Index from June 30, 2018 to June 30, 2019 of 1.6%. Evelyn provided IMM with notices to send to Auburn Ridge and Pinyon Mesa advising them of the new rates effective January 1, 2020. In addition, IMM will post the new rates for Elk Springs Unit Owners on the website under the FAQ tab.

Being no further new business, old business or any other business, the meeting was adjourned at 8:11 pm.

I certify that the foregoing is a true and current copy of the minutes approved by the Committee.

Samantha Engen

approved 11/17/2020

Sam Engen

Date

AGENDA

Elk Springs Water Management Committee Meeting

6:30 pm, October 2, 2019

1155 Elk Springs Drive

- I. Call to Order
- II. Record attendance
- III. Any Past Minutes to review & approve
 - A. Minutes of April 17, 2019
- IV. Changes to this Agenda
- V. Report from Integrated Mountain Management
- VI. Report from EPC
 - A. Well level monitoring program
 - B. State Sanitary Survey Report follow-up
 - C. Water System Information to outside entities
 - D. Other items?
- VII. Auburn Ridge & Pinyon Mesa Water Contracts
 - A. Status of Pinyon Mesa water usage (compared to their 1.4 MG/month allocation)
- VIII. Financial & Water Usage Reports – Executive Session
 - A. 2019 Financials & 2020 Budget
 - B. Budget Requests (Regrading Road to Wells & Tanks)
 - C. Past Due Review
 - D. Water Reserve Fund Investment Recommendation
 1. Amount (any information from other systems)
 2. How to invest
 3. Any Colorado Rural Water Association recommendations
- IX. Water Meter Issues & Planning Forward
 - A. Standardizing Home Meters (City of Glenwood, or Carbondale standards)
 - B. HOA owned Meter(s) for Outside Sales (Auburn Ridge, Pinyon Mesa & Entry)

- C. Water pumped vs. metered for 2019
- D. Remaining Unmetered Farmer/Yard Hydrants
- E. LARP Water Agreement

X. Other new Business

XI. Any Old Business

XII. Any other business

XIII. Adjourn