

# Edelweiss Board of Directors Quarterly Meeting Minutes

**Date Meeting Held:** July 14, 2014

**Present:** John Kirner (President), Alan Fahnestock (V. Pres), Steve Ralph (Secretary), Jim McDonald (Treasurer), Will Fohrell,

**Absent:** Chris Skagen, Josh Jankowski, Bill Craven, Larry Halford,

**Staff Present:** Dick Volckmann and Craig Hook

**Guests:** Pat Leigh, Mike Shirley

**Chair:** John Kirner

**Minutes Recorder:** Steve Ralph; Meeting was opened at 6:10 PM and closed at 8:50 PM

## Meeting Agenda

1. Call to order by the John Kirner, President
2. Address to the Board by Pat Leigh
3. Review of minutes of last meeting or ask for a vote to approve minutes as read.
4. President's report (John Kirner)
5. Treasurer's Report (Jim McDonald)
6. Manager's Report (Dick Volckmann)
7. Report on progress of planning for a new pool (John Kirner (for Tom Lasater))
8. Update on water system (Will Fohrell)
  - authorization to proceed with assessment of low pressure areas
9. Discussion topics
  - issues related to selling of Edelweiss property
  - water shut-off policy - need a definite ruling - suggested language in the Manager's Report
  - low pressure on lot 309 - Trillium - cabin is under construction
  - campground sheds
10. Discussion of any new business.
11. Establishing of date and time of the next meeting.
12. Adjournment.

1. Minutes of the Last Meeting	Action
<p>April minutes – no discussion and all approved with one abstention.</p> <p>Annual meeting of 5/24/14 – Members read over the hard copy of the minutes from the Annual Meeting. These will be approved at the next annual meeting. These will be sent to Steve for reformatting into template.</p>	<p><b>Minutes approved</b></p> <p>SR reformatted the annual meeting minutes – as attached</p>

2. Treasurer's Report	
<p>Jim McDonald (Treasurer)</p> <ol style="list-style-type: none"> <li>a. Has prepared a <i>Profit and Loss Report</i> for the year to recap expenditures, income and current balances in various accounts. That report in summary is attached here as part of the meeting minutes. Anticipated income for the year is over, and expenditures will continue as anticipated. Annual dues have not been paid by about 3 lot owners, which currently amount to ~ \$3,000. Actions were discussed to compel these lot owners to pay their rightful fees. Approximately \$14,000 in additional fees remain outstanding, but not yet in arrears.</li> <li>b. Setting up of a Legal Fund to allow capacity to seek legal advice on a variety of issues – a motion was proposed, seconded and passed. A motion to establish a legal fund with \$3000, in part to aid in completion of proposed revisions to the CC&amp;R.</li> </ol>	<p><b>Motion approved for establishment of the Legal Fund</b></p>
3. General Manager's Report	
<p>Dick Volckmann presented his quarterly report, which is attached as part of these meeting minutes. His report covers a recent Architectural Control Committee meeting to review plans for a shed to be built; a review of the legal authority to sell real estate owned by the association to fund various project that benefit the community at large; the status of our financial services arrangement with Palm Construction for snow plowing services; the required drinking water consumer confidence report, water system sanitary survey, and water efficiency report (as required by the State); the status of installation of water meters, fugitive cows coming onto community property and the proposal to authorize construction of storage sheds in the Edelweiss Meadows Campground areas by lot owners.</p> <p>Dick also summarized the current balances for the various community funds including the water and road fund, as well as the status of those lot owners who have not paid their outstanding annual fees. The total amounts to ~ \$2,000 from unpaid water and related association fees.</p>	
4. Old Business	
<p>Several issues were revisited for resolution:</p> <p>A. <b>Water shut-off policy</b> – Two lot owners have not paid nor seem inclined to pay their fees associated with water and other services. In regards to water supply, it has been proposed that we need an official policy on what action to take if dues are delinquent for more than 60 days. Dick outlined a specific series of steps in his manager's report. Dick will speak with the lawyer about the legality of this, considering it includes other fees (not all the cost of the water supply is covered by the water fee). Motion presented to impose this water shut-off policy on delinquent fees with concurrence of legal counsel.</p> <p>B. <b>Process to approve of construction of storage sheds in campground</b> – Proposal by Rick Heinz to solidify a policy leading to approval of storage sheds in the campground. EMC does not have guidance or design standard yet on such structures. He proposes that he will design one and present to the board (size, aesthetics, materials,</p>	<p><b>Water shut off policy motion was approved by voice vote.</b></p>

etc.).

Dick will respond to Mr. Heinz that the board is not generally supportive of this idea because it's not clear from the CC&R that these are legal. As a result, Board approval now might be reversed when the CC&R's are revised, which is currently pending completion. As an alternative we suggest that a bank of storage facilities could be built on common ground to accommodate their needs to some degree. The allowance of such storage sheds under the CC&R is ambiguous at present.

**C. Snow Plowing Contract with Palm Construction** – Jerry Palm has asked that the ongoing snow plowing contract be renegotiated, and Dick discussed the terms with the Board. The contract has not increased in 7 years, and fuel and equipment expenses have increased. Also, Jerry plans on purchasing new, more efficient equipment to service the community. Since negotiations are still in play, the details of this discussion will be deferred till they are concluded, but they will include nominal annual increases over a three year period. The Board approved a motion to raise the rate incrementally over the next three-year period.

**D. Planning Progress on the Pool** – John Kirner gave a summary of the findings by Tom Lasater about options for the pool design. As reported at the annual meeting held in May, there are two conceptual level designs that are being considered, one a simple rectangular design and one a more free-form design. Tom needs \$6 K to get more details on the design and cost estimates from the construction firm. The Board will ask the contractor for a firm fixed price bid on the project to both demolish the old pool and bathrooms and build the new pool and facilities. Only then can we take a poll of the community to reach a decision on how to proceed. The cost estimate will be broken down into the cost per lot for the community.

**E. Update on Water System** – Will Fohrell provided updates on the results of engineering investigations conducted for us by Erlandsen engineers to resolve ongoing issues with the system. Their analysis and subsequent actions taken are part of a longer term phased approach to correct a number of long-standing deficiencies. Their water system study report is not yet completed, but will be pending some additions and corrections requested by Will. There are chronic problem areas within the water system from both too much pressure and not enough pressure to some of the lots. The consultant has mostly focused on the high pressure problems to date, but Will wants to issue a new task order to get them to find cost effective solutions to the low pressure areas, and soon. One critical issue involves replacement of the pipe under the W. Fawn Creek to resolve the low pressure issues in the Eagles Nest area of the community. A new pressure relief valve near Quaking Aspen & Rock Rose will be installed soon.

Erlandsen has recommended 11 possible actions to remedy system deficiencies plus some upgrade to pipe sizes. These include some alternatives, some of which probably will not be needed depending on the system's reaction to some of the things to be done. Several of the slated actions will be done in phases over a period of years. A partial list of remedies include:

a. Two new pressure reducing valves located within the system where high pressure is

**Motion to approve a 3stage increase in snow plowing fees for Palm**

**Board authorizing Tom to proceed to get a firm, fixed price bid from the contractor**

an issue;

- b. A repaired stand-pipe will be installed;
- c. Replacement of a few water main sections being coordinated with OCEC to reduce installation costs
- d. Installation of the first section of a replacement main to be installed under Fawn Creek connecting the main system with Eagle’s Nest.

Installation of the new water meters while part of overall system improvements, is considered a separate project outside the scope of work of the Erlandsen Company. Additional details can be obtained by reading the engineering report once it’s completed this summer. The report will be made available on the EMC website once completed.

F. **Lignin application** – Road grading hasn’t started yet so lignin hasn’t been applied at this writing, but will happen this Thursday or Friday (McHugh is doing the grading work). Lignin is now \$5 more a ton than last year (now ~ \$65/ton). We are extending the application spatially to include a bit more road surface.

**5. New Business**

Resident Pat Leigh spoke to the Board about two issues, including

(A) The idea of the sale of common property or lots owned by the EMC to fund the new pool or other community needs. She made a distinction between selling “common areas” vs. individual lots. Dick Volckman provided more details on where in the bylaws it appears the EMC has the authority to do this. The Board understands the concerns of some property owners and no such action would be taken without canvassing the community. Section 1.9 in bylaws does authorize the sale of such property. According to her research, even if you have a common area that you want to sell, you’d need to re-plat it before doing so. No back taxes would need to be paid if you re-platted. Areas that are considered to be “common areas” (21 areas) have been compiled by Pat that are owned by EMC, most of which have not been platted as a parcel. Much discussion about those areas owned by EMC, including the area where the reservoir is located. Pat also provided details on errors and mistakes on how certain lots are taxed or not, and volunteered to help get these resolved by working with the County Assessor’s office.

(B) Update on the implementation of the **Fire Wise** program within the Edelweiss Community. This season, a total of 71 Edelweiss Lots have been treated to reduce fuel loading by selective tree, brush and debris removal. Pat will approach the County Conservation District to see if we can get designated as a Fire Wise Community, which is important in determining the likelihood of fire suppression actions being taken here in the event of an actual fire. Pat has purchased the complete set plat maps from the County and has offered to provide electronic copies to owners as they request.

**6. Misc. Including Next Meeting Date**

The next meeting was scheduled for **August 26** then again on **Oct 6<sup>th</sup>**, at 6 PM at the home of John Kirner.

7. Executive Session (if any)	
No executive session was held.	

## General Manager's Report

### Edelweiss Board Meeting - July 14, 2014

**1 - ARC Meeting** - An Architectural Control Committee meeting consisting of Dick Volckmann, Craig Hook, Mary Bjornsen. Alan Fahnestock and Larry Miller was held by email to review the plans for a shed to be built by Kirt and Jen Schumacher. The shed was approved and the owners were notified on June 14, 2014.

**2 - Rights of the Association to sell real Estate** - (I'm including this again, even though it was discussed at the April Board Meeting)

Our legal counsel, Michael Brady has given a verbal opinion that the following from the Bylaws is sufficient authority for the Board to sell any property owned by the association:

Section 1.9 Association Powers. Unless otherwise provided in the governing documents, the Association may:

(8) Acquire, hold, encumber and convey in its own name any right, title of interest to real or personal property.

(13) Exercise all other powers that may be exercised in this state by the same type of corporation as the Association ...

**3-Snowplowing** -I have spoken to Jerry Palm about the snowplowing charge for the 2014-15 winter season. His snowplowing charge has not increased in 7 years. He is planning on purchasing two modern loader-mounted snow blowers for Edelweiss which will be much more efficient in keeping the roads clear and wide. We have agreed (subject to Board approval) on an increase of \$2000.00 per year for the next three years. After the three-year period, we will meet to renegotiate the 2017-18 winter season. Note that \$2000.00 represents an increase of \$11.00 per homeowner per year. I recommend board approval of this increase.

**4- Consumer Confidence Report** - I completed and distributed the Drinking Water Consumer Confidence Report for 2013 prior to its due date of July 1, 2014.

**5- Water Use Efficiency Report** - I completed and filed the DOH Water Use Efficiency Report for 2013, 2013 prior to its due date of July 1, 2014.

**6- Cattle infestation** - We've had a few instances of cows getting through our fence and out of the National Forest. I've tightened the fence line in the areas that I think the cows were getting out - so far so good.

**7- Water System Sanitary Survey** - On June 18th, JJ Bellinger from Okanogan county Public Health conducted our 3-year water system "Sanitary Survey". We had one 'violation' - a hole in the vent screen over the Sunflower Lane reservoir, and we had two suggestions - replace the slightly rusted vent screen over the exterior well head at SO3 and provide an air gap at the bleeder lines from the booster pumps. These have been done.

**8 - Installation of Water Meters** - To date Craig has installed 46 new iPerl meters and transmitters. 5 installations included setters or re-setters, and 6 services required new coiled meter setter vaults. Invoices have been sent to all the recipients of meters and we are already receiving reimbursement.

**9 - Water shut-off policy:** The following is suggested language for an Edelweiss water shut-off policy.

- 1 - Warning to the owner when dues are delinquent by 60 days.
- 2 - If no response within 15 days, additional warning that water will be turned off in 15 days.
- 3 - If no response to second warning within 8 days, a hang-tag will be placed on the owner's front door stating that water shut-off will occur in 7 days.
- 4 - If no response to hang-tag warning within 7 days, water will be shut-off at the meter and the meter will be locked.

**10 - Sheds in the Campground** - I asked rick Heinz, a campground owner to provide a statement concerning sheds at the campground. Here it is.

**Storage sheds in the Edelweiss camping area**  
**by Rick Heinz, Campground Lots 7 and 15**

Situation:

1. A number of camp lot owners are interested and/or have requested to build a storage shed on their lot.
2. EMC does not have a "standard" for design/build of a storage shed to provide approval guidance.

Target:

Develop a design standard that satisfies the current and future needs in the EMC camping area and is approved by the EMC board.

Proposal:

If the board concurs Rick Heinz will develop a simple design standard that will cover all current and future sheds for the camping area.

The standard will address aspects such as:

- Size
- Exterior aesthetics
- Maintenance
- Construction materials
- Usage

- Restrictions (no utilities allowed)
- Shed locations

**10- Bank Account balances as of 07-14-2014**

Farmer's checking - -----	\$98,405.58
Savings Account -----	60,659.89
Water Fund -----	31,391.69
Road Fund -----	18,123.89
Sewer Fund -----	186,787.86

**11- In arrears - \$17,510.66** (Includes total of \$2436.56 owed by Juedes and Destefano)

Dick Volckmann