

MINUTES
EDELWEISS BOARD MEETING

July 21, 2011

The meeting took place at President John Kirner's home in Edelweiss. It was opened at 7:00 PM by President John Kirner. Other board members attending included Kelli Rotstan, Coventry Jankowski, Larry Halford, Leonard Yerkes, Tom Lasater, and Don Fitzpatrick, Jr., in person. Lisa Tabbut attended by phone. Managers Dick Volckmann and Craig Hook were there by phone and in person, respectively. Pat Leigh attended as a guest. Bruce Bork attended to present a request for an easement.

Each Board member introduced themselves and gave a brief background.

The minutes of the Board meeting of May 28th had been mailed to all Board members. Leonard Yerkes moved they be accepted as written. Second by Tom Lasater. The motion passed unanimously.

Bruce Bork requested the Board consider giving him an easement to his lot (20) through lot 74, which is a common area lot. He said he has already requested an easement from both of his neighbors, lots 36 and 19. These neighbors indicated they are not interested in granting an easement. He has legal access off Highland Road, but would like access from Quaking Aspen so he can access the top of his lot for building. The legal access from Highland would be very steep. Mr. Bork's address is PO Box 10355, Zepher Cove, NV 89448. Phone 775-745-4454.

The Board discussed the request with background given by Pat Leigh. The lot was purchased by Mr. Bork in 1991 for \$41,750. It is 2.07 acres and is now valued at about \$98,000 (approximately) by the county. The Board was concerned about our authority to give such an easement without community approval. The Board was also concerned about setting a precedent. Since legal and physical access to the property is available, the Board did not feel we should support the request. Tom Lasater moved that we do not support an easement on community lot 74. Second by Leonard Yerkes. All voted in favor of the motion. Mr. Kirner will advise Mr. Bork.

Pat Leigh was then called upon to give us background information on the history of our community sewer system. 82 lots were originally part of the 1991 agreement. They pay a hook up fee to Edelweiss when they build. They pay an access right fee each year for the privilege to hook up. (This fee was originally \$72 per year and has increased since.) Once hooked up the lots pay an annual fee for service. (This fee was initially \$144 per year and has increased since.)

The County owns part of the system and maintains it with the annual fees. Edelweiss owns the drain fields and is obligated to improve or replace them as necessary. The initial hook-up fees are paid to Edelweiss and kept in a separate account for this purpose. These fees started out at \$1,525 per bedroom, January 1, 1991, with a minimum charge for two bedrooms, and increase

\$75 per bedroom each January. The actual cost of hookup is paid by the lot owner. (See minutes of 10-8-10 for the entire clause.)

Pat pointed out that, due to lack of monitoring, several things have occurred. Nine lots have been given permission to hook up by the county without contacting Edelweiss, contrary to the agreement. There have been several lots combined, with some still paying for individual lots. The County has not been billing accurately, but is willing to work with us to insure proper billing. The County has been doing a good job of using their funds on our behalf and have kept the funds properly segregated. (As of December 2010 there was \$28,500 in the County's fund specifically for our system.) She suggested we need some better method to keep track of who is hooking up and paying fees, as well as making sure the county is not granting permits they shouldn't. She volunteered to write a detailed summary of the current situation and give us a clear picture so we can work with the county to maintain accurate records. Fortunately, due to the combining of lots, we are still under the number of lots authorized and planned for in our agreement.

Larry Halford suggested we monitor this through the Architectural Control Committee. The Board agreed with this approach. Once we have Pat's summary, we will write to the County to make sure they also have a clear understanding of what the requirements of the agreement are. We expressed our thanks to Pat for her detailed work on this issue.

She also said that we could have a potential problem with lots owned by Mr. Goudzwaard, which are number 516 and 49. He has combined 516 with 49 and made a new lot 516 on the other side of his property. He has access to the community septic system via 516 but did not use it for his home, electing instead to put in his own septic tank. He wishes to transfer the access that was on the former lot 516 to the new lot 516 which is in a different location, because he can grant an easement along his property to get the sewer to the original location. The Board felt it was necessary to verify this easement due to a significantly higher hook up expense and disruption of roads to serve the new lot, if no easement exists. Management will ask Mr. Goudzwaard for a copy of the easement.

The final problem Pat presented involves people who will not cooperate with the County, which is required to do an annual inspection of each lot septic tank on the community system. If required, the tanks must be pumped. The inspection and pumping must be paid for by the lot owner. Some lot owners will not allow the inspector on their property. The concern is that one bad septic tank can spoil the entire drain field, which would cause huge unnecessary expense to the community. We have had three owners who have resisted this. The first is Chris McMullen, who has now complied. The second is Phil Heitman, who has now sold his lot and the new owner is complying. The last is Jim McDonald. Dick Volckmann and John Kirner volunteered to meet with Mr. McDonald to discuss the situation with him and try to resolve it.

Mr. Kirner then called on Dick Volckmann for his manager's report. Since Dick had already provided us with a very complete written report, Dick just asked if there were any questions.

Coventry Jankowski asked a few questions regarding the financials in an effort to make sure she was on the same page with her bookkeeping.

Leonard Yerkes asked what was necessary to give adequate water pressure to the lots on Trillium. John Kirner said that the legal requirement was about 20 or 25 pounds, but as water went up hill that could diminish and most people wanted more than the minimum legal pressure. He pointed out the huge potential expense of system improvements and the potential problems of individual systems if they are provided by the community. He feels we should be cautious about guaranteeing anything more than required by law. After some discussion Leonard Yerkes moved we table this issue until the Long Range Planning Committee can get us more information. Second by Don Fitzpatrick, Jr. Passed unanimously.

Larry Halford had to leave at 9:00 PM. The meeting continued.

Manager, Dick Volckmann reviewed our late payment status. He recommends the Board develop a policy and procedure that will allow him better tools to deal with delinquent payments. He would like to be able to shut off water, or file liens, or at least know what he can legally do. Coventry Jankowski suggested we review past procedures (thought to be from 2009) and come up with an updated procedure that is consistent with other homeowner organizations and water companies; and very objective, so everyone is treated the same. She volunteered to work on this with Dick Volckmann and report back to the Board.

John Kirner asked for any New Business.

No new business.

The next Board meeting date was set for Thursday, October 13th at 7:00 PM at John Kirner's home.

The meeting was adjourned at 9:25 PM