

BOARD FINAL Agenda

Mount Elbert Water Association Annual Meeting 2023

Saturday, July 8, 2023, 9:30am-11:16am

Leadville Senior Center

421 W 6th Street, Leadville, CO 80461

9:30 Call to order: Nick Keelan, MEWA president

Introductions and overview of MEWA management structure and operations: Nick Keelan

- Executive Director: Jeff Johnson (paid position)
- Board members and duties (elected volunteers)
- Nick Keelan, president
- Steve Kearn, operations and facilities
- Brent Groenke, vice president, operations and facilities
- Lora Flinn, secretary and membership
- Roberto Van de Wyngard, treasurer
- Paid positions
- Bookkeeping: Stacy Stultz, owner Stultz Bookkeeping Solutions, LLC
- Water treatment and testing: Jeremy Allenbaugh, ORC (Operator in Responsible Charge)
- Website, Information Technology (IT): Will Coleman
- Water system technology: Tony Johnson, SCADA (Supervisory Control and Data Acquisition)
- Excavation, system upgrades and maintenance: Chris Werderitch, Werderitch Construction

Approval of meeting minutes from 2022 Annual Meeting Lora motions to approve. All in favor. All agree and minutes are approved.

Executive Director report: Jeff Johnson: And an augmentation plan is simply if we break it down it's based upon the consumption of a known quantity of water now in order to do the augmentation plan we have in the pan art 8 shares

MEWA history: If you lived in this community in the late 90's to early 2000's you would see in the winter, hoses going from house to house. You could tell who had water and who did not. And this was due to the small poor pipes installed at that time. Members would need to get 6 gallons of water to use when the lines would freeze up. This was especially true for the north side. In 1990, Jeff worked with another engineer and he designed the current MEWA system. All of the line on the map are the C900 Pipe. The excavator has to be used to push these pipes together. They are pressure sealed. In order to get fire flow capacity pipes (for fire hydrate use), we need 6-inch pipe. This is what has been going into the ground this summer.

Jeff discusses the digging this summer and the valves found which had been shut off in the past which had not been documented and the solution engineered to fix the issue. He discusses house freeze ups due to this valve which had been shut off and with no circulation of water moving through the line. Once the valve was turned on for the first time in years, this resulted in other homes having no water or low flow.

The search continues....It was found a valve that was placed 2-3 years earlier was closed. It had been placed but never opened. Jeff continues to show the members on the map what is being done to secure good water flow on the front side.

You had to be at the meeting to get a full understanding as Jeff explained the map and all the improvements.

Augmentation plan: The plan is based on 13,140,000. How many gallons of water do these eight shares produce? If you divide that by three 165 that equals 893 gallons per day. We have 400 homes each allowed 90 GALLONS but, one acre foot only produces 893 gallons per year.

How do we make this work? MEWA sit down with the engineers and a lawyer and we looked at our water shares. Our shares are Twin Lakes Reservoir and canals shares and I'm going to go over some dates with you in a little bit and the dates are extremely important. Very important in our case.

If we look at this in detail, based upon 8 shares if we divide it up with all of the homes each home has 17.8 gallons per day. If we look at it as total homes on 8 shares, we would have a total of 79 homes.

Again, no closer to where we are so what we do? If we look at where the water is going what you consume and what you put back in the ground, this is the key to the augmentation plan. We put back in the ground approximately 80% of what we pump out of the ground the rest of it goes away. Where does the water go underground to help us out how do we get it there? Your septic systems. Because we are on septic systems and they have been analyzing all of your septic systems the Geotechs and the lawyer. They're looking at our return to the ground looking at all the perk tests that have been done and everything else and we are hoping that in the new augmentation plan they will revise some of the numbers that were done back in the 60s.

What our 8 prior eight shares actually produced is a little over 13.1 million gallons of water a year. We're producing 13.1 million gallons per year and that's how we get the 90 gallons on the 400 houses

It's all done in mathematics. Another thing that is important is where are those shares coming from? The augmentation plan which we've been working on for a little over a year. Then covid started. And I just had a real funny feeling about what was going on with water. I have a lot of experience with the Colorado River because of former in-laws were on the board. I attended Colorado River Pack meetings quite often. I know a lot of the people on the board. What we've learned is we are Colorado River water. We have lake water but we're primarily out of river water. They pump it from under the mountains. Twin Lakes is not full because of the drainage off of Mt Elbert. On up the valley it's full right now because of all the river water that they have brought from Rudy Reservoir, from Grizzly Creek from a couple other reservoirs on the western slope. Which has been pumped under the mountain into turquoise or pumped under the mountain into Twin Lakes.

But primarily Turquoise Lake. It then channels down and goes through the Forebay Lake, uses some electricity and then fills the Lake and that is used for the pump draw. They call it the Pump Draw program. They let the water out to produce electricity and then pump it back up and let it go down and pump it back up. But right now, they're just letting it go through.

The old decree as I said was for 90 but we are going after a 135 gallons per day for a house. We had 3 shares in reserve in the bank. I purchased an additional 3.6 shares we hold it started those 3.6 shares cost almost \$200,000. You could not buy those today because there are no Twin Lake shares available, they are gone.

Own in water meanwhile is worth over a million and a quarter dollar (1,000,000 1/4). That's what the water is worth to us so as I go through the decree to get back to the fun part the cases that we are looking at with our Colorado River decree rights go back to 1936. We have one degree in 1976 when the prior augmentation plan was put in and another priority right in 1930. Then we go back to the Arkansas River rights that we own in our Arkansas River rights go back to 1913 1897 priority #4. We are priority #4 and that puts us into a very good bargaining position.

When we went into the court, we've selected the number of 600 total homes and people are asking me OK why didn't we go higher. We're asking for 200 additional certificates at 135 gallons a day and 10% of the owners will have the right. We have to do a 10% the right for specific watering outside it cannot be any type of grass it has to be for plants, shrubs, a garden. It cannot be grass.

How many of you live in subdivisions in the state away from here? What are the size of the plots most of them are a minimum of 2.5 acres. Most of them where I worked with three acres or 5 acre minimums so you would buy a track and that's what you had to figure out was how you could divide it up the water.

Angel View decided they were going to have 72 houses on these lots. Now he can only have 13 to meet subdivision goals so they took him from 72 to 13. Our lots are half acre and a 3rd acre. We can't take more than 600 houses. 600 is pushing it very hard because of the contamination from the septic to the groundwater. We try to tell people and realtors. BUY MULTIPLE LOTS. You'll have 2 septic systems if one fails, you're not paying \$40,000 to put a new septic system. And you have got more space between you and your neighbors. We live in the mountains to have space not to be stacked in like a city. On top of each other. Plus, sound carries and if you live on top of each other, it is very easy to hear conversations.

That is what we have been working on. I've been working with the attorney and the water people and we're now waiting for people to provide objection to our plan. They could object back to 90 gallons a day and 600 homes. They could throw the whole thing out. We don't know. The biggies are Pueblo Aurora and Denver and I can guarantee you that Aurora will be up here driving the subdivision once this thing is posted on line. They drive the subdivision and they look for things that we're doing wrong so if they see somebody watering outside grassy area it's a red flag. We do have the ability to water pots. We just have to be very conscious of the water.

October 31 that was our that's half of our calendar year for water pumping and we have to report these numbers to the State. We pumped 2,879, 683 gallons.

From November 1 to April 30th. we pump 3,363, 261 gallons.

Our new metering system allows us to read down to ½ a gallon so the state really is happy about that. We are pumping currently then 6,242, 944 gallons that's what we pumped last year now that was based on 210 homes.

210 homes and if we do the math on our augmentation plan this is 48% of our plan based upon 210 homes. That's a lot because when it was turned in they asked for all homes built and under construction. We had currently 21 homes under construction that are not using water.

So, we have 200 homes we're using 95% if we have 175 homes, we're in 109% of our augmentation. 150 homes the 126%. 125 homes is 152% and 100 is 190% of our augmentation plan.

How many homes do we have full time? 25%. But out of that 25% I know of three families that are gone for at least four months every year. If we actually sit down and do the figures, we're in 126% to 152% of our augmentation plan right now based upon people using more than 90 gallons a day on average.

So, what does that mean? In the long-term fix, once we reach 10% of our augmentation pumping rights the state will cap us. They will say you're done you have to have a 10% buffer on the high-end.

Facility report: Steve Kearn – Allot of the construction you see this summer is to bring the pipe up to the C900 Standard so Fire Hydrates can be installed and protect our homes.

Steve discusses freeze ups and Aqua flow device: This Device manufactured in Canada. No one in the United States make the device. Unit device will keep your service line from freezing. Steve describes the unit design. The unit's tank is filled from your service line. Once the tank is filled it will then pump the water back into your service line. The whole idea is to keep the water moving. The unit will warm the water up a little bit.

A member asks - Would you have to be here full time – no just plug them in. The Cost: \$ 2500-3000. Depending on the exchange rate between US and Canada. These are not for everyone. It is more for those who are up here full time.

Steve discusses wells. Currently we have 3 wells. Pumping anywhere from 16 gallon a minute to 21 gallons a minute. We don't know when they could fail. We watch flow rates. On busy weekends we typically pump 18- 22 thousand gallons a day during the summer. On 4th of July weekend, we were up over 30,000 gallons a day. So, if one of these wells fail, we would have sent an email to all the membership to conserve water. And we hope people will be considerate enough of each other to conserve until we could get the well on line again.

Meters: Steve discusses the insulation of the meters. They are very simple to install and you can get one from Steve. MEWA simply drives by and can read the meters from the outside.

SCADA – Remote monitoring: Nick mentions that during the winter. Steve was in Arizona and was able to monitor the SCADA system remotely due to the new SCADA System. This system monitors all the wells parameters.

Treasurer report: Roberto Van de Wyngard: Mewa has being doing annual billing which goes out in January. We will now be doing quarterly billing. There will be multiple billing for those who have not paid in January. We will send our bills February and again in March. This Billing model will help us resolve

a number of delinquencies. A number of members have still not paid. The delinquent accounts are 15% of the membership.

Roberto discusses the accounts. And the accountant change to Stacey. Stacey has created two ledgers 1 for operational. And one for capital improvements. Roberto discusses the money market account and other accounts. Roberto discusses the capital improvement monies and the operational monies and the reserve account and expenses.

Our new Book keeper is Stacy Stultz, Owner of Stultz Booking Solutions, LLC.

Technology upgrades, general information, and clarifications: Nick discusses the meters and how they are read. How quickly they are read from the road without disturbing the homeowner. MEWA We'll be driving around in the Gator taking the meter readings. Nick discusses how to mount the meter and that these meters are used all over the United States. Very common. This is not a decision by MEWA. Is a requirement of the state of Colorado. Information regarding the meters and any changes in the Mount Albert Water Association will come out to the members through constant contact emails.

☑ Addition of Will Coleman, IT and website: Nick Informs the membership about Will and the website. Will is Steve Kearns's son in law. He does it at his school district and understands web design and managing very well.

Nick also discusses constant contact and gives the membership the website address. (www.mountelbertwater.org). Nick informs the membership about what the old website used to cost compared to the new website. When meanwhile would call the old website coordinator it would cost \$125 for every call. Meanwhile did not own their domain. Now with the new website we do own the domain. Will Coleman is managing the domain and the website.

On the website we now have all the governing documents, the rules and regulations, By laws, Which explains how we operate as an association. And how we elect board members. And policies like the freeze policy, and other common pieces of information that members or realtors may need. The augmentation plan will be placed on the website as well. Read in their things like why can't I water my grass.

Frozen line policy: Jeff and the workmen have been working overtime throughout the summer to fix any possible potential freeze ups that may occur in the winter time. We apologize for the road blockages and the occasional interruption in water services however this is improving our system and these things are needed and must be done before winter. **There is no digging in the winter time.** The pipes are fragile. MEWA does not like to open up the ground after October 1st. MEWA tries to have all digging completes by the 1st of September. If you hit one of them in the winter time the potential loss of water could be catastrophic. As a community we are very fortunate to have someone like Jeff Johnson who has an engineering background. And who has designed this water system. Very lucky to have Steve Kern and Brent who understand water systems. As a community we're very fortunate to have all the board members who helped make this system work and it's really a system that's taking off now.

Nick discusses Terms in the Rules and Regulations:

Water Main: The line from the main to the home. Also known as a lateral or a customer service line. It's in two parts. the water Main to the curb stop.

Curb Stop: And that's where we turn the water on and off and control it to the home. You will hear say we're installing curb stops and that's what we're doing. The owner has to pay for the installation of the the Main to the curb stop. We all had to when we built. The curb stop to the home is also paid for by the owner and maintained by the owner. If there is a Freeze up it is the owner's responsibility. MEWA Will not let you dig. You can dig from the curb stop to the home but nowhere else along the line. You cannot disturb the curb stop. If you dig up the curb stop and damage it and open it UA lot of water will be lost and a lot of your neighbors will be very angry. **Digging from the curb stop to the main can only be done by our diggers. And again, digging will not be done in the winter. The lines are too fragile when they're cold. The lines are very brittle in the winter time and if you chip the line, you can drain the system. And we're talking thousands of gallons of water.**

Dell Skluzak from the Metro District: Dale discusses frequently asked questions. The Metro District meets quarterly. Every time they have a meeting, they have to pay their administrators. Meetings are limited to keep that cost controlled. Meetings are also done by zoom call. We get a lot of questions about communication. We get our list from MEWA, the old HOA, and the list used by the county tax rolls. Those are the lists used to gat information on the members to contact them and inform the membership on the activities of the metro board. We do have a website. We use a group called the Centennial Consulting Group. They know how to run special districts and they handle the legal matters.

We are not the HOA. We have a very defined role. We take care of the roads. That is all we can do. I want to tell you the HOA is not dead. Anyone who wants to start up the HOA can do that. We suggest you become a member of the Friends of Twin Lakes. We have relied on them for HOA type issues and resolving those types of problems.

Lake County has hired a code enforcement person. Jake Tomley. 719-839-5753.

Dell talks about the lease on the grader and the money they have to use for the roads, ditching and snow plowing. The best way to reduce the wash boards is to **DRIVE SLOW! The speed limit in this community is 15 mph. Please observe that speed limit.**

The metro board had elections and had 3 openings. No one from the community applied. The 3 board members did go back on. When the metro board has elections again they will announce this and encourage community members to apply.

Metro board owns the pavilion land. We are talking with MEWA about doing a transfer of that land. MEWA would be able to place a well on that land and maintain the pavilion better then the metro district could. Also a rest room will be built.

Nick discusses the loader: MEWA will be buying the loader for around \$33,000. Last year the road was maintained by renting a grader. They are not cheap to rent. This is why the loader was purchased.

Questions:

Time line on Meter install: We would like them all installed by September 1st is preferred. The board will have to decide what to do about people who do not have a meter yet.

Penalties for people who do not pay on time: A 5% late fee penalty is built onto the bill. Annual a 6% annual interest fee. And will compound on a monthly basis. And a deadline date at which time their water disconnected. Also, in the policy there is a payment plan which can be used for those who owe money. The home owner will still need to pay the late fee but the water will not be shut off.

The fee to have the water turned back on is currently \$100.00.

If people have not built there homes yet, during construction, they can get a meter and hang onto it and during the water line construction the meter can be placed or after. Meter reading will begin around the January 1st timeframe.

Is there enough funds to pay someone to take over for Jeff?

Nick discusses Jeffs duties. It is very difficult to find someone with Jeffs expertise. Jeff knows more about this water system then any professional in the area. They would need alot of training.

Jeff explains what he does for this community.

Jeff use to do development work before retiring in Colorado Springs. Jeff works with the lawyers, all the cad work. The mapping work. All contact with the realtors. Deal with the county and those requirements. Sangre De Cristo. Colorado water requirements. Over see the digging and problems that arise from unforeseen issues related to the digging. Jeffs job on the front ranges for a system of this size would be a salary of around 150,000 yearly.

Jeff is trying to give some of the tasks to other board members. Jeff discusses the book he is creating to help the board take over his duties.

Nick discuses Jeff duties. Jeff does not make decisions. Jeff will call Nick. If Nick can answer the question he will. If not, the issue will be brought to the board to decide with a vote.

Nick discusses No Name Street: This will now be known as Interlaken drive.

The new augmentation plan will be posted in the future. The process takes a year or two. Allot of discussion with lawyers needs to be done. The old plan is on the website.

Questions road damage: Have to go through county for damages. If the contractor damages the road they may be fined by the county. A damage deposit could be collected upfront before construction begins on a new house.

Chris Keelan mentions the new county requirements for septic systems.

Homes on 1/3 lots can not have a home bigger then 1-2 bedrooms. There is not enough room for a leach field if the home is larger. Often the question comes up. Why can't a well or a septic be placed on the 1/3 lot. The county has strict rules of leach field and the space needed to create that field.

Get a building permit before doing an addition onto your homes. Dan Schneider is the county contact for a building permit

How come well? 23:58 #8

MEWA Board election: Nick opens nominations to the board.

Brent has said he will run again. Nick nominates Brent who is a Certified water operator.

Nick also nominates Paul Terranova. Paul is a Civil Engineer and in construction.

Chris Brandewie asks to be nominated. He is a civil engineer.

Roberto moves that nomination be closed.

3 members are nominated - Nick calls for a vote of the membership present on the 3 nominations put forward by raising your hand. No one was on opposition. Membership agrees on the nominations.

11:15 2024 proposed annual meeting date: TBD

11:16 Adjournment

Respectfully,

Lora Flinn, Secretary