

Lions Head Water Users Association Annual Meeting Minutes

August 13, 2004

6:10 PM

Roll Call:

Alan Scott – Lot 14

Anne Meininger – Lot 14

Frances and Bill Powell – Lot 15

Ron Trujillo – Lots 11 and 13

Jon and Kate Zusy – Lot 16 Elk Stream and Lot 8 Elk Springs

(Present for the last half of the meeting)

Lots represented by proxy – Bill, Frances and Julia Powell – Lot 15

Proof of due notice:

Notice of this meeting was sent out on July 7, 2004.

Reading and Disposal of any unapproved minutes:

Minutes of the 2003 meeting were approved without changes.

Nominations for Vacancy on the Board of Directors:

We didn't have any write in nominations, and no nominations were made from the floor.

Report of the President or Vice-President:

There were no changes to the water system this past year. No one connected to the system, and it is still mothballed.

Alan Scott reported that he did talk to Jon Zusy concerning the insurance issue. Jon said that in his opinion, we did not need any insurance on the physical property. He said that it probably would not be a bad idea to look into liability insurance, but he was not certain that we needed it. Alan listed reasons why we might need it:

- Our liability if someone is injured while working on the system (such as Clint Brooks, our water master, performing annual maintenance).
- To protect the directors if someone gets upset at a director, and sues.

It is not feasible for us to be insured under Elk Stream's policy, as Lions Head is a completely separate entity. Alan agreed to contact Ron's local State Farm agent to inquire about costs for a liability policy. He will report back at next year's annual meeting.

Ron reported that Clint Brooks has called the proper Colorado authorities, and we don't have to pump any water this year to prove beneficial use of water. Ron wasn't sure if maintenance work needs to be done, but flushing and chlorination of the system may only need to be done every two years. He said that he would check with Clint about maintenance requirements.

Report of the Secretary:

Minutes of the 2003 annual meeting and copies of the updated documents for Lions Head were sent out to all members, along with a copy to the directors of Elk Stream.

Report of the Treasurer:

There was a balance of \$1923 at the start of the year (August 2003), and \$2000 was deposited (8@\$250). Expenses were for electric bills and the Colorado business report fee. (See Financial Summary). The costs associated with all of our electric meters were discussed (3 meters, \$15 base cost each, plus whatever we use to heat the well house - see Addendum to Financial Summary). Clint's fees were also discussed. (See notes)

Unfinished Business:

There was no unfinished business.

New Business:

Pipeline scar:

The Elk Stream directors contacted us about community concerns regarding the pipeline scar. We arranged a meeting with the Elk Stream directors to walk the scar and discuss solutions. This meeting took place yesterday morning (August 12) at Elk Stream Ranch. In attendance were the Lions Head directors (Alan Scott, Anne Meininger and Ron Trujillo), Elk Stream directors Richard Risk and Tom Brown, Elk Stream electee Keith Payden, and Cecil (representing Noland, Inc., the excavating firm which dug and installed the pipeline). The scar is very visible on the hillside, especially from the road. Due to changing light conditions and shadows, it is more pronounced at certain times of the day. We all walked the upper portion of the pipeline to determine if seeding the area or additional excavation would help to alleviate it. The upper portion is very steep and rocky, and the group concluded that seeding that area probably wouldn't be effective. The flat portion where seeding is possible isn't visible from down below, so that wouldn't solve the problem. Cecil said that he could do additional excavation to make the hill a little less steep, but in his opinion, that would do additional damage to the hill, most likely causing a larger scar. So, it was concluded that we just leave it alone to revegetate naturally. The cut in the hillside will probably remain visible indefinitely, but doing more digging would only worsen the problem.

Another problem that the Elk Stream directors pointed out was a place where the pipeline crosses the road on lot 16. Here, the road was beginning to wash out. Lions Head agreed to regrade that area, and Cecil actually completed that work yesterday afternoon (August 12).

Also, there was an area of the pipeline route near the road, also on lot 16, where revegetation has not occurred naturally. Lions Head agreed to reseed that area this fall, which is the best time of the year to reseed.

Another issue that was raised by the Elk Stream directors was an area on the secondary road by the pump house that was starting to erode. This secondary road is a fire escape route, and needs to remain passable by two wheel drive vehicles. To alleviate that problem, Cecil recommended that we dig a trench and install a culvert across the road. Cecil gave us an estimate in the \$700-\$800 range for all of the work, and the Lions Head directors approved it.

Election:

The current directors were unanimously voted back in by those present at the meeting. Jon Zusy indicated that he would be willing to serve on the Board of Directors in a year.

From the floor:

Nothing was brought up from the floor.

Adjournment:

Jon Zusy made the motion to adjourn, and Frances Powell seconded. The meeting was adjourned at 6:45 PM.

Action items:

- Check with Clint to determine if annual maintenance is required on the system this year
– Ron
- Insurance issues – Alan

Notes:

- As of March 1, 2005, Clint has not billed us for his work on the system in 2002 or 2003. Noland Inc. completed the grading of the eroded area on lot 16 and installation of the culvert by the pump house last summer. The cost of this work was \$883.80. Alan reseeded the area described on lot 16 in late October.