

Floriston Property Owner's Association

Annual Meeting of Property Owner's

May 19, 2012

The meeting was called to order at 1:15pm by FPOA President, Roger Baldwin. Roll call was taken and a quorum was confirmed. Greater than 50% of property owners were represented either by proxy or through their presence.

Present: (Board members) Roger Baldwin, President; Peter Fike, Vice President; Chuck Grooms, Roads Water and Sewer Director; Bill Pollard, Secretary Please refer to the attached list of properties represented.

Minutes of the 2011 Annual Property Owner's Meeting were handled out and approved.

President's Report:

Roger Baldwin introduced Rick Gardner from Sierra Mountain Management saying that the Board has been considering engaging Mr. Gardner to provide some management services for FPOA. (Mr. Gardner currently provides bookkeeping services to the town.) Mr. Gardner gave a talk on the types of duties and activities that his organization could provide to the town. He explained that he and his wife, who was also present, currently provide management services for a large number of property owner's associations in the Tahoe region and northern Nevada. Services they provide include bookkeeping, collections on accounts receivable, coordination of projects, along with other daily operations activities like taking minutes of meetings and managing the FPOA website. Several property owners asked questions about the role of Rick Gardner and his organization in regards to helping run the town. It was noted that engaging their services would not end all of our problems, but would assist Board members who currently devote many volunteer hours a month to deal with town issues.

The need for a formal reserve study which would be intended to help the association project future expenses and develop funds to cover those expenses was discussed. A reserve study is an inventory of town assets and their projected useful life. It is used to project future expenses for the town which will be needed to keep services functional. Dennis Jameson pointed out that he had created a reserve study several years ago which has not been fully implemented. Rick explained that reserve studies are required by law and that now they must be completed by a person with special certification. Implementing a plan for developing the necessary reserves could be part of his work for the Board. It was noted that the work already done by Dennis would be a great asset for updating the reserve study.

Discussion also included scenarios for handling things like broken water pipes. Janis Pollard shared that the proposed \$650 increase in fees was equal to approximately \$16/month per property. It was stated that the amount of volunteer time people can give to town business and projects has decreased over the years and several property owners expressed limitations they have on their time that keep them from being able to volunteer. The consensus at the end of the discussion was that the next Board should review the proposal and determine whether it was possible to get the help need at a somewhat lower monthly cost. It was recommended that the plan could be tried for a year or so and modified as necessary.

Additional discussion occurred regarding the estimated \$40,000 that it is going to cost to fix the water treatment plant and how much the reserve balance should be for town funds.

Treasurer's Report: Financial reports were distributed for review by those present. [Please refer to the attached financial reports which were reviewed.] Accounts Receivable have increased to \$7236.38. Wells Fargo account contains \$58,839. The Board continues to work with property owners who are behind in their monthly assessments. The Treasurer's Report was M/S/A.

Roads, Water, and Sewer Report: Chuck Grooms presented the Roads, Water, and Sewer Report. Please refer to his written submission which was discussed at the meeting (attached).

Mike Smith gave an explanation of what was done with the water treatment plant last month and what needs to be done during the next year. The main thing will be installing a pre-filter that was originally designed into the plant, but was not installed when the plant was built. The estimated cost of the pre-filter will be \$25,000. It will consist of large barrels filled with sand. Once the pre-filter is in place, it is expected that we will not need to replace the expensive filters as often. They cost \$3000 a set and are replaced several times a year. The cost of the pre-filter will eventually be offset by those savings.

Discussion occurred that the town has often chosen the cheapest way to do things in the past and that has sometimes ended up costing us more in the long run. The consensus was that it was best to go ahead and put in the pre-filter. It is hoped that will help to improve water quality and contribute to eventually getting the boil order lifted.

Questions were raised about Paul Rose's role regarding the treatment plant. Mr. Rose is a certified plant operator, and Mike explained that he is not yet qualified to run the plant without Paul. He hopes to have that credential by the end of this year. Paul Rose also acts as an intermediary between FPOA and county officials. Mike explained the importance of keeping Paul on as an advisor.

Dennis Jameson then spoke about the conditions of sewer lines in town and plans to replace them. The one over by the Moon house needs to be replaced and part of it runs on private property. 25 to 30 feet of line needs to be replaced quickly so that further expenses with blockages do not occur. Dennis also shared that approximately 17 service lines in town also need replacement. A plan is being developed to replace those lines to each property line. Owners are responsible for their lines from that point.

The Roads, Water, and Sewer Report was M/S/A.

Old Business:

1. Schoolhouse improvements accomplished this last year have included painting of the exterior by Jon Parker and Tom Cruz, removing unstable old steps and building a new set of steps, and putting in a functional toilet. An engineer's assessment of the foundation was obtained and bids came in at around \$60,000 for a completely new foundation. Alternative plans are now being considered to rebuild the old rock foundation. The money from the Tahoe Truckee Community Foundation (TTCF) as well as donations from Sherwin Williams, Tahoe Truckee Lumber and Mr. T.F. Fodor helped to offset costs of improvements made. A report to TTCF is due June 15th.
2. Roger reported on new information regarding ATT and their unapproved use of a third conduit to the water tanks. Discussion occurred that it now looks unlikely that we will be able to get ATT to pay for using that conduit because it was located in part on Mawhar's property. To help clarify the situation, Jim Mawhar has sold the conduit to FPOA for \$5. Discussion occurred on several approaches to trying to resolve these issues. Dennis Jameson offered to talk with ATT to see if he could get the town reimbursed. Comments were also made that this could be an issue that the services of Rick Gardner might help with.

3. The possibility of building a shelter over the new mail boxes was discussed at the last May meeting. Several of those present said they might be able to get donations of some materials to help defray costs. The question was raised whether we should build a shelter or put the resources into the school house. The consensus was that we should be able to do both. Drawings of two possible designs by Jess Bailey and Janis Pollard were shared. Jen Trombetta has apparently also said she had ideas. Estimated materials costs need to be tightened up and a combination design might be the final choice. The consensus was that we should pick a design and then get it built.

New Business:

1. Clean Up Day – Bill Pollard will coordinate getting dumpsters. The decision was made to have them from June 1st until the 11th and to have a town BBQ pot luck on the field on Sunday, June 10th. Janis Pollard will post a sign for the BBQ.
2. Open Forum – Chuck Grooms brought up the fact that at least one property owner is using a portion of a town lot. If the town does not act, in time, the property owner could claim ownership of that property. Chuck suggested that the town could prevent this by giving them a letter indicating that FPOA was giving them permission to use the property for the time being. Dennis Jameson said that there are several people in town who are using town property for personal use. Discussion occurred that, in some circumstances it may be difficult to identify property lines. It was recommended that action be taken by the next Board to notify those property owners where the lines were known.

The Board turned over the meeting for election of the next year's Board of Directors. Janis Pollard and Debbie Baldwin led the process. Nominations were obtained and nine candidates were identified [Chuck Grooms, Roger Baldwin, Karen Seelhoff, Jerry Stinson, Amy Edgett, Barbara York, Peter Fike, Dave Davis and Bill Pollard]. Dave Davis withdrew himself as a candidate. Voting occurred with written paper ballots allowing five votes per property represented. The new Board included: Chuck Grooms, Peter Fike, Bill Pollard, Roger Baldwin and Barbara York.

The next regular monthly Board meeting will be determined by the new Board.

Respectfully Submitted,

Bill Pollard, FPOA Secretary