

KTD Monthly Board Meeting held April 9, 2014 at 7:00 PM

At the Windmill

Recording: Betsy Delaney, Lee Scott

In attendance: M Cronk – President, C Franklin – Vice President, K Cullen – Treasurer, E DeLeo - Secretary, E Sears – Director-Marina, S Plante – Director-Water System, J DiFranco – Director-Beach, P Naryneicki – At Large

Absent: J Thompson – Director-Property Management

A quorum was achieved

Guests: 3

Review of Minutes

Motion to approve minutes for KTD Monthly Board Meeting, March 12, 2014 with correction to dimension of ramp for north stringer from 18- to 14 feet. Seconded. Seven yes. Zero no. Motion carried.

Treasurer's Report

K Cullen provided the cash position in combined accounts. There is currently \$12,249 in arrears for 10 residents; 2 are missing 1 payment, 1 missing 3 payments and had a lien warning sent, 2 are missing 4 payments, 1 is missing 9 payments, and 4 are interest only. 3 delinquent homeowners have marina slips. It is the tax district's policy that if payment were not made that they would not be able to use marina slip until they become current. We will put notice in with marina bill that they cannot use slip without payment being made. 1 is a community rental slip.

The 26k balance is all monies received to date as water payments, less all expenditures for water-related items including the generator. The water sub-account is continually being drawn down.

Secretary's Report

Emails received during the month were distributed to Board members as received. The concern raised by resident at last meeting that no reply was received was looked into and it was reconfirmed that auto replies working on all Board email boxes to let resident know of successful receipt.

The Certificate of Insurance (COI) was supplied to town for May meeting. The meeting notice to be enclosed with the budget materials need to be finalized. Treasurer will work with Secretary this week to complete.

Survey was closed out. Two more paper submissions received. They will be tallied with the electronic submissions in preparation for budget meeting.

To Do List / Director's Reports:

Marina –

D&D has started construction of north stringer of docks. M Cronk will reconnect south dock stringer tomorrow. E Sears confirmed that the second payment for north dock stringer would be due before end of fiscal year.

The KTD had representation at CLA State of Lake Forum and received informational brochures. Zebra Shell Mussel hotel was taken to be launched at marina to monitor for their presence. Prevention signs are available if we would like more.

Vessel ID project will go out soon. We will send first letter and, if needed, a stronger reminder for unidentified vessels.

We agreed to discuss fee for boat rack/ storage at budget meeting and vote on a fee. This does not impact the overall budget, as the marina is not part of the operational budget and instead part of the boat club.

Property Management –

CTS will come shortly and look at damage done over the winter at the marina from the snow being moved there from the road sides and intersections.

Excel will be coming to clean the drains.

Beach –

A hold was placed on the slide replacement.

Water System –

S Plante reported a problem with well one. It was originally thought to be just the pump. This is the well in the cement encasement. It is not the pump and instead the well has caved in. At this point, the pump cannot be retrieved and it has been identified that the cave in is above the water. The walls of the well are dirt beyond the 20 -30 feet of casing. The collapse must be right below. The well is thought to be 200 -220 feet deep and 150 feet of piping was retrieved. Symptoms of the problem were that the breaker kept tripping when reset. The breaker does not reset anymore. Currently well 1 & 5 are on same breaker. Well 5 was brought back online. Our potential actions include drill another well. Price \$10-\$12K based on 300 feet of drilling but David Disbrow does not think that we will need to go down that far. The cost is the whole job except electrical which is estimated at \$1,000. It was suggested that we check insurance coverage. This is the first well installed in this community. The pipe is fine and when weight was sent down, it went down 40 feet, leading to the conclusion that 160 feet up it is caved in. If the cave in were below the water, we could just have put in new pump.

Water pressure has been fine. 5 other wells are doing a sufficient job. Water professionals believe that we can run on 5 wells. The Knolls have 108 houses on 3 wells (20 more houses). We have 89. They have same limits for gallons per minute that they can pump as we do. They are supplying more houses but with less wells. We have 45k gallons of storage. It was noted that booster pumps create pressure not wells so pressure should not be affected. Jeff has concerns about the capacity. Personally, the water director thinks we can go with the 5 wells and so does the water professional. It was added that the more that you move water (less sitting water), the better. Recommendation is that we don't need to do anything tomorrow. However since paper work may take time, we will do the paper work and be ready to do it, just in case. Paper work includes permitting, health department, and state. We will need to seal the old well if it is abandoned.

The team that works together on the water system will work on the problem.

Another potential option includes trying to pound through the cave in. This would mean bringing in a machine and that could cost \$1 or \$2k and may or may not work

If new well is needed, we would try to place within 30 feet of the other (if we are allowed to). This would minimize electrical work costs. It would mean that the new well would likely be 10-15 feet off of the windmill.

Since the encasement of well #1 houses electrical, we should leave alone. It is felt that the new well would require closing off the circle.

Disbrow is still calling around to identify options. If we attempt to punch through cave in, we do not need to remove housing when doing this work.

The problem was identified as of Monday 4/7 and we will bring this up at the budget meeting. Not an impact to the system currently but we will start the paperwork.

There was a suggestion that in another week that we have an emergency meeting if more is known.

M Cronk requested that we get area protected around the generator before circle is reopened. Warren (electrician) has a few things left like transfer switch before work is completed in area.

It was noted that backup system kicks right on and works excellent.

Transfer switch on pump #3 was replaced. (One installed and a spare to have on hand).

Upgrade plan in place to address end of life technology issues that makes getting electrical parts a hardship. Jeff, Warren and David are making suggestions to make system more sufficient.

Next phase of project includes a generator for wells 2, 4 and 6 by marina. It would be set up with a transfer switch like at the top of hill. This would make the entire system operational during an outage. It is not necessary right now but would be nice to have down the line.

Other items –

Kathy and Mark met to evaluate budget. Recommend beach maintenance increase of \$1000 attributable to less volunteer more paid costs, marina increase by \$25 per slip (approximately \$800). These would increase total budget from \$107,355 to \$109,130.

Capital budget line will be built up for next road.

There was discussion of whether we should move the water reserve to capital and charge the generator to this budget line. For depreciation purposes, it was thought that we would want to charge to capital and treat as asset.

Accountant will move generator to balance sheet and assets will increase. We will start depreciating it.

Budget presentation was shared with Board and feedback received to streamline and look forward rather than focus on past was incorporated. Sheets for each responsibility added to presentation.

As of April spent is \$110,126, \$3K over for the year. This was attributable to the decision to do the dock. Run rate by end of fiscal year \$134K. Big item was generator \$30k and dock \$17k. We are under spent if these were not included. The increase in marina fees is the amortized cost per year of docks for 10 years so the money used from the general fund for a portion of the docks will be repaid each year and be fully repaid over the amortized period.

The expense of snow removal from intersections was discussed. Since prediction was for more snow, we made the call for safety. We cannot forecast weather but can forecast concerns.

Motion to accept increase for FY 2014 - 2015 budget from \$107,355 to \$109,330. Seconded. Seven yes. Zero no. Motion carried.

The agenda for the budget meeting was set – presentation of budget, vote and highlight items and concerns. This is consistent with last 10 years. We will have discussion about the well and what direction that we are going in.

Other items for the presentation include resident survey results, State of the Lake Forum participation, rack storage/fee to be put to a community vote (\$30), retaining the attorney, garbage service, nominating committee (vice president), closing off the J Jarvis Moses circle (if we put the well there, it must be done - survey results show 2:1 favorable), adding blow offs on Crestway and Southview Rd, other water system upgrades and drainage issues are back on the table.

Meeting adjourned.