

**Salt Creek Estates
Board of Directors Meeting
April 27, 2024
At the Home of Andy Morrison**

Present: Carl Bauer, President; Bette Dodd, Kevin Ewing, Pete Grogg, Chad Huck, Tony Moore, Diane Pfeiffer

Zoom participants: Colleen Hittle and Mark Fisk

Absent: Greg Morical, Pat Roche

Motion: Tony Moore moved, and Colleen Hittle seconded that the January 27, 2024 minutes be approved. Minutes were approved unanimously.

There was discussion about the possibility of purchasing one of the O'Connor lots for construction of the water plant as a cost-saving measure. This could save as much as \$200,000 because it would eliminate the need to truck in water while the plant is under construction. It would also be more desirable because a larger, completely new plant could be built without the need to consider the infrastructure of the old building. There was discussion about whether other lots should be considered, but after looking at other lots on the map and Elevate website, it was determined that O'Connor Lots 12 and 20 would be best, with a preference for Lot 20 based on slope, access and size. It was acknowledged that a survey and appraisal would be needed along with building and zoning permits. Carl stressed this alternative will only be pursued if there is a cost savings.

Motion: Chad moved, and Tony seconded that Carl authorize Aaron Crowe at RQAW to proceed with a cost estimate for a new plant at a new location with Aaron's total hourly expenses not to exceed \$5,000.

By-Laws Discussion: Bette Dodd

Carl explained that Salt Creek Services (SCS), Inc. is the holding company. As such, it owns the water plant, the sewer plant, and the docks; and is the legal entity for obtaining loans, levying assessments, and signing finance agreements with government agencies (e.g., IFA or USDA) as needed to finance the utility upgrades being planned. As the Board of Directors for this entity, we must abide by the by-laws in fulfilling these and other responsibilities.

Kevin and Bette worked together to review the by-laws. There were two versions of the by-laws, one drafted in the 1970's and the other in 1990. The SCS by-laws have not been revised for 34 years and conflict with the way the board currently operates in some areas. They must be updated so we will be on firm legal footing before we start issuing any assessments, take out loans, or sign financing agreements with IFA/USDA.

Bette reviewed recommended changes to the 1990 by-laws to make them consistent with our covenants and how we actually operate as a corporation and as an HOA. They had

been sent to Board members in advance. The goal is to get them updated by mid-July, so we'll be prepared to work with the IFA and/or USDA.

There was considerable discussion in several areas:

There was consensus that homeowners should be allowed to vote by proxy along with a discussion about what the requirements should be to do so. Bette noted that the Covenants do not include any language about voting by proxy, but the 1990 by-laws allow it.

There was also discussion about certificates, the transferring or splitting of lots, and the importance of having a public record where people can get access to lot owners. It was confirmed that there are email addresses for all owners as of six months ago.

There was consensus that the Board should have the power (rather than duty) to turn off water or deny other services to homeowners who are delinquent on dues or assessments.

Bette does not think the board has the power to amend the by-laws. She recommended the by-laws be presented at a community meeting for approval by a majority of the homeowners present. (A quorum is not required.) Kevin noted that by-laws are usually broader than covenants.

It was agreed by consensus that Bette, Greg and Kevin would develop a proposed set of by-laws by the third week of May. They will then be sent to homeowners in advance of a proposed community meeting to be held in June.

Treasurer's Report: Kevin Ewing

The budget is looking good. For the period ending March 31, 2024: Total Cash for the quarter ending March 31, 2024 increased by \$36,435 from December 31, 2023, with Total Cash reflecting \$20,136 deposited to the Sanitation and Water Reserve Fund from special assessments received in the 1Q 2024 and billed in the 4Q 2023. The primary use of cash during the quarter was expenditures totaling \$28,400 for the RQAW wastewater and drinking water preliminary engineering reports and IFA applications. The balance of the RQAW contract balance is expected to be paid in the 2Q 2024 and is reflected by an increase in accounts payable of approximately \$31,000.

From an operational perspective (excluding RQAW expenditures, sanitation reserve deposits, special assessments, and accounts receivables), operating activities generated \$6,723 in net cash, with actual year- to-date Total Revenues being generally consistent with budget and overall year-to-date Expenses being approximately \$3,000 under budget.

Past Due Accounts Three Months or More Overdue (as of April 26, 2024):

- [REDACTED] (\$898 – includes \$750 special assessment)
- [REDACTED] (\$1,500—two unpaid special assessments)

- [REDACTED] (\$3,155—including \$750 special assessment)
- [REDACTED] (\$1,189—including \$750 assessment)
- [REDACTED] (\$9,234—including \$750 special assessment)
- [REDACTED] (\$1,166—including \$750 special assessment)

[REDACTED] sent a note to Compass Point saying that he doesn't think lot owners should be assessed water and sewer. This was surprising because as a past president of the SCE HOA, he should be fully aware of his obligations. Carl will send him a letter.

Carl will send a 60-day notice letter to [REDACTED], who seems to have disappeared. Mark mentioned he has a 2024 mooring sticker for [REDACTED] but does not plan to give it to them. If DNR writes them up, Mark will give DNR the information and they'll let [REDACTED] know the boat is illegal and must be removed. Carl will work on this letter for review by Mark and Kevin.

Carl will send a letter to [REDACTED] as a 60-day notice to do a lien. ("Trip" for notice for lien is \$1,500.)

[REDACTED] owns the title for his property, and people who are buying it pay him monthly through a land contract. [REDACTED] is responsible for the dues. Carl will send him a letter and copy it to the purchasers, stressing that the ownership of this lot is in jeopardy.

SCE has a lien on the [REDACTED] property. The title company indicated their effort to sell the property fell through.

Greg is working on identifying a collection agency for [REDACTED]. It was noted that there will be a tax sale in October.

Boat Dock Committee Report: Mark Fisk

The boat docks are in good condition except for one location by Roche's slip where two sections bolt together. Storms and high winds caused significant damage to the end of one of the long steel frames. Temporary repairs were made, and Mark has ordered materials needed for complete repair. Kelsy Umphress and a helper are on call to assist, and Mark is trying to get a welder used last year with hope of completing the work within the next three weeks.

Since the last meeting, many areas of broken frame bolts were repaired; the electrical power system was inspected by Alexander Electric and the necessary repairs were made to make the dock safe; the finger between the Koelling and Janis slips was repaired at a cost of \$150; and seven new floats were installed in strategic areas where the fingers were not level and were causing issues with boat lifts or canopies.

Other work planned for 2024 includes repairing broken bolts on dock frames; refastening and/or repairing dock edge boards; and refastening loose rubber rubrail.

Long term repair will be needed on floats because sections of the dock are riding low in the water due to the age and deterioration of the floats. Float replacement will be planned as funding allows.

There is a permit problem because the pontoon boat sold with Buchanan's home was swapped out with a lesser boat by Buchanan's son, Evan Marshall, who handled the sale. This has created problems with DNR, which Mark will continue to follow.

Mark reminded everyone to check safety devices, life jackets, and foghorns. He plans to send out information on how to tie up boats properly.

There are several canoes and kayaks in the racks that have not been moved for many years. A letter will be sent to all owners that kayaks and canoes must have a current sticker. If not, they will be considered abandoned and will be taken to Goodwill.

Water/Wastewater Report: Bette Dodd

Bette reviewed Pat Roche's report. The mixing tank and clarifier in the water treatment plant were drained and cleaned, which should help with making water as the sludge that gets built up decreases the working area of the system.

Since the timer was added to the WWTP lift station, all limits have been in compliance.

Following the last IDEM inspection of the WWTP on 12/13/23, priority should be given to correcting our lift station problems. BFU indicated it is not possible to replace the failed pumps, lids, rails, etc. Therefore, they recommend a full rehab of the lift stations with stainless piping/rails and new style cutter pumps and controls. This correlates with RQAW's PER, which is estimated at \$107,300. The report included the assumption that we are waiting on SRF to move forward with anything.

Bette also noted that a water loss analysis is required by IFA of all utilities. This would determine the percentage of water being lost due to leaks in our system (between our tank and the homeowners' meters) by measuring how much water is being produced v. how much water is being used by homeowners. Bette noted we have readings on the amount of water made for the past four or five months. This analysis is due by August 1, 2024. There was further discussion about finding an authorized contractor to conduct the analysis, which Bette will follow up on.

Bette also described IDEM's new requirement for a lead analysis of our system from the water production plant to the homeowners' tap. We have no lead in our mains, but we need to determine what happens between the meter and the homes. Bette will send an alert to all homeowners instructing them on how to inspect their pipes to determine if there are any pipes that are not copper or plastic. If they are not copper or plastic, water will need to be tested from the tap. For those who have lead pipes, it's possible the utility would pay to have them replaced.

Bette has never seen documentation acknowledging that SCE withdrew from the jurisdiction of Indiana Utility Regulatory Commission. She has been told that SCE withdrew and has not found any record of withdrawal in Salt Creek's records. It is important for this withdrawal to be documented as part of SCE's record. Because it is likely to have required a vote of members, Carl is going to check past minutes for documentation of withdrawal.

Bette further indicated that SCE should have a Certificate of Territorial Authority from the Indiana Regulatory Commission in order to provide wastewater, likely from 1960's. She will follow up on this.

Roads and Grounds: Carl Bauer and Chad Huck

Chad reviewed the Roads and Grounds report. Roads are in good shape overall. There were a few fallen trees after spring storms. Kevin Collins' tree service also removed one that was leaning precariously over Forest.

Seth Trinkle has continued monthly inspections and maintenance of road ditches and culverts. The rain event two weeks ago caused considerable erosion of Emerald Ct. and Fisk's driveway. Seth's crew quickly repaired the problem, and a community reminder was posted for homeowners to be vigilant about their leaves and landscaping debris that flow down to the roads. Seth literally fights an uphill battle after the annual leaf blowing effort each fall. Homeowners should keep their leaves from falling back down into the ditches and culverts from their lots. Seth is responsible for the roads and culverts but not residential property.

Seth will be mowing community grassy areas again this season. He has expressed interest in adding road grading and tree removal to his list of services for SCE. Ed Wagler has done an outstanding job with the semi-annual grading of roads for decades. Tree removal is usually done by Kevin Collins (or Blue Stone) depending on the scope of the problem. We remain happy with Seth's work, but no decisions have been made. This is an on-going conversation.

After reaching out to neighbors of SCE who live on Elkins, we started another round of email requests to Monroe County requesting they pave Elkins, at least to the mailboxes. We have cited how unsafe the road is to navigate, the increased amount of traffic, the health hazards of gravel dust, and the lack of county services despite our property taxes. Once again, they say they do not have the budget to extend the blacktop. We will continue to remind them of our needs as we have over the past several years.

It was agreed that Carl will arrange for a dumpster, which was \$800 last year. It will be available until its full or until Memorial Day.

Architectural Review: Tony Moore

Tony indicated there have not been any recent architectural review requests. It was noted that Bobbie Watson is waiting to hear about a request submitted last summer. Jim Meyer is also waiting to hear from the Architectural Review Committee about driveway improvements to mitigate erosion. Tony will talk with them Chad volunteered to help review requests as they relate to Roads and Grounds. It was noted that erosion and drainage issues and culverts fall under the auspices of Roads and Grounds.

Community picnic

The community picnic will be delayed until August because we should have information from IFA by then and can share information and options with homeowners.

A meeting was set tentatively for July 20, 2024.

Recorded by: Diane Pfeiffer, Secretary