

Indian Springs Landowners' Association
562 Big Bow Drive Cotopaxi CO 81223
www.islacol.com

Emergency Road Situation - ISLA Board of Directors Meeting – July 16, 2021

Meeting called to order at 10:05 pm

Board Members: Lester Limon, Carl Jones, Mary Stark, and Karina Lantzy in attendance. Robert Morel (ISLA Treasurer) and Gina Ledford (Acting ISLA Secretary) also attending.

- I. Lester advised that the agenda for the meeting was to discuss the emergency road situation due to recent flooding.**
 - A. Lester handed out paperwork with information on how the board can address cost of massive road damage caused by recent rain.

- II. Overview of Damage – Carl Jones**
 - A. Initial flooding caused over 4' of water to come down the hillsides and stream beds onto the common roads. Flooding washed out 4 water crossings and several residents were unable to get in or out. One major area of damage was on Cedar Bluffs, another was at the intersection of Bison and Broken Arrow. The intersection of Birdpoint and Red Feather was almost completely washed out. The road is about a third the size it once was, with a steep drop off on one side. Carl worked the night of the first flood and pushed dirt back up on to the road and posted safety signs so that resident could get in and out. Red Feather and Tenderfoot is also mostly washed out. Bison is washed out and barely passable. The creek that crosses the road on the Red Feather circle was washed out. Carl backed up sand in order to make the road passable. Residents were stranded in the Community Spring area as the water flow caused 6 ft. embankments along the water flow area. The Community Spring area sustained a lot of damage. The water took out all of the North end culverts and the 4-5 culverts on the south end are blocked. The wood chips from the mitigation done by Sangre de Cristo in the last few years washed down in to our culvert, effectively plugging them. Sand started to build up behind the plugged culvert and washed out our roads.

 - B. Electrical and phone lines have been exposed on both the middle and down the side of the roads. Many more lines run down the center of the roads and are not buried very deep. This will make the repairs more complicated. Carl has called the electrical and phone companies and has had the line marked in the repair areas.

 - C. Three culverts will have to be replaced and will have to have new bulkheads put in; the tanks and pipes accessing the Community Spring are plugged. Five families in Indian Springs use the water and one of the tanks that sustained damage is the Fire Station water storage. We need to keep the water storage workable and available for the fire department in case of a fire emergency. Carl has attempted to clear the lines by both pressure and suction to no avail. They need to be dug up, exposing the top of the cistern, have the pipe cleaned out, and inspect the cistern to see how much sand is plugging it. Carl did clean the outlets in hopes that the water flow will clean out some of the debris.

III. Cost of Repairs

- A. Robert Morel, ISLA Treasurer, gave a financial report. As of June 31, 2021, we have \$19,457 in our checking account to cover our 2021 Budget and \$22,021 in our emergency reserves saving account. Much of the emergency reserves was earmarked for the upcoming fire station project.
- B. 3 main culverts have to be replaced and 21 culverts need to be cleaned. The cost of the materials for the culvert replacement is \$4,800 and the cost of the labor will be \$5,400. 6 of the culverts have been cleaned in order to prevent further damage to the roads and allow residents to pass safely. The remaining culverts will cost \$4,000 to clean and repair. \$8,575 worth of repairs has already been done just to make the roads passable and to prevent further damage.
- C. The board discussed scope of work. Should all culverts be replaced at this time as they are over 50 years old and undersized? Should we just replace the three with the most damage? Do we come up with a long term plan for the increased water flow due to more watershed caused by increase of building in areas both in the subdivision and in the surrounding areas?
- D. Carl is using excess sand in our creek beds for road repair which is saving us at least \$600 for the repair. (Cost of a load of sand is approximately \$300 + \$300 in delivery fees)
- E. The total cost to upgrade the 3 problem culverts from 18" to 30", build new bulkheads, clean the remaining culverts, repair road damage, repair the damage in the Community Spring area and to pay for the work already done to make the roads passable, is estimated to be at least \$30,000.

IV. Options To Pay For Repairs

- A. Material cost has to be paid up front either from our emergency funds or by other means. Carl kindly offered to do all of the work upfront and take payments throughout the year at no interest in order to avoid a bank loan with interest and/or deplete our emergency fund.
- B. We can seek a \$30,000 loan from the bank to cover the total cost of the repair. We would have to institute a special assessment & increase dues to cover the loan payments. This option would avoid the use of some or all our emergency funds. If the emergency account is used we will have no monies to cover another emergency nor will we have funds to cover the Fire Station project.
- C. Use the \$20,000 in our emergency account and have no money in reserve for if we have more flooding or other emergency issues arise. The \$20,000 will not cover all of the work, so we will have to either raise the HOA dues or have a special assessment to cover the rest of the repair cost.
- D. Go to the community, either increase the HOA dues permanently so that we can build up our emergency reserve, or implement a temporary special assessment to pay for the existing damages. If a special assessment or dues increase is implemented we can only count on getting 90% to 95% of the money, as the landowners who do not pay their HOA dues will likely not pay the increased dues and/or the special assessment. We would spend the money in the emergency funds

now and hope that the increase in dues and/or the special assessment will cover the costs.

E. Legal process of HOA dues increase and/or Special Assessment were discussed. To increase the yearly HOA Dues would require a 2/3 vote by the community per our bylaws. A special assessment can be passed by the Board of Directors.

V. The board discussed all of the options in depth, weighing the pros and cons of each. Our HOA dues are very low compared to other HOA's in Fremont and Chaffee County, so an increase may be a good option. Could a 2/3 majority vote be counted on in order to cover the necessary emergency repairs? Timing of the work related to the weather and season was discussed. Timetable of the work was talked about, it was decided that the work could be stretched out over two years, if the emergency situations were addressed first, and the rest of the work was prioritized as to its necessity. Everyone present was given a chance to ask questions and give their opinions on the best way to proceed. The general consensus seemed to be to take Carl up on his generous offer to take payments on the labor portion of the repairs in order to avoid interest on a loan that we may or may not be able to obtain and pay back. In order to cover the cost of the necessary replacement of the three culverts, the cleaning of the other culverts, and the repair to the spring area and roads, the board seemed to agree that a special assessment of \$200 per lot payable in two payments would be the most affordable and quickest way to proceed.

VI. After reviewing the facts and scope-of-work, Karina Lantzy made the following motion: "Due to the emergency nature of the washout incident and what happened to the roads and drainage as a result, and receiving local estimate amounts exceeding our current savings account, I move that we enact an emergency Special Assessment on all properties in Indian Springs. The amount of the special assessment will be \$200 over two years (\$100 per year). I propose the first payment be due by all property owners on or before December 31, 2021 and the second payment be submitted on or before December 31, 2022. All monies collected will be directed solely toward the repair and rebuilding of the roads and drainage network". The motion was seconded and a vote was called for and was unanimous in support of the motion. The motioned carried at 11:20 p.m.

VII. The board discussed the implementation of the Emergency Special Assessment and the meeting was adjourned at 11:21 p.m.

Board of Directors

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