Substantive Motions in this Meeting:

Constitution:

Minutes:
Dinah Burns (Lot #773) moved to accept the October 24, 2017 minutes as presented. Sam Thomas (Lot #575) seconded. Passed unanimously

Long Range Planning:
Clem Estrada (Lot #263&264) moved to allow the board to spend up to $260,000 towards capital projects during the 2018 fiscal year. Mike Brenan (Lot #470) seconded. Motion passed.
Call to Order: The Property Owners’ meeting convened at 7:30 p.m. in the Choctaw Lake Lodge.

President David Wheatley welcomed and thanked everyone for coming to the meeting. Dave introduced the members of the CLPOA board; Brian Welch - Vice President, Suprena Lohrer - Treasurer, Christine Cooney – Secretary, Ken Petry, Scott Kutzley, Lynn Forster, Jim Price, Bill Laney.

At this time there was not a quorum. Dave indicated the meeting would continue with the presentations. However, Dave stated that motions could not be made or voted on until there is a quorum.

Treasurer’s Report:
Suprena Lohrer – Treasurer, gave a brief review of the profit and loss statement and balance sheet distributed upon sign-in. The fiscal year ended on February 28, 2017. She reviewed the profit and loss statement and provided information about collections, revenues, investments, savings, expenses, budgets, and income. She explained that the new income is higher than expected due to the rentals and building permits, lot sales, and successful collection initiatives. Suprena went on to explain the numbers on the balance sheet.

Dave Wheatley reminded everyone that we just sold the last lot, so there won’t be any more income from lot sales. He also reported that funds coming in from collections would go away as we continue to address the offenders by helping property owners with payment plans or executing foreclosures.

Long Range Planning:
Mike Casimir presented and detailed out how the Long Range Planning committee expects to use the available funds. The goal of this presentation is to show how we plan to spend up to $260,000 for capital improvements. The funds are available. However, we need the property owner’s approval because the $260,000 is above the current spending limit. Mike explained that he is working with a property owner who has design experience to get some ideas on repairs/improvements for the lodge and the Arrowhead.

Suprena Lohrer explained if we earmark $160,000 of the $374,000 taxable income, for capital improvements, we don’t have to pay taxes on the $160,000. The tax amounts to approximately $46,000 tax savings.

A question was asked since we don't have a motion, what can we do? Mike explained that we could spend up to 10% of our operating budget, which is about $93,000. The work can continue around the grounds, but the work on the lodge and the Arrowhead would not be considered until the fall since spring and summer are busy times for these rental properties, and hopefully we will have a quorum at the October Property Owners’ Meeting that will allow us to spend beyond the limit.

A question was asked, can the board distribute the information to the property owners and then call a special meeting, so we don't have to wait until October? Suprena Lohrer reported that yes that is an option. At this time Dave Wheatley asked for the attendance count, and it was reported at 69.

A question was asked about the plans for the Blackfoot Hollow area? Mike Casimir explained that this area is expected to be a common area for people to use and just hang out. There is still a lot of work to be done, and a severe water issue remains. Once the issue is resolved, it is expected to be a beautiful park area.

A question was asked about parking at this park. Mike explained that the gravel lot across from the marina can be used and once dried out, we expect to replace the footbridge that crosses over the creek.

Dean Miller asked how much money was spent on drainage at Blackfoot Hollow? Mike reported that phase I is about $10,000. Re-seeding is about another $2,000. There also may be some old tiles that need to be dug up and replaced

Mike reminded everyone that all the presentations would be posted on the Choctaw Lake website.

The question was asked if we have planned for an adequate reserve/rainy day fund? Suprena pointed to the balance sheet item number 10351 – Aim MM-Lot Sales has $332,578.75. We are considering this our rainy day fund.
Suprena and the board asked those in attendance to reach out to family and friends for garnering additional attendees to come up with a quorum.

Dave Wheatley explained again that the board plans to move the $160,000 to the capital improvements fund. The move will save us the $46,000 in taxes. We don't need property owner permission to transfer the money; we only need permission to spend over the 10% spending limit.

**Roads & Dredging:**

Brian Welch reported on the flooding issues that have plagued the community. Brian reminded everyone that flooding would never completely go away due to the topography of the land and the farm fields surrounding the community. The committee's goal is that the roads remain passable and water drains quickly. The committee meets with everyone that has an issue to identify if there is anything that can be done, and who is responsible for the fix/improvement. In the analysis of why it seems that we are getting more flooding, the committee identified; weather/rain, more development, filled in ditches, obstructed or blocked pipes, catch basins, and the type of plastic that was used throughout the subdivision. He provided detail on how these contribute to the flooding.

Brian showed the areas that were addressed and reported on all the actions that have been taken over the last year to alleviate flooding. There is a new project scheduled to address further flooding on the North end of Itawamba. The estimate for the repair is $13,000. We have already spent about $62,000 for repairs in this area.

Brian explained who is responsible for repairs and maintenance. If it comes to cleaning up, the property owner is responsible. Pipe openings and ditches must be kept clean and maintained by the property owner. If the property owner installs the pipe, the property owner is responsible for the cost of any repairs. If the lake put the pipe in then, the lake is responsible. The lake is responsible for the cost of repairs for all catch basins.

Brian presented and explained the map that showed the roads that were paved last year and the areas of Itawamba, Suqulak and the lodge parking lot that we expect to address this year. We expect to get another year or two out of the other roads because they are still in pretty good shape. By doing some crack sealing, we can extend the life of these roads.

A question was asked about who is responsible for a catch basin that was installed by a property owner because it was required by the association. Brian responded that based on the changes made to the drainage specification, this January, the association is taking over responsibility for the cost of repairs for all catch basins. It is still the property owner’s responsibility for cleanup and maintenance.

A question was asked about the boat ramps and if anything was in the plan to address them. They seem to be in bad condition. Mike Casimir responded that they are still usable, but need repair. Brian reported that they were repaired by the dredging company a couple of years ago. He indicated that Mike and the committee would look into this.

Guy Edmunds (Lot #951) asked if the scrub brush and fallen trees were removed from the heavily wooded areas on Choctaw and Chickasaw, would that help with drainage? Brian Welch responded that he did not know the answer but certainly is something to look into; however, this would be down on the priority list due to the other more pressing issues.

It was identified that we now have more than 75 property owners in attendance, therefore constituting a quorum.

**Motions:**

Dinah Burns (Lot #773) made a motion to accept the October 24, 2017 minutes as presented. Sam Thomas (Lot #575) seconded. Motion passed unanimously.
Clem Estrada (Lot #263&264) made a motion to allow the board to spend up to $260,000 towards capital projects during the 2018 fiscal year. Mike Brenan (Lot #470) seconded. Discussion followed. Motion passed.

Sewer Report:
Dick Hanna provided a history of the sewer project; reasons why type of system selected, costs and installation. He also offered requirements for maintenance and property owners’ responsibility. There have been some issues with grinder pump failures, sewage backing up into the home and lack of response time from the county. The original installations included single and shared systems; however, in 2013, the county decided only to install single systems. Dick stressed that property owners must keep access to the grinder pumps clear and be aware of things that should not be flushed or deposited down the drain.

In some cases, it was found that sump pumps and downspouts have been routed to the grinder pumps which is not allowed. When these are identified, the homeowner must re-route them. For more information about the location, maintenance and dos and don’ts can be found on the Madison County Sewer website.

Dick reported on the meeting with the Madison County Commissioners. Those who attended that meeting are confident that the Commissioners are committed to working together with the CLPOA board to address our concerns.

Norm Ritterbusch (Lot #720) asked if there is grinder pump failure who pays for it. Dick Hanna responded that the County pays for fixing and replacing the grinder pumps.

Dan Beaver (Lot #314) reported that he was at work when the grinder pumps were installed. He asked about responsibility if the contractor connected the sump pump at the time of installation. Dick reported that the contractors were aware that connection of a sump pump was not supported, but unless someone was watching them, you really wouldn't know. If the sewer engineers find that a sump pump is connected, they will disconnect it, and the property owner would have to re-route the sump pump discharge at the owner's costs.

Dinah Burns (Lot #773) asked if there was any way to tell if the correct flappers are in place? Dave Wheatley reported that no one knows if these are installed. Dick reported that even the grinders installed at a later date, might not have the flappers. The ones more recently installed are expected to have the flaps.

Unidentified Property Owner asked is there any plans for improving the quality of the grinders, and also improving the quality of response times when the grinder goes out? Dick Hanna reported that the original grinders are 15 years old now and there is a plan to replace those. The new grinders have a better warranty and a higher capacity for pumping. The Commissioners have purchased a new software system that will help them in providing better tracking and response times.

Dave Wheatley reported that he was confident that the Commissioners have taken our issues seriously and are making efforts to address them. As we get more information, property owners will be updated.

Choctaw Utilities Update:
Dave Lohrer, CU President, provided some historical perspective followed by what CU is doing now. In 2016 an engineering firm was hired to study the plant which resulted in a 38-page report. The life expectancy of an average plant about 35 years, however, our plant is 54 years old. It has been well maintained. However, it is time to invest in a new plant.

CU board members researched and visited ten different plants and three different system styles and at the end of 2017 CU passed a motion to move forward with the vertical pressure filter system. At that time the design process started. The engineers were asked to provide costs for adding softening. It is not the intent to add softening now. However, the plant is designed to be able to add it in the future.
Projected cost is at $1.7M with a 30% contingency recommended by the engineers. CU applied for the EPA loan which is a 20 year fixed rate at 1.3% as of 6 months ago. However, this could change if the interest rates change. CU has asked the EPA for a $2.2M so as not to be undercapitalized. The future softening add-on would be another $1M.

Larry Hutcheson (Lot #1043) asked why wouldn't we go ahead with the softening? Dave reported that it is a more significant expense. CU is still looking at softening options; reverse osmosis or ion. Larry asked if the softening would be eligible for the EPA loan in the future? Dave responded, yes it would be.

Sam Thomas (Lot #575) asked will softening be more or less, now or later? Dave responded that softening was only a nice to have feature, so it is not a priority, but the plant is. The plant is designed so that softening can be added easily. Scott Kutzley explained how it would be added.

Bob O'Connor (Lot #0791A) asked when is the expected completion date? Dave reported that the blueprints are expected the end of May, at which time they need to go the EPA for approval. CU would then go out to bid, with the goal of breaking ground mid-July. And if all goes as planned, the plant could be running by the end of September.

Ann Petry (Lot #994) wanted clarification on the mandate to replace the water plant and are we on target to do that? Dave Lohrer responded that yes we are.

Dave Lohrer also reported that if we come in at the $1.7M figure, there will be a $9.75/month increase. If we come in closer to the $2.2M we are around $12.50/month increase.

Dave mentioned that the fire department is coming out to flush the hydrants and do a flow test on them. If we can get the proper volume out, then we would have fire hydrants. With fire hydrants, the fire department will be able to report that this community has fire protection, which might provide savings on homeowners insurance.

Dave Wheatley clarified that the reverse osmosis systems only softens to 70 grains whereas the home softening systems soften to 0 grains.

Dave Wheatley thanked everyone for their support.

Dave Rankin (Lot #899) moved to adjourn the meeting. Clem Estrada (Lot #263&264) seconded.

Meeting adjourned 9:08 p.m.

Minutes compiled by Barbara Moore.