

MINUTES of April 6, 2018 El Shaddai II & III HOA Board meeting

Held at home of Dave Vick

Participants:

Dave Vick, President

Richard Vickers, VP & Chair of Water Committee

Pat Greany, Secretary and member of Water Committee

Jeff Burger, Treasurer (by phone)

Tom McLean, Road Manager

Jon Schleuss, Member at large (by phone)

Not present: Gloria Mays

The meeting was called to order at 7:13 PM by Dave Vick.

TOPIC 1 – Well output improvement: Dave Vick (DV) introduced Rickard Vickers (RV) to discuss the NC Division of Water Resources letter we received from Environmental Engineer Buddy Melton (Public Water Supply Section) pertaining to the State’s concern that we have insufficient water production by our well and a form for a “boil water” notice to provide in case we need to use it. In response to the letter, RV consulted an engineer, ? Meleski, of ((name of firm)), in Asheville, who said the **“only viable option is to drill a second well”** in keeping with Jonathan Miller’s (JM) opinion.

RV said after receipt of the letter he contacted Jimmie Wilson of Wilson Well Drilling, who recommended trying hydrofracking to increase well production. He said the data show that fracking is successful > 90% of the time. RV got yield results from JM for our well. JM said fracking might be effective and estimated the cost as being between \$7,600 and \$12,500. RV also got a quote from Franklin Hydrofracking for about \$4,000 to \$6,000. The told RV that wells that previously were productive have the best success rate. Rickard described the technique used for hydrofracking procedure. Some companies use more than one pump but some use only one pump. Carolina Hydrofracking provided examples of successes, with wells that were previously productive producing better results. Our well once produced over 11 gpm. Our well had a yield report in 2016 of only 2.5 gpm to 3.66 gpm. In March of 2018, it produced 10.6 gpm, according to JM. Actual yield currently is about 2.8 gpm as of the last outage refill rate (NOTE: we have only a 25% duty cycle with the well on a timer allowing it to operate only 15 min per hour to prevent “overpumping”). Jeff Burger (JB) said we may need a second well at some point to allow for an increased number of cabins in the neighborhood. In the meanwhile, RV said fracking may allow for some “breathing room” and indicated it would be much less expensive than a second well. JB said it could be a good stopgap measure. Tom McLean (TM) said Jimmy Godsey felt we’d need a second well at some point. TM said our new tank monitoring system potentially enabled us to spend \$4 - \$6 k to increase yield up to 11 gpm. RV said we’d likely have

a 90% chance of increasing output (by fracking our well) and it would be more cost-effective than a second well. He also mentioned that the procedure introduces only potable water so there's no risk of contaminating our well. TM said we need to require JM to provide a competitive price if he is to contract with us to perform the fracking. He said our agreement with Miller Well Drilling (MWD) is saving us a lot on equipment repair and we need to avoid causing them to terminate our contract. Prior to the agreement with MWD, we spent about \$10,000 per year on replacement pumps. DV said we should find alternative water quality testing companies before going forward with fracking (if we don't use MWD). RV indicated we should obtain competitive bids. TM said JM is unwilling to increase the duty cycle to more than 25% in order to protect the pump, to avoid his having to pay for a replacement pump. However, DV indicated the PumpTech device we purchased should protect the pump from overheating. RV would like to have competitive bidding to obtain a good price but doesn't rule out MWD altogether. DV would like to give RV authority to do a deal with MWD. JB also recommended giving RV authority. TM said if JM's price is not more than 25% higher than the competition, we should stay with MWD (this would allow for a 25% commission beyond their cost from a sub-contractor). Pat Greany (PG) said we need to be sure the project can be completed before the July Fourth week and that we should require use of the two-pump approach to fracking. JB asked about contingencies if MWD terminates our contract, or if we terminate the contract. DV said if successful, we may be able to use the savings as compared with installing a second well, to better advantage. PG said if fracking is successful, we should be able to increase the duty cycle to a higher rate since the volume of water flowing into the well from the ground would be increased. RV said he would call the state inspector to ask about fracking and whether we actually need a second well if we get adequate flow after fracking.

TOPIC 2 - Tank house heating: DV said we should consider installing a wi-fi enabled thermostat that can be used to monitor the temperature in the tank house and to operate heater(s). This could prevent expensive repairs to frozen pipes as happened in January, 2018. Everyone agreed and PG said he would investigate options.

TOPIC 3 – Attendance of non-board members at board meetings: DV said he would like to allow non-board members to attend board meetings. TM said we should regulate this but allow equal access for all HOA members. RV mentioned that we should encourage all members to provide comments & suggestions on the El Shaddai Homeowners Facebook page.

TOPIC 4 - Consideration of fines for water leaks: A discussion about whether to fine homeowners for water leaks ensued. In one instance, a property owner was assessed a fine for \$750 but it was protested because the leak was instead due to negligence by MWD workers, who failed to turn off a valve leading to the property. RV said he thinks we should allow 1 offense without a fine, instead fining only repeat offenders. RV said in these cases, we should only bill for actual, demonstrated costs to the HOA. TM agreed. PG said meters would be helpful in identifying leaks at individual properties and could be used to assess a surcharge if individual properties are using more than an average amount of water. JB said we should not term the fee for leaks a "fine" but a "re-imbusement fee" irrespective of the cause. PG said we should incorporate new policy in Bylaws and put it on our Facebook page. A motion to this effect was made by JB and was seconded by RV.

TOPIC 5 – Use of our road by El Shaddai I residents: RV wrote a letter to Robert Harris, the President of the El Shaddai I HOA, pertaining to use of our roads by their members and guests. RV indicated Mr. Harris is sensitive about this subject but he thinks we can resolve this issue – not by deciding where

property boundaries are located but rather by focusing on actual road use. RV recommended that the sign indicating "Now Entering El Shaddai I" be removed as it implies possession (adverse possession). TM said he is in favor of this. RV is concerned about our road use by ES I owners. RV recommends we use only our own road unless it's an emergency. TM recommends assessing only three ES I property owners at the very top of that neighborhood as they use our road routinely and he feels they should pay for use of our road at our normal road use rate. RV will recommend a pass-through of funds to us for ES I road use fees for these three lots at the top of ES I.

TOPIC 6 – Road procedures: TM feels that Scotty Cope should have discretion re: road grading frequency, which is currently being done only 2x per year. He said Scotty sometimes has to apply water before grading and has to charge an extra \$200 for this. TM said he's in favor of allowing grading to be done up to 6x per year. He thinks one of these may be for snowplowing. RV is agreeable to giving the Road Manager (Tom McLean) discretion over plowing and grading frequency. Discussion among the group led to agreement that the Road Manager should be able to use discretion, keeping within budget.

TOPIC 7 – Water budget reserve: TM feels we need a reserve for future repairs to the water system. JB feels we need a map that accurately shows where pipes and shutoff valves are located. TM advocated for meters at every house and feels we need a shutoff for each region of our water distribution system.

The meeting was adjourned at 10:11 PM.