

**Salt Creek Homeowners Association  
Board of Directors Meeting  
Saturday, July 8, 2023  
At Andy Morrison's Home**

**Present:** Carl Bauer, President; Tony Moore, Kevin Ewing, Bette Dodd, Greg Morical, Mark Fisk, Chad Huck, Pat Roche, and Pete Grogg; Diane Pfeiffer (via Zoom)

**Note:** Reports referenced in the minutes are available on the Salt Creek Estates (SCE) website.

**April 29, 2023 Meeting Minutes**

**Motion:** Tony moved, and Pat seconded approval of the April 29, 2023 minutes. Approved Unanimously.

**Water and Waste Water Plant Rehab/Replacement Project Update**

Carl reviewed his report on activities to date. (Attached)

The contract calls for estimates by September, but we hope to get it before that. The Preliminary Engineering Reports (PER) will then be shared with Tina, who will need a yet to be determined time to write the proposal to the Indiana Financing Authority (IFA). It will likely take IFA a couple of months for a decision, which means work could begin in the spring. By the October Board meeting, we hope to have a clearer timeline on how long it will take to get a proposal submitted and a decision from IFA. The decision from IFA will be needed before the board can consider how much of an assessment increase will be needed to replace and/or upgrade our existing utilities.

Carl noted that IFA currently has funds available, and the process has been encouraging thus far, but that time is critical as competition for these funds is picking up. The SCE Board discussed that it must consider two possible paths: one with funding (or partial funding) from IFA and one without IFA funding. Kevin noted that a delay to the start of construction to 2024 would be good from a cash perspective.

The importance of obtaining a line of credit (LOC) to cover engineering fees was discussed. Carl contacted individuals at three banks recommended by Mona Mellinger. German American Bank is not an option because someone would have to personally guarantee it. Owen County Bank was not encouraging because we do not have collateral. Kevin Ewing stated that he will contact Horizon Bank that currently does banking for Salt Creek and see if they can provide an LOC.

For a loan, we will be required to show we have sufficient cash flow. Kevin noted that we're doing better, but we still aren't generating substantial excess cash. It was noted that we had a \$100,000 loan for sewers lines in 2004 from Horizon Bank that was successfully paid back, so we do have good credit from that lender.

### **Treasurer's Report**

Kevin distributed and reviewed the Treasurer's Report, financial statement, General Ledger-Period Subtotals, SCE Aging Schedule-Detailed, and SCE Financial Statements.

Total Cash for the calendar quarter ending June 30, 2023 increased by \$9,009 from December 31, 2022, with Total Cash reflecting \$6,570 deposited to the Sanitation and Water Reserve Fund for the same period. This indicates there was excess cash generated from operations after adjustments for Accounts Receivables (prepaid dues) and Accounts Payable. Accounts payable significantly increased by \$55,530 from December 31, 2022; however, this was primarily due to the RQAW engineering contract signed in the 2Q that will be paid over several months. All the reserve deposits and additional cash from operations were used to replenish the Association's water and sanitary reserves. From an operational perspective, actual Total Revenues for the quarter were generally consistent with budget while overall Expenses were below budget by \$5,825.

Expenses have been similar to last year, so the increase in assessments has helped significantly with cash flow. With the increased assessments we should continue to generate better cash flow. Kevin feels good about operations funds, but large, unexpected expenses could be problematic.

There was discussion about the status of the reserve funds and the best way to set them up and manage them. The status of the reserve funds will be reviewed, and a working plan will be considered at the October Board meeting. This information should then be shared at the Annual Meeting.

It was suggested that a reserve fund for docks may be needed. It was noted that the Covenants stipulate that reserve funds are to be used for docks as well as water and sewer.

**Motion:** Bette moved to approve the Treasurer's report and Greg seconded. Approved unanimously.

### **Outstanding Dues**

Greg provided the Board with an update on the outstanding amount payable by the [REDACTED] (currently approximately \$6,500), who own the unimproved lot at [REDACTED]. They have not paid their HOA dues during the term of their ownership, and they appear to have not paid their property taxes. During June, Carl worked with a lawyer to file an updated lien. Greg will work with a local lawyer to either obtain an agreed judgment from the [REDACTED] or file a lawsuit with the goal of collecting the amount owed or obtaining ownership of the property.

Greg and Kevin will work together on proposed changes to the collection policy previously approved by the Board in 2011. They will bring the proposed changes to the

Board for approval at its October meeting. The goal is to provide the new, approved collection policy to the membership at membership meeting in October.

### **Water/Wastewater Report**

Pat reviewed the third quarter report. Operations are generally going smoothly, but there is still uncertainty about whether there is a leak, which seems likely. June's numbers will be helpful in determining this.

██████ are using a lot of water. It was noted that there is no incentive for him to make necessary repairs since SCE charges flat fees for water. The policy for excessive water use will be reviewed with consideration to possible consequences based on data, e.g., turning off the water. The sewer and water committee will be reviewing the policy and will possibly recommend changes.

The 2023 clean water report was sent out from last year by BF Utilities and is on the SCE website.

### **Road and Grounds**

Roads and grounds remain in good condition overall, but there have been unexpected expenses for tree removal following strong storms this summer. Removal of the tree from Dianne Street on July 4<sup>th</sup> cost \$800. Consideration will be given to sending a bill to the Berry's depending on the location of the tree that fell.

Two Culverts at the top of Alma will need to be replaced either later this fall or early in the spring.

### **Boat Dock Report: Mark Fisk**

The condition of the boat docks is good. There have been occasional circuit trips of the dock lights. If this continues, an electrician will be scheduled to troubleshoot and repair. It was suggested that solar lights should be considered for the docks.

Work planned for later this summer includes replacement of steel cables on the south side of the shore bridge, replacement of damaged deck boards, addition of dock cleats, repairs to rubber edge boards and rub rail, and addition of floats to the Hittle/Bear finger. Other projects for 2023 and beyond include electrical system repair and float replacement.

Mark distributed drawings and estimated costs for improving access to the docks for individuals with disabilities by creating a flat and level parking area, installing additional handrail, and addressing the excessive sidewalk down slope and cross slope. Although it would not be ADA compliant, it would be a significant improvement. (SCE is not required to be ADA compliant because it is private.)

There was consensus that this area needs improvement. Various options will be considered and discussed at the October Board meeting, including whether expenses for this purpose need to be considered for the next assessment.

### **Architectural Committee**

Bobby Watson submitted a request to improve their driveway. However, more detailed plans are needed to ensure that erosion and drainage can be controlled. Mark indicated he understands what they want to do, and will contact them for revisions to their plans. Mark stated that it would be best to use Ed Wagler for this job as Ed maintains our roads and is the best person to ensure that there is proper control of water runoff into Agate St.

Mark inquired about what the Board can do about work done by Owners that does not look nice when finished.

It was reported that the Berry's, who own property north of Salt Creek Estates had a survey crew and architect out recently. It appears they may be considering building. There should be public notices and it will be important for the board to follow their plans and necessary approvals.

### **Gary Ramage gift**

It was agreed by consensus that SCE will pay for a \$100 gift card to the Bass Pro Shop for Gary Ramage in recognition of his service as Board president. It will be presented at the picnic on July 15th.

### **Neighborhood Picnic**

The neighborhood picnic will be held at the Pfeiffer's home on July 15, 2023.

**Minutes recorded by:** Diane Pfeiffer, Secretary

**Status Of the Water And Waste Water Plant Rehab/Replacement Project Since The Last  
Board Meeting  
Carl Bauer  
July 8, 2023**

1) After several back-and-forth discussions with RQAW, a contract hiring RQAW was signed on May 30. Mark Fisk worked closely with Aaron Crow to design a contract that allowed us significant savings on costs. For example, we saved \$8,000 by providing RQAW a written summary of the history of Salt Creek and its infrastructure.

2) There was a “kickoff meeting” On June 7<sup>th</sup> with several RQAW team members, Jeff Farmer from BF Utilities, and several Salt Creek Board members (Carl Bauer, Mark Fisk, Pat Roche, Bette Dodd, Colleen Hittle, and Greg Morical). That meeting defined the scope of the water and sewer projects and also identified immediate tasks that need to be taken by Salt Creek and by RQAW.

- o Soon after the kickoff meeting Mark Fisk provided considerable amounts of data to RQAW such as; Sanitary sewer drawings, WWTP drawings, Water quality reports, Water plant drawings etc).

- o Carl Bauer, Kevin Ewing and Bette Dodd also provided RQAW with annual operating expenses for both the water and sewer plants. BF Utilities also provided RQAW with amount of water purified and sewer treated annually. With these numbers RQAW can calculate annual water production costs and sewer treatment costs per gallon.

- o Several board members (Carl Bauer, Bette Dodd, Kevin Ewing, Mark Fisk, Colleen Hittle) were also involved in an e-mail discussion with RQAW about our future water and sewer needs for Salt Creek (next 30 years) as the community develops. We settled on new or upgraded sewer and water plants needing ~1.75 x of our current capacity to address future growth (especially of full-time residents that use a lot of water and sewer capacity).

- o Chapters 1-3 of the PER (location and history of Salt Creek, history of the water and sewer plants etc) were written by Carl Bauer and edited Bette Dodd. These were sent to RQAW who stated that they provided the information that they needed.

- o Aaron Crow informed Carl that he has had several discussions with Jeff Farmer and with IDEM to identify best vendors/solutions to our water and sewer plant needs. From these discussions RQAW has identified several vendors that provide good solutions for the replacement of the sewer and water plants.

- o Aaron also stated that while the best option for the sewer plant is total replacement they are also looking into the feasibility and costs associated with rehabbing the water plant as an additional option.

3) Current status of the PRE (sent to Carl from Aaron Crow on July 6).

- We have determined design criteria for water treatment package plants in coordination with Bynum Fanyo.
- We have developed and delivered requests for quotes to both water and wastewater package vendors.
- We have received quotes from all vendors and requested revisions. The only revised quote not yet received is from Amphidrome, but it is anticipated to be received no later than 7/7/23.
- We have reviewed and incorporated Chapters 1-3 into overall PERs.
- We have begun drafting Chapters 4-6 for both PERs.

During a recent phone conversation Aaron also stated that his team’s current attention is on determining the installation costs and other soft costs associated with replacement of the sewer plant and the replacement or rehabbing of the water plant.

4) Aaron would like more information on the water plant pumps at the lake. Specifically, he would like to know the depth of the pumps and how far off the bottom of the lake that they are located.