

**Reminder:**

- *The gates must always be closed after each use per the Court Order.*
- *All pets must be on leash and under control.*
- *Members will be fined for violations. See [www.beaverlakes.org/documents/](http://www.beaverlakes.org/documents/) for more information.*



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**Annual Member Meeting**

**July 28, 2018 - 8:00 A.M.**

**Board Members Present:**

Bob Dixon, Andy Olear, Ken Berendt, Floyd Strader, Rich Boon, Eric Flora

**Lot Owners Present:**

Glenn & Leona Brenchley, Marty Stevenson, Warren Flint, Aaron & Leah Oglesby, Wade & Nancy Fox, Ed & Georgie Gardiner, Dave Poffenroth, Linda Keller & John Boak, Virginia Dixon, Lila Land, Andrea Hrusovsky, Teresa Olear, Ken & Beth Donoher, Mark Ward, Gayle Flora, Karen Runowski, Nancy Berendt, Steve & Anna Petersen, Ed Kuiper, Jonathon Bratz & Demetria Bryant, Madelyn & Tim Ratterman, Laurie Hampton, David Kuekes, Margret Sjoden & Jeff Anderson, Jim Perkins, John Barber, Marge Hickman, Dena Strader, Mark Larson, Dan Wilkie

**Caretaker Present:**

Mark Larsen

**Agenda**

1. Open meeting
  - a. All members please sign in
  - b. Member volunteers to count ballots and proxies
2. Treasurer Report
3. Caretaker's Report
  - a. Progress Report
  - b. Equipment Status
4. Major equipment, maintenance, and improvements needed at BLE
  - a. Equipment
  - b. Roads
  - c. Dams
  - d. Cabins
  - e. Campground
  - f. Water
  - g. Other (e.g. ditches, yard, shed, gates, corral, etc.)
5. Determine quorum status to conduct business
6. Board Elections
7. Discussion topics
  - a. Annual BLE Volunteer Workday
  - b. Gate damages
  - c. Fire restrictions
  - d. Fishing rules and violations

- e. RV and camper storage rules change
- f. Potential sale of BLE owned lot
- g. Other topics from members

## 8. Adjourn

### Minutes

#### 1) Open Meeting:

- a) Adam Wiens, President, was unable to attend so Bob Dixon, Vice President, presided and opened the meeting at 10:10am.
- b) Bob indicated at the same time as the meeting two non- Board members were validating the ballots received and two non- Board members were counting the ballots/proxies in order to determine if we have a quorum and the results of the Board election.
- c) Bob reviewed the agenda items received prior to the meeting and a list was available for members to add topics.

#### 2) Treasurer Report:

- a) Andy Olear, Treasurer, reviewed the previous year-end financials. Last year nearly all dues were paid and some past due money received. The payroll was a little over budget due to additional help needed, but we spent less on contracted labor so were a net \$2,800 under budget between the two items. We were \$6,000 under budget on cabin repairs and a little over on road maintenance. Overall we had a surplus of \$30,000 of which \$19,000 was planned in the budget to build the equipment repair and replacement fund. We plan to use the remainder for roof replacement (5 roofs need replacement starting with caretaker cabin) and septic replacement for lodge/campground.
- b) Bob noted that we currently have only 4 people that have not paid this year's dues. In previous years we have received past dues but with few owing past dues, we don't expect significant past dues this year.

#### 3) Caretaker Report:

- a) Mark reported that every piece of equipment has broken in the past 3 weeks. All are back running expect the backhoe (awaiting replacement gear shifter) and grader (awaiting hydraulic cylinders being rebuilt).
- b) A member asked what was being used as dust suppressant on road. Mark indicated, it's a newer compound containing more sugar. A member noted the compound is widely used elsewhere and approved by the state. A member asked if the compound affects vehicles. Mark replied it does hold some moisture, but a member added it's not corrosive. Mark reported it cost \$7,400 for the recent application.
- c) Responding to a member's question, Mark discussed a culvert that periodically freezes up; it's already a 30" culvert and it would be very difficult to dig up due to phone and power lines in that area so it would be very difficult and expensive to enlarge. Mark noted there's a possibility of using a heat tape to keep a path for water open.
- d) Responding to a member's question, Mark noted that it would be good to have a proper water truck rather than the fire truck but that would be expensive to purchase one.
- e) A member praised Mark's performance and the attendees acknowledged his continued great efforts.

#### 4) Major equipment, maintenance, and improvements needed at BLE:

Bob noted the Board has been evaluating the priorities and upcoming significant needed expenses (see list below). The Board will have a complete list and potential plan at the November budget meeting:

- a) Equipment: as noted by caretaker all equipment is old and many replacements are needed
- b) Roads: need to work roads but needs significantly more road base, particularly part below upper gate

- c) Dams: head gate needs work and state inspector has items that need to be done to the dams
  - d) Cabins: have been improved but still need more work
  - e) Campground: needs new septic
  - f) Water: we're 9 years into a 32-year lease
  - g) Other (e.g. ditches, yard, shed, gates, corral, etc.):
- 5) Determine quorum status to conduct business:
- a) A quorum consists of 20% of the membership either present or provided a proxy to a member present. There were 31 members in attendance and 27 proxies for 58 which is 32% and constitutes a quorum. There are some changes that require 50+% (e.g. special assessment) which could not be done at this meeting. Proxies provided were Ken Berendt 3, Bob Dixon 13, Eric Flora 3, Warren Flint 1, Andy Olear 1, Ken Donoher 2, Marty Stevenson 1, Margret Sjoden 1, Lila Land 1, and Nancy Fox 1.
- 6) Board Elections
- a) Elections results Bob Dixon 51, Karen Runowski 54, Tim Ratterman 3, Paul Clark 1, and Lila Land 1.
  - b) Aaron Oglesby moved to increase the number of Board members to 8 and include Bob. The motion was seconded and passed unanimously.

*[Subsequent to the Annual Member Meeting, the Board Parliamentarian determined the BLE by-laws require "a written resolution of the Board" to increase the number of Board members from the current number. To assure the members' intent was formally enacted according to the by-laws, the following was passed by the Board on August 2, 2018 and will be ratified at the next Board meeting:*

*"Be it known at the direction of the assembly membership at the annual membership meeting of July 28, 2018 the Board was directed by the membership to increase the number of sitting board members from the current 7 members to 8 members.*

*"We the Board of ELA hereby resolve to increase the number of sitting board members to 8."*

*Once the number of Board members was increased, in accordance with the assembly membership at the annual membership meeting, the Board appointed the person with the second highest number of votes, Bob Dixon, to the opening.]*

- 7) Discussion topics:
- a) A member asked about the cabin rental fees and noted they were increased from \$35 to \$50 and then again to \$75. Although the cabins have improved, she noted some still have issues with mice, lack of microwave, electrical problems, no internet yet, etc. Andy noted the increase was in anticipation of significant expenses that are upcoming such as septic replacement, moving water heaters, adding internet connections, roof replacement, etc. The Board was attempting to make the cabins closer to self-supporting rather than requiring subsidy from the general budget. Another member noted they felt the price is too high particularly since they weren't very clean and have mice; they need to have regular cleaning. A member indicated there is a cabin committee and agreed it's too high for the condition of the cabins while upgrades are in progress. A member agreed with the need for a price increase to do the upgrades rather than a general budget subsidy. A member suggested suspending the increase to \$75 due to condition. It was noted it's the renter's responsibility to clean the cabins and we don't have a cleaning person. A member suggested members volunteer to do work or clean then be given a

complementary night. Bob noted if the cabins require \$36,000 in repairs, that translates to an increase in dues of \$200 per member. A member questioned the value of the cabins given the condition and suggested tearing down all but one cabin. It was noted the cabins have been about covering the overt expenses but doesn't cover electricity, propane, caretaker time, etc. A poll was taken of people in attendance to see how many would like to see a one-time increase in dues to subsidize cabins. The poll was about 50% in favor and 50% against. It was moved to revert the rental rates to \$50/night. The motion was seconded, and the vote was 13 in favor, 45 against; motion did not pass. A member moved to lower to lower rents to \$60/night. The motion was seconded, and vote was 15 in favor and 43 against; motion did not pass. Bob Dixon moved to lower rents to \$65/night. Motion was seconded, and vote was 37 in favor, 21 against; the motion passed.

b) Nancy Fox made the following motion:

"We, a concerned group of ELHA Members, make a motion to empower our committee to look into the issue of burgeoning Vacation Rentals at BLE and the ensuing problems that are being created by this influx of non-members. Some of which are:

- a. Abuse of member fishing privileges
- b. Too many cars, ATVs etc. on our roads, which impact the condition of our roads, as well as the safety and peace and quiet of our Members
- c. Speeding and inconsiderate behavior on our roads on the part of Vacation Renters
- d. Dogs belonging to Vacation Renters attacking Members
- e. Generally, Vacation Renters not adhering to BLE Rules and Regulations.

"This committee proposes to evaluate the legal and practical aspects of setting limits on Vacation Rentals in our community. To include such things as:

- a. Assessing extra fees, or dues to those Owners that engage in Vacation Rental
- b. Limiting the number and kind of vehicles Vacation Renters can bring into BLE
- c. Disallowing Fishing for Vacation Renters
- d. Requires Owners who do Short-Term Rentals to register with the Board and requiring sign in of their vacation renters

And probably other issues as well

"It is the intent of the committee to come up with a Comprehensive Policy governing Vacation Rentals at BLE that is in the best interest of our Membership. Once we have completed a draft, the intention is to solicit feedback from the Membership - perhaps at a Special Meeting, or via a web-based form, or both. Using that feedback, a final document would be prepared and submitted to a vote of the Membership

"In Construction of this document we intend to include Lake County requirements.

"Once a VR Policy is in place, it will be imperative to make sure all Owners engaging in Vacation Rental receive copies and be held accountable for the behavior of their guests - incurring fines under section 5.5 of the covenants for any misbehavior on the part of those guests.

"Committee Members:

Dan Wilke  
Nancy Fox

Marge Hickman  
Lila Land  
Marge Sjoden”

Bob noted that the Board can appoint committees. Rich clarified this motion is for membership to direct the Board to appoint such a committee. Nancy Fox noted they are not asking for funding, they would work with Lake County. She also noted that Lake County has directed a maximum of 2 people per bedroom due to water and septic use. A member added there are legal considerations and will require some legal input which the Board will need to consider. It was noted the committee would determine how to enforce rules. A member noted this is costing us money for roads, maintenance, etc. and this motion is just to make recommendations. The motion was seconded and passed.

c) Beth Donoher suggested next year’s meeting be at 9:00am due to the number of topics so it can be over before noon. Bob noted additional members at Board meetings would be welcome and reduce issues at member meeting.

d) Annual BLE Volunteer Workday: there were no volunteers to organize this item.

e) Gate damages:

There is evidence the gates are being damaged on purpose and the Board is taking actions to attempt find who is doing the damage, including a \$250 reward for information on the person/people doing the damage and leading to actions against them. A member noted the reward signs don’t have a point of contact and Bob indicated to contact any Board member. A member indicated people should quit hanging on the gate and some have even seen adults swinging on the gate which will put it out of alignment. It was noted not all the people using our gates are members and the gates are fairly low quality. Bob noted using higher quality gates would increase the cost of replacements. It was suggested we should add reflective tape to the uphill sides also.

f) Fire restrictions:

Andy reported that the forest service wood chipping for fire mitigation needs 5 owners requesting the service and they will do it for free. Who to call for interest will be posted on Nextdoor. BLE follows the Lake County fire restrictions. It’s the member’s and their guests’ responsibility to know what the current restrictions are. A member noted they had guests staying at BLE when the restrictions were changed, they didn’t realize they had changed, had a fire, and received a fine from BLE. He noted that he can get better signs to make it clearer to everyone the fire restrictions in place. Rich moved BLE accept signs from this member in lieu of the fine. The motion was seconded and passed unanimously.

g) Rules and violations:

Bob noted that we will continue to warn and fine people for fishing and dog leash violations. He noted any dog reported as having unwelcome contact will be warned (or fined after first warning), it doesn’t have to be aggressive behavior, just unwelcome. Bob indicated any members can approach people fishing asking where they live and if they have badges.

h) RV and camper storage rules change:

The Board recently voted 6 to 1 to ban RV storage in the campground due to the perception it detracts from the views at the upper lake. Previously RV storage was allowed from May through October at no cost. It was noted people cannot store RVs on vacant land. A member added in the past 10 years there

have never been more than 2 or 3 RVs parked in a designated area at the back of the campground and they don't feel there have been issues. A member noted this has been an amenity for many years and they are parked in a location designated by the caretaker, so they don't interfere.

Lila Land moved:

"We respectfully make a motion that the Board rescind their recent ruling regarding the storage of Member Owned RVs in the Campground at Beaver Lakes Estates.

"Item One: All members share in the ownership of all Common Properties. It is part of the legal description of each property at BLE and such ownership carries with it certain rights of use.

"Item Two: Historically, there has been a provision (Lila please supply the language from previous covenants, rules etc) for the storage of such RVs in an area of the campground designated by the caretaker

"Item Three: Some members who own RVs have limits on their properties, such as lack of space, or driveways too steep to accommodate [*sic*] RVs and therefore should be allowed to store them in a designated area of the campground. Several such members have expressed a willingness to pay BLE a small fee (\$10-\$30 per month) for such storage

"Item Four: There is no difference in the appearance of a stored RV and one that is occupying the Campground on a rented basis.

"Item Five: Sections 6.a (a) and (c) of the Covenants provides for parking of vehicles in Common areas such as around the cabins and the campgrounds as long as such parking doesn't impede emergency access or interfere with resident driveways etc. (There are no driveways near the campground and if RVs are parked at the far North End of the Campground where they have been historically placed)

"Item Six: Making such a ruling in 'The Best Interests of the Community' requires more than a response to one or two complaints. Has the Board polled the Membership (somewhere around 290-297 Lot Owners) [*sic, actual number of lot owners is approximately 185*] at large on this issue. In general, rulings by the Board should not be based on a single incident, or small number of complaints, but should take the welfare of the entire Membership into consideration.

We further request that this motion in its entirety be added to the minutes for this Member Meeting on 28 July 2018"

It was asked if the electronic vote by the Board was allowed since this rule change was done by email? Rich clarified motions can be voted electronically and then need to be ratified by the Board at the next meeting. Bob noted the governing documents allows the Board to make changes to the rules. The covenants state parking on common areas is regulated by BLE. The reason the Board made change was to protect views of members. Rich noted this motion does not limit the number of RV that can be stored. A member noted the RVs may move to the people's properties and cause issues with other people's views there also. The motion was seconded and voted 23 in favor, 21 against; the motion passed.

Marge Sjoden moved that a poll be taken of the members regarding RV storage/fees and no additional rules changes be made regarding RV storage at the campground until the results of the poll are available. Ken Berendt volunteered to put together a survey. It was suggested the results be posted on Nextdoor. The motion was seconded and passed with 1 opposed and 2 abstentions.

Bob noted the rules aren't clear if a member can store someone else's RV on their properties which is a concern. Bob moved to add to the rules that RVs can only be stored on a member's property that are registered in the member's name. The motion was seconded and passed with 39 in favor, 3 opposed, 5 abstentions.

i) Potential sale of BLE owned lot:

In a foreclosure, BLE acquired a lot across from caretaker cabin, on northwest corner of that intersection. In the past BLE put it on the market, but it didn't sell. At that point the Board decided to keep it as a potential location for equipment storage. A member expressed the opinion we need money for equipment and we should attempt to sell it now that the market is better for lots. He also noted he doesn't feel it's a good place for equipment storage and suggested we put storage on current common property. A member noted it's a good location for building and properties have been selling but this lot has a few challenges (e.g. power lines). A member noted this is a 2-acre lot and a half-acre lot near it was appraised for \$25,000. A member noted this is short-term money but giving up long term property; if sold it should be used for something long term such as water rights. Rich suggested if we sell it, we should use the money for capital expenses, not general expense. It was noted this is not common property, it's a private lot which BLE acquired. Marge Sjoden moved that we get a current market analysis and put the lot on the market. The motion passed 48 in favor, 8 opposed, and 2 abstentions.

Marge Sjoden moved the proceeds be used for capital expense. The motion was seconded and passed unanimously.

j) A member requested the Board invite a Department of Wildlife (DOW) officer to discuss wildlife issues; Bob agreed that is a good idea. Dan Wilkie volunteered to contact them to see if they could attend a future Board meeting.

k) Dan Wilkie volunteered to help people with fishing if are having trouble catching fish.

l) A member requested members running for the Board be open to questions and address issues specific to BLE.

m) Marge Hickman objected to Bod Dixon having 13 proxies. Bob noted the covenants and Roberts Rules of Order allow this and it would take 67% of members to change the covenants. A member felt Roberts Rules of Order only allows proxies to be used for items specifically on the proxy. Rich clarified that our proxies are written to allow them to be cover all items at that meeting.

n) A member relayed they talked to a person coming though BLE that is developing a retreat center above BLE. The member suggested BLE should contact them to potentially help with road maintenance since they will be using the road.

8) Adjourn: The meeting was adjourned at 12:20pm.

**BLE Office Contact Information:**

- BLE Web Site: [www.beaverlakes.org](http://www.beaverlakes.org)
- E-mail Address: [beaverlakesestates@gmail.com](mailto:beaverlakesestates@gmail.com)
- Phone: 719-486-0978
- Address: 585 Empire Valley Drive  
Leadville, CO 80461

**Future Meeting Dates for 2018**

- September 8, 8:00 am *[note this is changed from date previously planned due to Board member conflicts]*
- November 3, 8:00 am (establish budget for 2019-2020 fiscal year)