

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/ for more information.*



Board Meeting

November 3, 2018 - 8:00 A.M.

Board Members Present:

Adam Wiens, Bob Dixon, Andy Olear, Ken Berendt, Rich Boon, Karen Runowski

Board Members Absent:

Eric Flora, Floyd Strader

Lot Owners on Sign In Sheet:

Cindy Allgood, Khristine Prickett Vadala, Warren Flint, Anita and Tim Mihaylov, Dan Batwinas, Ursula Gilgulin, Kim & Jeff Piervon, Marty Stevenson, Joan & Doug Arent, Jonathan Bratz, Demetria Bryant, Lardee Morgan, Mark Larsen

Caretaker Present:

Mark Larsen

Agenda

- | | |
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| 1. Open Meeting | Bob, President |
| a. All members please sign in | |
| b. Board members present; excused absences | |
| 2. Treasurer Report | Andy, Treasurer |
| 3. Caretaker's Report | Mark, Caretaker |
| a. Progress Report | |
| b. Equipment Status | |
| 4. Architectural Controls Committee Report | Marty |
| 5. Real Estate Agent Request for Proposal (Lot 91) Selection | Bob |
| 6. Maintenance Required for Dams Update | |
| Karen | |
| 7. Water Rights and Water Level in Lower Lake Update | Karen |
| 8. 2019 Budget Determination | Bob |
| a. Review of 2019 Budget (Common Expenses) | |
| b. Prioritize Capital Improvement Plan | |
| c. 3 – 5 Year Plan | |
| d. Funding and Annual Dues Options | |
| 9. Short Term Rental (STR) Committee Presentation | Marge Sjoden |
| 10. Other Topics from Members | Members |
| 11. 2019 Board and Annual Meeting Dates | Group |
| 12. Modifications to Rules and Regulations | Bob |
| 13. Modification to Bylaws | Bob |

Adjourn

Minutes

- 1) Open Meeting Bob, President
 - a) Bob called the meeting to order at 8:05 am.
 - b) Eric Flora and Floyd Strader were unable to attend, and the Board allowed as an excused absence. Adam has a proxy for Floyd.

- 2) Treasurer Report Bob for Andy, Treasurer (caught in snow traffic)

Bob gave the treasurers report regarding current financial status. The financial reports are attached to these notes.

- 3) Caretaker's Report Bob for Mark, Caretaker (snow plowing at start of meeting)

Bob noted that after an extensive search a front-end loader is possibly being purchased from a seller in Minnesota. The price for the front-end loader is \$45,000. BLE will trade in the old front-end loader for \$11,000 credit. Shipping of new and pick up of old front-end loaders is \$3,000. The net cost to BLE is approximately \$37,000.

- 4) Architectural Controls Committee Report Marty
 - a) Three new applications were received and approved by the ACC.

- 5) Real Estate Agent Request for Proposal (Lot 91) Selection Bob
 - a) No submissions were received to the request for proposals. Bob will reach out to local agencies to solicit proposal. May wait until Spring to pursue this further. No sales price has been determined yet pending advice from a real estate professional.

- 6) Maintenance Required for Dams Update Karen

Karen reviewed the required maintenance and upgrades to the two dams. Generally, an engineer will be engaged to prepare as built drawings of both dams, brush and trees cleared from face of both dams, install a weir at lower dam to collect and monitor seepage, video outflow pipes to assure construction/maintenance, add rip rap to shoreline edges of dams, particularly the lower dam, to minimize wave action erosion.

- 7) Water Rights and Water Level in Lower Lake Update Karen

Karen gave an update on why the water level dropped in the lower lake. The Moyer ranch has superior water rights and needed to irrigate more than the inflow could replenish. Karen also reviewed the process and expenses associated with acquiring water rights versus continuing on our current lease with Pueblo water. The lease extends for another 11 ½ years. To purchase our water from a current irrigation source in the watershed, BLE would need to engage a broker to give real options, but estimates we have been given is that cost would likely be \$20,000/acre-ft. We believe we need 50 acre-ft (not positive). The cost could be about \$1,000,000. Legal fees would be approximately \$150,000 - \$200,000 in addition to that. The water acquired would most likely be from agricultural irrigation sources. We would need to change the use to recreation water use. There will most likely be lawsuits regarding this.

- 8) 2019 Budget Determination Bob
 - a) Bob lead the discussion to prioritize Capital Improvement Plan which has been under preparation for most of the year. The budget is attached to these notes. Each area for capital improvements was discussed and the costs were distributed over 4 years achieving many of the required improvements. The goal was to keep the budget uniform over the next 4 years.
 - b) Bob then reviewed the May 2019 - April 2020 Budget (Common Expenses) line by line increasing some income and expenses and decreasing other based on experience over the past recent years as well as anticipated costs or income. The proposed 2019-2020 capital improvement items were incorporated into the proposed budget. The proposed budget is attached. The budget requires about \$250,600 to be

covered by dues paid by Owners. There currently are 179 Owners due do combined lots reducing the number of dues paying Owners. The proposed dues for 2019-2020 is \$1,400/year. (\$250,600 / 179)

- c) Discussion ensued on various payment options regarding due dates, but it was decided to maintain the current due date of May 1, 2019.
- d) Bob moved to approve the budget, Adam seconded the motion, and the budget passed unanimously by the Board.

9) Short Term Rental (STR) Committee Discussion

Bob started the discussion because Marge Sjoden (could not attend due to health issues)

- a) STR Definition: When a member leases their home for less than 30 days at a time. We have 12 STR properties currently operating in BLE that we know of which 10 hold Lake County licenses. Bob polled the attendees and found 6 Owners who rent or plan to rent their houses as STR. Approximately 50% of the 12 STR owners in BLE. There were 14 Owners (including board members and Mark who is also a lot owner) who did not rent their house as a STR in attendance. Approximately 8.3% of the 167 non-STR owners in BLE.
- b) Bob outlined what the Board has authority to do and what they don't. In short, the Board cannot regulate what happens on an Owner's lot but can regulate what happens on common areas. To regulate what happens on an Owner's lot would require a change to the Covenants and a vote of the Owners. The vote would need to be 50% of the Owners plus one Owner vote to approve changes to the Covenants.
- c) Bob noted that when the proposed STR rules were reviewed by the committee 9 lengthy reviews were received. Marge Sjoden, STR Committee Chair summarized the notes and missed several comments. This caused concern amongst several committee members as well as the Board.
- d) Bob shared that the house at 101 Chukar Rd was just purchased on November 1, 2018 by Alpine Mountain Rentals, LLC which could possibly add up to two more STR rental spaces to the community.
- e) Bob read a letter from an Owner into the notes regarding STR impact on the community. The letter is attached to these notes.
- f) Bob noted that the STR Committee's summary did not include banning STRs from BLE.
- g) Bob proposed that, in order to fully know the community's desire to have STRs banned or continue, that a vote of the Owners be mailed to all Owners to make a modification to the Covenants.
- h) Much discussion ensued regarding whether the STR Committee should continue or be postponed as well as the efficacy of the Covenant vote.
- i) A motion was made by Bob Dixon that the STR Committee should be disbanded until such a time as a vote is taken. Ken seconded the motion. The motion failed with 3 yes votes and 4 no votes. The STR Committee will remain active.
- j) A motion was made by Rich Boon that the STR committee respond back to the Board with the following items defined:
 - (1) Simplification of the Rules and Regulation for STRs so they don't duplicate city or county regulations or duplicate existing rules in BLE. Also, that they realize we cannot add new regulations regarding what happens on an Owner's property without a change to the Covenants.
 - (2) Procedures for monitoring, enforcing and paying for enforcement of the new STR Rules and Regulations
 - (3) A proposal on how the committee is organized and led
 - (4) Define communication protocol and an inclusive committee meeting notification procedure.
 - (5) The Board should be copied on correspondences amongst the STR Committee.
 - (6) The STR Committee will submit the above on or before December 1, 2018.
 - (7) The Board will respond by January 15, 2019.
- k) The board decided they will conduct a "mailing of a STR poll (*not a vote*) of all 179 members" to help understand if the membership wants to ban STR's from BLE or if the membership wants them to continue with regulations. Bob noted based on our covenants it would take 50% plus one vote of the members to ban STR's in BLE.

10) Other Topics from Members

Members

No other topics were proposed.

- 11) 2019 Board and Annual Meeting Dates Group
All meetings will be at the Lodge. Meeting start at 9:00 in the snowier months.
January 19th, 9:00 a.m.
March 23rd, 9:00 a.m.
May 18th, 8:00 a.m.
July 13th, 9:00 a.m. (Annual Membership Meeting and Picnic)
September 7th, 8:00 a.m.
November 23rd, 9:00 a.m. (Annual Budget Meeting)
- 12) Modifications to Rules and Regulations Bob
No discussion.
- 13) Modification to Bylaws Bob
Cindy DeMarco Allgood will send to Bob a correction to consider to Article 10 that is not in compliance with state law.
- 14) Adjourn: The meeting was adjourned at 12:30 p.m. Bob

END OF NOTES

These notes are a true and accurate account of items discussed and presented in the Beaver Lakes Estates Board meeting dated above. Corrections to these notes must be submitted in a written format for review by the Board and sent to the email or address below. Corrections must be received prior to the next Board Meeting.

BLE Office Contact Information:

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

Future Meeting Dates for 2019

- January 19th, 9:00 a.m.
- March 23rd, 9:00 a.m.
- May 18th, 8:00 a.m.
- July 13th, 9:00 a.m. (Annual Meeting and Picnic)
- September 7th, 8:00 a.m.
- November 23rd, 9:00 a.m. (Annual Budget Meeting)