

**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 13, 2019 – 9:00 A.M.**

**Board Members Present:**

, Rich Boon, Bob Dixon, Eric Flora, Karen Runowski, Floyd Strader, Adam Wiens

**Board Members Absent:**

Ken Berendt, Andy Olear

**Lot Owners Present:**

Aaron Oglesby, Jennifer Severski, Sherry Kuekes, Mark Ward, Jonathon Bratz, Demetria Ray, Ursula Gilgulin, John Henry, Karen Lewis, Ryan & Miranda McNamee, Tim & Anita Mihaylov, Jeff & Kim Pierron, Lila Land, Jim Perkins, Ed & Georgie Gardiner, Dena Strader, Bradley & Marsha Allen, Steve Petersen, Ken & Beth Donoher, Ed & Mary Kuiper, Khristine Prickett Vadala, Susan Wood, John Boak, Rob Bodine, Laree Morgan, W. DuBrosky, Brian Runowski, Mark Larsen, Marty Stevenson, Carlos & Donna Aponte, Mitzi Yant, Glenn & Leona Brenchley, Jean & Dan Wilkie, Warren Flint, Dan Batwinas, Tim Ratterman, Margret Sjoden & Jeff Anderson, Gayle Flora.

**Caretaker:**

Mark Larsen

**Agenda**

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|----------------------------------------------------------|-----------------|
| 1. Open meeting                                          | Bob, President  |
| a. All members please sign in                            |                 |
| b. Board members present                                 |                 |
| c. Excused absences                                      |                 |
| d. Member Volunteers to count ballots and proxies        |                 |
| 2. Treasurer Report                                      | Bob             |
| 3. Caretaker's Report                                    | Mark, Caretaker |
| a. Progress Report                                       |                 |
| b. Equipment Status                                      |                 |
| 4. Four-year BLE Improvement Plan Review                 | Group           |
| 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. Fire Restrictions
  - b. Fishing Rules
  - c. BLE Lot for Sale
  - d. Other Topics From Members
8. Adjourn Bob

## **Minutes**

1. Open meeting – Bob Dixon, President opened the meeting at 9:30 am Bob, President
  - a. All members please sign in.
  - b. Board members present –Rich Boon, Bob Dixon, Eric Flora, Karen Runowski, Floyd Strader, Adam Wiens
  - c. Excused absences – Ken Berendt, Andy Olear
  - d. Member Volunteers to count ballots and proxies  
Two members that are not Board members, volunteered to count votes and proxies

2. Treasurer Report Bob

Andy Olear, BLE Treasurer, was unable to attend. Bob provided a summary of the financial status for last year. The revenue is a little below budget. We only had one member that was not able to pay dues last year. The rest of shortfall of dues is due to members that purchased adjoining lots and combined them to only pay one dues. Bob summarized other significant differences and some accounting items. We have a new assistant treasurer and are working on some changes to provide more clarity in the future. The large amounts of snow caused several expenses to be higher (e.g. fuel, additional labor). We also had to replace the engine in the truck which wasn't expected. Depreciation Expense is a new item this year which is due to getting a new loader. Overall, we were very close to the budget when removing expenses for items that were taken from capital expenses, e.g. new loader, rather than normal operating expenses.

We have 9 members that have not paid dues this year. They have been assessed approximately \$70 interest fee at this point and notices are being sent. We feel like this is a low number of delinquencies based on the dues increase this year.

3. Caretaker's Report Mark, Caretaker
  - a. Progress Report
 

Mark reported the lower dam rip-rap has been completed. They are working on the weir to measure seepage. Overall the dam work is going well. Tyler is doing the road grading. Mark is doing some electrical work on cabin 4.
  - b. Equipment Status
 

The grader is over 40 years old and Mark spent 102 hours in May to maintain it. It's running well at this time. The loader has 8,000+ hours and is down for some major hydraulic repairs. The Backhoe has been very reliable. The Water Truck and Dump Truck both are in poor shape but not high priority. The BLE truck is running again with the new engine.
4. Four-year BLE Improvement Plan Review Group

The four-year plan is on the BLE web site and is periodically updated as we get new estimates and things are completed.

a. Equipment

See caretaker report for status, we continue to look at priorities and replacement versus repair.

b. Roads

Roads are part of normal budget

c. Dams

Much of this year's work has been completed on the lower dam at lower cost than estimated, but there is still some work to be done and some planned work will probably be delayed until next year.

d. Cabins & Campground

BLE held a survey of the members, 73 responded which is about 40% of the members. A low number of members use the cabins/campgrounds but about 80% of the people felt we should put in the \$42K septic system. Adam provided some figures regarding the cabins. Revenue from last year, \$6,152. Expenses \$6,734 (not including Mark's time and internet), but that includes the caretaker cabin which has no revenue. Bob noted the last couple years we've spent less on maintaining the cabins, which has lowered their maintenance status. The septic system at lodge/campground will cost \$42K and the septic by the caretaker cabin will need to be replaced in the next few years but will cost less.

A member noted we could expand the rental period so we could bring in more revenue. A member noted part of the insurance cost is to cover the cabins and campground. A member noted that the figures above used years that had some exceptional expenses and times when the cabins couldn't be rented. Bob summarized the figures from some previous years. Rich noted that last year was the only year that the cabins/campground didn't pay for themselves, the previous year they made money excluding internet and Mark's time. Rich noted the amenities such as the cabins, lodge, and campground, increase the value of everyone's property regardless if they use them or not. A member noted they are particularly valuable for people with unimproved properties.

A member asked about the septic for lower cabins including the caretaker cabin. Karen indicated that will probably be about \$25K. Bob noted some cabins need new roofs and exterior work. A member noted we need to include the value gained from the lodge and caretaker cabin in addition to the monetary revenue in order to have a fair comparison. A member asked why we have to replace the septic systems. Adam indicated the one at the lodge/campground was not originally constructed correctly so routine maintenance isn't able to keep them working. A member noted that overall the cabins/campground/lodge don't break even with the major expenses so that takes away from other parts of BLE. Bob explained the septic system will cost \$42K because the sizing must accommodate how many people can occupy the lodge plus the location requires it to be pumped uphill. A member asked if we should increase the rates on the cabins. It was noted there are some issues with them right now and they need to be fixed before we increase the rates. A member suggested we get rid of a couple of the cabins and leave the one by the lodge to rent. A member noted the cabins/campground/lodge aren't totally a "business" that has to break even separately, they are amenities for the whole community and raise the value of our properties. A member noted the expenses may increase dues and we just had an increase in dues. A member asked if we looked into pumping the septic much more often to keep it going longer. Bob feels that may be an option but there are parts that are failing so

couldn't go long. A member noted the campground/lodge septic isn't to code and it's deteriorating so it really can't continue to be pumped. A member noted it's a matter of priorities for roads, water, septic, etc. Adam noted there are several options including renting portable toilets, postponing future improvements, etc. Karen noted at the annual budget meeting is where we set the priorities for future projects. A member noted we have a lot for sale that could help fund some projects. A member who is a realtor indicated the amenities raise the value of the properties and is a definite selling point for properties in BLE. A member noted the dues are higher for the amenities which partially offsets the increase in value. Rich noted if any of the buildings are destroyed the county may not allow them to be rebuilt. Currently they are "grandfathered" and allowed to be maintained. Bob indicated we've heard from the members we need to continue to improve our long-term planning but we need to decide now whether to do the septic. If so, we need to find the additional \$21K for the septic that was estimated to cost \$21K but will cost \$42K.

Bob noted we had \$55K budgeted for the dams but we will not spend all of that money this year, so we could use that for the septic. Karen noted some of that \$55K will be needed in the next few years for the outlets but we will not know until next year how much is needed.

Brad Allen made a motion the Board be authorized to proceed with the septic system replacement at \$42K and the Board examine ways to increase the revenue received from rentals. The motion was seconded. Adam noted the Board should also consider the effect on the 4-year plan. Lila Land from the cabin committee noted that some repairs have been made and they can look at options. The vote was 54 yes, 3 no and the motion passed.

e. Water

See minutes of the Special Water Meeting.

f. Other (e.g. ditches, yard, shed, gates, corral, etc.)

Part of other discussions.

5. Covenant compliance

Bob received some complaints about people that are out of compliance. He noted there is one property in BLE that was assessed by the forest service as the number one fire hazard in BLE. While we haven't received specific complaints about that property but Bob the board feels like we should send a letter. The board was unanimous in moving forward with mailing the covenant violation letter. Bob requested people try to keep things neat and clean and not let their property or buildings go into disrepair. The Board suggested we give members until approximately April 2020 to self-police. After that the Board will send letters to the most aggregates offenders. An informal poll of members in attendance indicated they were overwhelming in favor of this idea. The Board will work thru how we identify the aggregates offenders prior to April 2020.

6. Downed trees from plowing and maintenance

Bob noted BLE has a 40 foot easement for the roads (i.e. 20 feet to each side from the center of the road) and if plowing pushes snow which in turn pushes trees down within that easement then BLE is not liable, but we should clean up the downed trees and will continue to do that.

7. Determine Quorum Status to Conduct Business

There were 31 members present that had not sent a proxy. Proxies were submitted for Ken 13 (not in attendance), Rich 2, Bob 15, Eric 3, Karen 3, Floyd 1, Adam 1, Larrie Morgan 1, Ken Donahur 1, Kuekes Family Trust 1. Total of 28 proxies. Proxies and members 32% which is a quorum.

8. Board Elections

The voting results were Ken Berendt 51, Eric Flora 42, and Kristine Prickett Vadala 33. Ken and Eric were elected to 3-year terms on the Board.

9. Discussion Topics

a. Fire Restrictions

Bob noted there is a sign at the cattle guard that says “Welcome to BLE” which can be flipped up to indicate no fires when there are fire restrictions in place. Karen noted that people (including part-time residents) of BLE can sign up for emergency notifications and alerts with the county.

<http://www.lakecountyco.com/>

b. Fishing Rules

Bob noted there are fishing rules and people must wear badges. Most have been in compliance. Members can’t give their badge to others but can use a guest badge with the member present.

c. BLE Lot for Sale

BLE owns a lot across from the caretaker cabin. We’re in the process of getting it surveyed and getting an easement for potential use by BLE to channel water in the future. Once sold the proceeds would go into the capital account. Ken Donoher asked about the culvert the located near the lot for sale, indicating the caretaker spends a lot of time keeping it clear. Karen indicated part of the survey is to get an easement that will allow BLE to improve it.

d. Slashing chipping

Bob noted in the past the forest service has provided chipping service at BLE and we will check to see if they will do it again this year. Karen clarified that previous chipping was a grant program, and we have not been notified that is available to us this year. Another option is that residents take their slash to the Lake Co. landfill. <http://www.lakecountyco.com/landfill/>

10. Adjourn

Bob

The meeting was adjourned at 11:30am

**BLE Office Contact Information:**

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

**Future Meeting Dates for 2019:**

- September 7 – Board Meeting 8:00 am
- November 23 – FY 2019-2020 Budget Meeting 9:00 am