

Minutes of the Board of Directors meeting of Big Elk Meadows Association (BEMA) and the Big Elk Water Association (BEWA).

Held at the Big Elk Meadows Volunteer Fire Department (BEMVFD)

July 10, 2010

Meeting called to order by Glenn Christensen at 9:00 AM

In attendance were BOD members: Sam Schwab, Leonard Arnold, Glenn Christensen, Elizabeth Hyde, Karen Scharer, Bobbie Heisterkamp, Kevin Sweeney, Guy Scoma, Russ Stacey, Linda Thul, Jerry Guthrie, and Roy McChutchen.

Also in attendance were staff, Paul Flanagan, Carole Renouf and Nelson Renouf; and member of the community Judy Arnold.

Quorum established and the agenda approved. Leonard Arnold requested we add an Executive Session after the regular meeting.

Board of Directors books were handed out to all new members of the Board. The binders contained information directors need to understand their job. This was an educational activity.

As minutes from the May 15, BOD meeting and the May 29, Special BOD meeting were still not available from the outgoing Secretary the approval thereof was tabled until the next BOD meeting.

Minutes of the June 12, 2010, were presented. Corrections were made. Bobbie moved that the minutes be accepted with corrections. Glenn seconded. Approval was unanimous.

Nelson Renouf presented the Operations Administrator's report, a copy of which is available in the office and is made a part of these minutes.

Jerry brought up that we need to get a shoring box to protect diggers whenever they have to dig deeper than 3 feet. Leonard and Sam will look into obtaining a used shoring box. Sam pointed out that there was more involved here and that he create an SOP on safety when digging and trenching.

Russ Stacey asked about who is financially responsible for a couple of items on the report and there was a discussion.

Member Communications: there was discussion regarding liens placed on a member's house and how that member's bankruptcy would affect the rights of the HOA. It was agreed that we are as covered as we can be at this point. Bobbie is monitoring the situation.

The Boulder Audubon Society wants to do a survey of our birds. Karen Scharer will follow up.

Glenn received two incident reports regarding speeding vehicles. He will follow up.

Elizabeth commented on the bad concrete at the pool. Paul said it is the ceiling of the utility room under the pool deck. The ceiling is rotting and needs to be looked at. There was discussion about mitigation.

Paul also said they were having problems scheduling lifeguards as only four are available this summer and we will run into a bigger problem in August when they go back to school. It was suggested he look into a temp service for days we can't get a regular lifeguard scheduled.

Secretary's report: Roy McCutchen reported that he had received the BEM email list from Randy Eike, but not the final couple of Minutes.

Treasurer's Report: (the adjusted and approved budget is attached and made a part of these minutes) Bobbie reported that assessments were coming in and as usual it looks like we have a lot of money but that is because a lot of people pay everything at the beginning of the year.

Tax returns are done. It was noted that the engineering expenses incurred on the dam would be reclassified as capital expenses rather than operational costs.

We reviewed the adjusted budget. It was noted that we had to reclassify some of the Alum treatment expenses and that we expect to receive \$11,720 as a grant towards these expenses. If the grant does not come through it will mean revisiting this part of the budget.

Leonard moved that we accept the 2010-2011 budget as presented.

Russ Stacey seconded the motion.

The motion passed unanimously without further discussion.

Bobbie discussed the proposed insurance policies for the coming year, which must be bound before the next BOD meeting in August. The main policy is the American Alternative Insurance Corp plan and it is coming in about \$2,000 less than last year. We have a separate policy for the pool and other recreational areas from Scottsdale Insurance Co. that cost \$3,764.65 last year, but we don't know the price yet for this year. There is a small Hartford plan that covers volunteer activity for \$310. (There is also a Directors E&O policy from travelers but it runs from April to April so it is not included in this round.)

Leonard moved that we authorize Bobbie to accept and commit to these policies with the provision that the Scottsdale policy cost no more than \$4,100.

Russ Stacey seconded and the motion passed unanimously.

Bobbie handed out and explained the Special Assessments report. This was an educational activity.

Bobbie opened a discussion about HB 1278 (Colorado Common Interest Ownership Act) and the effect it may have on HOAs and the importance of registering our HOA before the deadline.

Bobbie will follow up on the registration. This was an educational activity.

Fire Chiefs Report: Jerry Guthrie had nothing to report. Glenn pointed out that the new fire alarm worked as he received two calls from people wondering what was going on when it was tested.

Long Range Planning: Bobbie passed out copies of the LRP document and suggested we discuss the mission statement. She pointed out that we had made progress on some parts of the plan's suggested actions.

Roads Committee: Glenn removed one speed bump due to spring water action. He will replace as soon as possible.

Karen contacted Larimer County regarding the question raised by a member concerning the speed bumps and was told that Larimer county has no jurisdiction over BEM roads as they are private.

Septic Systems: Carole reported that 5 more tanks were pumped and 4 more inspected. One more letter will go out.

Lake Health: Glenn reported that the alum treatment was done on July 5th and 6th. Willow Lake and Mirror Lake were treated. We spent \$1,850 on buffering agent, but we will return as much as half of that. The alum cost \$4,224.58. Public notices were \$17.25. We still are to be billed for the application costs and for Terry McNabb's boat. We also cleaned the west side of Mirror Lake dam. Ray Merry and representatives from Colorado rural Water were both present to observe and test during the application. Ray will continue testing. Paul Flanagan suggested that we have two boats next time to split up the application of alum and buffering agent.

Karen presented the following as items we could use as criteria for success testing.

- 1) Reduction in phosphorus levels – how much reduction is satisfactory and for how long?
- 2) Clarity as measured with a secchi disk – what is the goal?
- 3) Effect on operations and cost of running the water treatment plant
- 4) Comparison to untreated lakes

Karen suggested that the Lake Health Committee establish the final criteria.

Karen has also put together a draft document on phosphorus reduction policies for the community.

Karen also reported that the sonic treatment device will be reinstalled in Sunset Lake at no charge in order to test its effectiveness for another season. She will work with the Lake Health Committee on getting it done.

Water Processing & Distribution: There was a discussion of Orica's response to Glenn's letter regarding the problems with the MIEX plant. There was some disagreement amongst board members as to Orica's responsibility and their response. In the end it was agreed that we should move ahead with the fix proposed by Orica. Leonard moved that we go ahead with Orica's proposed fix at a cost of \$2,500 to Big Elk Meadows. Roy seconded the motion and it passed unanimously. It was brought up that we have been very generous in promoting Orica's process, giving tours and such, and that we might back off on that in the face of the fact that we have

never received any compensation for sales Orica may have made as a result of that promotion on our part.

Fire Mitigation/Beatle Kill/Weeds: Several members did a lot of work before the 4th of July event. There are a number of big trees in the horse pasture that need to be cut and wrapped. We will ask the Fire Department to provide sawyers.

Architectural Reviews: The carport brought before the Board at the last meeting was approved after the appropriate neighbors were contacted and expressed no concerns.

Several items were brought up to the Board for architectural approval regarding the house being constructed at 407 Hemlock. Several people brought up concerns regarding the construction project. Specifically, there was concern regarding placement of the structure on the lot and the use of BEM common land for storage of materials, a dumpster and equipment.

Leonard Arnold moved that no further architectural approvals be made by the Board regarding the house being built at 407 Hemlock until the current construction is verified to be in compliance with the plans that were approved by BEM Architectural review. Should the current construction be in compliance with that which has been approved, then those items currently under consideration, specifically shingle, paint and siding, shall also be approved. Russ Stacey seconded the motion and it passed unanimously.

Karen Scharer moved that we draft a letter notifying the member/owner of the same house under construction at 407 Hemlock that they must immediately cease and desist from using Big Elk Meadows Association common land for storage of materials, dumpster and equipment, and that the land must be restored and established to its original state within 60 days. Russ Stacey seconded the motion and it passed unanimously. Kevin Sweeney agreed to draft the letter.

Adopt-a-Tree: Glenn reviewed a draft letter to membership requesting financial support for continuing the program.

Fuel Tanks: Russ discussed the progress. He will write letters to everyone that still has not dealt with their underground fuel tanks. There was discussion of one member who has been very unresponsive. Leonard moved that we send the member a letter stating that, having not responded to repeated requests to deal with fuel tank(s) on his property, that BEM will exercise its right under the bylaws, rules and regulation of the HOA to have the tank(s) located, inspected, pumped, mitigated as necessary and that the member will be invoiced and held responsible for cost of the services. Karen seconded the motion and it passed unanimously.

Horse Pasture: Glenn reported that Sam said he would have the unauthorized structures torn down and make sure all horse owners have the correct paperwork on file.

Broad Band: Karen reported that we are not in Qwest's planned area for broadband, but the committee is pursuing other possibilities. The committee passed around a petition on which there were over 50 signatures requesting the BOD to write letters on behalf of the community. There is a possible grant for satellite coverage that the fire department might be able to apply for.

Old business:

Sierra Gutters will be in the Meadows on July 19th to work on the BEM gutters.

Several liens were placed on members lots.

Saturday July 17th will be a work day to work on installing the helipad lights

There was a discussion regarding the slash pile, dumpster and gate access to same. Roy made a motion to return to locking the slash pile gate with a combination lock combination matching the gate combination to allow access by members and to install signage regarding usage of the slash pile and dumpster. Bobbie seconded the motion and it passed.

Loan Application: Leonard reported that the application was progressing. We set Wednesday July 28th at 5PM for a required public meeting pertaining to the loan.

There was a motion to adjourn the regular meeting at 1 PM. It was seconded and the regular meeting was adjourned. The board then went into executive session.

These minutes respectfully submitted
Roy McCutchen, Secretary BEMA/BEWA

The Executive session was called to order. Executive session minutes are not available to the public.

[These minutes were approved with corrections incorporated herein at the August 14, 2010 BOD meeting]