

Blue Lake Board of Directors
Meeting Minutes
March 11, 2009

MEETING CALLED TO ORDER AT 6:30 pm

Board members in attendance: Susan Atwood, Bruce Pearson, Stan Snyder, Missen Brucker, Cheryl Bach, and Scott Wirkler. Absent: Kelly McKenney. Also in attendance: Gina Shaw, Joe Meade, and Robert Giacinto, Keith Johnson, Phil Jolles, Curt Mason

SUNORA LEASE: Members of the contract committee met with the owners of the hair salon last week to finalize the lease. The board approved the lease as written. Gina will get signatures Friday.

SIDEWALKS: Missen and Robert Giacinto presented the sub-committee's findings to the board. Eagle County will not head the project as they lack the equipment required for this project. All improvements must meet ADA requirements to receive public funding. After reviewing our options, the committee recommended replacing the sidewalk that was removed; removing and replacing the sidewalk from the W. Badger to Coyote; creating a connection with a culvert at Black Bear; and also replacing 75 to 100 feet of path leading to the bridge at the pond. Replacing the path eliminates the need for the three crossings the Board identified as a priority. The areas under consideration will eliminate liability of trip hazards where tree roots are badly heaving the paths. The most popular connection to the lake was not at the actual lake entrance as previously supposed but from the end of the path behind the office building to the lake. This connection from the pond to the lake was tabled to another year as there are ADA and safety issues because of the grade. Hans Brucker (Engineer), Brad Higgins (Eagle County Road & Bridge), and Greg Schroeder (Eagle County Public Works) are unanimous in recommending the use of asphalt due to lack of evidence that the rubber products previously considered are appropriate for our climate and the fact they are cost prohibitive.

Susie made a motion to revoke the decision to concentrate on crossings at Pica, Rabbit and from the pond bridge to the lake gate in favor of the new plan. Missen seconded. Motion passed unanimously. Susie made a motion to revoke the use of road base as an experiment from E. Badger to the RFTA stop. Bruce seconded. Motion passed unanimously.

There was discussion about conversations Missen has had with arborists regarding how much tree root can be removed without harming the health or stability of the trees. The installation of the new path will include a 6 inch application of ¾ inch rock; then a landscape film, road base, then 3 inches of asphalt. This will allow oxygen and water to get to the tree roots and reduce future heaving. Gio recommended that, if necessary, the trees by the pond be treated first rather than the poplars on JW Drive to determine the effects of following the arborists' advice.

The committee has received a bid from Elam Construction and is awaiting another from Grand River. Keith Johnson recommended a third company to bid the job. The first step will be to obtain a lot line survey which may cost around \$4000. The total paving project is estimated to take 3 weeks. A project manager will be hired at a cost of \$2400-\$3000 as this is beyond the scope of Joe's duties.

Robert Giacinto proposed prioritizing project segments in order not to exceed the budget. He feels that we can postpone segments to keep costs under \$100,000. There was consensus to wait until other bids are in to vote to approve anything specific. The sub-committee will negotiate to get the best "bang for the buck."

HOMEOWNER COMMENTS: Phil Jolles voiced his concern about the board incurring legal fees in efforts to collect on delinquent accounts. The board assured him that they keep a running list of legal questions and seek legal advice only when absolutely necessary to protect the interests of the association.

IRRIGATION: Feedback to the Board has suggested the Board is taking on too many projects in uncertain economic times. At issue is starting the irrigation project before finishing the sidewalks. Susie spoke briefly about discussions she's had with Jack Musser (former board member and local realtor) and mortgage bankers. According to Jack, there are 20 properties currently for sale in Blue Lake. Nothing is under contract or sold in many months. Will the HOA start to see foreclosures? Will assessment collection decline? There was discussion about how this should affect our expenditures. The current reserve plan was reviewed. The Board decided to pursue the lighting and fence projects.

At the last meeting it was decided that updating the pump and pump house would be the first step in the irrigation project. This involves new electrical service, a 10hp pump, trenching and new pipes for the current system. New pipes are required as a 10 hp pump, which is optimum for the planned expansion, would blow the current system. Joe Meade distributed an electrician's estimate for alterations to the pump house at the lake. This would not include trenching to the pump house, or the pump itself. Current electrical services could handle up to 5hp while we have a 2hp pump currently. There was discussion about what, if any, improvements should be completed this year. It was pointed out that the current pump is not adequate for the current sprinkler system. Discussion ensued regarding improving the

current system with a new pump or partial implementation of the global plan. Bruce made a motion to spend up to \$7000 doing electrical improvements to the pump house. Motion died for lack of second. There was consensus that the irrigation expansion be tabled until next year with the budgeted funds to be rolled into next year's irrigation project.

LAKE FENCE: Joe was directed to replace the rotten fencing at the lake.

LIGHTING AT TOT-LOT AND SOCCER FIELD: The board asked Gina to get bids for lighting these areas for security purposes only. Parks will remain closed at dusk. Phil Jolles offered to help develop the scope of work.

COLLECTION POLICY: Stan presented a proposed policy to prevent assessment delinquency and avoid collection issues. The new policy is based on time delinquent rather than amount delinquent. Gina was asked to mail the proposed policy with the April mailing. The board will vote to approve this policy at the April 8th meeting.

ACCOUNTING SCOPE: Bids were received from Reese Henry, McMahan & Associates, and Dalby Wendland. Stan questioned Dalby Wendland's ability to audit their own work since they did our financial reviews in 2008. There was discussion about the need for a review versus an audit. Stan made a motion to hire McMahan & Associates to do an annual review for 2008. Missen seconded. Motion passed unanimously. Stan will contact McMahan & Associates. Gina was asked to write a letter thanking Dalby Wendland and Reese Henry for their bid submissions.

The issue of internal control arose with the dismissal of Dalby Wendland. The Board is in favor of hiring an outside bookkeeper to review monthly income statements, bank reconciliations, and update the balance sheet book. Kathy Riggle, former Dalby Wendland employee in charge of our account, is available and was highly recommended by Stan Snyder and Susie Atwood. Missen made a motion to hire Kathy Riggle for 3 -4 hours/month. Stan seconded, and the motion passed unanimously. Gina was asked to contact Kathy to ask for a contract for committee review. Susie Atwood will contact Brian Smith regarding filing an extension for our tax return.

LAKE RULES: The goal of reviewing/revising the rules is to preserve and protect our lake, reduce association liability with respect to our lake, and minimize use by non-residents. The use of vehicle stickers was discussed further. Missen made a motion to not institute a sticker system. Motion passed 6:1 (Kelly's proxy). Discussion ensued about size limits on parties, requiring damage deposits and port-a-potties. Joe reported that damage to sprinklers by tent stakes is the biggest problem. There was consensus that no limit to the size of the party or requirement for renting port-a-johns will be imposed unless there is trouble in the future. Missen made a motion to require a \$300 damage deposit for parties erecting tents or bounce houses. A signed a contract stating that weights, not stakes, is also mandatory. Bruce seconded. Motion passed unanimously.

Gina was asked to write an article for the April Bugle about water quality in the lake. Joe will purchase a sign for the beach area that reads, "Unregulated water quality; swim at own risk."

JOE MEADE'S REPORT:

- Joe plans to hire Jim Shaw to work full-time through the growing season.
- There was discussion about the exploding number of geese at the lake. Missen and Joe will contact the DOW for possible solutions.

GINA SHAW'S REPORT:

- The responses from homeowners who received the "multi-family letter" last month were discussed. Gina was directed to contact the county commissioners regarding lack of enforcement by the code enforcement department.
- Outdoor Services recommends spraying ground weeds only twice this year. Their pricing remains the same as last year. There was discussion about MSDS compliance. Gina will write an article for the Bugle about the timing of spraying and work with Outdoor Services to insure posting of flags, etc.
- Brush Creek Landscaping will spray the trees in the common spaces again.
- Office building tenants have received notice to provide certificates of liability insurance.
- CDOT has been contacted to put up signs along the highway to slow traffic during the volunteer clean-up on April 4th (April 11th if bad weather on the 4th.)
- Waste Solutions has been charging a fuel surcharge. Susie will talk to Wally at Waste Solutions.

BOARD MEMBER COMMENTS: There has been no response since our attorney sent a letter to High Country Engineering. Bruce said he will write a letter to the Dakotas' homeowners. Gina offered to do the first draft.

MEETING ADJOURNED AT 10pm.