

**MERIDIAN LAKE PARK CORPORATION
MINUTES OF THE SIXTEENTH ANNUAL HOMEOWNERS'
ASSOCIATION MEETING**

JULY 9, 2007 – 5:30 P.M.

**QUEEN OF ALL SAINTS,
CRESTED BUTTE, COLORADO**

Ron Baker, President of the Association, called the meeting to order at 5:40 p.m. There were 104 members present at the meeting or represented by proxy and Angela announced that the meeting had a quorum. She said that notice of the meeting had been mailed on May 25, 2007. Ron thanked the Board members for their dedicated work on behalf of the Association.

A motion was made by Curt Wilker to dispense with the reading of the minutes and to approve the 2006 annual meeting minutes as mailed. Sam Ganz seconded the motion and it was unanimously approved.

President's Report

Ron said that sales in Meridian Lake Park had slowed during the past year but prices had remained at the higher level. He said MLPC was approximately two-thirds built out with more than 50% of those homes occupied year round.

Ron explained the MLPC Board meets bi-monthly on the third Thursday of every odd numbered month and that members were welcome to attend those meeting. He said minutes of all meetings were posted on the website at www.meridianlake.com or questions could be directed to the association by calling 349-2002.

Ron said the school bus service had been resumed after additional guardrail was installed on Washington Gulch. However, lack of use of the bus could result in the service being terminated.

Ron explained that the deterioration of the recycling program had led to it being cancelled. He said the Board regretted the elimination of the service and was actively encouraging the county and Waste Management to reconsider their overall plans for recycling.

Ron encouraged all owners to check the roster to validate their correct contact information.

Capital Improvement Project

Ron explained that after more than three years of effort the Capital Improvement Project was completed. He said the project was completed on time, according to the original

schedule and completed well within budget. At the conclusion of the project only \$800 of the \$80,000 project contingency had been used. After setting aside \$6,000 in the capital reserve account for future CIP issues which might arise, a refund of \$400 had been made to all owners. Those owners who had paid the special assessment by lump sum had received a \$400 check and those owners who opted for the financing option had \$400 applied to the end of their loan so that they would finish paying approximately one year earlier than planned.

Ron said the County was running late on its maintenance schedule but would be repairing winter and spring damage to the roads very soon. He said some areas would require remediation of drainage as well as new asphalt and some just required asphalt.

Ron thanked Bill Ronai and Curt Wilker as well as the MLPC Board for their effective leadership of the Capital Improvement Project.

Roger Cram asked to review a final budget for the entire project. It was agreed that a breakdown of the CIP expenses would be loaded on the website.

MLPC Domestic Water and Fire Suppression System

Ron explained that two years ago owners had been complaining about the clarity and taste of the water and Mt. CB Water & Sanitation had responded by increasing the back flushing the existing treatment system. Although the back flushing improved the quality of the water the District had difficulty keeping up with water demand. This difficulty was exacerbated by growth in MLP and by increased water use by owners. As a result of those problems the Board and W&S had made an extensive review of the water system.

Ron explained that the review had highlighted three areas of concern:

- There was no connection between the water stored in the reservoir and the water treatment plant.
- If more raw water could be directed to the treatment plant, the ability to treat the water for full build out was not available.
- If the first two issues were addressed it was still not possible to store adequate volumes of water to meet our current fire insurance rating in terms of both duration and pressure.

Ron said Mt. CB Water & Sanitation provides water and sewer services to MLPC but the system is a stand alone system and is separate from the District's East River system. He said during fall and early winter in 2006 there had been numerous meetings to address the three areas of concern mentioned above and a master plan was now in place to address those concerns. He said contracts had been awarded for construction of the first of three needed projects and a contract for the engineering work for the fire suppression project has also been awarded.

Chuck McGinnis explained that work was already well underway at the water treatment plant and the pump station work would commence in the Fall. He said that because of the dam the project was subject to very strict regulation by the State. These regulations have substantially increased the cost of the Pump Station Project. The Water Treatment Plant Expansion Project is targeted to complete this Fall and the Pump Station Project by year end.

Chuck said once the work at the treatment plant was completed there would be additional treated water capacity as well as an emergency generator for back up power. In fact, the Water Treatment Plant expansion will provide sufficient capacity for MLP at full build out. Additional landscaping will be planted around the treatment plant and the new generator.

Chuck explained that engineering was also underway for the fire suppression project but it was not known at this time if a new tank would be required or if the existing tank would be expanded. Suzie Maclean complained that access to the construction site must be via the utility easement road and should not be between her property and the Ronais as W&S had done in the past. Chuck agreed to raise her concerns to W&S and said W&S has said that it was their intention to use the road. He said the road access would likely have to be widened due to the need to bring tank sections to the site. Care will be exerted to minimize damage to surrounding trees. Chuck explained the scope of the Fire Suppression Project also includes new fire water pumps, two pressure control zones, a tank mixing system, back-up power generators, and a dedicated new fill line to the tanks.

Doug Wiley who had worked for the fire department expressed various concerns and cautioned that older pipes in Filing 1 and 2, designed for a gravity fed system, may not be able to withstand the additional pressure.

Bill Ronai explained that work on the water treatment plant and the pump station should approximately be financed by reserve funds resulting from the excess of revenues over expenses related to MLPC since 1995. However the possible \$1.5 million to \$2.1 million fire suppression project cost would have to be funded by other means. Bill said that one possibility would be for W&S to issue a new bond which, depending on the interest rates at that time might also include rolling the existing bond into the new one. Under this scenario owners could expect an additional water surcharge payment to W&S of between approximately \$50 and \$70 per month. Bill said as soon as the Board received more information from W&S they would pass it onto owners.

Anne Ronai said that when firm figures were available the Board should go to the owners and vote on the work. Pam Wilker suggested holding a special meeting to discuss the water issues. Gordon Reeves encouraged owners to attend W&S monthly meetings.

Ron Baker thanked Chuck McGinnis and Bill Ronai for the many hours of research and discovery.

Washington Gulch Winter Usage

Chuck McGinnis explained that the Forest Service had implemented a compromise solution for the winter usage of Washington Gulch and the compromise appeared to be working well. Snowmobile traffic in restricted areas has decreased and most travel to the Forest Service boundary has been via the authorized corridor. He said the County dealing with the commercial snow park facility in Elkton. However, he said a full resolution of Washington Gulch's winter use would have to wait until the winter travel management plan was revisited.

Noxious Weeds

Melanie Rees encouraged all owners to landscape and seed their lots before noxious weeds were able to take over. She encouraged owners to pull weeds and to bag the weeds for collection by Waste Management on Fridays and to contact her at (970) 349-9845 if any owner had questions regarding weeds. She explained that if a plant suddenly appeared in a yard and blossomed quickly, it was probably a weed! Melanie said an invasive Mustard weed was new to the area this year.

Financial Report and Ratification of Budget

Angela Reeves said a Balance Sheet detailing the 2006/07 expenses had been distributed with the annual meeting package. At the end of the year the Association had approximately \$30,000 in the Operating Account and \$25,000 in the Capital Reserve Account. She said that expenses for 2006/07 were approximately \$4,000 below budget.

Angela explained that perimeter fencing in 2006 had been completed by Al Davidson, a tenant in MLPC, and he was currently working on this year's repair. She said some cattle had entered the subdivision through two locations, one in Filing 1 and one in Filing 3 and he was adding additional posts in those areas.

Angela explained that the 2007/08 budget was very similar to the previous year with dues remaining at the same level. She said additional money had been added to common area maintenance (weed removal) and perimeter fence maintenance.

Marty Evans made a motion to ratify the 2007/08 budget. Doug Wiley seconded the motion and it was approved.

Election of New Board Members

Ron Baker said there were five nominations for four positions. He said Andrew Crossley was unable to attend the meeting but asked Scott Desmarais, Jim Maclean, Kurt Olson and Bill Ronai to introduce themselves.

After collecting all votes Gordon confirmed that Andrew Crossley, Scott Desmarais, Kurt Olson and Bill Ronai were appointed to the Board. Gordon explained that the votes were extremely close.

New Business

Roger Cram said a group of residents had got together to discuss the future of the tennis courts. He suggested that a sub-committee be formed to discuss how to enhance the tennis playing experience, provide a play area and develop a long range plan for that common area. Roger suggested that the work could be funded by creating another building lot on the fence line of the common area. He suggested engaging an architect to prepare a master plan for the recreational development of the common area which might include new courts, separate playground and a post office annex building.

Lash Hansborough said roaming dogs were causing problems within Filings 1 and 2. David White said he had been contacting owners with roaming dogs and would continue to do so throughout the filings.

Chuck McGinnis thanked Ron Baker for his outstanding leadership of the board over the last four years. Ron was elected president immediately on joining the board and it is unlikely our accomplishments of the past several years could have been achieved without his leadership. Thank you Ron.

Bill Ronai thanked Chuck McGinnis and Gabi Prochaska for their contributions to the association and the board. Special recognition was given to Chuck for his excellent leadership of the Architectural Control Committee during his tenure on the board.

The meeting adjourned at 8:00 p.m.

Prepared by Angela H. Reeves