

**MEADOW LAKES MOUNTAIN ESTATES PROPERTY OWNERS ASSOCIATION  
ANNUAL MEETING AUGUST 3, 2013  
MINUTES – DRAFT**

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**MEETING MATERIALS HAND DELIVERED BY THE SECRETARY OR MAILED VIA USPS TO THE MEMBERSHIP:**

- Agenda for 2013 annual meeting
- Proxy
- Absentee ballot
- Minutes from 2012 annual meeting - draft
- 2012-2013 financial statement
- 2013-2014 proposed budget

**MATERIALS E-MAILED TO THE MEMBERSHIP SEVERAL DAYS BEFORE THE MEETING:**

- Proposed MLMEPOA Association Water Management Plan

**HANDOUTS FOR THE FIRE MARSHALL REPORT & USFS PRESENTATION:**

- Ready, Set, Go! Your Personal Wildland Fire Action Guide
- Wildfire & Insurance
- Chaffee County Citizen Emergency Preparedness Guide
- Home Fire Protection in the Wildland Urban Interface: The Landowner's Role in Fire Prevention
- Fire and Water Wise Plants for Foothill & Mountain Landscapes
- 10 Tips for Fire Safety
- Firewise Construction Design and Materials
- Creating Wildfire Defensible Zones
- Roofing Materials
- Defensible Space Works! A Guide to Protecting Homes, Lives and Property in Chaffee County

**CALL TO ORDER:** Toby Dunn, President, called the meeting to order at 1:15 p.m. on Saturday, August 3, 2013, in the Community Room of the Sangre De Cristo Electric Association.

**SIGN-IN SHEET & PROXY COUNT:** 21 members present and 20 proxies that constitute a quorum of 41 of the 51 members of MLMEPOA as follows:

- **Owners Present:** MVR-Springer, Lot 3- Rogers, Lot 4-Carpenter, Lot 6-Price, Lot 8-Brammer, Lot 10-Wimmer, Lot 13-Daly, Lot 15-Eccles, Lot 16-Wilder, Lot 18-Smith, Lot 19-Hogue, Lot 24-Shalett & Waters, Lot 27-Dunn, Lot 29-Harshberger, Lot 31-Hitchcock, Lot 37-Heinson, Lot 40-Tomanek & Boak, Lot 41-Johnson, Lot 42 & Lot 44-Van L. Maas, Lot 46-Heynis
- **Proxies:** Lot 1-MacLeod (Dunn), Lot 2-Feuerstein (Wilder), Lot 5-Wheeler (Brammer), Lot 7-O'Brien (Dunn), Lots 11 & 12-Ary (Carpenter), Lot 14-Thompson (Daly), Lot 20-Harwell (Smith), Lots 22 & 23-Maudlin (Smith), Lot 25-Gruber (Smith), Lot 28-Dethmers (Brammer), Lot 30-Pankow (Brammer), Lot 32-Hinks (Smith), Lot 33-Massey (Johnson), Lot 34-Bullock (Smith), Lot 35-George (Johnson), Lot 38-Winslow (Smith), Lot 39-Craft (McGinnis), Lot 43-McGinnis (Johnson)
- **Others Present:** John Mark Lewis, Salida / Leadville USFS Ranger District, Michelle Springer Madd, Ted and Sue Osowski

**RECOGNITIONS:**

- Introductions of everyone present
- Board members acknowledged for their service: Phyllis Ary, Vice President, Paula Wilder, Treasurer, Kay Carpenter, Secretary, and Larry Shalett, Member-at-Large

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- Committees acknowledged for their service: Roads, Building, and Waupaca Reservoir
- Assistance with MLMEPOA projects provided by: Hugh Eccles, Franklin Springer, Milo Johnson, and Leonard Smith

**WELCOME TO NEW MEMBERS:**

- Geoff and Kristin Feuerstein: new owners of Lot 2 previously owned by the Storms
- John and DiAnna O'Brien: new owners of Lot 7 previously owned by the Lowrys
- Kevin and Wilhelmina George: new owners of Lot 35 previously owned by the Venards

**OLD BUSINESS:**

1. **Fire Marshall & MLME Community Wildfire Protection Plan (CWPP) Report:** Larry Shalett, who serves in this position, invited John Mark Lewis of the Salida / Leadville USFS Ranger District to talk with the membership at the meeting and address concerns about fire safety at MLMEPOA. The following are highlights from the presentation and discussion:
  - In 2013, there have been seven fires in both districts compared to 38 in 2012.
  - There is currently a defensible space project underway north of Frenchmen's Creek and west of Mountain View Ranch to improve conditions should there be a fire. Most winds are from the southwest. The project includes thinning trees and underbrush to the west of the Wise Ranch, and it will begin about October 1<sup>st</sup> as crews are available and will continue for 2-3 summers. Tree limbs up to a height of seven feet will be removed and trees taken out to provide a 400-800 feet of clearing. Piles of slash will be burned in the winter months. Mesa Antero and Game Trail were both recently mitigated.
  - A member asked about the ribbon color the USFS will use to identify trees that will be taken out. The response is the USFS will use yellow ribbon to identify private and forest service land, cutting areas, and streams studied.
  - A member asked if commercial operators were working on the mitigation project, and the response was no.
  - A member asked about the spread of the pine and spruce beetles. The response was:
    - a. Spruce Beetles: The beetles are spreading into Chaffee County from the Pagosa Springs area. We do not have many yet, and it will probably take another 10-12 years for them to become a problem.
    - b. Pine Beetles: These beetles are less a threat than the spruce beetles. They have not yet made it out of Summit County into Leadville.
    - c. It appears we are ending a drought cycle so the beetle problem should be minimal in the future because it's the lack of rain that allows the beetles to infest drought-stricken trees.
  - Grant funding is available for private areas to burn brush, remove dead wood, and assess fire risk for individual homes. MLMEPOA is more likely to be approved for a grant because the USFS had done fire mitigation around the subdivision.
  - A member asked about the availability of grant funds if MLMEPOA is competing with other local subdivisions for the same pot of money. The response was that Stevens grants are available for the USFS to do the work for us. Other grants provide funding for our local fire department to assess our properties for potential fire hazards. The work usually involves removing lodgepole pines and ponderosa pines with mistletoe infestation and leaving all other trees.

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- The 2007 Frenchmen’s Creek fire that burned seven acres was stopped quickly because water from Early Dawn was dropped onto the fire. The USFS needs to get formal permission to do this, and it is working with the MLMEPOA Board to formalize a plan for using both Waupaca and Early Dawn water to fight future fires.

**Discussion and Follow-Up:** Larry said that Brian Welch, Chaffee County Fire Protection District, can be contacted at (719) 395-6545 to do a home visit to assess its potential fire risk. The membership thanked Larry and Mr. Lewis for their presentation. Members will call Larry as necessary to discuss fire prevention measures with him.

2. **Minutes of 2012 Annual Meeting:** Toby asked if there were any changes to the draft minutes sent to the membership. There were no changes. A motion was made and seconded to approve the minutes. The motion passed unanimously.
3. **Mountain View Ranch Presentation:** Michelle Springer Madd, together with her father Franklin Springer, made the following presentation to the membership:
  - The Springers, who own Mountain View Ranch, have always had a special relationship with the homeowners of MLMEPOA. In the last several years, MVR and MLMEPOA appear to have divergent views about managing water for the ranch and the subdivision that seem to have harmed these historically cordial relationships. The Springer family would like to bridge these differences by providing a history of the ranch and providing their perspective about water issues as a starting point for future discussions with MLMEPOA about the management of water on the ranch.
  - MVR is the second oldest cattle brand in the state and has four separate water deeds from four different US presidents dating from the mid 1850’s. These water deeds contribute to making MLMEPOA such a great place to live. The ranch was originally homesteaded as 640 acres or one section, and there is an old graveyard used by the original settlers by Early Dawn Lake. Franklin brought the original deed signed by President Grover Cleveland for the members to view.
  - Franklin first saw MVR when he was working at Twin Lakes. The Springers developed the subdivision as a way to afford to purchase MVR. Franklin put in the roads and reservoirs and Michelle helped her family plant trees, build houses, and develop the water flow from Pine, McFaddin, and Morrison Creeks that all now converge near the Palpant’s property. The Springers expanded the meadows and Michelle used the old equipment now sitting in the area by the Palpant’s to cut and haul hay. Michelle feels that MVR and all the homes within MLMEPOA are her home and family, and she wants us all to know the history of the ranch so that this understanding can be applied to our interactions today.
  - MVR is currently for sale. The Springers would like to sell to someone who will continue the ranch and will not sell the water rights. It could possibly be used as a hunting camp or conservation easement.
  - The Springers do not agree with and are hurt by the proposed MLMEPOA Water Management Plan that was e-mailed to the membership a few days before the meeting. This plan is included in its entirety under *New Business, Section 3 - Proposed Water Management Plan*. The proposal includes assessing each of the 96 well rights at a rate of \$40 per year beginning in 2013 and assessing a one-time tap fee of \$4,000 for drilling a new well under these rights. The burden of this assessment would be to MVR which owns 36 of these well rights (one as

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a member of MLMEPOA and 35 others). Michelle stressed that MVR has historically maintained Waupaca Reservoir and the water system that drains into it without cost or little cost to MLMEPOA, and the Springer family does not feel that the proposed assessment takes this into account.

- The Springers suggest that MLMEPOA have as little interaction with the state water officials as possible so as to make operating and maintaining the water system easier.
- The Springers do not agree that all the water in Waupaca Reservoir belongs to MLMEPOA because it comes from water rights in Pine, McFadden, and Morrison Creeks that belong to MVR. Michelle handed out two charts showing:
  1. Water rights according to the water courts. The chart shows that in a normal year, Pine Creek goes through the Wise and Palpant properties and combines with Morrison and McFadden Creeks to flow through MVR's upper and middle meadows to Early Dawn Lake and then to the lower meadow and the Arkansas River. Historically, the water flowed along the road from Early Dawn to the river before Waupaca Reservoir was constructed.
  2. Required water release per year for MLMEPOA at 14.3% of the total available to MVR in a normal moisture year. Her brother, Doug Springer, developed this chart from five measurements he took before the upper creeks dried up. In drought years, MLMEPOA's percentage of the total water available would be less than the 14.3%. MLMEPOA and MVR need to work together to resolve these differences of opinion and develop a common water management plan.

**Discussion and Follow-Up:**

- A member asked who owns the roads that are located between the two plats of the subdivision: MLMEPOA or MVR. Mr. Springer responded that this section of the roads is owned by MVR and that the ranch now is about 160 acres after the subdivision filings and the other sections sold to the Palpant, Osowski-Pittmans, and Campbells/Threadgills.
- A member thanked the Springers for the beauty of the ranch and our common interest in MVR. MLMEPOA as an HOA is still in a learning curve and will have additional discussions about the water document so as to have input from all those impacted by its proposals.
- The Springers promised to begin documenting the history of the ranch so that we could all share it.
- A member asked about the work done above and through the Wise Ranch to bring water to MVR in pipes. The Springers stressed that it is a very good improvement to have all the water from Pine, McFadden, and Morrison Creeks underground in pipes to MVR rather than the old flow through ditches from the area above the Wise Ranch. The water is now protected from evaporation and the transportation system from damage by wildlife, storms, and hikers.
- A member who has property adjoining Morrison Creek asked about its being diverted. The Springers responded that water is only run through the old creek bed at peak water flows as usually happens in the early spring.
- A member asked for more information to locate the places talked about. She was directed to the MLMEPOA map on the HOA's website [www.mlmeboa.com](http://www.mlmeboa.com).

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3. **Building Committee Report:** Dan Daly, Chair, presented the following report:

***Building Committee  
2012-2013 Annual Report  
August 3, 2013***

*The Building Committee approved the only two improvement applications received this year.*

*Last October the Jewells (Lot 26) received approval to replace several south-facing windows and a glass sliding door in their home. The work has been completed.*

*This July the Eccles (Lot 15) received renewed approval for extending their deck around to the south and east sides of their home. The project had been delayed after receiving prior Building Committee approval in 2011. Construction has not yet started, but completion is anticipated sometime before next summer.*

*As information only items, the Committee notes that:*

*Ted Osowski, owner of the parcel of land immediately west of lots 35 and 36 at the top of Morrison Creek Circle, has begun construction of a new hybrid timber frame home. Ted Palpant, the landowner west of lots 14-16 on Mountain View Drive, has begun construction of a steel frame storage/shop building. These two properties are not within the boundaries or jurisdiction of MLMEPOA, but both are accessed using our roads.*

*Respectfully submitted,*

*Dan Daly, Chair  
Jamie Page, Member  
Rebecca Hitchcock, Member*

The report was approved by the membership.

**Discussion and Follow-Up:** Toby mentioned that the forms and applications are available on-line at the HOA's website [www.mlmeboa.com](http://www.mlmeboa.com).

4. **Roads Report:** Paula Wilder presented the following report for Mike Wilder, Roads Coordinator:

***Road Committee Report  
MLMEPOA  
August 3, 2013***

*It was determined after Meadow Lakes Mountain Estate's 2011-2012 fiscal year that it would be cost effective to contract out our snow removal and to sell the truck used for snow plowing. This change was per the suggestion of MLMEPOA's road committee. The board carried out their recommendation by selling the truck and items pertaining to its use and contacting three road contractors that do snow plowing. Two contractors, Miles Construction and Lowry Construction, declined. Marv's Construction, our usual road maintenance contractor, offered us a very reasonable snow removal bid.*

*The 2012-2013 fiscal year road budget of \$12,000.00 (based on previous years' expenses) was divided between snow removal \$5,000.00, and general road maintenance \$7,000.00. The general road maintenance funds are to be spent after snow removal is complete in case of an extreme snow fall year.*

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*The roads were graded last fall to assist in smooth snowplowing. The 2012-2013 winter snow fall was fairly normal, with an average amount of snow plowing required. Thank you to Billy Cordova owner of Marv's Construction for doing a great snow removal job!*

*General road maintenance including ditch clean-out and grading was done in July. This road maintenance was done to permit proper drainage, road smoothness, allow for clear forward visibility, provide for the safety of our residents and to preserve the market value of our homes. The amount of road work done this summer was dictated by the available road budget funds.*

*The leak on the north side of the road above the 2<sup>nd</sup> cattle guard (by the small red rental house) is still under investigation and should be fixed before the end of the summer to prevent ice build up on the road this coming winter.*

*There are no plans to widen the roads including the removal of trees, shrubbery or large rocks at this time. Marv Cordova did suggest that all the roads need new road base which will be done in the future when the budget allows.*

*Please remember to drive slowly on MLMEPOA roads to reduce the need for grading and for the safety of people and pets who walk along them.*

The report was approved by the membership.

**Discussion and Follow-Up:**

- A member calculated that the total cost for MLMEPOA's ownership of the truck was \$82,000, and said that at the time, purchasing the truck seemed like a good idea but in actuality, it was very expensive.
- A member said that the contractor who installed the fiber optic cabling under Mountain View Drive up to the upper cattle guard should pay to repair the roadway to its original condition with three inches of compacted base. The member will give the cost estimate and contact information to Dan Daly to pursue.

5. **Waupaca Reservoir Committee Report:** Rob Wimmer, Chair, presented the following report:

***Report of the MLMEPOA Dam Committee Activities During 2012-2013***

*During the annual meeting in 2012, the Dam Committee was budgeted to begin its search for appropriate advice and counsel to enable our association to provide a lasting solution to interpreting and coordinating our needs with those of the state regarding how our responsibility for the Waupaca #2 Reservoir and the Plan of Augmentation can best be met.*

*In an unsuccessful effort to reach agreement with Mountain View Ranch (MVR), the "parent corporation" of both MLMEPOA and Colorado Water Decree W-4527, representatives were contacted seeking common ground for a contract relating to management of water flowing through Waupaca #2. The interests of MVR and our association diverge at some point relating to finance and control of water flowing into and out of Waupaca #2. Therefore, the Dam Committee pursued additional interpretation and advice of the Colorado Division of Water Resources engineers in Pueblo, which governs Augmentation Plans in our geographic area. Based on that advice and on a subsequent inspection by their Dam Safety Engineer the Committee employed the services of a water resource advisory group civil engineer located in Salida.*

*She has made site visits to Waupaca #2, conferred with Colorado Division of Water Resources and dam safety engineers. She has submitted preliminary plans for Waupaca #2 to keep our association in good standing with the state, help us properly utilize our water resources, and meet*

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*our responsibilities for the reservoir dam and Plan of Augmentation. Equipment she has recommended will achieve the reliable and consistent water level in the reservoir required by the state while also enabling MVR use of the water for irrigation and power production per the lease arrangement with Mr. Springer we made last year. We will continue to work with the engineer until the state has approved our plans and the equipment is purchased, installed, tested and operational. The earliest anticipated completion is in October or November, following the irrigation season, so as not to interrupt MVR agricultural needs unnecessarily.*

*Total costs are still not firm but we have asked for \$10,000 from the 2013-2014 budget, in addition to the previously approved \$5,000. We are not confident that will cover all costs but should allow us to get in position to know clearly what to expect in expenses to complete the Waupaca #2 project. You have been furnished a copy of the Association Water Management Plan, produced by our committee, which we believe has the ability to provide the financial resources necessary to the continued upkeep of Waupaca #2 without continually increasing our annual dues.*

*MLMEPOA Dam Committee  
{Phyllis Ary, Dan Daly, Susan Dunn and Rob Wimmer, Chairman}*

The report was approved by the membership.

**Discussion & Follow-Up:** The discussion that followed included the proposed water management plan. The proposed plan and related discussion have been moved under *New Business, Section 3 - Proposed Water Management Plan*, according to the organization in the meeting's agenda. Discussion about the Committee's reported included:

- The Chair explained that in 1977, Waupaca Reservoir was deeded by MVR to MLMEPOA. According to the State, MLMEPOA owns the reservoir and the water in it. The primary purpose of the water in Waupaca is to provide augmentation for the well rights for MLMEPOA's 51 members. It also provides fishing and boating recreation for MLMEPOA's members. The surrounding area is used for hiking and picnics. The water that flows out of Waupaca is used by MVR for irrigating the lower meadow and to produce hydroelectric power that it sells to Sangre de Cristo. The FESCO lease between MLMEPOA and MVR guarantees that MVR will flow water through Waupaca to the hydroelectric plant. There are no provisions against MLMEPOA regulating the flow of water through Waupaca.
- The Chair noted that last fall MLMEPOA released water for the first time from the Waupaca Reservoir into the Arkansas River to meet State augmentation requirements. The State requires MLMEPOA to conduct semi-annual releases of water, and we will need to do one more this year. Although he understands the Springers sentiments about not involving the State more than is needed, he thinks we need to involve the State so that we comply with their requirements for releasing the correct amount of water each year from the Waupaca Reservoir into the Arkansas River. As the State becomes more comfortable with MLMEPOA's efforts to comply with its requirements, it is anticipated they will become less involved with us. Of interest, the State is in the process of preparing legal action against those entities that are not in compliance with the new regulations resulting from Colorado's losing the lawsuit with Kansas.
- A member asked how we are measuring the level of water in the reservoir now that the staff gauge is no longer working. The Chair responded that with the gauge not working, we can't measure the water level. It is the intent to replace the gauge when the outlet valve is installed. The purpose of the outlet valve will

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be to regulate the water level in Waupaca Reservoir, and it will be beneficial to both MLMEPOA and MVR. Mr. Springer gave his opinion that the State only requires MLMEPOA to measure the water flow out of the dam and not the volume of water in the reservoir. He also referred MLMEPOA to Jim Phelps, a water attorney, if we should need one, and he expressed his concern that MLMEPOA may be spending money it doesn't need to in its compliance efforts. A member responded that the State does require MLMEPOA to conduct a new water capacity survey even though an older survey is available.

- A member voiced concerns about the water leakage through the east dam onto the Johnson property and being able to measure the leakage without the staff gauge. The response was that the staff gauge was not used to measure the leakage; instead, the seepage is measured by Mike Wilder using the toe drain on the east dam wall. These recordings are given to the State. The State does not consider the current amount of seepage to be a concern because in their experience, all earthen dams leak water.
- The Chair discussed MLMEPOA's rights to the water stored in the reservoir: the State has told the committee that the stored water belongs to MLMEPOA. Mr. Springer responded that MVR has the rights to stored water in the reservoir that is in excess of MLMEPOA's water that flowed into the reservoir.
- Mr. Daly, a committee member, offered to talk with the State water officials to clarify the water issues highlighted above and set a meeting to share the information with all interested parties. MLMEPOA is in a learning mode to establish processes to ensure compliance with State requirements and that also meet the requirements of MVR for irrigating the lower meadow and running its hydroelectric plant. The new processes and procedures may require changes to existing MLMEPOA's covenants and bylaws that will require approval by the membership. These matters require attention by the Board in the near future for two reasons: (1) ensure MLMEPOA's compliance with State regulations, and (2) establish the processes and procedures while Mr. Springer is still in good health and owns MVR. By taking care of these matters now, MLMEPOA will be a step ahead when MVR is sold and new owners have other priorities or differing views about these issues.

6. **Mountain View Ranch Operating Agreements:** Toby explained that the operating agreements with Mountain View Ranch were not signed for this year. The issue is about indemnity for MVR: the Board voted that MLMEPOA should not add MVR to its insurance policy to provide the indemnity, and MVR has not purchased insurance to provide this. Consequently, MLMEPOA members cannot fish this year in Early Dawn Lake or hike through MVR's portion of the ranch.

**Discussion & Follow-Up:**

- A member expressed his opinion that Early Dawn Lake has the insect life to support a good fishing while Waupaca Reservoir does not. He would like to explore ways to re-open access to Early Dawn Lake for MLMEPOA members.
- A member noted that according to a fish census, Waupaca Reservoir does not support as many fish as Early Dawn Lake even though the lake is shallower than the reservoir and has a maximum depth of about six feet.
- A member asked if individual homeowners could sign a waiver with MVR to use Early Dawn Lake or if there were other options that could be explored.

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- MVR expressed regret about the operating agreement, but said the issue is one of potential liability to MVR and the related cost of purchasing insurance to indemnify the ranch from potential lawsuits. The cost estimate was \$2,000 annually for water related liability. MVR does carry general liability that covers other types of risk.

**NEW BUSINESS:**

1. **Financial Report for 2012-2013:** Paula Wilder, Treasurer, presented the following report:

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| <b>2012-2013 Financial Statement: Results of Operations</b>  |                    |                       |                      |                        |                        |
|--|--------------------|-----------------------|----------------------|------------------------|------------------------|
| Description  | Budget             | YTD Actual<br>5-31-13 | Anticipated<br>Other | Anticipated<br>6-30-13 | Over (Under)<br>Budget |
| <b>Waupaca Reservoir:</b>  |                    |                       |                      |                        |                        |
| <b>Resources:</b>  |                    |                       |                      |                        |                        |
| Operating Fund - Install level control device  | \$5,000.00         | \$5,000.00            | -                    | \$5,000.00             | - [1, 4]               |
| Surplus Carry-Over   | -                  | -                     | -                    | -                      | -                      |
| <b>Total</b>   | <b>\$5,000.00</b>  | <b>\$5,000.00</b>     | <b>-</b>             | <b>\$5,000.00</b>      | <b>-</b>               |
| <b>Expenses:</b>   |                    |                       |                      |                        |                        |
| Operating Fund   | \$5,000.00         | \$795.76              | -                    | \$795.76               | (\$4,204.24)           |
| <b>Total</b>   | <b>\$5,000.00</b>  | <b>\$795.76</b>       | <b>-</b>             | <b>\$795.76</b>        | <b>(\$4,204.24)</b>    |
| <b>Surplus (Deficit)</b>   | <b>-</b>           | <b>\$4,204.24</b>     | <b>-</b>             | <b>\$4,204.24</b>      | <b>\$4,204.24</b>      |
| <b>General Operations:</b>   |                    |                       |                      |                        |                        |
| <b>Resources:</b>  |                    |                       |                      |                        |                        |
| <b>On-Going:</b>   |                    |                       |                      |                        |                        |
| Annual Fees  | \$20,757.00        | \$20,767.00           | -                    | \$20,767.00            | \$10.00 [1]            |
| Bugling Bull Fees  | \$440.00           | \$440.00              | -                    | \$440.00               | - [1]                  |
| Palpant/Wise Fees  | \$462.00           | \$462.00              | -                    | \$462.00               | - [1]                  |
| Interest   | \$10.00            | \$14.73               | \$1.50               | \$16.23                | \$6.23                 |
| Subtotal   | \$21,669.00        | \$21,683.73           | \$1.50               | \$21,685.23            | \$16.23                |
| <b>One-Time:</b>   |                    |                       |                      |                        |                        |
| FESCO Lease for Waupaca  | \$18.00            | \$18.00               | -                    | \$18.00                | -                      |
| Sale of Truck and Related Items  | \$8,000.00         | \$10,900.00           | -                    | \$10,900.00            | \$2,900.00             |
| Waupaca Reservoir - Separate Budget  | (\$5,000.00)       | (\$5,000.00)          | -                    | (\$5,000.00)           | -                      |
| Surplus Carry-Over   | \$2,378.00         | \$2,528.66            | -                    | \$2,528.66             | \$150.66               |
| Subtotal   | \$5,396.00         | \$8,446.66            | -                    | \$8,446.66             | \$3,050.66             |
| <b>Total</b>   | <b>\$27,065.00</b> | <b>\$30,130.39</b>    | <b>\$1.50</b>        | <b>\$30,131.89</b>     | <b>\$3,066.89</b>      |
| <b>Expenses:</b>   |                    |                       |                      |                        |                        |
| <b>On-Going:</b>   |                    |                       |                      |                        |                        |
| Insurance - General Liability  | \$2,040.00         | \$2,040.00            | -                    | \$2,040.00             | -                      |
| Legal  | \$500.00           | \$264.00              | -                    | \$264.00               | (\$236.00)             |
| Miscellaneous  | \$150.00           | \$684.82              | -                    | \$684.82               | \$534.82 [2]           |
| Office   | \$700.00           | \$261.24              | -                    | \$261.24               | (\$438.76)             |
| Operating Agreement with MVR   | \$1,900.00         | -                     | -                    | -                      | (\$1,900.00) [3]       |
| Fish Stocking & Water Share Purchase   | \$500.00           | \$97.34               | -                    | \$97.34                | (\$402.66) [3]         |
| Trash  | \$3,540.00         | \$3,613.80            | \$236.00             | \$3,849.80             | \$309.80               |
| Roads - Maintenance & Grading  | \$7,000.00         | \$2,095.97            | \$4,900.00           | \$6,995.97             | (\$4.03)               |
| Roads - Snow Plowing   | \$5,000.00         | \$3,950.00            | -                    | \$3,950.00             | (\$1,050.00)           |
| Subtotal   | \$21,330.00        | \$13,007.17           | \$5,136.00           | \$18,143.17            | (\$3,186.83)           |
| <b>One-Time:</b>   |                    |                       |                      |                        |                        |
| Loan Payment - Truck Repairs   | \$3,885.93         | \$3,857.77            | -                    | \$3,857.77             | (\$28.16)              |
| Truck Insurance  | -                  | \$703.00              | -                    | \$703.00               | \$703.00               |
| Prior Year Deficit   | -                  | -                     | -                    | -                      | -                      |
| Subtotal   | \$3,885.93         | \$4,560.77            | -                    | \$4,560.77             | \$674.84               |
| <b>Total</b>   | <b>\$25,215.93</b> | <b>\$17,567.94</b>    | <b>\$5,136.00</b>    | <b>\$22,703.94</b>     | <b>(\$2,511.99)</b>    |
| <b>Surplus (Deficit)</b>   | <b>\$1,849.07</b>  | <b>\$12,562.45</b>    | <b>(\$5,134.50)</b>  | <b>\$7,427.95</b>      |                        |
| [1] Fees:  |                    |                       |                      |                        |                        |
| Member dues \$407.00 x 51 lot owners = \$20,757.00 Additional \$10.00 sent for inconvenience for late payment  |                    |                       |                      |                        |                        |
| Bugling Bull dues \$110.00 x 4 = \$440.00  |                    |                       |                      |                        |                        |
| Wise/Palpant/Osowski dues \$231.00 x 3 = \$693.00  |                    |                       |                      |                        |                        |
| Waupaca Reserve Account \$40.00 x 51 lot owners = \$2040.00  |                    |                       |                      |                        |                        |
| [2] Extra misc. expenses: fire signs \$152.00 Susan Dunn, clean sediment from dry hydrant pond \$450.00 Franklin Springer  |                    |                       |                      |                        |                        |
| [3] \$1900.00 - Operational Agreement with Mountain View Ranch that has not yet been paid  |                    |                       |                      |                        |                        |
| Under budget for line item because Early Dawn and Waupaca were not stocked with fish pending the resolution of operating agreements with Mountain View Ranch.  |                    |                       |                      |                        |                        |
| [4] The Waupaca Committee is proceeding with the project to install a level-control valve/actuator at the south end of the reservoir to enable MLMEPOA to control the level of water in its reservoir. |                    |                       |                      |                        |                        |

The report was approved by the membership.

- Proposed Budget for 2013-2014:** Paula Wilder, Treasurer, presented the following budget:

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| <b>2013-2014 Proposed Budget</b>                                      |                                   |     |
|---|-----------------------------------|-----|
| Description   | Annual Meeting<br>Proposed Budget |     |
| <b>Waupaca Reservoir</b>  |                                   |     |
| <b>Resources:</b>   |                                   |     |
| Operating Fund - 51 members x \$40                                    | \$2,040.00                        | [1] |
| Surplus Carry-Over - Install level control                            | \$4,204.24                        | [2] |
| <b>Total</b>  | <b>\$6,244.24</b>                 |     |
| <b>Expenses:</b>  |                                   |     |
| Operating Fund  | \$6,244.24                        |     |
| <b>Total</b>  | <b>\$6,244.24</b>                 |     |
| <b>Surplus (Deficit)</b>  | <b>-</b>                          |     |
| <b>General Operations:</b>  |                                   |     |
| <b>Resources:</b>   |                                   |     |
| <b>On-Going:</b>  |                                   |     |
| Annual Fees   | \$20,757.00                       | [1] |
| Bugling Bull Fees   | \$440.00                          | [1] |
| Palpant/Wise/Osowski Fees   | \$693.00                          | [1] |
| Interest  | \$15.00                           |     |
| Subtotal  | \$21,905.00                       |     |
| <b>One-Time:</b>  |                                   |     |
| None  | -                                 |     |
| None  | -                                 |     |
| None  | -                                 |     |
| Surplus Carry-Over  | \$7,427.95                        |     |
| Subtotal  | \$7,427.95                        |     |
| <b>Total</b>  | <b>\$29,332.95</b>                |     |
| <b>Expenses:</b>  |                                   |     |
| <b>On-Going:</b>  |                                   |     |
| Insurance - General Liability   | \$2,040.00                        |     |
| Legal   | \$500.00                          |     |
| Miscellaneous   | \$150.00                          |     |
| Office  | \$700.00                          |     |
| Operating Agreement with MVR  |                                   |     |
| Fish Stocking & Water Share Purchase                                  | \$500.00                          |     |
| Trash   | \$3,600.00                        |     |
| Roads - Maintenance & Grading   | \$7,000.00                        |     |
| Roads - Snow Plowing  | \$5,000.00                        |     |
| Subtotal  | \$19,490.00                       |     |
| <b>One-Time:</b>  |                                   |     |
| None  | -                                 |     |
| None  | -                                 |     |
| Prior Year Deficit  | -                                 |     |
| Subtotal  | -                                 |     |
| <b>Total</b>  | <b>\$19,490.00</b>                |     |
| <b>Surplus (Deficit)</b>  | <b>\$9,842.95</b>                 |     |
| [1] Fees:   |                                   |     |
| Member dues \$407.00 x 51 lot owners = \$20,757.00                    |                                   |     |
| Bugling Bull dues \$110.00 x 4 = \$440.00                             |                                   |     |
| Wise/Palpant/Osowski dues \$231.00 x 3 = \$693.00                     |                                   |     |
| Waupaca Reserve Account \$40.00 x 51 lot owners = \$2,040.00          |                                   |     |
| [2] The Waupaca Committee is proceeding with the project to install a |                                   |     |
| level-control valve/actuator at the south end of the reservoir        |                                   |     |
| to enable MLMEPOA to control the level of water in its reservoir.     |                                   |     |

A motion was made and seconded to approve the budget. The motion passed unanimously.

**Discussion & Follow-Up:**

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- The Treasurer noted that both the financial statement and proposed budget now separate the Waupaca Operating Fund from General Operations as the membership requested at the last annual meeting. She also explained that a separate checking account has been created for the Waupaca Operating Fund so that its funds cannot be comingled with the General Operations funds.
  - A member thanked the Treasurer for the new format and said that it was much easier to compare one-time versus on-going resources and expenses.
  - A member inquired about the amount of general liability coverage that MLMEPOA carries. The response was \$2 million. The member then raised concerns that the amount is too low since he and his wife carry \$3 million. No other members voiced concerns about the current coverage amount.
  - A member requested a separate line item to identify fish stocking costs. The Treasurer directed the member to the current line item that shows this: Fish Stocking & Water Share Purchase.
  - A member noted that Waupaca Reservoir has a population of suckers that are not conducive to maintaining a higher population of rainbow and brown trout than the reservoir currently has.
  - A member asked about the best time to stock Waupaca Reservoir with fish. The stocking has historically been done in late spring or early summer. Another member noted that vegetation in the pond produces oxygen for the fish, and that MLMEPOA does have a written plan for stocking fish in the May timeframe.
  - The Treasurer and Secretary noted that the Waupaca Reservoir Committee has requested additional funding for 2013-14 in anticipation of increased costs to complete the work to be in compliance with State mandates, and they asked about the approval needed to redirect projected General Operations surpluses for 13-14 to the Waupaca Reservoir Fund. The response was that the new Board will deal with this issue as more information is available about the required costs.
3. **Proposed Water Management Plan**: Rob Wimmer and Dan Daly, Chair and member, respectively, of the Waupaca Reservoir Committee presented the following draft proposal to the membership for consideration:

**MEADOW LAKES MOUNTAIN ESTATES PROPERTY OWNERS ASSOCIATION, INC.  
ASSOCIATION WATER MANAGEMENT PLAN  
for the Administration of  
WATER RIGHTS and PLAN OF AUGMENTATION  
decreed under  
COLORADO WATER DIVISION 2 CASE W-4527**

*With the unanimous recommendation of its Board of Directors, and by the majority vote of the membership of Meadow Lakes Mountain Estates Property Owners Association, Inc. (hereinafter "POA"), a Colorado corporation, at a duly constituted annual meeting, this Association Water Management Plan is adopted the 3rd day of August, 2013.*

**RECITALS**

1. POA and Mountain View Ranch Co (hereinafter "MVR"), a Colorado corporation, are parties to the following agreements:

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a. *Water Trust Agreement (hereinafter "WTA") dated April, 1977, addressing the use of certain land and water rights by POA as Trustee under the Plan of Augmentation which is the subject of Case No. W-3934 and Case No. W-4527, Water Division 2, State of Colorado.*

b. *Deed dated May 5, 1977, conveying certain described real property of MVR to POA as Trustee under the WTA in consideration of \$100.00 received by MVR.*

2. *In Case No. W-4527, Water Division 2, MVR obtained a change in water rights and approval of a plan for augmentation, as set forth in Findings of Fact, Conclusions of Law, and Decree (hereinafter "Decree") dated August 23, 1977.*

3. *The Decree provides for replacement of water depletions caused by pumping for consumptive use from 96 residential in-house use wells in the Meadow Lake Mountain Estates Subdivision and any future subdivisions developed on MVR property. Replacement comes from 0.05 cubic feet per second (cfs) of water decreed to McFadden ditch, which has a priority date of January 9, 1882. Because depletions from the wells occur year-round, while availability of the McFadden ditch water rights was limited to the historical irrigation season of April through October, the decree also required a reservoir (Waupaca #2) in which a portion of the McFadden ditch water could be stored during the irrigation season for release during the non-irrigation season. In addition, since 0.05 cfs of McFadden ditch water previously used for irrigation was transferred to replace consumptive use from 96 residential wells, the Decree required that three acres of irrigated land be excluded from future irrigation (i.e., dried up).*

4. *The Decree provided for the water rights (0.05 cfs from McFadden ditch) and the reservoir (Waupaca #2), which are the subject of the augmentation plan, to be conveyed to POA as Trustee for the benefit of the Meadow Lakes Mountain Estates developer and the 96 lot owners. The WTA and Deed conveying said property from MVR to POA are recorded in the real property records of Chaffee County in Book 530 at page 260 and page 265.*

5. *The WTA and the Deed require the POA to maintain and operate the trust property in accordance with the terms of the WTA and all decrees and court orders in Case No. W-3934 and Case No. W-4527. Such terms include the right of ingress and egress for the purpose of operating, maintaining, repairing, constructing and reconstructing such property.*

6. *POA and Franklin E. Springer (hereinafter "Springer") are parties to an Agreement for the long term lease of Waupaca #2 Reservoir which provides Springer a sufficient non-storage, flow-through interest in the reservoir to comply with his license to generate hydro power under the Federal Power Act. Springer's right to use the reservoir is non-exclusive and in common with POA.*

**PROPERTY OWNERSHIP**

1. *POA owns, in trust, the right to 0.05 cfs of water diverted from McFadden ditch. MVR is obligated to deliver and be able to document delivery of such water from McFadden ditch to Waupaca #2 reservoir for POA's sole use and storage. POA also owns for its sole use and storage all water stored in Waupaca #2 reservoir.*

2. *POA owns, in trust, the 3.70 acre tract of land containing Waupaca #2 reservoir. The reservoir consists of three dams and outlet works, including a manually operated slide gate, outlet conduit, principal spillway, emergency spillway, and staff gauge(s). Waupaca #2 has a storage capacity of 19.72 acre-feet.*

3. *MVR owns two tracts (1.80 acres and 1.50 acres) of dried up cropland previously irrigated using McFadden ditch water. These tracts are located in the MVR lower pasture/hay field along Highway 24 and are more particularly described as Parcel 3 and Parcel 4 in the WTA. The*

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*Decree requires that these dried up tracts be documented by MVR through survey markers and approved by the Colorado Division of Water Resources.*

*4. POA owns Fryingspan-Arkansas Project water purchased in increments made available in recent years from the Southeastern Colorado Water Conservancy District and stored in state reservoirs. The purchase of this water, now totaling more than 20 acre feet, is intended for release, if approved by the state, in lieu of Waupaca #2 water, to satisfy the augmentation plan requirements, preliminary to approval of a Substitute Water Supply Plan.*

**WATER MANAGEMENT**

*1. The Decree requires POA, as Trustee under the WTA, to implement the augmentation plan of the Decree and manage the Trust property for the benefit of the MVR (as developer) and subdivision lot owners.*

*2. Specific Decree provisions require:*

- a) the abandonment of 0.05 cfs of McFadden ditch water to the Arkansas River during the irrigation season,*
- b) the identification with survey markers and the “dry up” of 3 acres of previously irrigated MVR cropland,*
- c) the storage in Waupaca #2 13.96 acre-feet of water previously stored in Waupaca Reservoir and documented winter release of 3.28 acre-feet of stored water to replace the consumptive use of water from 96 individual domestic wells,*
- d) the completion of a reservoir capacity survey and installation of a calibrated staff gauge in Waupaca #2 to facilitate the documented storage and winter release of water,*
- e) the in-house only use of water from the 96 individual domestic wells, and*
- f) the use of water meters on all 96 individual domestic wells with annual reporting to the state of actual usage amounts.*

*3. Subsequent to issuance of the Decree, MVR developed only 50 of the proposed 96 individual lots. Each of the 50 lots has obtained or has the right to obtain a well permit and participate in the augmentation plan managed by POA. Thirty-seven of the 50 lots have constructed wells.*

*4. Other parcels of MVR property have been sold separately from the subdivision and several of the original 96 well rights and augmentation plan participation rights have been deeded to the new owners in the sales. Thirty-six well/participation rights continue to be held by MVR and are presently unused.*

| <u>Name</u>          | <u>Number of Well/Participation rights</u> | <u>Used/Unused</u>        |
|----------------------|--|---------------------------|
| Oowski/Pittman       | 6  | all unused                |
| Palpant              | 3  | all unused                |
| Huntze               | 1  | used                      |
| MVR                  | 36   | all unused                |
| <u>50 Lot Owners</u> | <u>50 (1 per lot)</u>                      | <u>37 used, 13 unused</u> |
|                      | 96   | 38 used, 58 unused        |

*5. Because all of the originally proposed 96 lots and wells have not been developed by MVR, Colorado Water Division 2 Engineer Steven J. Witte, by letter dated January 7, 2011, interpreted the Decree to allow pro-ration of the amount of the required annual winter water release by POA. Consequently, rather than the original 3.28 acre-feet stated in the decree, the Division of Water Resources currently only requires POA to release 1.3 acre-feet of stored water annually.*

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6. POA intends to comply with these Decree requirements and appropriately manage the water by:
- a) diverting 0.05 cfs of McFadden ditch water into Waupaca # 2 and allowing Springer to run other water through Waupaca #2 under the terms of the lease agreement between POA and Springer,
  - b) installing a physical water level control device to accommodate the flow-through of non-POA water,
  - c) maintaining Waupaca #2 as a safe, fully operational reservoir for the storage of POA water for winter release and the conveyance of water for power generation, including but not limited to the continued monitoring of dam seepage through the toe drain on the East Dam,
  - d) providing the Division of Water Resources with a copy of the recently completed reservoir capacity survey showing a storage capacity of 19.72 acre-feet in Waupaca #2,
  - e) installing a calibrated staff gauge in Waupaca #2 to facilitate the annual winter release of 1.3 acre-feet of water,
  - f) continuing to regularly communicate to lot owners the prohibition on the use of water for any purpose outside the home, and
  - g) continuing to collect and report to the Division of Water Resources the aggregate annual water usage by lot owners as determined through water meter readings on each well,
  - h) requiring MVR to demonstrate Division of Water Resources approval of the dry up, survey, and marking of 3.3 acres of previously irrigated cropland.

**WATER RIGHTS AND PLAN OF AUGMENTATION FUND**

1. POA will create and maintain a Water Rights and Plan of Augmentation Fund (hereinafter "Water Fund") separate and apart from other POA accounts and funds. The Water Fund shall only be used to pay for costs, whether ongoing or one-time expenses, arising from the administration of this Association Water Administration Plan. Such costs are expected to include, among others, the construction, repair, and maintenance of facilities and property (including the purchase of materials, labor, and other services), clerical and accounting services, legal and consulting services, water management services, compliance costs including the collection of overdue assessments, the purchase of additional water rights for augmentation, other contingencies and unanticipated expenses, and the funding of an adequate reserve held within the Water Fund. The reserve within the Water Fund is intended to be both an emergency reserve and an account within the Water Fund to accumulate funds over time for large, expected future expenses. The Water Fund may not be used to pay for any other POA expenses not arising from the administration of this plan.
2. The Water Fund will be funded through annual assessments to each entity holding one or more of the 96 well/participation rights provided under the Decree. Each holding entity will be assessed one pro rata share for each of the 96 well/participation rights it holds. The initial annual assessment for the 2013-14 budget year for each well/participation right shall be \$40. The amount of subsequent annual assessments shall be determined and set by the POA membership following recommendation by the POA Board of Directors. Any entity holding unused well/participation rights exclusive of those 50 attached to the 50 developed lots may avoid these annual assessments by relinquishing/transferring ownership of the rights to the POA through a recorded deed.
3. In addition to the annual assessment explained above, any entity exercising a well/participation right and drilling/operating a well subject to the POA Plan of Augmentation shall pay a one-time tap fee of \$4000 into the Water Fund for each such well/participation right exercised.

**Discussion & Follow-Up:**

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- Mr. Wimmer explained that the purpose of the proposed water management plan is to provide a process to ensure MLMEPOA's compliance with State requirements for augmentation that clearly identifies all the interested parties and the responsibilities of each. The plan also proposes a funding mechanism to support the costs of maintaining Waupaca Reservoir and other water issues by assessing each of the 96 well permit holders a \$40 annual fee beginning in 2013-14 and a tap fee of \$4,000 for each of the unused well permits when the property owner decides to drill the well. Currently, only the 51 members of MLMEPOA pay the \$40 annual assessment to support the Waupaca Reservoir Fund and there is no tap fee assessment.
- Mr. Wimmer also explained that in 1977, MVR deeded Waupaca Reservoir to MLMEPOA, and it is our responsibility to maintain it and meet State augmentation requirements. Historically, MLMEPOA paid MVR to manage the reservoir through the annual operating agreement. In the last several years, MLMEPOA has decided to take control of the reservoir to begin understanding what is required to maintain the reservoir and control the costs.
- Mr. Daly said the final water management plan would probably require changes to MLMEPOA's bylaws and covenants. The process described in the bylaws to do this is a 30 day review and vote by at least two thirds of the membership.
- A member asked that all members be notified of and invited to the meetings of the Waupaca Reservoir Committee in order to gain more knowledge about the issues and where the HOA needs to go to manage the reservoir.
- A member voiced his opinion that since MLMEPOA members with undeveloped lots pay \$40 annually to support the Waupaca Reservoir Fund, all the others with well permits should also pay their fair share of support costs at the same rate for each of their permits.
- A member said that MVR and MLMEPOA together, rather than MLMEPOA alone, need to draft the final water management plan that will then be taken to the membership for discussion and a vote.
- Mr. Osowski, who is not a member of MLMEPOA but owns a portion of land within MVR, voiced his concerns that his well permits are devalued by \$4,000 each. With six well permits, this is a total devaluation of \$24,000. He explained that he has already paid a tap fee when he purchased his property. The amount he paid included a premium for the tap fee. He also said that he has augmented his water through the Upper Arkansas Water District so he and Mr. Pittman should not be involved in MLMEPOA's water issues or assessed the related fees. He said he doesn't mind paying for the one well permit he uses but thinks it unfair to be assessed for the unused ones.
- Mr. Daly said the proposed \$4,000 tap fee is only a suggestion based on other municipalities he surveyed that charge between \$4,000 and \$17,000.
- Several members voiced their opinions that \$4,000 is a lot of money, and that assessing this to current property owners seems unfair because they purchased their lots when there was no tap fee. Also, this assessment may create divisions among the membership, and it would be better to find other ways to fund the reservoir's operating expenses. MVR does a lot of work to maintain the water flow into Waupaca, and doesn't foresee that MLMEPOA would have large expenses to maintain the reservoir. Consequently, the tap fee may not be needed.
- A member noted that MLMEPOA does not know how much funding will be required in the future to maintain the Waupaca Reservoir.

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- A member made a motion that the MLMEPOA membership needs to discuss this issue. The response was that no motion is needed. The same member made another motion to adopt the proposed water management plan as a concept plan to be reviewed with legal entities and finalized according to the law. There was no second to the motion, and it died.
  - MVR noted that the original lots sold had an assumed premium of about \$2,000 for the well permits instead of a tap fee. Waupaca Reservoir was engineered by Roy Wright and Pridemore constructed it. It was constructed after the Big Thompson flood when standards were raised to prevent future catastrophic failures. The dam is well made but does leak a bit because the compaction on the north side is not enough to prevent this but you can drive across it. As long as the water that comes out of the toe drain is clear, the dam is in good shape. The water is leaking under the bottom of the reservoir, and this lowers the water level in the winter when the creeks that feed into it are at low levels. At lower levels, the leakage is minimal. MVR added bentonite to the reservoir to lessen the leakage and did this without cost to MLMEPOA.
  - MRV also expressed their opinion that they can store water in Waupaca for three days.
  - A member asked if MVR was drying up a section of their land as required by the State. The response was yes.
  - A member asked what will happen to MLMEPOA's water rights when the ranch is sold. Mr. Springer responded that the ranch cannot be sold to anyone without honouring MLMEPOA's water rights and other existing agreements. Mr. Franklin also noted that when the ranch is sold, he understands that the 35 unused MRV water rights will cease. In the 1970's, his water attorney has valued each of his water rights at \$2,750. He would prefer to sell the ranch to a conservation easement. If this occurs, the unused permits can't be developed. He also stressed that originally 96 well permits were created for a vision of 96 developed lots. In reality, only 50 lots have been developed.
  - Mr. Wimmer and Mr. Daly thanked the membership for their comments and asked everyone to send additional feedback to them through e-mail or phone calls.
4. **Water Meter Readings:** Toby reminded everyone to read the water meters on their wells and record the usage on MLMEPOA's website at [www.mlmepona.com](http://www.mlmepona.com). If all members do not send in their readings, the State will assess MLMEPOA the full 127,750 gallons per well as the amount we need to release from Waupaca Reservoir into the Arkansas River.
5. **Election of New Board Members:** There are three (3) vacancies on the Board, each for a three year term beginning August 1, 2013. Per MLMEPOA bylaws and the ballot, a candidate must receive a majority of votes from those voting for election to the Board.

Two Board members are retiring after six years of service: Kay Carpenter, Secretary, and Paula Wilder, Treasurer. Larry Shalett, Member-at-Large, is running for a second term.

Because only three candidates ran for office, the voting was done by a show of hands rather than a ballot count. All present at the meeting voted to elect the following Board members:

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- Dan Daly
- Molly Heynis
- Larry Shalett

**Discussion & Follow-Up:**

- Toby thanked both Kay and Paula for their service on the Board.
- A member asked if the voting could be more private. The Secretary explained that the voting procedure requires each member to be identified so that those who own more than one lot have all of their votes counted.

**6. Items From Membership:**

- There was discussion that the Waupaca Nature Trail is being too developed and has too little access. Several members expressed their desire to have it remediated into a more natural setting. Another member complained about too much negative signage around the reservoir. A member requested that the Board explore formalizing the maintenance of the Waupaca Nature Trail through a committee so that maintenance and repair projects can go through a review and approval process before they are started.
- A member asked about Chris Krocesky, HOA manager, and her involvement with MLMEPOA. The Secretary responded that she has tried to contact her but her office is closed. The member asked the new Board to look into hiring another HOA manager to act as a go between with the HOA members and to assist the Board with keeping current about new HOA rules and legislation and with other issues as needed.
- A member discussed the issue about the poor quality of the wooden stairs leading down to Waupaca Reservoir from Mountain View Drive. He would like them removed because in his opinion, they are a liability issue and all the members should use the nature trail entrance. Several other members explained that they use the stairs and do not want them removed. Also, if the stairs were removed, there would only be one access point to the reservoir at the nature trail entrance. Another member said that the steps should be used at the person's own risk, and that the person should use another pathway if they are concerned about the steps. The first member made a motion to: (1) remove the stairs by Sunday, and (2) direct the Board to replace the stairs. This motion was seconded but was not approved by the membership.
- A member noted his concern that the steps along the northern section of the reservoir may be on the Harshberger's property. The Harshbergers responded they didn't think the steps were on their property, and that this is not an issue to them. Their concern is the smoking around the reservoir. Is there something the HOA can do about this? Another member responded he had put up many "No Smoking" signs around the reservoir but someone had removed them.
- A member said that her family had cleaned the stairs leading down to the reservoir from Mountain View Drive and thinks it would be good to install a railing by them.
- A member said that she would like more than one access point to the reservoir, and that she would like the steps repaired and a railing installed along the stairway. She would also like the Board to work with the Harshbergers to ensure the path around the reservoir is not on their property and that smoking is controlled so it is not offensive to them. She would also like the Board to find ways to make the reservoir more welcoming since it is now our only pond.

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Currently, there are many “no” signs around the reservoir that are very unwelcoming.

- A member said he would like the green gate left open at the south end of the reservoir so that people can more easily walk through it and around the reservoir. The response was that the roadway through the gate is on the Huntze’s lot and should only be used to access the dam for maintenance purposes. The member replied that this was not his understanding, and that the issue had been reviewed by a lawyer who thought the roadway was for the general use of the HOA membership. He asked the Board to clarify this issue.

7. **Date for 2014 Annual Meeting:** The membership agreed they would like to move the annual meeting back to the last Saturday in July, 2014. According, the meeting is scheduled for Saturday, July 26, 2014, depending on the availability of the community room of the Sangre de Cristo Electric Association.

8. **Picnic:** Molly and Ron Heynis are hosting the picnic at their house after the meeting.

**ADJOURNMENT:** Toby adjourned the meeting at 5:10 p.m.

**Board Follow-Up Meeting:** The Board held its organizational meeting and agreed to serve in the following positions:

- President: Toby Dunn
- Vice-President: Dan Daly
- Secretary: Molly Heynis
- Treasurer: Phyllis Ary
- Member-at-Large: Larry Shalett

*Kay Carpenter*  
MLMEPOA Secretary  
(October 19, 2013)

**Approved:**