



Annual Meeting 2019

Monday, January 27th, 2020

SNOWMASS FIRE HOUSE

Minutes June 12, 2019 Little Elk Creek Annual Meeting

1. Call to Order/Introductions/Approval of Minutes of 2018 Meeting

Trustee and President John Ott called the meeting to order at 7:07 pm. and introduced the present Board members (Steve Whitelande, John Ott, Peter Voorhees, Harvey Paparo, Tim Vogel), Bookkeeper (Kim Clinco) and Manager (Keith Edquist). Owners then introduced themselves around the room. Owners attending for the first time were Joey Carlson, Tony Rizzo, and Greg Goebel.

2. Waiver of Notice/Quorum/Approval of Minutes of 2018 Meeting

The minutes of the 2018 annual meeting were mailed to owners for this meeting. There was a motion and second to approve the 2018 minutes, there was no discussion and none were opposed. 47 owners were represented in person and by proxy, constituting a quorum for the transaction of business.

3. Scott Thompson-Roaring Fork Fire Rescue Authority

Scott was introduced by Manager Edquist and spoke regarding fire mitigation efforts in Little Elk Creek and the present status of fire protection in the district. He noted that the proximity of Little Elk to the fire station (within 2 miles) rates protection at a level of IS-2, which is "good". Owners should advise their insurers of this rating, as it may reduce premiums. He said the Pitkin County evacuation plan for Little Elk is available online at "Pitkin Alert". The 2018 mid-valley fire in Basalt should clearly indicate that LEC is vulnerable, especially with continued dry conditions and little moisture in the soils. Also noted were the availability of no cost fire mitigation assessments for individual homeowners and the possibility of available funds for Association mitigation efforts.

4. LEC year in review- Manager Edquist

Keith summarized some of the activities of the Board of Trustees over the last year. He said the Basalt fire resulted in discussions regarding an emergency water plan, where potable water use would be limited in order to provide as much fire fighting capacity as possible from the water system. Also discussed was the use of water from the pond's dry hydrant connection for fire fighting.

Workmen's Compensation insurance was added to the Association's policies based on recommendations from the Neil Garing Agency. This was added to the existing Directors and



Officers insurance, general liability insurance and umbrella policies. A portion of the Reserve funds were moved to Wells Fargo Bank in order to increase interest income and to maintain less than a \$250,000 balance in each account so the FDIC could continue to fully insure all Association funds.

He said the water tank had been inspected and cleaned this past year, and that eventually it will need to be drained and the interior re-painted. This is anticipated in the Reserve Study about 5 years from now. The Reserve Study was updated this year and is available on the website (littleelkcreekvillage.org). Documents regarding the creation of irrigation sources and water tap procedures are being finalized, and the ACA guidelines revisited to address and include such items as exterior lighting and solar panels.

There continued to be leaks in the water system and these have been persistent and remain hard to isolate. Therefore water metering has had more serious consideration on the Board level. Also short term rentals were a recurring topic of discussions. Keith noted that both topics were on the agenda, and there would be time for discussions later in the meeting.

5. Irrigation Water Reports-George Johnson and Dan Oppenheimer

Dan Oppenheimer was unavailable for the meeting, but Boram White Ditch Manager and LEC Owner George Johnson reported that the last irrigation season was the driest he had seen in 18 years. He reported lots of water available this year so far in the two ditch systems which serve Little Elk, maintained by the Boram White and the Little Elk Creek Ditch Companies. Little Elk owns shares in each of these ditches and contributes each year to necessary maintenance on each. Information on ditches/flows and problems are best addressed to either Mr. Johnson or Mr. Oppenheimer, rather than to management.

6. Water System Report/Water Metering discussion –Dan Harris

Owner Dan Harris stated he has monitored usage and leaks on the water system for a long time, and said there was likely a 10-12 thousand gallon per day leak on the system at this time. Leaks increase electrical costs, chemical treatment costs and filtration costs, but more to the point threaten the potable water supply. He said normal use this time of year is 18-20 thousand gallons per day, but LEC is currently using 30 thousand gallons. He said again that potable water cannot be used on the landscape, as such use can be confused with leaks, and is subject to a \$1000 per incident fine from the Association.



There has been discussion of the need for water metering before, but Dan and the Board of Trustees have now come to believe metering is necessary. Yet to be determined are the type of meters to install, how they would be installed, and where to place them on the system. At this time Mr. Harris did not have accurate costs, but believed the meters alone could run to \$1000 per home. He and the Board want to determine the level of support owners have for water metering.

Owner Bruce Anderson reminded all that the \$225,000 cost for the pump house upgrade was occasioned by new state regulations imposed on private water systems. Mandatory metering may be only a matter of time at the state level, and it will be well to plan and execute metering before being compelled to do so by legislation. Owner George Johnson suggested creation of a special district for administration of water metering, distribution and controls. Ultimately a metering system will involve funding, either through assessments or through taxes levied under a special district.

There followed a motion by owner Tim Lindholm, seconded by Holly Timms, to hold a vote on whether or not to move forward with installation of meters on the LEC water system. Discussion included queries from owner John Wheeler as to whether reserve funds could be used for such a purpose-(they can, as the water system components are capital items included in the Reserve Study). President Ott said he believed a meter in the house versus one in the street was the most definitive way to monitor use, though at this time the type and placement of meters had not been determined.

At a call for a show of hands, all owners in attendance were in favor of the motion for placement of meters on the water system; this included the votes of owners present by proxy. The Board of Trustees will therefore move forward with Owner Harris to determine how best to regulate potable water use in Little Elk. (For more background on metering and the water system, please see the 2018 Annual Meeting minutes on the website.)

7. Short Term Rentals in Little Elk Creek-discussion and straw poll

The topic of short term rentals of residences or parts thereof in Little Elk Creek was discussed at some length. Owners reported this is happening now in the subdivision. Others reported that both AirBnB and VRBO rentals are being offered. Manager Edquist said his understanding is that Associations lacking specific language regarding this in their covenants cannot restrict such usage either by policy resolutions or rules and regulations enacted by a governing Board.

There followed a motion as to whether Little Elk should limit rentals to a minimum of 6 months. By show of hands this motion failed to be endorsed by a 14 to 12 margin. Clearly opinions are mixed and as a result a survey on this topic was suggested by owner Beth Blackmer. The Board



will consider such and act to gauge the attitude of more owners towards this issue. Manager Edquist concluded by saying this 'may not be a problem until it becomes a problem' in Little Elk. Resolution in favor of restricting rentals might require amending the covenants.

8. Treasurer's Report/ Budget Ratification -Trustee Peter Voorhees/Bookkeeper Kim Clinco

The balance sheet as of April 30th, 2019, the profit and loss statement through the end of April of 2019, and the approved 2019-2020 budget were provided to owners earlier in the meeting. Total assets as of April 30, 2019 were \$695,010 vs. \$525,926 in July the year before. In 2018-2019 through April \$93,196 was added to the LEC capital reserve account, and there were \$10,991 in capital expenses charged against reserves. The Association was well under budget for the 2018-2019 fiscal year through the April 30th date of the financial report.

Owner Kent Meager at this time made a motion to ratify the approved 2019-2020 budget, which was endorsed by those owners and proxy holders in attendance, with owner John Wheeler dissenting.

9. Election of Trustees

There were no declared candidates for the two seats-Tim Vogel and Peter Voorhees-available on the Board. Trustee Vogel agreed to another two year term, while Peter Voorhees declined re-nomination for his seat. Holly Timms nominated Owner Joey Carlson, who accepted the nomination. Vogel and Carlson were then elected by acclamation. Terms for Ott, Paparo and Whitelands will be at an end in June of 2020 The Board will set its officers at the next Board meeting, July 10th, 2019.

10. Other Business or concerns

Owner Beth Blackmer called attention to those owners who are not taking care of dog waste throughout Little Elk, as this is unsanitary and irresponsible. Other owners also supported this comment and the need for owners to pay attention to all aspects of pet ownership.

11. Adjourn

There being no further business to come before the meeting, the meeting adjourned at 8:55 pm

Respectfully submitted, Keith Edquist, Association Manager

John Ott, President