

**MEADOW LAKES MOUNTAIN ESTATES PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING JULY 21, 2018**

Meeting materials mailed to the membership:

1. Agenda for 2018 Annual Meeting
2. Proxy
3. Draft of Minutes from 2017 Annual Meeting
4. Building Committee Report
5. Roads Report
6. Waupaca Reservoir Report
7. 2018-2019 Draft Budget Report

Call To Order:

The meeting was called to order by President of the Board, Dan Daly at 1:10. Twenty-eight members signed in or were present by proxy.

Welcome & Introduction To Members/Guests:

Dan welcomed the new members since last year's meeting: Aly Beery and Neil Westendorf Lot 8, David and Linda Todd Lot 47, Ted Palpant Lot 48, and Bill Harwell and Sara Rider, Lot 20. Bill's family has owned the property for many years. All other members introduced themselves.

Minutes of 2017 Annual Meeting

The minutes of the 2017 Annual Meeting were approved.

Roads

John O'Brien presented the Roads Report. See below. John reported that all the money we had available for roads was spent. The main focus of road maintenance and repair has been Mountain View Drive. John explained that the fill material we have been able to get has been awful because it has no clay content. Thanks were offered to Ted P. and Kris G. for their contribution to road improvement/maintenance by "dragging the road" to reduce existing wash-boarding.

Discussion ensued about the road condition and possible options. Though we spend \$18k annually to maintain our roads, wash-boarding continues to be an issue. Speed was again identified as the primary culprit contributing to road condition. Leonard S. thanked John O. for all his efforts to manage the roads of MLME and pointed out that when you have a gravel and dirt road wash-boarding is going to occur. Ted O. suggested other options for the roads and acknowledged that these other options would require a bigger roads budget. John shared some figures for various road maintenance and upgrades. The cost to coat the road with mag-chloride costs \$5k/year for one mile of road. The cost just to grade the road costs \$7k. Hugh inquired about recycled asphalt and the possibility of applying it in sections to spread the cost over a period of years. Kris G. shared that his parents have used this product on their road and it has not held up well.

Leonard S. brought up the need for tree trimming along various areas of the road where the trees are encroaching into the road particularly around the area of the speed hump. A lengthy discussion ensued about the speed hump. The complaint was made that there is not enough notification that a speed hump is coming up. Residents complained

Jamie Page, Member
Rebecca Hitchcock, Member
Alex O'Brien, Alternate Member
Kris Gaylean, Alternate Member

Waupaca/McFadden Update

Dan D. presented the Waupaca Dam Report. See below. He asked the members to please continue reporting their water meter readings. Reporting is not quite at 100%. He stressed the importance of reporting our usage information because it proves to the state that we're being responsible in our water usage and demonstrates that we are actually taking less than the amount we could be. Hugh E. inquired about the possibility of rodents digging holes in the dam. Dan D. said he hasn't seen any issues and hasn't heard about any rodent problems from anyone else. Kris G. informed the group that the bridge at the north end of the reservoir is being rebuilt. They will be using 2 dead trees from the area by the bridge to create a frame on which to construct the rest of the bridge. They will be building it higher to avoid higher water levels dislodging it. Kris G. and his crew will check Harshberger's property line to ensure the bridge isn't on their property.

Waupaca Dam Committee 2017-2018 Annual Report July 21, 2018

Update:

An earlier inspection report from the State Engineers Office noted three actions we need to take to bring Waupaca #2 dam into compliance with state requirements.

1. Install a permanent staff gauge to measure the water level in the reservoir.
2. Remove the sump pump and fill the hole on the downstream side of the dam.
3. Remove all vegetation and any trees smaller than 6 inches in diameter from the dam face and the footprint surrounding the dam area.

Board Action: We are continuing to explore ways to accomplish these tasks.

Ongoing activities:

- manually measure and record seepage from Waupaca #2 dam on a monthly basis. **Thank you Mike Wilder!**
- mechanically measure and record McFadden Creek flows during the irrigation season and report results annually to the state. **Thank you Toby Dunn!**
- semi-annually collect, record, and report to the state water meter readings for all lot owners. **Thank you all lot owners!**
- Coordinate with the ranch for an annual winter release of Waupaca #2 to the river. **Thank you John!**

Planned activities:

2017-2018 Budget		Actual for 2017-2018		
Description	Income & reserves	Expenses	Income	Expenses
Waupaca Reservoir				
Income				
On-Going:				
Annual Dues - from operating Fund @ \$40/ lot	\$2,000.00		\$2,000.00	
Ongoing compliance & maintenance reserve	\$5,847.38			
Total Income & Reserves	\$7,847.38		\$2,000.00	
Expenses				
On-Going:				
Flume Maintenance		\$50.00		\$0.00
Legal		\$500.00		\$120.90
Water purchase		\$120.00		
Forest Service annual fee		\$145.00		
One-Time:				
Dam Maintenance		\$2000.00		\$0.00
Total Expenses		\$2,815.00		\$120.90
Surplus (Deficit)	\$5,032.38		\$7,726.48	
MLME POA Budget				
Income				
On-Going:				
Annual Fees 50@\$506	\$25,300.00		\$24,794.00	
Bugling Bull Fees 4@\$300	\$1,200.00		\$1,100.00	
Palpant/Wise/Osowski/MVR Fees 4@\$300	\$1200.00		\$931.00	
Interest	\$20.00		\$23.19	
Reserves	\$21,912.24			
Total Income & Reserves	\$49,632.24			
Expenses:				
On-Going:				
Insurance - General Liability and D&O		\$935.00		\$669.03
Legal		\$1,500.00		\$4.32
Miscellaneous		\$150.00		\$119.18
Office		\$700.00		\$594.50
Fish Stocking & Recreation		\$1,000.00		\$4,898.20
Trash		\$4,776.00		\$14,933.75
Roads - Maintenance & Grading		\$11,000.00		\$1,800.00
Roads - Snow Plowing		\$6,400.00		
One-Time:				
None				
Total Expenses		\$26,461.00	\$26,848.19	\$23,018.98
Surplus (Deficit)			\$25,741.45	

Discussion Items

Trash -

John O. said increasing the size of the dumpster isn't the same as having 2 pickups. Frequency will be the same with increased pickup during times of year when there is more trash, i.e. holidays. The dumpster will have a plastic lid, be 6" higher, with bars over the lids to protect against bears. John reminded everyone to only put trash in the dumpster that you would put in your household trash can. A recycle reminder was given that cardboard is not accepted in the recycle bin. John also said that the waste company wants recycling in bags. Concern was expressed about bears and a plastic dumpster lid. Dan D. asked the group for a show of hands if they felt we needed increased capacity. The response was Yes! Ted O. would like to see the two times a week pick up extended to May for spring cleaning.

Liability Insurance

John O. presented the specifics of our current liability insurance. We have 1 occurrence at \$1 million with an umbrella of \$1 million and covered up to \$3 million. The cost for increasing our coverage would be: \$600 annually for an additional \$1 million and \$800 annually for an additional \$2 million. Leonard S. expressed his concern about the amount of coverage we have for a single occurrence. His research indicates that for a subdivision the size of MLME, the standard coverage is \$3-5 million for a single occurrence. He proposed increasing our coverage to \$3 million for a single occurrence. John reviewed the discussion from last year regarding this issue. Our insurance agent recommended increasing our coverage by \$1 million. Hugh E. suggested if we are going to spend the additional money for increased coverage why not increase it to \$2 million. Dan D. asked for a show of hands for increasing to \$1 million, \$2 million, or keeping it the same. The poll showed the majority of the group wanted to increase the coverage by \$2 million for an additional \$800 a year. Dan said the board will take this into consideration and look to increase our coverage.

Neighboring Properties (Ranch, Wise)

Dan D. pointed out that our relationship with Katie and Rick, the Ranch owners, is very good and they have been very cooperative. He explained that we, MLMEPO, do not have open access to their property and that, if someone needs or would like access, Rick and Katie should be contacted prior to using their property. Ted P. said he was fine with people using his property to access the national forest. Leonard S. asked that an email be sent to all owners to be considerate of everyone's property. Aly asked about access to Early Dawn Lake for fishing and Dan D. responded that Rick and Katie should be contacted for permission. Leonard S. inquired about the possible enterprises at the Ranch that would increase traffic on Mountain View Drive. Dan D. said the Ranch owners are still considering options.

Last year, Joe Wise Jr. became concerned about traffic on Overlook Drive beyond the gate. As a result, he cut off all the locks and replaced them with one lock. Dan D. spoke with him about our longstanding relationship and we now have a key to the current lock on the gate. Dan D. stated that he believes we actually own the gate. Leonard S. offered that it is an unauthorized gate according to the National Forest. Dan D. said the gate serves our interests as well as a Wise's. Dan shared that it is his understanding that the Wise property is for sale or soon will be. The question of a realtor was brought up and Ted P. confirmed that any negotiations were not going through a realtor. Toby D. thanked Dan D. for all his work on these various issues.