



Hermit Lakes Recreation Inc.

May 16, 2026 - 10:00 a.m.

Teams

Minutes

Board present: Keith Walker, Brady Boyd, Penny Wagner, Jim Brusak, Steve Office
Members: Lisa Taylor, Vincent Bernard

1. Meeting - Call to Order – 10:00 a.m.
2. Invocation – Jim Brusak
3. Approval of Agenda – Jim motioned – Penny seconded. Motion carries.
4. Review and approval 04/11/26 Minutes – specific members names were removed from the draft. Jim motioned – Lisa seconded. Motion to approve minutes has been approved.
5. Old Business
 - a. Dam Repairs Project updates
 - Waiting for engineering on the Project Plan. We are in contact with Sky Hi Engineering on a weekly basis for updates. We'll continue to follow-up.
 - Pre Solicitation Notice was sent out on April 30th to the six contractors selected by the Board. All 6 responded affirmatively to receive the Solicitation Package when it becomes available.
 - We did not receive the initial grant we applied for. We are investigating a Roundtable Grant application in the near future.
 - b. Water storage lakes 3 & 5
 - The Fish Committee wanted lakes 3 and 5 to be drained in addition to Lake 4 and agreed to pay for the water storage for Lakes 3 and 5.

Lake 3 has 56.8 decreed acre feet	\$2840.00
Lake 5 has 54.4 decreed acre feet	<u>2720.00</u>

Total	\$5560.00 p/yr Lakes 3 & 5
Lake 4 has 191.8 decreed acre feet	9590.00
Total storage cost for 1 year	15150.00

c. Board updates

Brady

- Seth Walker will take over as legal counsel for Hermit Lakes. He also does board of directors training for municipalities including legal issues, executive sessions, etc. This type of training will be extremely helpful for this volunteer board now and in the future. The Board will look at scheduling training soon. He does not require a retainer. Jim moved to approve Brady seconded. Motion carries.

Jim

- Motion to transfer \$20,000 from the San Luis Valley Federal operating account to the Del Norte Bank operating account to increasing the operating funds to \$27000 at DNB to cover any expenditures through June. Penny seconded. So moved.
- The seven-month CDs have matured for the Williams CD and the Dam CD. They were extended with Board approval for another three months at the rate of 2.9% at the Del Norte Bank.
- An additional CD was opened at the SLVF Bank for \$120,000 at the rate of 2.48%.
- Last year at this time we had \$494, 653 this year we have \$536,797. That's an increase of \$42,000 related to the management of funds.
- Typically profit and loss statements have only been shared at the annual meetings. The Board has never held monthly meetings until this year, due to the number of projects going on. We will table the request to provide members with more frequent financial information until the annual meeting and ask for member input if/when they would like to receive this information. Quarterly was suggested.

Penny

- The annual packet is being prepared. Cost of printing will be around \$700. No estimate for postage yet. The prior cost from WSB for preparing the packet and attending the annual meeting was \$3000. The annual packet will also be e-mailed to members as a trial this year. The By-laws require mailing. Input will be gathered from members for future delivery of the annual packet.
- The insurance questionnaire is due by June 1st.

Steve

- Jim has ordered fuel for the tanks. Members will continue to be charged cost plus 10 cents a gallon to cover maintenance expenses of the tanks. The fuel costs will be updated in the office once the fuel has been delivered.
- Barn roof repairs – Steve will research the cost of PPE, telehandlers, harnesses and anything else that would be needed for volunteers to do

the repairs to the roof. The initial estimated provided from a contractor was \$5000 to make barn roof repairs.

- Repairing the chinking on the office needs to be done. There's water going through some of the windowsills. We will continue to investigate costs for these repairs. Contractors need to be minimized when possible. We should try and use the volunteers and resources we have here at the Club.
- Contractors have not been contacted to take a look at the infrastructure – culverts, etc. as previously agreed upon by the Board. The recommendation now is to have the contractors that want to submit a bid for Lakes 2 and 4 repairs to take a look when they come to view the dams. This will help them save on fuel costs. Mackey Construction has already taken a look when they did the flume repairs last fall.
- Jim discovered live wires hanging from the pumphouse. This has been happening for some time and is definitely a hazzard. An electrician will be up on Tuesday to take a look.

d. Budget

- Proposed budget has been sent to Board members for review. No increase in revenues or assessments. Carrying over same expenses as last year with minor adjustments were discussed. The Fish Committee will continue to receive 17% of the annual dues and guest fishing fees. Keith made a motion to submit the budget to WSB. Penny seconded. Motion carries.

6. New Business

a. Caretaker search

- First candidate interviewed then withdrew from consideration. He was from Texas and there were reservations from his wife about moving.
- Another couple was interviewed by phone and will be here for an in-person interview on Monday the 18th. We will meet in the Club residence. Qualifications for this couple look good.
- The residence required hiring someone to come in and clean. It will also require some repairs before it is habitable.

b. Annual Meeting

- The meeting will be June 27th in the Barn. Registration will begin at 8:30 a.m.

- A Town Hall meeting will be hosted by the Board at 4:00 p.m. on Friday, June 26th in the Barn to give members an opportunity to ask questions about the budget.
 - Due to the number of projects that are going on, the Board wants to continue monthly meetings. They will be set for the 2nd Saturday of each month at 10:00 a.m. beginning in July. Members will be made aware if they are in person or virtual.
7. Incorrect information has been provided to a member on the membership transfer process. This will be tabled until the next meeting, giving the Board an opportunity to research the issue.
 8. Lisa requested access to push brooms to clean the Barn for the Memorial Day weekend breakfast. PPE also needs to be used. There are extra cleaning supplies available that were purchased to clean the residence.
 9. A cable has replaced the heavy chain at the gate, and the combination remains the same.
 10. Thanks to Lisa and Vincent for interest in attending the meeting.

Motion to Adjourn – Brady. Jim seconded. So moved.

Meeting adjourned at 11:23 a.m.

Moving into Executive Session at 11:24 a.m.

Agenda items include:

- Employment contracts
- Legal Matters
- Accounting

Penny Wagner

Secretary, Hermit Lakes