

COWICHAN LAKE RECREATION COMMUNITY

Board Meeting (CLRC Workshop)

Sunday, August 21, 2022

Attending: Rick Jeffery (Chair), Kim Chadwick, Elaine Dagg-Jackson, Lloyd Ferguson, Sue Fox, George Hillier, Michele Gibbs (minutes)

Regrets: None

DECISION ACTION RECORD

1) Welcome & Agenda Review

2) Approve Minutes

- a) 21.11.30
- b) 22.02.20
- c) 22.03.22
- d) 22.04.10 - outstanding

As Michele had not circulated the April 2022 minutes, and the prior minutes had not been recently reviewed by the Board, an electronic review/approval will be conducted.

3) Water / Waste Water Project (W3P)

Rick provided the following update:

- There will be a Site Mtg on Tues, Aug 23 @ 9:30. Directors are welcome to attend.
- CLRC will provide a Notice for Shareholders when dates/details are confirmed by MSR.
- Anticipate a Sept 12 start date on the Beach, with project completion in the Spring, and two phases based on lake levels, but this all to be confirmed by MSR.

4) W3P Financing

- Lloyd has been liaising with Shareholders (SH) re: payment and financing options for the W3P. While not all SH have responded, only two have indicated they may need assistance with financing.
- The intent of offering financing via CLRC was to ensure no SH hardship, however the complexities of providing financing (liens, etc.) probably exceeds the capacity of CLRC's volunteer board. Lloyd will discuss further with those SH.
- One SH has asked about fully financing the project (\$750,000) with loan/mortgage payments incorporated into quarterly SH fees, and with principal pay-down as Sites are sold.
- The W3P SH payment of \$12,000 per Site is anticipated to be invoiced as three payments of \$4,000 each

5) Finances

Lloyd shared the following documents in advance of the meeting:

- a) CLRC Balance Sheet
 - b) AR Aging Summary
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c) Budget Comparison

On-track although ~\$10,000 over-budget, and dipping into contingency.

- Legal fees are higher than budgeted (see Item #8).
- \$150,000 Line of Credit (LOC) available. Bank recommends using LOC to finance project and paying LOC as SH payments are received.
- Lloyd will ask Carolyn to show the capital project (W3P) separately in the financial documents
- Invoices for electrical update for Sites 17 and 46-53 are ready and will be sent shortly

6) Lot Sales

- 4A remains unsold; may rent to construction crew as/if required.
- Additional W3P funding may be required if it doesn't sell (offered by bank)
- MSR payment schedule will inform bank requirements - Rick & Lloyd are handling
- Q: Why did CLRC not list with a realtor in the Park? Conflict of Interest and also, no one offered
- Michele to liaise with Sandy Stinson about use of Site 4A promotion photos

7) Operations

- Swim ladder has been replaced
- Washroom complaints generally increase as the summer goes on and this year is no exception; a thorough cleaning is required.
- Thank you to everyone who volunteered with Sites 4A & 4B

8) Legal Update

Rick, Lloyd and Michele have been working with John McLeod (Reed Pope) to update the Disclosure Statement, expected to complete before end of August:

- CLRC, in subdividing Sites (1, 4, 14), is considered a Developer per Real Estate Development and Marketing Act (REDMA)
- Current CLRC zoning is grandfathered, however concern that changes to density may impact. Clarification on original zoning is being sought.
- Clarity that CLRC is selling shares with exclusive right to Site (ie/ not land)
- Declares all property below highwater mark does not belong to CLRC (note that there are competing high water marks and CVRD is currently surveying/determining)
- Will be updated regularly and can be used for future CLRC sales, and can be incorporated into private sales.

Because the term Lot has legal meaning, CLRC will shift to use the term **Site**. Additionally, moving forward CLRC will use the term **Shareholder** (SH) and not Lot Owner or Owner.

Legal fees are expected to be \$16,000 - \$20,000.

9) Swim Area

- Kim has adjusted ropes and buoys to better mark the boat and swim areas.
- Stairs have been installed to the south of the swim walkway to encourage use of all beach areas (including in front of Site 53).
- While there are some ideas for swim area improvement, they are longer-term capital items (ie/ platform to improve water access). SH will be invited to provide feedback to Kim, but

in the interim the current set-up is meeting the needs of both boats and swimmers at no cost.

- Kim/George/Jim to remove tie-ups from right side of swim walkway.
- George/Jim to survey tree branch limiting access to beach area and discuss with Site 53 as required.

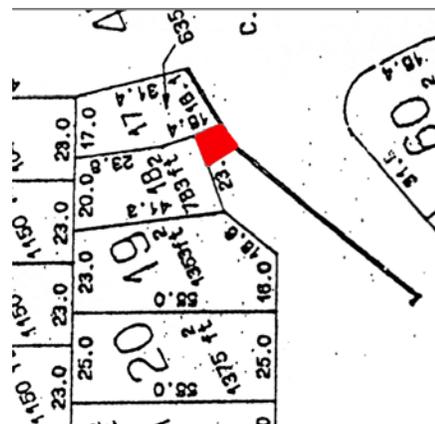
10) Insurance

Lloyd and Sue have looked into SH insurance requirements:

- Paradise RV requires \$2M liability insurance of their SH.
- ICBC RV insurance does not provide site liability insurance; most RV sites have site liability coverage under their homeowner policy
- CLRC should consider increasing minimum insurance requirements to \$2M liability; for discussion/vote at AGM

11) Site 18 - Request to purchase common property

Because of concerns for precedent there is little interest in selling common property however it is proposed that CLRC lease at a nominal rate for an annual or five year term, on the conditions that SH (Site 18) assume all liability and submit LIRF for any/all improvements, and that improvements may be limited at the Boards discretion. All Directors were in agreement (7/7).



12) Electrical Upgrades (“North Side”)

- North Side = Sites 18-22 and 35-45
- Doug B (48) has offered to form sub-committee to assess requirements and provide upgrade options to the Board for consideration/approval: Ken B (60), Brad (Electrician). Kim will be board liaison
- Reminder that 100amp required for both W3P lift stations

13) Marina

- Given the demand for slips, consideration is being given to a “use it or lose it” rule: if a slip is unused for more than two years it goes into the pool for reassignment, notwithstanding that all SH are guaranteed the use of a slip; a new slip would be assigned. Any changes/updates/additions to the Rules & Regulations requires discussion and approval at the AGM.
- While SH may sublet slips to other SH, no slip may be sublet to a non-SH. This is an existing rule but SH should be reminded.

14) Succession Planning

Rick noted the need to recruit new Directors with applicable skill sets (legal, business, finance).

- Lloyd will identify the areas he leads so that some responsibilities can be re-assigned, and to assist with identifying required skill sets
- Elaine to lead a skills matrix analysis

Directors Meeting adjourned at 9:51am
Directors moved to Open Meeting and Q&A