

Minutes

General Assembly Minutes

Those present: Lorraine Selma Skoda, Ed Franklin Skoda, Sylvia Sebastian, Henry Herman Laxen, Sydney Metrick, Chris D'Alleva, Sam Recinos, Tim Whiting

Date Dec 14, 2019 4:14pm–5:06pm

Tim Whiting: discussion of three options-board continuation, dissolving the frac ad turning the frac over to the city, hiring a management company. Maintaining the frac ourselves would require major investment from the residents all of whom who are on the board want to be less involved.

We will present the option of working with a management company. We have a doc by the previous administration that says we have the legal right to transfer management. If we have 14 voters who are owners and paid, we have a quorum. We are likely to have a majority to vote for working with a management company.

When residents arrive, we check them in and confirm the accuracy of their email addresses and phones. Tim will do an introduction and list all the work we handled.

“Handled the boulder rolling down the hill, the tank overflowing, CFE punctured our water line, fixed main water line, new pump, redid electrical, contracted w/city for new LED street lights, two new water reading valves.”

Agenda has six things we did this year. Tim will ask the board to add any not mentioned. Sylvia will present break even budget. Then we will ask for the vote to approve the budget.

Sylvia says then the existing board resigns, then we get a new board or a management company.

Tim's idea is for us to interview the two management companies, decide and then within two months present the decision at another general meeting.

Everyone has the agenda and a copy of the budget.

General meeting December 14, 2019 4 p.m.

Meeting called to order by president, Tim Whiting. Introduced Henry Laxen as secretary. Stated that this is a General Assembly meeting and that a quorum is 14 members. Asked for each person to introduce themselves and which household member will be voting. Sam & Giselle Recinos (Gaviota 27)-Sam votes; Tom Orf & Chris D'Alleva (Gaviota 7)-Chris votes; Rod & Lisa Struss (Gaviota 26) -Rod votes; Amy Friend (Gaviota 28) votes; Ed & Lori Skoda (Villa Alta 5) Ed votes; Vicky Mitchell & Max Sanchez (Gaviota 25) Vicky votes; couldn't hear next; Romeo Danni & Esther G32 -Romeo Votes, Joe & Alicia Yaranon G31- Alicia votes; Sydney Metrick (Gaviota 5) votes; Sylvia Sebastian (Villa Alta 2) votes; Almandina and Manny Rosales (Villa Alta 4-Dina votes, Doug & Nancy lot 50, Octavio & Cynthia Milangos G 3-Octavio votes

List of topics

Break even budget

Vote on: dissolve frac, explore management company, new board

Quorum

Fifteen plus one proxy from Francisco Ico del Rio

Minutes

2

President, Tim Whiting introduces meeting. This is the annual General Meeting. We need a quorum to do business or we take a 15 minute break and re-establish based on number of attendees. There are new people here so we'll go around and introduce ourselves. There is only one vote per house so state who has the vote. There are 28 units in the frac so 9 would be a majority in the quorum.

The meeting is open. As a formality, Tim moves we accept the minutes of the last GA. Moved, 2nd and passed.

Tim introduces himself and explains he has a progressive non-treatable cardiomyopathy. For this and fatigue of the board, we (the board) have looked at other ways to continue the frac.

A fraccionamiento is a Mexican legal entity to develop an area and share resources to manage the area. We are governed by our by-laws. We are recognized by the mayor to run our area as we see fit. It's the board's opinion that we should at least try a management company to maintain the structure and character we already have. If, after a specific time, a new board wants to take over from the management company, it would be fine. This is not meant to be a permanent solution, more of a bridge. We will discuss this later and also vote on two other options.

If there are people who want to be new board members and want to move on in their direction, we can elect them.

We also have the option of dissolving the frac and turning the water over to SIMAPA, the city water company, and have everyone fend for themselves on other issues. Water rates would increase sharply and water supply would be unpredictable. There are service problems working with the city. The city garbage service was expensive and horrendous. There were weeks with no service and no provision for yard waste.

As a frac: we clean the tank annually. We have maintained and improved our water system and have two more years of concession with CMA. We've repaired several thousand gallon holes, replaced the pump, replaced bad connections to houses. We've maintained the roads, repaired the wall when a boulder rolled down and broke through. We have construction by-laws that keep this as a single family development and the laws are sanctioned by the government. This year we also revamped the electrical system in the well house, repaired a leak at the well head and replaced a conduit. We moved two water meters to make them accessible for reading. We repaired the chain link fence, negotiated to change the street lights to LED which increases safety, and got the city to pay for and maintain them.

Joe Yaranon asked to see the pump and was told it had already been repaired.

Chris D'Alleva added that when CFE put in new poles, one punctured the H2O line from the pump to the tank. Board members turned off the water and got the puncture repaired the next day. We also had a break in the water main in front of G24 and got it fixed quickly.

Sydney Metrick said we got rid of squatters in G24 and located the owners, Ed and Charles Vinis who are with us today.

Joe Yaranon asked if the city inspects the frac. President Whiting replied, the by-laws say if you plan to build, you present your plans to the board and we give them to the city. Upon approval we give permission to build.

President moved on to treasurer's report

Treasurer's report

Sylvia Sebastian handed out copies. Stated the proposed 2020 budget is based on status quo. Dues are \$7500/year which includes 250 liters of water, maintenance, CFE, administration (our accountant which we are legally required to have) We are not legally allowed to make any profit. We have \$201,000 projected expenses, \$10,000 in reserve. There are 28 houses, one with an extra lot for an additional \$1,000=211,000. Consuelo, on San Vicente buys water from us @ \$2500/year. We get a bit of money from water overages and a bit of bank interest. Total is \$226,000. We were over budget last year due to water issues but got paid back dues by Mr. Vinis so now we're even. We have \$180,700 cash in an investment account and \$20,000 in checking as of 12/12.

Rod Struss asked, If we wanted to add something extra how would that be handled. Sylvia responded there would be a special assessment.

She went on to say that Aldrete who owns G40 and 41 are the only ones not paid up. Letters are sent to anyone who does not pay on time stating their water will be cut off until payment is received.

She asked or a motion to pass the proposed budget. Motion made, seconded and passed.

President's Report

Finding someone to manage the frac for a price is one solution. Dissolving the frac and giving the well to SIMAPA is another, or, if when the current board resigns new people wish to be board members, we can elect them. Nancy volunteers to assist board members.

Joe Yaranon makes a motion to dissolve the board. There is no second.

Rod Struss requests additional information on the motions. Tim suggest people do research on options and a special general meeting can be called that requires only six members. The meeting would be posted.

Lisa Struss asks what jobs management would do and Rod adds wanting to know their culpability.

President Whiting responds.

I have spent 30 hours finding and interviewing people and came up with two good candidates. If we vote to decide this option, the board will sit down with these two candidates and determine which we think would be best. At that time we'd create a list of their responsibilities, and determine what it would cost in terms of dues. Then the board would call a special meeting in which residents could vote on it.

Amy Friend asked if we can make a motion to accept the management.

Rod Struss said the motion is to investigate. It was seconded by Sam Recinos and approved by majority. The president said if we get the sense we'd like to keep it going we'd deal with it then. We will meet with the management companies and present findings within two months.

New Business

Joe Yaranon asked about a security plan. Tim said we have no plan, each person is responsible for their own security. Esther Danni (?) said at 40 Gaviota people go up and down the hill and wanted to know if there was a way to prevent this. Tim responded that those are private lots and we have no authority.

Board Resignation and Nominations

Current board resigned. The president asked for nominations. Tim will remain president. Nominees:

Sam Recinos-vice president
Vicki Mitchell-treasurer
Sydney Metrick-secretary
Chris D'Alleva-member at large
Ed Skoda-member at large
All seconded and approved

Meeting adjourned

Adjournment