

Meeting Type: Executive Board Meeting (OPEN)
Meeting Location: 230 Port Avenue (PLPOA CLUBHOUSE) Pagosa Springs, CO 81147
Meeting Date: Friday, June 19, 2020

DIRECTORS ATTENDING: Desi Dundics (President)
Susan Hampton (Vice President)
Glenn Woodruff (Treasurer)
Bobby Phillips
Al Gonzales

DIRECTORS ABSENT: none

ADDITIONAL OFFICERS PRESENT: Kate Crawford (Secretary)

1. **CALL TO ORDER-** Meeting was called to order at 1:03 PM. Four Directors were present at the start of the meeting and Susan Hampton arrived just a few minutes later. The meeting was chaired by President Desi Dundics. The minutes of the meeting were taken by Secretary Kate Crawford. The members attending the meeting in addition to the Directors were:
 - a. Robert Taylor, Kelli Gonzales, Rich Gonzales, and John Thomas.
2. **ITEMS ON AGENDA-**
 - a. Proposed Corrections to the Declaration
 - b. Preparation for the September 2020 Annual Meeting
 - c. Proposed changes to the Construction Guidelines and Permitting

3. **Regarding the Proposed Corrections to the Declaration**

President Dundics stated that there are some proposed modifications to the Declaration that were updated by the previous Board of Directors. The proposed modifications have no additions to the Declaration, only non- substantial modifications. Mainly typographical errors, clarifications and relocation of some sentences into more appropriate subheadings. It will be sent to the membership for approval as a ballot. This will be a notation of the changes rather than a complete document sent out. A member made a comment about fractional ownership and deeds, and Mr. Dundics stated that the issues preventing timeshare ownership and fractional ownership were both approved by the membership on the recent ballots and will also be incorporated into the proposed changes to the Declaration rather than including them as Amendments.

Rich Gonzales brought up that (2) people living/owning one property only get (1) vote per lot, and then asked the questions whether husband and wife living on one lot can both be on the Board of Directors. Mr. Dundics stated that the recently updated and approved Bylaws prevents relatives from serving on the Board of Directors at the same time.

Rich Gonzales requested a copy of our Attorney's opinion on the issue of relatives serving simultaneously on the Board and also asked if EPE HOA can place deed restrictions on our properties.

4. **Regarding the Preparations for the Annual Meeting**

Mr. Dundics stated that the Annual meeting has been moved from July 2020 to September 2020. He asked Treasurer Woodruff for a quick recap of the financials. Glenn stated that currently there is about \$9,600 in the checkbook. Also, there was a discussion at the 2019 Annual Meeting regarding raising dues from \$850.00/annually to \$1,000.00 sometime in the

future. These additional monies would be set aside for snowplowing and road maintenance. The dues would not increase for 2020. Treasurer Woodruff stated some dues were paid by previous sellers if the purchase of the property was between July 1, 2019 to present. There are some funds left over from last year's allotment for snowplowing since we did not have a heavy snow season. There is also \$600 in interest in the building deposit fund Mr. Woodruff stated. There was pushback from some members regarding an increase in annual dues. This will be discussed further at the Annual Meeting in September 2020.

A member raised the question of the cost of recent road sealing and repairs. Treasurer Woodruff stated that it cost a total of \$35,000 for road crack repairs and re-sealing. \$17,500 was paid up front and the balance was paid when the sealing was performed last October. At the Annual Meeting, Members Don MacNamee and Mike Crawford, who are now heading up the "Road Committee" will discuss the projected costs and condition of the roads. Treasurer Woodruff stated that Capstone, another HOA within PLPOA, has similar issues with their roads and President Dundics stated that their consultant's assessment report is available for review, although that it seems to bring little new helpful information.

Treasurer Woodruff also discussed that he would meet with Road & Bridges dept. to look at the guardrail down from the entrance by the mailboxes, which was damaged most likely by one of the snowplows this past winter and get an estimate for repair cost. Discussion among the Board of Directors determined that if it is a safety issue, then it needs repaired, but if it is only cosmetic, then it is fine to leave as is. Treasurer Woodruff agreed it was cosmetic and he would cancel the estimate.

President Dundics stated it would be beneficial for members who have questions or issues on any items, to be brought to the attention of the Board immediately, instead of waiting for a Board Meeting or Annual meeting.

5. Regarding the Construction Guidelines and Permitting Process

President Dundics described the steps taken to update the process, and the first step was to send the draft from review to the Board of Directors. No Board member had any suggestions for changes. The next step was to send the draft to ARC – and that ARC responses were to be sent to ARC Chairman Bobby Phillips who was to incorporate ARC comments into one report but that was never done. Instead, ARC members sent individual comments to President Dundics. The document was then revised based on the ARC comments.

Motion made to approve the document by Treasurer Woodruff to accept the proposed changes and motion and 2nd by

Vice-President Susan Hampton. President Dundics then requested that there be a discussion with the members present. Discussion then proceeded with the members present. Director Phillips is against having the PLPOA involved in the Construction process. Mr. Thomas stated the PLPOA should not be involved when our ARC takes care of approving the design and building plans of new home builders. He stated we need better processes and better committee members on the ARC who can communicate better with new homeowners. He agrees that most processes of the proposed document are good and we don't need any 3rd party involvement. Mr. Thomas also felt that a committee should be formed for the purpose of reviewing the ARC guidelines and come up with alternative suggestions and ideas to make it better.

President Dundics stated that the PLPOA involvement would only be on projects over \$12,500. He stated that the PLPOA would only be utilized for inspections only, not on design and plans, and that the PLPOA has trained inspectors, where our ARC members are not, and the PLPOA

also has legal and financial resources that could help us when we get into a bind with a homeowner and their project.

Director Al Gonzales stated that we are lacking when it comes to inspections and interfacing with property owners. President Dundics explained that the ARC is only concerned with the design and plans of the new home build and only the exterior of the property and how it fits in with the surrounding homes in our HOA. The ARC also is supposed to find changes that were made by the property owner but were never approved by the ARC. PLPOA would inspect the building at the beginning of the project, during the project and at the end of the project, which the ARC currently is not doing on a regular basis. Also, the PLPOA would address grading issues and items on the original plans that the ARC approved but were not done by the homeowner.

Rich Gonzales stated that he was following the 2004 Construction Guidelines which were very thorough and why did the Board feel the need to make them more detailed and set us up for future litigation. If the right people were on the ARC, then some of the past issues would not have happened. The guidelines are for the homeowner, contractor and the ARC. The County of Archuleta does do needed inspections and follows the homeowner's original plans. Rich Gonzales stated he has an issue with the new proposed changes. Rich Gonzales stated he has reviewed both PLPOA's Declarations along with EPE's Declarations.

President Dundics stated that the ECC was in existence before our ARC came along. Once we had enough homeowners in our HOA, the ECC was no longer needed.

Mr. Thomas would like to tighten up the procedures and felt we do not need to have PLPOA do inspections which would only add to the homeowner's costs and time delays for building, waiting for those inspections.

Mr. Taylor stated he would like to see a document from the Master Association to Eaton. It's the right thing to do.

President Dundics stated that process development is an art and there are various stages. Everyone has an opinion. EPE is trying to eliminate any risks with the more detailed guidelines. President Dundics prepared and presented a Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis in regards to the ARC. He feels that the ARC can be better at what they do and that the current ARC is not the best they can be, and that is why the need for the PLPOA involvement. He felt that the current ARC is doing a better job at communicating with the members but a lot of things have not happened.

Mr. Thomas would like to form a committee to review the ARC guidelines and go through and tweak them rather than turn over to the PLPOA. He felt the proposed changes would not eliminate the liability but that we need the right people on the ARC which will solve most of the current problems. He felt a "fine schedule" is needed, better forms, and an Inspection timetable. Mr. Thomas questioned the inclusion of the PLPOA in the building process also.

President Dundics stated that we need a process that anyone could step in at anytime and do the job and that he is open to a committee providing a proposal with the changes to the ARC and a timeline.

President Dundics brought up that a Property Owners Satisfaction form or survey was sent to Mr. Thomas, Al Gonzales, Rich Gonzales and Mrs. Hampton when their projects were completed as a means to identify potential areas of improvement, but never got any written feedback from

any of them. He did agree that he spoke with Mr. Thomas by phone about the matter but never received anything in writing. President Dundics would like to see the 30 weaknesses that he identified in the SWOT analysis improved. Rich Gonzales stated he got the survey but would not return it because he feared his responses would cause the Association not to return his deposit. Rich Gonzales also questioned the "refund form" and would not sign it because he stated that it did not exist at the time that he signed the project agreement and did not want to introduce a potential legal requirement in the middle of a contract. President Dundics stated the intent of the satisfaction survey was entirely to identify ways to improve ARC behavior and that the intent of the refund was entirely to speed up the time it took for a Property Owner to receive their refund. Before the form existed it took Mr. Thomas months to receive his refund, and after introduction of the form both Susan Hampton and Al Gonzales received their refund within a matter of days. In conclusion of the discussion, President Dundics stated that he would be considerably more comfortable in keeping PLPOA out of the permitting process if ARC would develop and exercise better processes, which would then significantly reduce the Association's exposure to financial and legal risk.

The motion and second to approve the Construction Guidelines document was rescinded and will be revisited after the following actions are to be taken.

1. ARC Chairman Phillips will form a group of Association members to review ARC processes and behaviors and develop better processes and procedures.
2. ARC Chairman Phillips and Mr. Thomas will work with President Dundics to perform a line-by-line analysis of the proposed changes to the Construction Guidelines in order to arrive at a document that does not include PLPOA involvement.
3. Both of the above actions are to occur promptly in order to ensure that appropriate document and processes are in place before any new ARC application is submitted.

6. There being no further business on the agenda, the meeting was adjourned at approximately 3:02 PM.

APPROVAL OF MINUTES:

These minutes have been reviewed and approved by all Directors.

Signature on file

Desi G. Dundics, President
Chairman of Meeting