

Keys II, Meeting minutes 06/17/13

Board Members present: John Mihelich, Bob Gory, Mike Lotka, and Stefanie Hartnell. (Heather arrived at 5:15)

Homeowners present: Todd Cramer, Gary Svider

Discussion of CC&R's: Mihelich motioned to begin the meeting and Lotka seconded.

Stefanie noted that no homeowners have emailed or mailed concerns regarding the CC&Rs.

Pages 1-23 discussed first

Gary Svider posed a concern regarding: (and discussion followed)

Page 4, section 1.17, "Majority of Members" requesting that majority be defined as a consistent number (members present or total votes) and keep the number consistent throughout the document

2.1.1: How do you restrict beach use? How do you limit the number of guests? Recommend it be removed. Further discussion, Todd recommended we retain the right to limit, even if we don't want to, or re-write it.

2.1.2: recommended it be defined further, retain the right to establish rules "as agreed to by the members". Further discussion indicates "The Association" already includes members, not just the board.

2.1.3: needs to specify the 'majority' and what 'majority' means.

2.1.4: it's a rule, 60 days is too long. Recommends that it be 30, but lawyer may require 60 days.

2.2: add renters/Leasee? Or is beach use included in the rental agreement? What other situation would get us in trouble? Who is this pertaining to? Re-word this to be more positive?

3.1.2: redundant? Overlapping verbiage? Is this consistent? Same as 2.2? Should 2.2 be deleted? Further discussion indicates that it is referring to 2 different subjects: rights of enjoyment vs. membership

4.4.1: 5 or 7 members? Current board is recommending 5.

Team discussed term limits, but recommended that we not impose term limits. Also discussed not allowing board member and spouse to be allowed on the board at the same time.

4.6c: majority of members present again needs to be specified. Continuing to recommend greater than 50% voting majority. No more proxies are allowed.

4.8: Association rules: Gary would like for proposed rules to be submitted to the homeowners and have them vote on it. Discussion followed regarding allowing them to vote, or simply submit it to the homeowners for discussion.

4.10: discussion: no one is protected when they are negligent. Negligence is never legal.

4.14: retains the right to have a Managing Agent if needed. Is Sue our managing agent? She doesn't have a contract.

6.3.2: Majority of the members present required to vote for increase in annual dues. No changes recommended. Discussion only.

6.3.3: discussion only.

Discussed who is currently under contract. No one is under contract, we only have 2 people hired to deal with things, Sue and Churchill.

6.15: discussion of 50% of members present for voting.

7.3.6: discussion of liability insurance, 2/3<sup>rd</sup> of members required to discontinue liability. Refer to Churchill.

Discussion of HOA website, and benefits of having all HOA information and special notices posted.

8.3: Vote of members, continue to discuss 2/3 vote vs. 50% vote.

Section 11: Architectural and Landscape Control: Cramer recommends that we retain this section so that new construction is reviewed and accepted by the board, in addition to the county. What should be kept in this section and what should be removed? This also will be submitted to Churchill.

11.2.2: per the army code of engineers and the La Paz county code. We can establish a limit to build on a certain percentage of a lot. County rules may be different than CC&R's. We may want to establish a developable area or we may want to delete this section.

The board will schedule another work session to review the remaining CC&R's. This current work session is finished, officially adjourned at 6:00.

Discussion of Agenda item #2 will now begin during executive session: 5 remaining members stayed to discuss board decorum. We may not always agree individually, but we need to agree as a board and avoid comments that will make us liable for negligence or any other legal infraction. Let's maintain a sense of respect and open communication so that animosity does not develop.

Date for the next work session discussed. Meeting date not set.

Motion to adjourn was made by John Mihelich, seconded by Mike Lotka.

Verified by Stefanie Hartnell, Secretary