

Final Draft

**Special Meeting of the Board of Directors  
Arrowhead Improvements Association, Inc.  
Saturday, April 26, 2014  
2:00 p.m. at Arrowhead Firehouse**

**Pledge of Allegiance:**

Veteran Bob Hernandez lead the Pledge of Allegiance to the Flag.

**Call to Order and Determination of a Quorum:**

Mike Wigent called the meeting to order at 2:00 p.m. Board members in attendance were: Mike Wigent, Al Hale, John Moseman, Sharon Pugh, Tim Carlson, and Linda Squirrell. A quorum was met.

**Adoption of Agenda and/or any Additions or Deletions:**

No changes were made to the published agenda and Mike reported that the notice of the meeting was posted on the website and bulletin boards for 13 days.

Mike made an opening statement thanking the community members who not only offered to provide transportation via Rangers in the event over the snow vehicles were needed to get nonresident property owners to the meeting (they were not) but also were on hand at the commercial area parking lot in case any property owners who had driven up for the meeting needed a ride to the firehouse in a truck or SUV. Those community members were Robb Robbins, Katie Doss, Paul Grosvenor, Rich Leary and Toby Ezell. He also introduced Marcus Lock, the real estate, HOA and litigation attorney hired by the Board, and explained that the special meeting was held due to the many requests from property owners to be informed of any changes to the Regulations as soon as possible so that they could make their summer plans. He also announced that all in attendance should sign the sign-in sheet and that those wishing to comment at the meeting should fill in a comment form and give it to the Board Secretary.

**Action Items:**

**Discussion and Consideration of Adoption of Revised RV Regulation:**

Sharon moved and Al seconded to discuss the proposed new RV Regulation. John reviewed the changes made. (This revision had been posted on the website at the time the meeting was announced.) Attorney Marcus Lock explained that the covenants are like the constitution for a community and the regulations are like legislation. John commented that property owners in covenant-controlled communities agree to the restrictions in the covenants when they buy in order to preserve property values as well as the vision for the property. He also explained that Board members represent all owners in the community and he was concerned that the state legislature may be trying to drive communities to hire management companies rather than have volunteer boards run the communities.

Mike explained that the new RV Regulation includes the applicable covenants right on the page with the regulation so that they are easy to refer to and that both previous boards and this one have struggled to try to accommodate everyone's input.

Mike then read the conduct of meetings policy before opening the floor to owner input. Rich Krohn, speaking for himself and his wife Kathy as well as Ron and Ann Treche, summarized a number of suggested refinements to the proposed regulation. Mr. Krohn's suggestions are set forth in detail in his April 26, 2014 letter to the Board President, which letter was received into the record of the meeting. Attorney Marcus Lock replied to Mr. Krohn's concerns. John explained how the registration form will work and that those picked up from the sign-in boxes will show who picked them up and when.

Bill Bensley, speaking for himself and his wife Tammy, wondered whether we were limiting the number of tents (to which Mike replied that we were not). He also wondered why we were limiting RV guests when we don't limit the number of house guests a homeowner can have. Both Mike and John explained that the Board is not limiting the number of guests in an RV or a home. Instead, it is limiting the amount of time a "Guest RV" can be located on a lot, which is consistent with the covenants. Whether an owner camps in an RV or builds a cabin or home is his choice. Mr. Bensley indicated that there are now RV's being built for winter weather and he felt that property owners should be allowed to leave that type here all year round. However, Attorney Lock explained that to do that would require an amendment to the covenants. Mr. Bensley indicated that both RV and cabin owners will seek legal advice on their own.

Bridget Isle questioned whether the Board still employs the Masters Law Firm; the answer was “yes”. She also wanted to know whether Mr. Lock represents the water company or the developer; the answer was “no”. Mr. Lock explained that he had identified no conflicts of interest with anyone at Arrowhead.

Bob Hernandez spoke for himself and his wife Melissa. He opposed the 21 day time period for a guest RV and favored 14 days which is in line with Gunnison County’s Land Use Regulation as well as Arrowhead’s Regulations since 2003 and qualifies as a temporary use.

Lucia Lebon opposed changing to 21 days for a guest RV and favored staying with the current 14 days.

Jim Squirrell explained that he had no intention of having guest RV’s when he wrote the covenants and felt that there should be no guest RV’s. He felt that allowing the guest RV is unenforceable because security personnel do not want to cite a friend or neighbor for a violation. He pointed out that the covenants specifically allow one RV or one home occupied by the property owner. He also felt that he could live with a 14 day period for a guest RV, but not 21 days.

Anita Moseman commented that the Board is not taking away anyone’s rights; they are not regulating how many people stay in any owner’s home or RV.

Curt Treichel explained that he had bought property at Arrowhead because of the covenants. Twenty-one days amount to 10-1/2 weekends of the summer. Since a summer is primarily only 12 weekends long, he wondered whether the Board really intended to double the occupancy on lots that way.

Becky Stilley pointed out that she loves both her RV and homeowner neighbors but was concerned that Arrowhead’s infrastructure was based on single family use whether for an owner’s RV or his home.

Kevin Stilley was concerned about the harm that this controversy was doing to the community. He wanted folks to stop picking everything apart and return to getting along with each other.

Tammy Bensley pointed out that they do not yet have a septic system at their lot due to the cost but do empty their blue boys every 3 weeks at the camper dump station.

Kathy Koeltzow encouraged everyone to get to know their neighbors, build on the positives, try having block parties and work on a neighborhood watch.

Mike Wigent read letters (with permission) from owners Paul and Carol McDermott and Larry and Eloise Kontz. Tim Carlson passed along comments he had received from an RV owner advocating harmony.

Attorney Lock explained that the covenants were accepted when people bought their property here, and the covenants give the Board the authority to make regulations as do state laws such as CCIOA. He also explained that in the event of ambiguity in the covenants, courts would likely look to the intent of the declarant of the covenants; i.e., the developer, Jim Squirrel.

After hearing all the input, Sharon moved to discuss the RV Regulation as posted with Al's second. Linda then moved to amend the Regulation to change the 21 days to 14 based on the fact that we had received no input from owners favoring the change to 21 days. The motion carried with Tim opposing.

A motion was made by Tim, seconded by John to expand the applicability of the new regulation to include camper trucks, camper trailers, pop-up campers or other vehicles in this same class. This motion passed unanimously.

Al moved and Tim seconded to add "on or before" to the bottom paragraph of the second page of the RV Regulation dealing with when RV's are to be removed for the winter. This motion carried unanimously.

Sharon moved to clarify the 3<sup>rd</sup> paragraph on the 2<sup>nd</sup> page of the proposed regulation by adding "at one time" in appropriate places. This was seconded by Al and carried unanimously.

John moved to approve the Regulation with the foregoing amendments and direct Mr. Lock to prepare it in final form consistent with the amendments made at this meeting. This was seconded by Tim and passed unanimously.

The meeting was recessed for a 10 minute break and reconvened at 3:50 p.m.

### **Discussion & Consideration of Adoption of Enforcement Policies & Procedures:**

John explained the work done to prepare the Enforcement Policy which complies with both Arrowhead and CCIOA requirements. Mike pointed out that generally the Association will typically try to resolve an issue by discussing it with an owner or issuing a warning prior to any other action. John explained what the

Enforcement Policy covers and how the fine schedule applies. He also explained additional enforcement rights under CCIOA. Tim felt that this document makes our rules and procedures clearer for everyone.

Attorney Marcus Lock explained that this process insures due process and impartiality, and that fines are a much more affordable way to handle problems rather than paying the cost of litigation.

In comments from owners, Melissa Hernandez agreed with fines as a way to get people to comply with our rules; Curt Treichel encouraged the Board to be consistent and firm, felt that ignorance is no excuse for violating our rules, and pointed out that owners are responsible for knowing what the Association is doing. Kathy Krohn asked how this policy would be administered and John explained that procedures are in process and will be in place before summer.

Tim moved to amend the fine schedule in 3.A.(2).xviii to change 21 days to 14 days and change “use permit” to “registration”. This was seconded by Al and passed unanimously.

John moved to have the warning letter for violations issued by the Board rather than by Security. This was seconded by Sharon and passed unanimously.

John moved to remove “defensible space” from the fine schedule and the citation for it from 3.A.(2)xx. This was seconded by Tim and passed unanimously.

John moved to add “with the Association” to 3.A.(2)xxix. and correct the citation. This was seconded by Sharon and carried unanimously.

Linda moved and Al seconded to adopt the Enforcement Policies and Procedures as amended. This passed unanimously.

### **Consideration of Adoption of Amendment to Policy of Dispute Resolution between the Association and owners (adopted 10/1/12):**

John explained that this change is to conform this document to the new RV Regulation and the new Enforcement Policy and Procedures. John moved for its adoption and Linda seconded the motion, which carried unanimously.

**Adoption of Correction to Election Procedures (adopted 3/15/14) to conform to Covenants:**

Linda explained that a property owner had informed the Board of a mistake in this procedure and this correction was to conform it to the Covenants, in particular, to the 2003 amendments. Linda moved to adopt this correction. This motion was seconded by Tim and passed unanimously.

Melissa Hernandez suggested that, per the State HOA Officer's presentation she attended on Friday, we might consider requiring that all elections be handled by an outside firm. Linda will pass this suggestion along to the Election Committee.

**Announcements from the Board:**

Mike thanked all in attendance for coming to this special meeting and announced that the next regularly scheduled Board Meeting will be Saturday, May 17, 2014.

**Announcements from the Owners:**

Bob Hernandez reported on the HOA Information and Resource Officer's (DORA) presentation in Montrose on Friday, April 25, 2014. It appeared from the information presented that our Board was on top of things and Bob handed out two brochures: Covenant and Rule Enforcement and Before You Purchase in an HOA.

The meeting was adjourned at 4:50 p.m.