

DMCA Meeting Minutes

11/21/14

Shareholder Meeting

6:10 meeting called to order

Introduction of John Phifer, DMCA attorney and BoD.

1. President's Report

- a. Remembrance: Several losses to the community, they will all be missed.
 - b. Business: Compliance activities, reserve study, contracted with Bain.
 - i. Bain to perform reserve study. In process, expect completion within next month.
 - ii. Easement access to tanks resolved with River Sage. John Young negotiation with Rick Weaver. Agreement DMCA to provide gate, gate and post are on hand but still need to be installed. Provided certificate of insurance to River Sage.
 - iii. Dues increases and billing cycle discussion.
 - iv. Financial – fine, no major repairs, unlike last winter with two major repairs.
 - c. Personal: Spent 2.5 years with Valentine lawsuit. Valentine returned this spring and take up residence and build a camping residence. Jon Phifer filed an injunction to cease and desist, but needs to be filed in California. By-laws do allow DMCA to tear down structure. BoD met and decided that we shouldn't do that as a first step. We will consider options on advice from Jon. Ouray County has not supported DMCA and camping permits make it more complicated. Regarding possible litigation with Valentine, Pfifer mentioned structure does not meet minimum residential guideline. Preliminary Injunction is normally heard quickly, there is also a lawsuit that would follow.
 - d. Ninah asked how did Catrodale respond regarding requirement for DMCA by-laws covenants on Lot 10 and why isn't approval required on the Camping Permit. DMCA BoD responded with several examples of how Ouray County and Castrodale are not supportive of DMCA covenants and have actually enabled Valentine's actions.
2. Motion to Approve 9/4/2013 meeting minutes. Steve Larivee motion to approve, Judi Snelling seconded the motion.
3. Old Business
- a. Steve Larivee provided update on Lot 11 Loyd Property (Blue house), fees and penalties are now \$24,000. Property mortgage with Bank of America. Steve will file notification to bank. Owners are in bankruptcy, so house is not yet bank owned.
 - b. Judi Snelling provided Ouray County Visual Impact update.
4. Secretary's Report by Judi Snelling

- a. DMCA BoD Training on New HOA regulations. Two training sessions. Much completed after training hired attorney, contracted for reserve study, new bylaws to comply with new regulations.
 - b. Gordon Mull reported on Keystone Feeder Ditch & Meadow Ditch User Agreement. Lots 39, 40, 41 have irrigation from this ditch. Title document was completed. (Do we need or have liability insurance coverage for this asset.)
 - c. Gordon Mull reported on DMCA Files and New DMCA Policy & Form. Files are better organized and a policy was created the DMCA Document Review Request Form.
5. Vice President's Report by Steve Larivee
- a. Update on By Law & Covenant Review Process
 - b. BoD spent many hours reviewing the old bylaws and CCR's to do the following:
 - i. Revise By-Laws & CCR's to come into compliance with CCIOA
 - ii. How to balance the old By-Laws & CCR's to lifestyle changes over the past 35 years with the new By Laws & CCR;s
6. Treasurer's Report by John Young
- a. Water test and legal fees tops expenses
 - b. Due date for Invoices are July 31st
 - c. 2014 Budget vs Actual
 - d. 2015 Budget
7. Water Report by John Young
- a. Water test results, we have high quality
 - b. Pump is operating well
 - c. Tank is nearing time for maintenance. Budget includes budget increase covers increase to refurbish tank (12,000 gallons)
8. ACC Report by Bill Lindler
- a. 5 project reviewed and approved
 - b. Reminder on policy to request ACC approval
9. CCR Revisions
- a. Two Active B&B operations, both advertised.
 - b. 1 active VRBO
 - c. 8 Attached apartments (aka mother-in-law units)
 - d. 5 Attached Garages with Apartments
 - e. The above items are not currently permitted within DMCA
 - f. Rentals discussed
 - i. Original consideration to not allow multiple dwelling were based on the water system limitations to Single Family only amounts 42 lots
 - g. John P. – discussed new regulations
 - i. Updated in recent years in reaction to complaints on inconsistent enforcement by HOA's and foreclosures by HOA's.
 - ii. Original 1979 Declarations are "short."
 - iii. Nightly rentals discussed further, examples of over water usage mentioned for properties with rentals.

- iv. 1979 - dealing with statute of limitations, range between 1 and 2 years.
- v. Much discussion ensued on nightly rentals and single family.
- vi. Made motion to withdraw tabling the vote.
- vii. Motion to vote on by-laws.
- h. 11/21/14 – meeting adjourned at 9:23 pm