Asociación de Vecinos Del Fraccionamiento
Chula Vista Norte, A.C. Board Meeting Minutes
Tuesday January 14, 2020, Avenida Veracruz #1B
10:00 AM

Present: Michael Richard Thompson – President, Herma H. Buchanan, Allan Arthur Borchardt – Treasurer, Juan Gerardo Heriberto Allera Mercadillo, Maria Fátima Davis Ciapara, Manuel Creixell Robina

Absent: Lorna Marguerite McIntyre Leech - Secretary, Alfred Younges Kirkland Jr.

Guests: Hortencia Maria Moreno Morales, Property Manager

Hereafter the names in the minutes will be shown as used in normal usage, with the full legal name indicated above.

1. **Call to Order** –Michael Thompson, President, called the meeting to order at 10:00 AM.

2. A number of board members were absent for the December 23, 2019 meeting and requested that Michael fill them in. Michael discussed with the board, the meeting with lawyer John Brennan with regards to a request from a builder to have access to CVN streets. This builder is intending to build a 45 unit condominium just beyond the end of Avenida Veracruz, around the pond. The builder has requested access to our streets and in return has offered a number of incentives to CVN. He has also offered to pay ongoing fees to maintain roads etc. Hortencia and Michael (via telephone) met with lawyer to discuss our options. The audio recording of the meeting was played for the board members present and sent out to absent board members. At this meeting John Brennan stated that CVN could not refuse access but could negotiate with the builder for the use of our streets and Security at the front gate. It was requested that John assist with negotiations with the builder. More details are needed from the builder with regards to water, utilities, sewer, etc. CVN has not heard back from the builder but is willing to negotiate.

   Much discussion was held with regards to the concession and whether we could restrict access to our streets. Our lawyer stated that we could not deny access and that we need to negotiate.

3. **Minutes for Last Meeting** - The minutes of the board meetings of December 10, 2019 and December 23, 2019 were reviewed as circulated.

   MOTION: To accept the Minutes of the Board meetings of December 10, 2019 and December 23, as circulated.

   Moved Fátima Davis Ciapara Seconded Juan Allera CARRIED

4. **Treasurer's Report:** Al Borchardt was not present so Hortencia presented the financial report as of the end of December 2019. Al joined the meeting later and supplied more detail.

   Some residents paid their 2020 Colonos fees early, thus the increase in income of approximately $79,000 MXN. Manuel stated that he has not yet received his invoice for

2020 Colonos fees. Herma suggested that a notice be put at the gate asking that all residents who have not received their invoices to contact the office.

Income from Colonos fees was $83,612 MXN.

Total Revenue was $192,763 over budget

Expenses
Employee Expenses $13,400 MXN over budget (due to bonuses)
Operating Expenses $39,491 MXN under budget
Maintenance Expenses $27,019 under budget.

Total Expenses for Month were $53,108 MXN under Budget

Operating cash in Banks - $247,951 MXN ($107,000 received for fiber optic)
Emergency Fund - $731,375 MXN
Security Deposits - $254,042 MXN

Michael stated that CVN is negotiating with Cumbres to allow them to hook into our fiber optic infrastructure. It is expected that Cumbres will pay CVN for this. He is currently working with them to come up with a connection fee.

It is noted that the 2019 budget called for a deficit at the end of the year and will much austerity the board was able to make it through the year without touching the emergency fund for operating funds.

MOTION: To approve the CVN financial report for December 2019.

Moved Al Borchardt Seconded Michael Thompson CARRIED

5. **Property Managers Report:** Hortencia presented the Property Managers Report for December.

Gardeners – No issues.

Security – Still working with security company.

Water –No problems.

Street Repairs – Hortencia has received second estimate from contractor who did previous repairs on Colima. The estimate is $108,120 MXN plus IVA of $17,000 MXN, and includes Jalisco, near where the office used to be, with a retaining wall, Colima, Vallarta, Durango (with retaining wall) and almost half of Baja California. This estimate does not include new Adoquin where required.

10:25: Al Borchardt arrived at meeting.

MOTION: To give Hortencia the power to go ahead with street repairs defined above when she feels the time is appropriate and the money is available.

Moved Michael Thompson Seconded Fátima Davis Ciapara CARRIED

Animal Issues – Ongoing, residents still setting traps.

6. **Reports:**

a) Inspection Reports for construction in progress –
Privada La Paz – construction now proceeding.
#7 Jalisco – Material on Street obstructing traffic. Need to keep on top of this and ensure that they keep the street clear.
#26 Baja California – No issues.
#3 Privada Veracruz – Herma stated that the manhole cover was removed and only a piece of wood put back to replace it and it has since rotted out. Whenever you walk through the pedestrian gate onto Privada Veracruz you have to dodge this hole. Hortencia to look into having this fixed.
#22 Veracruz –No issues.
Two new constructions approved (Sinaloa #7 and La Paz #4)

7. **Unfinished Business:**

a) Internet – Telmex is currently finishing installing fiber optic cable in upper CVN. They did run into some problems finding existing conduit. An alternative was found and CVN gave Telmex 10 days to finish. CVN paid Telmex an additional $5,400 MXN and an agreement was made that if they did not finish within the 10 days that each day over that time period $250 MXN would be taken off of this payment. The board is pushing Telmex to start home installations in the lower part of CVN as the fiber there has been completed.

b) New CVN Website –
The developer has run into problems with the logins. Michael is putting pressure on the developer who has been busy on other projects and unable to work on CVN Website.

c) Legal Update –
Veracruz Gate Lawsuit – Michael stated that the board is obligated to pay for Rona's legal defense and that we need to sit down and figure out how this will be paid. His preference is that it not be paid in a lump sum but in payments. He has asked anyone on the board who can provide documentation that Rona was ever supplied with a criminal lawyer to produce it asap. To date no documentation has been supplied. Much discussion was held as to whether appropriate representation had been obtained for Rona and the board is divided on this subject. Manuel has offered to look into this further and to talk to the criminal lawyer that was to have been hired by the board. Michael asked

that Manuel request documentation from this lawyer outlining what he did with regards to the case and for a copy of his bill.

d) Non Colonos Payers – Herma asked when the letters would be going out to non payers. Hortencia to obtain sample notice from lawyer and board to start the process asap. The law requires that three notices be delivered to the non payers, 30 days apart, before legal action can be started.

e) SIMAPA – Sewage Holding Tank
Cumbres is connected to the pipe that goes to the holding tank. Hortencia to meet with Cumbres to discuss situation. Hopefully CVN and Cumbres can put some pressure on Simapa to connect to the sewer system.

f) Solar Panels for Office – Still waiting on getting meter changed.

c) Signing Authority at Bank –Actinver has been completed. Bancomer still in process.

8. New Business

a) Michael stated that there has been no update from the builder requesting access to CVN streets for his 45 home condo. Hortencia has asked the builder where they are getting their water and electricity, etc. The builder stated that he would be getting water from water trucks, electricity from CFE and would be using septic tanks. Discussion was held with regards to what roads the builder would use for heavy truck traffic. CVN has not heard back from the builder and will table discussion until further information has been received. CVN will need to see actual plans before we can negotiate further.

11:00: Juan Allera leaves meeting.

b) 2020 AGM Meeting. Michael asked board members how much time would be required to procure a venue and get the required documentation out to the residents. It is also necessary that all residents be informed of the proper proxy process. Board decided to hold AGM on Saturday, March 28th. Al Borchardt to check with St. Andrews to ensure that we can use their facility. The lawyer will attend the AGM. Board members asked that John Brennan be introduced to the all board members. Hortencia to ask him to attend next meeting to meet everyone.

c) Presidents Report. Michael has asked for input from other board members.

d) John Brennan is reviewing our Rules, Regulations and Bylaws. Michael has asked board members for suggestions and will take these to John. Suggested changes are as follows;

1. Add a rule that no external CVN walls should be allowed to have signs. It was discussed that the owner of the property also owns the external walls. Michael to ask John Brennan if we can restrict owners from placing signs on their walls. Manuel asked how the Cumbres sign on Veracruz was allowed and Michael informed him that he and Hortencia are meeting with Cumbres on Friday and that they will discuss. This sign should not be allowed.

2. Add verbiage to ensure that owners do not dig up the streets outside their homes for any reason without first contacting the board and providing a damage deposit.

3. Change the reference to the formula for Colonos fees to be more generic. The way it currently reads, it must be changed every time the colonos fees go up.

4. It was also suggested that a clause be added to the Rules and Regulations, that a Porta Pottie must be provided for the workers during construction or renovations.

   Michael has asked all board members to review the Rules & Regulations and Bylaws and make any suggestions asap. He will take these to John Brennan.

e) Manuel raised concern with how dark it is at the front entrance at night. Hortencia informed the board that CFE is responsible for the lighting and she will contact them once again.

f) Manuel, Fatima, Juan Allera, Al Kirkland and Al Borchardt's positions are up for re-election. They were asked if interested in running again. Manuel, Fatima and Al to think about it and let the board know at next meeting. Juan Allera had already left meeting and Al Kirkland was not present.

g) Manuel has offered to design security passes to replace the existing ones for CVN. There are problems with the visibility of the ones hanging on people's car mirrors. Suggestion that passes be designed for CVN and Cumbres. Herma suggested that the board discuss this with Cumbres as they may be willing to contribute. Discussion of the front entrance ensued and it was agreed that it needs to be looked into.

h) Wage increases. Michael suggested that we increase the gardeners salaries by 5%.

MOTION: To give raise employees salaries by 5%.

Moved Michael Thompson Seconded Herma Buchanan CARRIED

9. Date and Location of the next meeting
Regular Board meeting – Tuesday February 11, 2020 at 10:00 A.M.,
New Office.

10. Adjournment: The meeting was adjourned at 11:45 AM.

______________________________________ ______________________________________

Lorna Marguerite McIntyre Leech, Secretary Michael Richard Thompson, President

Parking Lot:

Absent Board Members: Lorna McIntyre Leech – January 14-18, 2020
February 16-20, 2020
Herma Buchanan – February 12-19, 2020