

Deer Creek Landowners, Inc. Fall General Meeting

November 7, 2015

A. The meeting was called to order at 1:00 PM by appointed President, Gordon Stewart. Gordon introduced the Santa Cruz County Sheriff, Jim Hart, and Sergeant John Habermehl, the officer in charge of the Felton office.

B. Sheriff Hart and Sergeant John Habermehl offered the following:

1. Felton office emergency # (831) 461-7400 and non-emergency (831) 471-1121
2. They know where marijuana grows are through air surveillance and resident reports. Unless a resident is concerned, the Sheriff does not proactively pursue growers unless laws are broken.
3. Legal constraint: 99 plants per parcel.
4. The Sheriff responds to reports of violence, break-ins, thefts and other serious crimes regardless of how remote the location of where the act occurs.
5. Response time can be delayed by the need to coordinate available resources, court orders, and priorities established at a central command center.

C. President's Report supporting the following points:

1. Currently the DCLI Board was implementing the current Joint Maintenance Agreement (JMA) that some members do not recognize.
2. Section 845 of California law does not apply to landowners who do not agree to a proposed JMA even if ratified by other landowners. Tom Bird did comment that CA Civil Code does also state: Paragraph C. "In the absence of an agreement, the cost shall be shared proportionately to the **use** made of the easement by each owner".
3. Gordon outlined the various law suits (mainly Small Claims Court actions) that he has been involved in. His comments were made in support of C.2. above.
4. There is an existing controversy regarding the results obtained when FY2015/16 Road Maintenance Fees were calculated and billed to Resident Landowners and to Non-Resident Landowners. As a result, a substantial number of Landowners refused to pay their FY2015/16 invoice.
5. Ann Schwarzmans the current appointed DCLI Secretary has resigned.
6. Communications with DCLI landowners is challenging because many landowners do not use electronic media nor have access to the Internet.
7. The President's Report was accepted.

D. In the absence of the Secretary Gordon presented her report stating the following actions taken since the Spring DCLI General Meeting:

1. The previous Board met four times from November 2014 thru April 2015. The current Board met seven times and Board positions (President, Road Manager, Secretary, Treasurer, and three Directors at large) were appointed by the Board.
2. Six demands for escrow were processed. (Presumably this means that Road Maintenance Fees Balances Due were provided to Title Companies for collection upon the sale of parcels within DCLI's sphere of interest.)
3. Seven liens were removed by the Board.
4. The state form required for non-profit corporations, California Statement of Information, was filed.
5. The Secretary's Report was accepted.

E. Because of the absence of the Road Manager, Greg Haagenson, no Road Manager report was available.

F. Treasurer's Report was given by acting Treasurer, John Miller

1. Starting with the conversion of the previous Treasurer's (Joy Mundy) Quicken personal financial data base to the Quick Books business reporting system, John succeeded in translating the Road Maintenance Fee calculations into Excel spreadsheet format and produced the FY2015/16 invoices.

2. John provided the following summary of financial data:

- a. \$13,625 May 1, 2015 Bank account balance
- b. + 591 2014-15 Income
- c. - 9,604 2014-15 Expenditures (roadwork)
- d. - 1,737 2015-16 Expenditures (insurance, software, etc.)
- e. +23,722 2015-16 Income
- f. 26,597 November 6, 2015 Bank account balance
- g. - 5,000 "Emergency Fund"
- h. **\$21,597** Balance Available to Spend

3. John provided an "Invoices" report that showed **95** billable parcels for the time period May 2015 thru April 2016 with **31** paid up billings and **\$113,411.00** in unpaid DCLI Road Maintenance Fees Balances Due.

4. Directors & Officers liability insurance was paid, but DCLI liability insurance was allowed to lapse due to his analysis which suggested that claims were likely to be uncollectable.
5. Roughly \$50K was billed out for FY2015/16 and \$25K has been collected thru November 6, 2015.
6. The Treasurer's Report was accepted.

G. In the current JMA a QUORUM for voting purposes is defined as "30% of the members of the Road Association, including proxies". After collecting and counting proxies and verifying the Member Meeting Sign-in sheets, it was established that a quorum was present.

H. Elections were conducted as follows:

1. A motion was made keep the President, Treasurer, and two directors at large normally elected at the Spring General Meeting, but in this case who were appointed without a quorum of Members present, through their current terms. Their current terms would extend to the 2016 Spring General Meeting.
2. After much discussion, a motion to this effect was made, seconded and rejected.
3. Since the current Board members were appointed without a quorum of Members present, it was proposed that ALL Board members be elected at the current meeting, rather than electing only the Secretary, Road Manger and one director at large as specified in the JMA.
4. After much discussion, a motion to this effect was made, seconded and carried.
5. Nominations were solicited for President, Treasurer, Secretary, and Road Manager. An election was held via secret ballot. The following people were elected:
 - a. President – Tys Sniffen
 - b. Treasurer – John Miller
 - c. Secretary – Ron Chandik
 - d. Road Manager – Tom Bird
6. Next, nominations for the three Directors-at-Large were solicited. Since only three candidates agreed to run, they were declared elected by proclamation. The following people were elected:
 - a. Director #1 – Marco Volpe
 - b. Director #2 – Jay McClelland
 - c. Director #3 – Dave McGuire

I. A proposed amendment to the Joint Maintenance Agreement (JMA) for the proposal redoing the road use assessment method was briefly discussed. Sympathy was expressed for the amendment, but those present asked the Board to revisit and to finalize the amendment and to distribute it for approval by the membership.

J. After two hours, the meeting was adjourned by Gordon Stewart leaving the remaining "New Business, Discussions, and Motions" issue for another meeting in the future.

Respectfully Submitted by Newly Elected Secretary,

Ron Chandik

09Nov15