

ASOCIACION DE REGULARIZATION DE VECINOS DE LA CHOLLA A.C

Regular Meeting of Board – Clubhouse Cholla Bay Mexico

December 12th, 2021

CALL TO ORDER:

A regular meeting of the new Board was held Sunday, December 12th, 2021. President Mike Dugan called the meeting to order at 9:02 am. The meeting was held inside the Cholla Bay Community Clubhouse.

Board members in attendance were; Mike Dugan, Kathy Barnard, Darrell Smith, Lew Felton and Steve Lee. Absent: Gabe Camargo, Pat Champion, and Kelly Ross.

MINUTES:

Mr. Dugan asked if there were any corrections or additions to the minutes of October 24th, 2021. There being none, a motion was made to approve the minutes, seconded and passed

TREASURER’S REPORT/FINANCIAL:

Mr. Dugan asked if there were any corrections or additions to the financials of July – November 2021. There being none, a motion was made to approve the financials, seconded and passed. (See financials on Vecinos Website.)

MEMBERSHIP:

Mr. Felton reported the following: 284 paid members in 2021-2022; 212 delinquent.

Mr. Felton stated that he’s been working on a comprehensive membership data base. He complimented Ms. Koerner’s meticulous record keeping but stated they were in several different files. Now, information regarding a property, for example a tax record, can be found in one place. Information regarding payment of dues, current or in arrears can also be found and a letter to a closing company written in Spanish and English can be generated and sent. This and other reports can be created without having to search through a multitude of files for the information. He can also print receipts for payments, which eliminates writing them by hand. Now that Mr. Felton has completed the database, information can be easily obtained; reports and/or projects can be quickly produced. Many thanks to Mr. Felton for taking on this time consuming task.

OLD BUSINESS:

Mr. Dugan reiterated that the Vecinos de la Cholla A.C. owns the Clubhouse/Community Center building and that he has files showing the legality of ownership. He recently received a letter from Hacienda which states that The Vecinos owns the building, that we are current and that there are no issues. Mr. Dugan will post the document on the website.

CLUBHOUSE:

Mr. Dugan reported that the Clubhouse is in good shape. He also commented on the wonderful spaghetti dinner and great turnout the OBSC had hosted last night. Mr. Felton stated that there were between 60 to 70 attendees and that the Light Parade after the dinner had about 30 participants. . . . the largest ever! A great success!

Mr. Dugan stated that the only problem was/is the WiFi system isn't working. Mr. Felton said he would look into fixing the problem.

EXECUTIVE COMMITTEE:

Mr. Dugan reported that we have been working with the Vecinos' attorney and have been going over all the documents that prove the legality of the Association as well as ownership of the Clubhouse/Community Center building, thus refuting all allegations to the contrary. (Most documents were included in the October meeting minutes,) Mr. Dugan restated that we recently received a document from Hacienda saying that everything is in good standing and that the property according to SAT in the State of Sonora, belongs to the Vecinos', again refuting allegations to the contrary.

GARBAGE:

Mr. Felton stated that he has a 'verbal' commitment that the garbage collection payment will remain the same. He also reported that the "Red Bag" system seems to be working very well and the bags are being picked up by Oomislim. Mr. Dugan asked whether or not the Red Bag program will continue under the new administration. Mr. Felton stated that he wasn't sure but felt the 20,000 pesos he delivered to Oomislim recently would encourage a favorable decision.

ROADS

Mr. Dugan stated that roads are in great shape. The Board engaged in a discussion regarding the safety of people/traffic at the converging streets of Calle F and Tiburon at the Tecate Store location. Ms. Barnard suggested installing a "fisheye" mirror on the building so drivers can see traffic coming from either direction. Discussion continued as to where to place the fisheye and whether or not to add another stop sign.

Mr. Ross has a list of Stop Signs needed for the most critical areas within Cholla to be repaired or replaced. He is working with Arturo Felix to have this done as soon as possible and once the Christmas Holiday Season is over.

Mr. Felton restarted the discussion about the two converging streets at the Tecate store. It isn't clear who is supposed to stop at the intersection. Ms. Blair offered that drivers on Tiburon are supposed to stop and that Calle F is a through street. Ultimately, it was decided to try installing a fisheye mirror before adding another stop sign. Mr. Dugan suggested we buy two to install on either side of the building. . after receiving permission, of course. Discussion continued and Mr. Dugan asked for a motion to buy two large fisheye mirrors. The motion was made, seconded and passed.

Mr. Dugan reminded members to email Mr. Ross if they have an issue with their road.

PARKS/ENVIRONMENTS:

Mr. Smith stated that he's been working with Arturo come up with numbers (dollar amounts) for various and maintenance issues and to tie in with maintenance of the clubhouse as well.

Mr. Dugan spoke with the Vecinos' attorney, who is also on the advisory board to the Mayor, and asked her to contact the person in charge of city parks to see if the City would take care of the weeds and trimmings. The Vecinos would then take care of maintenance and repair of equipment, ramadas and courts.

SECURITY:

Mr. Dugan reported the delivery of the HOA's "Christmas Bonus" to the police assigned to patrol Cholla Bay. (See picture below with Mr. Dugan, Ms. Barnard, Juan Pedro, Mauricio and Jesus.)



WATER AND SEWER:

Mr. Dugan reported that the standpipe has been flowing well for longer periods of time. Before, the water would be turned on for a couple hours a day. Consequently the drivers would fill up a couple of their trucks so they could make their runs before the water would stop flowing. Now they have time to make several runs. There has been no change in the price.

NEW BUSINESS:

Future Meetings: 2022
January 30th
March 13th
April 23rd General Meeting
April 24th
June 26th

ADJOURNMENT

A motion was made, seconded and passed. The meeting was adjourned.

AUDIENCE PARTICIPATION:

Ms. Blair stated she “googled” prices for fisheye mirrors and found several on Amazon Prime. Prices were according to size, but all were under \$100. Ms. Walters recommended that the Vecinos purchase large mirrors for better visibility.

Ms. Ostergard asked about adding more stop signs, stating that there is one at the Oster House intersection and at the Police Station. Ms. Blair explained that stop sign at the Oyster House was a personally applied stop sign with nothing to do with legal rights but just a suggestion. The City had nothing to do with it. Mr. Dugan replied that the one at the Police Station (gate) was approved by the City. Any additional signs we would want to install would have to be approved by the City as the City owns the roads.

Mr. Dugan explained that back in March of 1981 there a homeowners association that was a corporation and it was started for the purpose of paying the Police. Cholla then, was not part of the City, it was primarily farmland. But when the Regularization of Cholla Bay and the Master Trust was made, Cholla became part of the City and it became the City’s responsibility to pay for the Police.

A member asked about the City taking care of the roads since we pay taxes, but suggested it probably would never happen. Mr. Dugan agreed it would be fantastic if the City could be convinced to pay for the roads, but the City does not have a map of them in Cholla. Ms. Blair asked how much the Association pays each month to have the roads graded. Mr. Dugan replied, \$4000. Ms. Blair then asked how long we could continue paying for this if more and more people do not pay their dues. Mr. Dugan replied about 3 or 4 years. She then suggested we drop grading the roads, stating that if people do not want to pay for the service then they should not have the service. She is sick of paying for people who do not pay. Many in attendance agreed.

The conversation and discussion by Ms. Ostergard, the Board and members of the audience, evolved into whether or not the Association was legal, whether Mr. Dugan was President, whether the building is owned by the Vecinos and fiduciary responsibility due to the loss by Ms. Dahlstorm's embezzlement. These questions were asked and answered many times over the past two years. The Board has provided legal and recorded documents as proof and Mr. Dugan had these documents on hand for anyone to see in order to put their concerns to rest. Since there has been no proof provided otherwise, any argument to the contrary is moot.

To all Homeowners of the Cholla Bay Community,

Regardless of your Vecinos de la Cholla membership status, here are the facts:

1. The Vecinos de la Cholla A.C. is a legal entity, proof of this has been provided multiple times and is contrary to what some have been led to believe.
2. Whether or not you like the current Board, they were elected by the current members of the Association and ran uncontested. They have been and are "still working for you."
3. None of the services provided by the Association, have been disrupted, roads graded, Park and Building have continued to be maintained and Porta Johns serviced.
4. Because more homeowners have chosen not to pay their dues, due to the controversy, the Association's income and consequently the yearly budget have been affected and adjustments will have to be considered.
5. The Vecinos de la Cholla is the **only** association providing the above mentioned services for all of Cholla. And as a result, the current and paying members of the Association are carrying the burden for those who are "sitting on the fence" and/or refuse to contribute. The result is and has been to the detriment of the entire community.
6. Paying members would like the Board to ask the homeowners to unify and become part of the community by doing their part and contribute their fair share by paying their dues.

Tax time is coming around and discounts will be available. Also take note of the "Nombre" section, if it does not have your name, the city does not recognize you as the owner and you may possibly not have a deed of trust.

The Following documents were included in the minutes of October 2021 and are included again here. See below.

Enclosed:

1. Copy of signed and stamped document page recorded in the Public Registry, showing Michael Courtney Dugan is President of the Asociacion de Regularizacion de Vecinos de la Cholla A.C.
2. Copy of document page showing the cession of rights of the CBSC (lots 18 and 19, now fused into 19) has been given to the Vecinos.
3. Copy of document page showing the Letter of Instruction to Bancomer to transfer the Clubhouse to the Vecinos.
4. Letter of Confirmation – Myriam Hernandez - Kaizen

#1. Michael Courtney Dugan - President

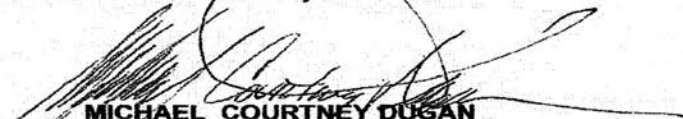
En vista del Acuerdo que antecede, la administración de la Asociación queda encomendada a las personas y con los que a continuación aparecen:



CONSEJO DIRECTIVO
PRESIDENTE: MICHAEL COURTNEY DUGAN
TESORERO: HELEN MARIE DAHLSTROM
SECRETARIO: SHIRLEY RUTH MCDONALD

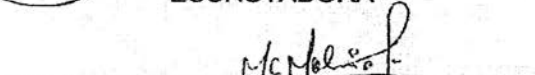
PUNTO TERCERO DE LA ORDEN DEL DÍA. - Se designa comisionado especial de la presente Asamblea a la Señora ELIZABETH GUADALUPE MORENO CLARK para que concurra al Notario Público de su elección para protocolizar la presente Acta de Asamblea y en su oportunidad efectúe los trámites legales de registro que correspondan. -

PUNTO CUARTO DE LA ORDEN DEL DÍA. El Presidente preguntó a los Asociados si deseaban tratar algún otro asunto y habiendo contestado éstos negativamente, ordenó un receso para dar lugar a la formulación de la presente acta, hecho lo cual el Secretario dio lectura de la misma, siendo aprobada en su totalidad y firmaron al calce para constancia el Presidente y el Secretario.


MICHAEL COURTNEY DUGAN
PRESIDENTE


SHIRLEY RUTH MCDONALD
SECRETARIA


HELEN MARIE DAHLSTROM
ESCRUTADORA


MERCEDES CECILIA MOLINA ENRIQUEZ
PERITA TRADUCTORA

#2. Cession of rights of the CBSC given to the Vecinos.

DOCUMENTO: ESCRITURA PUBLICA 105, FECHA 22-04-2005
FEDATARIO: FRANCISCO JAVIER MANZO TAYLOR

EN LA CIUDAD DE PUERTO PEÑASCO, SONORA SE HACE CONSTAR QUE QUED
INCORPORADA LA DOCUMENTACION QUE AMPARA EL PRESENTE, FORMADA
CON 133 FOLIOS

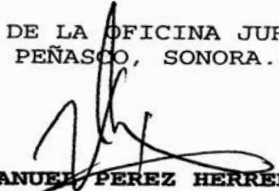
CESION DE DERECHOS DE FIDEICOMISARIO

EN LA SECCION **REGISTRO INMOBILIARIO, LIBRO UNO**
NUMERO DE INSCRIPCION **24606** DEL VOLUMEN **1216**
SIENDO LAS **11:13** HORAS DEL DIA **7 DE JUNIO DE 2005**

DEL REGISTRO PUBLICO DE LA PROPIEDAD DE ESTE DISTRITO JUDICIAL
EN EL ESTADO DE SONORA. PAGO DE DERECHOS \$6,396.25 SEGUN SU ORDEN
DE PAGO 23016 DE FECHA 24-05-2005, RECIBO OFICIAL 610003-1299
DE FECHA 25-05-2005

LO QUE AUTORIZO Y FIRMO PARA CONSTANCIA

REGISTRADOR TITULAR DE LA OFICINA JURISDICCIONAL DE
PUERTO PEÑASCO, SONORA.


VICTOR MANUEL PEREZ HERRERA



CALIFICO: CLARIVEL ACOSTA CELAYA
REGISTRO: CLARIVEL ACOSTA CELAYA

GOBIERNO DEL ESTADO DE SONORA
SECRETARIA DE HACIENDA
INSTITUTO CATASTRAL Y REGISTRAL
REGISTRO PUBLICO DE LA PROPIEDAD
PUERTO PEÑASCO, SONORA.

#3. Letter of Instruction to Bancomer to transfer to Clubhouse to the Vecinos

CLUB



Puerto Peñasco, Sonora a 24 de Marzo del 2004.-

**BBVA BANCOMER SERVICIOS, S.A.
DIRECCION FIDUCIARIA
PUERTO PEÑASCO, SONORA.**

**Ref. F/25881-4
"Cholla Bay Sportsmen's Club"
"Asociación de Regularización
de Vecinos de La Cholla, AC."**

Estimado Señores:

Por medio de la presente y de la manera mas atenta, le estamos girando instrucciones irrevocables para efectos de que instruya al LIC. FRANCISCO JAVIER MANZO TAYLOR, Notario Público número VEINTISEIS, con ejercicio y residencia en la Demarcación Notarial de la Ciudad de SONOYTA, SONORA, para efectos de que elabore Escritura Pública que contenga CESIÓN PARCIAL (EL CINCUENTA PORCIENTO) DE LOS DERECHOS Y PRIVILEGIOS FIDEICOMISARIOS, según las siguientes características:

Como "FIDEICOMISARIO CEDENTE": "CHOLLA BAY SPORTSMEN'S CLUB", INC. SOBRE EL CINCUENTA PORCIENTO DE LOS DERECHOS QUE LES CORRESPONDEN.

Como "FIDEICOMISARIO CESIONARIO": "ASOCIACION DE REGULARIZACION DE VECINOS DE LA CHOLLA". A.C., LA CUÁL ADQUIERE EL CIEN PORCIENTO DE LOS DERECHOS FIDEICOMISARIOS.

Como "FIDUCIARIO" BBVA BANCOMER SERVICIOS, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO FINANCIERO BBVA BANCOMER, DIRECCIÓN FIDUCIARIA.

PRECIO DE LA OPERACIÓN: El que resulte del valor del Avalúo del Inmueble en Fideicomiso.

BIEN INMUEBLE: 50% DE LOS DERECHOS FIDEICOMISARIOS del Lote de Terreno con Casa Habitación marcada como el Número 18, de la Manzana 8, con Superficie Total de 1,242.15 Metros Cuadrados y 50% DE LOS DERECHOS FIDEICOMISARIOS del Lote de Terreno marcado como el Número 19, de la Manzana 8, con Superficie Total de 588.82 Metros Cuadrados, ambos ubicados en la región conocida como Bahía "La Cholla", en el municipio de Puerto Peñasco, Sonora, propiedad descrita según Escritura Pública Número 12,372, Volúmen CLXXXIV, expedido por el Notario Público Suplente Número 17, LICENCIADO FRANCISCO JAVIER MANZO TAYLOR, en la Ciudad de HERMOSILLO, SONORA, y con fecha del 1 DE FEBRERO DE 2001, la cuál se Inscribió en el Registro Público de la Propiedad, Sección REGISTRO INMOBILIARIO, Libro UNO, con número de Inscripción 18,128, con fecha del 24 DE MAYO DE 2001, en la Ciudad de PUERTO PEÑASCO, SONORA.

Todos los gastos e impuestos correspondientes a ésta operación, serán pagados por los FIDEICOMISARIOS CESIONARIOS.

Agradeciendo de antemano su atención a la presente, quedo de Usted muy,

ATENTAMENTE

CEDENTE (S)
SELLER (s)

"CHOLLA BAY SPORTSMEN'S CLUB", INC.

ROBERT JERRY BELK
Presidente Del Consejo

PATRICIA GOODIN
Secretaria Del Consejo

CESIONARIO (S)
BUYER (s)

"ASOCIACION DE REGULARIZACION DE VECINOS DE LA CHOLLA". A.C.

#4. Letter of Confirmation – Myriam Hernandez – Kaizen page 1



Kaizen Title and Escrow
Tel & Fax. 01152638-3831010 y 3831313
USA Tel-Fax. (480) 248-2424
E-Fax. (480) 907-2280
Mobile US 425.449.3619
Puerto Peñasco, Sonora Mx. 83550
P.O. Box 1415, Lukeville, Az 85341

REPORT

The following is a report to acknowledge specific facts linked to a petition for information granted by members of the board of directors appointed by the entity known as ASOCIACION DE REGULARIZACION DE VECINOS DE LA CHOLLA ASOCIACION CIVIL, incorporated before Notario Publico on June 5th. 1991, under deed number 6697, volume CXI, granted before attorney at law OSVALDO RENE ORTEGA FELIX, Notario Publico 91 in Puerto Peñasco, Sonora, then recorded at city record department, under folio 38, section V, L.I. volume ONE, dated December 17th. 1991, to grant full compliance and legal existence of such incorporation.

Therefore, the existence of the aforementioned entity is in full compliance with laws and regulations ruling in the Mexican Republic.

Furthermore, in regards to deed number 32800, volume 505, granted on March 13th. 2012, before Notario Publico number 5, attorney at law Prospero Ignacio Soto Wendlandt, with residence and legal exercise in Hermosillo, Sonora, we observe ORDINARY GENERAL ASSEMBLY MEETING EXECUTED BY ASOCIACION DE REGULARIZACION DE VECINOS DE LA CHOLLAZ A.C. Where it is agreed by the general assembly, to convey administration of such ASOCIACION to MICHAEL COURTNEY DUGAN as president of the board of directors, with full and wide power of attorney to execute all acts to protect heritage and assets in the name and representation of the ASOCIACION CIVIL in comment. The above mentioned deeds granted before public faith in Mexico, support legal personality to entity and individuals appointed according to Mexican laws, therefor their legal existence and actions are duly supported by federal law.

In regards to ACTA DE ASAMBLEA GENERAL executed on April 27th. 2019, at 9:00 AM at cholla bay community center, such is currently being processed at Notario Publico number 5 attorney at law Prospero Soto Castelo, with residence in Hermosillo, Sonora, awaiting for proper recording at city record department in Puerto Peñasco, Sonora.

Same condition prevails for ACTA DE ASAMBLEA recently performed in 2021, being status in custody of Notario Publico number 5 Prospero Soto Castelo, with residence in Hermosillo, soon to be completed to file at city record department in Puerto Peñasco, Sonora.

Also, in regards to collection of dues from home owners of such A.C. arising from checking accounts placed at foreign banking institutions (U.S.) it is important to state that U.S.

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#4. Letter of Confirmation – Myriam Hernandez – Kaizen page 2



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P.O. Box 1415, Lukeville, Az 85341

banking institutions comply with all related due diligence linked to anti money laundering regulations including K.Y.C protocols for every single checking account, therefor such collection complies with transparency in regards to legal money flow pertaining to origin and destination of funds.

Keeping in mind a legal precept that dictates in Mexico: "What is not forbidden, is allowed". In regards to image circulating that "shows" status of A.C. according to ICRESON, (City record department) Such image is not considered as a public document, has no legal value for not being an original public document, and has also been manipulated by having words in English, when legal public documents have to be executed in Spanish language.

The above report is being extended in Puerto Peñasco, Sonora, Mexico, on the 22nd. Day of June, 2021.

~Safeguard Your Mexican Property and Business by Hiring a Real Estate Attorney, Fiscal Attorney and Certified Public Accountant! ~

Claudia Myriam Hernandez M.
Attorney at Law
License number 12201456

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