



Vecinos de la Choya Civil Association Board Meeting **September 21, 2024**

The meeting was called to order at 9:00 a.m. by President Sledge. Aron Benjamin Brown and Selina Welle were absent, Laurie Weber attended by Zoom

Minutes: Motion to approve minutes of the June meeting was seconded and passed.

Financials: In Selina's absence, Jerry read the financials. There is \$229,686.05 in the bank after all bills (roads, parks, etc.) were paid for June, July and August. Budget balance for the remainder of 2024 is \$37,000 which is sufficient to finish the year's expenses. Motion was made, seconded and approved to accept the financial report.

Committee Reports:

The Board committee chairs had a work session on Sept. 20 to discuss proposed projects for the new year and to determine the budget for 2025.

Projects: President Sledge reaffirmed his commitment that any back dues collected since he became president would be used for community projects. Approximately \$30,000 will be available. The committee chairs were asked to propose projects in their areas. The community will then be asked to vote on which projects should move forward. Payment for these community improvements would be made through a pre-paid assessment. For accounting purposes, members would be "assessed" the amount needed for the projects, which would be paid with funds already collected in years past.

One of the proposed projects is a water metering system. The water delivery vendors are on an "honor system" to record how much water they take out of the standpipe. It falls to one driver, Ramon, to collect payment from the drivers and make the payments to Oomapas. When payments have been late or not fully paid, the community lost the early-pay discount. Because the water concession is in the association's name, management should be under the control of the association. To make the process more efficient, an electronic water metering system is being considered. It would require that each driver use a key code or card which would activate the pump and record what each vendor is taking. If a vendor does not pay his bill on time, his access to the system could be shut down until payment is made.

There was discussion of the idea of purchasing a large holding tank as a reserve for times when the city has no water to send to Cholla; but that cost is prohibitive. It should be up to individual residents (both full-time and part-time) to anticipate their personal need and have enough storage capacity to cover them in high-demand periods.

Roads: Pat has investigated the cost for extra days of grading during the busy weekends. The price quoted by SBR was \$895 per day. He pointed out that areas of the road to The Reef where caliche has been laid down, are hard packed and less likely to becoming washboard. He added that the roads in Las Conchas are caliche,

He proposed that, as a test, caliche be laid from SBR's maintenance building on the edge of Cholla, to the police building. The cost would be \$4,700. If the test area works, additional sections of the main roads in Cholla could be done in segments. Concern was raised regarding the effect of rain on the caliche (turning it to muck).

There was also discussion about assuring that businesses in Cholla help pay for road maintenance. JJ's Cantina, in particular, draws heavy traffic and should help with payment for the grading.

Speed bumps were discussed to control traffic. Optimum placement was discussed as well as to whether they would really be effective or simply re-route traffic to another road and possibly cause more issues. It was noted that if property owners feel a speed bump is needed in their area, all neighbors around the proposed area need to sign a petition and present it to the Board for implementation. It was also suggested that there should be more vigorous enforcement of traffic regulations.

Clubhouse: Sometime during the summer, possibly after an event, the clubhouse was not secured properly. Pilot lights were left on, windows were open, and the beverage cooler was running. Many keys have been issued over the years, so a keyless access system was suggested. If someone wants to use the facility, they would be given a unique code and get specific instructions (checklist) of how to shut down after usage. The goal is to monitor access for accountability, not keep people from using it.

Bids were solicited for replacing all of the square windows in the clubhouse with double paned windows and tinting the surrounding glass to help with the inside temperature. The low bid for the windows was around \$5,000. Tinting would be around \$500. Replacing the four glass doors will need to be done at some point. The doors are around \$1,000 each.

Membership: Chairman Jerry Ketelhut-Toleu reported that the membership welcome brochure is ready to print or send via e-mail. In addition to information about the community and the association, the brochure mentions the OBSC, CBSC, and Cholla Charities. The goal is to get it to all owners, rental property managers, Realtors and especially new owners. Realtors will be reminded to ensure that past-due association fees are paid upon closing and information about the association is given to new owners.

Jerry reported that there are currently just under 500 paying members. From 2020 to present about 155 members dropped out. A goal of the membership committee is to get all of those owners back, which would result in close to \$30,000 additional for the budget and community improvements. The Board is exploring an option for owners to set up a quarterly autopay for the dues in 2025.

Park: Charli reported that the water tower was built for the memorial tree program. Billy Stevenson is donating all of the irrigation lines and workers are needed to get those irrigation lines laid. Once they are in, the trees will be purchased and planted. A dedication ceremony is scheduled for October 19th and a second one set for Thanksgiving weekend so everyone who donated a tree can be present. This project is self-supporting through the sponsorships.

In the playground area, the teeter totter seats have been replaced, new grips placed on the handles and the swings will have new chains and seats soon. Tree watering continues until the irrigation lines are in place.

Garbage: Dot reported that litter pick up has been great even during the summer months. Mike and Selina organized a community pick up with Zofemat.

As a follow-up to approval given at the June meeting, 10 garbage cans will soon be purchased and placed in secure stations at strategic locations for pickup by Zofemat.

Dot announced a project that will give people a chance to adopt and decorate a garbage can and have the community vote for the most creative decoration. The cans will be marked with the Zofemat name. This would add to the beauty of Cholla as well as adding awareness of having a clean beach.

An e-mail from Aron Brown reported that he was contacted by the new administrator of Oomslim. There was talk of increasing the rate for 2025 to 6,000 pesos (approximately \$300) to cover a budget shortfall. To assist them with end-of-the-year budget issues, they made an offer for Cholla property owners to prepay for next year at the current rate of \$237.50. Mayor Castro approved the proposal. This offer is only valid until October 31. Aron will have the hologram stickers in the next month for purchase in his office in Cholla but he will take prepayment for those who want to ensure that they pay the current rate instead of the increase. There is a possibility that those who didn't purchase a trash sticker last year may not be able to take advantage of the discount on taxes during the early months of the year.

Rental Relations: Committee chair Chrissy Gronau reported that rental property owners she spoke with were very receptive to having community rules and regulations posted in their rental homes. It was noted that we want to be informative and firm, but not alienate people who come to Cholla. Charli commented that including the letter of the law would show that the regulations are enforceable.

A suggestion was made to put up signage near SBR's maintenance yard welcoming people into Cholla, and including a QR code with information (history, what they can do to help us out).

Security: Juan Pedro was in attendance and greeted with a round of applause. Pat mentioned that we need to remember that we are very lucky to have a police officer assigned to Cholla. Las Conchas, Playa Encanto and other communities do not have this service. We need to appreciate that. When the new commander is in place, the Board will reestablish our relationship with the Police Department and try to move forward on having an additional officer assigned. The Board still working to arrange a vehicle for Juan Pedro and will continue to work on the police building as needed. A reminder was made to keep the posts on the Cholla Police Alert WhatsApp site to strictly reporting criminal or suspicious activity. There were a few problems this summer with theft and break-ins. Reports were filed with the Police Department.

Old Business: Things are moving forward with the new association. The issues with Pat's name have been resolved and Lew and Pat re-signed everything needed to have Pat as a representative. It was decided to add the other Board members (Lew, Charli and Selina) as representatives. Approval is needed for an added \$300 (the initial budget for this process was \$1000 and that has been paid to Kaizen). This will hopefully be finalized by the end of the month. As soon as the documents are back from the public registry Pat will go to Nogales to get his electronic signature registered and the RFC number can then be assigned. We want to get this done by the end of the year. Motion was made, seconded and passed with one dissenting vote to allow the \$300 to be spent.

A member requested that the association pay for a forensic audit of the last 15 years to see what other monies might have disappeared under the previous administration. This would be expensive, time consuming and ultimately non-productive. If we did find an issue, it would not be economically feasible to pursue it. It was suggested that if this community member wants to hire a forensic auditor, the Board will provide whatever documentation is available. The new association Board is committed to being very transparent with the money and moving forward not backward.

It was reported that the city is putting pressure on developers to pay back taxes on properties they sold but on which the buyer failed to establish a bank trust in their own name. A letter was sent to the Board from SBR wanting the association to inform property owners that if individuals have not secured a Bank Trust in their own name and are behind in their tax or trust payments, SBR could move to repossess the property in order to recover their funds. The Board has sent advisories before and will send out a memo reminding members to

stay on top of all payments needed so they don't run the risk of losing the property. However, it was felt that the responsibility for correcting this situation lies with SBR, the seller.

Those who still have concerns about recovery of funds from the embezzlement were encouraged to read the bulletin send out recently, which explains that all feasible options have been exhausted in terms of recovery of funds.

Election: November is the general assembly (annual meeting and election). There are three positions open (possibly more if a current board member decides to run for another position). The office of president, treasurer and a board member will need to be filled. The proposed budget for next year will be on the ballot for approval as well as a proposed change to the wording in the constitution that will create an automatic rotation from vice president to president. This is recommended to create continuity in leadership. The constitution currently calls for three-year terms, and a term limit of six years. That needs to be changed to two-year terms to allow for the succession of the VP to the president's office without being "termed out." Two line items to be voted on to correct those issues. It was noted that the constitution permits the president to appoint an individual to an open position if one comes open after election.

New Business: Once the new association is firmly in place, the process will be completed to transfer ownership of the clubhouse and surrounding property to the Association. In presenting closing costs for that process, SBR indicated that the association owes a \$25,000 balance on the surrounding property. Research showed that this was paid back in 2005 via an assessment of the membership. Documentation to that effect can and will be secured. When finalized, the association will have title to the building and the surrounding property.

The new Mayor of Puerto Peñasco has indicated to some Mexican residents that he would entertain suggestions regarding improvements in Cholla. Suggestions were made to have him out for a "meet and greet," possibly at the Police Officers Breakfast after the first of the year.

Meetings: Meetings are traditionally the third Saturday of the month. The next meeting will be on October 19 which will allow for the needed 30 days to notify members of the General Assembly meeting on Nov. 23. From there on, meetings will be held on the third Saturday of each month and are scheduled through February. More dates will be discussed at a future meeting.

Adjournment: Motion was made and unanimous to adjourn the September meeting at 10:55A.M.