

Country Club Heights Homeowner's Association

Minutes of Special Meeting – Wednesday, October 25, 2017

This special meeting was called by the Board of Directors to address concerns raised by members of the association concerning VRBO's, updating the covenants, liability insurance, and possibility of hiring an HOA management company.

The meeting was called to order at 7 p.m. Introductions were made. No minutes or Treasurer's report were read.

President's Address:

Scott stated that this was the first special meeting he remembered being called. He stated the reasons for the meeting

- The need for liability insurance
- Covenants need updating – this is a 35-year-old document
- VRBO's – currently one home is being rented as a VRBO
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Neighbors had been contacting board members about the above concerns. Scott stated he had contacted the owners of the VRBO, Kyle and Susan Dickson. They agreed to halt rentals for the moment until a special meeting of the homeowner's association, but wanted to honor the contracts that were pending. Scott thought this was fair and agreed.

General Discussion:

Many homeowners interpreted our covenants as stating that no homeowner could use their home as a place of business with customers coming and going. Steve Aiken read Article #5 of the covenants "Restrictions on Uses." Susan Dickson read a letter from her attorney concerning Colorado Law on VRBO's and HOA's. Scott spoke with an attorney, Tom Volkman, about the VRBO situation. He said the courts have sided in many cases with the homeowner, saying no HOA can interfere with what a homeowner does with their home. Volkman

would charge \$225/hour to further explore this situation with us. He said this is an unsettled area of the law. Joanna Coffman read a different section of Colorado law, disagreeing with the Dickson's attorney's interpretations.

The Dicksons further stated that they vet the renters, they are not transient, and that they will be moving into said property. Concerns by homeowners in attendance were possible break-ins, other owners obtaining business licenses, halfway houses, loss of property values, vehicles on the street, and parties on week-ends.

Next, followed a discussion to address the situation by updating the covenants. Scott said he had discussed this with Tom Volkman who said things need to be spelled out, no vague terms. He said they usually use a template to write the covenants. He would work with a committee. There must be a two-thirds vote of the members of the association for any changes to occur. Questions from the floor arose as to why we are only consulting Volkman, what about a different source. This was discussed but no one seemed willing to take this on. Tina said she had already gotten a quote of \$2500 from an outside source to update the covenants. It was decided that we would first form a committee to review and offer updates to the covenants. The motion to explore updating our covenants was made by Jack Richardson and seconded by Mike McDonald. The motion passed.

- They are to be made more modern and enforceable
- Committee members: Tina Snover, Susan Dickson, Greg Coffman, Steve Aiken, Mike McDonald, Gene Dreher.
- The first meeting of this committee was held immediately following the special meeting.
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- This committee will open to any other members of the HOA who would like to serve.
- This committee is to report back to the Board by the 1st of the year.

The discussion to hire an HOA mgt. firm continued. Joanna stated that Heritage Property Co. charged \$7.00 per property per month. That would be \$245.00 a month for our association to pay. Much discussion ensued about the

effectiveness of the property management companies. The general consensus was that it is expensive for very little work product from them. The HOA still does the majority of the work. Gene Dreher made a motion to not hire a property mgt. company. This was seconded by Jack Richardson. The motion passed.

Next on the agenda was a discussion about purchasing Officers and Directors Liability Insurance. Gene Perino called State Farm about a quote. They never followed up on the request for a quote. He thinks they just forgot about it. Greg Coffman said it might be in our best interest to stay with Sate Farm as we already have the main policy with them. Greg will explore other options and report back. Tina Snover made a motion to add Officers and Directors Liability coverage to our policy. This motion was seconded by Mike Gallegos. The motion passed.

There was some discussion about break-ins in the neighborhood, change of addresses, and the two house that recently sold.

A motion was made that the meeting be adjourned. This was seconded and the meeting was adjourned.

Linda Wieland

CCHHOA Secretary