

HOLIDAY ACRES PROPERTY OWNERS ASSOCIATION (HAPOA)
ANNUAL MEETING, SEPTEMBER 9, 2017
ARCHULETA COUNTY EXTENSION OFFICE

Call to Order: Keith Serkes, President, opened the meeting at 7:12 p.m. Board members present: Keith Serkes, Nan Serkes, Linda Lattin, Sandy Nelson. Other property owners present: Chuck and JoJo Allen, Gene and Brenda Madden, J. Jones, Mark Delaney, Mike and Sherry Dallam, Trish Padian, Sarah McGough, Struby Overton, Dean Jones, Wayne and Cathy Justus.

Certification of Quorum: Nan Serkes, Secretary/Treasurer, confirmed that we had a quorum to hold the meeting. A simple majority (50% + 1) of property owners in good standing (paid property dues) is required. There are 168 total lots in Holiday Acres. 67 of those lots were in good standing as of the date of the meeting. So we needed **35** (50% + 1) to have a quorum. We received a total of 26 proxies from members in good standing. Plus there were 13 members in good standing in attendance, representing 12 lots. $26 + 12 = \mathbf{38}$.

Proof of Meeting Notice: Nan Serkes also reported that the meeting notice was mailed to the address on record of all owners not less than 10 days prior to the meeting date.

HAPOA Board of Directors Report: Keith Serkes presented the officer's report and stated it had been a routine year for HAPOA. The only business conducted was routine bill paying and review of Architectural Review Committee submissions. This business was conducted via e-mail among Board Members. No interim meetings were necessary, as there was no new business to discuss. The Board recently received complaints about short-term rentals in the neighborhood. This issue was included in the agenda for the annual meeting and was discussed during the New Business portion of the meeting.

Treasurer's Report: Nan Serkes presented the Treasurer's report. Copies of the most recent Profit and Loss Statement and Balance Sheet were made available to attendees. The reports showed the routine bills that had been paid. They also

showed that HAPOA still has an accounts receivable balance in the amount of \$29,827.75. It has been the practice of the Board to collect past due amounts prior to closing when lots are sold. In 2016, the Board discussed placing formal liens on lots with past due amounts, but it was determined that legal fees would make that cost prohibitive. The Board determined that since it has been successful in collecting these amounts when those lots are sold, this practice would be continued. Copies of the proposed operating budget for 2018 were made available to attendees.

Architectural Review Committee Report: Trish Padian presented the Architectural Review Committee (ARC) report. A brief explanation of the purpose and duties of the ARC was given. It was explained that the ARC does not have autonomous powers. It reviews submitted requests and makes a recommendation to the HAPOA Board. The Board then reviews the request and makes the final determination. All submissions to the ARC in 2017 were approved. The ARC reported two issues that surfaced in 2017. The first was a “tiny home” that was constructed in the subdivision without prior approval from either the ARC or Archuleta County. We were reminded of paragraph 6 of our Protective Covenants which states, in part, “No building, fence, patio or other structure shall be erected ...until the plans and/or specifications have been delivered to Holiday Acres, and the same have been approved by Holiday Acres.” And “All dwellings must conform to the Uniform Building Code...and may not be less than six hundred (600) square feet...” While the property owner in question says the structure is a shed and not a tiny house, he still needed to submit a plan to the ARC and wait for approval before commencing construction. Because of that, he is not in compliance with the Covenants. In addition, the shed does not conform to County requirements. The County says that the roof peak should not be above 12’ and the shed in question is 20’. The ARC requested that the Board send the property owner a formal notice of violation of Protective Covenants.

The second issue concerns the placement of storage containers on lots without prior ARC/Board approval. While the County confirmed that they are not formally requiring permits for these structures, the Planner stated that their use was intended to be in commercial applications, not residential. He is opposed to their use in subdivisions without integration into design of house or existing structures.

Likewise, according to our Protective Covenants, paragraph 4, "Garages and outbuildings shall harmonize in construction and design with the construction and design of the main building." The ARC requested that the Board send these property owners a formal notice that they are in violation of the Covenants.

Election of Directors: There are three vacancies on the HAPOA Board for 2018. The Board received profiles from two candidates, Bryan Looper and Mike Dallam. Nan Serkes read the profiles aloud. A voice vote was taken and both candidates were unanimously approved.

New Business:

Short-Term Rentals: The Board recently received two complaints about short-term rentals (less than 30 days) in Holiday Acres. Keith Serkes read a letter from a property owner who was unable to attend the meeting. The letter states in part, "We have two such rentals near us. Both rent to large groups (10 to 20 people on average) and both advertise the private use of the San Juan River...the fishing use of the small portion of the river we own (approx. 100 yards) is not possible when these large groups recreate on the river...renters are simply not respectful of other property owners...with the use of ATVs up and down the streets, driveways, and other private property...There are also other issues such as fire violations...approved septic use...loud...noise well into the night...recommend signage stating that "use is limited to association members only" on the entrance to the river right of way..."

Another property owner in attendance said that a 3-bedroom house near his is advertised as a 5-bedroom house for short-term rentals. They have experienced loud noise and sewer smell coming from the property. The property in question has a lagoon-type septic system that was approved for use in a 3-bedroom house. The property owner checked with the San Juan Basin Public Health Department (SJBPH) and they confirmed that the house in question is not in compliance with county septic system regulations. SJBPH said they would contact the homeowner in question.

A third property owner stated that there are two houses near him that are constantly being rented as short-term vacation rentals. He said that there have been as many as 25 people at one time in one of the houses, blasting music from the deck. He has observed as many as 6 cars parked in front of the house at once. He also stated that there have been problems with unlicensed ATVs driving up and down the street and has heard gunshots off the deck of one of the homes. It continues to be a problem in the winter. Short-term renters are not aware that you often need 4WD to navigate our roads in winter and he has helped several people who have gotten stuck.

Other property owners in attendance stated that they have observed ATVs and cars speeding on the roads, problems with noise, and smell from strained lagoon septic systems.

There is nothing in the Protective Covenants that specifically prohibits short-term rentals in Holiday Acres. However, Nan Serkes checked with Archuleta County Planning Department and John Shepard, Planning Manager, stated in an email, "Archuleta County adopted county-wide zoning in 2006 and clarified regulations for Lodging Uses in 2013. Most of Holiday Acres is Zoned Rural Residential (RR). Short-term rentals (<30 days) are not permitted in the Rural Residential zone." He further stated, "We do investigate written complaints, although it can be difficult to prove a property is used for short-term vs. long-term rental."

A suggestion was made that we post a sign at the entrance to the river trail, but one attendee stated that he thought that, because we accepted public grant money to improve our greenbelt/wetlands, we had to keep those areas open to the public. The Board will look into this.

Another suggestion was made that we amend the Protective Covenants to prohibit short-term rentals. This is a possibility, but any change to the Covenants requires a 2/3rd vote of the property owners. And it is not clear whether it is a 2/3rd vote of ALL property owners or only those in good standing (no outstanding debt). The Board will investigate this and discuss it in a future meeting.

Another suggestion was made to send a letter to property owners in question, letting them know that they are in violation of paragraph 2 of the Protective Covenants, which states in part, “No offensive activity of any kind, such as creating loud noises or offensive odors shall be conducted on any tract...”

Another suggestion was made to send a letter to ALL property owners, letting them know that short-term rentals are in violation of County zoning. The Board will discuss this in a future meeting.

The Board will meet to determine how to address the issue of short-term rentals in Holiday Acres, but suggested that, in the meantime, property owners negatively impacted by short-term rentals file a written complaint with Archuleta County Planning Office (jShepard@archuletacounty.org). If septic smell is a problem, they should report it to SJBPH (eh@sjbpublichealth.org)

Road Signs/Reducing Road Speeds: The County is in charge of all road signs and sets road speeds for Holiday Acres. This is beyond the jurisdiction of the Board.

Shipping Containers/Tiny Houses: See notes under ARC Report section.

Condition of Roads: Several property owners complained about the condition of the roads in Holiday Acres. The County is in charge of road maintenance. This is beyond the jurisdiction of the Board. It was suggested that property owners contact the Archuleta County Road and Bridge Department directly with all complaints about the condition of the roads in Holiday Acres.

<http://www.archuletacounty.org/253/Road-Bridge>

Open Discussion: There was no further business to discuss.

Call for Adjournment: Keith Serkes called for adjournment at 8:20 p.m.