

PLAYA LA JOLLA HOMEOWNER ASSOCIATION ANNUAL MEETING MINUTES

Saturday, November 24, 2001

The meeting was called to order by president, Bill Robert. Bill reminded us all of the progress that has been made during this past year as he related to our situation from last November. A lot of hard work has been put into road maintenance, security, pool maintenance, water delivery, trash and beach pickup. All are better this year than one year ago.

Bill gave special thanks to Bill Bosmeny for his work on the web site and research into incorporation of the homeowners association. He also thanked Dave Crum for doing research into the underlying mechanical shortfalls of the pool equipment and for stepping in and guiding Andy to bring the pool back into operation with proper chemical treatments.

Over the past year, Fiesta Properties has invested quite a bit of capital to make all of the heavy equipment used for road maintenance and water delivery operational and reliable as possible. They also continue to subsidize the association each month. The road maintenance is still primarily paid for by Fiesta Properties, although continued efforts are being made to bring other associations to the east and west in to share in this expense on a regular basis. Fiesta also continues to work toward improving the propane service. It has just been learned the propane company plans to reimburse owners who were billed incorrectly this past summer.

Our board members from last year have worked hard to stabilize our organization and gain legal standing with the Mexican government, but the work is not complete. Bill Robert explained it is essential that this work continue if we are to move ahead as a community and gave the group the option of continuing the struggle or disband and become just another beachfront community. Everyone agreed we should continue and acknowledged that we purchased property in this development because we wanted a community that had more to offer than other areas such as Playa Encanto.

We want to thank last year's board members for all the hard work put into bringing this development back to a point where we know we can move forward. They are Bill Robert, Bill Bosmeny, Dave Crum, Jim Lee and Mike Ketchner. Bill Robert, Bill Bosmeny and Dave Crum offered to continue as board members to provide needed continuity. After discussion and a proper motion, a unanimous vote of those present voted to gratefully accepted their offer and add two new members. The new board consists of Bill Robert, Bill Bosmeny, Dave Crum, and new members, Dave Livingston and Theresa Specht.

There was considerable discussion of the challenges still ahead of us to make Playa La Jolla the community we all dreamed of. It was discussed that we, as homeowners, could sit and complain about the problems of the past or we could face these challenges and work toward solutions. It was also discussed that more owners need to get involved with helping create solutions. It was recognized that change can only come with a combined effort from all of us.

It was decided there are core issues that need to be dealt with initially. For example, the pool/clubhouse are in dire need of an overall power and maintenance plan. The existing equipment is simply not able to function reliably and the pool will not be consistently clean without an upgrade of some kind. Fiesta Properties has communicated that they are not willing to invest all of the capital required to upgrade this equipment. However, they may be willing to share the expense with the owners.

There was some discussion about the viability of the pool overall and there were strong feelings that the pool adds to the Playa La Jolla Community and that it is one of the reasons that property values are higher here than on the rest of Encanto. The owners felt strongly that the pool should be properly designed and maintained.

A motion was brought forward by Alan Rogers to create several committees of owners. After discussion, four committees were formed and volunteers came forward to work together to address these issues. They are:

LEGAL FORMATION, Alan Rogers, Carolyn Stephien, Luis Olalde Mendoza. Owners agreed to pursue incorporation of our homeowners association in order to gain standing in the Mexican legal system.

SEVEN SERVICES, Byron Leibold, Ken Brockman, Don Weesner and Maureen Rojas. This committee will deal with all seven of our basic services with special emphasis on security and pool maintenance and defining what level of services will be provided on an ongoing basis. If any owner has any concerns about the 7 services, they should contact either Fiesta Properties or this committee.

POOL UPGRADE PLAN, Ken Brockman and Don Weesner. Though the pool status has improved greatly through the work of Dave Crum, it's mechanical system was not well-designed initially and not fully completed. This committee will continue Dave's work to determine what is needed to make the pool's mechanical plant adequate and to insure the overall power for the pool and clubhouse are handled appropriately. This committee will generate a proposal for the board to review. When completed and approved, the board will determine the next appropriate steps to proceed.

REVENUE AND OWNERSHIP, Dave Weesner and John Specht . The general status of the development has Fiesta Properties as the largest property owner with over 100 lots, which they intend to sell. They are also currently providing our basic 7 services. The homeowner's fees collected are not enough to fund these and Fiesta Properties is covering the shortfall. Gus Brown/Danny Brown are the next largest property owners with 40+ lots. They have not so far contributed to the homeowner's association. The remaining lots are held by individuals. While the number of owners who are paying has risen dramatically, there are some owners who continue to refuse to pay their fair dues. Robert stated that any owner not paying their dues, for whatever reason, are part of the problem, not part of the solution.

The Revenue and Ownership committee will be looking into actions that can be taken against those who do not participate. It is necessary that everyone do their part if the vision of Playa La Jolla is to be realized. This committee will also work to share information with owners regarding securing bank trusts for all owners. It is felt that every

owner will be able to secure a bank trust and lack of that trust does not constitute a reason for nonpayment of dues.

Bill Bosmeny introduced Luis Olalde Mendoza to the group. Luis is a local attorney and property owner at Playa La Jolla. He acts as legal counsel for Fiesta Properties and is assisting several homeowners secure their trusts. As a property owner he will also give guidance to the board regarding the legal issues for our organization.

There was some additional discussion about the role of Fiesta Properties and Cameron Truesdell. At this time Cameron's primary focus is on a project he is developing on Sandy Beach. He does not plan to make additional improvements within the walls of Playa La Jolla. He, through Fiesta Properties, continues to provide the seven services. It is felt there may come a day when our homeowners group will take over these functions. That is why it is essential for us to become organized in preparation to assume the role currently filled by Fiesta Properties.

The meeting was adjourned and all were invited to attend our first potluck which was held on the decks of the Robert, Bosmeny and Roger's homes. We thank them for their hospitality. It was a pleasant end to a very productive meeting.

Webmaster Addendum

With the creation of the new board and owner committees, we wanted to make communications as easy as possible. Therefore, so each owner doesn't have to maintain separate mailing lists, we've set up some e-mail distribution lists as follows. If you have a concern about anything having to do with a committee or the board, just send an e-mail to the address below and ALL committee members will get a copy. It's that easy!

Committee Name	E-mail Distribution List:
LEGAL FORMATION	legal@fiestaproperties.com
SEVEN SERVICES	7services@fiestaproperties.com
POOL UPGRADE PLAN	poolupgrade@fiestaproperties.com
REVENUE AND OWNERSHIP	revenue@fiestaproperties.com
HOA Board	board@fiestaproperties.com

In addition, we are all learning things that relate to the rest of the owners. For example, a lot has been learned about battery maintenance that all owners should be aware of. The board invites each owner to share their "tips and tricks", or "hard lessons learned" with the other owners via the website. If you have any material you'd like to share, please send it to webmaster@fiestaproperties.com.