

**Minutes for
Special Session of HLR BOD
on January 14, 2022, at 11 am
at 10888 N Legend Trail, Elfrida, AZ 85610**

Call to Order by: Mr. Barfield President with board members Mr. McFarland VP call in, Mr. Kling Treasurer, Ms. Crouch Secretary, Mr. Smith Member at Large call in.

HLR Property Owners in attendance: Chuck Crouch, Mark and Margaret Shelburne, George and Sam Barton

Video call: Becky Hilgart, Joel Levin, Corinthea Pangelinan, meeting convened at 11 am

The agenda item to be discussed: To accept the January 19th agenda.

Opening statement: Mr. Barfield presented that he believes the motions that is being proposed is out of order our bylaws clearly state that the President and the Secretary sets the agenda. Mr. Barfield does not know by what authority the other board members can set the agenda. If you have a citation, please share it with me.

Request to be recognized by Mr. McFarland, he motioned to override the motion by the chair that stated the motion was out of order. the motion was to adopt the agenda that cannot be ignored or dismissed it has been second By Mr. Smith.

Mr. Barfield declared the motion to adopt out of order. I am dismissing it on the violation of our bylaws so if you can point to some authority that overrides out bylaws then I will concede. Otherwise this is an opportunity for the Secretary, and I can do what we could not do by email which is come to some resolution on the two agenda items we disagree.

McFarland appealed the decision of the chair which Smith seconded. Mr. Barfield attempted to ignore the appeal of the decision of the chair challenging Mr. McFarland to justify how the Secretary's motion to adopt the proposed agenda was not out of order, ignoring the actual motion that was on the floor. Mr. McFarland, in turn, ignored Mr. Barfield's challenge and repeatedly referred Mr. Barfield to the motion that was on the floor, the appeal of the chair's decision.

Mr. Barfield called the vote on the appeal of the chair's decision which **passed 3 to 2**.

The Secretary then made her motion to adopt the agenda, which seconded, and discussion ensued.

Mr. Barfield motion who is in favor letting the board to set the agenda. **Passed 3 to 2**

Discussion:

Mr. McFarland presented:

I am speaking in favor of adopting this agenda. A lot of points have been made both in this meeting and before it, including that the Bylaws revision that the GDC has worked so hard on hasn't received the consideration of the membership at large that it deserves. That's just simply not true and has been or will be addressed by others. What is true is that there has been a considered effort to delay, with a view to preventing these changes. What is actually at stake here as we navigate this tempest in a teapot? Very little. Paraphrasing a group that has sought to maintain control of HLR (and I'm not included in that elite set), we can just make the changes and do what we want and if the membership really cares, they can override us. My perspective is much less cavalier than that, as I have greater respect for my fellow owners. If a majority of member-owners emerges that opposes specific provisions in the revised bylaws, I'm sure those will be carefully considered and acted upon in the near future. The Bylaws are not set in stone. They are, per our Articles of Incorporation, a description of how the Association operates, nothing more. And, if the membership really does disagree, I'll be the first to lead a revision that aligns with the majority view. The unscientific sampling I've seen indicates these changes do have a broad base of support. It should be acknowledged that we are finally moving in the direction of opening up the Association to broad participation, something that hasn't happened in the past, particularly under the current president's leadership that has been unsupportive, at best, in the efforts, particularly getting timely notice to the members in this case. All that said, the process of the board's consideration will include the opportunity to amend the recommended document. It's not the infantile up or down vote the opposition is using to scare owner-members. I've had

one suggested to me already by an owner-members who would otherwise oppose the draft bylaws. I don't remember the President's concern for membership consideration when he first changed the bylaws several months ago. He just did it by springing the ability to do so on most of the directors without ever even notifying them that the Board did, in fact, have the authority to modify the Bylaws in accordance with the Articles of Incorporation, a superior document in HLRs hierarchy of authorities. In fact, in a conversation with me, my esteemed colleague knowingly let me continue to labor under the misunderstanding that Article 15 of the Bylaws actually meant something. Many of our members still share that erroneous understanding. The irony here is that the individual trying to position himself as the main advocate of membership consideration has acted in the past with no such consideration to the members and, in this case, has truncated the notice provided for the 19 January meeting by not working with the board to adopt an open agenda on his own timeline. He denied owners a full two weeks to consider the changes I hope we will address on the 19th, through his inaction. His effort to manipulate us by abusing his position cannot be allowed to succeed. He cannot create a problem on the one hand while taking advantage of it on the other. This agenda will bring key measures before the board that are needed to calm the instability his tenure has brought and to allow the board to function like a normal board. I've received emails from owners I've never met commending the current board's efforts to stand up to a few who have tried in the past to dominate the community through their bullying tactics. I support bringing the days of random enforcement and cronyism to an end. Others who sought to rebuild HLR's standing in the County are profoundly disappointed by how fast this cabal of control freaks has once again, their words, not mine, brought hlr to petty, unproductive, and public infighting. I still remember my realtor's description of hlr and its association. What is the opposition really trying to do? For what do they hope? They are hoping that a vocal minority will be able to derail community efforts to reign them in. We have to ask ourselves what will happen in six months, or six weeks, that won't happen in a week? Are we really suggesting that member owners will have a greater propensity to respond as a function of time? Those who are likely to respond will do so in days and many already are, both for and against the changes that have been openly developed and shared. That's just a silly proposition designed to delay. The real issue is that the opposition sees it's only chance to maintain the bullying dominance of a mere handful of individuals by delaying the important items listed on this agenda. As an aside, our meetings are generally quite troubling because our presider fails to run meetings in a way that ensures everyone is heard but that each speaker doesn't have the right to attack others or to repeatedly harp on the same points over and over. As a foresight of next week's meeting, nothing in the Bylaws can affect the existence of the CC&Rs, compliance with them is a legal requirement for every property owner regulated by the Association as incorporated. The issue for consideration is whether a small group of owners who have made such a mess of enforcement should be allowed to continue to do so. Drive around the properties and take a look at all the violations. As the Association already lacks the authority to sue an owner without first gaining the approval of the owners per the last paragraph of 7.2(G) of the Bylaws, very little change is even being contemplated. In summary, I support this agenda and look forward to openly considering the items on it. I request that a copy of these comments be attached to the minutes of this meeting. I regret the delay in posting the agenda and providing more consideration time, but the opposition cannot be rewarded for their tactics. Second Comments following the President's remarks: Facts do matter. The first point is that the first amendment to the bylaws you made did pass and was incorporated into the Bylaws. You refer to the second as if it were the first. The Second point is that a read ahead does not prevent adoption of the agenda and that was attempted to be used. That's been overcome. Lastly, the specifics of deciding on a voting vendor or testing the system when we're this far out from the election, again, are not valid reasons for not putting an item on the agenda. +++++ Notes: The last paragraph of 7.2(G) of the Bylaws in effect: "The board may not pursue litigation under any circumstances unless the contemplation of such litigation is brought to a vote and approved by a simple majority of a quorum of Members, and unless such litigation includes a special assessment, to be determined by the board, and to be paid by all Members of the association to cover reasonable legal fees and expenses. "The disingenuous position that has been fausted off on the membership, based on several responses received, was that the Board had the wherewithal to initiate action against a nonconforming owner. This hasn't been true for a long time and the special assessment process required to build a legal fund for such litigation is problematic at best. This has been a major communications failure. This poorly written provision is not overridden by statute as is the conflation of members and votes in the election-related language in the governing documents. In this case, as it appears the statutes are silent on the issue, members are required to form a quorum and to then meet the commitment threshold. Members would mean an owner regardless of number of lots owned. Net effect: The board, under the current Bylaws, is a paper tiger with little enforcement authority. Owner-members need to know this so they can accurately assess the proposed changes.

Mr. Smith Member @ Large No presentation

Mr. Kling Treasurer No presentation

Ms. Crouch Secretary presented:

With a little of history, as you know the President and the Secretary sets the agenda. When the deadline was approaching. I sent the agenda item that I already received and asked the President if it is on to post. I also presented suggestions that I felt was needed to information out to all Property owners (email blast) the only response was from the member at large stating he believed there should be no opposition to this request. Silence from the President on how to proceed which was stated to me many times I do not proceed without the Presidents support since we shared the same responsibility.

The President response was “no” on the agenda he is not in agreement with this agenda that their information was incomplete, and he listed on what he wanted to be answered.

I got back with the directors of the agenda item and explained what the President wanted. Changes were made but the President was persistent that he was still not in agreement. After several attempts to this settled, he would not back down, which has led up to today’s special meeting.

The last thing I want to add is with the research I did on the correct way for an HOA to handle agenda item and when it comes to setting board meeting agenda, directors have a right to bring business before the board. Except for decisions previously made by the board, the president has no right or should not choke off the board’s business by refusing to list matters on the agenda just because of verbiage or his individual opinion. The president and I should only decide if we can address the items in a two-hours’ time only.

Mr. Barton asked isn’t that your discussion with each one of the board members at meetings, then people can decide if they want to do A, B, C or D or like what it is and vote on it. How can you talk or voice your opinion if it’s not on the agenda or if it never gets brought up? **Mr. Barfield** replied, and it will be discussed at the meeting.

Ms. Pangelinan mentioned she very much appreciated that commit because Robert the board members cannot speak to each other without causing a closed meeting. The only way we can have these particularly critical issues discussed is to put them on the agenda. **Ms. Pangelinan** mentioned that several times dates were mentioned that are not true and she was grateful for she is allowed to correct them. That the GDC sent the revised by laws on Jan 5 not on the ninth. She mentioned if the agenda were posted on time, we would not be having this discussion if they were submitted on time at this special meeting.

Motion:

Those who are in favor of adopting the opposed agenda for the Jan 19,2022 meeting. **Passed 3 to 2**

Mr. Barfield if anyone has something to be added please state. **Ms. Shelburne** said she was approached by ten PO’s who is in favor of the new bylaws but did not want to respond be of retaliation from the current board or future board members.

Mr. Barfield felt they should not feel that way and need to respond.

Motion:

To adjourn the meeting by **Mr. Barfield**. **Mr. McFarland** 2nd all in favor at 11.47 am.

Minutes by, Barbara Crouch Board Secretary for January 14,2022 – Barbara Crouch