

31 Mar 2010

Report from BRUCE TURNER, Board Member

March 30, 2010

I just returned from Las Palmas and wanted to give everyone an update. I arrived on 22 Mar and was informed by Francisco that a water main had burst just in front of the big Las Palmas sign and the force was so strong it pushed the brick pavers into the air and sent several gallons of water down the street toward Villa #1. The main broke before our meter so Francisco said the water loss will not be counted toward our bill. Sandy Beach is responsible for the break and the whole thing was fixed within two days.

The rope lights look fantastic. The 1,250 feet we purchased covered 13 Palm Trees and really make the place look like Disney land in the evening. We still need to cover some more trees down the center walking path to complete the effect and then I think we should stop at that. We have a lot of palm trees on Las Palmas and we can't cover them all like Francisco said. We should finish the center walk way down the path to the beach and a couple more at the entrance and then stop at that for now. Lynda, We need to order 8 more rolls and that should do it for us. Can you place the order and have them mailed to my home address again.

I took with me two rolls of ground cover to place under the rocks and stop the weeds and grass. Really look good and very clean when Francisco and his guys put it down. This was to be a test project and it looks like we need to purchase more to cover as a minimum the problem areas.

I had also taken with me two bottles of weed/grass killer that Francisco used to spray some problem weed areas.

I bought 4 motion detectors for the club house bathrooms and everything we tried could not get them to work correctly. I brought them back and will replace them with another name brand and try it again next month.

At the request of some owners I bought two pedestal fans and a clock and placed them in the club house gym to move the air around in there. The fans look good and seem to be working very well. I already had a couple of comments from owners that they liked them. The new spa digital heater at Grande seemed to be working good. I did not much time to check it out but it seems to work a whole lot better than the old manual one.

The Beach cleaning project we had previously talked about I was told by Francisco that the City of Penasco has taken it under their responsibility to announce to the citizens of Penasco they want to be known as having the cleanest beaches in Mexico. They city bought some equipment for beach cleaning and plans to start cleaning all beaches in and around Penasco. I don't know how often they plan to do this but at least it will be free for us and the other resorts.

I had purchased a light sensor that works on a dusk/dawn basis. We placed this on the Grande Building as a test project and it works GREAT!!!! The sensor costs \$20.00 and it was turning the lights off 1 hour before all the other three towers which included the building lights, hallway lights, and parking lot lights. This is therefore a savings of all of these lights being turned off an hour before all the other lights and must be a significant \$\$ savings over the course of a year. In the past we had to rely on the employees to adjust the timers about 4 times a year due to the sun coming up earlier or later and it was not happening effectively. Now we don't need to worry about it. They will come on when it gets dark and they will go off when it get light outside. I will be purchasing 4 more to cover the other three towers and the clubhouse/pool area lights.

The wall at Villa #20 is coming along nicely. Bella Serena finally took the ball as they should of and placed a large tube under ground for draining the water and they also made new sidewalk and placed a proper drain at the end of the sidewalk to allow the water to flow. The wall has been fixed again and still needs final painting. When I had left they still did not have the dirt all replaced but they were working everyday on it.

The resort was pretty busy for the whole time I was there and numerous Mexican Nationals were starting to arrive for Semana Santa. I was told the rental company will have a 100% occupancy for this holiday.

Oswaldo told me he had sent an e-mail to admin secretary for the New Mexico group and informed them we were taking steps to place a lien on all their properties. He was told there is a New Business partner and the new business partner wants to know what the total amount owed is because he wants to write a check and pay all past due HOA fees to bring the group current. This is of course great news and I hope it happens. Regardless, Francisco and Oswaldo have contacted an attorney who is asking around about who and how a lien it to be placed on the properties.

I discussed with Francisco the Board still has the 3 Priorities of Painting the Villas, Purchasing the Palapas and Planting them and widening the main path and placing a couple of benches on the route down to the beach.

I want the Board to know that I was there for 7 Days and Francisco and his people are working hard to stay on top of the many things that need to be done at Las Palmas to keep it nice. We need to keep on the cosmetic things such as trash, cig butts, weeds to keep the place looking clean and enviting. The Resort over all looks really good. There are a lot of people moving around on the Resort right now and it is a constant battle to keep it cleaned up.

Bruce
Bruce Turner, Board President

5 Jun [Water Heater Damage](#)
2010

HOT WATER HEATERS

The original hot water heaters in the villas and condos have reached the end of their useful life. Age and the salt air have made it necessary to address this issue, as time is of the essence. Leaking and bursting tanks have caused extensive water damage in not only the condo in which they are located, but in the condos on the floors below.

Last week, on June 15th, another tank gave way in the Grande building, causing thousands of dollars in damage to three condos. Lost rental income, damage to furniture and fixtures resulted in costly repairs from an event that could have been avoided.

It is necessary for all owners to replace their water heater if they have not already done so. Here are two contractors to choose from:

1).- Ventura Mada

Phone: 1 638 380 7505
E-mail: venturamada@hotmail.com

2).- Israel Calza

Phone: 1 638 113 0250
E-mail: rpoint75@hotmail.com

Both are well known and proven to do professional work.

These men can provide water heater replacement service which will be outside from HOA control, responsibility or guarantee. Estimated cost for installation of a replacement tank is around \$325-\$350 US dollars.

It will be up to each owner to make their own arrangements for installation and payment. Owners will have to contact the Contractor of their choice directly and make arrangements of estimate, availability, payment and installation.

We are aware this financial issue could not come at worse time considering current economic conditions, but since the consequences of a tank failure are heartbreaking and so costly, we are still highly recommending the tanks be replaced ASAP, preferably with these safeguards in place.

The board is also researching the feasibility of "tankless" water heaters as suggested by owner David Frenznick. The operating cost savings will quickly pay back the installation costs. We are investigating the electrical requirements and costs. We will keep you posted.

19
Jul
201
0

Lobby Tile



20
Jun
201
0

Beach Palapas & Tables



View of recently installed Beach furniture and palapas

21 [Satellite Upgrade](#)

Jul We are very excited about our improved picture quality and equipment upgrades.
201 Here is the List of 14 TV channels now available on your Las Palmas CATV system:
0

1	TELEVISA - MEXICO	2
2	TV AZTECA - MEXICO	7
3	ESPN - USA NATIONAL	14
4	CBS - PHOENIX	16
5	FOX - PHOENIX	18
6	NBC - PHOENIX	20
7	ABC - PHOENIX	22
8	E! - ENTERTAINMENT CHANNEL	25
9	THE MOVIE CHANNEL WEST - MOVIE	27
10	DISCOVERY CHANNEL - US NETWORK	29
11	SHOWTIME WEST - MOVIE	31
12	TNT - US NETWORK	33
13	CNN - NEWS	34
14	USA NETWORK	35

The CATV equipment and wiring upgrade is almost 90% complete. Chris of Next Millennium Electronics will now begin working directly on a case by case basis if you are still having reception problems. Please submit a work order ticket to request additional service if your picture is not satisfactory.

If anyone is interested in having Chris upgrade their service to have their own private satellite system, please contact him directly at (480) 216-6749 for a competitive price quote.

22 Jul [Restaurant Woes](#)
2010

Hello ,

I had an opportunity to speak to Jacob regarding the restaurant situation. He informed me that he lost his cooks and is looking to hire new cooks within the next two weeks.

He also agreed to let us know when his restaurant impact the services our resort offers.

Additionally, the board will be meeting in mid August to discuss options regarding how we can provide more consistent restaurant service.

Thank you for keeping the board informed.

Dan

Sent from my iPhone

On Jul 21, 2010, at 4:41 PM, "I. America Marquez C." <iamc1003@hotmail.com> wrote:

Hola Dan,

I dont know If you know,restaurant is NO open, well the store is open with a few things, but they dont have restaurant service or bar service, we have 90% on the resort and is no one or two guest how are complaining no for the unit or our service, is because they need to drive to eat or they can't buy a drink at the resort. I dont know what is the deal with the restaurant, but people dont understand is a diferent rentals & restaurant, because they asking for a resort service. If you go to any other resort maybe any of the Sonoran's they have a restaurant and bar open with music at the pool.

store open at 7am to 4pm maybe 5pm, but is only the store (with not much things)

Please help me with this because people are really complaining for this, then I receiving calls to make reservations, but they ask if we have restaurant service and bar, I say NO because we dont have that service and I dont like to lie people, because they going to complain more because I say yes.

We dont have this on our resort and we looks bad. We are the resort with more guest. I dont know If you can help me or to how I need to talk with.

Thank you very much for your time.

America Marquez.

2 Aug [WATER HEATER UPDATE](#)
2010

TANKLESS WATER HEATERS

As suggested by Delfin owner David Frenznick, we have been researching the feasibility of owner installation of money and water saving tankless water heaters.

We finally got response and load calcs from two electricians, one from Mexico, and one from the States.

Both agree that another electrical box would be required for a tankless water heater, at a cost of about \$120-150. installed.

The recommendation is for a 100 amp model. A 120 amp model would also work, provided that the unlikely event you would be taking a shower, using all the burners on the stove, and using the dryer simultaneously.

We think it is a tremendous idea, and since we are having a problem with the tank pans, we will be testing them in a few condos and homes. The casas will need the 120 amp model.

Tankless water heaters offer many advantages. First and foremost is there is no danger of a tank rupturing or leaking into your home. Since our units are unoccupied most of the time, you will not be wasting energy heating a tank when there is no one using hot water. The energy savings should recoup the initial costs difference of a conventional tank in less than 18 months.

An on demand tankless heater brings hot water to the faucet quicker and saves from running water for several minutes before it is hot. There may be occasions when two showers are running simultaneously that it would not keep up, but this is a minor inconvenience, and occurs with conventional water heaters as well.

Stiebel Eltron Tempra 20 Plus Electric Tankless Water Heater

The Tempra Plus is the most technologically advanced tankless water heater available on the market today.

The Tempra series has been redesigned completely inside and out - upgraded heavy-duty electronics, a simple single flow sensor design, a hinged cover for easy access, and Advanced Flow Control for the Tempra Plus. Welcome to the next generation of German quality.



The Tempra has several advantages over a gas-type tankless water heater. Compared to many similar gas tankless models the Tempra is less expensive to purchase. Installation is also much simpler and cheaper since it is not necessary to vent a Tempra to the outside.

Stiebel Eltron Tempra 20 Plus Electric Tankless Water Heater Features:

- Voltage: 240
- Wattage: 19.2
- Amperage: 2x40
- Min. required circuit breaker size: 2x50
- Recommended wire size: 2 x 8
- Maximum temp. increase: 88
- Weight: 15.4
- Width: 16 5/8
- Height: 14 1/2
- Depth: 4 5/8
- Working pressure: 150 PSI

David has found these heaters on line for \$625.00 with shipping, at the following link:

http://www.amazon.com/Stiebel-Eltron-Tempra-Electric-Tankless/dp/B001AHQ9M0/ref=pd_cp_hi_2

3 Aug [HOA Board Member Meeting](#)
2010

HOA BOARD MEMBER MEETING

A date has been set for a board meeting and it will take place at 10:00 am Saturday August 21, 2010 to discuss HOA business, the status of our 2010 budget, current available funds for any non budget spending allocated for the remaining improvement and infrastructure projects as



identified by the board for 2010.

The following information is required for the meeting:

BY LYNDA{Financials , including all bank account balances and owner HOA fee balances as of August 15, 2010

BY FRANCISCO- The Status of Las Palmas, an operational report regarding the state of our resort. To be included is the status on all 2010 non budget projects a list of all completed, in progress and remaining non budget projects.

Based on the above reports the board will be voting on the allocation of any remaining surplus funds prior to 2010 and on how to move forward with the remaining 2010 year.

Additionally, based on Lynda's attached report we have 4 units that are behind at least two quarter HOA fees. These units are :

Baja 104 with \$2,118.00 ,
Bonita 703 with \$10,649.00
Villa 9 with \$3,885.00
Villa 13 with \$4,991.31

The two below are close and should be kept under review:

Villa 1 with \$3,214.00
Villa 20 with \$3,670.00


Any of the four units behind two quarters not already restricted, must be notified and informed that the Board has given authorization to move forward with water restriction and other service restrictions imposed by the HOA.

As communicated to the SBPH group representative, this restriction will take place effective August 16,2010 should the accounts continue to be delinquent by two quarter fees or more.

Thanks

Dan

- 15 [City of Puerto Penasco has US mailing address](#)
Aug City of Puerto Penasco Municipal Government has Installed a P.O. Box to service All American
2010 Community in Puerto Penasco. They also have set an Official E-mail Address for direct
communication with Municipal Government Officials.
They're also inviting people to use the P.O. Box to pay their property taxes along with their tax
number.



City Hall in Puerto Peñasco now has a
P.O Box 217
Lukeville, AZ 85341
and also an e-mail:
rpcityhall@hotmail.com


please feel free to write to us for any
suggestions, questions or comments
and you are also welcomed to send your
property tax payment.

Thank you!

Alejandro Zepeda Munro
Mayor

Puerto Peñasco, Sonora / Rocky Point

GOBIERNO MUNICIPAL
2009 - 2012



11 [Restaurant & Bar Update](#)

Sep
2010

We are pleased to report that we have new tenants for our restaurant and bar. The HOA believes splitting the management of the bar and restaurant will allow each operator to focus on what they do best. Well known Peñasco Chef Mickey Medina has taken over the restaurant space, and local businessman Javier Marquez will be operating the bar facilities.

Chef Mickey has been cooking since he was eight years old, acquiring a thrill of cooking by helping his mother cook for his family. He was a gourmet chef in Las Vegas for twenty five years, and has been in Peñasco for the last nine.

He built his reputation at several local establishments, catering high profile events, and won the 2009 Iron Chef Contest. He recently had an amicable separation with his partner at his old location, and decided to venture on his own and bring his culinary skills to Las Palmas.

He is joined by his wife, Mariana (who by the way speaks 3 languages and has a degree in business), and his capable assistant Francisco Rosalez. They plan to offer room service, and a "take home a chef" service, where Chef Mickey will come to your condo or villa and prepare your meal. In addition he will be offering catering service for VIP events and weddings.

With his quality food, reasonable prices, and his passion for providing an outstanding customer experience, we are proud to have him at our property. Mickey's Place serves nightly dinner specials, including All You Can Eat Pasta for \$7.00 on Thursdays from 4pm to 9pm. Breakfast is served on Saturdays and Sundays, and dark on Tuesdays.

Javier Marquez brings years of bartending and club management experience in Phoenix to our bar facilities. Javier plans to make the swim up bar palapa the focal point of our resort. He will be installing a new sound system, HiDef TV's showing sporting events, and serving up libations poolside for owners and their guests. Javier believes bringing the bar facilities a much needed face lift and cleaning, proper promotion and keeping reliable hours and good service, all at reasonable prices will be the key focus to a successful operation.

The goal of both operators will be to keep guests on the property instead of driving into town and spending their money elsewhere. We wish Javier and Chef Mickey much success and a long and mutually beneficial relationship with Las Palmas.





21 Sep 2010 [Work in Progress](#)

Baja Building painting





Clubhouse Painting





Replacement of Roof Tiles on Baja Building





Flower Pots Added to Beach Path



23 Sep 2010



Hello every one....just got back from RP the place look fabulous.... my hats are off to Bruce, Dan, Francisco and his team They have done a absolutely fabulous job....WOW....

we still have tons of work to do this year... so thanks for every one sending their HOA dues on time so we can keep our Community looking great.

Regular Board meeting NOV 20th 2010.
Annual Board meeting Jan 22 2011.
Las Palmas resort.

thanks jaana



Janna Ponzio

24 Nov [Update](#)
2010

Just wanted to let you know Las Palmas looks MARVELOUS..... we had a 8 hour board meeting last Saturday and 4 hours on Monday....

Restaurant is FABULOUS

Cooking Classes on Saturdays specials in the restaurant every day... open six days right now...1pm to 10 pm and 7am for breakfast on Fridays and Saturday.....
Fabulous prices.....

We need all of you work hard and try to get many as possible of the owners to show up at the meeting in Jan 22nd 2011.

There will be one 3 year opening for the Board (Dan's term is up) so need to find out any one running and we need to get the information to Ross so we can post it on the Web.

There is so much in the works right now so PLEASE SHOW UP AND VOTE ON OUR ISSUES
WE NEED ALL OWNERS INPUT remember what we vote in Jan will have impact on our community.

Also thanks for your hard work and we see you in Jan

MINUTES OF MEETING TO FOLLOW SHORTLY

Rental Owners at Las Palmas

Quite a few condos at Las Palmas changed hands this year. So to the new owners let me introduce myself. My name is Loren Worthington. I work as the director of sales and marketing for the rental program at Las Palmas. My office is in Phoenix.

2010 was our 2nd very slow year. I think most people would agree the primary reasons for this remain the US economy and the overall bad reputation Mexico is enduring. As most of us know, no US tourists were injured or harmed in Puerto Penasco last year. So I'm optimistic things will improve.

Here's What's Going On

Rates & Policies

2010 showed only a slight increase over the prior year. Given the concerns our previous customers have with travel to Mexico, we believe we need to make some changes in our rental policies in order to reconnect.

In addition to lowering prices slightly, we're going to make it easier for guests to cancel a reservation. Our belief is that guests will be more inclined to create a reservation at Las Palmas if they know they aren't obligated to stay in the event travel becomes unsafe.

Reservations without a deposit will not be assigned a room until 24 hours in advance of arrival. What this means to you as owners is that it's likely reservations will appear at the last moment, and if bad news hits, it's more likely that a reservation will disappear.

Web Site

In the next few months we'll be making improvements to the reservation system and web site. This means you will not always be able to make your owner reservations on the system. When this happens please just email me the request.

Maintenance

Unquestionably its not easy for owners to make little in rental revenue and yet still maintain their condos at a level guests expect from a resort. But thats what we need if Las Palmas is going to turn around.

We have an incredible opportunity with Chef Mickey's joining us at the restaurant. Francisco has the resources to maintain the grounds and pools. There is no question that Dolphin Rentals needs to focus on providing clean and functional rooms. We will, but for the sake of our guests and our reputation, we have to rent the rooms that our most appealing. So please take these next three months to coordinate with America and myself and make sure your place is in order.

Quite often the complaints we hear and or see surface on the Internet are about the little things. Not enough cups, torn patio furnishings, 1995 VCR's!!

And Finally Goodwill

As many of you know, we occasionally ask you to consider donating \$25 this time of year to assist local charities and families in need. Last year we raised \$1,100 from 18 generous owners. Eighteen donations made all the difference for one family.

[LEFT: Last year the family lived in a lean-to shack along the railroad tracks. RIGHT: Using our donations, the family now owns this 2-room home with near-by schools for the kids to attend. Thanks also goes to www.OneMission.us for finding the home]

This year again, we think we have a worth wild project and I hope you will consider donating. America and I personally administer the effort and 100% goes to people in need. Please contact me if you wish to donate.

Happy Holidays

I pledge to work harder than ever for you our partners next year. It's far far easier to write to you and take your calls when times are good. So hopefully next year returns us to better times.

loren@laspalmas-mex.com
602-324-7510



First I like to wish all our neighbors a very happy Holiday Season....

second mark you calenders JAN 22 2011 10am Annual HOA meeting.... we will be voting for a 3 year term, Budget, etc more information on the way in the mail.

if you can not make it have some vote for you.

if you like to run for the Board let Ross our web master know so we can put it on the home page...

also minutes from our Board meeting will be on the web page very soon.

Our budget is doing fabulously as last year thanks to the team work by Francisco, Bruce and Dan's hard work all years...my hats are of them.....

If you are not sure what has been done down at Las Palmas this year please check out pictures on web page...

Wishing you the best and hope to see you in January

if you notice some was not on my list please forward this message to them

Sincerely jaana Ponzio

[Latest News:](#) > **HOA BOARD MEETING MINUTES**

NOVEMBER 21, 2010

9 Dec 2010

**Minutes of the
Las Palmas Community Association
HOA Board Meeting
November 20, 2010**

I. Informal Meeting called to order 10:15 am

- a. Present were board members Jana Ponzio, Dan Dimovski and Bruce Turner.
- b. Support people present, HOA manager Francisco Montabalm, CPA and Controller, Osvaldo Beltran Camacho, Webmaster Ross Anfuso, Bar operator Javier Marquis, and Chef Mickey Medina, our new restaurant operator.
- c. Owners present were owners Norm and Melynn Wakeman, David Frenznik, Cathryn Stotesbery, Lin Rubin, and Bonnie Brook.

II. Introduction and Reporting Summary

- a. Dan Dimovski explained the board member voting procedure, and advised his term is expiring and nominations will be accepted for vote at general meeting set for January 22, 2011.
- b. Jana stated our financial records are in order both in US and Mexico.
- c. Bruce emphasized his commitment to maintenance and security goals, and presented a proposal for new and refurbished pool furniture and new lobby computers.
- d. Francisco states he is up to the challenge of our increased visitor count, and that many improvements were made and still in progress. This included fresh landscaping on the beach path, painting of the condos and villas, new tables and benches in the picnic areas. He noted these did not require any assessments due to his cost cutting measures, which in fact will reduce HOA fees for this coming fiscal year. Questions were raised about water rights and usage, and he assures us we are in good shape.
- e. Osvaldo, reports that all taxes are current and that he is monitoring the Mexico expenses and working with our attorneys in filing liens on delinquent units.

- f. Ross reported changes to the website and plans for added features. He also stated the TV signal improvement has been completed. Wireless Internet proposals for the common areas and a webcam are under consideration. Dan wants to ramp up the web page updates and offer compensation for Ross' additional time to maintain it.
- g. The owners in attendance complimented the board and Francisco for the overall improvement and appearance of our property. They also voiced concerns over issues with Dolphin Beach Rentals, and how to better communicate with management. Also concerned about restroom maintenance.
- h. Javier & Chef Mickey reported on their vision for improving our resort with respect to food and beverage. With quality US meat, better class of clientele and festive music with a club/sports bar atmosphere. They indicated their need for space heaters and bar stools. They are seeking an immediate short-term solution and a long-term solution for expansion of their operations, including an enclosed restaurant and sports bar in the upstairs patio area. An artist's rendering of their concept was provided for review. Owners present voiced concerns about the need for heating and air conditioning and costs to the HOA.
- i. Dan Dimovoski summarized our financial position, stating we have prepared for the tough economic times and we have operated at a 40% reduction in expenses from three years ago. We have created a surplus and are now spending it on infrastructure and beautifying the property. Also that money from the HOA is not used for marketing the property and restaurant and that is the responsibility of Dolphin Beach Rentals.

III. Formation of Steering Committees

- a. Committee to improve dining facilities and bar. Provide short-term solutions and long-term solutions. Architectural design and costs, and utilizing our existing facilities more efficiently. Lin Rubin appointed to chair this committee.
- b. Committee to improve relationship with Dolphin Beach Rentals, provide an owner satisfaction survey and offer suggestions for improving owner-rental company relationships. David Frenznick and Cathryn Stotesbery appointed to chair this committee.

FORMAL MEETING

12:30 pm

IV. Motions

- a. Vote for Steering Committee for improving Rental Company communications and bring recommendations to board for consideration by Jan 7, 2011. Headed by David Frenznick and Cathryn Stotesbery. APPROVED.
- b. Lin Rubin will head Restaurant Improvement Committee for architectural improvements for expansion of restaurant and bar. APPROVED.
- c. Vote for purchase of 3-4 propane heaters and tanks for \$2,000. APPROVED.

V. Report from Francisco and Dan on Budget & Finances

- a. Concerns about legality of changing common areas for restaurant.
 - b. Control and burden of the clientele from the restaurant and bar.
 - c. Costs for architectural design and legality of changes.
 - d. As of today, \$514,915 total transferred of which \$54,485 was used common area improvements and beautifications. \$457,000 for day-to-day operations.
 - e. Actual vs Budget: 460,229 + \$80,000 more needed to finish the year. (Nov & Dec). \$537,000 projected to finish the year. = total 540,229. Projected vs budget and savings of \$85,079. Leaves a 21,893 savings.
 - f. Motion to finish villas before the remaining Bonita Dec 10, and Dolphin Jan 15. All painting completed by Feb 15th. APPROVED
 - g. Last three year comparison: Savings for 2007 = 651,615; 2008=712,662; 2009=562,122.
1. Current rental impact fees: 2009 was 60,960. 2010 so far 82,471.
 2. As of Oct 31, Operational expenses for Mexico operations and Income from owner fees in US banks:
 3. Bank balance for all accounts = \$401,467.98 broken down as follows:

Las Palmas Checking \$116,632.71

Operational savings **\$125,914.71**

Reserve funds **\$ 36,086.70**

Reserve CD **\$122,833.86**

1. **total balance all accounts** **\$401,467.98**

2. MOTION to move from savings: \$50,000 to CD and \$36,00 to Reserve Fund. APPROVED

VI. Liens & Delinquencies

a. Current delinquencies are at \$63,705.69 of which Sandy Beach Penthouse Group owes \$30,000, excluding legal expenses.

b. Current policy is that after six months in arrears, restriction of services commences.

c. Legal strategy for current DELS:

1. Compile documentation (completed)

2. Submit lawsuit to Judge and he accepts (completed)

3. Serve the default notice three times (in progress)

4. Lien and Seizure of all described properties which must be kept active every three months with \$85.00 fee.

d. Only owner Lovatto of SBPG has right to be on property; No reps without POA.

e. MOTION: To pay legal fees from US account for work to date \$2,436. APPROVED

f. New policy needed to deal with delinquencies; Past practices difficult to change as it sets legal precedence. Past due balances need to be PAID IN FULL. Bruce advocating changing restricting services after three months, with no partial payments.

g. MOTION: As of Jan 1, any account delinquent in excess of one quarter, payment must be received by the grace period (15 days), or the HOA will commence restriction of services plus any applicable late charges and interest. APPROVED

VII. New Business

a. MOTION: Remove unsightly grey gravel rock, install weed barrier and replace with 50 cubic meters of new red lava rock. The rock is to be delivered first week in January and work to be immediately after. Personnel to be instructed not to dump mop water into the rocks. Cost? APPROVED.

- b. MOTION: Replace lobby computers at a cost not to exceed \$500.00 each. APPROVED
- c. MOTION: Install 47" TV for playing new dedicated amenities channel for the lobby. This fourteenth channel will be added to our CATV system. Potential for advertising income and information for our guests. This could also be on our web site. Cost not to exceed \$5,000. Jana suggested it include Rhumba lessons. APPROVED.
- d. Install wireless Internet in common area. We have already sought outside bids at approximately \$10,000. Al Young will also submit a wireless bid for a system to be owned by the HOA, not the rental company.
- e. MOTION: Investigate cost of refurbishing existing pool furniture vs. replacing it with new at a total cost of approx. \$50,000. Reviewed several types with and without high maintenance cushions. Francisco to research American vs. Mexican availability. This item will be put to a vote at the General Assembly meeting. This would require us to amend previous motion and NOT move \$50,000 from savings to a CD and earmark it instead for the pool furniture. APPROVED.
- f. MOTION: Purchase a new decorative table to showcase the lobby mosaic area as a focal point for exhibiting seasonal activities. APPROVED
- g. MOTION: Purchase three propane space heaters to be used by tenants in patio and bar common areas. Cost approximately \$250-\$300 each, including tanks, and taxes. Tenants shall purchase their own propane. APPROVED
- h. Entertain bids for installation of a web cam for owners/renters to showcase our resort. This could possibly include a Security System for management use only with installation of pan tilt zoom cameras for remote monitoring of the grounds. These items would require improving Internet speed and bandwidth at a cost of \$200.00 per month. Estimated cost of about \$6,400. This would be designed to work with our new wireless infrastructure. A do it yourself web cam system is around \$1,000.
- i. MOTION Purchase eight new bar stools at a cost not to exceed \$100.00 each. APPROVED.
- j. Investigate cost and design of installing wall barrier along our beachfront.
- k. Entertain proposal for purchase our own beach cleaning equipment. The estimated cost of used tractor and rake is \$15,000. This could be recouped by charging neighboring resorts to clean their beachfront for less than what they are currently paying.

VIII. Meeting Adjourned at 5:00 pm

11 Dec 2010

LAS PALMAS COMMUNITY ASSOCIATION

GENERAL ASSEMBLY MEETING

JANUARY 22, 2011

ASSEMBLY AGENDA:

Member Check in / Registration @ 10:00AM.



1. Assignment of Scrutinizers – Validation of Legal Quorum.
2. Introduction of Board of Directors, Managers, and others.
3. Board Member election and voting procedures.
4. 3 year Term Board Member (Dan Dimovski – Board Member)
5. Final Call for Nominations
6. Brief statement by nominees.
7. Election/ voting for 3-year member.
8. Review and progress of 2010 Board Cost Saving Measures.
9. Restaurant status- New Owner / Operator " Chef Mickey's Place ".
10. Board appointed Lyn Rubin for F&B Committee to put forward a proposal for a restaurant and lounge. A pony wall to surround the downstairs dining area, enclose upstairs balcony area, and install a bar. Lyn to present proposals and owners to vote.
11. Vote to replace existing lounge chairs or repair if possible. Presentation by board with pricing and details.
12. Progress and update on the status of Las Palmas CCR's, Fee and Voting Structure as it pertains to State law.
Supplemental amendment to CCR's distributed to all owners present and amendments changed on HOA webpage.
13. 2010 HOA Operation Manager's General and Financial Reports.
14. Presentation of the 2011 Operation Budget.
15. Member voting on the 2011 Operation Budget.
16. Open Forum.
17. Meeting adjourned.

ASOCIACION DE DUENOS LAS PALMAS A.C.

LAS PALMAS COMMUNITY ASSOCIATION

Dear fellow Las Palmas owners,

A general assembly meeting for all Las Palmas owners is scheduled for January 22, 2011 pursuant to article 28 from the law to hold an annual meeting. The purpose of the meeting is to conduct and carry on the business of the Las Palmas Home Owners Association that include the election of a new board member and voting on the 2011 budget.

Your current board has been very busy this past year working on numerous improvements for Las Palmas. We have improved several things in an attempt to beautify Las Palmas and make it a more attractive, quality resort. I'm sure the changes are evident to you but I will list a few to bring them to your attention:

- Rope lights on palm trees
- Walk way expansion, picnic table purchase, umbrella purchase
- Plants and planters in center walk way
- Handicap areas developed and painted
- Moved Dolphin water feature to front entry sign
- Las Palmas Logo in clubhouse.
- New table for lobby in clubhouse.
- New display cabinet with flat screen TV for Las Palmas advertising
- 3 New desk top computers for owners/guests use.
- Dusk/dawn light sensors on all towers and at club house to save electric bill.
- Process of painting all towers and villas.
- Replaced a couple of spa heaters that were due.
- 4 Palapas on beach.
- Improved the resort TV service. We now have 12 American and 2 Mexican channels.
- Placed ground plastic under rocks to stop weed growth.
- Placed a two fans and clock in exercise room at owners request.
- Have new bar manager/owner.
- Have new restaurant manager/owner.
- Purchased bar stools for bar.
- Purchased outside heaters for outside dining.
- DVD player for lobby/club house area for advertising.

Projects we are discussing and working on now:

- New or refurbished chaise lounge chairs for all resort
- A ramp and walk way for the beach to stop erosion and beautify the area
- Pony walls for the lower and upper club house area and projecting area changes
- Placement of colored lava rock in areas where gray rock exist to beautify area
- Wi-fi in common areas and or all areas

- Alternative energy sources such as solar and geo-thermal
- Cool decking repair and replacement
- Parking lot painting
- More owner involvement by means of group committees

Las Palmas this past year 2010 has been forced into contacting a Mexican Attorney and initiating liens on some owners properties. The resort functions on an HOA fee collection system and without owners paying their fees we cannot provide the owners with all the above listed things and run the resort. Las Palmas has some owners that have not paid their HOA Fees and others that have only paid what they can afford or a portion of what is owed.

The board of directors would like all owners to consider this when paying only a portion of their fees or not paying at all. We cannot tell our employees that we are only going to pay them 80% of their pay this month because the owners did not pay their full HOA Fee payment. We can not tell owners/guests at Las Palmas that we will have to turn off the water for 5 days this month because the owners have not paid their HOA Fees in full this month.

Everyone has an obligation to pay their HOA fees in full each time they are due. You cannot continue to only pay a portion or what you feel like. The Board has reached the point where beginning in 2011 we will no longer allow owners to paid less then their full HOA fee when due. If this happens the board will begin initiating fines in accordance with our CCR's. If the delinquency continues past the period delineated in the CCR's the board will initiate a lien against your property. This lien will include all past HOA dues owed, appropriate fines as listed in CCR's and associated attorney fees and court costs.

Each month of non-payment the costs will grow and grow. No one wants this to happen but we have already initiated this process on some of our extremely delinquent owners and will do so for everyone after 1 Jan 2011, that falls into the above listed category. Las Palmas has been lucky to this point and we have managed it well and we have not had to have a special assessment as several other resorts have had to do. Please be cognizant of this issue and the action the board will take should you fall into this situation.

The board is looking forward to a great year and we have many great new ideas for Las Palmas. The board always appreciates ideas from owners to make our resort a better place and more efficient. We have had a couple groups of owners that volunteered to assist the board work on some resort issues and greatly appreciate owner's involvement in our resort and their investment. Don't hold that idea in get it out there and let us know what we all can do to make this the best resort up and down the beach.

We look forward to seeing all owners at the general assembly meeting on January 22, 2011. Remember if for some reason you cannot make it then make sure to send your proxy vote with someone you know will be attending. We need every ones vote and input to make the best resort decisions.

Thank You

Board of Directors
Dan
Jaana
Bruce

Board of Directors