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AN OPEN LETTER TO CRYSTAL UPTON, EXECUTIVE DIRECTOR OF AWAC

Crystal Upton, Executive Director of AWAC Arrowhead Woods Architectural Committee, Inc. A California Non-Profit Public Benefit Corporation 27307 CA-189 Blue Jay, CA 92317 *By E-mail* - Info@awac.biz

RE: AWAC, Inc. Reorganization

Dear Executive Director Upton:

At the "Town Hall Meeting" hosted by AWAC, Inc. on May 2, 2023 you made the following invitation: "*I invite you to join us and tell us what you want. Tell me how I can do better and help me put that into action for you.*"

The property owners believe that although AWAC, Inc. is a "public benefit corporation" it is in fact a privately run closed corporation with which the Arrowhead Woods Community is not allowed to participate or offer any input: its Board Members are appointed from within by other board members, the Board meetings are private and the Arrowhead Woods Community is never consulted. According to the Mountain News (January 26, 2022, Keith Robinson) *"Based on an interview with AWAC's Rich Scott last year, AWAC has never had elections by outside persons or homeowners. There are no term limits, no recalls, and no impeachments."* In brief, AWAC, Inc. maintains an arrogant adversarial posture towards the property owners.

For seventy years prior to the emergence of AWAC, Inc. in 1989, all architectural committees were formed from within each tract. By definition they were non-adversarial; they were community based and responded to the needs, desires and particular attributes of each Tract. As you saw at the meeting, with a 100 % vote of no confidence, AWAC, Inc. has no Community Base within the Woods. And therein lies the problem as well as a possible solution.

Therefore, in response to your invitation that the community join with you and work with you I am offering the following solution. Your current by laws can be amended by a majority vote of the directors who may be convened at any time, for any reason, by any director upon reasonable notice.

I therefore recommend that the By Laws for AWAC, Inc. be amended (eliminating inconsistent provisions) to provide for Community Based Participation as follows:

Establish a volunteer Board of Directors of 7 individuals. 3 part-time record property owners, 3 full-time record property owners, 1 board member, a representative from ALA (the Pres. of the ALA Board). The Board shall hear all matters brought before it relative to the business of the Committee, including but not limited to summaries of all litigation and approval of all settlements. The owners shall serve for three years except that for the first term of service 2 of the part-time owner and 2 of the full-time owner positions shall serve for two years (therefore allowing the owner positions to be thereafter staggered).

Establish regularly noticed once a month weekend in person/zoom Board of Directors meetings; notice to be given by advertisement in a local paper and email (when provided) to all Woods Property Owners.

Establish a volunteer Architectural Committee of 6 comprising of 2 homeowners, 2 Lake Arrowhead realtor/brokers and 2 active/retired contractors; who shall regularly review and implement all applications, and penalty assessments. The committee shall also hear any appeals from any appellee and/or counsel. All findings of the committee shall be subject to separate Board review, approval and/or modification.

Establish the following Financial Structure:

I. Funding would come from reasonable fees for permits to be set by the Architectural Committee and approved by the Board.

II. Penalties for violations to be determined by the Architectural Committee, on a case-by-case basis and approved by the board in lieu of litigation.

III. Operating expense money to come from fees, penalties and interested parties. All expert expenses for inspections to be provided within the fees.

IV. Interested Parties: If in any year AWAC, Inc. needs a reasonable infusion of money the following interested parties and Woods Property Owners should be encouraged to reasonably step up to the plate since all benefit from the stability of the CCR enforcement.

And most important:

V. The bylaws will state that AWAC, Inc. will help any tract that wants to form its own Architectural Committee to file the papers that AWAC, Inc. requires and any additional legal work demanded by a tract. Local Architectural Committees will be free, should they desire, to seek, at their own risk, and obtain the free advice of AWAC, Inc. should they wish but not be mandated to do so.

Retain all other provisions of the current existing bylaws not inconsistent with the above.

Mr. Vartanian and I will gladly help implement the above provisions. These provisions will make your "public benefit corporation" truly for the benefit of the Woods Property Owners and all but eliminate its adversarial position. And, it will make your management much easier and working together we can achieve success for the entire community.

Yours,

S. My. Ted Heyck

WARNING TO ALL EMAIL RECIPIENTS:

We will be forever grateful to ALA for having given Ted Heyck and Garin Vartainian the opportunity to send email messages to ALA's membership. However, currently there is enormous pressure being placed on ALA to discontinue this opportunity at a moment's notice. In anticipation of our emails being immediately discontinued, and if you wish to continue to receive these emails, please click on the link below or scan the QR Code to submit your email address to us. We will email you only if ALA discontinues email services. https://www.arrowheadwoodsinformed.com/signup

