

Estates of Shady Hollow Home Owners Association

Minutes From Board of Directors' Meeting of June 17, 2004

Present

- Board: John Anderson, David Carpenter, Allen Gunter, George Robbins, Deborah Treece
- Architectural Control Committee: Rich Anderson
- Property Manager: Carl Gamble
- Homeowners: Craig Hackler
- Special Guests: Jennee Galland and Timothy Riley from the Barton Springs/Edward Aquifer Conservation District

Special Presentation

Jennee Galland made an excellent presentation on the importance of Barton Springs and the Edwards Aquifer and the role of the Conservation District in protecting these valuable resources.

Homeowner Comments/Questions

Craig Hackler shared the letter he will be sending to the Texas Commission on Environmental Quality (TCEQ) protesting the increase in water rates proposed by Aqua Texas which, according to Craig's calculations, are 50% or more. In addition, the proposed rates are set on a regional basis so that the Estates, which uses ground water for which the distribution cost is low, is grouped with other jurisdictions which use surface water for which the cost of distribution is high. As a result, our homeowners would be subsidizing homeowners in other areas.

George Robbins has spoken with Scott Humphries, a TCEQ attorney, who advised him that the TCEQ will hold a public hearing on the rate case if 1,000 Aqua Texas customers petition for a hearing within 90 days. Mr. Humphries also indicated that a letter from the Board would be of little value even though we represent well over 200 homeowners unless it included a petition signed by those homeowners.

It was agreed that the Board should petition for a rate hearing, contacting homeowner associations in other areas affected by the proposed rate increase to get the necessary signatures. George will contact Mr. Humphries to get the required format and wording for the petition, and David Carpenter will try to find contact information for other homeowner associations affected by the rate increase.

The Board unanimously approved a motion made by John Anderson and seconded by George Robbins for David Carpenter to contact the law firm of Bickerstaff, Heath, Smiley, Pollan, Kever & McDaniel, LLP about representing the Estates at the rate hearing. This firm represents the Barton Springs/Edwards Aquifer Conservation District and is very familiar with water issues in our area as well as the cost of ground water versus surface water. The cost of this representation is estimated to be on the order of \$3,000.

Review/Approval of Minutes

The minutes of the May 20, 2004, Board meeting were unanimously approved upon a motion made by Deborah Treece and seconded by George Robbins.

Property Manager's Report

Carl Gamble reported that he had DiamondScape mow the grass along the fence on the east side of Edwards Hollow Run as well as the drainage ditch along Lost Oasis Hollow. He also noted that the floodlights at the entrance on Edwards Hollow Run seem to be burning out too often. Deborah Treece will ask DiamondScape to check the fixtures.

The Board unanimously approved a motion made by Allen Gunter and seconded by Deborah Treece to rescind the moratorium on violation notices for mailboxes that have been damaged or destroyed and reinstate the applicable requirements of the CC&Rs.

The graffiti on one of the speed limit signs on Lost Oasis Hollow was discussed. Carl indicated that a graffiti removal company like Off The Wall would charge about \$120 to come out and clean the sign. Since the sign is County property, George Robbins will to ask his contact at the County, Raymond Reid, about cleaning the sign.

ACC Report

Rich Anderson reported that the ACC has recently approved a swimming pool, a workshop/lawn equipment storage unit and a lawn equipment storage unit.

A motion made by Allen Gunter and seconded by John Anderson to consider the terms of two members of the ACC to expire at the end of this year was passed unanimously. This will restore the staggering of terms for ACC members and works with the staggering of the terms for Board members. In any year, there will be a total of five seats available on the Board and ACC alternating between three Board and two ACC sets in one year, and two Board and three ACC seats in the next year. There is nothing to preclude any incumbent Board or ACC member whose term is expiring from seeking another term.

Rich and Allen noted that they each had been contacted by Roel Bazan, 3805 Lost Oasis, who expressed interest in serving on the ACC. Roel is a certified architect.

Neighborhood Watch Committee

The Neighborhood Watch Committee has not been able to meet since the last Board meeting. John Anderson did report, however, that the patrols by off-duty Constables had begun. There is no formal contract. He receives reports of the activity on these patrols which already seem to have significantly reduced the undesirable activities that led to the patrols.

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Role of the Board/ACC

The Board reiterated its position that neither the Board nor the ACC should be involved in disputes between homeowners, nor should either group allow the CC&Rs to be used by one homeowner to harass or retaliate against another homeowner. Violations of the CC&Rs are determined by Carl Gamble using a set of rules that is applied uniformly to all homeowners.

Treasurer's Report

George Robbins noted that while year-to-date expenses total \$6,000 versus budgeted expenses of \$23,000, a lot of the Association's expenses occur toward the end of the year while the budget is accrued ratably over the year. The balance sheet shows net assets of a little over \$57,000. Carl Gamble indicated that an Association of our size should have a minimum reserve of \$40,000 to \$45,000.

Drainage Study

David Carpenter volunteered to write a letter to the Association's attorney asking for input on our responsibilities with respect to the various aspects of the drainage study. (For example, what responsibility does the Board have to ensure that remedial actions identified in the study for specific homeowners or the County are completed by the homeowner or the County?)

Proposed Toll Roads

Deborah Treece reported that she had received no comments with respect to the position the Board has taken against the proposed toll roads for the extension of SH 45 south and MoPac. The Board unanimously passed a motion made by John Anderson and seconded by Deborah Treece for Allen Gunter to draft a letter from the Association to CAMPO protesting the proposed SH 45 toll road. The letter will be signed by Deborah Treece as President of the Association.

The issue of the proximity of SH 45 to homes in the Estates was discussed. David Carpenter volunteered to try to find a map showing the current proposed location.

Amendment to CC&Rs

The Association's attorney provided the formal amendment to the CC&Rs concerning subordination of Association claims to mortgage claims which must now be signed by the Deborah Treece and Allen Gunter as Association President and Secretary. Signing must be witnessed by a notary public.

CC&R Review Committee

Allen Gunter reported that he is still in the process of putting the proposed changes to the CC&Rs into a format that could be presented to homeowners. This will be reviewed by George Robbins and Brad McMahon and then presented to the Board.

Landscaping

Deborah Treece reported that she is meeting with DiamondScape to discuss replacement of the boxwoods at the Edwards Hollow Run entrance and adding some annuals.

Management Plan

The Board agreed that having some type of published policies and procedures is desirable to ensure continuity and consistency between successive Boards. David Carpenter noted that homeowners' associations can file Management Plans with the County that address how the association is to implement its bylaws. David recalls seeing such a plan for the Estates, although it was from the late 1980's and would now be very out of date. He will try to find a copy of it. Deborah

Treece recalled that Vivian Caputo had found a copy somewhere in County records. Deborah will touch base with Vivian to see if Vivian remembers where she found it.

OHAN

The Board unanimously approved a motion made by John Anderson and seconded by Deborah Treece to join the Oak Hill Association of Neighborhoods (OHAN) at a cost of \$50 per year. OHAN will be a valuable source of information on issues affecting our neighborhood as well as an important ally in dealing with those issues. John Anderson will follow through on obtaining membership for the Estates.

Thank You for Bailey Middle School

Deborah Treece reported that flowers were delivered to the administrative staff at Bailey Middle School that helps with arranging for our meetings. They were very well received, and Deborah recommended that we do this each year.

Neighborhood Directory

Allen Gunter reported the following responses to the article on putting a neighborhood directory on the website: Yes – 1; No – 2; make PDF file available – 1. No one indicated any interest in a printed directory. The consensus of the Board was that making a PDF file available is the preferred approach. Allen volunteered to look into using Carl Gamble's Excel™ database of homeowner names, addresses and phone numbers to create a PDF file using OpenOffice.

John Anderson reported that he received only four email addresses in response to the newsletter article asking for addresses to facilitate communications from the Board to homeowners.

Website

John Anderson reported that a "fully amended" version of the CC&Rs has been included on the website. Rich Anderson will draft FAQs for the website that will tell a homeowner about what to submit when requesting ACC approval, how the approval process works, and some of the approval criteria for the more common requests.

Entrance Signs

George Robbins reported that Raymond Reid, his contact with the County, indicated that the insurance required by the County for the signs could be handled by including the County in our existing policy. The Association would pay for the signs, but the County would install them. The Association would be responsible for maintaining the signs and any related landscaping.

The Board unanimously approved a motion made by John Anderson and seconded by Allen Gunter to proceed with obtaining County approval for two signs, one on Green Emerald and the other on Lost Oasis Hollow at a cost of \$1,000 to \$1,500 per sign. George will initiate the process with the County. No decision was reached on whether or not to replace the existing CC&R enforcement signs with appropriate wording on the new signs.

Resale Certificate

Allen Gunter reported that he had received a call from a real estate agent asking about how to get a resale certificate with respect to a house being sold in the Estates. The resale certificate covers property taxes, unpaid Association dues and/or fines, the existence of lawsuits affecting the property, etc. Contact information for the person who prepares resale certificates for Goodwin Management will be put on the website.

Holiday Decorations Contest

Allen Gunter will contact Judi May about attending the July Board meeting to present her ideas for a holiday decorating contest.

Advertising in Newsletter/Website

The Board unanimously approved a motion made by Allen Gunter and seconded by David Carpenter that no ads of any kind be included in the newsletter, but community service notices such as for clubs and similar organizations be posted on the website.

Next Meeting

Thursday, July 15, 2004 starting at 6:30pm at the Shady Hollow Community Center.

Respectfully Submitted,

Allen Gunter

Recording Secretary