

**Minutes of the 2017 Annual Meeting
of the Preserve Homeowners Association**
(A Texas nonprofit corporation)

February 25, 2018

TIME AND PLACE OF MEETING

A meeting of the Preserve Homeowners Association (the “PHOA”), a Texas nonprofit corporation (the “Preserve”), was held on the date set forth above at 4:00 P.M. (Central Time), at the home of Tina and John Stockton, 4233 Hidden Canyon Cove, Austin, TX 78746, pursuant to notice duly given to all members of the PHOA.

QUORUM AND ATTENDEES

A majority of the homeowners of the PHOA were present in person or by proxy constituting a quorum.

CALL TO ORDER AND SECRETARY

John Stockton, as President of the PHOA, called the meeting to order at approximately 4:20 PM and reviewed the agenda for the meeting. He then requested that Valerie Luessenhop record the minutes of the meeting.

INTRODUCTION OF ALL OF THE NEIGHBORS

All attendees introduced themselves.

REVIEW OF ACTIVITIES DURING THE PREVIOUS YEAR

John provided an overview of 2017 activities (See the PowerPoint attached as Appendix A.)

REVIEW OF LANDSCAPING

Larry White reviewed landscaping accomplishments and issues. (See the PowerPoint attached as Appendix A.)

- Green Three continues to be a low cost provider of maintenance services.
- Loop 360 water bills remain high primarily because of the ten-year assessment per connection.
- Larry White turns off the sprinkler system when it's raining and encourages other homeowners to do so as well.
- No significant special projects (other than lighting fixtures) were accomplished in 2017; however, funds were accumulated for the irrigation project.
- Regarding the irrigation project, Larry has begun requesting bids including with Wilson's (estimate at ~\$5,000). The plan is to continue collecting reserves to make sure there are sufficient funds (for example, for cost overruns). Larry recommended

that the next VP – Operations consider bids for work during the “slow” period since those may be lower in cost.

There was a lengthy discussion regarding the conservation easement. (See the PowerPoint attached as [Appendix A](#).)

John brought up the possibility of sending a letter re Peter/Davies renovation asking when it will be completed (it was approved approximately five years ago and has been underway for over a year).

SUB-GROUP DISCUSSIONS

Two discussions took place related to the Private Drive and Bluff Lot owner sub-groups, which are relevant to the entire homeowners association since the HOA makes assessments and disbursements for the benefits of these sub-groups. A summary of the discussions follows:

- Private Drive Sub-Group: A discussion about maintenance of the Private Drive took place where a consensus among the Private Drive homeowners was reached to make a one-time assessment adequate to perform repairs on the current road this year, which would be \$1,371 per private-drive homeowner. Larry White recommended that subsequently there be an additional assessment of \$500 per year for each private drive owner to ultimately completely replace the road surface in the next 10-years.
- Bluff Lot Owners Sub-Group: John Stockton discussed a bid that he received for putting crushed stone on the Bluff Lot path that would be approximately 12 feet wide, 1,000 feet long and 3 inches deep for a price of about \$12,000 or \$1,500 per Bluff Lot homeowner. Some discussion took place as to how well the crushed rock would hold up on top of the muddy soil that is down there and a proposal was discussed to see if we can do a small test section in advance. A proposal was also made to get alternate bids for the work from other contractors.

REVIEW OF BUDGET

John Stockton briefly reviewed the monthly expenses of the PHOA.

John then went into detail reviewing the 2017 financials (see the 2017 financials portion of the PowerPoint attached as [Appendix A](#)) as well as the dues and budget for 2018.

The discussion regarding improvements for 2018 focused on installation of an additional sprinkler system controller box on the east entrance wall to irrigate the Westlake Drive area between the PHOA entrance and the east entrance of Rockcliff Road. This will be evaluated by the VP – Operations.

The members next discussed whether water to the “island” was still needed. Generally, it was agreed that the line could be discontinued and that the VP – Operations recommend options for improving the island.

A discussion about annual dues was next. Based on budgetary requirements, the need for a sufficient reserve, and other expenses, the recommendation was that dues should remain at \$650.00 per home in 2018.

A discussion about consolidating and restating the CC&R document was brought up as there are currently multiple amendments to the document which makes it difficult to read and quickly come to an understanding. There was a general sentiment that the new Board should consider restating this into a single document and then having a legal council review the document.

A discussion also took place regarding the Preserve HOA Holiday Party and we thanked Sherry and Jonathan Tack for generously hosting the party in 2017. We also asked if anyone would be interested in hosting the party for 2018 and Sherry volunteered to host the party again this year. We discussed other ideas for involving more of the younger neighbors and ideas included consolidating our Halloween get-together with that of the Shadow Oaks neighborhood among other things.

John reminded attendees of the materials available on the PHOA website at <http://www.preservehomeowners.com/> included the minutes of the PHOA's February 12, 2017.

After review and upon motion duly made, seconded and unanimously carried, the PHOA adopted the following resolutions:

RESOLVED: That the Prior Minutes be and hereby are approved.

RESOLVED: That the quorum requirement in the Covenants, Conditions and Restrictions for The Preserve ("CCRs") be made consistent with the bylaws, i.e., that a simple majority of homeowners constitutes a quorum (See Section 7.04 ("Quorum for Membership Action")).

RESOLVED: That the water line for the "island" be removed.

RESOLVED: That the new Board update the CCR's.

RESOLVED: That a fee of \$100 be assessed for any issuance of a Resale Certificate.

RESOLVED: That the 2018 budget be adopted and that the dues for 2018 remain at \$650.00.

RESOLVED (by owners on the Private Drive): That for 2018, each Private Drive homeowner will be assessed a one-time assessment of \$1,371 for road repair to be performed this year. Subsequent to that, an additional \$500.00 per Private Drive home per year would be assessed on an ongoing basis, for future complete replacement of the Private Drive. These fees will continue to be accumulated in a subaccount within the PHOA account for use in resurfacing the Private Drive in the future.

RESOLVED: The following officers were elected to serve a two-year term effective immediately:

President: Melodie Summerset

Vice President – Operations: Lee Little

Vice President – Administration: John Stockton

RESOLVED: The following members were elected to a one-year term on the Architectural Control Committee for 2018:

Scott Parker

Brandy Archer

Lee Boyd

Sherry Tack (represented by Jonathan)

The neighbors expressed appreciation to outgoing officers John (and Tina) Stockton, Larry White, and Valerie Luessenhop for their service to the Preserve.

ADJOURNMENT

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was duly adjourned at 5:45 PM.

By Order of the Board of Directors

[Original signed by]

Valerie Luessenhop, VP – Administration