

The Preserve Homeowners Association
P. O. Box 163772
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To: Homeowners' Association Members **Date:** February 21, 1994
From: J. A. Carlson, Board Member & Vice President
Subject: Annual Meeting Minutes

The Annual Meeting of the Preserve Homeowners' Association was held on February 20, 1994 at 7:30 PM at the home of John and Tina Stockton. The meeting was chaired by John Stockton, Association Board Chairman and President.

Reports

John called the meeting to order and reviewed the agenda for the meeting. Thirteen Members were represented at the meeting and no proxies were submitted by the absent Members. As a quorum of the Association Membership was not present at the meeting, the election of officers and approval of amendments will be completed by proxy vote.

John Stockton reviewed the major activities of the board during the past year. The most significant issue was the resolution of a lawsuit against the Preserve. The basis of the suit was that the Declaration of Covenants, Conditions and Restrictions (CC&R's) permits the use of metal roofing materials in the construction of a new home. The Architectural Control Committee disapproved a plan submitted with a metal roof. The resulting dispute between the Preserve and the homeowner was mediated by the Austin Dispute Resolution Center. As reported in an April 30, 1993 letter to the Preserve Homeowners' Association Members, the Board of Directors and the homeowner accepted the compromise recommended by the ARDC in which the homeowner was compensated for their expenses associated with construction delay, damages and legal fees and in return, tile roofing materials were used in construction.

Cindy Moreland, Association Board Member and Treasurer, prepared the Associations' financial report (see Attachment II). Cindy was unable to attend the meeting and John Stockton reviewed the report for the homeowners. The annual operating expense for 1993 was \$15,276.15. The operating budget for the year was \$15,327.64 including a beginning year balance of \$5742.64 and income of \$9585.00. The 1993 year ending balance was \$51.49. Association dues of \$150.00 per lot per 6 months are now due and payable for the January thru June, 1994 period.

Jeff Carlson, Association Board Member and Vice President, reported on the landscaping and maintenance activities for 1993. The Board met on July 27, 1993 and approved landscaping improvements to the front entrance. Three bids were obtained from local landscaping firms, with the lowest bid for approximately \$3500.00. Due to the low financial reserves of the Association, the board agreed to a two phase implementation plan. In Phase I, the areas surrounding the two stone walls were replanted, overgrowth was trimmed, edging replaced, etc. In Phase II, to be completed this spring, the first 20 feet of the center island will be replanted and native flowers will be added to the entrance. A special thanks to Sandy Carlson for creating the landscape design and for coordinating the work with the landscape contractor.

A report was filed with the Travis County Sheriffs' office in June after the entrance lighting was damaged by vandals. The lights were replaced at a cost of approximately \$300.00.

The landscape maintenance contract with Green Three Landscaping was renegotiated. Three bids were obtained from local maintenance services. Although Green Three was not the lowest bidder, they agreed to meet the lowest bid and they were retained. The resulting savings was approximately \$1400.00 compared to 1992.

The sprinkler system is requiring a significant amount of maintenance. Two zones are currently inoperable and are being repaired. Also, the automatic sprinkler controller should be replaced. The projected cost of these repairs in 1994 will be approximately \$450.00.

New Business

Maintenance of Public Roads: Jim Bolenbach reported that Carolyn Bolenbach had successfully concluded negotiations with Travis County for the maintenance of the public subdivision roads, ie. Canyon Crossing and Hidden Canyon Cove. Travis County has now accepted responsibility for the continued maintenance of the roads. Most significantly, Carolyn was able to negotiate the agreement such that the application fees and yearly tax liabilities were waived. A very special thanks to Carolyn for her persistence in the two year effort to close this issue.

Removal of West Entrance Island: Hector and Debbie Gutierrez presented a proposal to remove the island from the road in front of their home. Many of the homeowners present at the meeting indicated that the island was a hazard to safe driving. Hector indicated that he would evaluate how much it would cost to remove the island and would report back to the board for their further consideration.

Amendment of the Association Bylaws: John Stockton proposed an amendment to the Association Bylaws to eliminate the vagaries which lead to the aforementioned lawsuit. Under the current bylaws, the Association Board and the Architectural Control Committee are set up with equal powers, with neither body clearly designated to act as the single authority for the Association, eg. the powers to resolve legal actions. John proposed that that ACC be set up as a committee reporting to the Association Board. In this manner, the Board would be the final arbiter in all issues relating to the Homeowners' Association. Jim Bolenbach indicated that to amend the bylaws a two thirds majority of the homeowners were required. Additionally, the tax exempt status of the Association, which

is based on a prescribed format for the bylaws, could be jeopardized by changing the bylaws. John made a motion to recommend that the board amend the bylaws to establish the ACC as a committee reporting to the board and that the board review the amendment with an attorney to assure our tax exempt status is retained. The motion was seconded and all members present approved the amendment. Since a two thirds majority vote of the membership could not be obtained at the meeting, the vote will be completed by proxy.

Enforcement of CC&R's: A general concern was raised that standards for exterior maintenance landscaping, etc. as prescribed by the CC&R's are not being enforced. The CC&R's clearly define these standards but there are obvious violations in the neighborhood. It was recommended that the Board determine what actions should be taken to enforce the covenants and that those actions be communicated to the Association Members.

Election of Officers

All of the current officers of the Association declined to be considered for reappointment to the Board. Nominations for each office were accepted from the floor and the following Members were identified as candidates:

Association Board Nominations

Harold Buford - President
Fred Falbo - Vice President
Rebekah Ryan - Treasurer
Debbie Gutierrez - Secretary
Tina Stockton - ACC Chairperson

Given that only five board candidates were nominated, the group decided to dispense with written balloting and the board candidates were approved unanimously by the members present. Since a quorum of the members was not present, the vote will be completed by proxy vote.

The following homeowners volunteered to serve on the Architectural Control Committee:

Architectural Control Committee

Carol Barnett
Mariel Falbo
Hector Gutierrez
Lauren Mezaraups
Tina Stockton

The ACC will be appointed by the board from the volunteers.

Attachments

- I. Meeting Attendees
- II. Financial Report for Fiscal Year 1993