

**MINUTES
WORK SHOP AND EXECUTIVE MEETING
OF THE MEADOWLAKES PROPERTY OWNERS ASSOCIATION**

Workshop January 18,2016

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Executive Meeting January 19,2016

Workshop:

The workshop meeting was convened at 9:00 AM on 18 January by President Joe Summers. All members of the Board were present to establish a quorum. Those members present were Joe Summers, Jerrial Wafer, Joy Marcou, Gerry Mason, Dottie Stueckroth, Len Fate, and Jim Woods. There were six residents or visitors in the audience.

The minutes from the 14 December workshop and the 15 December Executive Meeting were presented to the Board for review before approval in the next executive meeting.

Joe announced that the first topic for discussion would be an encroachment of a concrete patio into Association common grounds behind the residence on lot 198-34, also known as 34 Fairway. In 1999, the property owner for lot 198-34 requested approval to pour four (4) feet concrete patio extension. The request was approved by an apparent representative of the Association's Architectural Control Committee. The extension encroached four (4) feet into the common grounds owned by the Association. The current owner of lot 198-34 acquired the lot in 2006 without having been informed of the encroachment and is in process of selling the property and wishes to resolve any potential issues involving the encroachment. Jim York, current owner of the property, attended the workshop and confirmed Joe's comments and stated that he would like to retain the use of the property, especially since prior Association action had approved the encroachment. The Board discussed the authority to sell Association property under the Articles of Incorporation IV.b.2 and the precedent sale of the Association's "islands" to property owners. Also, the Board considered that the common grounds in the open space between the above lots is usable by other than the residents of the above lots. The recommendation was for the Board to vote on 19 January on a resolution to (1) sell the four feet of property for a minimum amount needed to end the encroachment without the Association incurring additional costs and to (2) offer other neighboring residents equal option to purchase. The Secretary agreed to draft the resolution.

Joe asked Gerry to present the background on the second topic of discussion: responsibility for maintenance of the wooden fence line along Dogleg. Gerry stated that the fence line was originally installed by the developers of the properties on Firestone Drive and on Dogleg below the Marble Falls cemetery. The objective was to shield from view of the residential lots the traffic on "S" street and the cemetery. After development of the lots and installation of infrastructures, the developers negotiated with the Association to transfer those properties not within lot lines to the Association. Part of that transfer was the wooden fence line. Age has taken a toll on the fence structure. Part of the fence was removed, and part of the fence is braced up by residents to prevent the fence from falling into the street. Over the years, the residents and the Board have not agreed on who is responsible for maintaining the wooden fence. Because of the deterioration of the fence, action is needed soon to prevent danger or damage if part of the fence collapses in a storm. John Wagner, Don Philips, Paul Roy, and Doug Holley neighbor the

fence and were present for the workshop. They echoed the poor condition of the fence, and the feeling they have no responsibility for the fence or right to repair since the fence is on Association property. Gerry suggested that the Board take action to set responsibility for maintenance of the wooden fence. Joe stated that the Board should address the issue in Executive Meeting on 19 January.

The third topic was the condition of Association recordskeeping. Members had reviewed the file structure and the filing of past documents and found multiple problems with poor recordskeeping, such that some essential records could not be located. Additional work is needed to establish a file structure to reconstruct as much as possible past records and to assure that the current and future Boards have an orderly recordskeeping system. Joe invited attendance at a meeting on 25 January at 9AM to begin work on the issue. Joy stated that she had worked on a "strawman" for the filing structure and would present it at the 25 January meeting.

Jim presented a draft letter to the Association's attorney asking for a legal opinion on two issues. First, the current Board recently filed a Management Certificate with Burnet County, but no prior Management Certificate was in the Association files. When should the Board file new Management Certificates? Second, the wording of the Texas Property Owners Protection Act and the Texas Open Meeting Act is not clear as to the applicability of open meeting requirements for the Association. And, if applicable, the Board is subject to mandatory training that has not apparently been completed. The Board members were asked to review the draft letter for decision during the next Executive Meeting.

Joe discussed the monthly meeting he had in January with the Mayor and City Manager. Joe mentioned that they discussed the Memorial Dedication, and that two veteran organizations had offered to present music and honor guard at the ceremony. The Board discussed the date of such ceremony, with President's Day being an appropriate time. Joe mentioned the City is establishing two committees: one for Public Safety and one for Future Planning and Capital Improvements. He also mentioned that the City was still exploring options for using the funds provided by the Association for upgrades to the City swimming pool. And, the City had recently received the last of the equipment under the financial arrangements between the City and Association.

Discussions then moved to the areas of individual Director's responsibility. Joy presented the status budget execution through end of the prior month and the current and anticipated cash position for the budget year. Len discussed the need to increase the salaries of security staff. Board members were supportive of establishing a meaningful salary structure for the employees. Gerry related that removal of the Preston Trail work from the 2015-16 budget year would free some budget authority if needed for salaries. Dottie, discussed creation of a map of the RV storage facility and the resurfacing of the facility to eliminate erosion and native plant growth. Jerril stated that the Association's Christmas lighting contest was a success and very well received by the community.

Joe adjourned the meeting at 11:05 AM.

Executive Meeting:

The Executive meeting was convened at 7:00 PM on 19 January by President Joe Summers.

Gerry offered a prayer, and Dottie led the pledge of allegiance.

Joe requested roll call to establish quorum for the meeting. All directors were present as quorum. Those members present were Joe Summers, Jerrial Wafer, Joy Marcou, Len Fate, Dottie Stueckroth, Gerry Mason, and Jim Woods.

The minutes from the 14 December workshop and the 15 December Executive Meeting were presented to the Board for approval. Joe asked for any comments on the minutes. Hearing none, he asked for a motion for approval. Len motioned for approval and Gerry seconded. Minutes were approved unanimously.

Directors' Reports.

Joy provided the Treasurer's report on budget execution for the current year and the projected cash flow through the budget year.

Dottie related the activity at RV Storage with one space available, but it will fill soon. She related that virtually all annual payments were now collected. And, she mentioned that she and Gerry were meeting with the City Manager to discuss resurfacing the RV storage area. Burnet County roads maintenance crews may be able to assist in the resurfacing, since the property belongs to the City. County assistance would significantly reduce the cost of resurfacing.

Len stated that he is in process of changing suppliers for uniforms and patches. The prior provider has reduced their stocks and increased their prices; and, a local supplier has offered better service and prices. Len also mentioned that the court date for the resident accused of multiple gate infringements had been set for 26 January.

Jerrial reported on recent activity within the City Building Committee and the Welcoming Committee. He also related that the annual Christmas decoration contest sponsored by the Association was a success with excellent participation by residents and excellent response to the contest.

Gerry reported that the crack sealing throughout the community had been completed. Joe asked for a revised funding plan since Preston Trail workload was removed from the 3-year plan.

Old Business.

1. Association Recordskeeping. Joe related that further review of the Association recordskeeping confirmed that both the filing structure and the maintenance of documents were not acceptable. He stated that Joy had agreed to inventory the existing file and had found significant redundancies, excesses, and omissions of documents – some file dating back over 30 years with no apparent value, but essential documents missing from the files. He reiterated the need for volunteers to meet on 25 January at 9AM to continue the work on recordskeeping.
2. Jim asked the Board to approve release of a letter to the Association's attorney requesting legal opinions on the filing of Management Certificates and on the applicability of the Texas Property Owners Protection Act and the Texas Open Meetings Act to the Association. Jim moved to approve and Joy seconded. The Board approved the letter unanimously and the President signed the letter.

New Business.

1. Joe introduced the issue of the encroachment of the patio behind the residence on lot 198-34 into Association common ground. He summarized the discussions and comments from the workshop on 18 January, and he asked if a resolution for Board consideration had been prepared. Jim read into the record a proposed resolution. The resolution is as follows:

“Resolution to Sell and to Offer to Sell Specific and Limited Parcels of Common Grounds Belonging to the Meadowlakes Property Owners Association

Preamble.

Whereas, the Meadowlakes Property Owners Association (Association) was formed by corporate charter in the State of Texas with Articles of Incorporation dated 12 September 1975. The Association owns specified roadways, easements and common grounds within the City of Meadowlakes as filed in documents with the County of Burnet, Texas.

Whereas, part of the common grounds owned by the Association are located in the open space between platted lots 198-27, 198-28, 198-29, 198-30, 198-31, 198-32, 198-33, 198-34, and 198-35.

Whereas, the common grounds in the open space between the above lots is not considered usable by other than the residents of the above lots.

Whereas, in 1999, then property owner for lot 198-34 requested approval to pour four (4) feet concrete patio extension. The request was approved by an apparent representative of the Association. The extension encroached four (4) feet into the common grounds owned by the Association.

Whereas, the current owner of lot 198-34 acquired the lot in 2006 without having been informed of the encroachment and is in process of selling the property and wishes to resolve any potential issues involving the encroachment.

Whereas, the Association's Articles of Incorporation authorize the Board of Directors by Article IV.b.2 to sell Association real property.

Resolution.

Now, therefore, be it resolved the Board of Directors of the Meadowlakes Property Owners Association:

1. *Agree to sell to the current owner of lot 198-34 as of the date of this resolution four (4) feet by forty (40) feet of the common ground immediately at the rear lot line of lot 198-34. The intent of this sale is to set the boundaries of lot 198-34 as forty (40) feet wide and eighty-six (86) feet deep. Such sale will end the encroachment into the Association's common grounds.*
2. *Offer for a period of twelve (12) months from the date of this resolution to property owners of the remaining eight (8) lots cited above the option to purchase Association*

- common ground equal to four (4) feet from the rear property line of their lot by the full width of their rear property line. The intent of this offer is to assure adjacent property owners are afforded equal treatment under this resolution.*
3. *Purchaser(s) of the common grounds at the rear lot lines of the cited properties are to pay \$1 for the common ground plus all costs of purchase, survey, closing, and recording. The intent of this financial arrangement is to assure that the Association incurs no costs for the sale of these common grounds.*
 4. *The President of the Board of Directors of the Meadowlakes Property Owners Association is authorized to execute the purchase agreement(s) and other documents needed to accomplish this resolution.*

This resolution is passed this 19th day of January 2016 by the Board of Directors of the Meadowlakes Property Owners Association.”

Joe asked if there were any questions or comments for further consideration. Hearing none, he asked for a motion to approve the resolution. Joy moved to accept the resolution, and Gerry seconded. The Board passed the resolution unanimously. The resolution was signed by the President and is attached to and incorporated into the minutes of this meeting.

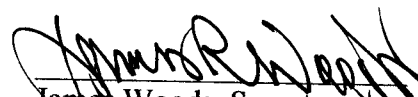
2. Joe asked Gerry to present the issue of maintenance of the wooden fence on Association property along Dogleg. Gerry reiterated the background of the placement of the fence and the transfer of the property from the original developers to the Association. He discussed the deterioration of the fence, prior removal of part of fence from structural failure, and the actions of neighbors to prop up portion of the remaining fence. Gerry commented that the fence is likely to collapse in high winds or a strong storm and will likely cause damage to the Associations metal perimeter fence, the street, or to neighboring property. He summarized that past discussions between property owners across from the fence and prior Association Boards had not resolved the issue to avoid further damage or danger. Gerry recommended that the Board accept that the fence is on Association property and not neighboring property owners, the aesthetic value of the fence to our community, and the responsibility for maintenance of the fence. Joe asked for any additional discussion. Joe commented that the Board needs to accept responsibility to assure no minimize the damage and danger of structures on Association property. Joe asked for a motion on Gerry's recommendation. Gerry made the motion to accept the recommendation, and Jim seconded. The motion was passed unanimously.

Joe asked if anyone in the audience would like to offer comments on any issues covered in the meeting or any new issues to be brought to the board. No comments were received.

Joe announced that the next Executive meeting would be at 7:00 PM on February 16.

The meeting was adjourned at 7:50 PM.


Joe Summers, President


James Woods, Secretary