

Oak Brook HOA Meeting  
October 19, 2009

Attendees: Fred Daler, Property Manager  
Bill Romere, President  
Greg Gibby, Treasurer  
Sheila Blaicher, Secretary

1. Dean Scoggins of HSP Systems, Inc. made a presentation on a new security system for the replacement of the Auto-gate system currently in use at the amenity center. His system is an ACS Web-hosted access control system. The Auto-gate system that is used at the amenity center is obsolete. Fred indicated that parts will only be available for repairs for the next 12-18 months. Dean explained that each unit of his system can control two doors. It can also be referenced or controlled on line and vendors and service personnel can be controlled by key card entry rather than actual keys which can be copied and used by unwanted ex-vendors. Both Greg and Bill discussed the pros and cons of wireless and Ethernet with Dean. Bill asked Dean about the system and its operation and compatibility with the current video surveillance system that is installed at the center. For an Ethernet Brivo Access control system the estimate would be \$4,113.50 and would include the Brivo Ethernet Access Control Panel with Battery & Transformer, card reader, 500 cards, Trip Lite UPS/Surge protector and installation and programming. The webhosting would be \$45.00 per month plus tax. The board will review the information provided and research before giving Fred the o.k. It appeared to be a good fit and would provide better security services and give the board access to entry information. The board wants to review the brochure and check on-line to see if there are any reviews on the system and its operation. This company has been in operation since 1994.
2. The board approved the minutes prepared by Sheila from the last meeting.
3. Fred went over the financial statements in detail. The financials were distributed in paper format this month due to the transition from Real Manage. There wasn't enough time to update the on-line access and get the report out in time. The report will only be printed and mailed this month. Future copies will be available on line to board members that have signed up to receive it. Fred suggested that if a board member really wanted a printed copy it could be provided if requested.
4. For October, the final balance in the checking account was \$4,691.21 and the reserve account had \$175,508.05. Total assets were \$180,199.26.
5. Fred reviewed the violation list from his drive through which he does every other Wednesday. Fred said he had a program glitch that was resolved concerning Warm Breeze, Warm Mist and Warm Moon Cove. He has made the necessary corrections to his computer and just wanted the board aware of the computer glitch.
6. Fred went over Delinquent Payments and explained that late charges were not accrued this month due to the transition. The late fees will resume next month. There was a discussion about how many violations would be accrued before the homeowner was referred to an attorney for collection. The target amount was voted at \$500.00.

7. Bill wanted Fred to go through the neighborhood and make sure he captures, during his drive through, the addresses that have Roof colors that are not in compliance with the ACC and the deed restrictions. These homes needed to be sited. Bill indicated that there were several and will get some addresses for Fred. Fred indicated that he is unable to see the roofs clearly from his vehicle during the drive through and having the addresses would make it easier for him to site those violations. Fred indicated there was a resident that said his roofing company used Owen Corning Shingles and that his roofer told him “Weathered Wood” was not available. Greg said his roofer was using Owen Corning shingles and Weathered Wood shingles were being installed on his roof. Fred was advised to let residents know that “Weathered Wood” is available if they call with similar concerns.
8. Goodwin provides an Architectural Control Committee on line log form. This will give the board access to information regarding ACC approvals. It shows the homeowners name, address, date of submission and approval, and what type of improvement was requested. Bill was pleased to see this. This will only include items from Goodwin’s start-up. Nothing from Real Manage will be included in these reports.
9. The board reviewed exterior lamps to replace the light hit in the parking lot. Easy Rack has a light almost exactly like what we had. The pole will be aluminum and the globe and bulb were chosen. The cost is more than the insurance allowance so Fred will go back to the insurance company to ask for additional funds to cover the light and will notify D & S to order and begin the work. Bill stated he would like the work completed before the holiday season. Fred will try to comply with the request.
10. Greater Texas Landscaping Services gave an estimate for improvements to the amenity center on the playground side of the property. The estimate was for \$945.00. This area has wild weeds and has areas of dirt where the gravel has washed away. The estimate also included the establishment of a quick connect hose bib at the street entrance to the park to facilitate hand watering. Bill told Fred that Jessie needed to be told that he was not authorized to do any work unless it was approved by the board. The landscaping committee could not approve work to be done. The estimate was not voted on because there is additional gravel work that needs to be done and Bill mentioned it would be a good idea to get this all done at the same time. Bill also noted that the large rock the estimate references for removal is very dangers.
11. Noting that, in #10 above, gravel needed replacing because of wash-out, the discussion turned towards the leaking hose used by the pool company for backwashing. Fred had reported it before and was unaware that when the pool company leaves there is still a significant amount of water remaining in the hall way. Fred will follow up again and ask that the hose be replaced.
12. The board cast their vote for flowers. Greg voted for flowers without paid hand watering by GTL. He indicated he didn’t care if they were not watered as he felt that once a week watering by the irrigation system should be adequate. Sherry indicated that she would hand water if there is a hose bib. It was apparent there was no hose bib available as it was an item listed in the invoice referenced in item # 10 from GTL. Bill was willing to take the risk also. He also thought there was enough rain to support the flowers. Sheila voted no. She believed without hand watering the flowers would not survive and would become unsightly. She based her vote on the comments made by the Landscaper who recommended no plantings due to the drought and that the plants needed to be water three times a week the first two weeks. Sheila said that if the vote for flowers from the

board was in the majority that Sherry should make the selection. The list included deer resistant varieties. The vote for Sherry to pick the flowers was unanimous.

13. Greg reported that the water is still leaking on O'Conner from the sprinkler system. Fred will follow up again. This problem was first reported in May of 2009. It has been reported regularly and is still not resolved. The board approved an estimate from GTL for the repairs on this and is surprised the work has not been completed. This was a hold-over problem originally reported to GTL from Real Manage. Fred will follow-up.
14. Fred began the discussion on the budget process and showed the board his preliminary numbers. The board gave preliminary updates to the figures. Sheila shared a printout from Real Manage with budget figures from earlier this year. Fred requested copies of the figures Sheila had because he was limited on data. Sheila suggested since Bill and Greg work full time jobs and she is available during the day she would work with Fred to get the majority of the details caught up and then allow the others to weigh in at the next budget meeting. Fred will call when he has reviewed his schedule. Bill indicated that the website for Real Manage was still activated and accessible if Fred wanted to cull numbers from it.
15. The board voted to repair the fountain at Graceland for \$1100.00. It was wrapped in fishing wire. Fred said that he had a very long conversation with Oteka regarding the fountains. He indicated that she understands the community wants to keep the fountains but strongly advised fishing NOT be allowed. The board would like Fred to contact Fern Bluff Mud to ask them to disallow fishing in the ponds as the hooks and monofilament wiring are destroying the equipment. Oteka wants the board to install bubblers because she feels they would be easier to maintain. The board is not interested in bubblers. She said that she will look at the fountains on her regularly scheduled visits but if they have to come out to service the motors or look at problems at other than regularly scheduled visits there would be a \$150.00 service charge. The board agreed to this. Greg would like to know if there is anything that can be done to encase the motor or the electrical wire to protect it from damage. Fred will follow up.
16. Sheila brought up some items that needed to be included in the budget. There are lounge chairs that need replacing, the trail head on O'Conner/Morgan Hill needs repairs and updates, and painting the rails on O'Conner. Sheila asked if Bill had gotten an estimate from his painter. He indicated he had not and would contact him again. Fred was supposed to get an estimate from his painter this week. The poles on the sunshades and the green paint on the amenity center need to be painted as well. We have one door painted and the rest are faded. Also the tile around the pool needs to be replaced. It was repaired but the work was done poorly. Bill indicated that Shelly Kurgan was upset with this also and had had discussions with the pool company when the work was done.
17. Other items for the budget were also brought up. The floor leveling problem at the amenity center needs to be addressed. There is always standing water and the water stales and creates a bad smell. Sheila has been placing Glade Solids in the woman's bathroom to offset the smell. Bill suggested that she buy a box of them and submit the receipts for reimbursement. The extras can be place in the storage room. Sheila has been donating the Glade Solids at one a month.
18. The board also wants to have an audit done of the books since Real Manage no longer manages them. This would give us a clean beginning with Goodwin.

19. There was a short discussion about the Reserve Study and the updated Reserve study without the fences being included. This led to two additional discussions.
  - Sheila noticed the estimate from the playground company was an unsolicited bid from a company that was listed in the Reserve Study. That estimate included a lot of new gravel which Sheila thought seemed excessive. Bill said that Shelley Kurgan had done work for the school and indicated there is a local company that will draw up a playground and help the board select items to put in the playground. Bill will follow-up with the name so the board can invite him to a meeting.
20. Bill indicated that he would like to see a sprinkling system along Morgan Hill on the down grade from Hillside. It was estimated the cost could be around \$50,000.00. There was a discussion about the possibilities of this. We all thought it was a good idea to look into this. Sheila thought we should select a project and do this one at a time following the schedule in the Reserve Study that we just received. She was concerned about too big a drain on our reserve account.
21. Bill and Greg had a conversation about a \$100.00 one-time assessment to the residents to pay for playground equipment and sprinklers. Sheila was concerned about an assessment as there are several residents on fixed incomes and the down turn in the economy has hit a lot of folks hard. She reminded the board of the outcry from the residents with a \$4.00 increase the previous year. Greg acknowledged the outcry but still wanted to consider a one-time assessment fee. Bill said this one time charge to the residents would make it so the board could raise money for improvements (playground and sprinklers) without depleting the reserves. No vote was taken at this time. This was for discussion purposes only.
22. Bill and Greg are still interested in the move-in resident Entry Fee. Fred reported that Adam Pugh indicated there was a way to initiate the Entry Fee but it would have to be renewed on an annual basis. Sheila wanted to know why Assessments and Entry Fees were necessary in light of the amount of money that has been saved with the decision to eliminate lifeguards, the reduction in fees from Real Manager's administrative fees and the reduction in maintenance fees from the removal of Real Porter's. Sheila shared the information she had downloaded regarding the excessive porter fees which doubled the last month Real Manage was in charge. These added up to about \$12,000.00 per year.
  - Fred reported that Adam Pugh would be willing to meet with the board regarding the entry fee and fines for violations. Bill and Sheila felt a written statement would be cheaper and Greg thought a written statement would be better for backup. Fred indicated that Adam would not charge the board for the initial visit if the board was willing to accept him as the legal representative for the Oak Brook HOA. Bill and Greg indicated they would like a meeting with Adam Pugh. Sheila thought Bill Flinkinger, who was our attorney with Real Manage, seemed quite expensive and the \$50.00 fee to answer the phone seemed a bit excessive. Bill concurred. Fred will invite Adam Pugh to a future meeting. Greg said there were a number of attorneys looking for work in Austin for cheap. Bill and Sheila reminded Greg that HOA's need attorney's with specialized experience.
23. The board voted to not hire lifeguards next year. That would include not hiring monitors either. The pool will revert to a "Swim at Your Own Risk". This will save the board about \$18,200.00 per year. The lifeguards last year were not effective and Fred had reported at an earlier meeting that it would

not increase our liability nor would it increase our insurance rates. Greg reiterated that he wanted that information made public early and often so there was no confusion about missing lifeguards and residents would have time to adjust to the idea.

24. The last item for discussion was the fence issue. Bill is in favor of taking the fences. Greg is not in favor of taking on the fences. Sheila wants to take only the fences that are broken or where the residents have completed and turned in their signed and notarized easements. Sheila is having difficulties with accepting all of the fences and indicated that we are 15 years behind the bullet. It was reported in the Reserve Study that the community would need \$ 2,500,000.00 in years 25 and 26 to replace the fences which would have reached their life expectancy at about that time. Sheila argued that issuing violations to some of the residents that are unable to pay for the repairs will be forcing them to sell their homes at a discounted value to get purchasers to take responsibilities for the repairs. She indicated that reducing the price would result in the neighborhoods resale value decreasing as a result of comparables shrinking. Greg didn't agree. Sheila asked Bill to weigh in since Bill's wife is a Realtor. Bill said "that is generally the way it works." Greg said his vote was a no and it was up to the remaining board members to come to a consensus. Sheila said she needed a little more time as she had acquired a spread sheet program and wanted to put the fences in the spread sheet in addition to the capital outlays for normal repairs and replacements. She wants to see the community impact and will then vote accordingly. Greg wanted a vote now as this would impact the budget. Sheila said her vote was to take the damaged fences to make the community whole again and get on with it. She said the community had spoken with regard to the fences. In the last offer that went out, of the 62 homes with fences, only 16 returned signed affidavits turning over the fence and easements to the HOA. She believes if only the damaged fences are taken it would improve the neighborhood values and appearance and would meet the requirement that the HOA could spend the money because they owned the fence. The others have already had the opportunity and made their decisions not to comply with the easement request. Greg argued that it would not solve the problem down the road when other fences went in disrepair. Sheila believed it would solve the immediate problem of the legal barriers that are preventing us from fixing the problem. It would also set the wheels in motion for when the community is ready to make the commitment for the sake of continuity. When the fences break down in the future you will have some that will say "my fence is still o.k." and they aren't going to repair them while others will need to repair theirs. She questioned what will happen when these materials are no longer available? It is not uncommon for builders to change materials to necessitate the expense of change. What will the neighborhood look like then? **The vote stands at:** (1) *to take the fences*, (1) *to not take the fences*, and (1) *to take only the damaged fences and those with easements signed*.

25. The next board meeting will be on **November 9<sup>th</sup>**. This meeting will be to review and finalize the budget for next year which has to be completed by November 15<sup>th</sup>. November 15<sup>th</sup> is the deadline because coupon books will need to be ordered and any rate increase or change would affect these books.

The meeting adjourned at 10:15 p.m.

Minutes were prepared and recorded by Sheila Blacher