

Oak Brook HOA Meeting

November 9th, 2009

Attendees: Bill Romere, President
Greg Gibby, Treasurer
Sheila Blaicher, Secretary
Fred Daler, Property manager Goodwin Management
Guest: Adam Pugh, Attorney Slater, Kennon, Jameson, LLP

1. The meeting began at 7:00 p.m. with all in attendance.
2. Fred introduced Adam Pugh to the board. Adam Pugh is an attorney with Slater, Kennon and Jameson, LLP. He has served as an attorney for Goodwin Management and was being presented to the board with their recommendation and to answer outstanding questions the board had. The board had been using Bill Flickenger. Bill Flickenger is the attorney of record for Real Manage and represented the HOA board since its inception.
3. The meeting began with Fred explaining to Adam that the board had questions about a \$500.00 Buyers Entry Fee and Fines for failures to comply with compliance drives. He also explained that the board had many concerns about problems with the Woodcrete fences in the community and the complicated situation that they encompass.
 - Adam's response to the Buyers Entry Fee was that he thought the board could institute one but after further discussion wanted to review the By-laws and DCCR's to make sure they were legal within our frame work. Greg had questions regarding the Articles, By-Laws, and DCCR and how they fit together. Adam gave a brief overview of how they were formed and how they related to each other. The final synopsis was that if the DCCR's and the By-laws were in conflict the DCCR's took precedent.
 - Adam led a discussion about turning violators over for collection to an attorney when they didn't pay dues on time. He felt that a \$500.00 threshold was too high. At \$40.00 that meant the resident went nearly a year without being held accountable. The new policy should hold the threshold to three consecutive months of nonpayment and no more than six months. He then detailed the actions that would take place when it reached the attorney's office for collection.
 - Sheila asked what was charged for quick questions the board might have from time to time. The question was asked because Bill Flickenger has charged the board \$50.00 in the past for answering the phone. Adam stated that he does not charge for quick questions regarding legal issues. That is just his policy for representing the board.
 - Adam was also briefly advised about the present and past problems that had occurred with the Woodcrete fence issue. This will be a discussed in the future as it is lengthy and complicated. However, Adam certainly agreed that the community was given the raw end of the stick. We were also advised we were outside the window of opportunity to go back to Ryland for any monetary restitution.

4. There was a brief discussion about Adam's comments after he left. The consensus was that the entire board liked Adam and felt his pricing structure was fair and his advice was respected. It was agreed unanimously to hire him for all new collection issues and advise. We would also slowly bring him in on issues that were currently being handled by Bill Flickenger as they became stale.
5. The minutes from the previous meeting were approved.
6. Sheila's computer had issues with receiving emails from Fred and Goodwin's technical staff walked her computer through the correction process and restored the email capabilities. There was a problem with Road Runner recognizing Fred as spam.
7. The board touched on the finances for this month. The checking balance was \$6,018.53 and the Reserve Fund this month stood at \$177,973.84. Total assets this month were \$183,992.37. The assets increased this month by \$3,793.11.
8. The board went over the delinquent list for the month.
9. Fred went over the financials for the month. Sheila commented that she received the written monthly financials in the mail and requested Fred to ask that she does not receive the printed copy as it was too expensive to print. Fred will check on this. Sheila will check to see what else needs to be done to set that up on the computer. The problem may have occurred because of the computer problems she was experiencing.
10. Before the discussion on the budget Sheila asked several questions to clear up emails she had missed during her computer glitch and tried to catch up with the board on votes that were or were not taken. At this time the following items were discussed and a vote was taken accordingly:
 - The board agreed to wait two weeks to see if the sprinkler problem on O'Connor resolved itself and if it did not another order would be turned over to GTL for repairs. Numerous corrections have been made to this system on O'Connor. It now has a leak in the middle of the hand railed section at 9011 O'Connor. It was suggested that this could be the system just draining out at the low point. Time will reveal itself.
 - The pump to the baby pool needed to be replaced as it burned out. The response as to repair or replaced was that brushes, pumps and seals go out and when the pumps go out they are now replaced rather than repaired. This pump was probably the original. The vote to replace the pump was approved.
 - The waterfall has a leak and needs to be repaired – this was approved by the board. There were many questions about why this happened but Aqua Feature, the company that currently handles maintenance on the waterfall, had no clear definitive answer to the question that was asked in an email by Fred. They suggested it could have dried out during the drought when the pumps were shut off. The board was not convinced by that suggestion but had no other ideas.
 - The proposal for repairs from the painter that Bill Romere submitted were approved and his figures will be added to the budget. Bill said he is ready to do the work as soon as we call him.

Fred will make sure he has all the proper documentation. i.e. Insurance certificate and workmen's compensation.

11. Sheila pointed out that there was a Fern Bluff Mud meeting that she would be attending on Tuesday, November 10th at 6:00. She requested the full boards support in requesting that they propose a no fishing ruling on the ponds. The entire voted to support the request.
 - As a follow-up, the Fern Bluff Mud approved the no fishing policy at both ponds at the above mentioned meeting which occurred the next night.
12. The Board also agreed we would like to replace the obsolete Auto-Gate system. Bill asked if we could get an estimate from Auto-Gate. Fred will follow up. Sheila asked if Fred knew anyone who has used the system presented at the last meeting and Bill asked about references. Fred said one of his fellow property managers has a community that uses them and that he received the recommendation from this individual.
13. The board went over the budget in fine detail -- line by line -- deleting, correcting, voting and updating. Fred will put the corrections in and send the board the final copy for review and vote.
14. There were questions about pricing for some of our vendors. This included what it is that Aqua Features does to receive their fee and what it was that the Cave Conservancy does for their money. There were also questions about Pro Cleans' contract for next year. Fred had an email for Pro Clean that Sheila missed. He will forward that to her. Fred will look at the agreements to answer the questions asked.
15. Some of the proposed items put in the budget for next year will include: Repairing the tile in the pool, replacing the lawn chairs, putting new tips on the chairs legs, painting the rails to the overhead shades, painting the green trim on the building and staining the pavilion. We will also replace the wooden picnic tables with the green rubber coated tables. There will be some kind of work done on the floor to the restroom to make them drain better and the repair to the men's room door will include capping in such a way as to repair the damaged caused by water rotting. The board also approved doing work to clean up the trail head near the Oak Brook bridge that leads down into Fern Bluff Mud's property in the green belt. The handrails on O'Connor and Hillside will be stripped, sanded and painted. It was also approved to do some cleanup around the amenity center and get fresh gravel to replace that washed away along the sidewalks. There is also a weeded overgrowth to the right of the amenity building that will be cleared up. In addition, the board will be looking at sprinklers along O'Connor and Morgan Hill and getting estimates for a new playscape.
16. It was agreed that the board will not be raising dues this year and that they will not be seeking an assessment for the repairs listed above.
17. In setting the times for the next meeting the board agreed to meet the Second Thursday of each month beginning in January of 2010. It was decided that anything that needed to take place before next year could be handled by email or telephone. Sheila requested email responses until her hearing issue cleared up. The next meeting date will be January 14, 2010.

Meeting adjourned at 9:18 p.m.

The minutes recorded and prepared by Sheila Blaicher

I asked Fred to explain the collection process usually followed with Adam Pugh and a re-explanation of what was presented at the meeting. His comments are inserted as follows:

The process is basically the following: (please note that the following is paraphrased and has not been certified or approved by Adam Pugh)

1. First -The Attorney recommended that the BOD set a trigger point to initiate the Collection process. Usually the collection action point is set at three months of delinquent dues or the equivalent dollar amount. Some HOA set the action point at a dollar value such as \$500 (note you cannot file foreclosure on fines owed)
2. Please note that monthly, Goodwin Management, Inc. accounting department sends out to all HOA owners who are past due 30 days) on their HOA account balance (delinquent by at least \$.01) a Owners a Accounting statement of dollars owed asking that the owner bring their account balance current.
3. The Attorney and his office regularly reviews the HOA account delinquency list(has selected access to GMI records) and if an owner's HOA account exceeds the set action level the delinquent, The Attorney sends to owner by both certified and regular US mail a demand letter for payment of the delinquent amount owed the Association plus the attorney's and GMI collection fees which is combined \$500 .00 , In the letter the owner is notified that if they pay within 10 days the attorney and GMI collections fees are reduced by \$464 and only \$36.00 is charged to the owner for attorney fees which is added to the amount owed. The Delinquent owner is encouraged in the letter to make contact with the Attorney's office to discuss the delinquency. (the attorney will work with the owner if they are unable to pay off the total amount a payment plan not to exceed six month in duration.
4. After 30 days from the time the certified letter is sent out the attorney can then take the next step depending upon the HOA Board's direction to file a lien on the owners property. The Collection amount of \$500.00 remains on the owners HOA account due to failure to respond to the demand since it then supports the cost for filing a lien and other costs associated with the activity
5. The Attorney after filing a lien will then if not already establish a set point with the Board seek direction for the next action which is a letter to be sent out by courier - Notification for Foreclosure action .This letter again sets a time for the owner to respond and a make arrangements for paying the HOA account balance or make arrangements for payments satisfactory with the Board depending on the issue and conditions. Upon the past of 60 days with out satisfactory resolution of the HOA account the next step can be initiated by the BOD
6. (commonly called informal foreclosure process and in the future may be restricted by the TX courts)
7. This step is the actual filing of Foreclosure at the Court house and posting of the property. The owner is serviced additional papers of this action.
8. The actual foreclosure may or may not be initiated depending upon the circumstances.

Calls made to the attorney are generally not billed such as request for status on a issue etc.