

**THE LAKES OF SOUTH SHORE HARBOUR C.A. INC.
REGULAR BOARD OF DIRECTORS MEETING**

MEETING MINUTES JANUARY 16, 2020

The following meeting minutes reflect the actions taken by the Board of Directors (the "Board") of The Lakes of South Shore Harbour C.A. Inc. (the "Association") at the regular meeting of the Board conducted January 16, 2020 (the "Board Meeting"), at 12:06 PM at the League City Police Department Community Room, 555 W. Walker St., League City, Texas 77573.

Attending: Rob Schuler, President, Claudia Foutz, Vice President, and Mike Lee, Secretary. Cindy Pratt, Treasurer and Allison McIntyre, Director-at-Large attended via Google Hangout. Ms. McIntyre exited the meeting at 1:00 PM. Community manager Kristin Hooker was not in attendance.

Guests: John Cabrera (Resident)

- I. Meeting Called to Order at 12:06 PM by President Schuler.
- II. Consider Current Agenda Changes and Vote

Motion: Approve the Agenda with the following edits:

Table: IV 4: Director's Report: Landscape Assessment Proposal, Clark Condon

Add: VI: Executive Session: Contract and proposal reviews

Add: Brick Wall Update

Moved by Claudia Foutz, seconded by Mike Lee to approve amended agenda.

Result: Passed

- III. Resident Comments: John Cabrera commented on the new public Monthly Compliance Report that shows the number of violations issued by type and asked that the Board consider posting it on the website.
- IV. Reports

Management: In the property manager's absence, written reports were provided and are summarized below.

Maintenance: A written maintenance status report was provided showing all maintenance projects that are pending and completed for the month of January.

1. Compliance: The Public Compliance report was presented noting that 20 violations were issued in the prior month dealing with landscaping, property maintenance, unsightliness, unapproved improvements, and parking violations. It was noted that compliance will be tracked, and if not corrected, monetary penalties will be added to resident accounts for non-compliance. It was noted that the report did not contain a compliance report for an unapproved batting cage in a corner house. A board member will follow up on the inspection.
2. Statements of Account Report: The manager's reported noted that 123 Statements of Account and Resale Certificates were processed from January 17, 2019 through January 14, 2020.

3. Architectural Review Committee (ARC): A calendar year report for 46 home improvements was provided, including swimming pools, window replacements, solar panels, patio covers, fence replacements, storm doors, exterior paint, basketball goal and play structures, and landscaping, etc. Of those requests, two are pending, and two were denied.

Directors:

1. Status of Concrete Wall Repairs: Cindy Pratt, Treasurer, reported that inspection of the deteriorating concrete wall by FenceCrete has been delayed due to inclement weather. An estimate of repair will be forthcoming once access to the property can be obtained.
2. Reserve Study Update: Rob Schuler, President, reported that documents requested by the reserve study engineers have been forwarded to the reserve study company. These documents will assist them in their final evaluations, and a final report should be provided by the March meeting.
3. Update on Flashing Pedestrian Lights: Rob Schuler, President, reported that he and Mike Lee, Secretary have met with the City, and they have confirmed the need for pedestrian flashing safety lights at the South Shore Blvd pedestrian walkway near Kroger connecting both neighborhoods. Final cost estimates and proposed shared expenses will be negotiated with the City. In addition, it was noted that we need to work with the City and Commercial Management Association (CMA) to provide adequate handicap ramps to the property. Rob also noted that based on several resident complaints, the City will conduct a speed study on Auburn Creek Lane to determine if more speed humps are necessary. The City will review whether commuters outside our community are using Auburn Creek Lane as a cut-through thoroughfare.
4. (TABLED) Landscape Assessment Report tabled in order to coordinate proposals with MUD7.
5. Brick Wall Update: Rob Schuler reported on his research into the condition and replacement of deteriorating concrete walls and wood fencing throughout the neighborhood. He noted that experts cite declining conditions in the neighborhood are negatively affecting property values to a significant extent. To date, our reserve study has identified the need to repair concrete walls and wood fencing. It is also anticipated the landscape assessment master plan will suggest fencing be comparable to neighboring communities of like age. The project can be completed within a 9-month period. There are currently 4 fencing companies in the area capable of completing a job of our size. Further research will be conducted to determine alternative fair and economical funding sources to include best practices.

Financials:

1. 209 Action Plan: Rob Schuler and Claudia Foutz reported they have had meetings with the Board's accounting firm to develop an action plan to reconcile bank statements, charge late fees for prior months, and process and mail the Statute 209 letters to delinquent residents. They are prepared to staff the workload that will result from this mass mailing of approximately 350 letters representing over \$400,000 in delinquent dues and fines. The Statute 209 letter is currently being reviewed by the association attorney.
2. CMA Update (Cindy help!)

3. Status of Monthly financials. (Cindy help!)

Committee Reports

1. Landscape: Mike Lee, Secretary, provided an update to landscape maintenance from October to the current month which included mulching all trees, shrubs and plants, adding seasonal color, rye grass, pruning, Woodcock pea gravel and other misc. repairs. Items to be addressed in the 1st quarter 2020 include pruning Crepe Myrtles, oak trees, and palms, standard fertilization, knock out roses pruned to 20 inches, oleander pruning, mulch addition to pool area and mulching all areas to 4 inches. Mike also noted that the city arborist will be evaluating the palm trees on the median on South Shore Blvd to determine if they need to be relocated.
2. MUD 7 Meeting Update: Claudia Foutz reported that the MUD tabled final action on the Landscape proposal with Clark Condon that was addressing the erosion near Kroger Lake. The Board wants a full discussion on costs and whether they should be seeking other proposals for comparison. Since the HOA proposal is tied to the MUD proposal, it was necessary to table the HOA proposal waiting for an outcome from the MUD. The MUD also reported that their website is now up and running and can be accessed at <http://www.sshmud7.org>. The HOA will provide a link to that website and will no longer post minutes on our site.
3. Recreation: A cost report was provided for the 2019 Holiday Event which included signage, Target gift cards for decoration winners, hot chocolate and cookie station, and other misc. expenses for a total of \$6,497.

V. The Open Meeting closed at 1:11 PM.

VI. Executive session was convened at 1:20 PM to discuss delinquent assessments, compliance reports, contracts, and pending proposals. The Board has not received a January status report from the attorney.

VII. The Open Meeting was reconvened at 1:45 PM to report on actions taken in Executive Session:

The Board voted to forgive accounts owing \$200 or less in delinquent fees/balances as of January 31, 2020. The Treasurer will work with the accounting firm to verify those accounts.

The Board also voted to transfer the responsibility of Statements of Accounts from the Property Manager to the Board's accounting firm.

The Board members reported on their review of three association management firms that had submitted proposals to the Board as a result of research by Claudia Foutz, Vice President. The Board voted to interview Spectrum Association Management regarding their proposal. The interview is scheduled for Friday, January 31, 2020 at the Spectrum office on South Shore Blvd, and the Property Manager was invited to attend. There was general agreement that the Association could benefit from transitioning from being self-managed to contracting with a modern management firm.

The Open Board Meeting was adjourned at 1:55 PM.

Respectively submitted by Mike Lee, Secretary.