

ITC/15/DLH/ 2103006 -LBH

STATE OF TEXAS §

COUNTY OF TRAVIS §

**NOTICE OF DEDICATORY INSTRUMENTS
OF
TESORO SUBDIVISION LIBERTY HILL PROPERTY OWNERS ASSOCIATION**

Document reference. Reference is hereby made to that certain Master Declaration of Covenants, Conditions, and Restrictions - Tesoro, as Document No. 2018034948 in the Official Public Records of Williamson County, Texas (together with all amendments and supplemental documents thereto, the "Declaration").

WHEREAS the Declaration provides that owners of lots subject to the Declaration are automatically made members of Tesoro Subdivision Liberty Hill Property Owners Association (the "Association");

WHEREAS the board of directors of the Association (the "Board") is authorized to adopt the initial Bylaws of the Association pursuant to Section 22.102(a) of the Texas Business Organizations Code and Sections 1.8 and 7.7(a) of the Declaration;

WHEREAS the Association, acting through its board of directors (the "Board"), is authorized to adopt and amend rules and regulations governing the property subject to the Declaration and the operations of the Association pursuant to Section 7.7(a) of the Declaration; and

WHEREAS the Board has voted to adopt the Bylaws set forth in Exhibit "A" and the Rules set forth in Exhibit "B" attached hereto.

THEREFORE the Bylaws and Rules have been, and by these presents are, adopted and approved.

AGREED TO and RESOLVED this 29 day of June, 2021.

TESORO SUBDIVISION LIBERTY HILL PROPERTY OWNERS ASSOCIATION
Acting by and through its Board of Directors



NAME: Matthew Trammell
TITLE: President

Exhibit "A": Bylaws

Exhibit "B": Rules

Acknowledgement

STATE OF TEXAS §
COUNTY OF Williamson §

This instrument was acknowledged before me on the 29 day of June, 2021, by Matthew Trammell, Pres in the capacity stated above.


Notary Public, State of Texas

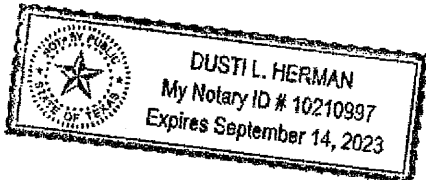


EXHIBIT "A"

**BYLAWS
OF
TESORO SUBDIVISION LIBERTY HILL PROPERTY OWNERS ASSOCIATION**

Article I: NAME AND LOCATION

1.01. *Name.* The name of the Association is "Tesoro Subdivision Liberty Hill Property Owners Association," hereinafter referred to as the "Association."

Article II: DEFINITIONS

2.01. *Definitions.* The definitions of all terms herein shall be the same as those in the Master Declaration of Covenants, Conditions, and Restrictions - Tesoro, filed as Document No. 2018034948 in the Official Public Records of Williamson County, Texas, as may be amended from time to time.

Article III: MEETING OF MEMBERS

3.01. *Annual Meetings.* The annual meeting of the Members shall be held each year at a date, time and place designated by the Board.

3.02. *Special Meetings.* Special meetings of the Members may be called at any time by the president or by the Board of Directors, or the President shall call a special meeting upon receipt of a petition signed by members holding at least 20% of the total voting interests in the corporation. The place of the meeting shall be as stated in the notice.

3.03. *Notice of Meetings.* Written notice of each meeting of the Members shall be given by, or at the discretion of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 10 days but no more than 60 days before such meeting to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and time of the meeting, and, in the case of a special meeting, the purpose of the meeting. If mailed notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his last known address according to Association records. Notices may in the alternative be given by fax or email to any fax number or email provided by the Member to the Association.

3.04. *Quorum.* The presence (including via telephone, via absentee ballot, via proxy, or other authorized method of attendance or voting) at the meeting of members entitled to cast, or of proxies entitled to be cast, at least **ten percent** of the Members' votes shall constitute a quorum for any action. If such quorum shall not be present or represented at any meeting, the Members present shall have power to recess the meeting from time to time, and with notice provided in accordance with Section 3.03, reconvene the meeting at a later date. If a vote is taken outside of a meeting, a majority of those votes cast will represent an action of the Members provided that at least **ten percent** of the Members cast votes.

3.05. *Voting methods; forms and ballots.* At all meetings of Members held in a physical location (in-person meetings), each Member may vote in person or (at the board's election) by absentee ballot. The board in its discretion may allow any other voting method allowed by law. If an in-person meeting is not held, each Member may vote by absentee ballot and by any other voting method allowed by law that the board elects to utilize. All proxies shall be in writing and filed with the secretary or other designated association agent. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Home or Lot. The board shall promulgate the form of all proxies and ballots, and no other form shall be valid.

3.06. *Elections and Votes.* Elections and votes of Members may be taken with or without a meeting unless otherwise provided in the Declaration or these Bylaws. If an election or vote by the Members is to be taken at a meeting of the Members, written notice of such meeting must be given to the Members not later than the 10th day or

earlier than the 60th day before the date of the election or vote. If an election or vote is not taken at a meeting, notice must be given not later than the 20th day before the latest date on which a ballot may be submitted.

3.07 *Method of Meetings.* Meetings of the Members may be held in person or by telephonic or other electronic means. If held by telephonic or other electronic means, the notice of the meeting of the Members shall include instructions for the Members to access the communication method.

3.08 *Voting Rights.* Voting rights of Members shall be as set forth in Section 7.3 of the Declaration.

Article IV: BOARD OF DIRECTORS

4.01. *Number.* The affairs of the Association shall be managed by a Board of three directors. Election/appointment of directors shall be as set forth in Section 7.6 of the Declaration. The terms of office of the directors elected by the Members shall be staggered so that in any year a maximum of one Member-elected Director is elected. The terms of all Member-elected Directors shall be three-year terms, but terms may be adjusted to accomplish staggering.

4.02. *Term of office.* Directors shall be elected for a term of approximately three years, beginning from the date of their election to the date of the election of their successor.

4.03. *Removal; resignations.* The Declarant shall have sole authority to appoint and remove all members of the Board until such time as 75% of the Lots that may be sold are sold to a non-declarant or non-builder owner. Any director elected by the Members may be removed from the Board, with or without cause, by a majority vote of a quorum of the Members of the Association casting votes at a meeting. Any director elected by the Members may be removed from the Board, with or without cause, by a majority vote of a quorum of the Members of the Association casting votes at a meeting or by majority vote of the remaining Board members, or in the alternate by majority vote of the remaining members of the Board. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

4.04. *Compensation.* No director shall receive compensation for any service he may render to the Association in his capacity as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Article V: ELECTION OF DIRECTORS

5.01. *Nomination.* This section applies to the Member-elected director prior to the Build-Out Date, and all directors after said date.

(a) At least 10 days before the date the Association disseminates absentee ballots or other ballots to the members for purposes of voting in a board member election, the Association may provide notice to the members soliciting candidates interested in running for a position on the board.

(b) In the Board's discretion a nominating committee may also be appointed to consist of a chairman who must be a member of the Board and two or more members of the association. The nominating committee, if appointed, shall make as many nominations for election to the Board as it shall in its discretion determine, but no fewer than the number of vacancies that are to be filled. The nominating committee nominees shall be listed on the ballot along with the names of candidates who timely reply to the solicitation sent pursuant to 5.01(a). The candidates selected by the nominating committee slate may be noted on the ballot as such.

(c) Other than the nominees pursuant to (a) and (b) above, no other nominations shall be allowed (no nominations from the floor or any other nominations.)

5.02. *Election.* At such election the Members or as applicable their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

5.03. *Voting.* At the discretion of the Board, the vote to elect a director may be held with or without a meeting, and votes may be cast via electronic means, absentee ballot, at a regular or special meeting of the Members, or any combination thereof.

Article VI: MEETINGS OF DIRECTORS

6.01 *Regular Meetings.* Regular meetings of the Board of Directors shall be held at least annually, without notice to directors but with any Member notice required by state law.

6.02. *Special Meetings.* Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than two days notice to each director. Notice may be provided via email, phone, mail, fax, in person, or other similar means.

6.03. *Quorum.* A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors shall be regarded as the act of the Board.

6.04. *In person or by telephone or unanimous consent.* Meetings of the Board may be in person or by telephone or by other electronic means where board members can all hear and be heard by other board members. If a Board meeting is to be held by telephone or other electronic means, the notice of meeting to the Members must include instructions for the Members as to how to access the meeting. Members need not be allowed to participate in Board meetings but must be able to listen to such meeting with the exception of any portion of such meeting held in executive session.

6.05. *Notice of Meetings.* Notice of Board meeting shall be provided to the Members as required by law. (Texas Property Code §209.0051).

6.05. *Action Taken Without a Meeting.* To the fullest extent allowed by law¹, the directors shall have the right to take any action in the absence of a meeting which they could take at a meeting. Any action so approved shall have the same effect as though taken at a meeting of the directors. Any action taken without a meeting must be orally summarized, including any expenditures approved, and documented in the minutes of the next Board meeting.

Article VII: POWERS OF THE BOARD

7.01. *Powers.* The Board of Directors shall have power to exercise for the Association all powers, duties and authority vested in or delegated to the Association, and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

7.02. *Powers expressly include the power (but, unless such action is required by law or by other dedicatory instruments of the Association, not the duty):*

(a) to cause to be kept a record of all its financial books and to present a report thereof to the members at the annual meeting of the Members;

(b) to: (1) fix the amount of the regular Assessment for each Home pursuant to the procedure in the Declaration; (2) send written notice of assessments to every Owner; and (3) collect assessments and enforce assessments, all pursuant to procedures and limitations as set forth in the Declaration;

(c) to issue resale certificates, loan eligibility certificates, and verification certificates setting forth whether or not any Assessment has been paid. The Board may make a reasonable charge for the issuance of these certificates and other written documents provided by the Association;

(d) to procure and maintain liability and hazard insurance on Common Areas; and cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate or necessary;

¹ See Texas Property Code §209.0051 for a list of topics which are required to be discussed or voted on at a meeting.

- (e) to cause the Common Areas to be maintained as per the Declaration;
- (f) to carry out all other duties and powers of the Association or Board under the Declaration or law, and perform other functions the Board deems necessary or appropriate; and
- (g) to adopt and publish rules regarding the use and occupancy of the Property, and in addition to all other available remedies, levy fines and damage assessments for violations of any governing document of the Association.

The Board may delegate any of its functions to a managing agent.

Article VIII: OFFICERS AND THEIR DUTIES

8.01. *Officers.* The Officers of the Association shall be a president, a secretary and a treasurer, all of whom shall at all times be members of the Board of Directors.

8.02. *Election.* The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

8.03. *Term.* Each officer of the Association shall be elected annually by the Board and each shall hold office for approximately one year until the election of his successor, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

8.04. *Special Appointments.* The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

8.05. *Resignation and Removal.* The Board may remove any officer from office with or without cause. Any officer may resign at any time giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.06. *Vacancies.* A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

8.07. *Multiple Offices.* The same person may hold the offices of secretary and treasurer. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.04 of this Article.

8.08. *Duties.* The duties of the officers are as follows:

- (a) **President:** The president shall preside at all meetings of the Board of Directors.
- (b) **Secretary:** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.
- (c) **Treasurer:** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; if directed by the board, cause an annual audit or review by a third-party accountant or bookkeeper of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget for the forthcoming year and a statement of income and expenditures for the previous year, to be presented to the membership at its regular annual meeting.

Any officer duty may be delegated to a management representative. Such delegation may but need not be in writing.

Article IX: COMMITTEES

The Board of Directors will appoint an Architectural Control Committee as provided in the Declaration or, the Board may elect for its own Board members to also serve as the Architectural Control Committee. In the absence of appointment of an Architectural Control Committee, the Board shall be deemed to serve as the Architectural Control Committee. The Board may appoint other committees as deemed appropriate in carrying out the purposes of the Association. All committee members shall serve at the pleasure of the Board.

Article X: BOOKS AND RECORDS

The financial books and records of the Association shall be subject to inspection by members in accordance with state law.

Article XI: ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments, which are secured to the full extent provided by law, by a continuing lien upon the Lot against which the Assessment is made. The collection and enforcement procedures shall be as set forth in the Declaration or other dedicatory instrument of the Association.

Article XII: CORPORATE SEAL

The issuance of a corporate seal shall be unnecessary and is not required under Texas law.

Article XIII: AMENDMENTS

Except as otherwise provided in the Declaration, these Bylaws may be amended by the Board of Directors, or by majority vote of a quorum of Members casting votes at a meeting of the Members. Notwithstanding, during the period of declarant control, the declarant shall have sole authority to amend the bylaws.

Article XIV: MISCELLANEOUS

14.01 *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

14.02 *Indemnification.* To the fullest extent permitted by applicable law, the Association will indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a director, officer, committee member, employee, servant, or agent of the Association (together "Person") against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding.

Notwithstanding, indemnification of a Person who is found liable to the Association or is found liable because the person improperly received a personal benefit:

- (1) is limited to reasonable expenses actually incurred by the person in connection with the proceeding;
- (2) does not include a judgment, a penalty, a fine, and an excise or similar tax, including an excise tax assessed against the person with respect to an employee benefit plan; and
- (3) may not be made in relation to a proceeding in which the person has been found liable for:
 - (A) willful or intentional misconduct in the performance of the person's duty to the Association;
 - (B) breach of the person's duty of loyalty owed to the Association; or

(C) an act or omission not committed in good faith that constitutes a breach of a duty owed by the person to the Association.

For purposes of this section a Person is considered to have been found liable in relation to a claim, issue, or matter only if the liability is established by an order, including a judgment or decree of a court, and all appeals of the order are exhausted or foreclosed by law.

EXHIBIT "B"RULES
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DEFINITIONS

1. "Owner:" an owner as defined in the governing documents, or a "Member" as defined in the governing documents. If there are no such definitions, an owner means a person or entity holding a fee simple interest in any portion of the property that is subject to the Declaration (other than common area).
2. "Managing agent:" the entity responsible for managing the affairs of the Association, or the "Association manager."

SECTION I. FLAGS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.
2. General. An Owner may display flags only on his or her Lot and only in compliance with this Section. An Owner may not display flags on the Common Areas, or on any other lands owned or maintained by the Association, for any reason or at any time. An Owner may have one flagpole, or one residence-mounted flag mount, but not both.
3. Approval Required. All flagpoles, flag mounts, and related installations (e.g., flag lighting) must be approved in advance by the Association's Architectural Control Committee ("ACC"). An Owner desiring to display a permitted flag must submit plans to the ACC for each installation, detailing the dimensions, type, location, materials, and style/appearance of the flagpole, flag mount(s), lighting and related installations. The Association's ACC shall have the sole discretion of determining whether such items and installations comply with this Section, subject to any appeal rights that may exist elsewhere in the Association's governing documents or under State law. The Owner may not begin construction or installation until the Owner receives written approval from the ACC.
4. Additional Requirements Related to Flags.
 - a. Flags must be displayed on an approved flag mount or flagpole. Flags may not be displayed in any other manner.

- b. No more than one flag at a time may be displayed on a flag mount. No more than two flags at time may be displayed on a flagpole.
 - c. Flags on flagpoles must be hoisted, flown, and lowered in a respectful manner.
 - d. Flags must never be flown upside down and must never touch the ground.
 - e. No mark, sign, insignia, design, addition (such as a mesh extension), or advertising of any kind may be added to a flag.
 - f. If both the U.S. and Texas flags are displayed on a flagpole, they must be of approximately equal size.
 - g. If the U.S. and Texas flags are flown on one pole, the U.S. flag must be the highest flag flown and the Texas flag the second highest.
 - h. Only all-weather flags may be displayed during inclement weather.
 - i. Flags must be no larger than 3'x5' in size.
 - j. Flags may not contain commercial material, advertising, or any symbol or language that may be offensive to the ordinary person.
 - k. A pennant, banner, plaque, sign or other item that contains a rendition of a flag does not qualify as a flag under this Section.
5. Materials and Appearance of Flag Mounts and Flagpoles. A flag mount attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials (per the discretion of the ACC) used in the construction of the mount or flagpole and harmonious with the dwelling.
6. Additional Requirements for Flagpoles. The following additional requirements shall apply to flagpoles installed on Lots:
- a. No more than one flagpole may be installed on a Lot;
 - b. The flagpole must be free-standing and installed vertically;
 - c. The flagpole must be no greater than 20 feet in height measured from grade level;
 - d. The flagpole must have a dull or dark finish;
 - e. The location and construction of the flagpole must comply with applicable zoning ordinances, may not be located in any easements (including drainage easements), and comply with all building setback requirements;
 - f. Unless otherwise approved by the ACC, the pole must be located within 10 feet of one of the side-most building lines of the home, and within 10 feet of the front-most building line of the home (so that the distance between the pole and the side-most point of the home is no more than 10 feet, and the distance between the pole and the front-most point of the home is no more than 10 feet). The ACC may require the pole to be installed on a particular side or otherwise require a particular location;
 - g. No trees may be removed for pole installation; and
 - h. An Owner must ensure that external hardware, halyards (hoisting ropes), trucks, rings, and snaps used in combination with a flagpole do not create an unreasonable amount of noise.
7. Lighting of Flag Displays. An Owner desiring to install any light(s) for the purpose of illuminating a flag must include plans (in accordance with Paragraph 3 above) to the ACC and receive the ACC's written approval before beginning installation. Such light installations must be of a reasonable size and intensity and placed in a reasonable location, for the purpose of ensuring that the lights do not unreasonably disturb or distract other individuals. All flag illumination lighting must be specifically dedicated to that purpose. No other lighting, whether located inside or outside of the residence, may be directed toward a displayed flag for purposes of illuminating the flag. Security flood lights, spot lights, or any other light not specifically installed to illuminate a flag (and included in the Owner's submission of plans to the ACC and approved in writing by the ACC) may not be oriented toward a displayed flag.
8. Maintenance. An Owner is responsible for ensuring that a displayed flag, flagpole, flag mount(s), lighting and related installations are maintained in good and attractive condition at all time at the Owner's expense. Any flag, flagpole, flag mount, light, or related installation or item that is in a deteriorated (torn, faded, holes, or frayed) or unsafe condition as determined by the Board must be repaired, replaced, or removed promptly upon the discovery of its condition.

SECTION II. SOLAR ENERGY DEVICES

1. **Conflict with Other Provisions.** Per state law, this Section controls over any provision in any other Association governing document to the contrary.
2. **Approval Required.** An Owner may install solar energy devices only on property solely owned and solely maintained by the Owner, and only in accordance with the restrictions provided herein. Owners may not install solar energy devices except in accordance with the restrictions provided herein. Prior to installation of any solar energy device, the Owner must submit plans for the device and all appurtenances thereto to the ACC. The plans must provide an as-built rendering, and detail the location, size, materials, and color of all solar devices, and provide calculations of the estimated energy production of the proposed devices. The Owner may not begin construction or installation until the Owner receives written approval from the ACC.
3. **Definition.** In this section, "solar energy device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. All solar devices not meeting this definition are prohibited.
4. **Prohibited Devices.** Owners may not install solar energy devices that:
 - a. threaten the public health or safety;
 - b. violate a law;
 - c. are located on property owned by the Association;
 - d. are located in an area owned in common by the members of the Association;
 - e. are located in an area on the property Owner's property other than:
 - i. on the roof of the home (or of another structure on the Owner's lot allowed under the Association's governing documents); or
 - ii. in a fenced yard or patio owned and maintained by the Owner;
 - f. are installed in a manner that voids material warranties;
 - g. are installed without prior approval by the ACC; or
 - h. substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. *This determination may be made at any time, and the ACC may require removal of any device in violation of this or any other requirement.*
5. **Limitations on Roof-Mounted Devices.** If the device is mounted on the roof of the home, it must:
 - a. extend no higher than or beyond the roofline;
 - b. be located only on the back of the home – the side of the roof opposite the street. The ACC may grant a variance in accordance with state law if the alternate location is substantially more efficient²;
 - c. conform to the slope of the roof, and have all top edges parallel to the roofline; and
 - d. not have a frame, a support bracket, or visible piping or wiring that is any color other than silver, bronze, or black tone commonly available in the marketplace.
6. **Limitations on Devices in a Fenced Yard or Patio.** If the device is located in a fenced yard or patio, it may not be taller than the fence line.
7. **Solar shingles.** Any solar shingles must:
 - a. Be designed primarily to:
 - i. be wind and hail resistant;

² If an alternate location increases the estimated annual energy production of the device more than 10 percent above the energy production of the device if located on the back of the home, the Association will authorize an alternate location in accordance with these rules and state law. It is the Owner's responsibility to determine and provide sufficient evidence to the ACC of all energy production calculations. All calculations must be performed by an industry professional.

- ii. provide heating/cooling efficiencies greater than those provided by customary composite shingles; or
 - iii. provide solar generation capabilities; and
- b. When installed:
- i. resemble the shingles used or otherwise authorized for use on property in the subdivision;
 - ii. be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use on property in the subdivision; and
 - iii. match the aesthetics of the property surrounding the Owner's property.

SECTION III. RAIN BARRELS AND RAINWATER HARVESTING SYSTEMS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.
2. Approval Required. Owners may install rain barrels or rainwater harvesting systems only with pre-approval from the Association's ACC (see Paragraph 4 below), and only in accordance with the restrictions described in this Section.
3. Prohibited Locations. Owners are prohibited from installing rain barrels or rainwater harvesting systems, or any part thereof, in the following locations:
 - a. on property owned by the Association;
 - b. on property owned in common by the members of the Association; or
 - c. on property between the front of the Owner's home and an adjoining or adjacent street.
4. Approval Required for All Rain Barrels or Rainwater Harvesting Systems. Prior to any installation of any rain barrel or rain harvesting system (or any part thereof), prior written permission must be received from the ACC.

Owners wishing to install such systems must submit plans showing the proposed location, color(s), material(s), shielding, dimensions of the proposed improvements, and whether any part of the proposed improvements will be visible from the street, another lot, or a common area (and if so, what part(s) will be visible). The location information must provide information as to how far (in feet and inches) the improvement(s) will be from the side, front, and back property line of the Owner's property.

5. Color and Other Appearance Restrictions. Owners are prohibited from installing rain barrels or rainwater harvesting systems that:
 - a. are of a color other than a color consistent with the color scheme of the Owner's home;
 - b. display any language or other content that is not typically displayed by such a barrel or system as it is manufactured; or
 - c. are not constructed in accordance with plans approved by the Association.
6. Additional Restrictions if Installed in Side Yard or Improvements are Visible. If any part of the improvement is installed in a side yard, or will be visible from the street, another lot, or common area, the Association may impose restrictions on the size, type, materials, and shielding of, the improvement(s) (through denial of plans or conditional approval of plans).

SECTION IV. RELIGIOUS DISPLAYS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.
2. General. State statute allows owners to display certain religious items in the owner's entry, and further allows the Association to impose certain limitations on such entry displays. The following rule outlines the limitations on religious displays in an owner's entry area. Notwithstanding any other language in the governing documents to the contrary, residents may display on the entry door or doorframe of the resident's

dwelling one or more religious items, subject to the restrictions outlined in Paragraph 3 below. Allowed religious displays are limited to displays motivated by the resident's sincere religious belief.

3. Prohibited Items. No religious item(s) displayed in an entry area may:
 - a. threaten the public health or safety;
 - b. violate a law;
 - c. contain language, graphics, or any display that is patently offensive to a passerby;
 - d. be located anywhere other than the main entry door or main entry door frame of the dwelling;
 - e. extend past the outer edge of the door frame of the door; or
 - f. have a total size (individually or in combination) of greater than 25 square inches.
4. Remedies for Violation of this Section. Per state statute, if a religious item(s) is displayed in violation of this Section, the Association may remove the offending item without prior notice. This remedy is in addition to any other remedies the Association may have under its other governing documents or State law.
5. Seasonal Religious Holiday Decorations. This rule will not be interpreted to apply to otherwise-permitted temporary seasonal religious holiday decorations such as Christmas lighting or Christmas wreaths. The Board has the sole discretion to determine what items qualify as Seasonal Religious Holiday Decorations and may impose other restrictions on the display of such decorations. Unless otherwise provided by the Declaration, Seasonal Religious Holiday Decorations may be displayed no more than 30 days before and no more than 21 days after the holiday. Seasonal Religious Holiday Decorations must comply with all other provisions of the governing documents, but are not subject to this Section.
6. Other displays. Non-religious displays in the entry area to an owner's dwelling and all displays (religious or otherwise) outside of the entry area to an owner's dwelling are governed by other applicable governing document provisions.

SECTION V. RECORD PRODUCTION

1. Effective Date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section is January 1, 2012.
2. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary to the extent of any conflict.
3. Request for Records. The Owner or the Owner's authorized representative requesting Association records must submit a written request by certified mail to the mailing address of the Association or authorized representative as reflected on the most current filed management certificate. The request must contain:
 - a. sufficient detail to describe the books and records requested, and
 - b. an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.
4. Timeline for record production.
 - a. If inspection requested. If an inspection is requested, the Association will respond within 10 business days by sending written notice by mail, fax, or email of the date(s) and times during normal business hours that the inspection may occur. Any inspection will take place at a mutually-agreed time during normal business hours, and the requesting party must identify any books and records the party desires the Association to copy.
 - b. If copies requested. If copies are requested, the Association will produce the copies within 10 business days of the request.
 - c. Extension of timeline. If the Association is unable to produce the copies within 10 business days of the request, the Association will send written notice to the Owner of this by mail, fax, or email, and state a date, within 15 business days of the date of the Association's notice, that the copies or inspection will be available.
5. Format. The Association may produce documents in hard copy, electronic, or other format of its choosing.

6. Charges. Per state law, the Association may charge for time spent compiling and producing all records, and may charge for copy costs if copies are requested. Those charges will be the maximum amount then-allowed by law under the Texas Administrative Code. The Association may require advance payment of actual or estimated costs. As of January, 2021, a summary of the maximum permitted charges for common items are:
 - a. Paper copies - 10¢ per page
 - b. CD - \$1 per disc
 - c. DVD - \$3 per disc
 - d. Labor charge for requests of more than 50 pages - \$15 per hour
 - e. Overhead charge for requests of more than 50 pages - 20% of the labor charge
 - f. Labor and overhead may be charged for requests for fewer than 50 pages if the records are kept in a remote location and must be retrieved from it

7. Private Information Exempted from Production. Per state law, the Association has no obligation to provide information of the following types:
 - a. Owner violation history
 - b. Owner personal financial information
 - c. Owner contact information other than the owner's address
 - d. Information relating to an Association employee, including personnel files

8. Existing Records Only. The duty to provide documents on request applies only to existing books and records. The Association has no obligation to create a new document, prepare a summary of information, or compile and report data.

SECTION VI. RECORD RETENTION

1. Effective Date. Notwithstanding any language to the contrary and regardless of the date of adoption of these rules, the effective date of this Section relating to record retention is January 1, 2012.

2. Conflict with Other Provisions. Per state law, this Section relating to record retention controls over any provision in any other Association governing document to the contrary to the extent of any conflict.

3. Record Retention. The Association will keep the following records for at least the following time periods:
 - a. Contracts with terms of at least one year; 4 years after expiration of contract
 - b. Account records of current Owners; 5 years
 - c. Minutes of Owner meetings and Board meetings; 7 years
 - d. Tax returns and audits; 7 years
 - e. Financial books and records (other than account records of current Owners); 7 years
 - f. Governing documents, including Articles of Incorporation/Certificate of Formation, Bylaws, Declaration, Rules, and all amendments; permanently

4. Other Records. Records not listed above may be maintained or discarded in the Association's sole discretion.

SECTION VII. PAYMENT PLANS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. Effective date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section relating to payment plans is January 1, 2012.

3. Eligibility for Payment Plan.

Standard payment plans. An Owner is eligible for a Standard Payment Plan (see Rule 4 below) only if:

- a. The Owner has not defaulted under a prior payment plan with the Association in the prior 24-month period;
- b. The Owner requests a payment plan no later than 30 days after the Association sends notice to the Owner via certified mail, return receipt requested under Property Code §209.0064 (notifying the owner of the amount due, providing 30 days for payment, and describing the options for curing the delinquency). Owner is responsible for confirming that the Association has received the Owner's request for a payment plan within this 30-day period. It is recommended that requests be in writing; and
- c. The Association receives the executed Standard Payment Plan and the first payment within 15 days of the Standard Payment Plan being sent via email, fax, mail, or hand delivered to the Owner.

Other payment plans. An Owner who is not eligible for a Standard Payment Plan may still request that the Association's Board grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the debt (i.e., the Association's manager or Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board.

4. Standard Payment Plans. The terms and conditions for a Standard Payment Plan are:
 - a. Term. Standard Payment Plans are for a term of 6 months. (See also Paragraph 7 for Board discretion involving term lengths.)
 - b. Payments. Payments will be made at least monthly and will be roughly equal in amount or have a larger initial payment (small initial payments with a large balloon payment at the end of the term are not allowed). Payments must be received by the Association at the designated address by the required dates and may not be rejected, returned or denied by the Owner's bank for any reason (i.e., check returned NSF).
 - c. Assessments and other amounts coming due during plan. The Owner will keep current on all additional assessments and other charges posted to the Owner's account during the term of the payment plan, which amounts may but need not be included in calculating the payments due under the plan.
 - d. Additional charges. The Owner is responsible for reasonable charges related to negotiating, preparing and administering the payment plan, and for interest at the highest rate allowed by applicable law then in effect, all of which shall be included in calculating the total amount due under the plan and the amount of the related payments. The Owner will not be charged late fees or other charges related to the delinquency during the time the owner is complying with all terms of a payment plan.
 - e. Contact information. The Owner will provide relevant contact information and keep same updated.
 - f. Additional conditions. The Owner will comply with such additional conditions under the plan as the Board may establish.
 - g. Default. The Owner will be in default under the plan if the Owner fails to comply with any requirements of these rules or the payment plan agreement.
5. Account Sent to an Attorney/Agent for Formal Collections. An Owner does not have the right to a Standard Payment Plan after the 30-day timeframe referenced in Paragraph 3(b). Once an account is sent to an attorney or agent for collection, the delinquent Owner must communicate with that attorney or agent to arrange for payment of the debt. The decision to grant or deny the Owner an alternate payment plan, and the terms and conditions of any such plan, is solely at the discretion of the Board.

6. **Default.** If the Owner defaults under any payment plan, the Association may proceed with any collection activity authorized under the governing documents or state law without further notice. If the Association elects to provide notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. All late fees and other charges that otherwise would have been posted to the Owner's account may also be assessed to the Owner's account in the event of a default.

Any payments received during a time an Owner is in default under any payment plan may be applied to any out-of-pocket costs (including attorney's fees for administering the plan), administrative and late fees, assessments, and fines (if any), in any order determined by the Association, except that fines will not be given priority over any other amount owed but may be satisfied proportionately (e.g. a \$100 payment may be applied proportionately to all amounts owed, in proportion to the amount owed relative to other amounts owed).

7. **Board Discretion.** The Association's Board may vary the obligations imposed on Owners under these rules on a case-by-case basis, including curtailing or lengthening the payment plan terms (so long as the plan is between 3 and 18 months), as it may deem appropriate and reasonable. The term length set forth in Paragraph 4 shall be the default term length absent Board action setting a different term length. No such action shall be construed as a general abandonment or waiver of these rules, nor vest rights in any other Owner to receive a payment plan at variance with the requirements set forth in these rules.
8. **Legal Compliance.** These payment plan rules are intended to comply with the relevant requirements established under Texas Property Code §209. In case of ambiguity, uncertainty, or conflict, these rules shall be interpreted in a manner consistent with all such legal requirements.

SECTION VIII. VOTING

1. **Form of Proxy or Ballot.** The Board may dictate the form for all proxies, ballots, or other voting instruments or vehicles. No form other than the form put forth by the Board will be accepted.
2. **Deadline for Return of Voting Paperwork.** The Board may establish a deadline, which may be communicated on the proxy form, absentee ballot, or otherwise communicated to the membership, for return of electronic ballots, absentee ballots, proxies, or other votes.

SECTION IX. TRANSFER FEES

1. **Transfer Fees.** In addition to fees for issuance of a resale certificate and any updates or re-issuance of the resale certificate, transfer fees are due upon the sale of any property in accordance with the then-current fee schedule, including any fee charged by the Association's managing agent. It is the Owner/seller's responsibility to determine the then-current fees. Transfer fees not paid at or before closing are the responsibility of the purchasing owner and will be assessed to the owner's account accordingly. The Association may require payment in advance for issuance of any resale certificate or other transfer-related documentation.
2. **Owner Liability.** If a resale certificate is not requested and a transfer occurs, all fees associated with Association record updates related to the transfer will be the responsibility of the new Owner and may be assessed to the Owner's account at the time the transfer becomes known. These fees will be set according to the then-current fee schedule of the Association or its managing agent, and may be equivalent to the resale certificate fee or in any other amount.
3. **Fee Schedule.** The Association's fee schedule may include (without limitation) fees related to: issuance of a resale certificate, questionnaires requested from lenders/title companies, statements of account, resale certificate updates, working capital fee due at closing, or other such fees.

SECTION X. EMAIL ADDRESSES

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.
2. Email Addresses. An Owner is required to keep a current email address on file with the Association if the Owner desires to receive email communications from the Association. Failure to supply an email address to the Association or to update the address in a manner required by these rules may result in an Owner not receiving Association emails. The Association has no duty to request an updated address from an Owner, in response to returned email or otherwise. The Association may require Owners to sign up for a group email, email list serve or other such email subscription service in order to receive Association emails.
3. Updating Email Addresses. An Owner is required to notify the Association when email addresses change. Such notice must be in writing and delivered to the Association's managing agent by fax, mail, or email. The notice must be for the sole purpose of requesting an update to the Owner's email address. For example, merely sending an email from a new email address, or including an email address in a communication sent for any other purpose other than providing notice of a new email address, does not constitute a request to change or add the Owner's email in the records of the Association.

SECTION XI. ACC REVIEW FEE

1. ACC Review Fee. The ACC may charge a reasonable fee to review applications for ACC approval for proposed Improvements. Review fees are due at the time when an application is submitted, and applications shall be denied if review fees are not paid. Review fees will not release the Lot owner or builder from liability for damages that result from construction of proposed Improvements.
2. Amount of Fee. The Board may set the amount of the ACC Review Fee by resolution. In the absence of a resolution, the following fee schedule shall apply:
 - a. Application for construction of residence: \$500.00
 - b. Application for modification of residence: \$100.00
 - c. Application for construction of other Improvements: \$100.00

SECTION XII. STANDBY ELECTRIC GENERATORS

1. General. Unless otherwise approved in writing by the Board, which approval may be denied, approved, or approved with conditions, an Owner may not install a standby electric generator except in compliance with this rule.
2. Scope of Rule. A standby electric generator is the only device that may be used to provide backup electric service to a residence. A "standby electric generator" means a device that converts mechanical energy to electric energy and is:
 - a. Powered by natural gas, liquefied petroleum gas, diesel fuel, or hydrogen;
 - b. Fully enclosed in an integral manufacturer-supplied sound attenuating enclosure;
 - c. Connected to the main electrical panel of a residence by a manual or automatic transfer switch;
 - d. Rated for a generating capacity of not less than seven (7) kilowatts; and
 - e. Permanently installed on a lot.
3. Conflict with Other Provisions. Per state law, this rule relating to standby electric generators controls over any contrary provision in the Association's governing documents.
4. Prior Approval Required. Prior to the installation of any standby electric generator or any part thereof, an owner must receive written approval of the Board. Owners wishing to install standby electric generators must submit plans and specifications to the Board. The following requirements apply to plans and specifications:

- a. An owner must provide a reasonably accurate and scaled schematic of the lot showing the property boundaries of the lot and the location of the residence, other permanent structures, fencing, and any adjoining streets. The schematic must also contain a scaled drawing of the generator at the proposed location, and indicate the distance (in feet and inches) from the closest rear and side lot line.
 - b. All other applicable information typically required by the Association for architectural approval (e.g., color samples, samples of screening materials, etc.) and necessary to ensure compliance with this rule must also be provided.
5. Installation. The following installation requirements apply to standby electric generators:

 - a. Installation must be done in compliance with the manufacturer's specifications and applicable governmental health, safety, electrical, and building codes.
 - b. All electrical, plumbing, and fuel line connections must be installed by a licensed contractor.
 - c. All electrical connections must be installed in accordance with applicable governmental health, safety, electric, and building codes.
 - d. All natural gas, diesel fuel, biodiesel fuel, or hydrogen fuel line connections must be installed in accordance with applicable governmental health, safety, electrical, and building codes.
 - e. All liquefied petroleum gas fuel line connections must be installed in accordance with rules and standards promulgated and adopted by the Railroad Commission of Texas and other applicable governmental health, safety, electrical, and building codes.
 - f. If a generator uses a fuel tank that is separate from the generator (i.e., the tank is not manufactured as an integral part of the generator system), the fuel tank must be installed in compliance with municipal zoning ordinances and governmental health, safety, electrical, and building codes.
6. Maintenance. The following maintenance requirements apply to standby electric generators:

 - a. The generator and its electrical and fuel lines must be maintained in good condition at all times, including maintenance that is in compliance with the manufacturer's specifications and applicable governmental health, safety, electric, and building codes.
 - b. Any deteriorated or unsafe component of a standby electric generator, including electrical and fuel line, must be promptly repaired, replaced, or removed.
 - c. A generator may be tested for preventative maintenance only between 9:00AM and 6:00PM and not more frequently than suggested by the manufacturer.
7. Location. The following requirements apply to the location of a standby electric generator:

 - a. Generators must be located in the rear yard area of the lot (behind the rear-most building line of the home). The generator may not be visible from a street, any common area, or the ground level of another lot unless it is screened in compliance with section 8.
 - b. The Board may, in its sole discretion, grant a variance to allow the generator to be located in an area other than as described in subsection (a) if the Board deems that a variance is appropriate as a result of topographical or other issues and a plan for adequate screening of the generator is submitted and approved.
 - c. The Board will grant a variance allowing the generator to be installed in a location other than as required under subsection (a) if the owner can document in a format reasonably acceptable to the Board that locating the generator in the rear yard will increase the installation cost by more than 10% or increase the cost of installing and connecting fuel lines by more than 20%. Even if such a variance is granted, the screening requirements outlined in section 8 must be met.
 - d. Generators are expressly prohibited from being located on Association common areas or any other areas maintained by the Association.
 - e. No portion of the generator may be installed within any applicable setback.
8. Screening. Owners must completely screen a standby electric generator from view if the generator is:

 - a. Visible from the street faced by the dwelling;
 - b. Located in an unfenced side or rear yard of a residence and is visible either from an adjoining residence or from adjoining property owned or maintained by the Association; or

- c. Located in a side or rear yard fenced by a wrought iron or residential aluminum fence and is visible through the fence either from an adjoining residence or from adjoining property owned or maintained by the Association.

Submitted plans must include as-installed dimensions and types of all landscaping to be used for screening and the color, materials, and dimensions of any proposed screening materials and/or structures.

9. Allowable Use. A standby electric generator may not be used to generate all or substantially all of the electrical power to a residence except when utility-generated electrical power is unavailable or intermittent due to causes other than nonpayment for utility service to the residence.

SECTION XIII. MANAGING AGENT'S ADDRESS

At the time these rules were filed, the current address of the Association's managing agent is:

Community Association Management, Inc.
7700 West Highway 71 Suite 270
Austin, TX 78735

After recording, please return to:

Niemann & Heyer, L.L.P.
Attorneys At Law
Westgate Building, Suite 313
1122 Colorado Street
Austin, Texas 78701

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Nancy E. Rister

Nancy E. Rister, County Clerk
Williamson County, Texas