

**MINUTES OF SUNSET BAY PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
May 15, 2010**

Call to order: A Board of Directors meeting of the Sunset Bay Property Owners Association was held at 139 Sunrise Drive, Rockport, Texas (Gary and Sharon's house in Sunset Bay). The meeting convened at 1:20 p.m. A quorum was established.

The following officers were in attendance:

President	Kelly Flanagan
Vice President at Large	James Buckley
Secretary	Gary Sequeira
Treasurer	Joshua Staley

Debbie Ortiz was unable to attend due to bad weather.

Jerry Bjork, Chairman of Planning Committee, also attended.

Approval of minutes: The minutes of the March 13, 2010 Board of Directors meeting were approved by e-mail and stand as approved.

Officers' reports:

President:

Staking of wetlands – Phil Handley confirmed and sent Kelly an e-mail that he plans to be at the site May 19 and 20 to meet with the pier contractor and stake the wetlands and stake where the pier will be located. Jerry Bjork will look for cane poles for the staking which Phil Handley asked for help in locating. After the staking is done, Don Smith will e-mail the specifications on the pier and send plans to Kelly.

Repair work for the easement – When Phil Handley is at the site on May 19 and 20, the construction company will meet him and do the needed work on the easement, and the Corps of Engineers will inspect the work.

Cost of replacing plants –Don Smith will contact Scott Graves to have the plants replaced. No confirmation on this item yet.

Bids for replacing plants at the entrances and for maintenance contract – Joe Howard has obtained a couple of bids, but they seem high. He is going to contact some more landscapers.

Irrigation system repair – Gary made the repair; the water is cut off until the plants are replaced.

Cooper advertising sign – The sign has been removed.

Letter to property owner Novotny re definition of "improvement for land" – Kelly will send him an e-mail indicating any improvements other than new home construction require Architectural Committee review and approval via an Architectural Request and Review Application.

Contact with Sherwin Aluminum about getting a copy of the Bauxite Reservoir presentation for the next annual meeting – Kelly talked to Tom Ballou with Sherwin Aluminum about making a presentation at the annual meeting. He is supposed to call Kelly back after checking his schedule.

Treasurer's Report:

Status of drafting letter to banks about the foreclosures and nonpayment of the maintenance fees.

→ **ACTION:** To be done.

Maintenance fee delinquencies:

- Joshua confirmed that all non-payments on the list are actually non-payments. All but one was.

→ **ACTION:** Joshua to provide Kelly a list of the names and then Kelly will contact the attorney. Josh has verified the list of 2009 delinquencies and will send to Kelly. Joshua still needs to verify the list of 2008 delinquencies.

2010 maintenance fees –

→ **ACTION:** Joshua will send Kelly a list of the unpaid 2010 maintenance fees..

The first delinquency notices for the non-paid 2010 maintenance fees have not been sent yet pending verification from Joshua.

→ **ACTION:** Kelly to provide Joshua with the names of the foreclosures.

Joshua reported that one of his co-works familiar with non-profits will prepare the IRS yearly filing.

The prior Treasurer arranged to have a tax accountant prepare the 2009 tax return.

→ **ACTION:** Joshua to follow up on where this filing stands.

Vice President's Report:

In Debbie's absence, Kelly reported that he e-mailed Diane Staub's (property owner who is a realtor) contact information to Debbie. Debbie contacted Diane to see if she can advise/assist on determining what properties have sold so Debbie can send a Welcome Kit. Debbie also asked Diane how to find out about foreclosures; Diane has not responded yet.

Secretary 's Report:

- Contact with Sheriff about driving through subdivision early in the morning and late in the afternoon.

→ **ACTION:** Gary still needs to contact the sheriff.

The Board of Directors determined that the following Property Owners Association of Sunset Bay bylaws needed changing:

- 1.01 Name and Location. Currently reads the principal office of Sunset Bay is located in the Woodlands, Montgomery County, Texas. Change to **Aransas County**.
- 4.01 Annual Meetings. Currently reads the annual meeting shall be held in the month of April..... Change April to **August**.
- 4.02 Notice of Meetings. Currently reads Notice of any meeting of members shall be delivered.....at least five (5) but not more than twenty (20) days prior to the meeting. Change twenty (20) to **thirty (30)**.
- 5.06 Regular Meetings (of Board of Directors). Currently reads notice shall be sent ... not less than five (5) nor more than ten (10) days prior to such meetings. Change ten (10) days to **fourteen (14) days**.

Gary made a motion to modify the bylaws as indicated. James seconded the motion. The Board of Directors voted on and approved these changes.

→ **ACTION:** Kelly will check on what has to be done administratively to make these changes in the documents.

Vice President at Large's Report:

- Larger, permanent private property/no trespassing signs – signs are being made for the entrances.

- The county is looking into changing the street sign from "Duck Heaven" to "Duck Haven".

Old Business

Status of contacting audit firms for estimates for third party financial audit – Joshua waiting for estimate from a San Antonio firm.

→ **ACTION:** Joshua to get quotes in next three weeks.

Status of Joshua providing financial statements so that they can be made available to homeowners by request.

→ **ACTION:** Joshua waiting for correct file from previous Treasurer. When he gets data, he will e-mail quarterly data to BOD and provide to BOD at each BOD meeting.

Kelly has posted on the website that financial statements are available to homeowners by request.

Kelly has made the following additions to the website:

- Updated new homeowners application form
- Updated welcome package and added Joshua Staley's name as Treasurer
- Added new button on contact page with POA e-mail contact
- Developed Architectural Committee request and new application form which covers any improvement other than new home application.

Status of Debbie obtaining idea of cost of an audit from her parents who are on their association board.

→ **ACTION:** Debbie to do.

Gary reported that electrical company provider for the subdivision is CP&L.

Status of checking with county on the culvert for the common area to determine how long it takes to get it and how much it will cost and advising Board.

→ **ACTION:** Gary to do.

Kelly contacted Don Smith about the construction people driving to pier construction with supplies and construction. Culverts will be put in and any disturbed areas will be fixed before the contractor leaves the site.

Status of Gary e-mailing property owner to advise her of the Board's decision not to post properties that are for sale on the website.

→ **ACTION:** Gary will contact her again in case he didn't.

A committee has been formed to look at short- and long-term planning for the common areas. Jerry Bjork to chair.

Mowing guidelines – tabled again until more homes are built in the subdivision.

Shuffling officers – Debbie to see if her work schedule will permit her to take on the Presidency of the Board. Tabled again due to Debbie's absence.

Re-evaluate at later meeting or consider at annual meeting using POA dues to mow all unimproved lots – Each property owner is to maintain his own property.

August 7 has been proposed as the date for the next Annual Meeting. Gary made a motion and James seconded it. The Board voted to have the next Annual Meeting on Saturday, August 7, 2010, at 2:00 p.m. at the Women's Club in Rockport. There will be a pre-Board meeting at 1:00 p.m. and a post-Board meeting immediately following the Annual Meeting. Kelly has reserved the Women's Club in Rockport for the next Annual Meeting.

→ **ACTION:** Gary will get the refreshments for the meeting.

Kelly sent a letter to the property owner owning two lots who wants the lots considered as one. According to the by-laws the lots can be considered as one but the lots will be considered as two for the purposes of paying maintenance fees. The property owner disagrees with this decision.

→ **ACTION:** Joshua will prepare an invoice and send to the property owner for the maintenance dues on the 2nd lot. Originally was invoiced for only one lot.

New Business/Open Discussion and Questions

Carter's Mowing mowed the entrances and common areas and applied herbicide spray.

→ **ACTION:** Kelly to contact Carter's to spray along the roads and then discuss mowing.

Quadvest water bill for the association.

→ **ACTION:** Gary to handle.

Next annual meeting

→ **ACTION:** Kelly will prepare the meeting notices for the next annual meeting and get them to Gary within the next couple of weeks. Gary and Sharon will stuff the envelopes and mail out the first week of July.

Newsletter

→ **ACTION:** Kelly will get with Debbie to update the newsletter to include with the meeting notice.

A letter was received from the IRS saying the association did not have a valid tax number. The tax number the association has is associated with the MMC address.

→ **ACTION:** Joshua to fill out the IRS change of address from (Form 8822) to change the address to Sunset Bay POA to maintain the same taxpayer ID number.

Kelly drafted a Code of Ethics for the Board of Directors and requested the Board to review and consider adopting.

Kelly advised the Board of a property owner who wants to lease their property to someone to put horses on and asked if the association would allow this and what is the criteria. Kelly responded to the property owner via e-mail that the Board did not have a problem and that the attorney has reviewed the CCR's and saw nothing about prohibiting leasing for this purpose but that the property owner is still responsible for abiding by the CCR's, i.e wood or synthetic split rail fencing and water and culvert installation and any external building installation according to specs and the plans require Board and Architectural Committee approval.

Next meeting:

The next Board of Directors meeting will be August 7, 2010, immediately following the 2010 Annual Members Meeting in Rockport, Texas.

→**ACTION:** Gary to prepare the meeting notice for the Board of Directors meeting and distribute to the Board.

Adjournment:

The meeting adjourned at 4:40 p.m.

signed by Gary S. Sequeira
Gary S. Sequeira, Secretary

June 17, 2010
Date of Approval