

**MINUTES OF SUNSET BAY PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING**

October 29, 2011

www.sunsetbaypoa.org

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 Sequeira's house in Sunset Bay). The meeting convened at 1:50 p.m. A quorum was established.

The following officers were in attendance:

| | |
|-------------------------|----------------|
| President | Debbie Ortiz |
| Vice President | Timothy Raub |
| Vice President at Large | Kelly Flanagan |
| Secretary | Gary Sequeira |

Joshua Staley, Treasurer, participated via teleconference.

Approval of minutes: The minutes of the August 13, 2011 Board of Directors meeting and the August 30, 2011 ad hoc Board Meeting telecon had been previously approved via e-mail and stood as approved.

Discussion items:

- A. Holt & Young, P.C., attorneys at law. This law firm in Houston specializes in homeowners association law. The Board discussed using this law firm to file the liens that need to be filed and to ensure that the property owners association is in compliance with the new laws recently passed by the Texas Legislature aimed at regulating Homeowners' Associations with respect to association fees, liens, and foreclosures. The new legislation will take effect on January 1, 2012. Debbie has talked with Russell Holt and he has agreed to meeting with the Sunset Bay Board of Directors via telecom. Holt gave Debbie information on the procedure for filing liens. The price structure for Holt & Young is included in their brochure that was circulated at the meeting.

Tim Raub also talked to someone about filing liens. Tim is comfortable having someone file a few liens for the association to establish a process; then Tim will file them after the procedure is determined.

Currently there are 17 past due maintenance fees for 2011.

→**ACTION:** Josh will send an e-mail to the board indicating how many unpaid maintenance fees there are for 2009 and 2010. The board needs to know how many there are before moving forward.

The Board agreed to Holt & Young participating in the telecon to discuss the following:

1. Highlight the association rule changes for 2012 – do any of these need to be incorporated in the bylaws or CCR's?

2. What do we need to do to be in compliance?

→**ACTION:** Debbie asked Tim to compile a bullet list of the changes indicating: 1) payment plans, 2) record keeping policy, 3) additional items that have to be filed with the county, and 4) no more non-judicial foreclosures.

→**ACTION:** Debbie will ask Holt & Young if prior delinquencies fall under the January 1, 2012 changes and e-mail to the board.

B. Auditors/Financial

No audits have been done. Josh has contacted some companies but has not received any information on prices other than the one company. One company asked Josh to send some financial information to determine an estimate. Josh suggested getting the audit done for 2007, and then change the bylaws and choose another procedure for checks and balances other than audit.

→**ACTION:** By November 10 the Board is to make a decision to go with the company that had given Josh an estimate for \$7,000 or go with the gentleman Josh had talked to. Josh will e-mail pricing information to the Board, and the Board will make a decision via e-mail.

→**ACTION:** At the next Board of Directors meeting, the Board will decide whether to change the bylaws to have some other procedure for checks and balances other than audit.

Assistant Treasurer – Josh is still working on splitting the responsibilities between the Treasurer and Assistant Treasurer positions.

Signature cards – The cards are at the bank in San Antonio. Kelly will e-mail the Board when the cards are back at the bank in Victoria.

Monthly bills – The monthly electric and water bills are mailed to the association P.O. Box in Victoria. Kelly mails them to Josh to pay. The Board agreed to on-line payment of the electric and water bills – three out of five Board members have to ok the bill on-line before paying on-line.

→**ACTION:** Kelly will set up the on-line payment of the electric and water bills. If this can't be done prior to the November 7 due date, it will be implemented in December.

Quarterly/annual bills –

The landscaping bill from Chris Naylor is quarterly.

The bill from Carter's Mowing for mowing the entrances, fence line easements and common areas and walkway and applying herbicide is quarterly.

The directors' insurance is an annual bill.

Property taxes and school taxes for the common area and easements and drainage along the roads are annual. Property taxes are paid to Aransas County. School taxes are paid to San Patricio County. We get a discounted rate. These tax bills will be paid in December this year. Federal income tax – will be paid in March 2012.

The pier insurance will be an annual bill.

Yearly pier rental of \$405 for the wetlands is due to the Texas General Land Office.

Web posting is an annual bill and is due the end of July each year; the cost is about \$400/year.

Name change to IRS changing association from MMC to self-managed – Josh has a letter drafted and will have it out by Monday, October 31.

Franchise tax requirement – filing of public information report. Josh received a notice of forfeiture of the right to transact business in Texas. Josh called the State. They lost the public license information report that Josh had sent. He has re-sent the report.

C. Pier

1. Pier insurance – Tim suggested getting fire insurance and then tacking on the liability insurance.

→**ACTION:** Kelly, Tim and Gary to obtain bids for pier insurance by the end of November.

→**ACTION:** Telecon to discuss pier insurance scheduled for Monday, November 14 at 6:00 p.m. Teleconference telephone #: 866-222-8833, PIN # 242172.

2. Walkway lighting – Kelly says this is complete.

3. Gate – Gary says the latch has been repaired but the gate is still dragging a little.

→**ACTION:** Gary will call Chris Curtis about additional repair on the gate.

D. Survey

1. We need the points for the wetlands marked, and we need metal posts to mark these. The Board agreed to Griffith and Brundrett doing the survey and flagging 50 points for \$450.

→**ACTION:** Kelly will advise Griffith and Brundrett to do the survey and flag the points.

2. →**ACTION:** Kelly will purchase metal stakes (about \$4/stake) to use as more permanent markers.

→**ACTION:** Kelly and Gary will put in the metal posts.

E. Annual Operating Plan

1. How are we executing the Annual Operating Plan?

- a. Liens – going forward with filing liens

→**ACTION:** Josh to provide number of delinquencies per year within 30 days.

- b. Parking area for pier – Phase I – getting survey done and marked.

→**ACTION:** All board members need to pursue bids for crushed stone, or other options, for the parking area since concrete and asphalt are too expensive. The Board will discuss these bids at the next Board meeting.

Bids should be based on eight (8) parking spaces and room to turn around and a 200 ft. driveway.

- c. Walking path – Hold off until we get more information on the parking area.
- d. Community area improvements – Tabled until a later time.

2. Marketing our community.

Debbie had 25 magnets and 100 post cards printed for free through Vistaprint. The magnets and post cards have pictures of Sunset Bay. Debbie would like to send the post cards to local realtors and current property owners and use them for whatever else the Board chooses.

Debbie wants to mail out newsletters to test response from property owners.

The Board of Directors agreed to waive the \$250 new home application fee and \$1000 damage deposit for six (6) months, and this will be put on the post cards to be mailed to the property owners. It will also be posted on the website.

Debbie will have more post cards printed adding the above waiver information and requesting e-mail addresses from property owners. Debbie will get the cost and e-mail to the Board. She plans to mail out by the end of November/first part of December.

Kelly will ask Diane Straub (Sunset Bay property owner who is a realtor) to assist with a list of realtors in the area.

The Board will hold on to the magnets for right now.

Officer Reports:

Vice President at Large – Kelly Flanagan

- A. Discussed the possibility of purchasing foreclosed acreage to develop the recreation area to develop away from wetlands and possible flooding. There is currently a 6 acre lot that has been foreclosed on. The Board found this idea interesting but decided not to do anything at the current time.
- B. Discussed developing the wetlands using grants from the State.
→**ACTION:** Kelly will talk to Phil Hanley.

Old Business:

- A. Dave Kasprzak was to mail his board book to Tim Raub.
→**ACTION:** Debbie will follow up with Dave.
- B. Status of transition of President's duties from Kelly to Debbie – Since Debbie cannot yet sign checks, Kelly will keep the deposit slips and stamps until the next meeting.

New Business:

- A. Delinquent Property Owners – What course of action and reinforcement? Previously addressed in minutes.
- B. Discuss waiving new construction application fee and damage deposit for new home construction application filed within six (6) months. Previously addressed in minutes.

Open Discussion:

- A. Tim Raub reported that they have signed the construction contract for their house. The loan has been approved and they plan to close by the end of the week. They still need to send in the new home construction application. They plan to put in a bulkhead. They plan to start construction as soon as possible. Their goal is to have the house finished by March.
- B. Restated bylaws – The changes approved last year have been incorporated in the bylaws. After Holt & Young review the bylaws for any additional changes, the bylaws will be updated.
- C. Future meetings:
 - a. The January meeting will be by teleconference. The date needs to be determined.
 - b. The May meeting will be on-site.
 - c. The August meeting will be on site.

Adjournment:

The meeting was adjourned at 4:20 p.m.



Gary S. Sequeira, Secretary

November 27, 2011
Date