

**WHITIEWATER SPRINGS BOARD MEETING – DECEMBER 10, 2016**

**AGENDA ITEM IV  
MINUTES FOR THE NOVEMBER 15, 2016 AND NOVEMBER 22, 2016  
MEETINGS**

**DRAFT MINUTES FROM THE WHITEWATER SPRINGS  
BOARD OF DIRECTORS CALLED MEETING**

Meeting Date/Time: Tuesday, November 15, 2016, 6:00 p.m.  
Meeting Location: Joann Cole Mitte Memorial Library, 170 N. Gabriel, Bertram, Texas  
Meeting Attendees: Don Rauschuber – POA Board President  
Van Henry – POA Board Vice President  
Erin Welch – POA Board Secretary  
Cheryl Sherman – POA Board Treasurer  
Coy Brown – POA Board Member  
Multiple Whitewater Springs property and homeowners

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**Items 1 and 2 Call to Order, Prayer and Establish Quorum**

Don Rauschuber called the meeting to order at 6:00 p.m. The pledge of allegiance was recited, and Cheryl Sherman said the prayer. A quorum was established, with all Board members present.

**Item 3 Public Comment**

Jerry Martinez mentioned some roadway damage on Whitewater Drive in front of Cheryl's house, and Don Rauschuber confirmed that would be repaired.

Ken Dreger said that the hogs are still a big problem and getting worse. Don Rauschuber requested that Jerry Martinez contact the Sheriff's office, and that Don would contact the Parks & Wildlife and County Commissioner service to find a fix or variance to existing rules. Cheryl Sherman said that skunks are also a problem.

Erin Welch made a brief presentation about the condensing of the CCRs, stating that the main work is complete, and some final additions will be needed before handing the packet off to Connie Heyer to prepare the single document.

**Item 4 Discuss, consider and take action concerning minutes for the May 12, 2016 and October 25, 2016 Board meetings and the November 4, 2016 Special Called Board Meeting minutes. (E. Welch)**

Since the minutes are not complete, Erin Welch requested postponement of this item to the next Board meeting. No action was required or taken.

**Item 5 Discuss, consider and take action concerning Whitewater Springs Financial Statements as of October 30, 2016. (D. Rauschuber)**

Don Rauschuber provided a brief summary of the financials as included in the agenda backup packet. Ken Dreger asked about the status of the liens mentioned previously, and Don Rauschuber confirmed that they had been filed, but no responses had been received to-date. Erin Welch made a motion to approve the financials as provided, Cheryl Sherman seconded the motion, and the motion passed unanimously, 5-0.

**Item 6 Discuss, consider and take action concerning USFWS Prescribed Burn Program. (D. Rauschuber)**

Don Rauschuber confirmed that letters were sent to the owners of 23 lots within the affected prescribed burn area. Van Henry confirmed that one (1) MOU had been returned, and that he would start calling the other affected owners next week. If there is no response, the burn cannot be done on that property. No action was required or taken.

**Item 7      Discuss, consider and take action concerning general liability and property insurance offered by Galloway Insurance, Burnet, Texas. (D. Rauschuber)**

Don Rauschuber provided a brief summary as provided in the agenda backup packet, confirming that what Whitewater Springs currently has is only general liability. Don Rauschuber then summarized the information, stating that the insurance policy will be for \$3,000,000 per occurrence with a \$4,000,000 aggregate, as based on asset information he provided to Galloway Insurance. The low-water crossing and dam are not insurable. Van Henry made a motion to adopt the General Liability policy of \$3,000,000 per occurrence and \$4,000,000 aggregate at \$3,788.40 per year. The motion was seconded by Don Rauschuber, and the motion passed unanimously, 5-0. Don Rauschuber stated that he would sign the policy documents and send them back this week.

Regarding property insurance, this is a new policy. There was discussion about the insurance amounts, some of which the Board and attendees believe are too low. Van Henry will vet the values and confirm the assets with the different committee chairs, and bring this issue back up at a later Board meeting. No action was required or taken.

**Item 8      Discuss, consider and take action concerning approval and payment of bills. (C. Sherman)**

**A. ProFence – 5-percent retainage \$3,100.00.**

**B. Other**

Don Rauschuber provided a brief summary of the bills as included in the agenda backup packet. ProFence's work is complete except for a final inspection, which will be done with Don Rauschuber and Jerry Martinez, including a list of approximately 28 punch-list items. Upon final completion, \$3,100.00 will be due (this is the 5% retainage held back on prior invoices). Gil Silva expressed concerns about the lack of concrete and crowns associated with the posts/post holes, and how they may be affected during a freeze. Don Rauschuber restated the warranty information and contractual obligations of ProFence, which have been met. Don Rauschuber made a motion to release the retained \$3,100.00 to ProFence, subject to the completion of the punch-list items. Coy Brown seconded the motion, and the motion passed unanimously, 5-0.

John Nowack provided a committee report associated with the big lake fish stocking project. Vollmar Pond & Lake Management conducted a study and is owed \$1,030 for their work. The information provided by Vollmar was helpful, and Mr. Nowak provided a copy of the report to the Board for reference. There will be costs associated with stocking the pond sufficiently, and those costs could be, for the initial steps, between \$7,000 and \$9,000, as recommended by Mr. Nowak. Ken Dreger suggested just feeding the current fish instead of stocking with smaller fish. Gil Silva asked about a discount for dead fish after the stocking, and Mr. Nowak confirmed that there would be a discount given. Mr. Nowak will continue looking into the project and obtaining additional information as needed. Don Rauschuber made a motion to approve the \$1,030 invoice for Vollman, Erin Welch seconded the motion, and the motion passed unanimously, 5-0.

**Item 9      Discuss, consider and take action concerning Whitewater Springs Dam Improvement Project. (D. Rauschuber)**

Don Rauschuber provided a summary of the dam project as provided in the agenda backup packet and as discussed in previous Board meetings. The original project was estimated to be \$200,000 - \$400,000. Two or three years ago, the legislative requirements for lakes of this size changed, and now communities are required to maintain the dam in accordance with the new rules, including TCEQ regulations. The

project, as revised, will be in two (2) phases: Phase 1) Decommission the spillway, raise the dam, install a new spillway on the north side of Hollis Drive, and remove the dam materials to the south; Phase 2) Decommission the existing dam, install armor (riprap) replacement on the east side, provide channelization, install culverts under Hollis Drive, as well as check dams and a rock groin at the right abutment of the dam. Three (3) contractor proposals were requested: One from Rubio Construction, one from Nelson Lewis, and one from Johnson. Johnson did a no-bid, and Nelson Lewis' proposal was approximately double Rubio Construction's proposal. Don Rauschuber has worked with Rubio Construction on previous projects, and recommends their work.

Gil Silva expressed concerns about no core samples being taken to-date, which may provide better information on if the improvements are needed in the first place. David Carmichael asked for clarification as to why the improvements need to be made, and Don Rauschuber stated that the dam must pass the 100-year storm, and right now it does not. It is a liability if anything happens and the dam is breached, which the dam analysis shows it will. Don Rauschuber stated that he anticipates being able to get an additional reduction of approximately \$15,000 from Rubio's estimate, and that the project can be funded by both cash-on-hand and assessments, which no financial changes required. Jo (new resident) stated that if the current dam fails, it would be detrimental, and so we should fix the problems now. Others stated their agreement.

The Board discussed the item further. Van Henry asked about pressure changes with the relocation of the spillway, and Don Rauschuber confirmed that there would be no issue, due to other improvements at the relocation area. Montvale will need to provide flowage easements on some of their lots associated with the new spillway location. Don Rauschuber then provided a general summary of the phase costs: Phase 1) \$86,405.50, taking about 60 days to complete as a separate project; Phase 2) \$83,789, taking about 60 days to complete as a separate project; or combine them together for the same amount of time. The project will be funded with cash-on-hand plus \$50,000 of the 2017 budget. Erin Welch made a motion to approve the project with both phases of the project to be completed at the same time in order to receive a \$10,000 discount, Cheryl Sherman seconded the motion, and the motion passed unanimously, 5-0. Don Rauschuber stated that there would be a pre-construction meeting, and he would speak with Rubio Construction about the potential additional \$15,000 reduction in cost.

**Item 10            Discuss, consider and take action regarding Pool House repairs/demolition/replacement. (D. Rauschuber)**

**Together with**

**Item 11            Discuss, consider and take action regarding a potential WWS Community Center Project. (V. Henry)**

**Together with**

**Item 19            Discuss, consider and take action concerning 2016 Annual Property Owners Meeting scheduled on December 10, 2016. (D. Rauschuber)**

- A. Road Impact Fee**
- B. Community Center**
- C. Other**

Don Rauschuber provided a brief summary of the project as included in the agenda backup packet. The new building must be ADA compliant and comply with the rules of TDLR. The location of the community center has been discussed, and it may be best situated on the west side of the pool, possibly in conjunction ("married") with the proposed new pool house, and must include parking and associated sidewalks/pedestrian access. Dave Rowland – architect – is still working with the group

on the plans. The referendum will be discussed later in tonight's meeting. Van Henry said that he believes Option 2 in the packet would be best for the location, as it provides area for future expansion. No formal action was taken on this item.

Ken Dreger stated that he had received information on a similar sized bath house, at a cost of approximately \$45,000, and for a community center building with labor and other elements at a cost of approximately \$115,000. Van Henry stated that he had an estimate of \$140,000 for a stick-built structure. The issue was raised that without solid cost information and without a formal site plan with details, dimensions, etc., it will be difficult to write a referendum for the community center. Erin Welch asked if the Board should wait until additional details, including costs, locations, and specifications, are obtained before a formal referendum is sent to the property owners. Van Henry agreed and requested that the Board postpone the referendum until such time we have a reasonable assurance of the costs. Don Rauschuber said he would confirm with Connie Heyer about the requirements for a Special Called POA meeting, as any referendum must be presented at a POA meeting, not a Board meeting. No action was taken on this item, and it was decided that this item would be discussed again in the December meeting.

Item 19A. Don Rauschuber read the Road Impact Fee document into record as provided in the agenda backup packet. Van Henry requested a disclaimer stating that impacts to current owners are not retroactive. Erin Welch made a motion to approve the document with changes, Van Henry seconded the motion, and the motion passed unanimously, 5-0.

At 8:35, the Board took a break. At 8:42, the meeting reconvened.

## **Item 12**

### **Discuss, consider and take action concerning an amendment of rules and regulations related to deed restrictions enforcement, including the assessment of fines and penalties. (D. Rauschuber)**

Don Rauschuber provided a brief summary as provided in the agenda backup packet, as revised from the November 4 called Board meeting. The only modifications needed are to Paragraph 5, which was read into record. Erin Welch stated that she would prefer the uncurable fines to be an initial fine of \$300, with \$200 for the second notice and \$200 for each additional notice, and there was a Board discussion. The following changes to Exhibit "A" of the document, specifically the fine schedule, were made:

- 2(i) and 2(ii), add the following general language at the end of the paragraphs:  
"The ACC and/or Board has the authority to determine if a violation has occurred per the policy, and the Board President shall implement the enforcement policy as defined herein."
- 5(iii), revise the statement to say, "No personal communications between the ACC, Board, and owner will be permitted without the pre-consent of a member of the ACC and/or Board."

Van Henry made a motion to approve the document with the described changes, setting the rates for uncurable violations at \$300 for the 209 Violation Notice, and \$200 for subsequent violation notices, with \$200 increases after that. Erin Welch seconded the motion. Coy Brown requested to change the 209 Violation Notice to \$500, with the other charges remaining as proposed. Van Henry seconded the motion, and the motion

passed 4-1, with Erin Welch opposed. The Board then voted 5-0 on Van Henry's amended motion.

Don Rauschuber made a motion that the amended rules of Whitewater Springs be effective on the first full calendar month following the recordation date of the document with Burnet County, and as of the effective date, but not affect any ACC applications received prior to the effective date. For lack of a second, the motion was withdrawn. Don Rauschuber then made a motion that the effective date of the amended rules be January 1, 2017, with the rules being posted on the websites and in the Welcome Packet. Van Henry seconded the motion. There was discussion about distribution of the amended rules and fine schedule, as well as how the fines would be levied, including possibly adding the fines to the assessments as a penalty. It was determined that these questions would be discussed in the December annual meeting. The motion passed unanimously, 5-0.

**Item 13      Discuss, consider and take action concerning the replacement of the Whitewater Springs entrance fence. (D. Rauschuber)**

This item was postponed until the next Board meeting.

**Item 14      Discuss, consider and take action concerning the installation of a fence around the picnic area located on the south shore of Whitewater Springs Reservoir. (D. Rauschuber)**

This item was postponed until the next Board meeting.

**Item 15      Discuss, consider and take action concerning FY 2017 Budget. (D. Rauschuber)**

Don Rauschuber provided a brief summary of the proposed 2017 budget, as presented in the backup agenda packet. Sam Locke requested that the pool budget be increased to \$13,200, to accommodate the anticipated expenditures for 2017. The Board and committee representatives discussed additional changes to the 2017 budget, including increases and decreases, as well as reducing the transfer amount. Don Rauschuber made a motion to adopt the 2017 budget with the following changes as discussed:

- Increase the Road Impact Fee total to \$15,000 (typo on the budget)
- Reduce line item #50, Landscape Enhancements, to \$3,000
- Reduce line item #55, Park/Greenbelt Maint to \$33,286  
Expenses are revised to a total of \$318,575 (line item #80)  
The transfer delta is now \$6,109  
The assessments remain at \$236.78

Coy Brown seconded the motion, and the motion passed unanimously, 5-0.

**Item 16      Discuss, consider and action concerning Montvale Properties, LP, request to install and maintain signs on their properties fronting on FM 1174. (D. Rauschuber)**

This item was postponed until the next Board meeting.

**Item 17      Discuss, consider and take action concerning confirmation of Resolution No. 100616. (D. Rauschuber)**

This item was postponed until the next Board meeting.

**Item 18      Discuss, consider and take action concerning Director nominations for 2017. (V. Henry)**

**Item 20**

**Discuss, consider and take action concerning Committee Reports:**

**A. Pool Committee**

No report was provided.

**B. Road Committee**

John Nowak stated that he was still awaiting a bid on the new chip-seal project.

**C. Security Committee**

No report was provided.

**D. Technology Committee**

No report was provided.

**E. Wildlife Habitat Committee**

No report was provided.

**F. Maintenance Committee**

Jerry Martinez asked about the status of clearing brush, and Don Rauschuber said that would be on the next meeting agenda for discussion.

**G. Nomination Committee**

No report was provided.

**H. Fire Wise Committee**

No report was provided.

**I. Architectural Control Committee**

No report was provided.

**J. Other Committee**

No report was provided.

**Item 21**

**Discuss, consider and take action concerning the setting of dates and agenda items for future WWS POA Board meetings. (D. Rauschuber)**

The next called Board meeting will be held on November 22 at 2:00 via teleconference.

**Item 22**

**Adjournment**

At 10:02 p.m., Van Henry made a motion to adjourn, seconded by Erin Welch, and passed unanimously, 5-0.

**DRAFT MINUTES FROM THE WHITEWATER SPRINGS  
BOARD OF DIRECTORS CALLED MEETING**

Meeting Date/Time: Tuesday, November 22, 2016, 2:00 p.m.  
Meeting Location: Teleconference  
Meeting Attendees: Don Rauschuber – POA Board President  
Van Henry – POA Board Vice President  
Erin Welch – POA Board Secretary  
Cheryl Sherman – POA Board Treasurer  
Coy Brown – POA Board Member  
Multiple Whitewater Springs property and homeowners

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**Items 1 and 2 Call to Order and Establish Quorum**

Don Rauschuber called the meeting to order at 2:05 p.m. A quorum was established, with all Board members present (Van Henry was late, but attended).

**Item 3 Discuss, consider and action concerning minutes for the May 12, 2016, October 25, 2016, and November 15, 2016 Board meetings and the November 4, 2016 Special Called Board Meeting. (E. Welch)**

Don Rauschuber made a motion to approve the minutes from the May 12, October 25, and November 4 Board meetings. Erin Welch seconded the motion, and the motion passed, 4-0, with Van Henry not present. Van Henry then joined the meeting.

**Item 4 Discuss, consider and take action concerning the replacement of the Whitewater Springs entrance fence. (D. Rauschuber)**

Erin Welch provided a brief summary of the bids as included in the agenda backup packet. Coy Brown stated that the Board should approve the ProFence bid, due in part to the history with them on the most recent fence replacement project, adding that Jerry Martinez should try to get a price match from ProFence. Don Rauschuber stated that the POA does not control Lot 370, and that Lot 370 is owned by Montvale, adding that an easement for the fence improvement would need to be obtained by Montvale before including that area in the fence improvement project. Erin Welch made a motion to table this item until Montvale has been contacted and has provided an easement for the fence improvement on Lot 370. Van Henry seconded the motion, and the motion passed unanimously, 5-0.

**Item 5 Discuss, consider and take action concerning the installation of a fence around the picnic area located on the south shore of Whitewater Springs Reservoir. (D. Rauschuber)**

Don Rauschuber provided a brief summary of the proposal as presented in the agenda backup packet, adding that the fence would require ACC approval for the fence material. The Board discussed the proposal, including potential costs and budgeted funds, and Don Rauschuber stated that the funds would come from cash on hand from the 2016 maintenance/improvements budget. Coy Brown stated that he was against the proposed project, as the fence would take away from the character and beauty of the lake, adding that people can still use the area, though the ground is loose in that area. Van Henry asked about any potential liability, and Don Rauschuber stated that general liability will cover any issues. Due to lack of a formal motion, the agenda item died, and no action was taken.

**Item 6 Discuss, consider and take action concerning Montvale Properties, L.P. request to install and maintain signs on their properties fronting on FM 1174. (D. Rauschuber)**

Don Rauschuber provided a brief summary of the proposal, stating that Montvale wanted to maintain signage on their lots fronting FM 1174 only, with some improvements and changes to the signs as needed. The Board discussed the item. Don Rauschuber stated that the signage would require a variance from the ACC, adding that the lots fronting FM 1174 have access directly onto FM 1174, not internal access. Mr. Rauschuber added that Montvale has expended many thousands of dollars on past subdivision improvements, also provides a Section 5 burn site, and a water well system for the subdivision. Coy Brown asked what the purpose of the signs is – marketing or just displaying the neighborhood. Van Henry stated that he liked the idea of signage displaying the neighborhood, including lots for sale, and with direction to see the For Sale kiosk at the entrance. There was discussion about fairness with what Montvale would be allowed to do for signage, and other property owners, that all owners should follow the same rules regarding signage. Van Henry requested that any identifying information specific to Montvale be removed from any future signage. Van Henry made a motion to allow the replacement of the Montvale FM 1174 signs with the removal of personal identifying information, and adding some type of language stating, “For information on lots for sale, please see the For Sale kiosk located next to the mailboxes” with a directional arrow. Erin Welch seconded the motion. The motion passed, 4-1, with Coy Brown opposing, stating that there should be a meeting in a bigger forum than a teleconference meeting.

**Item 7                    Discuss, consider and take action concerning the clearing/cutting of vegetation within Common Area street right-of-way. (E. Welch)**

Erin Welch provided a brief summary of the item, confirming information from Jerry Martinez, who originally requested the item, stating that the item was two-fold: 1) For any right-of-way or commons area clearing involving a tree/vegetation located on a private lot but spilling over into the right-of-way or commons area, the private owner should be notified (no action needed on this portion of the agenda item); and 2) Mowing the dam, for which 2 bids had been received. Don Rauschuber expanded the discussion about mowing the dam, stating that construction of the dam should start first, then look at clearing later. The item was tabled, and no action was taken.

**Item 8                    Discuss, consider and take action concerning 2016 Annual Property Owners Meeting scheduled on December 10, 2016. (D. Rauschuber)**

Don Rauschuber provided a brief summary of the referendums proposed for the annual meeting.

- 1) Road Impact Fee (RIF). The RIF would have to be approved section-by-section, so there could be a risk of “checkerboarding” throughout the subdivision, where some sections approve the increase while others do not. The Board discussed the potential of a vote versus the Board simply making the increase. Van Henry made a motion to issue the ballot to increase the RIF to \$2,500, and Coy Brown seconded the motion. Don Rauschuber requested the clarification that the increase would apply to new homes, not existing homes, and that if one section does not approve, the RIF increase does not take effect. Van Henry approved the amendment from Don Rauschuber, and the Board passed the motion unanimously, 5-0.
- 2) Firearms in the Subdivision to control Feral Hogs. Don Rauschuber provided a summary of the existing restriction under Amended Article IV, Section 26. Coy Brown requested the addition of language restricting the use of firearms on private property only. Don Rauschuber stated that the rules would signify that firearms could be used in the commons area only by a designee(s) of the Board. Mr. Rauschuber stated that the “checkerboarding” could also result from this vote, but it may not be a problem. The Board discussed other potential control options,

including poison that would not affect other wildlife, shotguns, and archery. Don Rauschuber made a motion to amend Article IV Section 26 with new language. Erin Welch seconded the motion, and the motion passed unanimously, 5-0.

**Item 9                    Discuss, consider and take action concerning the setting of dates and agenda items for future WWS POA Board meetings. (D. Rauschuber)**

Don Rauschuber requested the first 2017 Board meeting be held mid-January, either the 17<sup>th</sup> or 19<sup>th</sup>, to include the swearing in of new officers, directors, and general business discussions, with Cheryl Sherman confirming the availability of the library. The next Board meeting will be held immediately after the December 10, 2016 annual POA meeting. No action was required or taken.

**Item 10                    Adjournment**

At 3:43 p.m., Erin Welch made a motion to adjourn, seconded by Cheryl Sherman, and passed unanimously, 5-0.