

**DRAFT MINUTES FROM THE WHITEWATER SPRINGS
ANNUAL BOARD OF DIRECTORS MEETING AND ANNUAL POA MEETING**

Meeting Date/Time: Saturday, December 19, 2015, 2:00 p.m.
Meeting Location: Comfort Inn, 810 S. Water Street, Burnet, Texas
Meeting Attendees: Don Rauschuber – POA Board President
Priscilla Thorp – POA Board Vice President
LaDale Young – POA Board Treasurer
Erin Welch – POA Board Secretary
Van Henry – POA Board Member
Multiple WWS property owners and home owners

The agendas for both the annual POA meeting and the annual Board of Directors meeting overlapped, and therefore, both meetings were held concurrently.

Item 1 Call to Order

LaDale Young said the prayer, and Don Rauschuber called the meeting to order at 2:10 p.m. There was a full quorum.

Seven (7) new residents were in attendance, and they were introduced.

Item 2 Guest Presentations and Public Comment

GUEST PRESENTATIONS

Deputy Koenning from the Sheriff's Department introduced himself. Deputy Koenning confirmed the process for open burning: Contact the Sheriff's office and let them know about the proposed open burn, and the Sheriff's office will notify the Fire Marshal. Deputy Koenning then confirmed that the panic button at the pool is registered at the Sheriff's office and when pressed, they will send a deputy trained with AEDs. He then confirmed that in a medical emergency, the caller simply needs to tell the dispatcher the situation, and the property authority (EMS or Deputy) will be dispatched to handle the call. Finally, he confirmed that in a medical emergency in a residence, EMS makes the call as to standard protocols for certain hospitals in the area.

Don Rauschuber then introduced the Board members, stating that this meeting is LaDale Young and Priscilla Thorp's next-to-last meeting as Board members.

PUBLIC COMMENT

Leonard Urbanovsky brought up concerns over the proposed tree trimming project at the Pavilion/pool area, specifically the costs, and offered to coordinate a group of volunteers for the work at a cost of approximately \$1,000, utilizing safe equipment and disposing of the materials at the burn site if allowed. The Bertram Fire Chief said to break the pile up into four smaller piles, and to bring a water tanker near the site.

Bill Bussell said he had concerns about the budget, but will postpone his comments until later.

Gil Silva had some concerns about the Technology project, but will postpone his comments until later.

Maury Flynn asked about a possible miscommunication about the Commons Area amendment e-mail he sent, as there is nothing on the agenda about it, and that there is still ongoing clearing within the Commons Areas.

Item 3

Board Reports

- 3.1 2014 Annual Meeting Minutes (E. Welch)

Erin Welch provided a summary of the 2014 annual meeting minutes. Priscilla Thorp made a motion to approve the minutes as-is, LaDale Young seconded the motion, and the motion passed unanimously, 5-0.
- 3.2 2015 Year to Date Financial Statement (Don Rauschuber)

Don Rauschuber provided a summary of the 2015 YTD financial statement. Collected assessments were \$262,650.83, with short delinquent notices sent previously; other income was \$4,200, for a total income of \$266,800. Expenses total \$283,250.90, as of November 30, 2015, with a projected end-of-year total of \$290,000. Erin Welch made a motion to approve the financial statement as read, LaDale Young seconded the motion, and the motion passed unanimously, 5-0.
- 3.3 2016 Budget (R. LaDale Young)

The floor was opened for public comment on the 2016 budget: Bill Bussell, 325 Whitewater Drive, expressed concerns about the total expenses being more than the total income, and that six line items make up most of the budget – fence and dam together are \$118,000, which is what the Board wants to move over from other funds, and that a significant increase in assessments to cover these costs is unrealistic, as several residents are on a fixed income. LaDale Young provided information about insurance requirements and assessments in other subdivisions, then provided a summary of the budget. In 2016, the largest item is the dam, which is a liability for potential flooding; \$50,000 are proposed for dam improvements, which will improve the overall property values, and this \$50,000 will be taken from the Reserve Fund. The FM 1174 fence is controlled by the POA, and \$68,000 is proposed to be taken from the Reserve Fund to cover the cost of replacing it. LaDale Young provided a brief summary of the overall 2016 budget, as included in the backup materials. Further discussion about the budget and specific line items, including the dam and the FM 1174 fence, was conducted between the Board and multiple attendees. Don Rauschuber provided additional details about the proposed dam improvements, including the proposed two-phase improvements at a cost of \$80,000-\$100,000, and that the improvements are planned for the same time as the improvements to the Balcones Ridge detention pond. Additional discussion was held regarding the roadway improvement costs, and Bill Hiers provided a presentation on the roadway program, stating that prices in general have gone down for the approximately 12.5 miles of roadway within the subdivision, adding that erosion control and roadway maintenance will be a continued expense for the subdivision. The public comment phase was closed, and the Board discussed the budget. Don Rauschuber made a motion to adopt the 2016 budget with modifications, including the fence costs decreased by \$10,000. LaDale Young seconded the motion. Don Rauschuber amended his motion, stating that the \$58,000 allocated for the fence would not be spent without the attorney verifying who has the legal authority to maintain and replace the FM 1174 fence in its current location. Van Henry made a motion to include the voluntary tree trimming and thus reduce the cost for the

park/greenbelt maintenance by approximately \$7,000. Erin Welch seconded the motion, and the motion passed unanimously, 5-0.

3.4 2016 Assessment (R. LaDale Young)

Patricia Reedy made a comment that whatever model was determined (public or private) for the FM 1174 fence improvements, that information needed to be made public. Erin Welch made a motion to approve the 2016 assessment at \$236.78 per acre, Priscilla Thorp seconded the motion, and the motion passed unanimously, 5-0.

There was a brief 10-minute break from 3:45 until 3:53.

3.5 2016 Planned Capital Projects (R. LaDale Young)

Don Rauschuber made a brief presentation, referring to previous discussions in the meeting about the road recycling program, erosion/sedimentation control plans, dam work and pond work, and the FM 1174 fence work.

- i. Internet Improvements. The Technology Committee made a brief presentation regarding the project in general, their findings of fact, proposed improvement costs, and the resulting project. The team worked on the project for approximately 1 year and 8 months and gathered a lot of information, attended a seminar, and conducted much research to determine anticipated costs and potential service providers for the equipment. A brief survey had been conducted early on in the process to determine what residents needed and wanted. Over time, the project decreased in anticipated cost as the scope changed and was streamlined, and the current proposed cost is approximately \$100,000. Ken Dreger handed over the team's research packet to the Board. Don Rauschuber then read the referendum into record. The public comment phase of this item was then opened. Various questions and concerns were raised by the attendees to the team, including concerns about the water tank site being used for the tall tower, the resulting speed of the new internet system once completed, and the speeds of Dish Network and existing internet connections being generally sufficient. Clarification was provided regarding the proposed internet project, as reflected on the referendum and in past presentations at Board meetings. Don Rauschuber also confirmed that the one-time assessment would be levied on all owners, regardless of their vote in favor or against the project, if the project is approved. Public comment was closed. Don Rauschuber confirmed that Montvale and Huron cast their votes with the majority of the owners, and will go with what the majority of the subdivision desires.

Item 4 Cast Referendum Ballots and Proxies for Proposed Internet Improvement Project: (Votes Tallied After Meeting)

Don Rauschuber initiated the casting of ballots and proxies for the internet improvement project, clarifying that a vote for the project would require a one-time assessment of \$194 per lot, adding that the votes would be tallied after the meeting before Christmas. Attendees cast their ballots, and proxies were submitted. No action was required or taken.

- Item 5** **Nominations for 2016 POA Board of Directors (D. Rauschuber)**
Don Rauschuber briefly summarized the candidate slate, clarifying that three (3) candidates are vying for two (2) positions. Candidates are Allen Palmer, Coy Brown, and Cheryl Sherman. Jerry Martinez nominated himself as a write-in candidate, adding that he was a past POA President in another community, is in the medical field, is a tech person, and was responsible for a multi-billion-dollar Olympic contract. Van Henry seconded his nomination, and the nomination passed unanimously, 5-0.
- Item 6** **Cast votes and proxies for 2016 POA Board of Directors: (Votes Tallied After Meeting)**
Attendees cast their ballots, and proxies were submitted. No action was required or taken. Votes were collected by Jamie with Goodwin Management.
- Item 7** **Questions and Answers (Board Members)**
A new property owner asked about bid information being made public. Don Rauschuber confirmed that all bids for any improvement/project are made public, and sent to the Board of Directors from the Committee chairs. The Committees seek multiple proposals and submit information to the Board.
- One attendee requested information about the dam, asking if there is any oversight by TCEQ or LCRA. Don Rauschuber clarified that there was past oversight, but not now with newer regulations, though the subdivision is still liable for maintenance of the dam. Bill Hiers confirmed that the regulations changed as to the size of a reservoir that is under specific jurisdiction, and that this can change again.
- Item 8** **Other matters**
No discussion on this item was required.
- Additional** **Engagement Letter with Niemann & Heyer, LLP**
Don Rauschuber confirmed that no letter of engagement had yet been received. No action was required or taken.
- Additional** **Dates for 2016 meetings**
Don Rauschuber stated that the January 2016 meeting would initiate the new officers, verify the votes for officers and Board members and the referendum, and would then set the remaining 2016 meeting dates. January 14, 2016 at 6:00 p.m. was proposed as the January meeting, and LaDale Young was directed to confirm the availability of the Joann Cole Mitte Library in Bertram. No further action was required or taken.
- Item 9** **Annual Meeting Adjournment**
At 4:50 p.m., Van Henry made a motion to adjourn, Erin Welch seconded the motion, and the motion passed unanimously, 5-0