

Twin Harbors Property Owners Association, Inc.
Draft Annual Meeting Minutes
October 15, 2011

Directors Present: Jack Cumpston, Jim Wilder, Jim Wyckoff, Robert Zbranek, and B. Milton Choate

Directors Absent: Fred Alderman, Shana Derouen, and Joseph Polizzi

Others Present: Fifty-one (51) property owners attended with nineteen (19) proxy votes, representing a total of 104.5 lots.

Jim Wilder, Vice-President, called the meeting to order at 9:00 AM. Jim Wilder called for a motion to approve the minutes of the October 16, 2010 Annual Meeting. Larry Charles made a motion to approve the minutes from the October 16, 2010 Annual, the motion was seconded and approved.

Jim Wilder introduced members of the Annual Meeting Committee and expressed thanks from the board for the work of Annual Meeting Committee in helping to put on the annual meeting. Members of the Annual Meeting Committee are Chairperson, Judy Jackson, Gloria Alford, Georgie Charles, Nita Uptegraph, Laurie Schultz, and Wendie Wilder.

Jim Wilder introduced Judy Jackson as Chairperson of the THPOA Directory Committee. The board wishes to express its thanks to Judy and her committee members who spent many hours preparing and assimilating the THPOA Directory. Members of the Directory Committee are Chairperson, Judy Jackson, Gloria Alford, Georgie Charles, Nita Uptegraph, Laurie Schultz, and Wendie Wilder. Judy reported that after the meeting, she would be at a front table handing out the directories and collecting donations to assist deferring the printing costs.

Jim Wilder introduced the board members. Board members in attendance are Jim Wilder, Vice-President; Robert Zbranek, 1st Architect; Jack Cumpston, 2nd Architect; Jim Wyckoff, 3rd Architect and Parliamentarian; and B. Milton (Chip) Choate, Secretary and Treasurer. Board members not in attendance are Fred Alderman, President; Joseph Polizzi, Assistant Treasurer; and Shana Derouen, Assistant Secretary.

Jim Wilder introduced Jim Wyckoff as Parliamentarian. Jim provided guidelines for the conduct of business at today's meeting. The board wants all property owners who have questions or want to make a comment to be heard. Property owners were requested to hold questions or comments until individual presentations are finished. Property owners were requested to raise their hand to be recognized, stand and state their name prior to speaking. Comments should be held to no more than three to five minutes

Treasurer's Report:

The Treasurer's Report was presented by B. Milton (Chip) Choate, Treasurer. The Treasurer's Report consisted of a comparison of the financials for the previous four (4) fiscal years ending August 31, 2008, August 31, 2009, August 31, 2010, and August 31, 2011 and the Financial Budget for the fiscal year ending August 31, 2012. Income for 2012 is projected about five percent (5%) lower than 2011 because continuing problems in our national economy and collections in 2011 benefited from a more aggressive collection effort. A property owner asked if taxes are being paid on lots in Twin Harbors, which are owned by the Association. Chip responded that ad valorem taxes are paid on all lots owned by the Association. Harvey Zindell, CPA for the Association, responded that all ad valorem taxes on lots owned the Association are capitalized. Floyd Scoonover made a motion to approve the Treasurer's Report, the motion was seconded and approved.

Architectural Committee and Facilities Committee Report:

Robert Zbranek reported on repairs and improvement projects for the fiscal year ending August 31, 2011. The Twin Harbors sign at the third entrance was repaired. The Twin Harbors sign at the first entrance was replaced. Four (4) stolen street signs were replaced. A security gate and sign were installed at the boat ramp. The bulkhead and pier at the boat ramp was replaced. The clubhouse was painted and the rotten boards at one end of the clubhouse were replaced. Several small repairs were made to the swimming pool.

Jack Cumpton reported on road repair projects for the fiscal year ending August 31, 2011. Jack acknowledged that Jim Wyckoff provided great assistance to him during the past year. Bid documents for asphaltting Sunset Drive (South, East and North) were submitted to five (5) paving contractors; however, only one contractor returned the bid document. CCC Blacktopping submitted a bid of \$45,200 to asphalt and seal Sunset Drive (South, East, and North). Upon further evaluation, the board determined that the limited funds available would be better utilized making targeted and specific repairs and patches to damaged roadway. The board contracted with CCC Blacktopping to make targeted repairs for a cost of \$40,007.00.

An analytical study of all Twin Harbor roads is to be made that will recommend the best type of paving choice for the variety of different road areas that require different paving solutions. Paving priorities will also be part of the study.

Jim Wyckoff reported on constructions permits approved in the twelve months ending August 31, 2011. This is probably the best year the subdivision has experienced as it relates to new home construction. The board approved eight (8) new home construction permits, six (6) of which were owner occupied and two (2) are spec homes.

Website Modifications and Changes:

Chip provided an overview of the changes made to the Association website.

Additions to the website include: The new building permit and new tree removal guidelines; The Collection Policy, along with samples of our collection letter, demand letter, final demand letter and delinquent payment agreement; The Facilities Policy and Procedures dated December 2009; and The Treasurer's Reports, including the budget for the fiscal year ending August 31, 2012.

The 8th Bylaws (Draft) was posted to the website for property owners to review. This issue will be discussed and a vote taken later in the meeting.

The agenda for each monthly board meeting will now be posted on the website, a minimum of seventy-two (72) hours prior to the start of the meeting. The agenda for each annual meeting will now be posted on the website, a minimum of ten (10) days prior to the annual meeting.

Before our next annual meeting, the website will be enhanced to allow property owners to vote electronically, (via an absentee ballot), or to electronically grant a proxy for board members, as well as, all issues to be voted upon at the annual meeting.

Harvey Zindell stated he attempted to go to the Association's website, only to be directed to an old website that is no longer used by the Association. The current website is www.twinharborlakelivingston.com. The old website will be taken down to avoid further confusion.

David Heathcock stated that he does not have internet and therefore does not have access to the items posted on our website. David asked that items which are posted be mailed to him so that he might be kept current. If other property owners do not have internet access and wish to be mailed items posted on our website, you are asked to contact Laurie Schultz, Association office manager.

Summary of 2011 Texas Legislature Laws and Regulations affecting HOA/POAs.

Chip provided a summary of changes and amendments to POA laws. A summary page has been prepared and made available to all property owners as they registered this morning.

Harvey Zindell asked if we were obligated to allow a property owner who is in arrears on the payment of maintenance fees to vote on any issue and to run for a position on the board. The answer is yes, the legislature has changed the laws so that any property owner, even those in arrears on maintenance fees may vote on any issue and to run for a position on the board.

Candidates for a Twin Harbors board position will be asked to sign a statement, certifying that they have never been convicted of a felony or a crime of moral turpitude.

Steve Gilbreath asked if the association could list on the website all individual who are past due on maintenance fees and special assessment fees. The answer is no, we cannot disclose this information on our website. Steve was advised that past due taxes are a matter of public record and this information may be reviewed by accessing the Polk County Home Page (<http://co.polk.tx.us/ips/cms>), click on County Offices, then click on Tax Assessor-Collector, then click on Pay Your Taxes Online, then search for the property owner by name.

Re-writing Twin Harbor Deed Restrictions

Jim Wilder reviewed the subject of re-writing Twin Harbor Deed Restrictions.

During the past year, a committee has diligently worked to re-write our Deed Restrictions. After considerable time and effort a draft was prepared; however, the 2011 Texas Legislature threw us a curve by making significant changes to the laws and regulations that govern HOA/POA's. Your board determined that it was best to defer our review of deed restrictions and concentrate on reworking our Bylaws to bring the Association into compliance with the new laws and regulations.

Rosemary Covalt indicated that she has observed several continuing deed restrictions that have not been resolved. Jim Wilder responded that the board takes action on deed restrictions when a complaint is received by the board. When a complaint is received, the board is obligated to investigate to determine if a restriction exist and then to contact the property owner in question. Without a complaint form being filed, the board does not take action.

Jim Wilder reported that during the past year, two property owners attempted to draw the association into a dispute that did not concern a deed restriction violation. The board will not be used to settle disagreements of this nature.

Tony Jackson commented that too many times, property owners will report what they consider as a deed restriction when the issue is not a deed restriction. Property owners need to thoroughly and carefully read our deed restrictions before turning in a complaint form.

Rosemary closed the subject by saying that the board must be reasonable and realistic and it appears the board is acting in this manner.

In response to a question, Jim Wilder reported that the deed restrictions have not changed and can be found on our website. If a property owner does not have access to the internet, let our office manager know and we will mail you a copy of the deed restrictions for your section. The mobile home section will be treated differently from the other sections and will retain its own deed restrictions.

Jim emphasized that the Deed Restriction Committee will continue to meet next year and will submit the re-written deed restrictions to the property owners at the next Annual Meeting.

Deeding Twin Harbor Road Ownership to the City of Onalaska

Jim Wilder reported on deeding Twin Harbor Road Ownership to the City of Onalaska

Your board has investigated a proposal for Twin Harbors to deed ownership of its roads to the City of Onalaska. The proposal seemed that it would indeed be of benefit to Twin Harbors because we were told that if the City owned the roads, Polk County would perform a small portion of the work, with Twin Harbors paying for all of the materials.

There is a question concerning the legality of THPOA assessing a special assessment for roads, if the association does not own the roads. Until this question has been resolved, the issue of deeding the roads to the City of Onalaska has been deferred.

Lisa Davenport asked how the other subdivisions in Polk County, such as Idlewilde, handle their roads. Jim Wilder responded that Idlewilde and Sandy Shores are not in the city limits of Onalaska; therefore, Polk County has full responsibility for the roads. Since Twin Harbors owns our roads, the roads within Twin Harbors are considered to be private roads and the county is forbidden to provide any assistance for private roads.

8th Amended Bylaws

Chip initiated a discussion of the 8th Amended Bylaws

The draft for the 8th Amended Bylaws have only been on our website since October 1st, due to the complexity of the new bylaws.

Most of the additions to the Bylaws are issues or items that have been mandated by the 2011 Legislature and are to become effective no later than January 2, 2012.

Tony Jackson raised a question about a nominating committee to nominate candidates to run for board membership. Tony suggested that the bylaws allow for nominating candidates at the annual meeting in the event a nominating committee did not produce candidates for the board. The new laws specifically state that all property owners must be provided the opportunity to vote on board members and that candidates for board membership must be identified and placed on the ballot before the board meeting.

Joe Wright brought up a correction needed on page 13, item 10. The number of days is shown as numeric and written are different and should be the same. The number should be sixty (60).

A vote to approve or disapprove the 8th Amended Bylaws was called. Property Owners were reminded that the vote must be made by written ballot and the ballot must be signed to be valid. The Annual Meeting Committee collected and counted the ballots.

The 8th Amended Bylaws were approved.

Special Assessment Fee:

Jim Wilder initiated a discussion of a special assessment fee.

The board recommended leaving the special assessment fee at \$50.00 per lot per annum to be billed January 1, 2012 and due in thirty (30) days.

A vote to approve or disapprove the special assessment fee of \$50.00 per lot per annum was called. Property Owners were reminded that the vote must be made by written ballot and the ballot must be signed to be valid. The Annual Meeting Committee collected and counted the ballots.

The special maintenance fee of \$50.00 was approved.

Open Forum:

Jim Wilder opened the meeting to the Property Owners for a discussion of topics of their choice.

A property owner expressed concern because some property owners allowed their dogs to run loose without a leash. The law requires that dogs may not run loose and must be kept on a leash when out of a fenced area. Property owners were advised to call the Onalaska Police Department if dogs are observed running loose.

Nomination of Board Members:

Jim Wilder opened the meeting for nominations of four (4) board members for two year terms.

Shana Derouen and Robert Zbranek decided not to seek another term as a board member.

Five (5) property owners were nominated for the four (4) available board positions. Those nominated are Cliff Budd, Rosemary Covalt, Jack Cumpton, Don Uptegraph and Chip Choate. Each of the board nominees gave a short review of business and personal history.

A vote to elect board members was called. Property Owners were reminded that the vote must be made by written ballot and the ballot must be signed to be valid. The

Annual Committee, (excluding Nita Uptegraph and Wendie Wilder) collected and counted the ballots.

The nominees elected as board members are Rosemary Covalt, Jack Cumpton, Don Uptegraph and Chip Choate.

After the introduction of new board members, all board members were requested to meet in the clubhouse immediately after the Annual Meeting to elect board positions for the upcoming year.

Patti Smith made a motion for the meeting to adjourn. The motion was seconded and approved.

The October 15, 2011 Annual Meeting adjourned at 12:03 AM.

The next Annual Meeting will be held at 10:00 AM on Saturday, October 17, 2012.

Respectfully submitted,

B. Milton (Chip) Choate
Secretary