

**Board of Directors  
Summary Meeting Minutes  
Summit Estates at Fischer (SEF)  
Tuesday, June 21, 2022  
218 Stars and Stripes**

**Board Members Present:**

William (Willy) Conrad, President  
Steve Ferrell, Vice President  
Nancy Carr, Treasurer  
Secretary (vacant position)

**General Membership and Guests Present:**

Michael Nolen, SMTX Property Management, LLC  
Ray Carr  
Joan Conrad (to record and transcribe meeting minutes)

**1. CALL TO ORDER AND CERTIFY QUORUM**

The board meeting for the Summit Estates at Fischer (SEF) was called to order at 9:01 am and quorum was met.

**2. GROUND RULES**

Willy Conrad reminded members of the ground rules for this meeting:

- Roberts Rules of Order
- Respectful dialog
- Engaged and active
- One person speaking at a time

**3. COMMENTS FROM SUMMIT ESTATES MEMBERS**

There were no comments from the General Membership.

**4. TREASURER'S REPORT**

**a. 2022 Financial Report Update**

Ms. Carr presented Summit Estates at Fischer (SEF) Owner Statement for period January 1, 2022 through March 31, 2022:

Beginning Balance	\$38,039.52
Ending Cash Balance	\$69,776.89
Unpaid Bills	\$ -725.00
<u>Prepayments</u>	<u>\$ -945.00</u>
Net Owner Funds	\$68,106.89

## **b. Accounts Payable review and approvals**

### **Reimbursements:**

Ms. Carr presented six items for reimbursement from Architectural Review Authority (ARA) members and SEF board members, in the amount of \$596.34, for the following:

- annual computer software subscription,
- certified letter fees,
- landscaping supplies, and
- new mailbox hardware installation.

### **Sunflower Bank (Previously named Pioneer Bank)**

May 18, 2022, debit card access to Sunflower Bank was activated and a PIN was provided. This information was shared with the SEF Board and Mr. Nolen.

May 12, 2022, Ms. Carr initiated the process of obtaining access to SEF's bank account through Mr. Nolen; however, after submitting required documentation to the bank, as of June 15, 2022, she was still unable to access SEF's account. Ms. Carr has been working directly with a representative of Sunflower Bank and anticipates having full access to SEF's bank account by June 21<sup>st</sup> or 22<sup>nd</sup>. At that time, she and Mr. Nolen will be designated as administrators of the SEF bank account.

## **c. Review and update final Summit Estates Fischer (SEF) 2022 budget**

June 20, 2022, Ms. Carr requested the following clarification from Mr. Nolen:

- Remove or change "Parking" entry in budget; Mr. Nolen replaced the description to "Gate Remotes".
- What are \$35.00 bank fees February and March 2022? Mr. Nolen stated they were for stop payments on checks (deposit refunds and reimbursements) that were not received. The checks were reissued via regular mail.

Mr. Conrad addressed the \$4,000 invoice for security cameras. Mr. Conrad understands that this is the annual fee, not an installation fee, but he questioned if SEF could afford this expense. Mr. Conrad is going to ask Don Fonner, Maintenance Committee Chair, to inspect SEF's old security camera system to verify that it is still in good working order. If it isn't, it was recommended that the board pursue less expensive security cameras like those purchased for residential use. With the unexpected expense of over \$8,000 for new mailboxes, SEF cannot afford this unbudgeted item.

Mr. Conrad stated that he would like to call a special meeting in July to work on the 2022 budget. He suggested that the board take a hard look at what was budgeted, what has been spent, and what the board expects to spend. In advance preparation for this meeting, Mr. Conrad asked Mr. Nolen to provide *clear and precise* outstanding expenditures for the remainder of 2022; i.e., routine disbursements that occur each year. There will also be other expenses such as urgent road repairs that must be done this year, “No Outlet” signs for dead end streets, and other types of community projects that meets our members’ needs and requests.

Mr. Conrad wants to examine assessment and fee increases during this special meeting. It is his understanding that SEF’s Declarations only allow rate increases during the General Membership Meeting in January or February of each year. Currently, SEF is facing at least one-half million dollars in road repairs and with approximately \$26,000 in SEF’s bank account, this will be a difficult task. Also, with the unbudgeted and unexpected price increase of new mailboxes, the current cost for providing one mailbox slot is \$200.00 and this doesn’t include volunteer installation services.

Before presenting this to the general membership, it is imperative that the board prepare compelling documentation to justify increases. Mr. Conrad’s immediate goal is to address the \$1,000 builder’s fee required to build a home. He recommended that this fee be increased to at least \$2,000 because of the heavy road use while building each home. He also wants to address builders’ road use deposits, converting this to a fee instead of a deposit. Mr. Ferrell stated that ARA members photograph the street in front of each lot prior to construction and again, upon completion. If there is damage to the street, the builder does not receive a refund. However, if the builder repairs damages, ARA will release their deposit.

Early July, Mr. Conrad will schedule the Budget Workshop. Ms. Carr should have access to SEF’s bank account and can review prior years’ expenses to determine remaining expenses for 2022.

- Ms. Carr resumed annual budget comparative as of June 2022. She requested that Mr. Nolen revise “Remodel” field to “Capital Expenses” to capture mailboxes expense of \$8,176.66. Currently, SEF’s annual budget under Capital Expenses is \$0.

Regarding capital expenses, Mr. Conrad asked if the board should be setting aside \$10k per year for capital improvement and only use those funds for capital improvement. He noted that the current budget does not allow for this, but as funding increases, he would like for members to know that money will be specifically allowed for capital improvements, especially for road repairs. On that topic, Mr.

Conrad stated that he is still researching grants, but the Alamo Resource Conservation and Development organization has never responded to his request. He plans to work through the Comal County Commissioner's office and may contact the governor's office to locate grant resources. The Alamo Area Council of Governments may also be a resource for grants.

- Returning to review of annual budget comparative as of June 2022, Ms. Carr stated that there is not an Accounts Payable (AP) entry because SEF works on cash basis accounting system. This field could be added later when necessary.
- Mr. Conrad asked Mr. Nolen if he was able to determine a structure fee from the webmaster. Mr. Nolen stated that minor changes, such as removing or moving an item within the same area, does not initiate a fee; however, requesting an item that requires design change to the page or modifying structure to the website, does incur a fee. Mr. Nolen added that the most recent fee was \$100.
- Ms. Carr stated that the delinquencies as of June 20, 2022, total \$8,275, which includes dues, transfer fees, road deposits/fees, and balances carried over from RINCO (original developer and management company). Delinquencies for dues one year or greater (1 >) total \$2,200; and delinquencies for all dues total \$3,900.

Mr. Ferrell stated that these funds would pay for the new mailboxes. Mr. Conrad recommended that the board consider levying liens on some of these properties. (This will be discussed further during Executive Session.) Mr. Nolen stated, "Certified notices have been sent a couple of times and multiple mailers were sent 2, 3, 4 times. It has helped some, but 15 of the most recent certified mailings were returned to us." Mr. Nolen stated that he used addresses shown on the tax roll as well as those addresses received from RINCO and those on his files.

Mr. Conrad suggested that Mr. Nolen examine the Comal County Tax Roll to determine if those delinquent property owners are also delinquent on their property taxes. If they are delinquent on Comal County taxes, SEF needs to file a lien immediately. It has been brought to Mr. Conrad's attention that property owners from other areas who are delinquent on their HOA fees are also delinquent on their property taxes and may have abandoned their lot(s).

**Motion was made by Mr. Conrad and seconded by Ms. Carr to approve the budget reports. Motion carried.**

## 5. OLD BUSINESS

**a. Review and accept 2022 Summit Estates Fischer Board minutes from April 5<sup>th</sup>, April 13<sup>th</sup>, April 25<sup>th</sup>, and May 5<sup>th</sup>.**

**Motion was made by Ms. Carr and seconded by Mr. Ferrell to approve Summit Estates Fischer Board minutes from April 5<sup>th</sup> regularly scheduled meeting and April 13<sup>th</sup>, April 25<sup>th</sup>, and May 5<sup>th</sup> telephone board meetings. Motion carried.**

### **b. Mailbox acquisition and installation status**

Mr. Conrad stated that the new cluster of mailboxes has been installed and the Fischer post office should be assigning those boxes to new property owners. These new mailboxes contain 48 slots which should serve SEF for approximately two years. The total number of mail slots is currently 176. Some property owners own multiple lots and there are a few lots that are considered undevelopable so hopefully, SEF will only require four more clusters.

### **c. Update from legal counsel**

Mr. Conrad stated that he met with legal counsel, Michael Thurman, approximately a week ago. Further discussion will be conducted during the board's Executive Session.

## 6. New Business

### **a. Review bids for mowing services and take action, as needed**

Invitation for bids were posted and Craig Clark, with Lawn Star, submitted the lowest bid at \$650 per visit. Mr. Clark submitted a clear and concise written bid, along with references, and addressed the herbicide he proposed for spraying weeds, which is a safe product. The board also considers it an advantage that Mr. Clark is a resident of Summit Estates Fischer as he has a vested interest.

The Board discussed the bid from Home Roots Lawn Care at \$3575 per mowing. This company is from Lockhart, Texas, so perhaps the amount was exceedingly high to cover expenses should their bid be accepted.

**Motion was made by Mr. Ferrell and seconded by Ms. Carr to offer a one-year mowing contract to Lawn Star. Motion carried.**

### **b. Initiate action to recruit and appoint a new Secretary/Board of Director member**

The SEF Board of Directors needs a secretary to replace Aaron Brown, who resigned. Mr. Ferrell recommended that a notice be posted on the SEF website and Facebook sites. In the meantime, it was suggested that board members, Architectural Review Authority (ARA) members, and Mr. Nolen reach out to their contacts to recruit candidates to serve as secretary.

**c. Discuss developing a Community Wildfire Protection Plan (CWPP) specific to Summit Estates Fischer.**

Mr. Conrad and Mr. Ferrell met with Jen Crownover, Comal County Commissioner, approximately two weeks ago to request assistance in preparing a Community Wildfire Protection Plan (CWPP). Ms. Crownover connected Mr. Conrad with Jeff Kahane, Battalion Chief with Canyon Lake Fire Department. The Canyon Lake Fire Department has a CWPP for the area they serve, and Summit Estates Fischer is included in that plan. Mr. Kahane agreed to work with members of SEF to customize a CWPP specifically to our needs.

Mr. Conrad mentioned that he would like to ask Mr. Moe, Block Captain Chairman, to recruit volunteers to be trained as risk assessment coordinators to assess individual homeowner's fire risks and provide strategies in mitigating those risks. Mr. Ferrell noted that it has been difficult recruiting block captains for each section of the neighborhood, so it was decided that the board would reach out to the general membership for volunteers.

Mr. Conrad would like to complete SEF's CWPP by this summer; and train volunteers to begin assessments with individual members by fall or early winter.

While meeting with Ms. Crownover, Comal County Commissioner, Mr. Conrad and Mr. Ferrell also discussed an evacuation plan. She was not informed well enough to advise them how to create a plan so it will be up to the board and volunteers to prepare a plan. Summit Estates Fischer has some very specific risks such as the bridge. Should the neighborhood flood, we have no way of evacuating nor can first responders get to us.

Mr. Conrad also informed board members that Don Fonner, Maintenance Committee Chairman, met with Canyon Lake Water Service Company (CLWSC) and Mr. Fonner learned that this company uses chlorine gas (a volatile, poisonous gas) in their water treatment process. If there were a leak, with our southerly winds, every person who was within this neighborhood would be trapped and first responders would have no way to get to us. Mr. Conrad would like to schedule a meeting with Mr. Fonner and the manager of CLWSC to determine their emergency evacuation plan.

Mr. Fonner's notes indicated that CLWSC plans to change their water treatment process to a safer method soon.

## **8. Committee Reports**

### **a. Architectural Review Authority (ARA), formerly ACC**

Mr. Ferrell announced that Summit Estates Fischer is 56% built; there are 13 lots for sale; 22 lots are in some phase of construction; three homes are completed and for sale; and six additional homes are to submit plans.

Mr. Conrad asked Mr. Ferrell if property owners have submitted formal complaints to the ARA regarding noncompliance from neighbors. Mr. Ferrell responded that property owners have not filed complaints; however, noncompliance issues have been identified by members of the board and ARA. Mr. Ferrell stated that one of the issues has been with property owners attempting to “go natural” with their landscaping, and have not maintained their property in a presentable manner, going well past a natural appearance. Mr. Ferrell plans to address recourse during Executive Session.

### **b. Maintenance**

#### **i. Road patching**

Mr. Conrad proposed a committee of volunteers to patch potholes within SEF on a Saturday in July. He can purchase materials and rent equipment at reasonable prices. The highest priority streets are portions from Let’s Roll to the bridge; Let’s Roll to Stars and Stripes; Stars and Stripes to Freedom; Let’s Roll to One Nation; and Freedom to Stars and Stripes to where it dead ends. Some of these potholes are becoming quite deep.

Regarding the large pothole at the entrance to SEF, Mr. Conrad stated that road belongs to SEF, not Comal County. He proposed that the board rent a backhoe to dig out materials currently patching it, pack road base, and compact cold mix on top. He suggested that the board ask Carl Ochs, an SEF member and experienced equipment operator, to run the backhoe. This is a significant undertaking and requires blocking that portion of the road for at least a day. Discussion ensued.

#### **ii. Discussions with Canyon Lake Water Service Company (CLWSC) regarding use of Summit Estates Fischer’s (SEF’s) roads and repairs to damaged ditches.**

Mr. Fonner could not be present for this meeting, but provided notes to Mr. Ferrell. Mr. Fonner requested CLWSC provide a written proposal from their engineer describing how they plan to stop draining their discharge through SEF’s ditches and how they plan to repair them. It was proposed that CLWSC run a pipe into a tank near the entrance of SEF so that the discharge/gray water could be used for irrigation.

It is Mr. Conrad’s understanding that CLWSC has no legal right-of-way to our roads or ditches because this is private property that belongs to SEF. The 60’ right-of-way is to be used only to access to their water treatment area, but they have no right to use

our ditches for any purpose. CLWSC is using their right-of-way for purposes other than ingress and egress. Mr. Conrad noted that that the water system used to belong to Summit Estates at Fischer, but when RINCO (SEF's developer and former management company) sold it to CLWSC, right-of-way and easement issues were not considered.

CLWSC's legal counsel should provide a specific request for easement from SEF describing what they plan to install, how they plan to maintain what they install, their responsibilities in repairing damage that they've done to our ditches, and their responsibilities of how they plan to maintain their water treatment process to prevent future impact on our property. SEF's legal counsel will review and edit their request and will negotiate a final document for recording. Mr. Conrad stated that right now, it's simply a matter of trespass.

It was agreed that the first step is to secure CLWSC's engineering plan prior to scheduling a meeting with their manager.

#### **c. Neighborhood Committee and Block Captains**

Mr. Ferrell stated there has been a lack of communication between property owners and block captains, resulting in very little feedback to the board. Mr. Conrad suggested that this concept is so new that block captains may not know what to do. He would like to have a meeting with them in July to inform them of goals the board of directors would like to accomplish and to hear their point of view. His intention is to create a sense of unity between the block captains and board of directors. By meeting with them regularly and getting their feedback, they will receive specific direction and will become more confident in communicating with their neighbors.

Mr. Ferrell reported that no one has responded to requests for participation in a SEF social committee. Mr. Conrad suggested that during the *Neighborhood Night Out* event during October, the board might find a way to bring members together. Mr. Kahanek, Comal County Fire Battalion Chief, expressed interest in speaking to our members during that evening. Mr. Conrad also suggested that board members plan a SEF Board sponsored community event, providing refreshments and asking people to bring a covered dish, to enjoy a neighborhood get-together and to inform members what their board has been doing. Mr. Ferrell stated this would be a good way to get block captains involved in notifying members. Mr. Nolen reminded the board that funds have been budgeted for facility rentals for general membership meetings.

Mr. Ferrell stated that he is researching signs to post on SEF entrance gates, such as notifying those entering of burn bans. Mr. Conrad agreed because we are approaching the same fire dangers Texas experienced during 2011. Discussion ensued. Mr. Ray Carr

suggested that the board prepare a letter to members explaining the current, severe fire threat to our neighborhood. He suggested that this would be an important task for block captains to implement.

**9. Other Business**

There was no other business.

**7. Executive Session**

At 10:26 am, Mr. Conrad recessed the regularly scheduled board meeting and called an Executive Session for the SEF board of directors.

**At 11:07 am, the Executive Session adjourned, and the board resumed the regular scheduled meeting. There were no recordings nor meeting minutes taken.**

**10. Adjourn**

**Motion was made by Ms. Carr and seconded by Mr. Ferrell to adjourn the meeting at 11:08 am.**