

**Cat Mountain Homeowners Association, Inc.**  
**Board of Directors Meeting**

**Date:** November 15, 2007

**Time:** 6:30 pm

**Location:** CMHOA Clubhouse, 6007 Mt. Bonnell Road, Austin, TX 78731

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1. **Call to Order:** 6:31 pm. Present at the meeting were Board Members Mr. Adkins, Ms. Jastram, Mr. Joseph, Mr. Johnson, and Association Manager, Mr. Chargualaf.

Others in attendance were Mr. Jack Otto, Chairman CCR Committee, Davison Grant, Marc Dully

2. **Member Forum:** No new issues were presented.
3. **Approval of Minutes:** Draft minutes for review. No changes. Mr. Joseph makes motion to approve minutes. Ms. Jastram seconds the motion. Motion passes unanimously.
4. **Financial Report:** Discussion of Association's financial activities and status.
  - a. \$1500 in legal fees are Verizon legal fees. We will want to include that in Mr. Ma's report. Mr. Joseph says we'll end the year in the green. The Reserve won't be putting specific lines in the financial report. Mr. Adkins wants a separate report once a year. Don't apply interest from Reserve funds into the operating fund. Mr. Joseph will talk about how the money will move when committee is discussed. Delinquency is about the same as it was last month. Mr. Chargualaf says the report from Millie has 39 delinquent accounts and has some errors. 4 accounts are incorrect as they are paid for the year. He sent info to Millie and asked her to correct her books. Account 50 is paid for the year, Account 54 is inactive. He has asked Millie several times to delete. Account 72 was paid for the year back in June. Account 303 is paid for the year. Mr. Adkins signed 17 collection letters that went out. Most are paid now except for one. Account 224 will go to an attorney to collect. Mr. Adkins noted that our 90 day delinquency are \$170. That's a big improvement since we instituted the new procedures. We'll have Reserve report once a year as the

bylaws require. Mr. Joseph will give updates as items come in but we all vote on them so we have to know about them.

## **5. Manager's Report**

- a. A complaint was lodged about a trailer with a Skidoo on Autumn Leaf Hollow. Mr. Chargualaf left notes on the item. Same thing happened last year with same trailer and same parking space. He will follow up.
- b. Connelly footings—won't question guy who's built walls in our area for 30-40 years.
- c. Bib repair by Ernest Plumbing cost \$478 dollars. Goes under Common Grounds area.
- d. Colonial Bank- Mr. Chargualaf sent in coupon order this afternoon. We can reword our letter to add information that makes clear where to send the payments. Mr. Chargualaf made a new spreadsheet coming from the database in QB. He downloads the transaction process, makes two hard copy prints (one that he keeps here and one he sends to Millie). He then downloads it into QB so it's in both books. Mr. Chargualaf keeps database of owners updated. The two purposes are to keep records of homeowner database and payment information.
- e. Landscape—some homeowners complained about the bad job of the landscaping and Mr. Chargualaf contacted the company. They will rectify. He says they are on a timed basis and that's why they're moving so fast. He feels if we bid out for a new company, we may be facing a \$6-7K increase in costs. This company's fees remain the same. Mr. Chargualaf says he has constant problems with this company. If he doesn't catch them, they just don't do things that are obvious. He wouldn't re-hire them. Mr. Adkins thinks it would be less expensive to keep this landscaping company and have Mr. Chargualaf keep on top of them.
- f. Homeowner concern about wildfire areas on Hickory Hollow. Mr. Joseph asks Mr. Chargualaf to remove some of the brush. Mr. Joseph asks if any neighbors would have a problem with that. Twin Valley also has much overgrown cedar trees and dead debris. Mr. Joseph offers to use his chain saw if we can find people to pick up the brush on the Twin Valley job. Mr. Joseph asked Mr. Chargualaf to take care of Hickory Hollow and McClendon issue on Twin Valley near Belvedere.
- g. Arborist re: the Afghan pine, Mr. Joseph asks Mr. Chargualaf to cut it down and cut it low enough that we don't have to

take out the stump. Mr. Chargualaf would like to improve the area from the pine tree forward and will submit a plan for replanting new trees. Discussion of the individual trees that need treatment. Arborist was paid \$85 for his visit and analysis.

- h. Discussion of clubhouse usage and issues. Ms. Jastram will look at the rules and see where we might want to make changes.

## **6. Old Business**

- a. Mountain Villa Cove Retaining Wall – project has not begun. Board approved at last meeting contingent on the bid. Mr. Chargualaf has full authority to go ahead with the repair.
- b. Verizon Lease Proposal – board received preliminary site drawings. It's in the CMHOA common area. 20 x 30 ft enclosure is 50 feet from Parker's home. We have no return proposal from our list of corrections, so there is no new news to report or action to take until we hear back from them.
- c. Pool Retaining Wall – this was approved and work needs to begin on this.

## **7. Communications Committee**

- a. Communications Committee – 4<sup>th</sup> quarter newsletter will go out this week. River Ranch Animal Hospital is interested in bartering (e.g., vet talk for advertising) Board interested in gifts or gift basket or gift certificates.
- b. CCR & Bylaws Committee—see attached CCR Committee report.
- c. ECC Committee – see attached ECC report.
- d. Reserve Committee – Mr. Grant & Mr. Joseph met last Monday, looked at last year's study and figured out what we needed for this year. Mr. Joseph collected data from '06 and '07 and has amounts we spent in those two years, located depreciation sheets to make adjustments on last year's reports (actual values). Looked at a couple of items that could be combined. Sand filter we purchased is probably part of the Reserve (\$745), for example. It's a capital item (the pool) which will be included, as well as the back wall of the clubhouse. They'll make adjustments and do report. An adjustment must be made with regard to the new monthly dues. Moving things in and out of operating budget, most of the time we'll be spending \$15-30K per year, schedule them,

and pay for them from the operating expense, and continue to do that (pay as you go) and make up any differences at the end of the year in one lump sum. Report will be ready before annual meeting for presentation and will be approved by the Bd of Directors prior. Mr. Adkins would like it to reflect transfers for record keeping.

- e. Social/Activities Committee – We must enlist the troops for the Holiday Party on December 16.
- f. Welcome Committee – it's moving forward.

8. New Business

- a. 2008 Election and Annual Meeting Planning – Mr. Joseph will work on this and ask Tom Thomas for help with it. Ms. Jastram offered to help.
- b. 2008 Budget Planning – Mr. Ma will write a budget and present it to the Board for review. Mr. Johnson will share with Andrew how the process went last year.

9. Next Meeting set for December 10, 2007

10. Adjournment: 9:32 pm

## CCR Review Committee Report

CCR & Bylaws Review Committee—Mr. Otto brought the minutes from their meeting. They are brief minutes. Held October 17, 2008. Called to discuss possible modifications to the CCRs of the Association. To protect the value and desirability of that property. Can be modified after 25 years with homeowner approval. See minutes.

Follow up report: Sent out RFD to 4 attorneys and got back an actual written bid from two. One was a bid with \$6500 figure. The other had hourly fees. One of the four was unwilling to be involved for lack of time. Patty Arnold was the 4<sup>th</sup> and came to a meeting of the minds. Patty Arnold and Davison Grant had a conversation about it. The amount of effort may not be commensurate with the benefits. Better alternative would be to approach the ECC for a rewrite (written in '91). Mr. Adkins is of opinion that we do something we can actually accomplish (ECC rewrite). Mr. Thomas will be involved in that rewrite.

Mr. Grant - one offer we got of \$6500 for Phase 1 of two phase process. You could go ahead with that step which might be a second opinion on the question and offers some basis on which to address concerns from the last meeting. Let's find out what they would propose. Both Ms. Arnold and Mr. Grant think there are ways of getting lots of accomplished that won't require the kind of work it would take to alter the CCRs. Don't need to reach the decision immediately.

Mr. Adkins-we could get another outside opinion as to whether we should change it. It's an expensive proposition to get another opinion. Mr. Grant-document not perfect, but serves most of the purpose to which it was intended. Not sure our docs are that much worse than the ideal we might produce if we were writing on a clean slate.

Mr. Adkins-with two lawyers agreeing on this, he thinks that's important. Mr. Joseph asks which parts should we be focused on in the ECC (as per Mr. Thomas)? Does the CCR allow us to do anything with a difficult homeowner? We had a violation of an agreement with a homeowner who cut down cedar trees on the common property. Mr. Adkins-We need to do more documentation.

Mr. Joseph-would it be worth it to have someone go through the CCR and see what's outdated, what doesn't work, etc., given the changes over the past 25 years. The ECC guidelines would be in addition to this. Mr. Grant-CCR's establish a general principle. The ECC fleshes it out. We

could expand those rules, present them to the membership and have them vote.

Mr. Adkins-impetus behind rewrite of CCRs is a group of people who want black and white rules that can be enforced. He's not sure they would be iron-clad rules and enforceable.

Mr. Grant doesn't think exact rules would work in a terrain such as Cat Mountain. It has to be a case by case decision. He feels our guidelines are as specific as they need to be. They can be updated with new materials that aren't covered by the ECC guidelines.

Mr. Adkins-should we spend \$6500 to find out what's enforceable and what's not enforceable and do we need to go outside to get someone to examine the CCRs to see what's outdated legally. We may have some members who might help us out.

Mr. Joseph—we may not have to go past Phase 1—what's dated, what needs to be updated with rules or policy to accompany the CCR and ECC guidelines would be included since they're referenced between the two documents. It would help us to know what we're solid on as far as legal remedies.

Mr. Johnson—feels that we'll always have some bad apples no matter how we might change the CCR's. It's still hard to decide between who's right and who's wrong.

Mr. Joseph likes the idea of talking to people as they move into the neighborhood. That this goes a long way to importing information and creating good citizens.

Ms. Jastram-We could institute a good neighbor award, listing out the criteria, and giving the awards. This would educate our members about how to be good neighbors, they would start thinking about who fulfills that criteria, and then they will see the award being given, the after story, and then maybe they'll want to be those good neighbors next year. Mr. Joseph asks Ms. Jastram to send him the info for some possible space in the November newsletters.

Mr. Adkins—the more specific the rules, the less people will want to follow. They'll want to figure out how to bypass those rules.

Mr. Grant says it might be a good idea to have a non-board member to go and help work with neighbors who might be having a problem.

Mr. Grant thinks there must be some continuity in the ECC. It's very helpful. This was about reappointing new ECC members each time there's are new board members. Hard and fast rules can create more problems than more general guidelines since the directors and committee members can use their discretion to make sticky decisions.

Ms. Jastram—do our CCR;s and our directors decisions trump the City of Austin's permits? Mr. Grant says yes, we can enforce and have if it has an undue impact on the neighbors.

Mr. Joseph—one thing that seems to be pressing that there may be the possibility that we need a vote on something—an amendment to a bylaw, etc., Is it fair to the homeowners? Will they have time to review? We'd need to have something ready to go by the middle of January.

Mr. Grant—needs to have a vote to improve their enforceability. Not mandatory to have on the third Wednesday in February. It's aspirational, not binding. If we're going to change the ECC guidelines, we need to move forward now. His discussion with Ms. Arnold about 25 years and the CCRs doesn't make any sense the way it's written. The language is ambiguous and she is comfortable with the concept that once the 25 years are up, you can do it anytime with 75%. We've already passed the 25 years for phase 1 and phase 2. If there was a change that disproportionately affected a group of homeowners who didn't vote, there could be a problem.

Mr. Adkins—you still face a tremendous uphill battle with 75% of the members needed to vote. He feels that if someone was unhappy with a guideline change, he would bring up the fact that it had to be at the 25-year mark. We should present at the annual meeting after the board has approved. Phase 1 would give us a legal evaluation of the CCRs.

Mr. Otto says it was less money for Phase 1 than \$6500. Fees would be between \$2800 and \$4500.

Mr. Joseph—this doesn't include the ECC guidelines. Perhaps we should talk to the lawyer and limit the RFP. Take out Phase 2 and add the ECC guidelines and perhaps she can resubmit a proposal.

Mr. Adkins—brings up the clock where we have only 30 days at a certain point. We've also got T-giving, Xmas and New Years.

Mr. Grant—ECC less a legal doc rather than a land use document. Don't think you need a lawyer to review the ECC guidelines other than making sure they're a recordable instrument. Wouldn't hurt to have her look at it. Doesn't think it would push the outside fees by much.

Mr. Otto—the CCR were created to set up rules for assn and for protection the declarant, Alfred Hughes. That's the thrust of the declaration to protect him from various fees, etc., and that all should be taken out but not at some great expense whether financially or via 75% of the membership. Doesn't think it makes sense to create a 10 commandments document. That will bring more problems than not. Mr. Grant's comments have really changed my mind about going further with this.

Mr. Adkins—put effort to trying to get ECC's rewritten or not to by January.

Mr. Otto—what are we expecting from her on the ECC

Mr. Adkins—we want her to analyze them and are they in alignment with the law and should or could we change them to modify them or if they're outdated or something that would be desirable to include.

Mr. Joseph—it could include building techniques, materials, etc.



## **Environmental Control Committee Report**

15 November 2007

1. There were no new requests considered by the ECC since the last Board meeting.
2. 6121 Mountain Villa Cove. The siding replacement and painting have been completed. The storage and work areas have been properly restored.
3. 6110 Mountain Villa Circle. No progress noted.
4. 5802 Westslope Cove. The land has been cleared and construction has started.
5. 4607 Twin Valley Circle. Final plans have been submitted for combined Phases I and II to be discussed at the next ECC meeting.

Tom Thomas, Chairman