

THE CYPRESS CREEK LAKES PROPERTY OWNERS ASSOCIATION, INC. BOARD OF DIRECTORS MEETING WAS HELD ON THURSDAY, JUNE 20, 2018 AT 7:00 PM, AT THE CYPRESS CREEK LAKES REC CENTER LOCATED AT 10702 CYPRESS CREEK BEND DR., CYPRESS, TEXAS 77433.

DIRECTORS PRESENT

Rob Melloy

Dennis O'Connor

Ross Gallup

Joe D'Virgilio

DIRECTORS ABSENT

Stacey Thomas

IN ATTENDANCE

Liz Pettit with Crest Management Company and John Wood with Hoover Slovacek.

CALL TO ORDER & ADOPTION OF AGENDA

Director Melloy called the meeting to order at 7:00 p.m. The agenda was adopted as presented.

BUSINESS:

APPROVAL OF MINUTES

The Board reviewed the minutes from the March 22, 2018 board meeting. Director Melloy motioned to approve. Director O'Connor seconded the motion. All were in favor.

FINANCIALS

Director O'Connor presented the May 2018 Balance Sheet and Income Statement. As of May 31, 2018, the Association had \$972,359.43 in operating and money market accounts and \$199,412.95 in 3 CDs established for Capital Reserves. Accounts receivable totaled \$325,285.74. The Association's total Liabilities and Equity were \$1,502,963.70 as of May 31, 2018. Director O'Connor reported the Association to be 95.35% collected as of May 31, 2018. Director O'Connor went over the May 31, 2018 Income Statement and commented the Association has a year to date surplus of \$27,761.

BOARD BUSINESS

Director Melloy presented a proposal from ICSH to upgrade the key fob readers at the park/splash pad and pool locations with a DSX NV Memory Processor for a total of \$1,220.00. Director Melloy explained these readers are the originals and there have been a few issues so an upgrade is needed to keep up with the technology. Director Melloy motioned to approve the proposal. Director O'Connor seconded the motion. All were in favor.

Director Melloy discussed the construction of two flag bollards to be installed, one on Cypress North Houston at the border of Towne Lake, and the other on Autumn Cypress near the Cypress North Houston intersection. This was tabled at the last meeting because all the proposals were not in. All the proposals have been received. The cheapest bid is \$2,700 but that did not include all the components so the price for each bollard is around \$6,000. Director Melloy spoke with Randy Corson with Mischer and Mischer has agreed to install 2 flag bollards for Cypress Creek Lakes at no expense. Director Melloy and the Association's attorney Brice Beale are working with the county to get approval to put the one in the esplanade on Cypress North Houston in exchange for an easement the county is seeking from Cypress Creek Lakes at the corner of Cypress North Houston and Autumn Cypress. The county had previously denied the Association's request to put a bollard in the esplanade but they have indicated they may be agreeable to it in exchange for the easement.

Director Melloy discussed a new contract for the community holiday decorations. Phase 1/2 and Phase 3 board members met with Always In Season to look at holiday decorating ideas that would be consistent throughout the community. The new decorations will include lighted sprays, garland and wreaths as well as two dimensional lighted trees throughout the entrance monuments. Director Melloy motioned to approve a 4 year contract for \$16,348 per year. As part of the contract, Always in Season will install, maintain, remove, store and refurbish the decorations

during the term of the contract. Director Gallup seconded the motion. All were in favor.

Director Melloy discussed the website enhancement that would add a Vendor/Services menu that can be used for various needs. This was discussed at the last quarterly meeting but was tabled to try other links which didn't receive much interest. This enhancement would offer a search field option, subcategories, edit and delete capabilities by only the original poster or Admin and a 5 star rating system. The cost to create/implement this enhancement would be \$2,500. Director Melloy answered questions from the homeowners and board members. Director Melloy motioned to add the Vendor Services to the website for \$2,500 if Phase 3 is unable to contribute. Director Gallup seconded the motion. All were in favor.

OTHER BUSINESS

There was no other business to discuss.

OPEN FORUM

A homeowner asked which board members see the emails that are sent to the board email. Director Melloy stated all board members can see the emails sent to the board email address.

A homeowner asked if the board would consider allowing other types of grass in the community in light of the projected doubling of water costs in the next 3 years. Director Melloy mentioned a committee will be looking at the guidelines and making recommendations for updating them. A meeting is scheduled for June 24, 2018 at 2pm and he is welcome to join and make his recommendations.

A homeowner asked about the fences on Cypress North Houston Director Melloy stated the fences have been completed. Towne Lake paid for the entire project. Agreements between Towne Lake and each homeowner were signed and recorded. Towne Lake has agreed to maintain the fences for a minimum of 10 years but it is possible they will maintain them for a longer period of time.

A homeowner asked if the additional police coverage has helped with crime in the area. Director Melloy said it is hard to determine because there is not a lot of crime in this area but this may also be due to the extra patrols serving as a deterrent. Of the small amount of crime that has been documented, more of it appears to occur in Phase 3 where the extra patrols do not occur so some conclusions could be drawn from that. Director Melloy stated the annual meeting will be held on July 25, 2018 and Deputy Salas will be in attendance and can answer questions about the extra patrol.

EXECUTIVE SESSION

Collections

The Board discussed the accounts receivable. The Board agreed to send all accounts that are delinquent for 2018 that are not currently at the attorney to the attorney for a demand letter if they have not already been sent. The Board had a question about the ownership of the property for account #1200603015. John Wood will talk to Brice Beale about this property. Ms. Pettit will confirm with Brice which accounts are on active payment plans and which payment plans are in default so trash service can be discontinued for those homeowners who are not making a good faith effort to reconcile their accounts.

Deed Restrictions

The Board reviewed the most recent deed restriction violation report and requested account #1200201011 be sent to the attorney and account #1200101016 be sent a certified letter immediately. The Board reviewed the Enforcement Action Report and agreed to send the following accounts to the attorney for additional enforcement action:

- 1200502009 – paint attic vent and store in-op vehicle out of public view
- 1200101044 – repair/replace/paint rusted wrought iron fence
- 1200101031 – repair/replace broken wooden fence pickets and remove tree growing out of the fence
- 1200402026 – repair/replace rusted wrought iron fence
- 1200402035 – paint wrought iron fence at rear
- 1200402030 – clean mildew from house
- 1200402063 – repair rusted sections and paint wrought iron fence

The Board requested the violation on account #1200301046 be cleared. Invoke self help to correct the violation for account #1200802002. Hold on the violation on account #1200802038 until the other violation reaches attorney level and send both related matters to the attorney together.

Director Melloy discussed changing the duties of Director Gallup and making Director D'Virgilio the Committee Chairperson and putting Director Gallup over the Architectural Committee and Architectural Review. This will free up Director Gallup's time needed for his work commitments.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:24 pm.

APPROVED

Board of Directors