

**MINUTES OF THE BOARD OF DIRECTORS OF THE BLUE LAKE  
PROPERTY OWNERS ASSOCIATION HELD  
November 14, 2011**

A Special called meeting of the Board of Directors of the Blue Lake Property Owners Association (POA) was held November 14, 2011 at the MUD/POA Office, pursuant to notice to all members.

Members Present: Bob Burkhalter, Roger Havekost, Janet Mayne, Jerry Bennett, Lou Ann Webb and Leah Roust

Members Absent: Jim Grassman

Also present was Red Stewart

Meeting was called to order by President Bob Burkhalter at 9:30 A.M.

Motion was made by Jerry to approve the minutes of 15 October as corrected. Motion was seconded by Janet and approved unanimously.

Motion was made by Lou Ann to approve the minutes of 10 October as corrected. Motion was seconded by Janet and approved unanimously.

Currie Lawsuit - Mr. Red Stewart provided an update of the Currie lawsuit. A deposition was conducted on 7 November at the office of Mr. Bob Thorton in Austin. As of this time a court trial is scheduled for Thursday 5 January, 2012 at 8:30 am in Llano. The suit against Mr. Stewart for gross negligence has been withdrawn. A copy of the 7 November, 2011 deposition will be provided.

**Treasurer's Report:** Lou Ann presented the treasurer's report.

Should the POA sell any park property, a capital gains tax of 15% would apply on the amount received.

At the end of October, there was \$243,750.00 in all the accounts.

Beautification fund = \$10,826.00

Building permits = \$16,625.00 liability. When an owner builds, a building permit is purchased and when the building is completed part of the proceeds of the permit is eventually rebated to the owner.

The POA is currently running \$7,000.00 under budget but we have not spent money for the asphalt at the clubhouse parking area, park maintenance and no money has been used from the beautification fund which will not be spent until spring.

Storage account = \$35,395.00 in a separate bank account.

### **Committee Reports:**

**Architectural** – Not present

**Contracts** – Not present.

### **Covenants – Lou Ann Webb and Roger Havekost:**

The height of the fence at the basketball court should be no higher than seven feet which is consistent with the covenants. The height of the fence at the basketball court should be no higher than seven feet, which is consistent with the covenants. However, the Architectural Control Committee can grant a variance as they see fit.

### **Parks – Leah Roust:**

Basketball – Estimates to paint stripes on the basketball court range from \$800-\$1600. It was suggested that we contact Lakeshore Painters to get another quote. (Lakeshore is the company that painted the fire station, storage facility and MUD office.) Once that bid is received the board will make the decision on how to proceed.

The next step for the basketball court is to erect a 7 foot fence and watch the weather about planting shrubs.

Some property owners have suggested adding a corner backboard to the slab area or tennis courts that could be used for racquetball or squash as well as tennis. Concerns about the height and visual appearance at the slab make the tennis courts a better option. Further study and discussion is needed regarding this suggestion.

Suggestions from property owners indicate an interest in a sand volleyball court located in the area next to the slab on the west side. A volleyball court could be constructed relatively cheaply using POA resources and volunteers.

Roger moved to proceed to get the stripes painted on the basketball court with Lakeshore Painters, a local paint contractor, if the cost is reasonable and within a budget of \$500.00, otherwise get some volunteers who can do a good job. If the cost exceeds \$500.00 will relook and give a discretionary authority to the Director of Parks and the President of the Association to consider a budget amount of \$500.00 and not to exceed \$750.00. Leah seconded the motion. Discussion included concern that it is a lot of money to have the court striped but that if people want to play on the court it should be striped. Motion passed.

Roger moved to establish a sand volleyball court budget not to exceed \$300 and give the executive authority for another \$100 if necessary. Keep the court to minimal requirements, not Olympic quality, with 2 standards, a net and sand. Leah seconded. In discussion, Jerry expressed concerns about maintenance and that grass would grow up in the sand. He said maybe the Long Range Planning Committee (LRPC) could look into it. Motion failed.

Wennmoh's Park - Leah gave an update of the Wennmoh's Park project. Key areas for improvement include the dock areas, expansion of the swim area, what can be done with the existing docks, find more beach area for the kids to play in and more seating area including a larger covered area. The old gazebo has been removed, the slab enlarged, along with the addition of two concrete barriers that will help enlarge the beach area at a cost of \$1500.00. The concrete barriers will help enlarge the beach area because they connect with the existing rock wall on the north and south ends of the beach preventing the growth of the St. Augustine grass in the area allowing us to put in additional sand. We will re-cover the new larger slab with a low maintenance cover that fits aesthetically with the beach surroundings.

Pier and dock quotes have been received and are currently being reviewed. The bids raised a lot of questions than need to be resolved before the board can determine the best approach to resolving these issues.

Jerry likes the idea of enlarging the east pier because it would help shift the usage of the park to the east side. Also, expanding the gazebo area will provide more usable space in that area of the park. From a beautification perspective, Leah would like to add some more trees on the east side of the park but will monitor the drought situation. In the spring, we will need to clean out the plant growth in the swim area.

Roger asked about additional plans for the park. Leah responded that we would like to add a low maintenance cover to the Wennmoh's Park slab. We also would add picnic tables that would fit aesthetically with the park.

Roger moved to pay the \$1500.00 for expenditures for improvements thus far on concrete at Wennmoh's Park. Jerry seconded. Motion passed.

Irrigation – It was discovered that the pump at Wennmoh's Park was leaking. Doug Mezger, a local licensed irrigator, was contracted at a cost of \$325.00 to fix the pump as well as conduct a review of the irrigation systems so that the Board can write up a request for proposal for a licensed irrigator to have oversight of the POA's irrigation systems. The irrigations systems need to be drained and turned off for the winter by 1 Dec. We also need to build a new enclosure for the system at Wennmoh's Park

Maintenance of the irrigation system in the future will require a combination of licensed irrigators and an experienced person depending on the task required.

The POA Board will need to get a request for quote for a licensed irrigator to do work for Blue Lake Estates when required. Leah will work on our requirements this winter.

Driftwood Park piers have been power washed and refinished thanks to Roger for his hard work. Roger stated if the POA wants to reimburse him he would gladly accept it. Lou Ann asked if that was the bill for \$138.35. Roger said it included some materials for the storage area and Driftwood Park.

RR 2831 Trash Pick-up - Leah proposed doing a trash pickup on RR 2831 on 3 December, 2011. Due to the holidays, it was decided that it would be scheduled in the spring. Additionally it would allow us to coordinate with Deer Haven POA who has expressed interest in helping.

Roger moved that if privately obtained funds want to pay for and establish a volleyball court they could. The President of the Board and Director of Parks and Recreation must approve the location and specifications. With approval, and if totally paid for by donations be allowed to happen. Discussion included that maintenance is the issue. There is concern with aesthetics and maintenance. There is potential for weed growth. And notwithstanding the fact that weeds will grow whether or not a court exists just as weeds may grow on the sandy beach at Wennmoh's Park, and sports activities in a sport court are not customarily considered to be inappropriate aesthetically, this Board does not wish to develop the sports court area by creating a volleyball court whether it costs the POA or not and even if interested property owners who desire this improvement are willing to pay for the project at no cost to the POA. The motion died for lack of a second.

**Storage Facilities – Roger Havekost:**

Bills have been collected from all but about four renters.

Sandy Creek – the damaged markers have been replaced and the numbers have been repainted for parking designation. With the relocation of one big trailer and some other stuff along with a cut and fill of the ground Roger can create five new spots. That would accommodate the waiting list. Brian and the golf course tractor could be used at \$25.00 an hour. The Board agreed that this was acceptable.

Devil's Hollow – there is currently no waiting list. Ten new spaces have been created on the south end, labeled and marked. These are pull-through spots. The grass has been cut and mowed. This has eliminated the previous wait list. The new spots give us 50 spaces in Devil's Hollow along with the RV spaces. These spaces meet our current demands.

**Communications – Jerry:**

Jerry requested that we have a sign made to announce the POA quarterly meetings in order to encourage attendance. The sign would be similar to those for C&C. Leah asked if we want to try an afternoon meeting. Bob said we should try the morning again and if

that participation is still low we will re-visit the issue. The time for the quarterly meetings will be the third Saturday at 10:00 am. Jerry will get a sign made.

**Old Business – Bob:**

Bob will continue to do more work on building a bathroom at the firehouse. Jack Valentine will work with Bruce Lomax to determine the feasibility.

Bob has received a new quote for the paving project based on doing the paving in the manner the MUD Board would like it. Bob is getting the issue on the MUD Board agenda next Tuesday. The MUD has responsibility for the parking area adjacent to the road which is 11 feet. In discussion with some members of the MUD Board about paying their portion, Bob did not get any push back. To pave that portion, it is approximately \$1,500.00.

There is no new information on the Golf Club and its relationship with the POA.

Roger provided an update on the new LRPC. Rod Bond is taking responsibility to find possible financing for any long range projects. Phase 1 is to determine our financing options. Then go into Phase 2 to determine what the property owners really want.

The LRPC is establishing a Community Committee to plan for specific projects like the club house. Additionally, it would provide a recommendation to the POA Board for long range operations and maintenance requirements. This would include timeframes to repaint buildings, etc. to keep continuity. It is recommended these dates be included in the Policy and Procedure manual so that incoming POA Boards will know to budget for these projects. A recommendation will include the concept that at the first of each year the new Board shall examine the Policies and Procedures, determine if any changes are appropriate, and then ratify the provisions to be followed in the ensuing year.

**New Business:**

Jerry asked if we want to develop a policy of trees in our open spaces to protect our natural beauty especially in view of our drought. It may require memorandums sent to our property lot owners who do not visit Blue Lake often. Jerry suggested as an example we develop a strategy to notify lot owners of dead trees and provide them a timeline to get the work done. He asked if the POA Board could have the trees cut down at the owner's expense, there was no definitive answer. No action will be required until the Spring and Summer of 2012 when this Board or a subsequent Board can assess the damage, if any, that has occurred.

Roger asked if the POA Board has the authority to assess fines. The POA does not have the authority to assess fines.

There is a new Texas State law regarding Property Owners Associations. There are 18 statutes passed at the last legislature associated with this law. Roger has a copy of the main bill. Bob has a copy of Senate Bill Number 142. Applicability depends upon when a

POA was originated. The Blue Lake POA was established prior to 1974. More investigation is needed prior to the Jan 1, 2012 effective date.

The question of unauthorized use of the BLE boat ramp was raised. The ramp is for the use of BLE property owners only but over time the access code has been shared and as a result we have outsiders using the ramp, especially with the low lake levels in the area. It was suggested that the access code be changed and provided to everyone at the next general mailing. An email will also be sent encouraging people not to share the code with others.

Roger stated that the President and Secretary need to sign the new resolution on storage areas which will be done.

Lou Ann recommended that each POA Board Director establish a manual with POA by-laws, covenants, policy and procedures, and requirements for the position that would be passed down to the next Director.

LRPC (LRPC) reports will now fall under Committee Reports.

Jerry recommended that Long Range Planning information should be placed under the private side of the website instead of the public side. Information that is available in public access records should be on the public side of the website. Information that is not in public access records should be on the private side. Bob said that the logic of putting the previous work of the LRPC on the public side was to show anyone who was interested in living in the community that there is a group working on a strategic plan.

Lou Ann moved to adjourn the meeting. Jerry seconded. The meeting was adjourned at approximately 12:04 pm.

APPROVED:

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Bob Burkhalter, President

ATTEST:

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Leah Roust, Secretary