

*River Oaks Gardens*  
**Board Meeting Minutes**  
**November 19, 2015**

**Call Meeting to Order -Lyla Gillaspie, Board President**

The River Oaks Gardens board meeting was called to order in the security office conference room at 6:35 located on the property, 1601 S. Shepherd, Houston, Texas 77019 by Board President Lyla Gillaspie.

**Board Members Present:**

- Lyla Gillaspie      Board President
- Neil Goldstein      Vice President
- Steven Young      Secretary
- Alice Bragg      Treasurer
- Mike Olsen      Member at Large

**Recording Secretary & Property Manager:**

- Therese Morales

**Waive the Reading & Approval of Previous Meeting Minutes  
(September 24, 2015):**

A motion was made and seconded and the General Board Meeting Minutes were approved from the September 24, 2015 meeting.

**Financial Report-Therese Morales, Property Manager**

Therese Morales gave the following financial report:

Operating Account:	\$68,845.70
Money Market Accounts:	
Insurance Reserves	\$ (3,248.78)
Replacement Reserves	<u>\$316,277.87</u>
<b>Total Money Market</b>	<b>\$313,029.09</b>
<b>Total Cash</b>	<b>\$381,874.79</b>

### **Presidents Report-Lyla Gillaspie:**

**Insurance Savings** - Lyla advised that KRJ Management is very strong in Houston since they manage so many properties. One of the benefits is the insurance program that is provided to the Association. The savings this year will be \$19,176.00. This is due to the amount of properties that KRJ manages.

**AT & T Credit given to the Association** - Lyla advised that in July the property experienced an outage due to the major construction work being done on S. Shepherd. Therese Morales had contacted A&T (several times) to inquire about a credit for this time period. Therese kept hitting dead ends in attempting to get this credit. Alice Bragg our Treasurer then got involved, and managed to get the Association a \$681.76 credit. Lyla wanted to give her a big thank you for accomplishing this for the Association.

**Bike Racks** - Lyla advised we now have 2 new bike racks that have been installed and she wanted to give Neil Goldstein a big thank you. He scoured, and found Urban Bicycle Gallery in the Heights to have a good deal for the racks and installation. Also, if any homeowner purchases i.e. a bike, helmet, lock, and they show identification that they live at the property, they will be given a 10% discount.

**Fire Lane and Parking Lines** - Lyla advised as the Homeowners have probably noticed, the striping in the fire lanes & parking lots have faded. She wanted to give a big thank you to Mike Olsen for finding a 5 star rated company (with the BBB) to re-stripe these lines. We had previously gotten bids in the \$2,400.00 range, and this company came in at a bid in the \$2,100.00 range. Performing the re-striping has really “freshened up” the property, and we managed to get a really good deal.

**Concrete repairs in East Parking Lot** - Lyla advised that Mike Olsen met with Rick with RA Cummins Construction regarding the major hole & crack we had in the east parking lot. As everyone knows this parking lot holds most of the cars on the property. Instead of replacing the entire parking lot, the repair that was done will address the concerns of many homeowners, without having to re-pave the entire lot which would be cost prohibitive.

**Pressure Washing of Sidewalks Inside the Community** - Lyla advised that previously the canopies at the gates, and the pool fence had been pressure washed. To make the property look even fresher it was decided that the sidewalks should be pressure washed too. Mike Olsen remembered we had an association pressure washer, so this task got added to Boldomoro's weekly schedule, and he performs pressure washing once a week now. Once Boldomoro started using the pressure washer, due to the age, the motor gave out. A new pressure washer was purchased for only \$281.00.

**Camera in Guard Office** - Lyla advised that Star Security now has put a camera in the guard office that is recording not only visual, but audio as well. This is an extra layer of protection for the homeowners, is costing the Association nothing, and Star can "tap into it" 24 hours a day. If an issue comes up, Star can review the footage/audio and advise the board of the findings.

**Additional Lighting in Community** - Lyla advised that several homeowners have inquired about additional lighting within the community from a safety and security standpoint. She also mentioned that several of the street lights are out due to the major construction work on Shepherd. Therese and Neil are working on getting the price from our electrician on installing additional lamp posts with "soft" lighting within the community. Lyla also advised if you see an area that needs additional lighting to let Therese know and she will add it to the list of the needed areas.

**AC in the Security Courtesy Office** - Lyla advised the AC in the security office was over 22 years old, and we have monthly, if not weekly, been spending money on it trying to keep it operational. The board voted unanimously to replace it for only \$3,700.00 and we will have a ten (10) year warranty. The brand name is Goodman, and the Company that performed the replacement is Mechanical Climate Control. (This is the same company that has worked previously on the air conditioner, and has always given us good prices for the repairs we have had to have previously to get by).

**Optimization of Financial Resources** - Lyla advised it was brought to the Boards attention by Therese, that the Smith Barney account where we have the Replacement Reserve Account & Insurance Reserve account has a yearly charge to have the money just sit there. We can't really have the money in a mutual fund, because the Association needs access to it. Lyla believes it is advantageous to have all the Association's money at one bank, where the bank "knows" you. (This is also the bank that KRJ uses for all the Association's it manages). This way you get better service, you're a valuable customer to them, and if you have your money all in one spot this gives you more "clout" with them. Once we get to \$450,000.00 in reserves perhaps we can look into having two separate accounts due to the FDIC requirement. Money is cheap right now, and even though we will have this money in reserves maybe we should consider financing the roofs rather than pulling the money from the reserves. This would be in case we needed the reserves for an emergency. The board will do a cost analysis on which way we should pursue the roofs, and bring it to the homeowners first, and everyone will make an intelligent decision together on which way we should go with this important decision.

**2016 Budget Discussion** - Lyla advised that once the board started working on the line items for 2016 budget she saw a glaring problem, especially in one category. That category was the Legal & Professional Fees. The budget for the year was only \$3,048.00 and at the end of March, 2015 the previous board had already spent around \$2,200.00.

She emphasized that this property generates a lot of revenue, we have a strong reserve, and we are sitting on property worth millions of dollars, and we continue to grow in value. There are "people" always looking at us, realizing what the property is worth, and these people could hire "unethical" lawyers that specializing in suing HOA's, and sue the association just to see what they could get out of us. Therefore, we need to be protected, not be at risk and Lyla feels like the budget in this category should be raised from the \$3,048.00 to at least \$6,000.00. A motion was made and seconded and it was decided the budget line item for Legal & Professional fees would be increased to \$6,000.00 for the coming 2016 year.

If that sum is not used, it will roll over to the next years budget. Another issue that Lyla would like done, is our lawyer to review the contract with VF Landscaping, and actually any contracts before the board signs off on them, just to keep the association “protected”.

**Contacting the Board President** - Lyla advised that her phone number is on the website and if anyone needs to speak with her personally about a personal issue, they are welcome to call her. The intention when she was elected was to become the homeowner’s advocate, and she is committed to the homeowners. She explained she has had people that want to speak to her only about private issues (that they don’t want anyone else to know they are the ones that advised her) and she has recently been advised that if someone sends her something in writing she is suppose to share it with the entire board. Lyla wants to guarantee the homeowner’s they can speak to her in privacy if need be.

Lyla in conclusion of the President’s report, wanted to send a big thank you to Donald Daniel who donated the new clock to the security office. She also advised of the painting and mirror in the bathroom that Mike Olsen had donated to the front security office. She also thanked Neil Goldstein who had donated the pictures “from the old days” when the property was first built that had been framed and hung in the conference room. Lyla herself had donated the contemporary picture, the flower arrangement and the big clock to the front security office.

Alice Bragg, Treasurer at this time stood up and said she had a few words to say about “those people on the board”. She then stated that she and Steven, Secretary are being left out of everything, and they have no idea what is going on. She also stated that Collins (the owner of KRJ Management) stated & the board voted that homeowners can no longer go to KRJ Management and get copies of requested items. Therese, Property Manager then advised this is not true, Collins would never agree to this, and that a homeowner can view anything they want to except for collections, or anything due to a privacy issue.

The cost for copies (like any management company charges) is 15 cents per page, and homeowners are more than welcome to come to the office. Therese also added that what Alice wanted her to do was to copy every single piece of paper that had come across her desk from July to the end of October (this is a lot of paperwork), and what the board had voted on was that Alice should pay for the copies, and the Association should not have to bear the cost of the copies. Alice also advised she had gone to KRJ to look through the files to figure out what she & Steven were not being advised about. A homeowner asked her what it was she found on this “witch hunt”? To which Alice responded she found nothing. A homeowner then stood up, said he had lived at the property for many years, had previously been on the board, and said that he has seen nothing but good come from this board, and Therese since she took over as the Manager and the insinuations that Alice is making are invalid and unwarranted. It was then discussed that the board members need to be able to get along, and work together. To which Lyla the Board President agreed.

**Maintenance Issues in progress/completed-Therese:**

**Roofing Repairs** - Therese advised roofing repairs were performed in Units #221, #227 flat roof & #25.

**Roof Evaluation** - Therese advised we will be having a roof contractor evaluate the roofs, to obtain the order the repairs should be performed in.

**Plumbing Repairs** - Therese advised common plumbing repairs were performed in Units #10-#18 common stoppage, #133, #142 & #45.

**Gate Repairs** - Therese advised there were seven gates that the chains were adjusted, lubricated, and the connection bolts were replaced. Walk gate 5 was also serviced, and the chain replaced on drive gate 5. We now have Promsco (who services other properties of Therese's) to perform monthly gate maintenance and this should cut down on the gate repairs. (Our previous gate company was not proactive on trying to solve problems before they even started, and if monthly maintenance is performed, this should cut down on the service calls.)

**Electrical problems that happened throughout property on October 29<sup>th</sup> that caused many common area lights to go out** - Due to the heavy rain storm, many lights went out, and David with Manic Electric performed the necessary repairs to get the lights back on. He also repaired some wires that were exposed that ran from the guard house on top of the carports.

**Tree Trimming Letters** - Therese advised that letters were sent to homeowners that had trees in the patios that were touching the buildings. In this letter, a choice of three different tree trimming company's were given to help the homeowner's get these trees trimmed.

**#239 Balcony Repair** - Therese advised the board that there had been an on-going issue at the balcony of this unit, where the balcony was pulling away from the building. (The previous manager had asked the homeowner to continue to monitor this issue last year.) The homeowner had done that and contacted Therese, to which she had RA Cummins Construction check on this issue and he presented a bid in the amount of \$6, 275.00 due to the severity of the "pulling away". (Therese also showed the pictures of the separation to the board that the homeowner had sent.) A motion was made and seconded and the vote from the board was unanimous to have RA Cummins perform the balcony replacement.

**#224 Running Water Issue** - Therese advised that a homeowner had called her about a running water issue, but had given the wrong unit number. Therese advised she had since found out the correct unit. But she also advised the homeowners if they hear or see anything out of the ordinary to be sure and let her know.

**Homeowner Forum:**

**#172** - Inquired about what the rules were for potted plants on the balconies. She advised the unit above her (#272) in her opinion has too many plants, feels the plants are too heavy, and wants the homeowner to remove some of them due to the age of the property. She believes only 5 potted plants should be allowed, and the unit owner responded that he feels he should not have to remove the plants and he takes special care in watering them, as he has saucers

under each one and makes sure they do not drip or leak down onto her unit.

**#133** - Advised his unit has had a plumbing back up two times due to the homeowner above him putting grease down the garbage disposal. He also gave Therese some brochures on what not to put down the pipes.

**#167** - Advised she appreciates the emails that are now being sent out by Therese to keep everybody informed about “goings on” at the property. She also mentioned how sometimes the guards will not open the gate for her, the lighting is not good in areas on the property, and the walk gates need to be repaired to dial homeowner’s phones.

**#16** - Inquired as to why the Secretary of the board was not taking the minutes of the meeting since this is what his position is to suppose to do, and why the Property Manager was? She also wanted to know how much the Manager got paid to do the minutes? To which the Manager responded \$75.00 for a regular board meeting, and \$125.00 for Annual Meeting Minutes. The secretary then stated that he had no means to do the minutes, and that Alice Bragg had been helping him do the minutes which gave her 2 jobs to do. #16 then stated, when you volunteer to be on a board, you have to accept and perform the job that your assigned, and be willing to put in the time. He stated he didn’t want the secretary job anyway but was forced to take that position. At that time Lyla Gillaspie, Board President stated that she still had the email from him where he was asked if he wanted to perform the Treasurer or the Secretary position and he had selected the Secretary position. The Secretary then said that was correct and he had forgotten about the email.

A homeowner in the audience at that time stated she feels it would be better for the manager to do the minutes because the manager is more knowledgeable on how to do them, they do take a lot of time, and feels they will be more accurate (and its worth paying for them to be correct). The homeowners present & the board were in favor of the manager taking & preparing the minutes from hereon.



**#130** - Advised that people are driving too fast through the property and perhaps speed bumps should be installed, or maybe the license plate numbers should be taken down, and the guards talk to the homeowners about this safety issue.

**#258** - Inquired as to the tenant that is causing a real disturbance to the neighbors around her. Lyla at this time explained that the issue has been resolved, and when the person causing the nuisance is an adult, its harder to remove them from the property. A court order and lawyers have to be involved, and can take time. The family of the tenant is aware of the problems, and is working on solving this issue. Lyla also advised the police have actually come out to the property, but could not find a reason to remove the tenant from the property.

**Standing water on Peden** - Neil advised the clogged up drains, and standing water issue after it rains on Peden has been reported to the City many times by Therese. Unfortunately these 2 drains are not even on the City “drain” map. If homeowners report the standing water to the City also, maybe the City will do something about it finally. They can contact Ellen Cohen with District C to complain about this very big issue.

### **Adjournment**

Being no further business to discuss the meeting was adjourned at approximately 8:20 p.m.