

River Oaks Council of Co-Owners
Board Meeting Minutes
September 22, 2016

Call Meeting to Order

The River Oaks Council of Co-Owners General Board Meeting was called to order at 6:31 p.m. in the security office conference room located on the property at 1601 S. Shepherd, Houston, Texas 77019 by Lyla Gillaspie, Board President.

Board Members Present:

- Lyla Gillaspie Board President
- Michael Olsen Member at Large
- Michelle LeBlanc Treasurer

Board Members Absent:

- Kathleen Mundy Secretary
- Neil Goldstein Vice President

Recording Secretary & KRJ Property Manager:

- Therese Morales

Waive the reading and approval of Previous General Meeting Minutes – July 28, 2016-A motion was made, seconded, and the Board unanimously approved the minutes as written.

Financial Report-Therese Morales:

Financials:

Operating Account: \$ 31,004.13

Money Market Accounts:

Insurance Reserves \$ 90,527.22

Replacement Reserves \$496,111.35

Total Money Market \$586,638.57

Total Cash \$617,642.70

Update from Board President Lyla Gillaspie:

Old Business:

- Mansard Roof Replacement- Advised there were a couple setbacks in the roofing project as the owner of the company had fallen, had to have surgery, and the tentative start date is October 3, 2016, weather permitting. We actually received bids from four contractors, and each one gave the same list as to the order the roofs should be replaced in. When its time for your building to start, notices will be posted by Garrick Roofing on each door advising of the start date, and information on moving your personal items as to not damage them during the project. Therese will also send an email to the entire property and advise which building/units will be starting next.

Note: A site map has been posted in the mailroom with the buildings marked as to the number they are on the list for replacement.

- New Gate signage Installation- Advised the signage was installed yesterday regarding contractors & visitor's signing in at the guard house, and they match the gate number signs and look really good.
- Painting of the exterior gates & fences- Advised the painting of the gates and fences had been finished, and the board had wanted the gates to be finished before the new signage was installed. After the roofing project is complete, the stair handrails & balcony railings will be painted, but we need to get through the roofing project first so the railings don't get damaged after being freshly painted. The Association chose small painting business to perform the paint work. He was paid weekly, which didn't take a big chunk of money all at once out of the Association's account, the total cost ended up being \$11,500, and the contractors who had submitted bids were all at least over \$100,000.00.

The Association really saved a lot of money on having this work performed by the small painting business, and she likes that it wasn't a big corporation, and using the smaller businesses contributes to the economy.

- “Visiting” with the Security guard-Advised the homeowners might have noticed two new signs in the guardhouse about visiting with the guards. The guards would like to chat with you, but they are on camera, Star Security checks on the guards, and when they are seen not watching the cameras or not performing their work, this causes problems with Star Security. She went on to say there are homeowners that also report problems on the property to the guards, since the guards are who they see. Any problems that are seen really need to be reported to Therese the Property Manager, so she can get the problem fixed, or call repair contractors, or follow up on whatever needs to be done.
- Tyco (monitor company for the previous security cameras)-Advised this contract has finally been cancelled and was costing the Association \$977.27 a month virtually for nothing. The Association fought it, tried to do everything to get out of it, and had even contacted the attorney to get out of the contract to no avail.
- Camera installation complete- Advised all the wiring, cameras, and monitor are completely installed now. The Association really came out great on this. The other companies that had given bids for the work had advised the board that all the wiring to all the cameras would have to be replaced. It ended up that only nine cameras had to have the wiring replaced-not all of them. There was an incident last week outside the gate on Peden where two vehicles were broken into. At this time there are not cameras outside the gate that cover this area, but as we go along we could start budgeting for cameras that would. On the cameras it was seen how they were

looking in the cars with flashlights, and if there were cameras in that area, they could have been seen.

The guest parking on Haddon is inside the fence, so parking on that side is not a problem, it appears the problem is just on the Peden side. The camera system we have would allow six more cameras, so as we go along if we decide we need more cameras, they would be able to be added to our system. She did notice a vehicle that next morning near Dunlavy that had their window broken out, so it doesn't appear to be just our property only.

New Business:

- Lyla advised there is something very concerning, she would like to open a conversation about it, and it's nothing that can be fixed tonight. We now have a 57% Owner occupancy rate, and we need to do something about this now. Whether it be change the by-laws or add something to them to limit this. We get offers to buy the property all the time and usually its not even market value. It's usually big corporations, the property is on 8 acres here, and if the property is torn down probably four "towers" could be put on this land. So were prime targets, but they want a bargain. How they go about it is if they can't buy the whole property, they start buying units as they become available. This actually happened right down the street from here. The corporation bought unit by unit and now there is only one homeowner left there. The bad part about this is if they buy unit after unit, then become the majority, they could accept less than market value for the property, and then all the homeowner's lose.

Michael Olsen advised if something like that happened, the corporation could even put their own people on the board. That Board could then decide not to maintain the property, then homeowners would be selling their units to get out of a property not being maintained.

Lyla said sometimes the corporations even send in their own people with different names. Once all the units are owned by the individuals, and its realized as to what has happened, it could be too late.

Right down the street the 5000 Montrose HOA sent a survey out to the owners asking them how they felt about this issue. The HOA got back an 80% response advising the Board to stop this issue now, and to get the by-laws changed. 5000 Montrose capped at 25% the amount of homeowners that can lease their unit. Homeowner's "grandfathered in" this doesn't apply to-only new owners just buying the units. Another rule they put in place is after an owner buys their unit, the owner has to live in the unit for one year. The only way you don't have to live in the unit, is if you inherit the unit. She went on to say she is starting the conversation tonight about this, because she is very concerned. So please talk to your friends and fellow homeowners about this issue. Lyla stated she would like to use the same type of format from 5000 Montrose that they used in their survey. This survey will be mailed out to the homeowners, and once the responses come back, the majority will rule on how this issue will be handled. She went on to say what she has said from the beginning when she was elected. If she knows any information, she wants the homeowners to know the information. Also if any offers are brought before the Board to buy the property, Lyla feels the offers need to be three times at least the market value before the offer is even brought to the homeowners to consider. She went on to say to even sell the property, 75% of the homeowners would have to agree with this.

- Additional lighting inside the property (Phase 2)- Advised a walk around was done on the interior of the property the other night, and several dark areas were discovered and Therese is getting a bid for these areas.

- New pool sand filter-Advised we need a new pool filter, as the DE filter we currently have is from 2002 (14 years old). We have received many complaints about the water quality. The Association spends anywhere from \$300-\$500 yearly to keep the current one going, and not to mention numerous service calls on this issue.

Southern Pool has been recommending for a while that we get a new type of filter and the cost will be \$2,489.00. The Board will go ahead and move with having the new sand filter installed.

- Mosquito spraying-Lyla stated this wasn't on the agenda but Therese is staying on top of VF and making sure the cedar/cide gets purchased for the mosquito/irrigation system.
- Ramp replacement near Pedestrian Gate #2-Lyla explained near Pedestrian gate 2 there is a wheel chair ramp that has become a trip hazard and the concrete is broken up at the base of the ramp. The Board approved a \$1,025 proposal to replace it, and it will be ADA compliant.
- Brick wall on Shepherd- Lyla advised she wasn't sure if anyone had noticed the brick wall on Shepherd and all the mold and mildew on it. Mike Olsen had the idea since we own our own pressure washer, to have Bulmaro pressure wash the mildew from the wall which he did and it looks clean & fresh.

Therese-Maintenance Issues completed & additional information to relay:

- The wrought iron gates & fences were repainted
- An audit was performed for 2014 & 2015
- A new 6x10 American Flag was put up
- Common area fence repairs were made
- New parking signs were installed at #59/#60 in the Haddon parking lot

- The GFI plugs were fixed at the pool, and a light inside the pool was replaced
- The electrical wiring was “cleaned up” inside the pool room (there were damaged & rusted electrical boxes, pipes rusted, a pump switch was corroded, and a plug wasn’t GFI protected)
- The pool motor had to be replaced
- The Peden carport lights that stayed on were repaired as well as the Haddon carport lights
- Cheaper dog bags were ordered

Homeowner Forum:

A homeowner inquired that at the last meeting it was mentioned that rats were seen near 115/215 & 118. Therese advised she contacted Pioneer Exterminating the very next day for them to come and check out the issue. Therese went on to say when we had Orkin on the property you never knew when they came. Now that we have Pioneer, they leave a ticket and even note how many stations were serviced, and any other details. Since it’s a smaller company they also appear to care more about the property.

A homeowner inquired about the wrought iron hand railing paint. Lyla advised this project will be started after the roofing project.

Lyla advised the way the roofing project is being paid for will be **per building**-not the total project. 50% of the building repair cost will be paid as the down payment. 40% will be paid when the building is completed, and once the City of Houston gives the final approval the remaining 10% retainage will be paid.

Lyla advised all the homeowners if they have any maintenance issues to be sure and email Therese so she can take care of it.

A homeowner mentioned the color of the water coming out her pipes does not look or smell good. Lyla advised this is due to the galvanized piping which is 38 years old.

The way the Association handles this issue right now, and the way the rules read, the HOA only repairs common pipes that are leaking, and all the units have one common pipe running through them.

She knows that several homeowners have replaced all the plumbing in their unit including the common pipe and it seems unethical that the Association doesn't do something about that while a homeowner takes on the expense of re-plumbing their whole unit. She is going to propose to the Board and talk to them about this issue, but she's thinking the Board could at least give the homeowner's an "allowance" depending on what size unit you live in towards your common pipe replacement. There was more discussion about the galvanized pipes, corrosion on the inside of the pipes, cost of pipe replacement, and sheetrock repairs due to the pipe replacement.

A homeowner reported the grass outside his unit is dead and it appears to be from dog urine/feces. Discussion was had on how dog urine does kill grass and plants. It was mentioned how A & M has done massive research on this issue, which can be found on the internet.

Adjournment:

Being no further business to discuss the General meeting was adjourned at 7:32 p.m.