

## Annual Homeowners Meeting

January 25, 2025

10:00 am South Texas Eco Systems, Laguna Vista, Texas

Quorum was acknowledged, and meeting called to order.

Proof of Meeting notice was presented by Osi

Introduction of interim board members who served the remainder of 2024.

Introduction of new Owners

Motion to approve minutes of homeowners meeting in January 2024. The motion was made to approve the minutes by a homeowner, seconded by Beverly Nowlin, and a third by another homeowner.

Jane addressed the packets that were available for each homeowner, in an effort to continue the transparency of HOA business and financial information.

Osi presented the response from the attorney for the HOA, with her explanation that the attempt to let some of the homeowners run for office at that meeting and not previously submitting their information 30 days before the meeting as required by the Bylaws. There would need to be a special meeting with 30 days' notice and the profiles of anyone who would like to run and have the vote again. This was not done.

Harold Kraft presented that a study from 2020 identified 7 major components that the reserve funds should be used for and that these components are subjects that have a life expectancy and should be planned for and a cost should be estimated for what that component should be. He presented an example of how each owner used the component over 20 years and at the end of that time when this component has to be addressed, that this is how the assessment is brought about. He further explained the importance of the reserve fund in the overall value of the complex. He offered to answer any questions regarding the reserve fund after the meeting.

Officer's reports were presented as follows:

Mike Mahl – Director at Large – Mike addressed the sinkhole by the seawall. Pictures have been taken and there is a concrete pipe going from seawall into a pvc pipe and there is a separation there. We are getting bids for the repair of this pipe. The seawall is fine, but probably 6-8 feet of that sidewalk will have to be replaced. There have been some repairs on the docks from a couple of storms. He stated that the water intrusion on the vinyl buildings is fixable. He said the CASA report stated that the flashing on the balconies

needs to be installed to prevent the water intrusion. All the balconies should be looked at and, where needed, install the flashing. He gave his opinion that the roof damage is from wind, wear and tear. He also said he did not agree with the \$439.47 assessment, or the \$65.00 increase in monthly HOA fees.

The Secretary's Report was given by Jane Starr. She reported that the meetings are recorded and the minutes are composed from that recording. In September, there was a 3<sup>rd</sup> qtr. meeting, and we forgot to record that meeting and are in the process of putting that together from notes and the agenda. She touched on financial information, bank balances, the last two months bank register of the general account so that the owners can see most expenses on a monthly basis. She also passed out the Vendor's payments showing what each service costs for the year. This was used in coming up with the budget for 2025 along with the comparison of what the 2024 budget was and the discrepancy of what was spent in 2024. She also said that she has the insurance account caught up to the amount it should be for 2025 but that the reserve was not up to par. We will address that by trying to add deposits from some areas we may save money on.

Beverly Nowlin – Treasurer's Report – Reported that some of the budgeted items for 2024, mainly maintenance, were paid without invoices to back up the expenses. This has stopped and should be an improvement in that category for 2025. She also asked owners if they had a suggestion for vendors the Board to please forward them. We will be looking for a handyman and a licensed, bonded, contractor. Jane noted that the budget for 2024 was \$661,000 and the actual amount spent was \$719,000. Beverly explained that the \$65.00 increase in the monthly fee is allocated as follows: Maintenance would change from \$230 to \$250, reserve from \$45 to \$55 and insurance from \$170 to \$205. The storage charges will increase from \$60 to \$70, \$70 to \$80, \$140 to \$150 and the boat storage from \$40 to \$48. The Special Assessment balance that has not been paid is about \$15,000 and should be in by March 1, 2025. This will help the reserve account to grow.

Mike added that B Building was painted and caulked in 2024, and was approximately \$20,000.

A guest speaker was introduced, who is representing the Association in a lawsuit with TWIA for a denied claim.

Don Kelley, K-3, asked to speak to the owners regarding this litigation with TWIA. He referred to some damages that may have occurred in 2023 from some weather incidents. A claim was submitted and denied. The claim was not denied because there wasn't damage but a difference of opinion of when the damage occurred. An attorney, with Green Law Firm reached out to the HOA, and it was decided by the Board, not unanimously, to sign a

contract for his representation. He will give an update on where we are right now, and our end goal is to get money so that we can do our roofs. This is no longer a claim, not a lawsuit either, but litigation.

David said that Don gave a great synopsis of where we are. He stated he spent his first 13 years defending insurance companies from claims like ours. He was on the senior panel at TWIA. He stated that he knows TWIA and the law. I know some concerns are deductibles and stated that we are not in a claim status anymore. The claim was denied. They claimed there were no storms on the date that was in the claim. Three weeks before that, there was a tornado nearby that killed someone down the road. You don't have to be precise on the day of the damage, just that it happened during your policy coverage period. The denial said that not only did this not happen during their coverage, but you fixed it all and didn't give us a chance to look at it. This was maintenance upkeep. They used the maintenance upkeep against the complex to deny the claim. The Board hired a contractor to come out and he said there was wind damage, provided the name of the lawyer, he came out and talked to the Board and they made the decision to hire him. I submitted a demand letter to TWIA based on the rules of the statute. TWIA is not like Allstate, Farmers or any other insurance company. They are a quasi-governmental agency in Austin, Texas. After Hurricane Ike hit Houston, the Texas Legislature wrote a whole raft of protections for TWIA and special laws that apply only to them. The rules that apply to TWIA don't apply to private insurance companies. The Legislature gave them those laws to protect public money from frivolous claims. I think this is a solid claim and a bad denial. When you have a newer roof, you can slip some shingles out and replace them. With an older roof, the shingles are brittle and cannot be taken out without breaking them. I think the Board did the right thing bringing me in and if they dismiss me at this point, I will lose the money I have invested in this case and I'll walk away. He does not make a dime if he doesn't get the HOA money. Mr. Mahl mentioned the large deductible. The deductible applies when they accept your claim. They did not agree to replace the roofs, and we have made a legal claim. They have asked for mediation before being sued, which they have a right to do. When the negotiations proceed the deductible will come up, and there will be negotiations going forward. When I go to negotiate, I will bring their proposals and questions to the Board and go back with their answers. And, if a different decision is made and I am told that my services are not needed anymore. Mike said that his daughter lived next to where the tornado hit in Laguna Heights. The night tornado hit Laguna Heights, there was no tornado at Bridgeview, there were winds but no tornado. It was a small area where it went through Laguna Heights. He also stated that on the roofing estimate that was submitted it stated hail damage and there has been no hail damage at Bridgeview. That is his opinion and it is up to the HOA, not the Board of Directors. Jane mentioned that there were two

storms in May 2023, with wind speeds over 80 mph. My windows rattled. Don Kelley commented that in all due respect to Mr. Mahl, the fact remains that we sent a reputable contractor licensed, bonded and insured on the roofs and he is the one who noted the wind and hail damage and that is what was submitted to the insurance company. It is no longer a claim, but a litigation. David, the attorney, stated that TWIA's lawyer will call and say let's go to mediation, because they know they have a problem. I have not had one of these where they said let's have mediation and they did not settle a case. Mr. Mahl's point that we need something in writing saying we will not have a deductible. That's a litigated settlement and release agreement. It says how much they will pay you, what the terms are and that you are not going to go around bad-mouthing them.

Osi – DAL report – Touched on new software we want to implement. The cost is about \$5,000/yr. The software is interactive with the owners. If you choose not to use it, that is fine. Dues will be payable online, owners will be able to submit maintenance requests, access their accounts, and receive email and text alerts from the office. It will be much more organized. General maintenance – painted some stairwell doors, window sills on brick buildings are starting to rust and we are grinding those and painting them.

Removed handicap paint by H-7, painted undersides on decks, painted gazebo, handicap space by P building. Pressure-washed a few buildings and some pillars that had mold on them. Meter pack for J building was replaced and L building had the meter pack replaced. Fixed gazebo light, L bldg. had light facing office fixed. Please send a message regarding any light you see out. Bayfront lights replaced. North fishing light replaced. Lights in stairwells replaced and photo cells on bayfront. Plumbing-water leak behind K bldg.. C bldg. water source moved and re-routed. Hydro jetted K-1's cleanout. Landscaping – sprinkler system overhaul. Cut three dead palm trees. Trimmed palm trees. New water hoses and holders throughout. Pool – heater capacitor, filter grid installed, pool pump motor replaced and the thermostatic expansion valve replaced. Some roof leaks have recently come up. C and H buildings roof leaks were fixed. E building and C building again and O building has an ongoing water leak and C bldg. has another leak on a different side. The gate had a lot of issues this year, at least 4 times they came out and eventually the gate operator had to be replaced. C bldg. had some units with termites. Wasps' nests were neutralized throughout the complex. Vent cleaning should be done at least once a year if you are here full-time, or if you and your neighbor you share with is here full-time.

Miscellaneous – benches need to be replaced and probably shouldn't be metal based. Updating of pool furniture this year, just loungers. Stairwell weather stripping, building signs. Osi reported that when someone reports a leak, he first checks the air ducts that are very old. If they haven't been cleaned or checked, some of the old ones can deteriorate and the insulation comes off and condensation forms when the leaking cold air mixes with

the hot air and can cause mold and stains. Owners should have their hvac systems checked periodically. Some damage from the weed eaters, potholes filled, some painting and repairs on the bay side of Bldg. B, fence repair by Bldg. P, Bayfront siding on C Bldg was replaced with hardiboard, dock that was broken in half was repaired, D5 & D6 had some siding repaired and some termite repair.

#### Old Business – Jane Starr

Cement wall repair completed

Dock repair completed

Management Contract

Cameras – are still being investigated.

Large items that cannot be put in the dumpster can be put on the street for p/u by Laguna Vista.

#### New Business – Jane Starr

Fence along the street – need to take care of trees and large growth pushing on the Fence.

Building Identification for Fire and EMS services needs to be more clearly identified.

Will be addressing owners who are in arrears on their dues and will be adding fees

With new software we will be able to no use the accountant for basic check writing, etc., but will still have annual audits.

Will table Rules and Regulations change until 1Q meeting.

Introduced board candidates – Beverly Nowlin and Don Kelley who had previously been assigned to the Board. These to are up for election along with Tony Anderson.

Presented the two By-Laws, 5.1 and 8.2(d), which have proposed changes to be voted on at this meeting.

Osi gave small presentation on the new software. The advantages of Doorloop are:

- Owners can make their payments online.
- Accounting can be done through programs, reports, checks, etc..
- There will be a record of all communications.
- Owners' work requests, etc. will be made quickly and will be on record.

- Owners' can still make requests through office and drop off checks.
- On-boarding should be completed by March 1, 2025.
- Dan Bucklew asked if this program would have a community bulletin board for people to post concerns and ideas. This board should have parameters of what is allowed and if they are not followed, the person will not be able to post anything that can be construed as not helpful.
- An owner asked if there would be a directory of owners. Osi responded that we would need to address that and possibly there would be some who do not want to share their personal information.
- An owner asked if they chose to pay online, would the money go directly to the bank account. Osi said that this is the process, if you pay online.

#### Results of election and Bylaw votes:

Tony received 28 votes, Beverly 20, and Don 21.

The Bylaw votes:

5.1 – results were voted 22 yes votes and 9 no votes.

8.2(d) – results 18 yes and 10 no.

Bylaw 8.2(d) did not pass because the total votes was not a quorum.

#### Open Forum:

- Bob McTavish wanted to know if anyone had seen hail at Bridgeview. Someone said yes. Mike Mahl wanted to know the date.
- Dan Bucklew A-8, he thanked the Board for committing themselves to Bridgeview and their service. Everyone has a different perspective and is allowed to express their views. And that, Jane has been instrumental in getting things on track. The reason I want to say this is because if it gets ugly with the lawyer, the minutes of this meeting can be subpoenaed. Last year, walking around after a storm, there were many shingles that had been torn loose and left on the roof. Facia pieces blew off, and that obviously took some wind action.
- Bob McTavish asked again if anyone had seen hail. An owner said yes, and Mike Mahl asked the date, and they could not remember the exact date.
- Sandra Tibodeau A-6 said she would like us to just address the roofs and quit band aid-fixing everything. Can the roofs be addressed while litigation is going

on. She stated she fully supports the assessment and increase in monthly fees because she wants her investment to retain and increase in value. She appreciates the board being more proactive.

- Don reported that there is money in the budget for roof repairs, and as we go through this process, we will have some repairs. But our intent is to move forward with roof replacement or how to tackle roof replacement if this doesn't go the way we want it to go. In the meantime, I will reach out to the attorney and ask his opinion on how to go about that.
- Jill Kelley, K-3, brought up the growth on the fence behind A, K & L Buildings. That property on the other side is in foreclosure and all we can do now is trim. Osi presented a picture of the overgrowth.

Tony Anderson brought up the pool furniture situation and wanted to decide if we are disposing of the current furniture that is in bad shape or repair and recover them. He also asked if there is consideration for hiring a part-time handyman.

Dan Bucklew brought up that this is the time to pursue the Hurricane Plan, before that season arrives. Line up a preferred contractor before the season begins who will step in and act as a general contractor and have a contract with him in that regard.

Sandra Thibodeau made the motion to adjourn, There was a second and third.