

January 4, 2019

TO: White Bluff Property Owners
FROM: Jim Fletcher, WBPOA Secretary
RE: POA Board Meeting Minutes

Minutes of the Quarterly Meeting of the White Bluff POA Board of Directors

Location: White Bluff Chapel - White Bluff Resort, Lake Whitney, Texas

Date: December 27, 2018

Time: 9:00 AM

1. Call to Order

The meeting was called to order at 9:00 AM by Leonard Critcher, President of the Board of Directors. A quorum was confirmed with eight board members present (Leonard Critcher, John Bass, Jim Fletcher, Jeff Williams, Marshall Snyder, Roy Miller, Jay Elder, and Joe Manders). Mike Ellis was absent, but had assigned his proxy to Jeff Williams.

2. Adjournment into Executive Session

The meeting was adjourned to executive session to discuss confidential litigation and personnel issues.

3. Reconvene to Open Session

The Board reconvened to open session at 9:20 AM. Leonard Critcher, John Bass, Jim Fletcher, Jeff Williams, Marshall Snyder, Roy Miller, Jay Elder, and Joe Manders were present.

4. Summary of Executive Session - Leonard Critcher

- a. The Board did not discuss any litigation issues during closed session.

- b. FirstService Residential (FSR), the company that currently provides management services for the WBPOA, is unable to assist the POA with the renovation and management of the newly acquired amenities. The Board is currently negotiating with ARCIS and Associa on a contract to provide comprehensive management services for all of the POA's assets.

5. Open Forum

- a. Discussion of Agenda Items
Property owners in attendance were given an opportunity to discuss agenda items. None of the property owners present at the meeting requested an opportunity to discuss any of the agenda items.

- b. Questions for the Board

Property owners were given an opportunity to ask questions of the Board. No one in attendance posed questions for the Board.

6. Agenda/Discussion Items

a. Ratification of Board approved Work Session actions.

The Board approved the following actions during Board workshops and via email since the August 11, 2018 regular meeting. Per direction from the POA attorney, all of the actions approved via email were by unanimous votes. Roy Miller moved to ratify these approved actions and Jeff Williams seconded the motion. The Board approved these by voice vote.

8/31/18 Board Workshop

1. Approved the expenditure of up to \$18,000 for a control system and software for the Old Course pumps. Motion by Jay Elder and second by Joe Manders. Passed on a unanimous voice vote.
2. Approved \$20,000 per month for a 48 month lease with Toro for replacement of golf course maintenance equipment.

9/21/18 Board Workshop

1. Accept a lot with no existing encumbrances from an estate as a gift.
2. Ratify the final property surveys prepared by Ince Surveying. Motion by Jay Elder and second by Joe Manders. Passed on a unanimous vote.
3. Approved \$125,000 budget with an additional \$25,000 contingency for the renovations of the four condos and three log cabins. Passed on a unanimous vote.
4. Approved \$20,000 for the remodeling of the Trophy Grill. Passed on a unanimous vote.

10/26/18 Board Workshop

1. Approved up to \$20,000 for deck repairs and expansion for a bandstand. Passed on a unanimous vote.
2. Approved a lease for a truck with an option to purchase at the end of the lease. The truck is for the golf course superintendent. Passed on a unanimous vote.
3. Approved a position and the hiring of a POA receptionist at an hourly rate of \$12.00. Passed on a unanimous vote.

11/9/18 Board Workshop

1. Approved increasing the homeowner occupancy fees by \$100 per year. Motion by Jay Elder and second by Jim Fletcher. Passed unanimously. These funds are designated by use of the White Bluff VFD for capital expenditures.
2. Approved a waiver for late fees owed by Effie Mira. Passed unanimously.
3. Approved dropping the \$3 million insurance policy effective 12/31/18. Motion by Jay Elder and second by Joe Manders. Passed unanimously.

11/16/18 Board Workshop

1. Approved \$12,500 for the purchase of a boat for use in marina maintenance and the scrapping of the old boat. Motion by Marshall Snyder and second by Roy Miller. Passed unanimously.

11/30/18 Board Workshop

1. Approved the purchase of windscreens, nets and paint for the pickle ball courts. Motion by Roy Miller and second by John Bass. Passed on a unanimous vote.
2. Approved the following rental rates for the log cabins and condos:
 - Log Cabins - \$125 per night for property owners; \$150 per night for non-property owners
 - Condos - \$150 per night for property owners; \$200 per night for non-property owners

12/14/18 Board Workshop

1. Approved golf cart fees and ball rentals for temporary play.
 - Cart fees for property owners and guests - \$12 for 18 holes; \$8 for 9 holes. Fee is the same for use of a golf cart or walking the course to play.
 - Cart fees for non-property owners - \$15 for 18 holes; \$12 for 9 holes. Fee is the same for use of a golf cart or walking the course to play.
 - Rental fee for a bucket of balls - \$3.
2. Approved the renaming of the Trophy Grill to Mulligan's. Motion by Roy Miller and second by John Bass. Motion passed unanimously.

b. Ratification of Board approved Email actions.

8/13/18

The Board voted to return POA owned furniture to the Rustic Pool and to reopen the pool for property owners under an interim operating agreement with Double Diamond, Inc. pending the final closing on the amenities purchase agreement.

8/15/18

The Board authorized \$75,000 in additional earnest money for the purchase of the amenities from Double Diamond, Inc. This brought the total amount to \$200,000.

8/23/18

The Board authorized spending \$4,200 for fertilizer for the golf courses based on a recommendation presented by Terry Ehrhardt, Interim Golf Course Superintendent.

8/27/18

The Board voted to pay \$2,200 to Addison Law's mapping company to complete map work showing additional POA lands on the same map as the basic tracts. This mapping would include all lands that are to be acquired from Double Diamond, Inc. by the WBPOA.

9/13/18

The Board voted to make the \$20,000 semiannual contribution to the White Bluff VFD.

9/18/18

The Board voted to purchase a used Komatsu backhoe for \$22,000.

9/19/18

The Board voted to submit an insurance claim on the John Deere 2500B tractor that burned.

9/25/18

The Board voted to authorize Leonard Critcher to sign closing documents on behalf of the Board and the WBPOA for the purchase of amenities from Double Diamond, Inc.

9/25/18

The Board approved up to \$1.5 million for a contract with Fleetwood Construction for the installation of new greens and bunkers on both golf courses.

9/28/18

The Board discussed a request by Terry Ehrhardt for the purchase or lease of a chemical storage building for the golf course, but no final vote was taken.

10/9/18

The Board voted to hire Ron Roberts of SynCon to shore up the Lighthouse deck to meet code and safety standards, and to install a new code-compliant cedar handrail system. The approved amount for deck modifications was \$5,870, and the amount for the installation of the new handrail system was \$7,210.

10/14/18

The Board approved the hiring of Mike Sagrillo, General Manager of Chelsea Corner in Dallas, to serve as consultant to the Board and POA for evaluation, redesign, and renovation of the Trophy Grill. Compensation was set at \$50 per hour.

10/22/18

The Board voted to permit the planting of a tree near the 17th tee on the New Course in memory of Donna Scoggin. The exact location is to be selected by Greg Scoggin in consultation with Greg Fjellan, Golf Course Superintendent. The tree will be a Chinese Pistache.

10/25/18

The Board approved a contract with LLH Tree Service to remove dead and dying trees on the golf courses that pose a safety hazard. LLH will remove only those trees that WBPOA crews cannot remove. The amount approved was \$1450 per day.

10/27/18

The Board ratified the revised ACC guidelines and building packet.

11/10/18

The Board approved funding a "thank you" dinner and reception for the approximate 40 volunteers engaged in cleaning and refurbishing some of the newly acquired White Bluff amenities.

11/13/18

The Board discussed various alternatives pertaining to interim POS (point of sale) systems to be used in the New Course Pro Shop, Trophy Grill, and the Lighthouse Restaurant and Bar. The Technology Committee was directed by unanimous Board vote to proceed with their recommendations.

11/14/18

The Board approved \$3,637.15 for the installation of IT services in the WBPOA Administration Office.

11/14/18

The Board approved the replacement of the Toll Gate electronics and the filing of an insurance claim. The Toll Gate system was struck by lightning and was not repairable.

11/23/18

The Board voted to contribute \$500 to the White Bluff Rate Payers to make up the deficit on the final legal bill for the water and sewer rate case.

11/24/18

The Board approved a holiday bonus payout for WBPOA employees recommended by Duane Dauphin, General Manager.

11/26/18

The Board unanimously authorized the amount in the bid for the remodel and renovation of the Trophy Grill presented by Terry Brandt of Royal Renovations.

12/3/18

The Board voted to have Elliot Cappuccio, Attorney at Law, to proceed with discovery on a default judgment against the owner of the burned home at 10001 Ash Drive.

12/4/18

The Board voted to direct FSR to pay a bonus to General Manager, Duane Dauphin, for 2018 in the amount of \$12,500.

12/6/18

The Board voted to accept Associa's counter offer to serve as the new management company for the POA pending review and approval by the POA's legal counsel.

12/6/18

The Board approved the engagement of volunteers to complete pickle ball court repairs at no cost to the POA.

12/11/18

The Board approved the following expense to hire Fausto for painting.

1. Trophy Grill Ceiling and Walls - \$1,150.00
2. Foyer Walls – \$450.00

12/14/18

The Board voted to add sales tax to purchases instead of including the sales tax in the selling price.

12/17/18

The Board approved the following action regarding damage to roads by Double Diamond.

1. Prepare a detailed list of specific infractions that need to be addressed.
2. Direct Chad Robinson to contact DDU (Randy Gracy) directly and demand resolution along with a time table for completion.
3. If resolution is not reached, suit will be filed in Hill County for recovery of damages.

c. WBRP (White Bluff Rate Payers) - John Bass

The bank account for the payment of legal expenses needed to contest the utility rate increase is exhausted. The WBRP just receive a bill from the attorney for his most recent services and money is needed to pay that bill. John Bass moved and Marshall Snyder seconded a motion to approve up to \$1,000 to pay this bill. The motion passed unanimously on a voice vote.

d. WBPOA 2019 Budget - Jeff Williams

Jeff Williams emphasized the budget preparation process was very time consuming. With the acquisition of the White Bluff amenities from Double Diamond and the lack of records for income and expenses on those, the Board and staff will encounter numerous unknowns, which will likely require modifications to the budget throughout 2019. For example, the opening date for the golf courses with the new permanent greens is uncertain due to the uncertainties with the 2019 growing season. In addition, the Board does not have budgets for the restoration and operation of several of the amenities. Mr. Williams reviewed the details of the proposed budget with the board and property owners.

Jay Elder moved and Marshall Snyder seconded a motion to adopt the proposed 2019 WBPOA budget as presented. The motion passed unanimously on a voice vote.

7. Adjournment

The meeting was adjourned at 10:32 AM by Leonard Critcher, President.