

MINUTES OF THE 2000 ANNUAL MEETING OF THE MEMBERS OF  
SPRINGBROOK OWNERS ASSOCIATION, INC.

March 15, 2001

The undersigned, Director and President of Springbrook Owners Association, Inc. (the "Association"), hereby certifies that at 7:00 p.m. on March 15, 2001 the Annual Meeting of the Members of the Association was held at Providence Presbyterian Church, located at 17712 Heatherwilde Boulevard, Pflugerville, Texas 78660. Directors Jehran Kemp, Mike Anderson and Steve Turner were present. Director Andre Artis and Steve Moody were absent. Val Quarles, Linda O'Loughlin and Kathy Dominguez of Liddiard Management Company were also present. Director Kemp called the meeting to order at 7:26 p.m. and the following business was conducted:

1. Items 1 and 2 - Roll Call, Certifying of Proxies and Proof of Notice:

A roll call of the members of the Association was made by a sign-in sheet (Exhibit A). Of the 379 members of record as of March 15, 2001, 113 were present at the meeting and 38 were represented by proxy for a total of 151 members. Pursuant to Article III, Section 3.4 of the Bylaws, the quorum requirement for this meeting is twenty-five percent (25%) of all the votes of the Association.

The proxies were certified (Exhibit B) and proof of notice was established by affidavit (Exhibit C). The following table summarizes the members in attendance and the quorum requirements for the March 15, 2001 meeting:

	<u>Homeowners</u>	<u>Builders</u>	<u>Total</u>
Total Lots	391		391
Votes - Attending	113	0	226
Votes - Proxy	38	0	76
<b>Total Votes Represented</b>	<b>151</b>	<b>0</b>	<b>302</b>
25% Requirement	195		
Requirement Met	YES		

Director Kemp announced that the meeting would follow the points of order and the Agenda. Director Kemp recognized a motion from the floor to limit the individual speaking time to two (2) minutes. The motion was seconded but did not carry.

2. Item 3. Approval of March 29, 2000 Annual Members Meeting Minutes:

Ms. Val Quarles asked if there were any changes to be made to the minutes. It was noted by a gentleman that on Page 4, number 7, in the last paragraph, change 'Mr. Hughes' to 'Mrs. Hughes'. There being no other changes, a motion was made and seconded to approve the 2000 Annual Members Meeting Minutes with the change noted.

3. Item 4. Manager's Report

Ms. Quarles presented the Year 2000 Financial Report.

- A. Items 1. and 2. – Financial Management and 2000 Year End Financial Statement. Total direct expenses were \$50,811.13, which was 26.1% under budget. Total Administrative and General expenses were \$32,284.11, which was 32.2% over budget. The overage was due to an increase in Homeowners Association activities including the newsletter and legal fees in connection with the collection of bad debts.
- B. Status of Assessment Collection  
Ms. Quarles told the members that as of December 31, 2000, 11 members were delinquent. She further stated that if these accounts were not brought current, liens would be filed with the Travis County Courthouse. To date, seven (7) liens have been placed.
- C. Status of Homeowners in the Association  
As of December 31, 2000, there were 379 members.
- D. Insurance, Utilities and Real Estate Taxes
  - 1. Insurance  
General Liability and Property Insurance are carried for the benefit of the association in the amount of \$1,000,000. Directors and Officers Insurance is carried for the benefit of the association in the amount of \$1,000,000. Title Insurance is carried of the land that the Association owns.
  - 2. Utilities  
Ms. Quarles told the members that the City of Pflugerville bills for the water and wastewater. Electric service is through TXU Electric.
  - 3. Real Estate Taxes  
For the year ended December 31, 2000, real estate taxes paid by the Association amounted to \$380.50, on the 11.471 acres owned.
- E. Status of Association Property
  - 1. Common Area Maintenance  
Ms. Quarles stated that the Association was responsible for maintenance of the greenbelt areas, the drainage pond and the 4.4-acre park. When Kaufman & Broad conveys the entry area at Regis Drive, the Association will also be responsible for that entry. At this time, the Association has a contract with TruGreen Land Care for the maintenance.
  - 2. Signage Easement  
The Association is still attempting to obtain easements for the entry signs at Heatherwilde Boulevard and Pflugerville Loop.

3. Park Development

The Board of Directors is continuing its efforts to obtain conveyance to the City of Pflugerville on the two detention ponds.

F. Deed Enforcement Restrictions

Ms. Quarles told the members that the common violations were pet issues, unsightly items not being concealed, yard maintenance and trash can storage. Enforcement is done to assist the homeowners in maintaining harmony in the community

Ms. Quarles informed the members that the homeowner manual had forms for reporting violations. She requested that members give as much information as possible about the violation. She further asks that all violation reports be signed and dated.

4. Item 5. Board of Director's Report:

A. Improvements

Director Kemp introduced Mr. Jed Adams of Pitt Building. Mathew Parker of the Park Committee. They have decided that if they went forward with the plans for financing the community center, this is the builder they will use.

Mr. Jed Adams of Pitt Building Company addressed the membership. Mr. Adams presented the drawings for the community center and for the swimming pool. He then answered questions from the floor regarding cost, soil tests, comparative size with other facilities, adherence of local and State Building Codes and Requirements. He offered that while he would not quote a price, that once a price was accepted, it would be a fixed price contract.

Director Kemp told the members that at this time, the current vote for the financing was 46 in favor, nine (9) opposed and one (1) abstention.

B. Status of Association Property

Mr. Steve Turner addressed the group about the signs and easements on the property. He also addressed the sidewalk conditions. He further explained the process to get a traffic light installed at Heatherwilde Blvd. Other issues were the moving of flagpoles and signs.

Ms. Quarles stated that she had been directed to contact Mr. Robert Solomon of Ryland Homes to resolve this issue. At this time she has had no response, but she would keep trying. At this time, going the legal route, which they would rather avoid, may be the only alternative.

Mr. Steve Turner explained about contacting Liddiard Management if they see something wrong, or contact the Maintenance and Security Committee.

A gentleman from the floor questioned Ms. Quarles regarding money owed to him for reimbursement of costs associated with flooding that happened in his home in 1999. He said that there was something wrong with the pipes from the greenbelt that ran under his house. Ms. Quarles said that the Homeowners Association's insurance company had stated that they had not received documentation from the gentleman's insurance company. Ms. Quarles stated that she had asked the homeowner to provide the documentation so that the information could be processed. Ms. Quarles further stated that to date the homeowner had not provided that information. A lady from the floor suggested that the gentleman resubmit it and then they would have something from the insurance company.

A lady from the floor made a motion to look for another management company. Seconded from the floor. The motion was carried.

5. Item 6 – Election of one Director for one 3-year Term

Director Kemp stated that pursuant to the Bylaws of the Association that the Board had increased the number on the Board from three to five Directors and had appointed two new Directors to the vacant positions. He further stated that Andre Artis' term was expiring and that they would be electing someone this evening to fill that position.

Mr. Bruce Wood, resident, was recognized by the Chair, took the floor, and stated that though he agreed to the expansion of the Board to five (5) members, he and Mr. Matt Parker had drafted changes to the Bylaws, which he would like to present.

Mr. Wood called for a motion from the floor to accept the changes to the Bylaws before the election. Motion was seconded from the floor. The motion passed by unanimous voice vote.

A motion was made from the floor to table the changes to the Bylaws until they could be reviewed by legal council. The motion was restated by Director Kemp to discuss the changes to the Bylaws now. The motion died from lack of a second.

A lady from the floor asked who the committee was that wrote these Bylaw changes. Mr. Wood responded that there was no committee, just he and Mr. Parker working on a word processor.

Mr. Foran then asked that the motion to adopt the changes to the Bylaws be voted on. The vote was called and the changes to the Bylaws were passed unanimously.

Director Kemp called for the vote for three (3) Directors. Nominations were accepted from the floor. The slate of candidates were; Frank Foran, Matthew Parker, Ray Malkiewicz, Mike Anderson, Sherry O'Neill, and Sharon Howe. Motion was made from the floor to close nominations. Motion was seconded and carried. Candidates introduced themselves to the membership. Written ballots were cast; for three (3) positions each for a two (2) year terms.

The new Directors duly elected are; Frank Foran (150), Matthew Parker (146) and Ray Malkiewicz (144).

6. Item 8 – Committee Reports  
There were no committee reports.
7. Item 9 – New Business  
There was no new business.
8. Item 10 – Communications from Members  
There was no other communications from members.

There being no further business, a motion was made to adjourn. The motion was seconded and carried and the meeting was adjourned at 11:30 p.m.

Minutes dated March 15, 2001.

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Jehran Kemp, President

ATTEST: