

**Fourth Annual Meeting
Reflection Lane Homeowners Association
Minutes
18 April 2005
7:00 - 8:55 pm**



Location: DuGal Residence

Attendees:

Dave & Kaye Kimbrell	Terry & Stacy Poyzer
Toni & Lisa DuGal	Calvin & Elizabeth McDonald (minute's author)
Chris & Kim Bailey	Buzz & Tracy Young*

* Potential future owners of Lot 40B (visitors)

Notes:

Lots not represented at the meeting: 40A (Marlatt), 38B (Sterling)

Proxy Votes: Lot 40B gave written voting permission to Dave & Kaye Kimbrell.
(document on file)

Shelly Henry had to leave the meeting early and left proxy to her husband Todd
(document on file).

Attendees not eligible to vote due to delinquent annul fees: None.

OVERVIEW

Toni opened the meeting and presented the agenda (see Appendix A page 5)

Toni presented the Board activities for the past year (see Appendix A page 5)

Calvin presented financial report handout. Balance Summary:

- Current Account Balance: \$1264.30
- Checking Fees, Misc: \$9.16
- Entry Lighting: \$139.32
- Common Area Maintenance: \$250.00
- Irrigation System Expenses: \$35.11
- Legal Fees: \$0
- Liability Insurance: \$0
- Pressure Sustaining Valve: \$0
- Electrical Power Expenses: \$488.71
- Service/Maintenance for Road: \$342.00

Calvin presented Architecture Control Report – One petition was filed since last year -
Marlett's rear porch.

Toni reported on the irrigation system status (See Appendix A page 6)

Toni presented to the board the status of the legal issues associated with the irrigation pond on lot 42B. This comprised both a report from the attorney the HOA hired to provide a legal opinion of the CC&Rs concerning the obligation and requirements of the lot owner and the HOA members and a preliminary overview of a letter received by the Board from Kim Bailey's attorney. There was no discussion on this subject as the issues are being resolved by attorneys. (see Appendix A page 6, 7)

It was next reported that an emergency repair to the irrigation system (new pressure transducer) had to be approved and paid for by the Board. This was done without prior authorization of funds. It was proposed that the monies for this repair be reallocated from the liability insurance fund – which had excess funds because our final insurance premium was about half what we expected. This motion was voted on and passed.

Toni next reviewed the proposed annual assessment. Each line-item was discussed and the recommended amount justified. The assessment as a whole was voted on and approved. (see Appendix A page 8)

The board next presented a proposal to the association for an amendment to the CC&Rs. This amendment is to cover the allowances and requirements of landscaping in the common areas between each homeowners lot and the pavement of Reflection Lane. To date there has been some uncertainty as to the location and ownership of this common area. It has been determined that the roadway is 60' wide and belongs to the HOA. Additionally, several of the surveyor's corner pins have been located and the location of the roadway in relation to existing landmarks has been established. The members agreed that the natural boundaries are what we assume as the common area subject to the proposed 3rd amendment.

It was then determined by the Board that the next step in managing this area is to amend the CC&Rs and place both restrictions and requirements on each owner as to the landscaping and maintenance of this area. There was some discussion about the proposal. The group as a whole did not like the idea of requiring sod. The idea of a common theme was discussed and rejected. After a short discussion the following changes to the proposed amendment outline were agreed upon:

1. Sod not required
2. No common theme required
3. Landscaping be restricted to Bark, Sod, or Decorative Rock (or a combination)
4. Can not be left as dirt.
5. Trees and shrubs allowed but not required.
6. No trees close to the road
7. Verbiage included to protect homeowner investment from future changes
8. Keep the area 3' off the pavement lower than the pavement for drainage
9. Instead of "1 year", should say by July

The Board took an action item to take this feedback and draft an amendment to be reviewed and potentially voted on at an upcoming meeting.

While on the subject of landscaping the common areas, the common area adjacent to the church lot was discussed. There was concern about the standing water there is there and the difficulty this presents to landscaping this area. The HOA owns responsibility for the landscaping/maintaining of this area. The Board took an action item to see if the church would be willing to work with the HOA to extend their landscaping to within 3' off the pavement.

The water problem in this area is the worst but it was noted that other places along the road have a similar problem. This fact influenced item #3 in the list above.

Compliance penalties were discussed but viability quickly squelched the idea.

If bark is used, it must be refreshed to be kept looking nice.

There was a short discussion about the Board's recommendation that the new amendment to the CC&R's contain a requirement that the owners of lot 42B be required to seek approval of the homeowners (the proposal in Appendix A says "Board" but this is a typo and "homeowners" was intended) before applying chemicals to the pond. The lot owners of 42B (Bailey's) expressed disapproval of this proposal. After a short discussion it was concluded that given the state of flux the irrigation system is in in general made further discussion somewhat meaningless. This topic will be revisited at a later meeting if needed.

Due to the uncertainty of the status of the irrigation system as a result of the preliminary litigation by the owners of lot 42B (Bailey), it was proposed by the Board that the activities voted on in our Sept 14, 2004 meeting be unapproved. It was discussed it this meant postponed or suspended (permanent or will be revisited). It was proposed to be suspended/unapproved and voted on and passed. (see Appendix A page 9)

Items unapproved by this voted include (refer to Sept 14 meeting minutes for details):

1. Fees for annual startup and shutdown of the system
2. All chemical application to the pond
3. Replace the 3HP jockey pump
4. Install a new controller card
5. Annual silt removal and inspections
6. Intake filter
7. Extension of circulation system up the canal

Board member elections were conducted. Nominated and voted in where Toni DuGal, Kaye Kimbrell and Calvin McDonald. The reelected Board members constitute the same members as last year and the Board members announced they would retain the same positions. Toni-Pres, Kaye-VP and Calvin-Sec.

Recently the Board was approach by Alan Mills and it was requested that the HOA prepare a list of favorable and unfavorable development activities that might occupy the 12 acres between the HOA and highway 44. The HOA membership produced the following lists.

YES:

1. Quality landscaping, Fences, Tree along north side of canal
2. Nursery (very favored)
3. Small professional office suites
4. Equestrian center

NO:

1. Retail food, eating establishment
2. Bar
3. Storage units
4. Convenience store
5. Stores open late
6. Gas station

VOTING

The following were voted on during the meeting. There were seven of nine total votes possible present at the meeting.

Money reallocated from the insurance fund to pay for the pressure transducer
6 For, 1 Against (Bailey)

Approval of annual assessment (as stated in Appendix A page 8)
6 For, 1 Abstain (Bailey)

Revoke September 14, 2004 special assessment for irrigation system
6 For, 1 Abstain (Bailey)

Toni DuGal as a Board member for the next year
6 For, 1 Abstain (Bailey)

Kaye Kimbrell as a Board member for the next year
6 For, 1 Abstain (Bailey)

Calvin McDonald as a Board Member for the next year
6 For, 1 Abstain (Bailey)

Reflection Lane HOA
Fourth Annual Homeowners Meeting
4/18/05
Agenda

- Report on Board Activities (see board report) - Toni
- Financial Report (see financial report) - Calvin
- Architectural Control report – Calvin
- Irrigation report - Toni
- Assessment review/voting on proposals – Toni
 - Repair work on pressure sustaining value (work already completed)
 - Reaffirm the 2005 annual assessments
 - Common area ownership and landscaping responsibility – amendment to CC&Rs
 - Revisit of the September 14, 2004 special meeting assessment decisions
- Board Election for 2005
- Brainstorm recommendations to Porter
- Open Discussion

Reflection Lane HOA
Report on Board Activities
4/10/04 -4/18/05

- Held Third annual Home Owners Meeting 4/10/04
- Three Board meetings held 7/13/04, 2/15/05, and 4/7/05
- Conducted special HOA meeting #4 on 9/14/04 to address Irrigation system issues
- Conducted special HOA meeting #5 on 3/1/05 to authorize funds for legal services
- Homeowners elected one Board member for third term and elected two new Board members
- Board appointed officers (Kim – Pres, Kaye, VP, Calvin, Sec/Tres)
- Kim resigned from the Board effective 1/5/05; remaining Board members appointed Toni DuGal to the Board as President
- Conducted investigation to determine roadway/common area boundaries and ownership
- Conducted research and obtained proposals on pond maintenance and water level options
- Obtained expert opinion from Jim Zamzow on 9/23/04 on pond condition and maintenance opinions
- Kept lights in front entry way functional (bulbs replaced)
- Managed sprinklers and maintenance at front entrance and blew out for winter (blow out did not occur until 11/13/04)
- Managed and maintained pressurized irrigation system. Shut down for winter did not occur until after 11/13/04
- Published minutes of annual HOA and board meetings on website
- Invoiced and collected 2004 assessments
- Installed pressure sustaining value on Irrigation system and replaced pressure transducer
- Filed 2004 taxes (1120H Federal; Nonprofit State)
- Implemented liability insurance for the common areas
- Restructured financial database to track assessment funds in a consistent manner with the assessment categories
- Maintained Association Website (<http://www.ckmcdonald.com/RL-HOA>)
- Obtained written independent legal interpretation of CC&Rs relative to maintenance of irrigation pond and ownership of strip of land along both sides of the private road, Reflection Lane
- Submitted notice of intent to seek declaratory judgment on access to pressurized irrigation system to Kim Bailey
- Engaged legal counsel relative to issues raised by Kim Bailey in 4/14/05 letter from her attorney

Irrigation Report

- System originally planned to be turned on - 4/15/05, as of this meeting, the irrigation water is not on, nor is there a planned date by which the water will be turned on – pending resolution if legal issues
- 3/18/05 – Received legal opinion on HOA responsibilities relative to the maintenance of the pond, irrigation system, and ownership of common area along roadway
- 4/4/04 – Kim Bailey requested status of pond chemical application and associated special assessment
- 4/7/05 – Toni DuGal responded to Kim Bailey that the HOA board had additional information that needed HOA consideration and that chemical application was not mandated, but was to be initiated by the HOA board if deemed necessary
- 4/7/05 – Kim Bailey responded that she did not agree and indicated that any persons entering her property would be viewed as trespassing. Toni responded with additional clarifications.
- 4/9/05 – Kaye Kimbrell reported that she observed a “no trespassing” sign posted on the pump house door
- 4/11/05 – Board sent certified letter to Kim Bailey providing notice on intent to seek declaratory judgment for access to irrigation system
- 4/15/05 – Board received letter from Kim Bailey’s attorney

Outline of legal opinion on HOA responsibilities and ownership

- Lot owner is responsible for algae and weed control unless the weeds interfere with water availability
- HOA is not required to maintain liability insurance on the pond
- HOA is responsible for water level to the extent that the system can delivery water only
- Lot owners have the right to apply chemicals to the pond at their own expense and are responsible for any subsequent damage
- Unclear regarding access to pump house/pond
- Area along roadway is common area owned by the HOA

Outline of letter from Bailey attorney

- Not clear if an easement for the pond exists
- Claims the pump house does not fall within the 15 foot irrigation easement
- Claims the pond has not been maintained by the association including algae and weed control as well as mosquito and insect control
- Claims the association has not rights to the ground water in the pond
- Demands that the Association, at its expense, fill in the pond and remove requested irrigation pipes
- Requests response within 10 days

Assessments – Motion 1

- Approve \$364.39 to replace broken pressure transducer on pressurized irrigation system
- Already paid for out of surplus budget
- No additional funds necessary
- Deemed an immediate and necessary expense by the HOA Board

2005-2006 Annual Assessments – Motion 2 (due June 1, 2005)

Item	2004-2005	2005-2006
Electric	\$98.25	\$100.00
Liability Insurance	\$108.77	\$45.00
Ground Maintenance	\$15.55	\$46.00 (includes replacement of tree and 3 yards of bark)
Entry Lighting	\$18.00	\$9.00
Check, fees, misc.	\$4.22	\$4.00
Road maintenance	\$28.00	\$91.00 (provides ability to seal coat in 3 years)
TOTAL	\$272.79	\$295.00

Motion 3 – CC&R Amendment

- Transfer responsibility to maintain area along Reflection Lane to lot owners
- Lot owners must keep area maintained and free of weeds
- Grass base required with bushes and trees if desired
- All maintenance costs to be the responsibility of the lot owners
- Landscaping complete within one year from recorded date of amendment or from completion of construction for vacant lot
- Lot owner can install sprinkler system if required, however, such sprinkler system is the responsibility of the lot owner to maintain
- Exception is that the two lots on North side of cul-de-sac can install berms
- HOA responsibility for the strip in front of the church and incorporated into entry way maintenance

- Require approval by board for chemical application to pond

Motion 4 – Special Assessment

- Due to legal issues related to pressurized irrigation system and pond
- Unapprove special assessment that was approved on 9/14/04 of \$558.00 per lot for pump replacement, new control board, silt removal, funds for potential chemical treatment, etc.