

Annual HOA Meeting
Lakes of Shady Shores Homeowners Association (HOA)
Thursday, November 8, 2012
Shady Shores Baptist Shores Road
HOA Web-Site: www.lsshua.com

Homeowners in attendance or represented by Proxy:

101 Lakeside Dr.	100 Waterwood Circle	100 Island Cir	100 Sunset Circle
107 Lakeside Dr.	102 Waterwood Circle	102 Island Cir	102 Sunset Circle
109 Lakeside Dr.Proxy	108 Waterwood Circle	104 Island Cir	104 Sunset Circle
111 Lakeside Dr.	110 Waterwood Cir-Proxy	106 Island Cir	106 Sunset Circle-Proxy
213 Lakeside Dr.Proxy	112 Waterwood Circle	108 Island Cir	108 Sunset Circle-Proxy
215 Lakeside Dr.	114 Waterwood Circle	110 Island Cir	110 Sunset Circle
217 Lakeside Dr.		112 Island Cir	112 Sunset Circle
219 Lakeside Dr.			116 Sunset Circle
223 Lakeside Dr.			118 Sunset Circle-Proxy
329 Lakeside Dr.			120 Sunset Circle
335 Lakeside Dr.			122 Sunset Circle

Bob Pasternak called the meeting to order at 7:00 p.m. at the Shady Shores Baptist Church.

The October HOA meeting minutes were distributed and approved as submitted.

The treasurer's report was approved. The current balances are: \$10,010.45 for expenses, \$14,350 for pond repairs, and \$28,260.31 in CD's. Last fiscal year's books were audited by Jerry Burch, Jo Havens, and Phyllis Santogrossi.

Old Business

Architectural Report – Wilson Burch reported that only four architectural requests were submitted this year and all were approved as submitted to the committee.

Member's Contact Information – Members were distributed new HOA plots with current telephone numbers and asked to confirm and as changes occur during the year to notify the HOA Secretary to update along with email addresses.

Lawn Contract – The current contract rates are locked in through December, 2015 - \$4,850 for mowing - \$1,390 for chemicals.

Entrance Signs - New larger and more visible "No Soliciting" and "Private Road/No Outlet" signs (donated by Bob Pasternak) along with the speed limit sign, and the Camera warning sign have been installed on one pole by Craig Hardy. Brian Ramirez also donated and installed another security camera at the Meadowlark Rd. entrance this past year. Brian has also been purchasing and replacing the batteries in all the cameras all year.

Homeowner Questions or Concerns – Homeowners brought up concerns about the number of dogs that have been running loose in the neighborhood and waste products not being cleaned up by dog owners. It was also expressed that there is trash and cigarette butts all around the neighborhood and is making the neighborhood look unsightly. It was suggested that everyone look around their own property for ways to make it look better and not so unkempt...there are lawns not being mowed on a timely basis, extra cars in the driveways and on the streets, and excess items being stored in the back yards where the homeowners think no one can see it.

Concern about smells coming from homeowner septic tanks was expressed and suggestions were made that if you talk to the offending homeowner and get no resolution, that you could always report the smells to the city of Shady Shores and they will send someone out to check it out.

Another concern was that some home owners have made improvements to their property, either by home additions, fences, outbuildings, etc. and have not gotten the proper permits from the city of Shady Shores or submitted a request to the Architectural Control Committee prior to making the improvements.

Bob Pasternak brought up the subject of rewriting our By-Laws, as this subject has come up many times in the past and again this year by some homeowners. Bob discussed the provisions of our current By-Laws and advised everyone that we could amend our current By-Laws, without the expense of an attorney, by rewriting the sections we want changed and then getting a two-thirds majority of our homeowners to sign off on them, and then file the amended By-Laws with the Denton County Courthouse. Bob asked for any volunteers who wanted to form a committee to rewrite the By-Laws to contact any of the board members or secretary.

New Business

Election of one Board Member – Craig Hardy's position – Rodney Carter nominated Craig Hardy for another three-year term and was seconded by Phyllis Santogrossi. All were in favor, so Craig will return for another three years.

Election of one Architectural Control Committee member – Luke Bay's position. Brent Logan nominated Rodney Carter and was seconded by Joe Kessler. All were in favor, so Rodney will be on the ACC committee for three years.

Ponds/Spillways – Pond Committee Review – Bob Pasternak gave a synopsis of the past few years regarding the Ponds and Spillways. The need to repair our ponds and spillways were first brought up at the 2008 Annual Meeting and Rodney Carter received the first bid in 2009 which was in the area of \$125,000 to \$150,000. Concerns regarding the huge expense prompted the board to try and get the expense shared or paid for by another entity, since it was felt the erosion problem escalated after the storm drainage pipe was installed to empty the water runoff from The

Orchards into our small pond. In 2010, Bob Pasternak and Brent Logan met with an attorney to discuss the small pond drainage pipe and was advised by the attorney that it would cost more money to fight it than fix the damage.

At the Annual HOA Meeting in 2011, a pond committee was formed consisting of, Bob Pasternak, Brian Ramirez, and Joe Kessler. They met with both mayors of Shady Shores, presented our problem at a city council meeting, met with the City Engineer to no avail...it was on the Lakes of Shady Shores Subdivision to make any needed repairs to our ponds and spillway. The HOA is bound by covenants to keep our neighborhood in good repair so they consulted with various contractors and requested bids to repair the ponds and spillway.

They also met with Steve Ray, of the Denton County Soil and Water Conservation agency to get an independent analysis of how bad our ponds and spillway were and what repairs we might need to make. He felt the pond erosion was probably at 90% now, but in his opinion it needed to be fixed. The spillway he felt needed to be repaired as soon as possible so that it doesn't fail when the big rains start and create massive flooding and damage to our neighbors and they hold our HOA responsible. He felt the spillway was incorrectly installed by the developer.

Bob Pasternak then introduced Greg Sherman, Vice President of DCI Contracting, Inc. who submitted three different repair proposals. He handed out notebooks to the membership which described the different methods his company uses to repair erosion problems. He then described all three methods that he presented proposals for Lakes of Shady Shores. He described each method and pros and cons of each. The roller compacted concrete method was the least expensive method proposed and also one the longest lasting methods.

With the roller compacted concrete method, they would build a berm around the lake and take soil out of the pond to refill the eroded slopes. Cost quoted of \$238,500 should pretty much be the end cost unless the pond gets filled up with water and they have to drain the pond, then there would be additional costs to pump water out. The time to complete both ponds is scheduled to take 44 days.

Bob Pasternak then reviewed all the proposals submitted to the Pond Committee to date. He stated we would require a performance bond that ensures the contractor completes the job correctly and a payment bond which requires the contractor to pay any subcontractors they hire. We would also require the contractor to obtain any permits that may be required for the repair.

Financial Considerations – Joe Kessler then presented our financial options. Joe contacted 13 banks and Point Bank was the only financial institution to agree to a loan of this type. We are able to borrow \$75,000 at our current dues. If we would raise our dues, we would be eligible to borrow \$250,000 for a 20 year loan at approximately 6%. The bank is looking at 1.25% debt service coverage when loaning money. Point bank is willing to allow the HOA to make draws on the loan the first 12 months and then once the pond repairs were complete and we finalize payment to DCI Contracting, then the bank would re-amortize the loan and this would save us interest.

Bill Roberts made a motion to proceed with repairing the ponds and Jerry Burch seconded that motion. A vote was taken and 32 members voted to proceed with the repair of the ponds.

Bob Pasternak proposed to not use the existing pond fund or CD monies and save those funds for irrigation, sodding, and any unexpected expenses.

Rodney Carter then made a motion to increase the HOA dues to \$750 a year to be able to pay for the bank loan, Paul Miller seconded that motion. A vote was taken and 32 members voted to increase the HOA dues beginning in 2013. Bob Pasternak suggested we split the dues to pay \$450 by January 15th, and \$300 by May 15th each year.

Steve Raines made a motion to use the concrete bid submitted by DCI Contracting, Inc. to repair our ponds/spillway, Brent Logan seconded that motion. A vote was taken and 32 members voted to proceed with DCI Contracting, Inc. to repair the ponds.

Rodney Carter made a motion to adjourn the meeting and Barbara Hardy seconded. Meeting was adjourned at 9:10 p.m.

The next Monthly HOA meeting will be held, Thursday, December 6th, 7:00 p.m., at Bob Pasternak's home, 111 Lakeside Drive.

Bob Pasternak
111 Lakeside Drive

Craig Hardy
112 Waterwood Circle

Brian Ramirez
104 Sunset

Treasurer – Pam Mintz – 101 Lakeside Drive
Secretary – Suzi Miller – 110 Island Circle