



The Wharf Homeowners Association

The Wharf Homeowners Association Board of Directors Regular Meeting

Minutes for March 28, 2017

This Regular Session of The Wharf Homeowners Association's Board of Directors Meeting was held on March 28, 2017 at 7:00 p.m. in the League City Civic Center Conference Room located at 400 West Walker Street, League City, Texas.

Board Members Present

Robert Gray Kent Brownhill
Mike Buehrer Glynn Finley
Mark Russell

Also In Attendance

Chris Hullman, Property Manager
TerraQuest Communities, Inc., Managing Agent
The Wharf at Clear Lake Maintenance Association,
Inc.

- I. Call to Order and Quorum Verification
 - A. The meeting was called to order by Robert Gray at 7:01 p.m.
 - B. The quorum verification was provided by Robert Gray.
- II. Approval of Minutes
 - A. September 27, 2016 Board of Directors Regularly Scheduled Meeting.
 1. Mark Russell made a motion to approve these minutes.
 2. The motion was seconded by Kent Brownhill.
 3. The motion was unanimously approved by the Board of Directors
 - B. February 11, 2017 Annual Membership Meeting.
 1. Mark Russell made a motion to approve these minutes.
 2. The motion was seconded by Kent Brownhill.
 3. The motion was unanimously approved by the Board of Directors.



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III. Operational Business Items

- A. Consider and Take Action on the Election of Officers (President, Vice President, Secretary, and Treasurer).

The Board of Directors discussed the Officer positions and the related responsibilities and elected Officers as follows:

1. Mark Russell made a motion to elect Robert Gray as President, Mike Buehrer as Vice President, Kent Brownhill as Secretary, and Glynn Finley as Treasurer.
2. The motion was seconded by Mike Buehrer.
3. The motion was unanimously approved by the Board of Directors.

- B. Consider and Take Action on the Appointment of the Chairperson and Members of the Architectural Control Committee (ACC) and Chairperson of the Landscape Control Committee (LCC).

1. Mark Russell made a motion to appoint Glynn Finley as ACC Chairman, and Kent Brownhill and Mike Wilbanks as standing ACC Committee Members, Mike Buehrer as an Alternate ACC Member, and Vivian Cardoso as Chairwoman of the LCC.
2. The motion was seconded by Kent Brownhill.
3. The motion was unanimously approved by the Board of Directors.

- C. Consider and Take Action on Approval of the 2017 Budget.

The Board of Directors discussed the proposed 2017 Budget (dated March 16, 2017) as well as the key objective for fiscal year 2017 being the continuation of the townhomes' cedar siding, trim and fascia repairs and renovation, along with the complete preparation and painting of each townhome whose siding, trim and fascia has been fully renovated.

1. Mark Russell made a motion to approve the proposed 2017 Budget.
2. The motion was seconded Glynn Finley.
3. The motion was unanimously approved by the Board of Directors.

- D. Consider and Take Action on the Ratification of the Contract with D&C Contracting, Inc. for Building #4 [2342, 2344, 2346, and 2348 Crow's Nest Drive Siding & Trim Repairs (\$38,310), Fascia Replacement (\$4,800), and Cleaning and Painting (\$10,200)] and Building #5 [2112, 2114, 2116, and 2118 Crow's Nest Drive Siding & Trim Repairs (\$23,550), Fascia Replacement (\$3,840), and Cleaning and Painting (\$10,200)], and the authorization of the President to sign this Contract and schedule the work (in conjunction with D&C Contracting, Inc. crews' availability and Association's funding parameters).

The Property Manager reviewed with all Board Members the current carpentry status of Building #4 and advised that the siding, trim and fascia repairs and renovation are complete and that the actual siding, trim and fascia repairs' final

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cost will be very close to the original estimated cost. The Property Manager also advised that Building #4 preparation and painting work is currently ongoing with completion anticipated by April 7, 2017 (subject to weather). The Property Manager informed the Board that D&C Contracting, Inc.'s carpentry crew is scheduled to perform the carpentry work on Building #5 during April 2017.

1. Mark Russell made a motion to approve and ratify the Contract with D&C Contracting, Inc. for Building #4 [2342, 2344, 2346, and 2348 Crow's Nest Drive Siding & Trim Repairs (\$38,310), Fascia Replacement (\$4,800), and Cleaning and Painting (\$10,200)] and Building #5 [2112, 2114, 2116, and 2118 Crow's Nest Drive Siding & Trim Repairs (\$23,550), Fascia Replacement (\$3,840), and Cleaning and Painting (\$10,200)], and authorize of the President to sign this Contract and schedule the remaining work (in conjunction with D&C Contracting, Inc. crews' availability and the Association's funding parameters).
 2. The motion was seconded by Kent Brownhill.
 3. The motion was unanimously approved by the Board of Directors.
- E. Consider and Take Action on re-scheduling the Tuesday, June 27, 2017 Board of Directors Regularly Scheduled Meeting to Thursday, June 29, 2017.
1. Mike Buehrer made a motion to re-schedule the Tuesday, June 27, 2017 Board of Directors Regularly Scheduled Meeting to Thursday, June 29, 2017.
 2. The motion was seconded by Glynn Finley.
 3. The motion was unanimously approved by the Board of Directors.
- F. Consider and Take Action on the Approval of The Wharf Springfest (Saturday, April 29, 2017) and its funding method.

The Board of Directors decided to continue with this Wharf Annual Event, and again this year it will be townhome owner funded (by various types of contributions). A couple Board Members advised that they will be providing fried catfish as the main entrée, and other owners were encouraged to bring side dishes or make other types of contributions or donations.

1. Mike Buehrer made a motion to approve The Wharf Springfest for Saturday, April 29, 2017 with the funding being provided by townhome owner contributions and donations.
2. The motion was seconded Robert Gray.
3. The motion was unanimously approved by the Board of Directors.

IV. Financial Business Items

- A. Review the Status of the Frost Bank Revolving Line of Credit, the April 20, 2017 Annual Renewal Request, and the Potential for an additional Loan Facility.
1. The President and Board Members reviewed the current Frost Bank Revolving Line of Credit loan balance (\$34,200), the current loan limit (\$75,000), and the desirability of renewing this existing Frost Bank

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Revolving Line of Credit. The Board of Directors also discussed the preliminary discussions that have occurred with Frost Bank and Amegy Bank concerning an additional Loan Facility that could be utilized to fund the acceleration of necessary siding, trim and fascia repairs (and the related renovation and painting) of the remaining townhome buildings. The Board agreed to continue to explore and evaluate additional Loan Facility options with multiple lenders.

- a) Mark Russell made a motion to approve the Frost Bank Revolving Line of Credit Annual Renewal and also for the Board of Directors to continue to explore and evaluate additional Loan Facility options with multiple lenders.
 - b) The motion was seconded by Kent Brownhill.
 - c) The motion was unanimously approved by the Board of Directors.
- B. Consider and take action on the approval of the financial statements and related supporting detail for the period ending February 28, 2017.
1. The Board reviewed and discussed these financial statements.
 - a) Glynn Finley made a motion to approve the February 28, 2017 Financial Statements.
 - b) The motion was seconded by Mark Russell.
 - c) The motion was unanimously approved by the Board of Directors.

V. Open Forum

- A. There were seven (7) townhomes' owners present during Open Forum [John and Diane Voll (695), Judith Taub (2302), Dennis and Lynn Pelletier (775 & 821), Jerry Aho (659), Sylvia Russell (2414 & 2416), Jeff Kester (2348), and Don Hamilton (671)].

The vast majority of the attending townhome owners' comments to the Board of Directors were focused on the status of the currently ongoing townhomes' siding and painting project, the desirability and/or justification to accelerate this repair and renovation work, and the alternatives available to provide sufficient and timely funding for this project. Various suggestions were provided to the Board such as developing three (3) options for the owners to choose from (for the acceleration and timely funding for this project), scheduling and then requesting owner approvals for multiple and phased Special Assessments so that funds are collected over the period of time that the work is accomplished (as opposed to collecting all the funds at the front end), and continuing to explore and evaluate additional Loan Facility options.

It was generally agreed by the townhome owners present that the siding and painting project needs to be completed within a reasonable period of time so there is less potential for cost increases (from a material and labor perspective; from an additional cedar deterioration perspective - due to prolonged exposure to



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weather without proper finish protection; and from a quality cedar material availability perspective). It was also generally agreed that the community does need to get past this siding and painting project so the planning and funding of a phased roof replacement project, as well as other desirable community maintenance, repair, and improvement projects, can be properly addressed.

VI. Executive Session Actions

- A. The Board of Directors reviewed the Association's Collection Attorney's March 10, 2017 Delinquency Collection Status Report (Report) and agreed the Attorney should continue the enforcement actions as summarized in said Report.
- B. The Board also agreed to partially fund a repair to a townhome.

VII. Adjournment

- A. Mark Russell made a motion to adjourn at 8:52 pm.
- B. The motion was seconded by Mike Buehrer.
- C. The motion was unanimously approved by the Board of Directors.

Note: Documents referenced in these minutes were provided to the Board of Directors for review prior to this meeting.

Minutes submitted by: Property Manager

Minutes approved by: Board of Directors

ATTESTED:

Secretary, Kent Brownhill
