

LAKES OF KATY PROPERTY OWNER'S ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING MINUTES
OCTOBER 27, 2010

PRESENT:

Board Members

Mark Petrie
Doug Brooks
Steve Morse
Daryn Dean
Mike Elam

MMC, Inc.

Jessica Gryseels

Committee Members

Kelvin Kelm
David Welch

Owners

Michelle Gleason
Lisa Kelm
Jim Vaughn
Robert Fling

CALL TO ORDER AND ESTABLISH QUORUM:

A quorum being established the meeting was called to order at 6:35 pm.

MINUTES:

The Board reviewed and approved the August 10, 2010 meeting minutes.

FINANCIAL REPORT:

The Board reviewed the September 2010 Financial Report for the Ski Club. They approved the report as presented.

The Board reviewed the September 2010 Financial Report for the Association. They approved the report as presented. They asked management to look at the Association's anticipated expenses until the end of the year at the beginning of December in an attempt to determine if there will be funds left after paying all 2010 expenses.

USE OF BIG DAWG FUNDS

The Board discussed how to utilize the proceeds from the Big Dawg tournament held this year. Kelvin Kelm stated that the Ski Club would like to repair the jump and purchase video equipment by the end of this year. After a discussion that included feedback from the owners present, the issue was tabled until the Capital Improvements Committee can meet to discuss and prioritize necessary improvements for the Association.

COMMITTEE REPORTS:

LAKE COMMITTEE

Director Morse informed the Board that the water was tested in the lakes for herbicide. The test revealed minimal levels.

SKI CLUB

The Board discussed procedures for reimbursement of tournament expenses. Jessica Gryseels reminded them that a policy had been established with the prior Board and that all reimbursements are to be submitted to management no later than thirty (30) days following a tournament. The Board expressed concerns with approving reimbursements without first knowing if the tournament made a profit or broken even. Jessica Gryseels asked Kelvin Kelm if he could submit a spreadsheet in the future with his reimbursement requests so she can provide it to the Board when his requests are forwarded to them. He agreed to provide the spreadsheet.

A discussion was also held regarding possible tournaments considered in 2011. The Board stated that the Big Dawg tournament was moved to another venue. Michelle Gleason announced that the Ski Club is considering some form of Pro Tour tournament that would take place sometime in October of 2011; and they also considered doing local tournaments similar to what has been done in the past. Mrs. Gleason and Mr. Kelm advised that they were considering two (2) to three (3) tournaments.

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Director Petrie requested that as soon as the Ski Club Committee determines if the Association can host a pro tour tournament, that the Board be notified immediately and that each Board member responds in a timely manner with their decision. The entire Board agreed that they would not be surveying the community prior to determining to host a pro tour tournament, and address concerns at the 2011 annual meeting if necessary. They reminded all attendees that the last time they surveyed the community; only five (5) responses were received.

ACC COMMITTEE
Nothing Reported

CAPITAL IMPROVEMENTS

David Welch presented seven (7) items to the Board for consideration for capital improvements. (1) Irrigation installed from the Skiers Crossing gate to the north gate at Lakes of Katy Lane. The owner of 27003 Boaters Crossing volunteered to allow the Association to tap into his well and if the Association accepts his offer, the cost would be approximately \$1,500.00. (2) Reimburse the owner of 27002 Skiers Crossing \$1,300.00 for the installation of irrigation from the center of the mid lakes to his property line. The Board did not authorize that reimbursement. (3) Install irrigation from Boaters Crossing to Lakes of Katy Lane (north). The approximate cost would be between \$6,000.00 to \$8,000.00. (4) Hire contractor to perform a fish survey at a cost of \$1,500.00. The survey would determine what type of fish is currently in the lakes and a recommendation would be made following the survey. (5) Repair the damaged stucco at the entrances at a cost of approximately \$2,000.00. (6) Cut curb from walking trail at a cost of approximately \$500.00. (7) Purchase 2nd dock and position it parallel to the existing dock so the barge can be cross tied and secured. The approximate cost of dock is \$2,500.00.

Michelle Gleason asked who the members of the Capital Improvements Committee were and stated she would like to serve as chair of the committee. She stated that she would like to see a formal plan implemented for capital improvements and a person and date designated to prepare the plan. Jessica Gryseels informed her that the members of the committee were: David Welch, Shelton Craig, and Ann Petrie. Keith Evans has been the chair of the committee, but he needs to be contacted to clarify whether or not he is going to continue to serve on and chair the committee. Prior to David Welch leaving the meeting, he volunteered to chair the committee as well. Kelvin Kelm stated he would also like to serve on the committee. Jessica Gryseels advised that one of the Board members will contact Keith Evans to find out if he plans to continue to serve on the committee. They will also determine when the committee will meet again and both Mrs. Gleason and Mr. Kelm will be notified. The Board agreed that the committee needs to meet soon to establish its members and select a person to chair. Jessica Gryseels will notify Mrs. Gleason and Mr. Kelm once she receives the information from the Board.

OLD BUSINESS:

STATUS OF ROAD REPAIRS

Director Brooks informed the Board that Garner Paving submitted a bid in the amount of \$1,200.00 to put another seal coat over the problem areas on the roadways and a bid in excess of \$4,000.00 to repair the cracks. He recommended the Board approve the additional seal coating in the problem areas, but not the crack repair at this time. He suggested the wear and tear of the concrete on the Skiers Crossing bridge be monitored. It may be a less costly resolution. The Board unanimously agreed to proceed with the re-sealing of the problem areas at a cost of \$1,200.00. Management will contact Garner Paving.

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IRRIGATION REPAIR ON PUMP IN SOUTH LAKE

The Board reported that the pump was repaired.

NEW BUSINESS:

2011 BUDGET

The Board reviewed the proposed 2011 budget. Management notified them that the amount budgeted for electricity was significantly reduced for 2011 based on an average of the 2010 total expense through September 30th; and that the rate contracted for July 2011 through December 31, 2011 is lower than the current rate. The Board instructed management to increase the amount budgeted for Lake Maintenance/Chemicals to \$5,000.00 and to reduce the amount budgeted for Irrigation Repairs to \$1,700.00. The Board unanimously approved the 2011 budget with the amendments listed above. They also executed a rate resolution to set the 2011 assessment rate at \$1,200.00.

COMMITTEES

During executive session, the Board held a discussion regarding owners who are in violation of the deed restrictions or that have a delinquent account balance serving on committees. After the discussion, the Board unanimously agreed to set a policy that will not allow any owner to serve on a committee if they have a delinquent account balance or if they are in violation of any provision in the Association's Covenants, Conditions, and Restrictions. Any owner in violation of the restrictions for sixty (60) days or more, after receiving notification of the violation(s), will be immediately removed from the committee they serve on.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 8:15PM and the Board convened to executive session.


Approved by:

11-4-10
Date: