

# Minutes

## EXOTIC ISLE ANNUAL HOMEOWNERS MEETING

### MEETING OF THE BOARD OF DIRECTORS

Date: August 31, 2013

Time: 10:38am

Location: 952 Exotic Isle, Bay City, TX 77414

#### **Directors Present:**

Johnny Braniff – Vice President

Ken Lindsay – Treasurer

Caryn Arnim - Secretary

#### **Board Members Present Were:**

Mike Zabransky

#### **Board Members Absent:**

Pat O' Connell

Greg Baxter

Kenny Warr

#### **HOA Members Present:**

Mikey & Amanda Mobley

Jack & Barbara Montgomery

Cody Zabransky

Mike Zabransky

Wayne Hutto

Frank & Melinda Dorr

John Hughey

Alison Groth

#### **Member Proxies:**

**Arnims:** Proxy for- Warr, Loveless, G. Arnim

**Alison Groth:** Proxy for- Groth Estate

**Montgomerys:** Proxy for-C. Groth

**Hughey:** Proxy for-Porter

#### **Members Absent with no Proxies:**

Billy Devitt

Joseph Huerta

Mando Badillo

- I **Call to Order:** at 10:38am presiding Officer Johnny Braniff
- II **Quorum:** 11 homeowners present – 6 proxies
- III Johnny Braniff welcomed new homeowners, Wayne Hutto, Mando & Sandy Badillo, Mikey & Amanda Mobley and Scooter Mobley to Exotic Isle.
- IV Johnny Braniff introduced the new Exotic Isle website to the membership, encouraging all to visit [www.exoticisle.net](http://www.exoticisle.net) .
- III **Reading and Approval of the Minutes:**
- A. Johnny Braniff. brought to the attention of the membership, that Jack Montgomery made an exception to the wording of Annual HOA minutes 2012 under “Item VIII Bulkhead Repairs”. Jack’s recollection of the motion: “A motion made by Caryn Arnim to vote on the O’Connell/Baxter proposal and seconded by Greg Baxter. A vote was taken and passed by majority to proceed with the bulkhead evaluation and soil testing as proposed by Pat & Greg.”, never happened. No one else could remember what transpired, so a motion was made delete the “motion to proceed” from the minutes. Jack also wanted it noted that no monies were to be spent on the bulkhead repairs until all options could be explored and that the present board spent money without HOA approval. There was some discussion as to how this may have been misunderstood. It was the board’s impression that they could proceed with soil reports on both the Island and Selkirk side due to a master plan that had been presented by Pat O’Connell and Greg Baxter. Included in this master plan was the parallel barge slip on the Selkirk side. Johnny Braniff apologized if he misquoted, and made an error. He expressed that the exceptions were noted and the motion will be stricken and made it clear that the board acted without HOA approval with any fiduciary improprieties and the board did not act intentionally. Jack agreed to resolution and was willing to move forward, but wanted it made clear that no money should be spent without the homeowners in the know.
- B. Wayne Hutto asked Johnny’s position on the board and were there other board members present? Johnny Braniff-VP, Ken Lindsey-Treasurer, Caryn Arnim-Secretary and Mike Zabransky were all present.
- C. Johnny expressed that as a small weekend community that this board chose to transpire a lot of its motions electronically when not able to meet face to face. He believed that this way of communication started with the prior board.
- D. It was discussed that Jack did not recall the amounts quoted for bulkhead repair as \$9,400 or 9,500 as suggested in the minutes of the 2012 annual meeting. Johnny explained that the amount in question was the total for all involved. It was to be divided equally between Baxter/O’Connell/HOA making the HOA liability \$3,100 or so and we have not spent that yet. Around \$790+ had been spent of the proposed \$3,100.
- E. Mando & Sandy Badillo have approached the board about acquiring lots 43 & 44. It was presented to the Badillos that if they were to pay all fees for engineering, permitting and plans spent by the HOA as well as repair the failed bulkhead on properties in conjunction

with repairs needed on their property that the board should be able to deed the property to them and it be included in their home site. All members present seemed to be agreeable to this transaction and were reminded that the membership voted on this prior via email.

- F. Frank asked if the money came from the operating fund to pay for engineering fees for the bulkheads. Johnny and Ken assured him that it did. Barbara Montgomery wanted to know where all the tram money was. Ken Lindsey explained that it was an assessment and that the money must be kept separate from the operating fund.
- G. Barbara Montgomery expressed pool furniture purchased without approval. Cary Arnim mentioned that it had been approved by a previous HOA annual meeting. She brought to the attention that it was declined in the 2012 meeting 13 for not replacing furniture and 6 against. It was discussed by all that if not an emergency situation that all homeowners vote. The new board will need to take this matter up in the future for protocol on such matters. Johnny duly noted all member's concerns and emphasized that the newly elected board will need to address the protocol of expenditures and prioritize expenditures
- H. Johnny Braniff asked for a motion to approve the minutes with exceptions, John Hughey made motion to approve, Jack Montgomery second.

#### **IV Treasurer's Report**

- A. A summary was given by Ken Lindsay
- B. Accounts Receivables are \$3,960.00 with a current cash balance of \$31,517.88 no delinquent accounts. Accounts payable \$10,491.71\*, with available cash being \$30,3329.12
  - 1. The accounts payable reflect an amount of \*\$5,342.95 that is being deferred in the Ed Fiori's lawsuit. It is money that Ken believes the insurance GL should pay. Johnny Braniff is going resubmit the amended submission for consideration with the GL carrier for reimbursement minus the \$2,500 deductible on that policy. The HOAs out of pocket expenses for legal fees to date is about \$16,000.00. The lawsuit is over and settled.
- C. Tram Rehab project: Assessment \$138,875.00, funds spent to date \$119,756, unspent funds \$19,119.00-the tram is running
- D. Motion made by Caryn Arnim to approve the treasures report, Mikey Mobley second.
- E. Jack Montgomery brought up the fact that he understood the haul cables had been installed incorrectly and wondered if the company that installed them incorrectly, corrected at no charge. Ken Lindsey explained more than one thing was wrong with the tram car. Johnny expressed while they should have repaired at no charge, due to the time lapse of a year or longer, Liberty felt that they had no liability. Liberty also questioned the wrecks the tram experienced and the fact that they were not notified about that either. Johnny B. mentioned that Jeff Conroy noted that the lack of supervision on the replacement may have caused some confusion on original installation. Interstate offered at time of tram repair evaluation to assist with overseeing repairs, but at time were told their services were not needed. Mike Z. explained there are not many companies out there that we can call on. Jack explained we may have to "dance with the devil" if we need them. Johnny B. asked Jack M. if he was satisfied with the explanation about no reimbursement on haul cables. Jack M.-yes.
- F. Ken L. requested that the new board address unexpected unbudgeted fees; they are not extraordinary fees because they happen from time to time, but cost incurred for legal, water well failure, etc. He explained we had water well failure and replacement was \$8,300.00. Ken believes we may need to budget for such expenditures. Ken L. will prepare a list for the new board.

- G. Johnny B. mentioned that the fence around the pool was another unexpected expenditure and that Jack Montgomery had concerns that money was spent without notification. Jack M. noted he did not like coming down to island and seeing a new fence with consult. Johnny explained that the GL carrier came out for an inspection of the property and found that our pool was not meeting state and GL compliance. The pump house, tram areas and shop needed attention and compliance, as well. For the pool area they required several issues be resolved within a certain timeframe, such as, 5ft fence meeting state codes, locks on gates, more lighting, shepherd's hook placed low enough for a child to grab, life ring, and a telephone available for emergency calls. They also suggested bungee cording trash cans to fence in tram areas. The island had to spend dollars to comply with insurance. Compliance keeps the carrier happy and helps with the insuring of other areas such as tram and barge.
- H. Jack M. expressed he had no problem with the water well being repaired, but we needed to discuss nonemergency expenditures with homeowners. Jack would like there to be communication. Johnny agreed.
- I. Johnny suggested that everyone please keep checking on our new website [www.exoticisle.net](http://www.exoticisle.net) for island updates. The only areas that are password protected are the Island Directory and our Deed Restrictions. If homeowners would sign up for the RSS feed you will be notified via email every time something new is posted to the website. All members present were given the password for password protected areas.
- J. Ken L. wanted to make one more point for new homeowners; member dues are billed a month in advance according to bylaws and after 2 months penalties apply.
- K. Johnny B. asked jack M. if he had anymore comments. Ken asked if anyone had any questions, please call or email him. Mike Z. mentioned it looks like we spent \$29,000.00 more than we brought in. Wayne Hutto made mention that his name was not on the member receivables. Ken L. let him know that he had paid a year's dues in advance and he did not want his name on that list.

## **V Maintenance Report**

Brief summary given by Johnny Braniff-Kenny Warr was not in attendance.

B. Johnny thanked Caryn Arnim for being the boots on the ground, so to speak.

C. Tram:

Johnny B. asked Mike Z. to please explain the walking of the cables on the drum in the tram room. Mike explained that the drum's bearings were replaced and it was not a good job, therefore the cables now walk. Caryn Arnim also noted that Jeff Conroy noticed the drum may not be level due to ground shifting and guides will correct that Interstate is designing and manufacturing.

D. There was discussion about annual inspections. Jack M. & Caryn Arnim remember there use to be annual inspections; Mike Z. commented that haul and track cables were inspected for integrity.

Caryn mentioned one of the cables is frayed from running on angle iron. Jeff Conroy suggested keeping an eye on, but nothing to worry about. We will try to upload report to website.

E. Tram Car Report:

1. Manufactured and replaced damaged collars on tramcar due to wrecks
2. Haul Cables installed correctly under guidance of Interstate's Jeff Conroy and Liberty Tower

3. Cable Car spacer being designed by Interstate and will be installed per specs
4. Guides for Drum being designed by Interstate and will be installed per specs
5. Wire mesh installed on windows
6. Compliances signs ordered and installed
7. Light installed for night travel
8. Horn and flashing emergency light ordered-to be installed
9. Lights installed both landings for night access
10. To be completed
  - a) Treat and paint rust on towers
  - b) Install new spacers
  - c) Install new spreader bar
  - d) Replace tram car wheels with new material
  - e) Minor adjustment for bouncing sensation
  - f) Battery for new emergency alarm & light

Melinda Dorr asked if a lock will be put on tram gate on Selkirk side. Caryn A. explained yes, just waiting to make sure all homeowners have keys.

Johnny B. asked Cody Zabransky if he had the book for the key pads for the tram. Cody will look.

Johnny B. reminded all homeowners that our GL coverage requirements state that only homeowners and spouses are allowed to ride the tram. All others must be accompanied by one or the other. Please try to adhere to these requirements. If something happens, there will be an investigation and our pricing would go up. Right now everything is favorable; let's try to keep it like that.

Johnny B. mentioned there has been discussion about a wind sock being installed, but really not that reliable. Johnny B. asked if anyone had any ideas. Cody Z. mentioned he will check into a digital one. All agree we need one because winds are much stronger the higher you get.

Tram report was very favorable.

#### F. Barge & Inspection

Ken Lindsey explained the barge was inspected due to insurance requirements. An in the water inspection was performed and went quite well. All repairs were made as to recommendations and the barge was given a 15+ yr. life. Very good news.

Ken L. also explained that it is important when riding the barge that you either sit or hold onto railing. You never know when the barge may stop abruptly, safety first.

Johnny B. discussed that the operators of the barge must be approved by our GL carrier. A TDL along with SS number is needed to run a MVR. It was discussed that if you want to operate the barge, you need to have a good feel for navigating a large vessel. It is not easy to handle. Our cargo limit on the barge is \$50,000, Wayne Hutto suggested that we raise limit to at least \$100,000.00. The new board should look into this.

Mike Z. asked if there is an extra premium on our drivers. Johnny replied, currently no, our list is down, but if we have large numbers of drivers listed, that will be enforced. We will try to keep our drivers to a minimum and current.

Barge Report:

1. Navigation lights installed per regulations
2. Hatches all sealed and screwed down
3. Running boards on barge replaced
4. Ken Lindsey arranged marine barge inspection 15+ yrs. on barge life all repairs made to comply-rails welded, motor harness repaired, life rings replaced

#### G. Pool Area

All pool safety issues have been taken care of and we are in compliance with state and GL. Johnny B. thanked Wayne Hutto for his generous donation of the radio and sound system at the pool. Caryn A. reported on the paneling replacement in the bathroom area as well as rotten wood was replaced on the exterior and painting.

Johnny B. suggested that the new board entertain the idea of a Pool Maintenance Company helping with the pool maintenance. Currently pool expenditures are running \$4-5,000.00 per year. He presented a bid from PJ Longoria that would run \$2,500 per year, which would include weekly visits during high season and monthly visits during months of Nov/Dec/Jan/Feb. Not included in this bid are the chemicals needed to maintain proper water quality or replacement of equipment.

Polaris is now out of warranty and needs repair again. Johnny B. has offered to take in again for repairs.

Barbara Montgomery proposed we make motions on the items we think the new board should consider and discuss. Johnny B. explained Robert's Rules does not require us to do so; this board is just bringing up items we think should be entertained by the new board.

Johnny B. covered highlights of pool area renovation:

1. Pool house updated and repainted
2. All rotten wood replaced
3. Bathroom gutted and re-paneled |
4. Pool Furniture replaced 2 tables/8chairs/4chaises/2umbrellas/4cushions
5. Fence replaced to comply with GL and State of Texas requirements
6. Phone installed for emergency use
7. Compliance signs ordered and installed
8. Sand replaced in filter and baffles

## VI Old Business:

- A. Bulkhead Failure
  - 1. Greg B. will be starting repairs soon, as well as Sandy & Mando Badillo. The conveyance of the island property, lots 45-46 to the Badillos with the understanding they are to reimburse soils/engineering/permitting monies spent by the HOA as well as responsible for all taxes, maintenance and bulkhead repair of these lots. The members voted overwhelmingly to allow conveyance of said property. We did have 1 descending vote as well as 1 no response.
  - 2. Caryn A. mentioned the Badillos had no problem paying for fees incurred by the association. She also informed the members that the GLO is currently moving into the lower Colorado River area enforcing bulkhead failure and requiring permitting. We have recently applied for our tram and barge to be allowed to travel over and through the river. The GLO will be charging a fee for permitting.
  - 3. Caryn A. also explained that Greg & Chris Baxter have taken an interest in acquiring the property to the north of their out building down to the barge landing, which is 43 feet. There would be a 5 ft. of land that would remain "Island Property". The proposed 27 ft. wing wall for the barge landing would attach to this 5 ft. area for the barge to land safely on the island side. Details have to be worked out and the membership will be asked to vote on. This will be something for the "New Board" to explore.
- B. Ed Fiori lawsuit is settled. Johnny B. will notify everyone if and when the dollars spent have been recovered from the insurance carrier.
- C. The 2012-2013 board utilized electronic correspondence. Every motion made and passed is available for review. This board makes it clear that it is transparent. The electronic motions will be handed over to the "New Board" should anyone like to review.
- D. Motions & Correspondence topic review:
  - June 2012**
    - 1. Information gathered for HOA on bulkheads/engineering/design
    - 2. Actions taken to get pool back in swimming order
  - July**
    - 1. Tram closed due to haul cables jumping
    - 2. Mosquito fogger approved for purchase
    - 3. Motion passed to proceed with bulkhead permitting
    - 4. Submersible pump approved and replaced for water well
  - August**
    - 1. Board approved payment of water well invoices
    - 2. Island website approved and launched
    - 3. GL Insurance compliances were given to the board-board moved forward with pool/barn/pump house compliance
    - 4. Trailer insurance coverage dropped to \$5,000
    - 5. Pat O'Connell's bulkhead renovation/repair approved
  - September**
    - 1. Frank Dorr resigned from board
    - 2. Kenny Warr appointed maintenance director by Greg Arnim
    - 3. Board voted and approved deed restriction revise
    - 4. 911 addresses acquired for homeowners/pump house/pool house/EI entrance
    - 5. Phone installed in pool bathroom for 911

**October**

1. Caretaker trailer was taken to membership for vote to transfer to Vernon Weatherford/care taker. Membership voted unanimously
2. Board approved Pat O'Connell's replacement of siding with Hardy & paint color

**November**

1. Russell Abbott no longer employed by EIHOA
2. Vernon Weatherford hired fulltime care taker

**December**

1. Liberty Tower lifter counter weights and deemed tram unsafe
2. Board voted to call Interstate to remedy tram problems

**January**

1. STP given homeowners information to gain access to island

**February**

1. Started securing bids on fence
2. Board voted to approve Wayne Hutto's improvements

**March**

1. New fence approved by board and ordered
2. Permit phase for island bulkheads approved and paid for

**April**

1. Barge marine survey-repairs made
2. Board approve Porter's improvements
3. Board approved Baxter's bulkhead and boat design
4. Collars were manufactured and installed on tram

**May**

1. Repairs started on pool area

**June**

1. Board voted to replace X-mark engine
2. Pool fence installed
3. Pool furniture replaced

**July**

1. Barge harness/port railing repaired
2. Tram repaired under direction of Interstate's Jeff Conroy
3. Spreader bar & guide to be designed and manufactured by Interstate
4. Compliance signs for tram ordered

Melinda Dorr requested 911 address for Selkirk side. Caryn A. explained that it is listed on the top of the Directory List on the website. Ken L. inquired if we had a map of all 911 addresses. Caryn A. replied, yes.

Frank Dorr mad a motion not to review motions in detail, Alison Groth second.

**VII New Business:**

- A. Johnny B. suggested that the "New Board" entertain discussion of the following:

1. Road material for Selkirk parking area and Island ring Road.
2. Considerations given for a lawn maintenance crew to take over the mowing on the island

Johnny B. discussed the fact that 80-90% of the care takers job is mowing of the island. When barging islanders it is very difficult to complete on a weekly basis. This board is not making any recommendations, but has gotten quotes for lawn services. Johnny suggested that we would save on payroll and Jack M. noted that no matter, we need the services of a fulltime care taker. Johnny made note that the "New Board" can do a cost analysis in all areas, including fuel. Frank Door mentioned that it is ridiculous. Fuel costs are up due to tractor being used very little and mowers used more than necessary. Caryn A. mentioned that the tractor being used in the north common area was due to homeowners request because of septic nozzles. Frank disagreed and Jack M. informed him that it happens all the time when using tractor. Ken L. reminded everyone that the fuels costs were up due to barge usage while tram was out of service.

- B. Barbara M. questioned charges for the barge transporting vehicles. Caryn A. said no charges are applied currently for bringing your car over. Frank D. mentioned that now everyone bringing their cars over and they are everywhere. Caryn A. reminded the members that we now have a lot of new families on the island with small children and how difficult it is to load and unload. It does not hurt to bring a car to the island if you park it and not drive it around the island. Mikey M. mentioned he and his family do just that.

Jack M. reminded everyone that the reason we originally charged for vehicles on the barge was to keep from taking the care takers away from their job on the island. At one time workers and repairmen had to meet the care takers at a particular time and leave when they left for lunch or the end of the day. There was no running back and forth. Wayne H. mentioned he had no problem with going back to the \$20 fee, Barbara M. said \$15 or \$10 is fine. It would be a good thing to reinstate; it would keep barging load down and add money to the island kitty. Johnny B. reinforced that it is good to reinstate, but if tram is down no charges would be no charges. "New Board" can entertain.

- C. Johnny B. welcomed Vernon to the meeting and thanked him for a job well done. Members chimed in with their kudos for a job well done, as well. Vernon thanked Ms. Caryn for taking care of him and helping with things. Sometimes he doesn't know where to start and she helps. Johnny B. reiterated that Caryn is our "boots on the ground". Vernon also mentioned how much he cared for Mr. Hughey. The membership gave Vernon a round of applause for a job well done.
- D. Deed Restrictions will be wrapped up under the "New Board's" direction. We need to make sure that home site amendment and other amendments adopted by Carl Groth's board are recorded. Caryn A. will be working with the attorney to re-write/update/combine restrictions/amendments according to our current bylaws.
- E. Bulkhead dollars are not known at this time, the "New Board" must make sure that all members are aware of any and all expenses.

- F. Johnny B. asked Wayne H. to talk about south end erosion. Wayne explained large pieces are falling in river and once it does, it is lost. John Hughey wanted to know who cares. Mikey M. mentioned that with the GLO involvement that all bulkheads will have to be repaired. Frank D. wanted to know at whose expense; the land owners will have to repair bulkheaded areas. There were some questions about Huerta's bulkhead and if it would ever be repaired. Wayne H. mentioned Huerta asked him to send his bulkhead repairman to him. Frank D. expressed interest in fixing the south end up; put in a pier and a gazebo. Jack M. reminded membership to prioritize; our barge, tram, failed bulkheads and then move to south end. Everyone has a wish list, for years we have discussed a small vessel for island access, but needless to say, it will always be on the wrong side if you need it. Ken L. mentioned that a smaller vessel, 26 ft. or so would automatically be covered by GL, more economical. Small vessel should be added to the master plan for the island.
- G. Complaints should be directed to the board, not an individual board member or homeowner. There are better ways to communicate; pick up a phone, go on the message board.
- H. Raising of maintenance fees, they have not been raised in 10-12 years, but the cost of living has. The "New Board" needs to evaluate. We need a budget supportive of dues collected.
- I. Ring Road needs maintenance and materials to consider are concrete, asphalt and Mikey M. suggested washed rock, mulch was even discussed. Johnny B. suggested adding this to one of our wish list-prioritize.
- J. Caryn A. reminded everyone that STP requested the island's cooperation when using STP for island access. They have requested that travel through the plant not be after hours. Try and use between 8am-5pm. Also, make sure you clear your travels through Vernon or call STP.
- K. Caryn A. mentioned that the property that has the old proposed road to access CR521 is on the market and we might want to look into reclaiming the county road that passes through this property. Cody Z. expressed we would still have to access the STP plant, Mikey M. said, no we would not-just ranch land. Something for the "New Board" to check into.

Johnny B. thanked everyone for attending.

#### **VIII Adjournment:**

There being no further business to come before the meeting, the meeting was adjourned 1:03pm

Respectfully submitted,

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Caryn Arnim, Recording Secretary