

**FALL CREEK HOMEOWNERS ASSOCIATION, INC.**  
**BOARD OF DIRECTORS OPEN SESSION MEETING MINUTES**  
**May 2, 2014**

A meeting of the Board of Directors for Fall Creek Homeowners Association, Inc. was held on Friday, May 2, 2014 at 2:00pm at the Fall Creek Information Center located at 7930 Fall Creek Bend, Humble, TX 77396 pursuant to notice attached hereto as Exhibit "A".

**Board Members Present**

Rusty Campbell  
Fred Scibuola

**Members not in attendance**

*Jennifer Johnson*

**Guests in Attendance**

Michelle Barry, 7225 Commons Walk Ln  
Tim Taylor, 7303 Crescent Bridge Ln  
Charles Huete, 14803 Meridian Park Ln  
Shashi Malkani, 14319 Red Creek Cove Ln

**PCMI**

Sarah Hudson

**I. CALL TO ORDER:**

A quorum was established and Rusty Campbell called the meeting to order at 2:00 p.m.

**II. ADOPT AGENDA**

The agenda was adopted unanimously with a motion from Rusty Campbell and second by Fred Scibuola.

**III. ELECTION OF OFFICERS:**

1. The board elected the following members as officers of the Association, as per attached resolution hereto:

- i. Rusty Campbell - President
- ii. Jennifer Johnson - Vice President
- iii. Fred Scibuola - Secretary / Treasurer
  - a) Motion - Rusty Campbell
  - b) Second - Fred Scibuola

(1) Unanimous Approval

***RESOLVED***, the Officers are hereby elected by the Board of Directors per the attached resolution hereto.

**IV. SECRETARY REPORT - APPROVAL OF MINUTES:**

1. NOVEMBER 12, 2013 BOARD OF DIRECTORS MEETING MINUTES

- i. The board reviewed a draft of the meeting minutes from the November 12, 2013 Board of Directors Meeting.
    - a) Motion - Rusty Campbell
    - b) Second - Fred Scibuola
- (1) Unanimous approval

***RESOLVED***, the board approved the November 12, 2013 Board of Directors Meeting Minutes with a change to the 2014 Neighborhood Gated Fees in Item 6.4 of the minutes. The 2014 Neighborhood Gated Fees were set at \$700 per lot, reflecting no increase over the 2013 Neighborhood Assessment.

**V. TREASURER REPORT - FINANCIAL REPORT**

- 1. The board received the financial report for March 2014.
- 2. Current assets were reported as \$3,298,741.04 with \$2,929,425.46 held in operating and investment accounts, \$324,246.70 held in the reserve fund, and \$45,068.88 as an outstanding liability due to Fall Creek HOA from Fall Creek Foundation Services.
- 3. Fall Creek HOA Total YTD Income was reported at \$2,314,925.24.
- 4. Fall Creek HOA Total YTD expenses were reported at \$526,783.88.
- 5. Serrano Creek/Fairway Crossing Income Total YTD was reported at \$128,516.28.

6. Serrano Creek/Fairway Crossing Total YTD expenses were reported at \$13,318.27.
7. The Board requested to receive the financial statements for the Fall Creek Community Service Foundation within their Treasurer Report.

## **VI. MANAGEMENT REPORT**

1. The board reviewed the Action Item Report and provided updates on outstanding board action items.
  - i. The Board is waiting for final decision from Amber Wood at Fall Creek HOA / Board of Directors if Fall Creek HOA will install the wood fence along the rear setback of the neighborhood.
  - ii. PCMI will post information to [www.fallcreeklife.com](http://www.fallcreeklife.com) regarding the Architectural Control Committee and solicit interested/qualified candidates.
  - iii. The Board requested proposals from McKenna Contracting to construct a playground/park at the East Fall Creek recreation reserve near the lake on Fall Creek View.
  - iv. PCMI will gather initial information for clubhouse rental contracts to be reviewed by the Board.
  - v. Fred Scibuola met with Greater Houston Pool Management on April 29<sup>th</sup> to discuss the 2014 Pool Season expectations. He provided clarification on the schedule for Fall Creek Pool II.

### **Fall Creek Pool II**

May 24, 2014 – October 31, 2014

*Swim at your Own Risk 5am-10pm*

*Lifeguard Hours 4pm-8pm*

***Closed Tuesdays for Maintenance***

2. The Lifestyle Director reported the following past/future events:
  - i. Fall Creek Bunny Run 5k & Kids' 1 mile *Saturday, April 12 8am-12pm*
  - ii. Community Garage Sale *Saturday, April 26 7am-12pm*
  - iii. Music in May *Begins Friday, May 2 and continues every Friday evening 7pm-11pm in May*
  - iv. Splash Me Dash *Saturday, May 3 9am*

## **VII. HOMEOWNER CONCERNS**

1. The board approved to install a 'No Dog' sign at the tennis courts. Homeowners are not permitted to bring their dogs onto the tennis courts.
2. The board will consider closing off the pedestrian access to Fall Creek Elementary School from Stonebridge Creek Ln once the 2013/2014 school year has ended. This is due to an overwhelming safety concern of people parking on Stonebridge Creek Ln to pick up their children from school. This will no longer be an access point for children to be dropped off/picked up from school. The Board requested PCMI to obtain proposals to close off the gate opening.
3. PCMI will contact Centerpoint Energy to request a street light install at the end cul-de-sac of Mesa Rd. There is a concern of solicitors in this area. The sheriff officers are aware of the concern and are continuously monitoring the area. There is no guarantee that Centerpoint Energy can install a streetlight at this location, but the request will be submitted and reviewed.
4. The Board will review a list of 'Dog Rules' to post at the Dog Park behind Rustling Oaks. The rules, once approved, will be ordered and posted at all three entrances.
5. Concerns were presented pertaining to the house currently owned by the Association for assessment related matters. The Association is limited in the information it can disclose. The Association foreclosed on this property on January 5, 2010 due to non-payment of assessments. The Association is not required to release or allow inspection of any books and records involving the payment and/or nonpayment of amounts due to the Association by an owner. Based on the current circumstances involved with the property and the previous owner, this is the only information that can be provided to the members at this time regarding this property.

**VIII. UNFINISHED BUSINESS**

**1. 2014 PRELIMINARY BUDGET**

- i. A motion was made to approve the 2014 operating budget to include Fall Creek HOA, Serrano Creek, and Fairway Crossing operating budgets.

***RESOLVED, adopt the 2014 Budget, per the attached resolution hereto.***

**IX. NEW BUSINESS**

**1. The board ratified the following expenditures that occurred after the previous board meeting:**

- i. Marathon Fitness – Aeromat Club Rach - \$281.45 (3/3/14)
- ii. Shooter & Lindsay – clean up damage to trees from ice storm *proceed on a cost plus basis to clean* (3/5/14)
- iii. Harris County Sheriff's Department – Patrol Contract - \$191,856.00 (3/1/14-2/28/15)
- iv. Phone installation for Lifestyle Director office (3/27/14)
- v. JaniKing Cleaning Services – Contract Increase – New Price \$636.00/mo (\$150 increase) effective date 4/7/14
- vi. Daktronics Service Agreement (LED Board) - \$1,175/year – 3 year agreement (total cost \$3,525 plus tax) (4/13/14-4/12/17)
- vii. Shooter & Lindsay – Tree trimming/cleanup – Total cost \$975.00 (4/21/14)
- viii. GHPM – pool light repairs - \$600.00 (4/21/14)
- ix. GHPM – Whale painting Fall Creek I - \$1,200.00 (4/23/14)
- x. PCMI – Contract addendum adding on-site staff support - \$4,377.04/mo with 5% increase to base contract (5/1/14)

**2. The board unanimously approved the following contracts:**

- i. Cypress Creek Pest Control – Mosquito Spraying 05/01/14-10/31/14
  - a) \$204.75/week – spraying once per week
  - b) \$15.00/mo – manage TCEQ reporting
- ii. GHPM – Pool Maintenance Agreement
  - a) 2014 - \$155,537
  - b) 2015 - \$155,537
  - c) 2016 - \$160,202
  - d) **TOTAL 3 year = \$471,276**
- iii. Lake Management Services – Lake Maintenance 01/01/14 – 12/31/14
  - a) Water Crest/East Lake TOTAL = \$17,400
    - (1) Maintenance = \$13,200
    - (2) Chemicals/Repair/Labor = \$4,200
  - b) Serrano Creek TOTAL = \$6,750
    - (1) Maintenance = \$4,800
    - (2) Chemicals/Repair/Labor = \$1,950
  - c) Fairway Crossing TOTAL = \$11,450
    - (1) Maintenance = \$8,400
    - (2) Chemicals/Repair/Labor = \$3,050
- iv. Marathon Fitness – Fitness Room Preventative Maintenance Agreement 01/01/14-12/31/14
  - a) \$300/qtr

**3. The board reviewed and unanimously approved the following proposals:**

- i. Pressure Wash Monuments
  - a) Property Services
    - 42 Monuments
    - Re-letter 12 monuments
    - Bulk Cost = \$3,900 plus tax**
- ii. Electrical Repairs
  - a) Empire Electric
    - General lighting repairs around the community (tree lighting, monuments, etc.)
    - Approved with removal of the Ball Fields in the provided scope (Ball Fields / Sports Complex is handled by WCID 96)



**Total Cost NTE = \$3,446**

iii. Bench Installation

a) Shooter & Lindsay

Option 2 – Pour 3'x6' concrete pad, dowel into adjacent sidewalk and surface mount the bench to concrete pad = **\$1,837**

The Board requested how many benches would be installed in the park area.

4. The board reviewed proposals submitted by three CPAs to perform an audit of the Association financial records for year ending 2012 and 2013. The board presented two additional CPAs they would like to receive a proposal from. PCMI will gather the information, request a proposal and submit the information to the Board prior to the next scheduled board meeting. The requested services will also include applying for Tax Exemption under IRC Section 501(c)(4).
  5. The board unanimously approved to pay the final balance due on the ACB Loan in the amount of \$28,853.12 principal plus final interest accrued for the month of April/May.
  6. The board unanimously approved for PCMI to authorize Roberts Markel Weinberg Butler Hailey and Ferrer, Tu and Payne collection attorneys for the 2014 Assessment period to move forward with foreclosure proceedings for accounts with at least two full years of assessments outstanding.
  7. The board unanimously approved an expenditure limit of \$1500 for any emergency items or items affecting daily operations to be scheduled and processed by PCMI. PCMI will provide a recap at each board meeting of those expenses that occurred at or under the \$1500 limit.
  8. PCMI will begin depositing Architectural deposits required for applicable applications. Upon completion of the resident's architectural modification, the deposit will be refunded to the owner. The board authorized PCMI as signer on the deposit return checks in order to complete the disbursement request in a timely fashion.
  9. The board also authorized PCMI to sign on behalf of the board for any refund checks to be issued to residents (due to overpayment, and as requested by the owner) in order to complete the disbursement request in a timely fashion.
    - i. All check disbursements processed by PCMI will be provided to the board at their next scheduled board meetings for review.
  10. The board defined the following documents to be posted to the Document Library under [www.fallcreeklife.com](http://www.fallcreeklife.com).
    - i. Association recorded documents are required by the Texas Property Code.
    - ii. Association Forms (Architectural / Pool / Gate Registration / etc.)
    - iii. Year Ending Financial Report
    - iv. Annual Approved Operating Budget
    - v. Patrol Reports
    - vi. Approved Board Meeting Minutes
    - vii. Draft / Approved Annual Meeting Minutes
    - viii. Sports Complex Information
    - ix. Newsletters
- a) The board requested the information be grouped by year, and that moving forward all documents starting in 2014 will be posted in this manner. Documents in prior years that are currently on the website, or that can manageably be placed on the website, will be updated accordingly in the respective year.

A motion was made by Fred Scibuola and second by Rusty Campbell to enter executive session at 4:07 pm. Upon adjourning from executive session at 5:05 p.m. the board reported the following items which were decided or resolved during executive session.

**X. MAINTENANCE FEE COLLECTION STATUS UPDATE**

1. PCMI reported delinquency through May 1, 2014 in the amount of \$334,124.79.
2. The board reviewed waiver requests submitted by three homeowners and provided PCMI with their decision and approval on the waiver amounts.

3. The board reviewed delinquencies on old owner accounts. The board requested demand notices to be sent to builder accounts that recently transferred title over the last year (2013/2014). The board unanimously approved to waive the additional fees either due to foreclosure or balances over four years on the remaining old owner accounts.

**XI. DEED RESTRICTION ACTION ITEMS**

1. The board reviewed three accounts in violation of the deed restrictions. The board unanimously approved to send these accounts to the attorney for deed restriction legal pursuit.

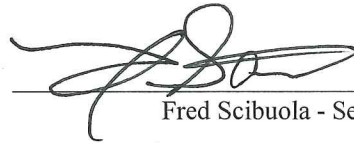
**XII. ARCHITECTURAL VARIANCE REQUEST**

1. The board reviewed an architectural variance request for a storage building. The board approved the material used for construction of the storage building and provided alternative locations where the storage building must be placed.

**ADJOURNMENT:**

The next scheduled Board Meeting is to be held on Tuesday, June 10, 2014 at 2pm at the Fall Creek Information Center located at 7930 Fall Creek Bend Humble, Texas 77396.

There being no further business to discuss, the meeting was adjourned at 5:05 p.m.

A handwritten signature in black ink, appearing to read 'Fred Scibuola', is written over a horizontal line.

Fred Scibuola - Secretary