

**BAY HOUSE COUNCIL OF CO-OWNERS, INC.
ANNUAL MEETING MINUTES
SATURDAY, SEPTEMBER 26, 2020**

The annual meeting was held at Drifters Resort in Rockport on Saturday, September 26, 2020.

Board President Noel Byrne established that there was a quorum and a motion was made to call the meeting to order by Becky Farnsworth, seconded by Burl Smith, vote was taken and passed unanimously. There was a total of 92 units represented, including proxies, with 60 people in attending in person and 43 people attending via Zoom.

DIRECTORS PRESENT: Noel Byrne, Shanna Starkey, Lynn Renaud, Tommy Stewart, Joe Ebrom, Dorothy Rhoades, Burl Smith, Becky VanderVort, Howard Stridde, Bill Stallings, Lizz Salmon, Gail McClanahan, Carol Anderson, Becky Farnsworth

DIRECTORS ABSENT: George Hite

GUESTS: Jim Patterson of White Oak Studios, Karl Hattman of Persona Solutions

Noel opened the meeting with introducing the Board and their spouses and welcoming our new owners: Robert & Linda Wills (1902), Hal & Jan Anderson (2002), Bill & Allyson Abide (2107), Joe, Jr. & Bernadette Sandlin (2407), Shaun & Robyn Blackmon (2504), Terry & Lisa Hect (2513), Earle & Nancy Bolks (2603), Paul & Bennett Dacy (2605), Bryan & Donna Fryer (2704).

In addition, we lost 2 of our owners who passed: Max Luther (#2602 – past President and Board member), Tom Miller (#2603 and Board member)

Noel then introduced the staff: Ed Naranjo, Property Manager, and Pam Garrett, Office Manager.

MINUTES

A motion was made to approve and accept the minutes of the annual meeting held on September 21, 2019 by Lynn Renaud, seconded by Lizz Salmon, vote was taken and passed unanimously.

FINANCIAL REPORT

Lynn Renaud presented the audit for 2019 - 2020. She stated that the purpose of an audit is to have a third independent person evaluate the numbers we give them. Lynn summarized the opinion of the auditor. She then reviewed the Statement of Revenue and Expenditures for FYE June 30, 2020. The Variance Report was reviewed next. She explained this is where they compare the actual numbers to the budget.

Lynn then presented the new budget for 2020 - 2021. She explained what items are in the operating portion of the budget and what items are in the major projects portion of the budget. For the Operating Account, we have budgeted \$361,100 income and \$368,775 expenses for a Net Ordinary Income of a loss in the amount of \$7,675. For the Major Projects, we have income of \$177,000 and estimated \$164,727 for expenses for a Net Other Income of \$12,252. Net Income Combined

budgets will be \$4, 577. Lynn then explained that we have some Capital Expenditures that are not technically expenses but we know we have to spend the money on them and went through the list. A question and answer period followed. A motion was made by Burl Smith to accept the financials as presented, seconded by Becky VanderVort, vote was taken and passed unanimously.

ELECTION OF NEW BOARD OF DIRECTORS

We have 3 openings for the Board of Directors to serve a 3 year term and 1 opening for a 1 year term due to the resignation of a Board member. Noel introduced the nominees running for the Board of Directors:

Becky Farnsworth – Unit #1501

Terry Hect – Unit #2513

Shaun Blackmon – Unit #2504

Lawson McDowell – Unit #2707 (running for one year term)

Carrie Quintanilla – Unit #1906 (running for one year term)

The results of the election were: Becky Farnsworth, Terry Hect, Shaun Blackmon, and Lawson McDowell for a one year term.

Website

Becky introduced Karl Hattman of Persona Solutions who has created our new website for Bay House Condos. Karl presented the new website and gave a tour of what it consists of and how to navigate through the website. A question and answer period follow.

Manager's Report

Ed reported on some of things that were done during the last year: Numbering & striping of parking lot; all fish cleaning stations are operational; exterior building lights are operational; addressing the problem of finding rotted wood that was painted over; Spectrum has finally finished with the internet; in the process of getting the front sprinklers working; will be re-working the pool lights; started painting the curbs this week. A question and answer period followed.

Landscape Architect Presentation

Noel introduced Jim Patterson of White Oak Studios, a professional landscape designer, to give us a master plan to help give us an idea of what Bay House could look like in the future. Jim presented a Power Point presentation of their vision for re-landscaping the complex. Jim's plan also included sidewalk/pathways, sitting/conversation areas, dog run, BBQ area, playing are for kids, pool fencing, enhance the entry, railings and steps for the decks. A question and answer period followed. The presentation, in its entirety, will be on the website.

Deck Committee

Dorothy presented information regarding the decks. Dorothy gave the history of the Deck Committee and the steps they have taken, up to this point, to be able to rebuild/replace the decks. Part of the deck project includes the erosion and drainage control under the decks. Dorothy reported that all 5 contractors that were bidding the project said that all decks needed to be

replaced. After reviewing all of the bids, including the ones that did not meet the deadline, the Board decided to continue negotiating with Guy Pfitzner, who did our bulkhead and piers/docks. The bids were comparable in price but Guy has proven to us the quality of his work and timelessness and has his own crew. Patio slabs were also discussed for those units that don't have decks. Dorothy explained the contract with Guy and when he can start once the contract is signed and his time line. At this point in time, we do not know how much money will be left from Roadrunner as they are still working on the property and therefore cannot come up with an actual assessment amount to replace the decks. Dorothy pointed out that there has not been an assessment placed on the owners for Hurricane Harvey destruction. Noel stated that the decks were not specifically related to Harvey and that is why they are not covered under the insurance as the wind did not lift the decks. A question and answer period followed.

Old Business

An owner brought up the subject of problems with Spectrum and their installation. Ed explained what the process is for getting the equipment and installation.

New Business

Lizz presented to Noel a plaque in appreciation for all of his hard work as President for the last 8 years, from the Board, Management and owners. Becky VanderVort, on behalf of the Board, as a permanent reminder for all Noel has done for us, presented him with a permanent brick with his and Theresa's names that will be placed on the walkway around the Rockport Blue Crab. Noel expressed his deep appreciation.

An owner brought up the subject of political signs on the property. Noel addressed this issue and stated on the advisement of counsel, an amendment was drafted in 2014 regarding signs, flags, etc. and passed by the owners. Counsel advised us not to get into the political aspect for fear of the First Amendment litigation that might happen.

Final Comments

If anyone has questions or suggestions for the complex, please let the Board know. They appreciate everyone's input.

There being no further business, a motion to adjourn was made by Joe Ebrom, seconded by Lizz Salmon, vote was taken and passed unanimously.

An Executive Session was then called with the new Board to elect officers and set meeting dates.

Respectfully submitted,

Pam Garrett
Secretary