

DRAFT FCRA Regular Board Meeting Minutes for Saturday, May 27th, 2017

Call to order: Joy Benetti, President

Quorum established. Board members present: Tony Benetti, Clay Holland, Joy Benetti, Eduardo Saldivar, Ricky Musquez, Daniel Pedroza, and Larry Woodruff. Not present: Kim Sturman and Heidi Mathewson.

Agenda approved: A report from Max Morgan on Ranch Equipment Maintenance was added to Committee reports. Ricky moved that the Agenda be approved as modified; Eduardo seconded. The Agenda was unanimously approved as modified.

Minutes from the March 18, 2017 meeting were read by Joy. Motion made by Eduardo to approve the minutes as read; seconded by Tony. Minutes were unanimously approved as read.

Officer and Committee Reports

President: Joy reported that, since the March 18 Board meeting, she has been helping the Water Operator (Dan Lawrence) address TCEQ Alleged Violations. Has also met with the Budget Committee to prepare the Proposed budget for fiscal year 2017-2018, worked on Newsletter content and started to prepare for the July 1st Annual Members Meeting. Has spent quite a bit of time reviewing the FCRA Building Plan and Septic Plan guidelines and diagrams to ensure they are in compliance with our Deed Restrictions and understandable to our owners. (Some of these topics appear later in New Business.)

Treasurer: Tony presented and briefly reviewed the May Financial report. (Copy attached to Minutes) Assistant Treasurer Debby Lawrence noted that approximately \$5,000 is owed in unpaid assessments, not including owners in severe arrears or with liens filed against them. Clay moved that the Treasurer's Report be approved as presented; Eduardo seconded. Report was unanimously approved.

Building Committee: Larry stated that, currently, everything appears to be going fine (with Building Plan and Septic Plan submissions). Updates to the plans that will be discussed under New Business will help in case owners are confused about the process. He and Javier (Construction Coordinator) work with owners to help them follow the guidelines. Biggest problem for owners seems to be finding their plot plan measurements – the outside dimensions of their lot or property – usually included with their closing documents when they purchase the property.

Equipment Maintenance: Max reported that the tractor is working fine. In the fall, the coolant and engine oil will need to be changed, and some additives for colder weather will be necessary. He has started a maintenance log.

Budget Committee: Proposed Budget for fiscal year 2017-2018 was prepared by Budget Committee. Handouts were distributed for review by Board members and owners. Explanation was given about how budget allocations were determined.; income and expenses from 2010 forward were reviewed and factored into the proposed budget. Questions about Office Expense and Water System categories having sufficient funds allocated to them were answered by Budget Committee members. Eduardo moved that the Proposed Budget be approved to present to the membership at the July 1st Annual Members meeting; Larry seconded. The Proposed Budget was approved unanimously. The Proposed Budget will be inserted into the May newsletter to give members ample time to review it before the Annual Members meeting.

Water System Report: Dan Lawrence, licensed water operator (owner & volunteer), reported on water usage in April (411,950 gallons, average 13,732 gal/day) and May (to date 385,000 gallons, average 14,811 gal/day). The usage is in line, historically, with the usage for April and May. He noted that January 2017 has been the only month where usage was higher than the historical normal.

Additionally, Dan gave updates on:

- Open alleged TCEQ violation from June 2015 re: driller's log. The violation is administrative in nature; FCRA water quality is not in question. When FCRA public water system was approved, the TNRCC waived the requirement of a driller's log. Our well was drilled many years ago and no log is available. Now TCEQ (formerly TNRCC) requires a driller's log, or filing for a Well Data Exception. Dan explained that filing the exception will involve testing of raw and treated water, and submission of other items to TCEQ.
- Preferred method for reporting water line breaks or low pressure. Dan emphasized the importance of notifying him or a Board member of any water line breaks or low pressure, rather than calling TCEQ in San Antonio or Austin. TCEQ expects us to maintain our public water system, so reporting a problem to Dan or a Board member speeds up the response to the issue at hand. A power outage affecting the entire ranch and surrounding areas will cause our pressure pumps to become inoperable during the outage. Pressure will need to rebuild once power is restored.
- A complaint filed by an owner regarding water line sizes, connections and pressure capacities brought about a comprehensive TCEQ investigation in April. The Water Oversight Committee (Dan Lawrence, Tony Benetti, Larry Woodruff and Joy Benetti) were present for the full-day investigation and provided all documentation requested by the investigator. The summary of the investigative findings is expected sometime in June or July.
- In response to questions about the age of the system's pressure pumps and ability to repair or replace them, Dan and J.W. Young indicated that FCRA has an extra motor and Jim Moss returned several repair kits, old pump heads and fittings. Fortunately, the pressure pumps are identical, so parts are interchangeable. Funds for other repairs are budgeted for in the 'Water System Maintenance' category.
- The Water Oversight Committee is working on compiling a binder outlining the water system operations and procedures, so current and future water operators and volunteers will have ready access to necessary information.

Motion made by Eduardo to approve the Water Operator's Report as given; Tony seconded. Report was unanimously approved.

New Business

Resignation of Heidi Mathewson: Heidi resigned from Board of Directors on May 23, 2017. She felt she was unable to give the time and devotion needed for the position due to her commitments at work and two other boards she serves on. FCRA Bylaw 2.11 authorizes the remaining Board of Directors to vote to elect a member to fill a vacancy on the Board. The duly-elected person completes the unexpired term of the member who resigned.

Debby Lawrence, current Assistant Treasurer, expressed interest in serving on the Board. She shared a little about herself and her time on the Ranch. Eduardo moved that Debby be elected to fill the vacancy created by Heidi's resignation; Daniel seconded. Motion was unanimously approved.

Assessment notices for Aug. 1, 2017 thru Jan. 31, 2018: Assessment notices will be mailed around June 20, 2017. Payments are due August 1st. If payment is not received by Aug. 31st, interest will be charged at a rate of 12% per year, compounded semi-annually from the date when due until paid. (*FCRA Bylaw Amendment Article IV Section 4.02 Late Payments*)

Members will be reminded of assessments in the upcoming newsletter.

Some discussion centered on possibly proposing an amendment to Section 4.02 Late Payments bylaw with the purpose of simplifying the interest calculation. It was suggested that those interested draft a proposal to the membership to be put into the upcoming newsletter, allowing the required 30-day notice.

Building & Septic Plan Submissions: The Building and Septic plan guidelines and diagrams were reviewed and clarified prior to today's meeting to standardize them, make them uniform and simplify them. New owners wanting to build on their lots, as well as existing owners wanting to add or change structures on their property, need to comply with FCRA Deed Restrictions, specifically Restrictions #3, #4, #5, #8, #10, and #17.

The guidelines and diagrams are in place to help owners understand and comply with the Deed Restrictions. All owners are members of the Frio Cielo Ranch Owners Association and are subject to the Modified Deed Restrictions of the Association.

These documents were reviewed, discussed, and approved by the Board:

- Frio Cielo Ranch Association Septic and Building Plan Submissions Requirements and Explanation (*Debby moved that the modified Building Plan Submissions Requirements and Explanation document be approved; Clay seconded. Motion unanimously passed.*)
- Septic System Guidelines and Septic System Diagram (*Clay moved that the Septic System guidelines be amended to permit owners to work directly with a registered septic designer and resubmitted to the Board for approval; Debby seconded. Motion unanimously passed.*)
- FCRA Building Plan Guidelines and Building Diagram (*Clay moved that the modified Building Plan Guidelines & Diagram be approved; Eduardo seconded. Motion unanimously passed.*)

A lengthy discussion included the following points:

- The guidelines and diagrams are intended to assist owners with their construction, and not to be obstacles.
- Javier Bustamante is the current Construction Coordinator, and is not a Board of Directors member. He volunteered to assist owners with their building and septic plan submissions, and the Board approved him for this volunteer position. His position is considered an extension of the Board of Directors as far as construction activities, and he does not approve/disapprove plans.
- The preferred method for submitting building/septic plans is to present them to Javier, who will verify they are complete and pass them along to Larry Woodruff, Board Liaison for Construction. Or, if owners are confident their plans are correct, they may submit them directly to the Board for approval. Whichever method the owner selects, the 30-day window for approval or disapproval begins on the date the owner submits the plans.
- Larry encouraged Board members to review the plans closely themselves and not “rubber stamp” them before approving/disapproving.
- As far as Septic plan submissions, the preferred process is to submit to the Board a Septic Diagram and copy of County issued septic permit prior to installation of the septic system. However, if owners work with a registered septic designer (such as Kassie Jetton) in Real or Uvalde counties, they may proceed to install their system and then provide the FCRA Board with a copy of permit and documentation that the respective County Health Department has inspected the system prior to covering it with dirt.

Volunteer Recognition: On behalf of FCRA, Joy thanked ALL volunteers who have generously given their time, talent or funds to better the Ranch. The incomplete list includes: Park and Bathhouse upkeep- Adam Nickels; Tree trimming- Max & Sylvia Morgan, Pat & Dan Lawrence, Ron Malott, Tony Benetti; road maintenance – Max Morgan, J.W. Young, Dan Lawrence, Dale Rutherford; Fence building – Javier & Blanca Bustamante, Pat Lawrence, Stan Peak, Sal Vela, Daniel Pedroza, Sergio Reyna, Andy Donovan and many more; S. Pasture fence repair – Javier Bustamante, Stan Peak, Tony Benetti, Ron Malott, Dan & Pat Lawrence, Joy Benetti; Mowing and shredding – Dan Lawrence, Dale Rutherford, J.W. Young.

Annual Members Meeting – July 1st: The May newsletter will contain information about election of Directors to the Board, a proxy form for those unable to be present, and the proposed budget for the next fiscal year.

The Board asked Ricky Musquez to oversee the purchase of meat for the Annual Picnic and asked him to be the grill-master, too. Ricky agreed to do so. Reminder that the Annual Picnic is a 'potluck' and that owners should bring enough of the food they contribute to cover the number of guests they bring. They were also reminded to bring their own tables, chairs, plates, utensils and beverages.

Blanca Bustamante is coordinating the games and entertainment, however owners who volunteer to organize games “own them” - the owner will be present to handle all aspects of the game, as well as provide trophies to the winner.

Next Board meeting: Following the Annual Members Meeting, the newly seated Board of Directors will meet for an Organizational meeting. They will elect officers and set meeting dates.

Adjournment: Eduardo moved to adjourn the meeting; Debby seconded. Motion was unanimously approved.