

Exotic Isle Homeowners Association

Board Meeting Minutes (12/19/2024)

Board members present:

- Greg Baxter
- Mike Zabransky
- Duncan McKeever

Quick recap

The EIHOA Board members discussed various financial matters, including property tax assessments, annual property tax, and the need to reduce lawn maintenance costs. They also explored options for improving transportation to and from the island, such as road access and tram repairs, and addressed legal issues like the Skipper lawsuit and Huerta's past due amounts. Lastly, they agreed to work together to improve the community's financial situation.

Next steps

- Greg to research and provide liability protection options for the tram through corporate entity concepts.
- Duncan to reach out to previous board members regarding road access progress and next steps.
- All board members to research options for dealing with Huerta's property situation. Duncan to verify with the previous board when the lien on Huerta's property was last updated.
- Duncan to follow up with Caryn after the holidays regarding past due member's account balance.
- Greg to provide a drawing for the Selkirk Docks project using Virtual Graft software.
- Duncan to request a drawing and material list from Machiceck for the Selkirk Docks project.
- Duncan to talk to Trey Wenzel about including a wing wall in the barge landing repair design.
- All board members to explore ways to reduce the \$60,000 annual lawn maintenance cost.

Summary

Financial Report and Cash Crunch Discussion

Mike inquired about a BOI document that needed to be filed, which Duncan agreed to look into. Duncan presented the financial year-to-date report, highlighting a large number for attorney fees and expenses related to the barge and tractor. He also noted a significant amount still owed on the new barge motor and the line of credit. Duncan mentioned that they currently have less than the amount of the assessment for the barge repair in the bank and are in a cash crunch. He also

mentioned a large accounts receivable and several prepaid accounts. Greg asked about the total line amount for the line of credit and the terms of the boat motor loan, which Duncan promised to provide more information on. The conversation ended with an open question about the immediate due date for the debt.

Property Tax Assessment and Reclassification

Duncan, Mike, and Greg discussed the property tax assessment for the Homeowners Association (HOA) owned property. They considered the possibility of reclassifying the lots to avoid them being reflected on the tax rolls, but Mike clarified that the original plot, as recorded in the courthouse, has not changed. Greg suggested looking into this further, considering the potential benefits of a replat for both tax purposes and identifying fire lanes. The team agreed to explore this issue further.

Community Financial Situation and Assessments

Greg, Mike, and Duncan discussed the financial situation of their community and also touched on the topic of assessments, with Greg recalling that the previous board decided to raise the monthly dues to cover shortfalls and avoid assessments. Duncan suggested that the community could potentially raise money by selling Hoa-owned lots once transportation issues were resolved. The team agreed to continue monitoring the financial situation and explore options to avoid future assessments.

Official Officer Positions and ARC

The meeting focused on setting official officer positions and appointing the Architectural Review Committee. Duncan proposed Mike Zabransky as president, Greg Baxter as vice president, and himself as treasurer. A motion was made and the board voted to approve the officer positions. The Architectural Review Committee was appointed with Bob Pitts, Jay Hughey, and Sam Skipper as members. The committee's first task will be finalizing community guidelines.

Selkirk Docks, HOA Lots, Barge Landing, and Water Storage Shed

A bid for Selkirk Docks was received from Machececk Marine for \$22,000, but it was suggested to get additional bids and create a drawing for the project. Greg was tasked with creating a drawing for the docks, and a bid from his dock builder was also requested.

The water storage shed was discussed and Duncan stated that Sam Skipper offered to have it cleaned and painted at his cost. The board agreed to move forward with this project.

The sale of Hoa-owned lots was brought up, with a current member interested in purchasing lots 62 and 63. The board is in favor of moving forward with negotiations for the sale. Duncan, Mike, and Greg further discussed the marketability of two lots owned by the HOA and the possibility of selling them. They agreed that the lots, which are only partially buildable, might not be highly marketable.

They also discussed the repair of the Island Side Barge landing, with Duncan suggesting that they proceed with the work under the reduced bid from Trey Wenzel and then hold an island vote to either redistribute any excess funds to members or credit them towards future dues and/or assessments. Greg suggested adding more wing walls to the barge landing to help divert erosion. Duncan agreed to discuss this with the contractor and request a drawing of the proposed work.

Tram Repair Bids and Liability

The board members discussed the need for tram repair and Greg stated his readiness to spearhead the effort. In the meeting, Greg further discussed a bid from a contractor he's working with to fix the tram towers which would cost around \$50,000. He also mentioned the possibility of having an electrical contractor fix the electrical aspects, but was unsure of the cost. Duncan suggested getting multiple bids for repairs and bids for a teardown, as well as exploring a corporate structure to mitigate liability. Mike emphasized the need for a cost estimate for dismantling the tram. The team agreed that before presenting any plans to the island for a vote, they needed to have multiple bids and a plan for liability mitigation. They also discussed the importance of improving transportation to and from the island, with the tram being a part of that solution.

Road Access and Previous Efforts

The board discusses options for road access to the island and agreed to research previous efforts in this regard. Greg suggests that attempts to get an easement from the nearby power plant are futile. The rancher's land that could provide access is leased from the city of Austin. Duncan will follow up with previous board members to understand the status of prior road access initiatives and report back. Overall, the group agrees that permanent road access is desirable but not an easy or imminent goal.

Discussing Lawn Maintenance Costs

Duncan initiated a discussion about the island's expenses, specifically focusing on lawn maintenance, which accounts for almost half of their annual budget at \$60,000. He proposed exploring ways to reduce this cost, considering the island's financial situation. Greg suggested cutting the island's grass less frequently or using a brush hog, and Mike suggested using a tractor-pulled mower. Greg also suggested just cutting a 5-10 foot area inside ring road and letting the rest grow naturally. They agreed to look into further ways to reduce the cost of lawn maintenance, with the understanding that the island's financial situation is a priority.

Addressing Community Issues and Finances

Duncan, Greg, and Mike discussed various issues concerning the community, including financial matters, communication with the previous board, and the need for transparency. They agreed to work together to address these issues and improve the community's financial situation. They also discussed the need for a more formal approach to board meetings and the use of AI for note-taking.

The team agreed to continue their communication and to schedule the next board meeting as needed.