

Minutes
Special Board of Director's Meeting
Nantucket Preservation Association, Inc.
August 27, 2001

(Unofficial version of minutes edited to remove reference to individuals, in some instances.
Home owners can obtain official minutes by written request to the Secretary)

Present: Gerald Atmar, Bill Harris, Penny Holmes, David Reed, and Pam Rosynek.

Meeting Called to Order: 6:05

Roll Call Certifying Proxies: All Present

Proof of Notice or Waiver of Notice: Confirmed by Presence.

Minutes: N/A

Report of Committees: N/A

Election of Directors: N/A

Unfinished Business: This is a special meeting requested by a Board member concerning the "discussion on action to take on the issue of the \$16,523.10 spent by the Developer for payment of taxes on the Park and Lake Land of Nantucket Subdivision, and allow Developer to make statements concerning this expenditure for an official record."

Board member said he talked unofficially with an attorney for insight and guidance. The attorney pointed out two factors. The first is authority as President of the Nantucket Preservation Association (NPA) to take financial actions. The second is fiduciary responsibility and the appropriateness of this action as a budget item. Board member suggested looking into sharing the cost and check the approved board meeting minutes. A discussion ensued concerning how the taxes were paid. It was not clear if the taxes were paid yearly out of the homeowner's budget or if Developer reimbursed Development Company before turning over the association to the homeowners. A discussion followed concerning a proposal that the NPA be reimbursed for half of the taxes paid.

Board member suggested the mechanics for conducting the meeting when Developer arrives at 6:30. Different procedures were discussed and it may be necessary to rescind or modify the previous motion.

Developer arrived and Board member explained that we "disremember" the reason for the homeowners paying the property taxes on the common areas. Developer explained that she was concerned that the property owners would not take over the management of the association especially after the third attempt to convert failed. She felt that the taxes should be paid by the home owners, since they used the facilities. Developer felt that she would be left running the property owners association. She consulted a lawyer of her decision to do this. She thought this

action was done in January, 2000. Developer's company paid the taxes and then taxes were paid back to Develop's company from Nantucket Preservation Association.

Developer felt apprehensive concerning the ownership and upkeep of the common areas. She felt that the taxes were from the property owners. It was their lake and park and it was especially designed for the property owners.

Board member said that he felt it was a shared benefit. He said that he felt Developer benefited from a marketing standpoint with increased ability to sell lots on the lake and increased value of those lots. Developer stated that there were many choices and decisions made. Board member asked if she received legal counsel from a lawyer on this matter. Developer stated that she told lawyer of her plans.

Board member made a motion to recess the meeting at 6:55. Board member seconded the motion. Motion passed. Developer gave Board members the Indemnity Agreement for the Deed and Special Warranty Deed. The Deed transference may be a moot point, dependent on our decision concerning the reimbursement of taxes. Various duties transpired as bills and receipts being exchanged for necessary payment. A map was requested from Developer by home owner for another homeowner. Board member said that she had a map used previously for tallying the annexation votes. The survey costs (Metes and Bounds) for the common area were noted:

July 26, 2001	\$1,714.31
August 13, 2001	\$ 661.00

Developer also agreed to continue to manage Nantucket through September 2001. She stated that letters to the property owners were sent. Board member talked about dog bite complaints. One homeowner had two children bitten by her neighbor's dog. The problem was referred to a Board member and will be discussed at the big homeowner's association meeting. Developer left.

Executive Session was called back to order at 7:12. A Board member moved to rescind the motion described in the Special Meeting agenda. A Board member seconded the motion. The motion carried. A Board member stated that she felt it was a fair and equitable settlement not to pursue tax payment for the gift of the common areas. After discussion the Board decided not to pursue any action concerning the reimbursement of taxes on the common areas of Nantucket. We will receive clear deed and title at no cost except the possible sharing of survey costs. Board member moved to adjourn the meeting. Board member seconded the motion. Motion passed. The meeting adjourned at 7:24

SPECIAL MEETING

A special meeting was called by the President of the Board at 7:33 requesting a decision concerning property management. President said that WTA Management said they would bid on the management of Nantucket, but has not made further contact. Prudential/Brazosland has a firm bid with discussion of a list of duties. The third company, Century 21/Beal no longer does property management. A discussion ensued concerning presentation of a management company contract at the homeowners association meeting. The Board agreed to allow President to have the authority to award the bid. It was suggested that the bid be given to Prudential/Brazosland for their consideration and confirmation and follow-up with a contract for 1 year or their verbal commitment. This contract would begin October 1, 2001. The contract would be discussed with the homeowners at the September meeting. A Board member moved to close the meeting. Board member seconded the motion. The motion passed. The meeting adjourned at 7:40.