



Lakecliff POA 2021 Annual Meeting – January 22, 2022

Location: One Church in Spicewood

When: 10:00 AM CT in Person and Zoom

Opening – Call to Order, Certification of Quorum, Approval of Q3 Board Meeting Minutes, Q4 Financials

- Meeting Called to Order by Mike Lange
- Certification of Quorum was announced by Mike and Celeste
- Attendees were:
 - Mike Lange– POA Board President
 - Laura Riddle – POA Board and Finance Lead
 - Al Bishop – POA Board at Large
 - Dan Wittner – POA Board Secretary
 - Celeste Schulz – Goodwin - Zoom
 - Antonio Sanchez – Goodwin - Zoom
 - Steve James – ACC Committee Chair
 - Doyle Wilson
 - Barrett Wilson
 - Jerry Shelby
 - Bob Randle
 - Cindy Randle
 - Mark Stephany
 - Susan Stephany
 - Dicky Laney
 - Donna Laney
 - Paul Giangarra
 - David Longoria
 - Scott Walters
 - Gordon Roberts
 - Janice Walker
 - Joe Murphy – Zoom
 - Jeanette Murphy - Zoon
 - Kim Franceschini - Zoom
 - Bill Butin – Zoom
 - Paul Riddle – Zoom
 - Kim Roper – Zoom
 - Amber Mackel – Zoom
 - Curtis Wilson – Zoom
 - Mary Beth Kenis – Zoom
 - Sally Stiles – Zoom
 - Nancy Prevost – Zoom



- The Agenda was shared with the people in the room and on Zoom and the Board proceeded
- Q3 meeting minutes Approval – Dan motioned to approve, Laura seconded and Board Approved
- Laura presented Q4 financials
- Balance sheet for December reviewed and is in good position to support Reserves
- Laura walked through other key components of the financials
- Laura went into the allocation of reserves with Dan walking through the slide
- Concern was raised on current funds and expenses expected
- Board will be managing expenses to ensure we stay within our budget
- Mike mentioned the intent is not to have any special assessments

Reserves v. Expenses
12.31.2021

Total Cash end of 12/2021 **\$306,784.30**

Reserves	2021	2022	Total Anticipated Reserves in 2022	Anticipated Expenses	B/W	Notes
Streets/Roads	\$ 166,898	\$ 69,287	\$ 236,185	\$ 200,000	\$ 36,185	We anticipate this to be pushed to 2023 expense. Costs include sealing and minor repairs. If more significant repairs are required, this could go up to ~\$400,000
Fence Painting/Maintenance	\$ 12,700	\$ 5,000	\$ 17,700	\$ 25,000	\$ (7,300)	Painting is \$19,600 and repairs to posts are projected at \$20,000
Landscaping	\$ 29,925	\$ 5,000	\$ 34,925	\$ 20,000	\$ 14,925	Tree/Plants replacement
Guard House/Mailbox	\$ 10,000	\$ 2,500	\$ 12,500	\$ 20,000	\$ (7,500)	Update to bathroom and painting of Guard House and mailbox
Irrigation	\$ 47,850	\$ 5,000	\$ 52,850	\$ 30,000	\$ 22,850	Overage on water costs v. revenue as well as installation of pipes to complete irrigation to entire community
Security	\$ 18,190	\$ 2,500	\$ 20,690	\$ 80,000	\$ (59,310)	This cost is projected based on the proposals to enhance our security
Totals	\$ 285,563	\$ 89,287	\$ 374,850	\$ 375,000	\$ (150)	

- Dan motioned to approve the financials with Mike seconding – Approved by the Board

2021 Year in Review – Mike Lange

Welcome to Lakecliff

ALLEN, DUANE & LISA

ANDERS, NOAH & CHASSIE

ARUMUGARATNAM, KAVITHA

ATKINS, RICHARD & PAM

BATRA, RAMAN (RON) & SARIKA

BUTIN, WILLIAM & LINDA

CHAVA, SRIDHAR

CHERNOSKY, MARVIN & DEBBIE

DACUS, DAVID & DEBBIE

DACUS, TAYLOR

DAVIS, FRANK

DOBBINS, MARK & LAURA

FRIESWYK, MICHAEL & LILI

GALLANT, ALLAN & VIVIAN

GLORIA JIN CHUAN

GRAHAM, KENT & BEVERLY

HAWKES, ROGER & SHARON

HENSON, MATTHEW & LOCKE, CAITLIN

KOROCK, STEVEN & MELINDA

KURRA, SUREKHA

LAVENDER, JIM & JULIE

LIVENGOOD, JEFF & TIFFANY

LOPEZ, ROBERTO GIL & SUSANA SANTA CRUZ POLANCO DE LEON

LYNCH, MICHELE ROGERSON

MACHADO, MARCOS A. & ADRIANA S

MADHAVI, KHANIJO KADALI

MAHRER, WILLIAM L

MCCLURE, DARRIS & SANDY

MCCORMICK, NANCY

MCFARLAND, MJ

MCHUGH, DENNIS & KIMBERLY

NELSON, MICHAEL & MEGHAN

PATE, J MARC & DEBBIE

SETTY, VANDANA & RAMESH, NAGENDRA SOMASETTY

SHANMUGAM, NATHAN PAZHAMALAI & SAUDI, MEGHANA SURESH

VERDON, STUART & DEBBIE

WADDELL, STEPHEN & REBECCA

WALLACE, IRA & SHARON ELAINE

WALTHER, SCOTT & JULIE

WILLINGHAM, STEVE & LINDSEY

WILSON, CURTIS & EVA

WILSON, DOYLE





- Mike Welcomed all the new POA members joining in 2021
- These new POA members represent 87 unique lots in Lakecliff
- As is evident, a lot has been going on and we would like to share multiple highlights
- Change of property owner mix from investors to builders – Substantial increase in lot owners wanting to build and Demographic Changes
- Property values increasing significantly due to multiple factors
- Amended CCRs voted on and implemented in January 2021
- Board changes – Dan Wittner was not challenged for his seat and was elected to the Board
- New State Laws compliance
- ACC Committee reconstituted and a new consultant was hired to support the growth
- Conflict of Interest Policy voted on and enacted
- New Website and Welcome Packets for the POA
- Sustainability of the Community Reviews
- ***Begun 5 Year Planning process***
- ***Firewise***
- ***Roads***
- ***Cottage painting and landscaping redone***
- ***Fence repairs approved and in process***
- ***Irrigation Water Workshops – Infrastructure and costs***
- ***Security Workshops – Modernizing our Security to meet the growth***
- ***Drinking Water and Sewage – Aqua Texas and LCRA***

Firewise Update

- Mike lead this section
- POA Board instituted the Firewise standard in early Q4 2021 to protect Lakecliff from potential wild fires
- POA Board has conducted a Firewise Workshop review on January 18th with
 - Alex Bregenzer Texas A&M Program Coordinator
 - Clarence Bidy Arborist w/ Bartlett Tree Experts
 - Peggy Strong
 - Steve James
 - Matt Moore
- Post the review, the POA Board has determined that
 - “The Firewise program is a recognition process for communities based around a framework of voluntary criteria”
 - Based on the learnings, a new set of guidelines will be issued
 - The commitment to Firewise is a worthy goal to protect our community

Roads Update – *Previously shared at Q3 2021 Board Meeting*

- Mike Led this section
- POA Board met with Loan Star Paving – Jim Ramming

- Examined all roads
- Determined Base is Good
- Board determined that due to condition of streets and amount of construction, we will postpone any road work to 2023
- At this time, we have ~\$166,000 in reserves for road work
- Anticipated costs are \$120,000 for sealing only (without any repairs) to \$400,000 based on work required
- Additional reserves to be applied in 2022

Cottages Landscaping and Painting

- Mike led this Section
- Mike shared that the CCR's require the POA to maintain the Cottages as well as everything in Section 11
- This includes mowing, irrigation, landscaping and keeping the paint in good order
- The POA worked with the Cottage Owners on a massive plan to redo the landscaping and painting for all cottages
- The redo was paid in part by the Owners with the POA paying for the landscaping on POA property
- The results have been very good
- It was mentioned that all of the Villas that Doyle Wilson is building will also follow the framework and be maintained by the POA





Fence Painting

- Mike opened this section with explaining that the POA owns the fences and must maintain those
- Dan showed multiple pictures from around the community the before and after the painting
- POA members were encouraged to look at the work as it has really dressed-up the community
- Dan presented the following previously at the Q3 and is incorporating for clarity on why the POA is responsible for fencing
 - Governing Documents – Ownership and Maintenance
 - Article 1, 20 – Definition of Fencing
 - Article 2, Section 2.7 (c) – Maintenance of Fence
 - *Subdivision Fence maintenance and repair shall be the responsibility of the Association. The Association reserves a permanent maintenance easement ten feet (10”) in width (or to the subdivision line) on each side of the fence.*

Irrigation – Previously Provided in Q3 Board Meeting

- Questions in previous POA Board Meeting regarding the cost of irrigation water
- POA has done a preliminary review of our current cost structure and compared this to like communities
- Current Cost
 - LGC charges POA \$2.65 per 1000 gallons of water
 - LGC charges \$800 per month for pump maintenance
 - Rocky charges \$380 per month for meter reading
 - POA charges homeowners using water \$4.20 per 1000 gallons of water
 - Year to date – POA has generated revenue of \$50,000 with a net loss of ~\$5000
 - POA has been advised LCRA rates are increasing as of 1/2022 and LGC will pass through additional expense of \$0.18 per 1000 gallons
 - We have future expenses for maintenance of pipes and installation of new pipes not previously installed
- BCL Irrigation Costs
 - \$70 per month per home/lot owner (everyone pays) – **Doyle Wilson mentioned that this was not correct and that only people connected pay – Board will verify and make adjustments**
 - \$1.70 per 1000 gallons of water
- Comparison of BCL and Lakecliff Homeowners
 - YTD Cost of Irrigation Water to residents of Lakecliff is ~\$50,000
 - If Lakecliff went to the BCL model, the cost to the residents would increase to ~\$161,000
 - Primary drivers are everyone pays a flat \$70 per month per lot
 - Many of Lakecliff residents would incur a significant burden in the BCL model



- Comparison of Spanish Oaks/Rough Hollow and Lakecliff Homeowners
 - Cost of water would increase dramatically as usage of in-home water and irrigation water would drive prices into the upper zones of pricing
 - Based on YTD average usage by homeowners at an average of 400,000 gallons per month not including in-home water, prices would jump to an average of ~\$10.37 per 1000 gallons or average cost would go from today at ~\$1708 per year to ~\$4100 per year
- Irrigation Committee Workshop was held in November to review costs and discuss next steps
- Next Steps
 - Meet with Lakecliff Golf Club in May 2022 to review pricing

Security – Previously Reviewed in Q3 Board Meeting

- Dan presented with Al Bishop the Security Portion
- They emphasized that the community was Polled by the POA Board and that ~60% of the POA Members voted to have security
- The Board has been working to determine the best path
 - Guards at Front Gate
 - Greeters with enhanced technology solution and Professional remote Monitoring
 - Leverage modern technology and Remote services
- The POA Board has consulted with residents that are previous law enforcement
- The Board thanked Linda McAdoo and Barrett Wilson for their support
- The Board has been focusing on what is right for Lakecliff as these options have a significant impact on costs
 - BCL spends ~\$350,000 per year on Security
 - Spanish Oaks spends ~\$450,000 per year on Security
- As Lakecliff is smaller, the Board has been evaluating options based on
 - Cost
 - Flexibility
 - Ability to allocate costs
 - A solution that can modernize Lakecliff
- Held multiple Security Committee Workshops for all POA Members to attend to discuss options
- Had security company onsite to review options 2 times
- Recommendation is to move forward
- In Contract Negotiations with Allied Universal now
- Finalizing camera configuration to ensure key vulnerable spots are covered and monitored by remote guards



Aqua Texas Meeting – Previously Shared in Q3 Board Meeting

- Attendees
 - Bob Laughman – President Aqua Texas
 - Scot Foltz – Manager of Compliance
 - Mike Lange
 - Steve James
 - Laurie Chapman
 - David Chapman
 - Dan Wittner
- Focus of meeting was the viability of Lakecliff for drinking water and sewer
- Dan explained that the POA Board had sent multiple questions ahead of time to Aqua Texas to ensure they were able to address at the meeting
- The key findings
 - Aqua Texas has adequate water for 1200 connections
 - They are not expected to support Thomas Ranch or the Hines Projects
 - Aqua Texas has built a new water treatment plant in BCL that is fed from their Firm contract with LCRA from Lake Travis
 - Issue is that this will only work down to 620' in Lake Travis
 - This will supplement our 3 good producing wells that Lakecliff has
 - The water will be load balanced real time for the optimal use of water across both communities
 - Pictures were shared of the new water treatment facility in BCL
 - Aqua Texas is also building a new sewage treatment plant in BCL
 - A water quality report was shared
 - It was clear that the water quality is well within all quality measures
 - The report is in the presentation that was shared
 - Central Texas Water Coalition was mentioned and the need for our support
 - CTWC is a champion for all of us in how we use the Highland Lakes to ensure long term water viability
 - Mike mentioned that we should all support this

LCRA Customer Meeting – Previously Shared at Q3 Board Meeting

- David Chapman attended a customer meeting and provided Lakecliff the presentation that LCRA gave
- Key points
 - Warmer/milder Winter
 - Rainfall has been below normal
 - Although our area is not considered in a drought, areas all around us are and can affect the lake system
 - The utility lakes are at almost the same levels as last year
 - Usage of water has declined 18% year over year



Vote on Consolidated CCRs

- Mike stated that we had significant turn-out for the voting – 70.1% voted – 141 total votes
- The Board used a new technology that was recommended to us called VOTE HOA Now
- The intent of moving to a more modern solution was to make it easier, more transparent and auditable
- The vote came in at 130 For, 5 Nos and 6 Abstained
- Resolution failed as we need 134 votes to approve
- We will continue to work on 3 separate CCR documents

ACC – Steve James Presented the ACC Update

- Steve opened by sharing the Mission of the ACC



- Steve gave a status update
 - 15 Homes/Villas under construction
 - Expect 12-15 Homes to start in 2022
 - Good feedback on new Construction Consultant
 - Improving processes to help expedite construction
- Steve continued with an update on the new ACC Rules Document and its Purpose
- **Board Vision for Lakecliff**
 - “An Exclusive, Private Lakefront Neighborhood with Strong Building Standards, Attractive Landscaping and limited Traffic in a Quiet Setting in the Texas Hill Country”



- **ACC Actions to Support Vision**
 - Maintain a design environment consistent with iconic nature of the Hill Country
 - Encourage architectural designs that work with our unique lots and encourage preservation on our native plants/trees
 - Maintain diversity in architectural design
 - Preserve the private and quiet nature of our community
- **Purpose**
 - Replace Multiple Construction Documents
 - Includes information that has been recently implemented by POA Board
 - Clarify Questions Often Asked By Homeowners/Builders
 - Simplify the Building Approval/Process
 - Add Some Improvements to maintain Beauty of Lakecliff
 - Adjust Building Fee Structure
 - Implement a Fee Structure for violations to Improve Compliance
- **Highlights**
 - Suggestions for Exterior Home Design to complement the Lakecliff Vision
 - Dark Skies and Firewise guidelines
 - How to use our Construction Consultant throughout the building process
 - When the ACC should be involved in your project
 - Vetting of Builders new to Lakecliff
 - Increased focus on landscaping design
 - New Fees for non-compliance during the building process
- Steve mentioned that they have had Workshops to get feedback as well as they have received inputs from people on changes they would suggest
- Steve mentioned that the language in the current version was a bit tough and they are making changes to soften the language and incorporate feedback

5 Year Planning Framework

- Mike began by saying that this is an initiative by the Board to begin planning for community in light of the exciting changes that are happening
- Mike continued with the vision
- Our Community aspires to be a World Class community that provides the very best
 - Home construction governed by architectural standards
 - Amenities that enhance the quality of lives for the residents
 - Infrastructure that is long term sustainable
 - Culture that is warm and friendly
 - Financially stable and self-sufficient
 - Governance that is transparent, fair, accountable, caring, actionable and focused for the good of the community
- Dan continued in walking through the key elements of a World Class Community

Lakecliff Life – A World Class Experience



53

- Dan walked through the above illustration of all the things that impact the quality of life in Lakecliff
- Dan showed the real connections between all the amenities that are going to critical to the lifestyle in Lakecliff
- Dan went though what were important to a World Class Community

Elements of a World Class Community

- A mixture of beautiful homes that reflect quality and the essence of the Hill Country
- Beautiful entryway to the community that reflects the elements of the community
- Roads that reflect quality
- Landscaping that creates continuity through-out the community
- Modern Security solution that is easy to use and provides the highest level of security for the community
- Amenities that cater to all residents



55



- Dan then discussed the Amenities that will add real value to the Community
 - Golf
 - Tennis
 - Swimming
 - Lake Access
 - Fishing
 - Gathering Places
 - Dark Sky Lighting at the Intersections to provide security at night for walking and ease of finding our homes
 - Nationally Ranked Schools – MF ISD
- Dan mentioned that the Board will begin having Workshops beginning in March and every quarter thereafter to discuss the Boards focus for Amenities, Events and what the Board can do better to serve

Homeowner Forum

- Doyle Wilson addressed the group to say that as the largest lot owner in Lakecliff he wanted the POA to reconsider the fee structures for building to be more proportional. The fees should equate to the cost
- **Mike thanked Doyle for the feedback and said the Board would take into consideration**
- Gordon asked about the lighting to see if it would be at the street intersection
- **Dan said yes**
- Jerry asked about the Diaz property and the fountains at the front gate
- **Mike responded and let him know that we are doing a lot of research at this time and the Board is addressing**
- Paul Giangarra asked if BCL and Lakecliff were coordinating security efforts as this was important to all of us
- Barrett Wilson mentioned that BCL was going to move to the Security solution we have chosen and this would be more feasible
- **Dan said that at this time we are not coordinating but would take into consideration**
- Gordon asked about giving out stickers for residents to apply to cars and golf carts
- **Dan said we would look into**
- David Longoria asked about the Bull Rock dust staining the asphalt during construction and asked what we can do
- **Mike said this was part of the fees to address post construction**
- Barrett Wilson brought up the issue that the ACC had denied Doyle Wilson, Cynthia Kanter and his request to add fencing at the Villas and their Cottages. He provided commentary on the Security Document and a document to the Board with his concerns
- **Mike said that Barrett should follow the process that was established which was to formally submit an appeal to the Board**
- No further questions were raised
- Mike called to Adjourn
- Meeting ended at 12:15 PM CT