

**La Casa del Sol Council of Co-Owners
Board of Directors Meeting
July 1, 2020
18757 S. Highway 377, Cresson, TX**

Call to Order:

President Jim Vannatta called the meeting to order at 1:00 p.m. All Board members were in attendance including Vice President Steve Gandy, Treasurer Dennis York, Secretary Candy Lamel (attending by phone) and Directors Gaylen Cox, Bud Lowack and Jerry Cigainero. In recognition of COVID-19 concerns, all attending in person wore masks.

Approval of Minutes from the Meeting of January 9, 2020:

After review of minutes submitted by then Secretary Gaylen Cox, a motion to approve them was made by Dennis York, seconded by Jerry Cigainero, and all voted to approve those minutes for filing and posting to the website.

Financial Report:

The Financial Report was prepared and distributed to the Board members by Treasurer Dennis York. Total Income through June was about \$342 thousand (\$53 thousand less than Budget), Total Expenses were \$318 thousand (\$8 thousand higher than planned), netting a Total Operating Income of \$24 thousand so far this year (\$61 thousand below what was budgeted for June year-to-date). Maintenance fee revenues were \$24 thousand below Budget, partially offset by IP fees and Other Income about \$13 thousand higher than planned, and Hurricane Insurance reimbursements have lagged by \$42 thousand, so Total Income was about \$53 thousand below the year-to date Budget. Total Operating Expenses were about \$8 thousand higher than anticipated, due mostly to un-budgeted Stucco and Soffit repairs needed and approved by the Board. Although the Covid-19 virus was expected to hit us hard financially, roughly 2/3 of our variance from Budget is related to delays in insurance reimbursements, and that issue is being aggressively worked in hopes of resolution soon. Steve Gandy moved to accept the Financial Report, Gaylen Cox seconded the motion, and the Board voted unanimously to approve.

Resort Report:

Steve Gandy, Vice President, provided his usual detailed report on the operations of the resort.

As in most years, we had low occupancy in January and February. Reservations for March, April and May were coming in as usual until the “shelter in place” order closed everything down in March. We were back to full occupancy by the end of May, with no vacancies through July and August is filling fast. The new complex next door is going up quickly and has caused a few issues for our resort.

Resort Report (continued):

We had a COVID-19 scare based on reports that 3 housekeepers may have been in contact with someone who tested positive for the virus. We later learned that most tested negative or the persons with whom they came in contact are negative. Steve has instructed the office personnel to take additional precautions, including keeping the door locked at all times, posting a sign to notify guests they must wear a mask, have their temperature taken and practice social distancing to enter the office and they need to call the office for whatever they need and the staff is to place anything needed on a table outside the office for the guest to pick up rather than entering the office.

Construction began on the downspout replacement on 1/27 and Dry Valley Construction completed that work in about 10 days – there have been no reports of leakage in spite of substantial rains in the spring. The soffits on the parking lot end of the complex have been repaired and new vents and parking lot LED lighting were installed. Blowing sand from the Aruba Bay construction has caused a large amount of sand to drift into the parking lot and the pool; their project manager agreed to clean the pool and has done so when it's been needed and they installed plastic on their side of the fence which has reduced the amount of sand coming onto our property.

Reports of theft, mostly of personal possessions, and other unauthorized trespassing (like fishing and having parties at the resort by people who are not registered) have made it more critical than ever that we erect a fence to cut down on most of this unauthorized access. Our numerous "No Trespassing" signs seem to have no effect, the police would not arrest unwelcome visitors, and the surveillance recordings seem to show that the late night crashers know exactly what to do and what to look for. A new 7 foot security fence, extending across the breezeway from the office to Unit 113, will be constructed within the next 2-3 weeks. The gate will be locked and require an access code to open. The code will be changed weekly, the registered guests will be told to NOT give it out to anyone, and if they have visitors coming they must meet them at the gate for entry.

Numerous repairs and replacements were made over the past few months and the list was supplied by Steve in his report. Nothing else major is planned at this time; however, Steve reported that the spa attached to the pool has a leak, requiring the pool filter to be backwashed daily, and the hot tub went down this past weekend. Repairs have been ordered and should be completed this week.

One issue we had last week was 5 boats trying to dock at our docks. We specify that only 2 boat trailers can park in the parking lot, but we really have only 4 spaces for boats to be tied up at the docks even when owners/guests make other arrangements for parking their boat trailers; thus, we need to have a discussion and make a decision about how to manage the total boat issue going forward.

Dennis York made a motion to accept the Resort Report, Candy Lamel seconded the motion and all voted in the affirmative.

Status of Insurance Collections:

Dennis York reported that David Lee is still awaiting a document from the roofer to submit to TWIA to get the scupper and downspout repairs included as part of our Hurricane Harvey damages. He noted also that TWIA is being sued for nonpayment on claims so we need to get this resolved as soon as possible. Jim Vannatta said he will find out from David what document is needed and he will contact the roofer to be sure he provides it (action item for Jim).

Rusted Metal on East end of both Buildings:

Jim Vannatta reported on the repairs needed and provided photos of the damage. His estimate is that these repairs should cost less than those made previously since they don't include the downspouts and scuffers. Patches and painting were done to the façade by Board members and our Maintenance crew prior to Hurricane Harvey, but we knew then that a more permanent fix would be needed eventually. Dennis York made a motion to approve spending of up to \$25 thousand to have these repairs made, with Jim to negotiate a final price with the contractor. This work will include the 2 long sides of both buildings plus the east ends (parking lot side) of the metal roof façade. Steve Gandy seconded the motion and the motion carried with 5 votes in the affirmative and 2 opposed. The opposition votes (by Steve Cigainero and Bud Lowack) were about concerns about spending our cash reserves at this time, and without a firm quote from the vendor. We are not touching any of our restricted cash reserves, and Jim Vannatta assured them he will get a firm quote and provide it to the Board before going forward with a contract (action item for Jim).

Other Business:

Boats Issue: after a lengthy discussion, Jim asked for agreement to limit reservations to 4 boats only at the docks, and the reservations office is to notify any owners in excess of 4, that they will not be able to tie up at our docks, even if they do make other arrangements for parking and putting in. The motion was made by Candy Lamel, seconded by Gaylen Cox and the motion carried unanimously.

Parking Issue: after a lengthy discussion, a motion was made by Steve Gandy, seconded by Candy Lamel, that *no more than* two parking passes may be given out per room, and that if 2 are requested, the both vehicles must be registered at check-in. Guests will be told that any car parked in our lot without a parking pass will be towed. Any unregistered day visitors will need to park elsewhere and walk here and meet the owner/guest at the entry gate for admission to the property. The motion passed 6 to 1, with the opposing vote by Bud Lowack, who would prefer only one parking pass issued per room. Those voting in the affirmative said this is a first step at controlling unwelcome visitors and that between the gated fence and having unregistered vehicles towed, we will be able to cut down on unauthorized visitors and theft at the resort.

Who will be at the Resort When?

Steve Gandy: July 10 – July 17

But Lowack: the last week of August

Next Meeting: The next Board meeting was set for Wednesday, August 5th at 1:00 pm.

Adjournment: This meeting was adjourned at 2:28 pm and was followed by an Executive Session.

Respectfully submitted by Secretary Candy Lamel

Approved for filing and distribution on July 1, 2020