

Mustang Beach UNIT II Property Owners Association, Inc.

Annual Meeting

March 4, 2017

10:30 AM

Meeting Room

Island Hotel

2607 Highway 361

Port Aransas, TX 78373

Minutes

Business Meeting Was called to order by President Hugh Lancaster at 10:30.

1. Establish quorum; There were 11.5 properties present and 15 by Proxy for a total of 26.5.
2. Introduction of Board and Officers
 - a. Board: Hugh Lancaster, Cara Goldsbury (not present), Joe Bream, Bob Bucheck, Laurens Fish
 - b. Officers: President Hugh Lancaster, Vice President Cara Goldsbury (not present), Secretary/Treasurer Joe Bream.
3. Approval of the Minutes of the March 5, 2016 annual meeting. (A copy of the minutes are available on our web site www.mustangbeach2.org)

Motion to approve last year's Minutes made by Tom Triesh, seconded by Bob Maxwell. Motion was approved.
4. Reports:
 - a. President Hugh Lancaster: Nothing new to report.
 - b. Treasurer Joe Bream: Financial Report for the ten months ending January 31, 2017, provided. The end of your report will be posted on the Association's web site in April.
 - c. Architectural Control Tom Triesch: No activity to report
 - d. Beautification Solvej Lancaster: There was a general discussion on activities. No action taken.
 - e. Bulkhead Repair Joe Bream: No bulkhead repair this year to date do to scheduling.
 - f. Dock and Decks Joe Bream:

During a recent inspection of bulkheads throughout the subdivision, twenty-two properties were found to be in apparent violation of the prohibition in the Association's Restrictions and Limitations against attaching docks, decks and stairs to the bulkhead. A search of the Association's records did not reveal any written consent approving such attachments as required by the Association's Restrictions and Limitations. Since it probably would not be advisable to remove the attachments just for the sake of removing them because that could create cracks or other openings for moisture intrusion and accelerate the deterioration of the

bulkhead, the Board, in consultation with the Associations attorney, resolved the:

- A) The existing properties with attachments to the bulkheads are here by accepted as having gone through the approval process as outlined in the Association's Restrictions and Limitations
- B) Going forward the Association will not permit any attachments to the bulkhead
- C) When repairs are performed on the bulkhead that requires any existing attachments to be removed to gain access to the bulkhead, or major maintenance is required on the dock, deck or stairs, the replacement dock, deck, or stairs will not be permitted to be attached to the bulkhead.

5. Business:

- a. Budget: Mowing fees will increase by \$50.00 to \$500.00/lot the for six vacant lots. Homeowner fee will remain at \$130.00/lot. The bulkhead will remain at \$5.00 per plated linier foot.

Proposed Budget for 1 April 2017 – 31 March 2018

	<u>Operations</u>	<u>Bulkheads</u>
Assessment for Maintenance Fund		21,608.04
Dues	7,410.00	
Interest income	12.00	
Transfer From Reserves		4,263.86
Lawn Care Assessment	<u>3,000.00</u>	
Total Income	10,422.00	25,871.90
Expense		
Account Manager	1,800.00	
Bank Service Charges	40.00	
Bulkhead Repair		25,870.00
Insurance	951.00	
Meeting	120.00	
Landscaping	450.00	
Legal and Professional Fees	150.00	
Lot Lawn Care	3,000.00	
Postage and Delivery	55.00	
Repairs and Maintenance	310.00	
Supplies and Materials	100.00	
Utilities	<u>760.00</u>	
Total Expense	<u>7,736.00</u>	<u>25,870.00</u>
Net Income	<u>2,686.00</u>	<u>1.90</u>

Motion to approve annual budget for the period April 1, 2017 to March 31, 2018 as presented made by Bob Buchek, seconded by Hugh Lancaster. Motion was approved.

- b. Election Two New Board Members (Hugh Lancaster and Joe Bream) are the incumbents')

- i. Nominations

- 1) Hugh Lancaster
 - 2) Joe Bream

Motion to approve the election of two Directors for the period April 1, 2017 to March 31, 2019 was made by Linda Triesch, seconded by Diane Stout. Motion was approved.

- c. Appointment of committee members

- i. Architectural Control:

- 1) Robert Goldsbury
 - 2) Tom Triesch

- ii. Beautification:

- 1) Solvej Lancaster
 - 2) Mary Jo Branscomb
 - 3) Linda Triesch,

Other Business From the Floor

- d. Texas State Senate Bill No. 451

This bill would prevent city and county governments from imposing an outright ban on short-term rentals in areas zoned R-1 (single family residential only). Property Owner Association are exempt, therefore this law, if enacted, would not apply to our Association since our Restrictions and Limitations (Par 1.1) specifically states:

“All lots within the subdivision shall be used for single-family residential purposes only and for no other purpose”.

This, however lead to a discussion of what the limitations are on property owners leasing their property. After some research, City of Port Aransas zoning prohibit short term rentals in areas zoned as R-1. Short term rentals is defined as any rental less than 30 days. The question then came up of sub-leasing. The membership present at this meeting agreed that it should be prohibited. Based on this:

A motion was made by Joe Bream to prohibit sub-leasing of property in the Association. Seconded by Tom Triesch. Motion was approved.

**Based on the above, short-term leases (Less than 30 Days) are not permitted.
Further, sub-leases are not permitted.**

6. Adjourn

There being no other business, the meeting was adjourned at 11:00.

Respectively submitted;

Joe Bream

Secretary/Treasurer