

Bay Tree Lakes

Property Owners Association

Special Meeting Called January 26, 2013

A Special Meeting of the Property Owners Association was conducted in the Clubhouse on January 26, 2013 at 10:25 am in accordance with Article III, Section 3 of the By-Laws of the Bay Tree Lakes Property Owners Association. It was determined a quorum was present. (435.5 Class "A"+ 435.5 Class "B" = 870 total x 60% = 522 needed to make quorum. There were 685 present.)

President Brenda Cherry welcomed everyone with recognition to Mr. Weese for his birthday today and a special thanks to Mr. J. Rideout and Mr. C. Cain for having the room set up, the Bay Tree Women's Association for providing the snacks and Ms. Tish Herrmann for her work getting all the ballots ready and issued.

There were a couple announcements to be made one by Mr. Bob Latham, who was out on a fire call and one by Mr. Jon Hosking. Mr. Hosking stated that he is taking over as Team Leader and is restarting the Community Emergency Response Team, (CERT). There will be a meeting on February 7th at 6:00pm till 7:30pm where a National Weather Service representative will be speaking. There will be training approximately 4 times per year to improve skills and Jon request that residents please consider joining.

President Cherry apologized for starting late and proceeded to introduce the board members and the guest attorneys, Mr. Morgan Mehler, representing the Property Owners Association and Mr. Cliff Hester, representing Lake Creek Corporation. She then explained the purpose of the meeting was to resolve three major issues that had arisen after the annual meeting last April. First, the vote that was taken on the pool, second the vote that was taken on the assessment on the roads and finally, third taking a vote to change the language of the covenants. President Cherry then turned the meeting over to Mr. Morgan Mehler.

A question was raised as to the legality of the special meeting notice letter regarding the detail of same. Mr. Mehler confirmed that the notice was an appropriate legal notice of the special meeting.

Mr. Mehler explained that it had been brought to the boards' attention that the prior votes were not legal. He explained that Lake Creek Corporation had not voted their Class "B" votes so as not to control the vote. The Corporation had not voted their Class "B" in past votes on the pool or the roads; therefore they were not a legal vote. A second issue was that the results were majority rules, Article 5 doesn't require and majority it requires $\frac{3}{4}$ of the vote.

Mr. Cliff Hester explained that it was the Corporation's intent to give the authority of

governing to the property owners to govern themselves. They understand that they can control all matters but felt that they should relinquish authority to the body. The Corporation didn't cast their Class "B" votes to allow homeowners to control decisions.

A copy of the proposed changes to the language in ARTICLE V and ARTICLE VII was handed out for review by the members. A number of questions were brought up and much discussion. Some felt that the corporation still had too much control. Mr. Hester stated that the Corporation is making a concession and that this is a first step. Mr. Charles Atkinson pointed out that we can't have a legal meeting without the corporation and that this will change that, so it's a win for the property owners. (See attachment A)

Mr. Morgan Mehler then recommended that we vote at this time. There were another group of questions regarding the pool. President Cherry explained that the criteria was the same as last April. She reviewed the pool parameters, size and at a cost of less than \$15.00 per month per property owner. Then the pool committee is to gather the information and present it to the board for review. If the criteria cannot be met then the pool will not move forward. (See attachment B)

The voting took place with Mr. Morgan Mehler counting the votes, Mr. George Starke and President Brenda Cherry verified the counts. Mr. Morgan reiterated that it would take 75% of the 685 votes in the room to pass or 514 votes. The results were as follows:

Pool Vote

**540 FOR
140 AGAINST
1 ABSTENTION**

Road Vote

**613 FOR
69 AGAINST
1 ABSTENTION**

Covenants

**653 FOR
32 AGAINST**

At approximately 12:45pm. after the final vote for the covenants was collected President Cherry announced that the meeting was officially over. She thanked everyone for coming and welcomed any who wished to stay for the final count. She also invited everyone to attend the monthly POA meetings that take place on the 2nd Thursday of each month.

Mick Robeson
Secretary,
Bay Tree Lakes
POA Board of Directors

Attachment A
ARTICLE V

Formatted: Font: 18 pt

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 3. Basis and Maximum Annual Assessments. The annual assessments shall not more than Ten Dollars (\$10.00) per month for each lot, Type 'A' Family Unit and Type 'B' Family Unit unless a higher annual assessment is approved by **a simple majority (greater than fifty (50) percent)**~~three-fourths (3/4)~~ of the vote of those present in person or by proxy, **and also voting**, at the annual meeting or at a special meeting at which a quorum is present. The owner of one or more Type 'A' Family Units or Type 'B' Family Units who also owns the lot upon which said one or more Type 'A' Family Units or Type 'B' Family Units are located shall pay one assessment for each Unit but shall not be assessed for the lot upon which the Units are located. Notwithstanding any other provisions of this paragraph, the Board of Directors may increase the annual assessment each year by five (5) percent of the maximum, authorized assessment for the preceding year unless ~~three-fourths 3/4~~ **a simple majority (greater than fifty (50) percent)** of the vote of those present in person or by proxy, **and also voting**, at the annual meeting at which a quorum is present votes against said increase or votes to increase said annual assessment by a greater amount or to decrease the annual assessment. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year at a lesser amount, but such action shall not constitute a waiver by the Association of its right to revert to the full assessment for the remaining year or years of the then current period fixed as provided in the preceding paragraph.

Section 4. Special Assessments for Improvements and Additions. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy special assessments, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto or addition to the Common Properties, provided that any such assessment shall have the assent of ~~three-quarters~~ **a simple majority (greater than fifty (50) percent)** ~~(3/4)~~ of the vote of those present in person or by proxy, **and also voting**, at a duly called meeting at which a quorum is present, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 6. Quorum for Any Action Authorized. The presence at the meeting of members or of proxies, entitled to cast ~~sixty-twenty (2060)~~ percent of the total **Class "A"** vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at a meeting called in accordance with requirements set forth in Section 4 of this Article, the meeting shall be adjourned and without further notice automatically reconvene at the same time and place exactly two weeks hence. At such reconvened meeting ~~fifteenfifty (1550)~~ percent of the total **Class "A"** vote of the membership, present in person or by proxy, shall constitute a quorum.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Duration and Amendments. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Corporation, or the owner of any land subject to this Declaration their respective legal representatives, heirs, successors, and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which title said covenants shall be automatically extended for successive periods of ten (10) years unless three-fourths (3/4) of the vote of those present in person or by proxy, **and also voting**, at the annual meeting at which a quorum is present approves a change in the covenants and restrictions. The covenants may be amended at any time if three-fourths (3/4) of the vote of those present in person or by proxy, **and also voting**, at a duly called meeting of the Association at which a quorum is present approves the change. Provided, however, that no such agreement to change shall be effective unless made and recorded sixty (60) days in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every owner of a lot, Type 'A' Family Unit or Type 'B' Family Unit and the Corporation at least thirty (30) days in advance of any action taken.

Pool Project Background

- April 14, 2012 --- Pool Committee Mandate: Contracts and budgets in final form and consistent with the following parameters:
 - Swimming Pool of 3,500 to 4,000 +/- SF
 - Swimming Pool deck area of 6,000 to 8,000 +/- SF
 - Shelter and basic facilities of 1,000 to 1,500 +/- SF
 - Total monthly cost per Property Owner not greater than \$15.00 / month / property owner.

- ***With confirmation that contracts, loan and budgets are consistent with the above parameters, POA Board will approve and execute as necessary to begin project as soon as practicable.***