

**DAVIS MOUNTAINS PROPERTY OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MONTHLY MEETING MINUTES
APRIL 12, 2014**

President Jeff Fisher called the meeting to order at 2:10 PM. A quorum was established and posting of the agenda was verified. All Board members were present; President Jeff Fisher, V.P. Steve Barr, Treasurer Joe Rowe, Secretary Phyllis Arp, Harold "Toby" Barker, Rick Draheim, Marti Fellers, Sandra Holzheuser, Terry Segura and Jeff Smith.

President Fisher led the Pledge of Allegiance and Pastor Lloyd Low gave the Invocation.

President Fisher announced that some items would be for Board discussion only, and asked that everyone stay on point.

Phyllis Arp read the minutes of the March 8, 2014 Monthly Board Meeting. (Marti Fellers noted needed corrections on the footer dates on pages 2 and 3.) Fellers made the motion to approve the Minutes with corrections. Motion carried with Steve Barr abstaining [he was not present at the March meeting].

Joe Rowe gave the Treasurer's Report. (Rowe said he again had the folder containing all the invoices and bills if anyone had any questions. Sandra Holzheuser had numerous questions [including about time sheets, work logs and a number of checks]. Rowe provided records to Holzheuser for review as requested. Holzheuser asked why Steve Barr got two checks. Rowe said one check had been voided due to an error. Steve Barr responded about the electric bill stating that the baseboard heaters in the community center are being turned up and doors left open. Holzheuser asked if there were work logs and Rowe answered, "Yes." Barr said the logs are not attached to the time sheets and Rowe explained a supervisor's role concerning an employee's work log and timesheet approval. Rowe, Fisher and Barr further explained details to Terry Segura, specifically citing the Road Committee Chair and Road Maintenance Operator. Segura reviewed timesheets and thanked Rowe, Fisher and Barr for explaining the procedures. Marti Fellers asked about Van Horn vs. our normal suppliers and Rowe explained the need and related details. Holzheuser asked to review Richard Baker's bill [for attorney's fees], and asked if all the charges would be reimbursed. Rowe said, "They already have been." Segura asked about the Legal Fund and Rowe explained the fund and said it's like a savings account.) Jeff Smith made the motion to, "approve the Treasurer's Report and pay the bills." (President Fisher went on record saying that this is the first time any Board member has asked to see receipts and those records were provided for review. So when this motion passes they will be stored as historical documents.) Motion carried with Sandra Holzheuser opposing.

Joe Rowe addressed the item, Review and consider changes to billing procedures. (Rowe explained a prior Board vote concerning assessments and the posting of accrued interest, which he stated is problematic in relation to the annual meeting mailing.) Rowe made the motion "we post the interest on July 1st of every year on all past due accounts and discontinue sending statements with the notice of our annual meeting." (Marti Fellers asked about postage costs and Rowe agreed with Fellers' reference to redundant mailing. Toby Barker commented on assessments in relation to the annual election. Sandra Holzheuser asked how we ever started posting interest before it's due. Rowe said it appeared to start in 2005.) Motion carried unanimously.

Joe Rowe addressed the item, Report on professional review of records (Deb Lagarde assisted Patty Roach in reviewing account cards and accounts receivables. Roach intends to be finished and present her report to the Board at the May Board Meeting). No action necessary.

Joe Rowe gave the Resolution Committee Report. (Rowe thanked committee members Marti Fellers and Rick Draheim; 12 of 22 property owners have paid their assessments and two have partially paid. Approx. \$8,000 of \$15,000 has been collected. 10 property owners of 14 lots remain delinquent). Marti moved to have our attorney send foreclosure letters. (Sandra Holzheuser asked about the first step taken. Rowe explained the timeline and details, and told Holzheuser she had been on the committee [the year before]. Rowe also responded to Holzheuser's question about related attorney's fees by confirming that costs had always been recovered on assessment collections and foreclosures.) Motion carried unanimously.

Steve Barr gave the Road Committee Report. (Barr also detailed equipment repairs and cited the age of the bulldozer. Terry Segura asked about the cost of replacing the bulldozer. Barr called upon Ken McCloud who said a used dozer could cost \$95,000-\$120,000 and a new one would run \$145,000-\$150,000. McCloud also answered Segura concerning the dozer's longevity, "likely 15 more years if properly maintained." Sandra Holzheuser asked why the road was worked so close to Dyer's fence. Barr said Jim Dyer [and Johnny Wofford] said it would be a benefit to get rid of the Mesquite trees. Barr also explained our need for binder material which is available in that area. Holzheuser asked Barr if we were going to clean up the "mess" on the side of the road. Barr confirmed, "no" and that the trees were not our property. Questions were asked from the floor about the use of caliche. There was further discussion, including cost and need for water.) No action taken.

Jeff Fisher addressed the item, Nominate a new Road Committee member and he nominated Richard Brevard. Joe Rowe made the motion to approve the nomination. (Sandra Holzheuser asked if Brevard had any experience. Steve Barr confirmed Brevard is a civil engineer. Holzheuser said, "That means nothing. What do we have that needs a civil engineer?" Holzheuser said she appreciated the fact Brevard is an engineer but she questioned if any of our other property owners had been asked if they'd like to volunteer to be on the committee. Fisher answered yes. There was further discussion.) Motion passed unanimously.

President Fisher addressed the item, Review letter from Bill Weinacht concerning brush. (Fisher read the letter which concerns using the brush pile for Weinacht's property located just outside of DMR [Weinacht also owns property in DMR]. The letter also cited the VFD and a firebreak. Marti Fellers suggested Weinacht talk with the Fire Chief and Fire Marshall. Phyllis Arp agreed and cited limited brush pile area and resources. Joe Rowe concurred and commented on a few other details, including using brush for erosion control. Rick Draheim said, "We just do not have the physical capacity to handle the amount of brush on land outside Resort property." Jeff Smith, Fellers and Steve Barr agreed. There was further discussion.) Joe Rowe made the motion "we postpone until we consult with our Fire Chief and he with the Fire Marshall." Motion carried unanimously.

Assistant Fire Chief Rick Collins gave the DMR VFD Report; copy of report on file. No action necessary.

Meeting recessed at 4:05 p.m. and reconvened at 4:22 p.m.

Joe Rowe gave the Legal Report. (Rowe filed the affidavit of non-redemption on Cause #2400 and will write the letter to remove the trailer. Jeff Fisher and Rowe went to Commissioners' Court on Cause #2389, obtained and filed all necessary documents and funds have been received [\$12,552.25 from Richard Baker via Kirk Meade]. Rowe confirmed the case is now closed.) No action necessary.

President Fisher addressed the item, Review legal opinions concerning access to corporate books and records. Fisher gave the chair to V.P. Steve Barr and took the floor. (Fisher said this agenda item is for Board discussion only. Fisher stated that the Board unanimously approved a record production and

copying policy on April 13, 2013; which follows a law established in January, 2012. Fisher read the Policy which is filed of record in Jeff Davis County. Fisher said because Sandra Holzheuser has taken the position the Policy does not apply to Board members, he'd sought legal counsel from Richard Baker [a copy of Baker's 9/12/13 legal brief was provided to each Board member]. Fisher said that at the September 2013 Board meeting he gave the Board the opportunity to go into Executive Session to review and discuss Baker's brief, and "no one asked to see the brief." [He also said Baker is undefeated at defending the DMPOA and Baker was voted in as our attorney years ago by the Board, which had included Holzheuser.] Fisher read from the meeting minutes of September and November 2013 and from February and March 2014 concerning Holzheuser's related agenda items. Fisher then read Richard Baker's 7-page legal brief, dated September 12, 2013; Robert E. Steele's 1-page legal brief, dated January 16, 2014 [obtained by Holzheuser]; and Baker's 8-page brief, dated April 11, 2014 which is in response to and "in strong disagreement" with Steele's brief. Fisher pointed out that Steele addressed only one statute and an Attorney General opinion which were prior to new statute.

Jeff Fisher made the motion "The DMPOA Board of Directors continue to follow the Policy established on April 13, 2013 and the decision and executive action taken and set forth by me, Jeff Fisher, on September 12, 2013, to follow the April action based on Richard Baker's brief to me as President of the DMPOA concerning the DMPOA's Record Production and Copying Policy and Texas Property Code 209.005." (Sandra Holzheuser said this whole thing has been completely and totally blown out of proportion. Holzheuser said, "My whole concern was that DMPOA was paying bills that they owed. That's all." Holzheuser made further statements related to accessing timesheets and bills. Jeff Smith commented on Holzheuser's legal opinion and it's reference to potential court costs and legal fees. Smith stated he didn't think we had overreacted, we were only responding. Smith also made statements concerning misinformation, destructiveness and derisiveness. President Fisher called for point of order. Phyllis Arp agreed with Jeff Smith and said this issue has been going on for a year. Arp then presented two past examples of what she considers as inappropriate access to office files. President Fisher called for point of order. Arp said, "If we allow to go on what I know has gone on in that office, we will, as an Association, have ourselves in a major sling." Rick Draheim said he "applauds Sandra's efforts to perform due diligence by looking at samples of invoices before she approves the bills." Smith said he didn't think anyone on the Board would disagree. There was further discussion. Joe Rowe made statements concerning his dislike of a number of laws but explained laws the DMPOA must follow. Holzheuser said she agreed with Joe, and she said to Jeff Smith that she "never, ever threatened to sue the DMPOA." Holzheuser said she just wants to see the bills and this was the first time they were available. President Fisher confirmed that the Treasurer has had a file of all monthly receipts available at every meeting, every month, for years, and that Holzheuser had not asked to review anything. Fisher also pointed out that all Board members are to be given the same review privilege at the same time. Toby Barker agreed that there are laws but said that the issue could have been made clearer earlier for better understanding. Fisher responded and there was further discussion. Jeff Smith commented on the trust we should have in our elected officers and committee chairs. Marti Fellers agreed with Smith and clarified review procedures. There were questions and comments from the floor [Lloyd Low, Gary Freeman, Sam House, Toi Fisher, Deb Lagarde, and Michelle Boulter]. Joe Rowe addressed Boulter concerning his past efforts to provide the Treasurer's records folder, and he explained logistics involved with equal Board member review. Steve Barr stated that the Board member who has alleged she has been denied access has actually been given everything she has asked for and "she still voted against paying the bills." Fisher called for point of order). Barr called for question of the motion. Motion carried with Sandra Holzheuser abstaining. (Rowe called for point of order saying the motion carried unanimously.)

Ann Brevard gave the Nominating Committee Report. (Applications are being accepted and are available at the Community Center and on the DMPOA website. Notice flyers have also been posted and the candidate deadline for the ballot is May 16th. Brevard answered Sandra Holzheuser's question about the deadline in relation to Board approval of the Ballot and Proxy at May's Board meeting; Brevard stated that all candidate names may not be reflected on those documents.) No action taken.

President Fisher gave the Water Resource Committee Report. (Fisher and Steve Barr petitioned the Jeff Davis County Underground Water Conservation District on 3/25/14 concerning the Cochise Canyon well and Joe Rowe, as Legal Liaison, was in attendance. Fisher read the petition. The District granted permission to test the well, and letters were sent to adjacent property owners.) No further action required.

President Fisher addressed the item, Review of Community Center usage. (Fisher reminded everyone of the policy, saying he has never been contacted concerning regular gatherings at the Center and there could be potential scheduling conflicts with those who might reserve the center.) No action taken.

Joe Rowe addressed the item, Consider upgrade or replacement of office computer. (Rowe explained that on April 8th Microsoft ceased supporting Windows XP and the computer cannot properly operate on Windows 7.) Phyllis Arp made the motion, "we buy a new computer with a budget not to exceed \$600." (There was further discussion about options and the logistics of software and file transfer.) Joe Rowe amended the motion, "we put Phyllis in charge of this project and we request she make every effort to upgrade to Windows 7." The amendment to the motion and the main motion passed unanimously.

Joe Rowe gave the Budget Committee Report. (Rowe thanked committee members Draheim, Fellers and Barr, and he presented the Revised 2013-2014 Budget.) Steve Barr made the motion to accept the revised budget. Motion carried unanimously. (Rowe presented the Proposed 2014-2015 Budget. There was discussion about numerous items.) Toby Barker made the motion to accept the proposed budget. Motion carried unanimously.

OPEN COMMENTS

Joe Rowe said today is his sister's birthday.

Bill Flanders announced he would not be at next month's meeting. He also noted a needed correction to the actual posting date of this month's Agenda.

Jeff Smith made the motion to adjourn. Motion carried (with Rick Draheim saying, "Nay" and that he was out voted).

Meeting adjourned at 6:36 P.M.

APPROVED WITH CORRECTIONS 5/10/14

Phyllis Arp
DMPOA, Inc. Secretary