

THE VILLAS OF SOUTH PADRE HOMEOWNERS ASSOCIATION May 19, 2022 Board of Directors Meeting

The Board of Directors of the Villas of South Padre Homeowners Association (HOA) met on May 19, 2022. In attendance were Directors Barbara Hays, Gerald Geletzke, and Dabney Helms. Participating via Zoom were Directors Ruben Solis, Juan DeAnda, and property manager Pat Marchan.

- 1) Pat Marchan updated the Board on the Palm Tree Trimming schedule. An e-mail was sent to all owners on May 18. The contractor will be starting the week of May 23, beginning with the community property trees and then with owners trees. Owners will be billed per tree at the group discount rate. Any owner wanting to opt out of using this contractor will have until June 10 to have their trees trimmed. At that time Pat will bring the contractor back in to trim any remaining trees and the owners will also be billed at the single service rate.
- 2) Barbara Hays updated the status of the dune restoration rope fence. The City came out and staked out the rope line, and the posts and ropes will be installed this weekend. This should keep beach set-ups out of our dunes and allow vegetation to grow and add protection for our retaining wall.
- 3) Owner Chuck Toland will design the Villas website. Pat Marchan will get him routing information for the fees (approximately \$350 startup costs and ~\$6/mo user fee for the software) to begin the setup.
- 4) The Board revisited the “perpetual” weekly clubhouse rental policy. Currently an owner uses the clubhouse every Thursday night for a small Bible study group. This group includes owners and locals, and is about 10-12 people during winter Texan season and 4-6 during the summer. The group is open for any owner that wants to attend. The concern is that other groups may want to also rent the clubhouse on a weekly basis and without a policy in place it could potentially tie up the clubhouse multiple nights, not allowing owners to randomly use it for exercise and playing pool/ping pong/air hockey. The current arrangement with the group is for one hour each Thursday evening and if an owner wants to rent the clubhouse for a one-time function on a specific date that conflicts, then the Bible study group would concede the room for that week for the one-time rental. The initial opinion of the Board is that any “perpetual” weekly rental should be confined to Thursday evenings and one of the groups would have to use the Board room if it conflicted. The Board will continue to review this issue and establish a permanent policy in the future.
- 5) The HOA received three bids for the security guard contract, which is up for renewal beginning July 1, 2022. Pat Marchan received these bids:

Protect & Serve -- \$12.65/hr
Stronghold -- \$16.50/hr
GD Security -- \$17.00/hr

The Board felt that Protect and Serve price was considerably below market value and may not be able to retain staffing to meet our expectations so did not consider it a viable option. Both Stronghold and GD Security are comparable companies. Pat Marchan noted that he has other properties that use Stronghold. He received these bids on May 1 and at his other properties he just received a price increase from Stronghold that raised those security

contracts to \$17/hr. GDD Security is our current contractor and we are happy with their performance. The Board did not think a 50 cent/hr price differential warranted switching to a new contractor and starting over with education on our security requirements. Therefore, the motion was made to accept the GD Security bid (Dabney Helms moved, Gerry Geletzke seconded) and the motion passed unanimously.

- 6) An owner has donated a TV, couches, chairs and a lamp to the clubhouse. It has given it a more family-friendly comfortable setting. And the clubhouse is being used more often by owners. Because of the increased value of the furniture, game tables, and the exercise room equipment; and the increased usage of the clubhouse, the Board asked for bids on a camera security system inside the clubhouse. Several years ago the clubhouse TV was stolen, later an owner party resulted in a \$2,000 repair to refelt the pool table, and two years ago the treadmill in the exercise room was damaged beyond repair by an unknown user and had to be replaced. GD Security specializes in these systems and provided a bid of \$2,927.08 for cameras, mounts, cables, and remote view options for a high-resolution system. They could add an option to install a screen monitor in the guard shack that would continuously monitor each camera if we needed to go that route in the future. An additional camera would be mounted outside the door to monitor the pool area. Juan DeAnda asked to review a Ring video option as it is priced lower. The concern was the resolution of a Ring video and if it needed to be used in any lawsuit for recovering damages would it be acceptable. A motion was made to further investigate (Dabney Helms moved, Ruben Solis seconded) and then passed for Juan DeAnda and Gerry Geletzke to research this and the Board would accept and implement their recommendation on a specific security system. A decision should be made in early June.
- 7) There have been recurring late night backyard party noise issues with Villas owners and their guests. Several times the owners/guests refused to comply with the security guards request to stop the noise. There has been police intervention in more than one instance. As these are owner/owners guests we do not have the option to evict as with rental units. Pat Marchan asked for legal advice from our attorney on record – Kathy Cunningham – and she verified that per our CCRs and By-Laws we can establish fines and start with fining owners on an increasing rate tier of 1st violation a warning, 2nd violation \$250 fine, and 3rd violation \$500 fine. This would be per address, on-going, and would include other violations of our CCRs and By-Laws such as but not exclusive to glass bottles in the pool, vehicle or golf cart reckless driving, and others. The lawyer also indicated we would have to move to legal action of the violations continue. Pat will get back with the attorney to develop the legal language and then all owners will be notified.
- 8) Ruben Solis and Pat Marchan reviewed the year-to-date financials. Of note was an increase in security expenses over budget because Eddie was given a pay raise Mar. 1 (as was with maintenance and Humberto), we have been replacing worn cushions at the pool and adding small tables, pool chemicals prices have increased dramatically, propane (to heat the hot tub) is increasing, and we replaced the intercom box at the guard building so that guards could communicate with people needing entry at the gate while the guards are on rounds.
- 9) The new security contract which begins July 1, 2022 is a \$21,000 increase in annual security costs. Pat indicated we can expect a 3-5% increase in our insurance costs, and will

see higher propane and pool chemical costs for the pool. We operate on a balanced budget, and must increase dues to be able to meet these new prices. After much discussion the Board agree that a 10% increase in dues is necessary and would only cover the expected increases and not add any additional savings revenue to the Villas. A motion was made (Dabney Helms moved, Gerry Geletzke seconded) to increase the annual dues by 10% effective July 1, 2022. The motion passed unanimously.

Barbara Hays
President
Villas HOA Board of Directors