

SEPO Board Meeting Minutes

Tuesday, August 31, 2021 @ 1:00 PM CT
'Hybrid' Meeting (Retzlaff Hall & Google Meet)

CALL TO ORDER President Tony Tramel called the meeting to order at 1:00 PM CT on August 31, 2021.

ROLL CALL was taken. Tony Tramel, Mecca Henry, Lenore Combs, Jean Burgoine and Lyn Swonger were all present in Retzlaff Hall. Beth Parrish and Larry Keller were present via Google Meet.

The meeting was recorded. The recording can be viewed at this link:

https://video.wixstatic.com/video/2851bf_c84f422011b74317a4f00081970f248a/720p/mp4/file.mp4

AGENDA

To meet the 72-hour pre-Board meeting requirement for posting, the agenda was sent via e-mail to the community and put on the Sunshine Web site on Thursday, August 26, 2021 @ 6:30 PM CT. It was also posted outside the SEPO office and on the poolside door into Retzlaff Hall on Friday, August 27 @ 1:30 PM CT.

President Tony Tramel asked if the Board had any amendments or additions to the posted Agenda. There were none.

PREVIOUS MEETING MINUTES

Jean motioned to approve the July 15, 2021 Board meeting minutes (***Attachment 1 in Agenda***) as presented to the Board. Lenore seconded the motion. The motion passed unanimously.

DIRECTOR'S REPORTS –

1) *Lyn Swonger - Golf Course*

- a) Dan Boardman has purchased a chemical that attacks crabgrass on the golf course. Tony congratulated Lyn on the great shape the course was in.
- b) Resaca Water: Lyn contacted the Water District after the resaca dried up. Because of Lyn's persistence we were only without water 3-4 days. The Resaca is currently full. Beth will send an e-mail to the community informing them that we are no longer limiting residence use of the Resaca.

2) *Jean Burgoine (Common Grounds/Maint. Area 1) SEPO Buildings:*

- a) The Pool Shower project is complete. All pool equipment is up and running again.
- b) We are in the process of getting a Smoke Alarm for the Sunburst Building.

3) *Larry Keller (Common Grounds/Maint. Area 2) Streets, Drainage & Irrigation Ditches, Texas Ave:*

We spent \$600 for a transmission for the mower used for the Common Areas. Lalo has fixed the mower.

4) *Lenore Combs (Common Grounds/Maint. Area 3) Storage & Shop Area, Tennis/Shuffleboard:*

- a) The **Suggestion Box** continues to be checked and all forms are sent to the Board for review/follow-up.

- b) There is still a lot of **junk** in and around storage lots that could have caused problems if the hurricane threats we've had recently had actually occurred.
- c) Lenore is not going to be able to use the leftover materials from the W IN Circle project to construct a **roadbed** in the Storage Lot. She will discuss what can possibly be done with Larry.
- d) **Surveillance cameras** will be looked into during the upcoming budget process meetings.
- e) **Can Shed** – Reminder - it is NOT a trash shed and clean cans are most appreciated.
- f) **Storage Lot 504** (housing two sheds) belongs to the Women's Club. A few minor repairs may be needed, and they are each getting new roofs. The Women's Club is working on the funding for these repairs/roofs.
- g) **Practice Tee netting replacement** – Lenore would like someone to look at this and help her with this item.

5) **Mecca Henry - Treasurer - Financial Status / Reports:**

Mecca deferred her report to Unfinished Business.

6) **Beth Parrish – Secretary:**

Nothing to report.

7) **Tony Tramel – President:**

Tony deferred his report to Unfinished Business.

UNFINISHED BUSINESS –

1) **Mecca** – Approval of the July 2021 Financials. (*Attachment 2 in the Agenda*)

- a) Income to date: We are about \$3000 short of budget – mostly due to decrease in interest income. Expenses: We are staying under budget “as a Board in total”. Some line items for each Director with a budget have gone over budget, except for Lenore who hasn't spent anything to date. Cash: It is up slightly compared to last year. Everything else on the Balance Sheet looks good. We do need to do a better job of budgeting for 2022.
- b) We have received the first bill of almost \$32,000 for the W IN Circle project. Mecca will get a Cashiers Check from Frost Bank, which is where we have our designated Reserve Funds.
- c) **MOTION:** Mecca moved and Beth seconded to accept and approve the July 2021 financials.
- d) **VOTE:** The motion passed unanimously.

2) **Tony** – Update concerning engagement and utilization of Law Firm LADD & THIGPEN, P.C.

This will also include status of possible changes to SEPO Rules since providing the information to the attorney.

- a) The Board previously interviewed Matthew Thigpen of Law Firm LADD & THIGPEN, P.C. We reviewed his credentials and those of his firm. The Board approved signing a month-to-month contract with this firm. If we aren't satisfied with them, we can cancel and pay for any services incurred up to that point. In the beginning we were concerned about Matthew's lack of responsiveness. He has recently assured us that would improve due to his hiring another attorney and two paralegals.
- b) In the Board Executive meeting last week Matthew recommended a course of action that would allow us to move forward on handling various SEPO rules violations the Board has been confronted with. Matthew indicated the procedures and processes similar to what is in this document will be in effect for Texas HOA's starting September 1. Several of the Review Committee comments in their review of SEPO Rules last spring are directly aligned with this same issue. Matthew has provided a proposed document entitled:

Sunshine Country Club Estates, Inc.

***Rules and Regulations
Pertaining to Non-compliance to Covenants Fee Schedule***

- c) **MOTION:** Jean made the motion and Larry seconded it to approve the document from our counsel (with the minor updates by Tony) and provided to the Board before this meeting.
- d) **DISCUSSION:** This document will not be part of the Policies & Procedures but will be a separate SEPO rules document which we will get recorded. It is a fee schedule, which our current governing documents give us the ability to impose. The Board can refine this document as it becomes necessary.
- e) **VOTE:** The vote was a unanimous YES. The motion passed.
- f) **UPDATE SINCE MEETING:** The document was filed with Cameron County, State of Texas on September 1, 2021. **(Attachment 1 Below)**.

3) Larry/Tony – W Indiana Circle project.

Pictures can be found here: <https://www.sunshinecountryclub.com/w-in-cir-constructionproject>

They are pouring the curb this week and then doing some spot patching before putting on the final sealcoat. Tony believes this project will be completed well before the end of September - depending on the weather. A payment for 60% of the total work will be made today.

4) Mecca/Tony – Update on Budget process for 2022 and Budget 101 Class scheduling.
3-5 year capital improvement program discussion will be incorporated into the Budget meetings.
(Attachment 3 in Agenda)

Meetings are scheduled for September 21 & 23 to prepare a proposed budget.

5) Beth/Tony – “Request Procedure & Form” for non-Board members to Speak at Residents Meetings.
(Attachment 4 in Agenda & Attachment 2 Below)

The first Residents meeting is scheduled for Monday, October 11, 2021 at 1 PM CT as a Hybrid meeting. (<https://www.sunshinecountryclub.com/mtgs-2021-2022>)

- a) **BACKGROUND:** The purpose of this proposed process and form is to give residents the opportunity to speak about proposed Board meeting agenda items “prior to” the Board discussing/acting upon those items. There will also be an item in the Residents meeting agenda that would enable residents to discuss non-Board meeting agenda items.
- b) **MOTION:** Beth moved we approve this document as it stands – try the process in the upcoming Residents meetings – and revisit it if it’s not working. Larry Keller seconded it.
- c) **DISCUSSION:** Various directors voiced concerns and that we needed to do a good job of communicating this to the SEPO residents. Beth will ensure the entire process, including an example Residents meeting agenda and examples of form submittals, will be available to the community soon.
- d) **VOTE:** Yes = Lenore, Larry and Beth. No = Mecca and Lyn. Abstained = Jean. The motion passed.

6) Tony – Reinstatement of Golf Trail Fees and possible ‘renaming’ of this fee type.

- a) ‘Trail Fees Programming Revision’ documentation previously presented at the Nov 30, 2020 Board meeting. **(Attachment 5a in Agenda)**
- b) Proposed changes to the Policies & Procedures if Fees are reinstated and possibly renamed.
(Attachment 5b in Agenda)

- i) **BACKGROUND:** The previous Board had voted to dissolve the collection of the Trail Fees.

- ii) **MOTION:** Lenore moved to reinstate the Trail fees but rename them to 'Golf Course Improvement' Fees and incorporate revisions into the Policies & Procedures stating what these fees would be used for. Beth seconded it.
- iii) **VOTE:** Yes = Larry, Lenore and Beth. No = Mecca, Lyn and Jean. Tie Breaker = Yes by Tony. The motion passed.
- iv) **NEXT STEPS:**
 - (1) Beth will update the Policies & Procedures (**Attachment 3 Below**) and communicate the change to the community. (*Was completed 09-02-21*).
 - (2) This fee amount will be decided during the 2022 Budget process.
- c) **AGENDA ITEM ADDITION: Sunshine Resident/Renter Golf Cart Identifier -**
 - i) **MOTION:** Jean moved that every golf cart used by SEPO residents/renters be supplied with some sort of identification that would be placed on golf carts separate from the Fee sticker. Lenore seconded this motion.
 - ii) **VOTE:** Yes = Lyn, Jean, Larry, Lenore and Beth. NO = Mecca. The motion passed.
 - iii) **NEXT STEPS:** Determine what the 'identifier' will be and how to distribute it for placement on resident/renter golf carts.
- 7) **Mecca – Review/Clean Up SEPO Asset Inventory List. (**Attachment 6 in Agenda**)**
 - a) The lists in the Agenda attachment are items being used to calculate depreciation for our financials reports. Tony had originally wanted to list movable assets, primarily related to the golf course, so we could develop a replacement plan. He will continue to work with Lyn on this to be used when creating the Capital Improvements plan.
 - b) We will table doing a full inventory, but it does need to be developed at some point over the next year. We will put this back on the agenda three meetings from now to check on any progress made.
- 8) **Lenore – Disarray in Storage Lot.**
Possible update to the 'Storage Lot Agreement Form' (**Attachment 7 in Agenda**)
 - a) Lenore will determine if this form should be revised to include fees that could be imposed if someone renting a Storage Lot doesn't keep it debris-free.
 - b) It was suggested that SEPO have a clean-up day once or twice a year and SEPO pay for the debris to be hauled away. Beth will put this on a future agenda. At that meeting we need to have the information concerning a date and a game plan concerning the cost, procedure and rules/regulations for this clean-up.
- 9) **Lenore – Golf Tee Netting Replacement.**
See Lenore's Directory report above.

NEW BUSINESS –

- 1) **Lyn/Tony - SEPO & Covid-19**
No discussion needed at this time.
- 2) **Beth – Update on SEPO e-mails not being delivered to residents/renters.**
<https://www.sunshinecountryclub.com/email-legend>
 - a) Thanks to assistance from two (2) of the 22 residents who had e-mail addresses affiliated with ATT and weren't receiving SEPO e-mails, they are now receiving them. Beth (as the e-mail manager) will contact these 22 people to ensure they let her know if this issue occurs again.
 - b) Periodically at other times some e-mails (other than these 22) don't get delivered to the e-mail box of a resident/renter. If you think you aren't receiving e-mails let Beth know. Everyone can always view everything e-mailed to the community on the Web site here:

<https://www.sunshinecountryclub.com/email-legend>

- 3) **Tony** – Preamble to SEPO ByLaws (**Attachment 8 in Agenda**)
Tony will give this document to the attorney for input. Could/should we add this to our governing documents at the time we consider if other proposed updates from the Review committee be added.
- 4) **Lenore** - Basketball Hoop
The surface of the Tennis/Pickleball courts is not conducive to placement of a basketball hoop in this area. This item is being closed.

ADJOURNMENT

Mecca Henry moved we adjourn. Lenore seconded it. The vote was a unanimous yes. The meeting was adjourned at 2:24 PM CT.

Respectively Submitted,

Beth Parrish
SEPO Board Secretary

ATTACHMENTS

Attachment 1:

This document has been posted on the Sunshine Web site and can be linked to it from here:
(<https://www.sunshinecountryclub.com/seporules>)

Sunshine Country Club Estates, Inc.

Rules and Regulations Pertaining to Non-compliance to Covenants Fee Schedule

WHEREAS, the Board of Directors (the "Board") of Sunshine Country Club Estates, Inc., (SEPO/the "Association") finds that there is a need to establish orderly procedures and structure for the imposition of fees for non-compliance by a homeowner to the declaration of Covenants, Conditions and Restrictions, and all amendments thereto for Sunshine Country Club Estates, Inc. (the "Declaration") and the Bylaws of Sunshine Country Club Estates, Inc., (the "Bylaws"); and

WHEREAS, pursuant to Article II, Sections 2.1, of the COVENANTS, where the "DECLARANT or OWNERS ASSOCIATION shall be refer to SUNSHINE COUNTRY CLUB ESTATES PROPERTY OWNERS, INC," and Section 8.1, where the DECLARANT, (acting through its Board of Directors), shall have responsibility and authorization to prescribe Rules and Regulations covering the use of the Common Areas, streets, utilities and any other portions of the properties and to collect fees and fix assessments, and not specifically reserved to the membership by the Declarant, Articles of Incorporation, or by other provisions of the Declaration, Articles of Incorporation or by other provisions of the Declarations of these Bylaws; and

WHEREAS, pursuant to Article IV Board of Directors, Section 4.01 of the Bylaws, "The affairs of the Sunshine Estates Property Owners, Inc. shall be managed by its Board of Directors."

WHEREAS, the Board has determined that it is in the best interests of the Association for it to promulgate Rules and Regulations pertaining to fees and specifically establish a fee structure.

NOW, THEREFORE, IT IS RESOLVED that the following Rules and Regulations Pertaining to Non-compliance to Covenants Fee Schedule are established for the imposition of fees in Sunshine Country Club Estates, Inc., as follows:

I. NOTICE OF VIOLATION

For violations other than construction without Architectural Control Committee ("ACC") approval, the Board shall give an Owner written notice of the violation and opportunity to cure the violation before imposing a fee. The following notification procedure shall be followed:

A. First Notice: The Association shall notify the Owner of the violation by written letter sent by first class mail. The notice shall contain the following information:

1. A description of the violation and reference to the provision of the Declaration being violated, and the action that must be taken to cure the violation.

2. A statement that the violation must be corrected within fifteen (15) days from the date of the "First Notice."

B. Second Notice: After issuance of the "First Notice" and expiration of the fifteen (15) day compliance period, the Association shall notify the Owner, by first class mail and certified mail, return receipt requested, if the violation described in the "First Notice" has not been resolved. The "Second Notice" shall contain the following information:

1. A description of the violation and reference to the provision of the Declaration being violated, and the action that must be taken to cure the violation.

2. A statement that the violation must be corrected within fifteen (15) days from the date of the "Second Notice" or a fee will be applied to the Owner's account.

3. The amount of the fee that will be assessed if the violation is not cured within the time allowed.

4. A statement that the Owner will be charged attorney's fees and costs incurred by the Association in enforcing the Declaration and/or abating the violation if the violation is not cured within thirty (30) days from the date of the "Second Notice."

5. A statement that the Owner may request a hearing before the Board of Directors by submitting a written request for the same to the Board within thirty (30) days of the Owner's receipt of the "Second Notice."

C. Third Notice: After the issuance of the "Second Notice" and expiration of the compliance period, the Association shall notify the Owner by first class mail and certified mail, return

receipt requested, if the violation described in the "Second Notice" has not been resolved. The "Third Notice" shall contain the following information:

1. A description of the violation that is the basis for the fee and reference to the provision of the Declaration being violated, and the action that must be taken to cure the violation.
2. A statement that the fee for non-compliance is being added to the Owner's account for not curing the violation within the specified period of time contained in the "Second Notice."
3. A statement that there will be continuing fees in accordance with the "Fee Schedule" as each subsequent fifteen (15) day period elapses and the violation is not cured.
4. A statement that there is no aggregate amount of the fees which may accrue for the same violation. Additionally, that if the matter is referred to legal counsel for further enforcement measures, all attorney's fees and costs incurred by the Association will be charged to the Owner's account in accordance with Chapter 209 of the Texas Property Code.
5. A statement that the Owner may request a waiver of the fees by submitting a written request to the Board of Directors after the violation is cured.
6. The amount of fees being assessed against the Owner.

II. HEARING

The Board shall follow the procedures stated in Chapter 209 of the Texas Property Code in conducting a hearing. Within ten (10) days of the hearing before the Board of Directors, any documents relied upon by the Board as to the violation shall be provided to the homeowner, and failure to meet such deadline shall result in an automatic fifteen (15) day extension of the board hearing on the Homeowner's appeal.

III. FEE SCHEDULE

The imposition of fees will be on the following basis:

- A. **First Violation:** \$100.00 imposed for each fifteen (15) day period that the same violation continues to exist until cured.
- B. **Addition but Separate Violations of the Same Restriction Within Six Months of Receipt of the "Second Notice:"** \$200.00, which may be imposed every fifteen (15) days that the violation continues to exist until cured.
- C. **Aggregate Limit:** There is no limit to the aggregate limit amount of fees imposed for the same violation.

IV. CONSTRUCTION WITHOUT ACC APPROVAL:

- A. Pursuant the Declarations, Architectural Control Committee ("ACC") approval, in writing, is required prior to commencing construction or demolition, or making any

changes to the exterior design or appearance of any improvement on a lot in the Association.

B. Any construction of exterior home improvements, modification and/or additions including but not limited to fencing, sheds, barns or other outbuildings started prior to written approval by the The Association and/or ACC will incur an immediate \$500.00 fee. Notice of the violation and fee will be sent as soon as the violation is discovered by the ACC or Board.

C. If said construction does not halt immediately upon receipt of violation and fee notice, an additional fee of \$100.00 will be imposed every day until construction ceases.

V. INFORMATION REGARDING FEES

A. Fees will be imposed in addition to and not in lieu of any other rights or remedies of the Association allowed by the Declaration or other Rules and Regulations adopted by the Board.

B. Fees are imposed against the Owner and are the obligation of the Owner of the property.

C. An Owner should notify the Board when a violation is cured. Upon verification, the violation will be deemed to no longer exist. Unless fees are waived by the Board, the Owner will remain liable for all fees imposed under these Rules and Regulations. If the fees are not paid on demand, the account may be referred to legal counsel for collection. The Owner shall be responsible for all attorneys' fees incurred in connection with the enforcement of any provision of the Declaration and/or the Rules and Regulations in accordance with the provisions of Chapter 209 of the Texas Property Code.

IT IS FURTHER RESOLVED that the purpose of these Rules and Regulations Pertaining to Fees and Fee Structure is to provide a standard for the Association. Notwithstanding these Rules and Regulations, the Board may set fee amounts on a case-by-case basis, provided the fee is reasonable considering the nature, frequency, and effects of the violation. The Board may also establish a schedule of fees for certain types of violations. If circumstances warrant a variance from the Association's published Rules and Regulations, the Board will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fee must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Association's documents.

IT IS FURTHER RESOLVED that in case of conflict between a provision of these Rules and Regulations and the Declaration and Bylaws, the provisions of the Declaration and Bylaws are controlling.

IT IS FURTHER RESOLVED that these Rules and Regulations are effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

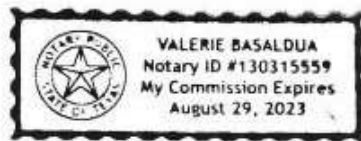
By signing below, I certify that the foregoing Rule and Regulation Pertaining to Fees and Fee Structure were adopted by the Board of Directors of Sunshine Country Club Estates, Inc., on 31st day of August, 2021.

Date 9/1/2021

T. J. Tramel
Authorized Director
SEPO, President

STATE OF TEXAS §
COUNTY OF CAMERON §

BEFORE ME, the undersigned authority, on the 1 day of Sept, 2021, personally appeared TONY TRAMEL to me known to be the PRESIDENT of Sunshine Country Club Estates, Inc., and he/she acknowledged before me that he/she executed the same for the purposes therein expressed.



D. Silk
Notary Public, State of Texas
My Commission Expires: 8/29/23

FILED FOR RECORD
AT 1:46 O'CLOCK P M

SEP 01 2021

SYLVIA GARZA-PEREZ
CAMERON COUNTY CLERK
DOC No. 2021-38108
By AGB Deputy

Adopted by SEPO Board August 31, 2021

Attachment 2 –

**Request Procedure & Form for SEPO residents wishing to be heard at “Residents” meetings
concerning SEPO Board Meetings Agenda Items**

Approved residents “request to speak” form is on next page.

Request Procedure for SEPO residents wishing to be heard at “Residents” meetings concerning SEPO Board Meetings Agenda Items

The following are the adopted procedures for SEPO residents wishing to be heard at a “Residents” meeting concerning matters relating to “SEPO Board of Directors” meetings. This will allow the SEPO Board insight into what SEPO residents are concerned/thinking about.

1. Persons wishing to speak at a “Residents” meeting must complete a “Speaker Request Form” (attached at the bottom of this document) and submit it to the Board Secretary, either in person or via e-mail, **prior to the beginning** of the “Residents” meeting. This form shall be used to address Agenda Items from either a prior or upcoming SEPO Board meeting.
2. Each speaker will be allowed up to three minutes to state his or her comments, questions or concerns on either (1) items listed in the upcoming SEPO Board meeting agenda or (2) actions taken in a previous SEPO Board meeting. The speaker’s comments shall be restricted to the subject matter they requested to speak about on his/her request form. No additional time will be granted.
3. While he/she is speaking:
 - a. There will be no debate with the SEPO Board.
 - b. Vulgarity will not be allowed.
 - c. The speaker shall not make any derogatory comments about any person(s).
 - d. The speaker will simply state factually what his/her comments/concerns are.
4. If the person requesting to speak has any materials he/she wants to distribute to the SEPO Board prior to the Residents meeting, it should be given to the Board Secretary along with the Request Form.
5. All comments received during a Residents meeting will become part of the official record of the next SEPO Board meeting minutes.

Cut/Tear Here (Please complete the form below and give to the SEPO Board Secretary) *Cut/Tear Here*

REQUEST TO ADDRESS THE SEPO BOARD AT A RESIDENTS MEETING (Please submit a separate form for each agenda item)

NAME: (Please Print) _____

SUNSHINE ADDRESS: _____

E-MAIL ADDRESS: _____

SUBJECT (include from which SEPO Board Mtg Date & which Agenda Item, if known):

I wish to address the Board in support / opposition (**CIRCLE ONE**)

Attachment 3:

**Policies & Procedures update concerning reinstatement of 'Golf Course Improvement' Fees
(previously called Trail Fees)**

The following update was approved by the Board at this meeting.

**POLICIES AND PROCEDURES OF
SUNSHINE COUNTRY CLUB ESTATES
APPROVED BY ITS BOARD OF DIRECTORS
August 31, 2021**

(All previous Policies & Procedures are replaced by this Update of August 31, 2021.)

GOLF COURSE

13. Anyone wishing to use a riding golf cart to play golf may do so by paying an annual Golf Course Improvement fee. A sticker must be purchased each year and placed in plain view on the windshield of the cart.
14. All Golf Course Improvement Fees collected shall be used for the construction/continued maintenance and repair of:
 - a. future/existing concrete golf cart pathways/trails,
 - b. water features on the golf course, including, but not limited to, masonry walls of the golf course ponds and aeration pumps/fountains,
 - c. water irrigation and pond lighting improvements.All of these improvements shall be located within the limits of the golf course.