

DRAFT

**BOARD OF DIRECTORS MEETING  
MINUTES**

**DATE:** August 27, 2009  
**PLACE:** FCCA Office  
**ATTENDING:** Sherrie Knoepfel, Executive Director  
Ellen Burton, Director  
Myatt Hancock, Director  
John Molloy, President  
Don Olson, Director  
Vidya Verma, Vice President  
Joyce Walter, Director  
Vanessa Brown, Staff  
Alice Fish, Staff  
Bill Grantham, Staff  
Lynn Haist, Staff  
Margaret Hall Spencer, Staff  
Sharon James, Staff  
Bob Jaros, Staff  
Carol Litton, Staff  
Phil Martin, Staff  
Jeanne Miller, Staff  
Doug Pepping, Staff  
Heather Sorrells, Staff  
Bill Roy, Staff  
Andrew Vacek, Staff  
Rick Butler, FCCA Attorney  
Lt. Mike Berezin, Missouri City Police Department

Absent: Director Dunford

J. Molloy called the meeting to order at 12:00 p.m.

CONSENT AGENDA

- Approve Board Minutes
- Approve Board Executive Session Minutes

**A MOTION WAS MADE** to approve the consent agenda item. (MOTION – D. Olson; 2<sup>nd</sup> – J. Walter; MOTION PASSED)

Director Burton arrived at 12:05 p.m.

## GOVERNANCE

- Review and discussion of Amended and Restated Bylaws  
Rick Butler, FCCA Attorney, summarized the amendments to the Bylaws with voting for acceptance by the Board as follows:

- ◆ (Article 1, Section 3) Added a definition of "Member in Good Standing"; existing Bylaws merely make references to owners who owe past due assessments or have a deed restriction violation being prosecuted in legal proceedings.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION D. Olson; 2<sup>nd</sup> – J. Molloy. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article II, Section 4) Revised the section relating to notice of members' meetings to include notice by facsimile and electronic message, as well as other methods that may become available with advancements in technology; the existing Bylaws merely provide for notice by mail or delivery.

- ◆ (Article II, Section 6) Revised the section relating to adjourning and reconvening a members' meeting to specify the notice required for a reconvened meeting.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION D. Olson; 2<sup>nd</sup> – J. Molloy. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article II, Section 7) Revised the section relating to voting by members to be consistent with the definition of Member in Good Standing and to allow voting via e-mail if/when authorized by statute.

- ◆ (Article II, Section 8) Revised the section relating to voting by proxy to be consistent with the definition of Member in Good Standing.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: V. Verma; 2<sup>nd</sup> – J. Walter. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article II, Section 10) Revised the section relating to the quorum requirement for members' meetings to clarify that only Members in good Standing are counted for quorum purposes.

- ◆ (Article II, Section 12) Added a section authorizing action by the members without a meeting consistent with the Texas Non-Profit Corporation Act.

- ◆ (Article III, Section 1) Revised the section relating to the Board of Directors to require a Director at all times be a Member in Good Standing; to prohibit more than 1 representative of a corporation or other business entity from serving on the Board at any given time; and to prohibit persons who are married or blood related from serving on the Board at any given time. The existing Bylaws merely refer to spouses and designated agents of members.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: D. Olson; 2<sup>nd</sup> – J. Molloy. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III, Section 1) Revised the section relating to the nomination of directors to require members of the Nominating Committee to be Members in Good Standing; to require the appointment of members of the Nominating Committee at least 90 days prior to the date of the annual meeting; and to provide that members of the Nominating Committee shall serve until the close of the annual meeting for which nominations were made. To also require a candidate for election to the Board to be a Member in Good Standing.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: E. Burton; 2<sup>nd</sup> – V. Verma. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 5) Revised the section relating to the removal of Directors to address the circumstances in which a Director ceases to be a Member in Good Standing or becomes related to another Director by marriage. Also authorizes the removal of a Director who fails, without just cause, to attend three (3) consecutive regularly scheduled meetings.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: D. Olson; 2<sup>nd</sup> – J. Walter. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III, Section 8) Revised the section relating to the election of Directors to specify that only Members in Good Standing are allowed to vote.

- ◆ (Article III Section 9) Deleted the section relating to the organizational meeting of the Board of Directors after each annual election.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: D. Olson; 2<sup>nd</sup> – J. Walter. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 9) Revised the section relating to regular meetings of the Board of Directors to allow conference telephone, video conferencing and the like, consistent with the Texas Non-Profit Corporation Act.

- ◆ (Article III Section 10) Revised the section relating to special meetings of the Board to allow notice by e-mail if/when authorized by statute.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: V. Verma; 2<sup>nd</sup> – D. Olson. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 12) Revised the section relating to the quorum requirement for Board meetings to specify the notice required for a reconvened meeting and to specify that only Directors who are Members in Good Standing may vote at a meeting.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: J. Walter; 2<sup>nd</sup> – E. Burton. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 15) Revised the section relating to open meetings to authorize the removal of a member who unreasonably disrupts a Board meeting after a warning.
- ◆ (Article III Section 16) Revised the section relating to meetings of the Board held in executive session to add matters that may be considered in executive session.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: E. Burton; 2<sup>nd</sup> – V. Verma. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 16) Revised the section relating to meetings of the Board held in executive session to add matters that may be considered in executive session.
- ◆ (Article III Section 18(n)) Revised the section relating to the powers of the Board of Directors to allow the Association to charge a reasonable fee for providing assessment information and a reasonable transfer fee; also authorizes the adoption of policies and procedures relating to the Board, staff and volunteers.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: V. Verma; 2<sup>nd</sup> – J. Walter. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 20) Revised the section relating to borrowing to base the existing \$10,000 cap on the CPI scale applicable in 1982; to increase the quorum requirement for a meeting to approve a loan in excess of \$10,000.00 or a loan that requires selling or encumbering common area to 20% of the Members in Good Standing; to limit voting on a loan to modify, improve or add amenities maintained through a recreation assessment to Members in Good Standing who are obligated pay the recreational assessment and to provide that the lessor quorum requirement for a reconvened meeting shall not be applicable; and to impose an overall cap on borrowing.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: J. Walter; 2<sup>nd</sup> – V. Verma. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article III Section 22) Revised the section relating to the sanctions procedure to comply with the requirements set forth in the Texas Property Code and to authorize the Executive Director to waive or reduce fines unless the owner appealed the matter to the Board of Directors and the Board made a decision concerning the amount of fines to be paid by the owner.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: D. Olson; 2<sup>nd</sup> – V. Verma. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article VI Section 4) Revised the section relating to the inspection of books and records to limit the right of inspection to Members in Good Standing; to allow the Board to establish rules limiting or restricting the review of confidential and privileged records; and to provide that the Association shall not be required to bear the expense of providing more than 1 copy of a document to a Director.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: D. Olson; 2<sup>nd</sup> – E. Burton. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- ◆ (Article VI Section 6) Revised the section relating to audits to clarify the wording and to allow the Members in Good Standing, by majority vote, to require an additional audit at the expense of the Association.
- ◆ (Article VI Section 7) Revised the section relating to amendment of the Bylaws to provide that only Members in Good Standing shall be entitled to vote on amendments.

**A MOTION WAS MADE TO** accept the amended and restated Bylaws. (MOTION: D. Olson; 2<sup>nd</sup> – V. Verma. For: D. Olson, J. Molloy, E. Burton, V. Verma, J. Walter; Abstained: M. Hancock. MOTION PASSED)

- Consideration of and action on Elections and Proxies Policy Revisions

**A MOTION WAS MADE TO** accept the Elections and Proxies Policy revisions. (MOTION: J. Walter; 2<sup>nd</sup> – E. Burton. For: J. Molloy, E. Burton, M. Hancock, V. Verma, J. Walter; MOTION PASSED) (D. Olson was not in room when vote was taken)

**A MOTION WAS MADE** to convene into Executive Session at 1:25 pm. Vanessa Brown, Carol Litton, Jeanne Miller, Bob Jaros and Diana Rodriguez were invited to attend. (MOTION: V. Verma; 2<sup>nd</sup> – M. Hancock; MOTION PASSED, unanimously)

Director Burton left at 1:55 p.m.

-- RECONVENED INTO REGULAR SESSION AT 2:30 P.M. --

- Discussion on Board meeting dates and time  
There was discussion on changing the present limits that a Board member can serve (6 years) and changing the time of the Board meeting.

**A MOTION WAS MADE** to keep the present term limits and to change the meeting starting time to 3:00 p.m. beginning with the October 2009 meeting. (MOTION: J. Molloy; 2<sup>nd</sup> – E. Burton; MOTION PASSED) J. Walter opposed retaining the present term limits.

#### BUDGET

- Discussion and ranking of SIR's (Service Impact Requests) and Amenities Assessment Projects  
D. Pepping will send the Board a spreadsheet and ask for rankings and priority and/or eliminating/deferring projects or requests.

Director Verma left at 2:45 p.m.

Director Walter left at 3:00 p.m.

MONITORING REPORTS

- Compensation and Benefits for Staff
- Financial Conditions (July)
- Information and Advice to the Board
  - S. Knoepfel discussed the Nominating Committee Appointees.
  - S. Knoepfel are meeting with the City Auditor and Constable to discuss the 16% increase in the FY 2010 Constable contract.

Because of time constraints, the Missouri City Street Trees and Sidewalks, Edgewater Lake Bulkhead, Oval Water Well, Greater Houston Rowing Club, Paws for a Cause, Self-Help and Foreclosure, Management Certificate, and Staff Education will be recapped at a later time.

**A MOTION WAS MADE** to accept the Monitoring Reports. (MOTION – M. Hancock; 2<sup>nd</sup> – D. Olson; MOTION PASSED)

Director Walter left at 3:00 p.m.

MEMBER INPUT TIME

No members attended.

OWNERSHIP LINKAGE

- Reports from Directors  
No reports.

BOARD MEETING EVALUATION

Director Molloy prepared the Board meeting evaluation.

With no further business, the meeting was adjourned at 3:10 p.m.

**A MOTION WAS MADE** to adjourn. (MOTION – D. Olson; 2<sup>nd</sup> – J. Molloy; MOTION PASSED, unanimous)

Prepared by:

\_\_\_\_\_  
Carol Litton, Administrative Assistant

Approved by:

\_\_\_\_\_  
James B. Dunford, Secretary/Treasurer