

Minutes for MSLA Meeting
Nov. 26, 2016. 2PM at Red Rock Community Center

Meeting commenced with approximately 20 residents in attendance. Trustee Ed Dupnick opened the meeting. Provided to attendees were 4 handouts, one a proposed meeting agenda and three with financial information submitted by Mr. Dupnick. Ed spoke about the 3 financial documents he had prepared for the meeting:

- 1) A snapshot of MSLA finances for the current year through the date of this meeting. This showed a beginning balance of \$5,745.22 and ending balance on Nov. 26 of \$29,532.86, reflecting a net income over this year of \$23,787.64. The ending balance reflected an inflow of \$27,404.56 and outflow of \$3,616.92.
- 2) A summary of income and expenses. With the failure of the MSLA Sandy Creek bridge as a result of flooding rains caused by Hurricane Harvey in August, various extraordinary sources of income were realized to be applied towards bridge reconstruction. Ed offered thanks to Trustee Joe Dickson for spearheading these fundraising efforts, including:
 - a. \$15,252.06 net realized from an online GoFundMe campaign instigated by Joe,
 - b. \$1,000.00 donation from Aqua Water Corporation, and
 - c. \$522.50 collected in a Mason collection jar by the Red Rock General Store, for a total of \$16,774 in extra monies contributed towards bridge reconstruction.

Assorted extra donations were also received from landowners over and beyond their yearly road fees which were dedicated to the bridge repair and reconstruction.

Expenses, including administrative costs such as PO box rental, community center rental fee for meeting, road and bridge repair and maintenance costs came to \$3,616.92.

- 3) A bar graph summarizing road fee delinquencies of MSLA members. A total of \$12,678.96 is due and owing from landowners who have not fulfilled their obligation to support their community road. 30 landowners are delinquent, with an average of \$423 in back road fees owed. This amount represents over 3 ½ years of road fee payments. Ed noted that 10 landowners were delinquent in excess of 6 years of road fees due, and these may have never contributed to the road fund.

A discussion followed about the issue of delinquent road fees. Ed noted that two delinquencies had been redressed in this year when properties were sold because the title companies have checked if there were any outstanding financial obligations on a property before closing and those delinquent fees were collected at the property sale. Ed noted that each year's road fee invoice includes current and past due fees so all landowners are informed of their current status regarding their financial obligations to the MSLA. Ed noted there are 79 landowners controlling 84 tracts of land in the MSLA area, yet 42 are paid up, generating \$5,040 in road fee income, yet the total which could be collected if everyone paid their fair share would be \$9,480. Various landowners weighed in on the subject, with ideas floated such as multiple mailings to delinquent landowners if their fees, due Nov. 1, were not paid by the end of the year, with each mailing escalating in the rhetoric admonishing the delinquent landowner to pay their fees. Also mentioned was the idea of publishing the names and amount of past due fees of delinquent landowners, either on the MSLA website or posting that information to the attendees of this meeting. As an ongoing source of frustration to those who accept their responsibility, it was mentioned that everyone benefits from the road, yet a significant number of landowners, some of whom are resident in the community, do not pay for the upkeep of their road. It was suggested that neighbors of delinquent landowners contact the non-paying resident and ask them why they do not pay, and to try to encourage

them to fulfill their responsibility. Ed noted that time payment plans have been offered before so a large amount would not have to be paid all at once.

A consensus was established that for this year's billing cycle, delinquent landowners will receive monthly collection notices with increasingly direct language regarding the MSLA's right to collect these funds and intent to pursue legal avenues to collect the owed monies. Following the first round of collection notices, a list of delinquent properties will be shared with a select group of members to facilitate neighbor-to-neighbor discussions.

Trustee Joe Dickson then took the floor to chair the subsequent topics on the agenda. He brought up the subject of road issues, to be discussed as separate items, which were the bridge and road maintenance. As a result of a recent Trustee meeting, John Livingston and Andy Baker were authorized to spend up to \$5,000 for road maintenance, separate from any issues regarding the bridge. Areas needing work are being considered for this effort. Any residents with suggestions on areas in need of material or repairs should contact John and Andy directly.

With regard to the bridge, and concern for the passage of larger vehicles, such as emergency fire vehicles and such, there has been a discussion to reinforce and shore up the existing bridge. At the west end of the bridge, where the slab buckled, there is still a hollow space under the remaining concrete slab. John Livingston spoke about the idea of shoring up this area with "flowable fill", a material described as being softer than concrete but harder than sand. If the broken slab at this point were supported by continuous fill underneath, all trucks and heavy equipment would be able to cross the bridge without danger of collapse, even though the bridge is now broken and has an uneven road surface. Because of the need for more study of options to repair the bridge in order to reconstruct a creek crossing that would not again fail, it is deemed necessary to make the existing broken bridge serviceable until an alternative is rebuilt.

Options for a replacement for the existing bridge were discussed. The notion of reusing the existing three large culverts seems a bad idea as this form of bridge has now suffered two catastrophic failures due to cataclysmic rain events in the past two years. There has been communication with a bridge construction and engineering firm named Contech, with options being explored such as full span bridge, open underneath or a large arched culvert, both designs intended to pass large amounts of water through the road crossing without such constriction as caused the past two failures. John mentioned information obtained from Bastrop County hydrologists, who determined that 14,000 acres or 20 square miles was the drainage area which fed runoff into Sandy Creek to pass through the Sand Hills Road crossing where the bridge is. Ideas mentioned are to seek possible assistance in-house from such local entities as Aqua Water Corporation or the company which owns and maintains the gas pipeline crossing the MSLA area in order to get some precise geological engineering consulting to help with design of foundation supports for a new bridge. A low-water crossing instead of a larger bridge structure is also being considered, but there are issues with this idea as a flood will make the crossing impassable, trapping the residents living beyond the bridge until the flood waters recede, though consideration was offered that this could likely be only a day or so. Also, liability issues such as someone venturing to cross the low-water crossing when under flood conditions and thus being swept off the "bridge" would be a concern. If we choose a low water crossing, we need to implement appropriate warning signs, depth indicators, and other mechanisms to minimize this risk.

John Schneider discussed alternative outlets for residents trapped by a flooded bridge and he described trying to access McReynolds Road from the end of Sand Hills Road by the Cell Tower through

McReynolds Ranch property, but a short distance from where the ranch road comes out onto McReynolds Road is a crossing of Brushy Creek and it overflows and does not allow crossing during floods so even the McReynolds family is also trapped until the waters recede. So there are no viable outlets for MSLA residents except for Sand Hills Road and crossing Sandy Creek by some means.

The subject of county assistance was again brought up by Edie Clark, who has some experience with Bastrop County communities getting help from the county. She volunteered to look into the matter and several landowners volunteered to form a working group to assist her in this inquiry. Any landowners interested in joining this working group should contact Edie directly.

Questions were brought up about how the road maintenance was to be handled, whether a maintainer would be used for applying base to the road. It was pointed out that any base brought in would likely be applied by tractor and box spreader as the cost of renting heavy equipment is prohibitive, given the budget available and the priority being to add base material to the road since any large equipment rental fees would severely limit what is left to pay for materials.

Joe mentioned the MSLA website is up and being developed, URL is <http://thesandhills.org/>. The website will continue to grow to serve needs of the community, but now includes news about the community, such as links to news coverage of the damage caused to our bridge by Hurricane Harvey, an archive of minutes of meetings, a history of the MSLA, legal documents detailing the founding rules and regulations relevant to landowners and a summary of the status of landowners road fee payments. More material will be added as relevant.

The process of bookkeeping for MSLA finances will be converted to QuickBooks by John Livingston, and future options for online payment of road fees is being researched with necessary legal measures such as obtaining an EIN (Employer Identification Number) being a possible hurdle that must be explored. So Ed Dupnick will continue as treasurer for the MSLA, but new trustees are in the process of being involved in MSLA matters, as Jim Williams, who has been handling all MSLA banking and road fee and Post Office Box monitoring, is stepping down from this position as of December 31. Tom Hardies, Steve Simmons, and Brian Wheelis are in process of taking on Trustee duties, with Joe Dickson and Reza Pouraghabagher (along with Ed Dupnick) also continuing in their roles as Trustees.

Issues with UPS delivery beyond the bridge were discussed as the UPS driver has not been crossing the bridge due to the "No Trucks" sign posted after the flooding of the bridge. Some residents have received packages and other have not and have had to drive to the UPS Store in San Marcos to recover their undelivered packages. Some packages have been left at the Red Rock General Store. Joe Dickson has tried to communicate with UPS to resolve the issue, but it is still a matter of confusion, and inconvenience to residents beyond the bridge will be an issue with holiday deliveries ramping up. It seems that the UPS driver is the final arbiter of driving a UPS truck over the bridge. Hopefully, a resolution to the issue will soon be found.

A suggestion was made to explore obtaining IRS 501(c)3 status for the MSLA but it seems a homeowner's association can be eligible for 501(c)4 status, which would make the organization exempt from paying taxes. However, it is not clear if 501(c)4 status would make individual contributions to the organization Tax Exempt. The MSLA does not pay taxes currently, so the idea is addressed towards making the MSLA eligible for support from larger charitable funding organizations. John Livingston is researching potential LOA legal structures and IRS regulations and will report back to the Trustees.

As the meeting had lasted about 90 minutes, it was called to an end.