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Memorial Northwest Homeowners Association

17440 Theiss Mail Route
Klein, TX 77379

Board of Directors Meeting (Executive Session)

Tuesday, December 3, 2019

PRESENT

Greg Schindler, President
Curtis McGee, 1st Vice President
Gregg Williams, 2nd Vice President
Dudley Anderson, Treasurer
Joy Hemphill, Secretary

Sarah Mueller, Area 2
Gerome D'Anna, Area 3
Rebecca Talley, Area 4
Bryan Thomas, Area 5
Ryan Aduddell, Area 6
Jay Jackson, Area 7

Absent:

Art Byram, Area 1
Vacant, 3rd Vice President

Executive Session (7:02 p.m. – 8:25 p.m.)

The Board reviewed a brief overhead presentation entitled “By the Numbers in the Community.” The presentation included slides on items such as:

The financial impact to the remaining neighborhood’s homeowners as a result of dues non-payment from some homeowners. There were several hypothetical scenarios presented. An example given was that 96% compliance in MNW means that 78 homes did not pay their annual assessments, a deficit of \$49,140.

HCAD’s most recent average valuation per square foot of the properties within Memorial Northwest, and the differences in valuation between Areas 1 through 7 of Memorial Northwest. The results indicate the top 1% is at greater than \$100 per square foot; the bottom 1% is at less than \$52 per square foot; and the average is around \$75 per square foot. The total HCAD valuation of all MNW properties is \$545,569,944. There is a phenomenon in the assessing of a home’s value, that homes which have changed hands more frequently will often show a higher valuation because of the known sales price, whereas, homes with one single owner for many decades will generally show a lower valuation.

A pyramid showing interrelationship of transactions, data, information, knowledge, experience, wisdom: knowledge may be changed by its interaction with information and wisdom being specialized knowledge that acts to filter the knowledge best used to extract the appropriate information from data.

The impact of social media on a Homeowner Board. Generally speaking, in comparison to the entirety of homeowners, social media accounts for a very small percentage of the total. For example, if there are comments from 40 different homeowners in Memorial Northwest, that represents 2 percent of the total homeowners. This statistic does not consider the possible skewing when there are some people (out of the hypothetical 40) that will dominate conversations. Also, there is no governance with regard to such comments and no validation as to the facts represented.

Management Company Contract: There was a roundtable discourse regarding the services provided by SCS Management Company to Memorial Northwest HOA and the price for such. Discussion ensued regarding the HOA’s past working relationship with SCS, problem solving, how responsive the Board felt

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that SCS had been to the nuances of MNW's particular needs, having a sense of partnership between the HOA and its management company, options available for other management companies. Appreciation was mentioned in SCS's recent work on more palatable letters to homeowners as well as its recent computer programming better identifying a home's address with its area, thus enabling the area directors to better focus their attention on the homes in their areas. Mr. Anderson outlined his most recent experience in working with Mrs. Naranjo on the 2020 budget. Dialogue included the suggestion of the Board of Directors making a list of particulars they wished addressed, focusing the issues to possibly the top six topics, and addressing those with SCS within the upcoming year. With this concentration, it was suggested that a one-year extension of the contract would be the best way to accomplish this. Mr. McGee motioned that the Board of Directors renew the SCS contract for an additional year; Mrs. Mueller seconded. The motion carried with all in favor.

Security: Deliberation was had among the Board of Directors regarding the options available for security contracts. Before discussion of the merits, it was indicated that there are three options available: 1) continuing the contract for security patrol provided by the Harris County Sheriff's office; 2) a new contract for security patrol provided by Harris County Precinct 4 Constable's office; and 3) no specific contract with any agency, allowing for the security that is provided for all citizens through their tax dollars.

Mr. Williams discussed some of his findings from the recent meeting that he, Mr. Byram, Mr. McGee as MNW Vice President in charge of contracts, and Mr. Moquin, a member of the Security Committee, had with Precinct 4 Constable Mark Herman on November 19th.

Mr. Williams' highlights from his meeting with Constable Herman were response time, visibility and monthly reporting. It was asserted that response times for priority calls would be 3 minutes for a deputy on duty and 6 minutes when not on duty; that Constable Herman had more manpower as compared to HCSO because they are not bound by Civil Service regulations; that Precinct 4 outnumbers HCSO 10-to-1 with 500 deputies.

However, Mr. Williams indicated that Constable Herman expressed urgency in signing a contract so as to ensure getting his "seasoned deputies," as he already has three new contracts starting in March, which would deplete his present "seasoned" staff and, thus, temporary deputies would be assigned thereafter.

Mr. Curtis conveyed his thoughts as a result of the same meeting. He passed out a map for the Board members' perusal depicting northwest Harris County areas under Precinct 4 Constable contract, those under Harris County Sheriff's Office contract, and those with no supernumerary security contracts in place, expressing that it is worth getting more information for all three scenarios. Mr. Curtis informed that MNW was not rushed and had some freedom to better study the scenarios in depth as only a 30-day notice was required to cancel the present contract with the HCSO.

Academic discussion of the pros and cons of each option along with queries seeking clarification were made from Board members regarding several issues. Such inquiries included the method and the similarities in which incoming calls are handled and routed by the agencies' call centers, the priorities assigned to such calls, what the comparative data was for the HCSO as well as for the local neighborhoods with no extra-security contracts. Consternations were expressed about relationships already built, the certified mental

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health training possessed by the present two deputies having already resulted in positive outcomes, and a general feeling that more comparative information was needed before a change should be made.

Discussion included the perception of confidence the members had in Constable Herman's presentation, whether there was a sense, or not, that there was a rivalry between the departments and if any of the attendees felt that Constable Herman may have embellished his presentation for the sake of selling his department's services. Banter around the table included members indicating they had seen social media from other neighborhoods with a Constable contract where the neighbors were critical of the Constable.

Mrs. Mueller made a motion to vote on the security contract and Mr. D'Anna seconded. The chair called for further discussion.

There was then discussion of some security issues in the neighborhood in which Mr. Schindler had been apprised of from the HCSO, and Mr. Williams indicated that he had not been notified. There was discourse as to why that would be happening.

Mr. Schindler, as chairman, asked who was in favor of the Constables, with one responding affirmatively; who was in favor of the HCSO, with six responding affirmatively; and, finally, who was in favor of no contract, with two responding affirmatively. The ruling of the chair was to renew the HCSO.

Thereafter, a board member indicated they wished to expound a final word as to the reasoning for their vote of no contract: 1) that there was not enough empirical data on any of the three offers to make a sagacious judgment at this time, suggesting that more fact-based information needed to be determined, and with a 30-day cancellation clause in place there was not a need for haste.

The executive session meeting was adjourned at 8:25 p.m.

The MNW Board of Directors Open Session immediately followed.

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Jay Jackson, Area 7

Margie Naranjo and Cathy Jensen of SCS Management Services, Inc.

Absent:

Gregg Williams, 2nd Vice President
Art Byram, Area 1
Vacant, 3rd Vice President

Open Session (8:26 p.m. – 8:52 p.m.)

Executive Session Meeting Summary: Mr. Schindler summarized the results of the executive session for the homeowners present; reporting that the Board discussed and approved the Management and Sheriff contracts renewing both contracts for one year.

Adoption of the Agenda: Mr. Schindler asked if there were any objections or amendments to the agenda. The Board unanimously approved the agenda as presented.

Homeowners Forum: Mr. Schindler opened the floor to those homeowners wishing to address the Board. A homeowner present, who indicated that he had received a letter regarding his driveway needing to be repaired, was seeking clarification on how much of his driveway the letter was referencing: whether it was only the portion in disrepair or his entire driveway. The Board thanked him for bringing his query forward, instructed him that it generally was the portion in disrepair, but for him to speak directly with his Area Director for specifics as to his particular situation.

Board Referral List: Prior to the Board meeting, the seven area directors had reviewed the Board Referral List and sent SCS Management their recommendations. Mr. Jackson gave an update of his "Case Study" from November's board meeting, indicating there was a positive result from the homeowner. Mr. Jackson recommends to put a hold on this property and to continue to work with the homeowner on further issues. Ms. Mueller recommended a hold for a property in her area with a driveway issue. Mr. D'Anna motioned to accept the Area Directors' recommendations on the Board Referral List; the motion was seconded by Mr. Thomas. All voted in favor.

Resignation of Mr. Anderson as Treasurer: Mr. Schindler acknowledged receipt of Mr. Anderson's letter of resignation as treasurer effective December 31, 2019. Mr. Schindler, along with the remaining Board members, thanked Mr. Anderson for his hard work, especially with regard to his investigation of account

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consolidation in an interest-bearing Merrill Lynch Case Management Account and his most recent diligent work with Mrs. Naranjo on the 2020 budget for MNW.

Appointment of New Treasurer: Mr. Aduddell volunteered to fill the position of treasurer created by Mr. Anderson's resignation. The Board unanimously appointed Mr. Aduddell to the position of treasurer with a motion from Mrs. Hemphill and a second from Mr. Jackson.

CCMC Minutes: Mr. Thomas highlighted some of the CCMC meeting, indicating that there were four members present and one visitor. Mr. Aduddell sought clarification that entrance through the pool gate was to be by fingerprint, as he had noticed a dead-bolt lock. Mr. Thomas indicated that this was a procedural issue that had been remedied and confirmed that entrance was via fingerprint. Mr. Thomas indicated that there were now waiver forms available for pool use afterhours. Mr. Aduddell also queried regarding installation of the water-bottle filler at the pool. Mr. Thomas assured that this was in the works.

ACC Minutes: Mr. Schindler, as acting chair of the ACC, indicated that there were five people present at the November 20th ACC meeting. He conveyed that the focus going forward was on how to improve the letters going out and the process of approval.

Security: With Mr. Williams being absent, Deputy Montoya was asked to address for the benefit of the Board of Directors and the homeowners present some of the security issues within the last month. Deputy Montoya iterated the following: a burglary of an unlocked vehicle in which the owner could not recall if missing items were taken from the car at home or at another location; the reporting of two suspicious vehicles, which turned out to be vehicles subcontracted by Amazon Prime; several solicitors that were asked to leave; 28 traffic stops; a barking dog complaint; and a couple of false-alarm calls regarding packages being incorrectly delivered by the Post Office in which the homeowners were suspicious of a bomb.

Deputy Montoya discussed the recent drive-by shooting-in-the-air incident. Deputy Montoya indicated the culprit had been located, shell casings recovered which are being tested for fingerprints, and that the case has been handed over to the District Attorney for the issuance of charges.

Deputy Montoya then followed up from last month's HOA meeting regarding the issue of individuals parked in the no-parking zone along Trace Forest. He indicated that he had driven by that area several times and there were no cars parked in the no-parking zone. There was then a discussion between Deputy Montoya and the homeowner who brought the issue forward as to the times such violations were observed.

New Business: None.

There being no further business, Mr. Schindler adjourned the meeting at 8:52 PM.