



Meeting Minutes of the Falling Waters HOA Board of Directors

Executive Meeting October 27, 2023, at 2:30 p.m.

Special Meeting with Developers, Dave Woodward, Brian Woodward, and Dave Austgen

Officers Present: Morgan Brosch, Lovie Davis, Mike Berta, and Deb Mann.

Members absent: Izabela Bebekoski and Legal Counsel Nathan Vis.

This special meeting was called to review the current Resolution which is to expire on November 12, 2021.

Introductions were made. Dave said that he had met earlier in the week with Morgan and Lovie and then inquired to meet the rest of the board to bring several issues to light. The first issue was creating a park/playground in the community, which Morgan and Lovie are hoping for. Dave asked the ladies where they were proposing this park, and the developers would then discuss which lots they would be willing to discount for the HOA to purchase such property. Dave provided a map and Morgan pointed out Lots 38-39 and lots 48-49. Brian had concerns about lots 48 & 49 due to the sloping off and the low-lying area. Mike Berta brought up how much supervision may be on lots not around homes where there might be someone home. Dave explained that homeowners on Cirque may not appreciate the idea of a park going up right in the middle of homes. He cited that people may not have built in that location had they known a park would be installed. He also stated that traffic may be an issue at that busy street, where as on Levanno it is a wider area. Dave asked the board to secure an engineer to look over both sites to determine if a park would even be appropriate. Morgan mentioned our Engineer Adam McAlpine to investigate. This area would be intended for ages 2-12, no basketball court, possibly a gazebo or picnic table. The developers will discuss and return to us a significantly reduced rate for the spots mentioned. They are willing to work with the board to develop such a park if the board is willing to help them with extending the revised resolution.

The next issue Dave wanted to discuss was the fence issue. He stated that he is sure they have lost 3-5 sales of lots due to the fact the covenants do not allow fences. Builders are citing the same complaints. Dave said this is affecting sales of lots in this community and it concerns him. He stated he would like to see allowed a very particular type of fence similar to the fences that the Conservancy District is using around their stations. Morgan approves of the fences they have requested and the protection a fence would provide from animals, as there are many coyotes in the area.

Deb spoke up and mentioned the fact that every real estate person who closes on a home is issued a copy of the covenants where all our restrictions are clearly stated, and the prospective owner has 24-48 hours to review them before signing. These people know when they build out here or move here that we do not allow fences. The fact was also presented that at least 75% of the people who built or bought here did so because there were no fences allowed. It interferes with the natural beauty of the rolling hills and the very pleasing natural environment.

It was also discussed that this issue has come before us before, and we have established a Covenant Review Committee, to possibly change several of the existing covenants. When this committee meets, we are going to submit to the community the list of changes proposed. It will be up to the community to decide whether to allow fences. If the community wants this covenant to be changed, so be it, but we are not changing any of the covenants until the committee has received all the votes from the community.

Deb also reminded the developers how hard it is to get the community to take part in this endeavor. She also reminded them how hard we worked a few years ago to institute several covenant changes in their office, and they were all good changes, but we did not get the required 67% of the votes, so nothing happened. Deb presented to the committee at the very first meeting-those changes that we tried before. The committee was favorable as to most of them, and the committee is now in the process of going through the rest of the original covenants to see what additional changes may be appropriate. The process takes time and considerable effort and expense to accomplish. Mike Berta inquired about the timeline. Once the Voting has taken place, we still must get Title work listing all financial institutions involved to submit letters to, certified and return receipt requests, upon all approvals, we then get the new Covenants recorded in court. Dave Woodward then suggested that with their "unique skill set" that the developers would pay for the cost involved with changing the covenants. Mike mentioned that this was a very generous offer from the developers but reminded them of no decisions could be made without the other board member being absent, as well as our legal counsel. Dave then stated that they are willing to work with this board to get changes made. If we were all in agreement with the changes to be made, they would bear the cost. The statement he just made was contingent upon moving forward in a timely manner to accomplish these changes. For the developer to cover the cost associated with changing the covenants, all changes must first be approved by the developer. Brian referenced the statement regarding any covenant changes must be approved by 67% of the total number of holders of the first mortgages on residences. He claims this sentence implies that if a resident has no mortgage on their home, they may not vote. Mike Berta replied, "that is certainly not fair." Brian thinks this should be changed to "every homeowner".

Another big topic for the developers is the Masonry change of the front elevations of homes. The developers had an idea which would include the possibility for the homeowner who did not choose all Masonry on the front elevation-to be able to pick a higher end product material such

as LP Siding or Hardie board instead of vinyl siding. Dave Austgen mentioned how much more valuable and expensive this option is. If the buyer opted for not providing the added expense, they had to go back to the original all masonry on front elevation. Deb will bring this option to the Covenant Review Committee on Wednesday's meeting. Mike mentioned working with builders while on the ACC using other materials than all brick on the front elevation. Mike has observed other materials that look very good. Mike suggested having a joint meeting with the ACC, Board, and Covenant Committee to listen to these ideas. The language of the covenants also needs to be considered, for example "Street View" or just front elevation standards. This would give builders more creative ways to enhance their homes.

The next item on Dave Woodward's list was the Resolution. The first issue was concerning Lot 128. Dave said that on August 22, 2023, Providence Builders sent Dave all the required information, it met the square footage and front elevation requirements, so Dave approved it. Providence then proceeded to forward to 1st American Management. Someone dropped the ball and finally Mario responded, however it was 2 months after the submission of plans. Providence did not hear anything from 1st American, so they proceeded with their plans. Mike stated that he does not agree with Providence after not hearing anything from 1st American, that they have the right to just go ahead and begin construction. They also could have and should have reached out to us (the Board), to confirm approval. Better communication needs to happen between all parties. There is a need to work with all involved parties to better serve the community. The developers discussed making improvements to their homes, to make them sell sooner. Mike asked for clarification as to the procedure for plan approval with Providence. The board was not aware that the Woodward's were acting as their "ACC" instead of coming to the HOA Board. Morgan suggested that Mike be the liaison between the developers and the ACC in approving the plans and confirming they have everything in order before commencing construction.

Dave's last issue on the resolution was signage. He does not agree with the signs on the garages, we all agreed. He wants to see that eliminated. The next are the flag signs. He mentioned that Providence had the flag signs to the model home, there were originally 5, but now there are three. He asked us if we had any problem with them. Deb pointed out that the Resolution states in "High flag poles with Fabric signs will be prohibited." Why are they there? Also, the item of lighting the flags/home etc. It was pointed out that the lights shine on that house and flags all night long, it also states that they are to be turned off at 7:00 p.m. Deb shared that it cheapens the neighborhood and makes it look like a carnival. Dave said he was not aware of this and please let him know and he will make a call and correct the action. He asks that we consider smaller fabric signs and limited to time agreed by all. Mike said we will discuss this among all board members and communicate our decision.

Another Providence home was discussed-the Medwin Way home. Dave's argument was at the time it was approved there were 8-10 other homes out here that did not meet the covenant of

masonry on the interior walls, and that is the reason it was approved by both the board at that time and himself. He states that if we do not want to allow this to go forward, we can discuss an alternative and he will go to Providence with it. Once again Deb reminded him before that happens, we must get the covenants to reflect those changes and be approved. We must also decide on the wording of Front elevation, or entire front of the home. This is open to interpretation and must be clarified.

Dave wants to sit down with Providence to discuss what we would like to see from his homes, going forward.

Dave would also like to change the turnaround time for approval of plans, regarding Providence homes. Once Dave approves the square footage and front elevation requirements, he will present them to the Board and give us 10 business days to approve. The other builders will go through the ACC as before. Mike questioned why in the case of Lot 128; Providence sent all the paperwork to 1st American rather than the board. Dave explained that this is what the prior board told them to do, to sent it to 1st American first then they would forward to the board.

Dave explained that Providence has a contract with the developer to build a certain number of homes within a year. The developers have modified their contract due to the slowing of the economy and they have allowed the developers first right of refusal, so if another builder wishes to build on one of Providence's lots, the developers will in-form Providence of a potential buyer and can then offer the third party that lot. So, this opens those lots up and they are not just available to Providence anymore and that should help. Deb asked how many lots Providence now owns, Dave said he did not know exactly.

Dave came back to the signage issue. Deb explained that signs are a big complaint with most every resident in the neighborhood. The people were very upset that we signed this resolution to allow the builders to have more than one sign with the designated size. We explained that it was to help the development grow and that it was only for 24 months. The builders took advantage of this opportunity and allowed their subcontractors to put up signs, like "Painting done by...." and "Concrete Completed by...", pool signs several different ones. The community as well as the board feel like if we do not allow our residents to have any type of signage, why then should such allowances be given to the builders. The developers will change the language of the signs. We can also ask the builder to submit a prototype of a sign for approval.

Dave had one last item to discuss, and it was the marketing of homes for building. Just because they advertise a certain home, it does not necessarily mean that that home is going on any lot, it is just a marketing technique to get people to contact Providence or their builder, and the developers do not know what they are putting out there. He stresses once again that if there is ever a problem with Providence and they are not doing something right, we just must call the developers and they will certainly contact the builder. Mike asked for an example of Providences front elevations for a variety of styles of homes. Deb showed what we had from

Providence several years ago. Dave cited the issue since they have only built 4 homes thus far. He claims that they are aware of the duplication of any home cannot occur for 240 feet, or approximately 4 lots.

The developers will go back and reword the Resolution and get it to the board for approval.

The developers inquired of the next meetings. Deb explained that the next board meeting was Monday the 30th and the next Covenant Committee Review was on Wednesday, Nov. 1. She mentioned that the meetings would be held at the clubhouse but expressed concern about using the clubhouse as it belongs to the Cottage Home residents. I was under the impression that the HOA could only use it once per month-in exchange for not having to pay HOA dues.

Dave corrected Deb in saying that they own the Clubhouse and that they are the President of the Cottage Home HOA and will continue to be in that status through 2024 and gave us permission to use it as we need to unless it is already rented.

Dave asked the person in control to approve trees to be removed before construction. Mike told him to contact Bill Schab, and that he does a good job with this.

Deb informed the board of a possible change in the meeting date for our November Meeting with the whole community. The dates got confused with the church and something else is happening on the 21st in the Sanctuary, so we may have to move our meeting to the hall. Deb will contact the church for approval of that date in the hall, or whether the church has scheduled us in the Sanctuary for the 16th of November. Deb will confirm on Monday and get back to the Board and developers with the set date.

Meeting adjourned at 4:15 p.m.