

MINUTES OF THE ANNUAL MEETING OF THE MEMBERS OF THE ROUND ROCK RANCH PHASE ONE HOMEOWNERS ASSOCIATION, INC.

January 18, 2005

The undersigned, President of the Round Rock Ranch Phase One Homeowners Association, Inc. (the "Association" or "RRR"), hereby certifies that at 6:45 p.m. on January 18, 2005, the Annual Meeting of the members of the Association was held in the Gattis Elementary School Cafeteria, located at 2920 Round Rock Ranch Boulevard, Round Rock, Texas. President Jack Sticklen, Vice President Penelope Wigton, Treasurer Polly Middlebrook, Secretary Arlene McKenna, and Director Beth Wick were present. Association Manager Greg Veldman, Administrative Assistant Jennifer Jackson, Ms. Crystal McGee, Ms. Guyanne Crump, Ms. Merry Guerrero, and Ms. Crystal Wyche of Liddiard Management Company were also present. President Sticklen called the meeting to order at 7:07 p.m. and the following business was conducted:

1. Roll Call and Proxy Certification

A sign-in sheet made a roll call of the Members of the Association. Of the 587 member households of record as of January 18, 2005, 504 were eligible to vote as per the Bylaws, Section 6. 49 residents were present at the meeting and 38 residents were represented by proxy for a total of 122 households represented. There were 67 builder Lots represented. The following table summarizes the members in attendance and the quorum requirements.

CLASS A

	<u>Residents</u>	<u>Builders</u>	<u>Total</u>
Total Lots	587	68	655
Total Eligible Votes	504	68	572
Votes - Attending	49	67	116
Votes - Proxy	38	0	38
Total Votes	87	67	154

25% Quorum Requirement (of Eligible Votes)	143
Requirement Met	Yes

The sign-in sheet for the meeting (Exhibit "A") is maintained by Liddiard Management Company ("LMC") as part of the Association's permanent records.

2. Proof of Notice

Proof of Notice to all members was established (Exhibit "B") and is also maintained with the permanent records of this meeting by LMC.

3. Approval of Annual Meeting Minutes (February 24, 2004)

A motion was made and seconded to waive the reading of the 2004 Annual Meeting Minutes. That motion passed by voice vote. A motion was then made and seconded to accept the minutes as presented in the Annual Meeting Packet. The minutes were approved by voice vote.

4. President's Report

President Sticklen encouraged all residents to be active in the community by joining one or more of the HOA committees. Mr. Sticklen stated that nothing could be accomplished without the residents of Round Rock Ranch. President Sticklen also spoke about his promise from last year's meeting to bid out the management contract by this year's meeting. Several companies responded to the ads placed in area newspapers. Six companies received the specifications for the request for bid. Four companies declined to bid. Mr. Sticklen informed the membership that the contract was awarded to LMC by a unanimous vote of the Board. President Sticklen relinquished

chairmanship of the meeting and turned the floor over to the Association Manager, Mr. Greg Veldman.

5. Manager's Report

Mr. Veldman introduced Ms. Cheryl Williams, of 1700 Amber Skyway Cove. Ms. Williams stated that she has been working closely with the City of Round Rock in an effort to have traffic signals installed at some of the busy intersections in Round Rock Ranch. Ms. Williams informed the residents that the City of Round Rock performed several traffic studies over the past year to determine whether traffic signals are needed. She said that the City has tentatively agreed to install a light at the East intersection of Round Rock Ranch Boulevard and Gattis School Road. She added that the matter still has to be approved by the City Council. Ms. Williams encouraged residents to notify the City via email or letter if they are in favor of the project to help ensure that the light is approved.

Mr. Veldman then proceeded with the Manager's Report and stated that this was his sixth Round Rock Ranch Phase One Annual Meeting. Mr. Veldman then gave the members some background about LMC. LMC manages over eighty community associations in the Central Texas area and is based out of Austin. One exclusive service that LMC provides is the extensively informative homeowner information binder, sent out to each new resident that moves into the community. The book is an important resource for residents, as it provides information about the Board of Directors, committees, deed restrictions, the Architectural Control Committee, emergency contacts as well as a wealth of other information. LMC, as part of its contract with the Association, also builds and maintains a formal reserve analysis for the community. The analysis takes into account all of the Associations capital assets, the replacement or repair cost of each asset and the estimated useful life of each item. The analysis covers twenty-five years and through this process, tells the Board and the manager how much money should be allocated to the reserves each year to fund it appropriately. Mr. Veldman then discussed the creation of RealManage and how that new company has committed to build a first class software platform for the property management business. He explained that the development of this new software platform will allow for LMC to continue to provide superior service and offer many new reporting features for Board members as well as enhanced service to the membership at large. As the first part of the new accounting system, Mr. Veldman explained that all RRR residents can now make their assessment payments online via credit card, auto debit or electronic check by going to the LMC website and clicking on the "Payment Options" tab.

Mr. Veldman explained that the management company takes its direction from the Board of Directors in order to provide support in the protection of homeowners' property values and the Association's common areas. Mr. Veldman explained that the neighborhood has the power to maintain their property values through the Declaration of Covenants, Conditions, and Restrictions, (the "DCC&R's"). Mr. Veldman explained the legal process that the Association must follow in order to bring homeowners into compliance with the deed restrictions, including abiding by Chapter 209 of the Texas Property Code. Chapter 209 allows residents to request a hearing before the Board of Directors before the Association can consider legal action to force compliance. Mr. Veldman closed by encouraging residents to join a committee and if they had any specific questions, to see him after the meeting or contact him at the office.

6. Election of Directors: Two positions, each for a two-year term

Mr. Veldman explained that one candidate, Mr. Lehi Gracia, had announced his intent to run for the Board prior to the annual meeting. Mr. Veldman then opened the floor for nominations. Ms. Lea Beth Munoz and Mr. Dan Nolen were both nominated from the floor. A motion was then made, seconded, and passed unanimously to close nominations from the floor. Each candidate then gave a brief review of their interest in becoming a member of the Board. Written ballots were cast, collected and counted. Ms. Lea Beth Munoz and Mr. Dan Nolen were elected to the Board of Director positions, each for two-year terms.

7. Committee Reports

Board Liaison, Beth Wick, is currently chairing the Architectural Control Committee ("ACC"). The ACC is actively seeking a new chairperson. Ms. Wick explained that the duties of the ACC members are to uphold the Round Rock Ranch Phase One DCC&R's as they relate to the improvements made to homes by residents. She provided a written report detailing the types of projects that were submitted to the ACC and explained the process they go through to review proposals submitted by residents.

Ms. Lea Beth Munoz is currently chairing the Social Committee. Ms. Munoz went through the list of events that were held in 2004 including the teen pool party, National Night Out cook out and street dance, neighborhood food drive, holiday tree lighting and holiday decorating contest.

Mr. Bill Edgemond is currently chairing the Pool Committee. Mr. Edgemond had a brief discussion regarding the opening of the new pool at 1100 Sundrop Place. The pool rules will be modified to include both pools. It was also noted that the 2005 budget allows for Williamson County Constables Office to provide security for both pools during the swim season.

Ms. Nina Nolen is currently chairing the Communications Committee. Ms. Nolen, with the help of Ms. Wendi Baird, has put together the Round Rock Ranch Phase One newsletter. The newsletter is distributed by each street's representative. It was noted that a street representative is needed for Fort Thomas Drive.

Board Liaison Penelope Wigton, is currently chairing the Landscaping Committee. The committee is seeking a new chairperson. The duties of the Landscaping Committee Chairperson are to provide recommendations to the Board of Directors for special landscaping projects outside the scope of the current landscaping contract with TruGreen LandCare. The committee also assists the property manager in making sure the landscaping contractor is adequately performing its duties under the landscaping contract.

8. Old Business

There was no old business to report.

9. New Business

The Board of Directors utilized this time to answer any questions the residents had. Mr. John Hastings of 1508 Plume Grass Place wanted to know who is in charge of mowing the grass in the drainage area near Sundrop and Plume Grass Place. Mr. Veldman responded by explaining that the HOA has just recently taken over that responsibility from DR Horton. Mr. Veldman said he would investigate the area on his next visit to ensure it is being maintained properly.

Ms. Shirley Childers, of 1837 Chino Valley Trail inquired about lighting at the mailboxes. She was concerned for her own safety and the safety of the other residents. Mr. Veldman explained that the Board had originally agreed to have two solar powered motion detector lights installed at the kiosk area. After further investigation of the product, it turns out the device would not be adequate for this area. Mr. Veldman said he would come up with a different option and propose to the Board, with completion of the project slated for the first quarter of 2005.

Mr. Anil Mistry, of 1702 Pecos Valley Cove wanted to thank Mr. Veldman for having lights installed at the Round Rock Ranch sign in the front of the property. Mr. Mistry believes that these lights increase the property value. He also wanted to know how many residents are in collections. Mr. Veldman stated that there are approximately ten to twelve residents currently in collections at the attorney level. Several other residents had questions, but they had been answered in prior discussions.

The Board of Directors also discussed the possibility of beginning a new Neighborhood Watch Program. This program would be run by a chairperson, with the help of a captain for each block. The Committee would meet regularly. The Committee would also meet with local Law

Enforcement to establish communications with them to report undesirable activities in the neighborhood.

10. Presentations and Announcements

President Sticklen made presentations to several committee chairs and the Association Manager on behalf of the other Board members for their hard work and dedication to the community for so many years. They were also presented with gift certificates to a local restaurant. Director Wick presented outgoing Board members Jack Sticklen and Arlene McKenna with gift certificates, also, for their hard work during their terms on the Board of Directors.

There being no further business to be conducted, the meeting was adjourned at 8:57 p.m.

Minutes dated January 18, 2005

Arlene McKenna, Secretary

ATTEST:

Jack Sticklen, President