



P.O.A.T.R.I.
BOARD OF DIRECTORS' QUARTERLY MEETING MINUTES
OCTOBER 27, 2018

The meeting was called to order by President, Marilyn Anthenat at 10:06 AM

Roll Call and Certification of Board Members by Secretary Kathy Pothier – (P= Present; A=Absent)

M Anthenat – P; R Bundy – P; Y Diaz – P; B Ellis – A; C King – P; K Pothier – P;
C Small – P; B Vogl – P

There were no public service announcements

Acceptance of Minutes as Presented - Kathy Pothier, Secretary

The minutes from the April 2018 quarterly meeting were emailed to all Directors and posted on POATRI.org. Kathy Pothier moved the minutes from the April 28, 2018 quarterly meeting be accepted as emailed. Second by Russell Bundy and all present unanimously approved.

On August 8, 2018, there was a telephone conference call regarding purchasing and/or repair of heavy equipment. Those directors present on the call were Marilyn Anthenat, Russell Bundy, Yvonne Diaz, Billy Ellis, Chris King, Kathy Pothier, Carolyn Small and Bill Vogl. No votes or resolutions were passed as a result of this conference call.

On August 15, 2018, there was a telephone conference call regarding purchasing heavy equipment. Those directors present on the call were Marilyn Anthenat, Yvonne Diaz, Chris King, Kathy Pothier and Bill Vogl. Russell Bundy, Billy Ellis and Carolyn Small were absent. No votes or resolutions were passed as a result of this conference call.

On August 23, 2018, the Board of Directors voted via email to approve the funding of up to \$140,000 from the operating account for the purchase of the CAT 120H. Record of voting Marilyn Anthenat – Approve; Russell Bundy – Approve, Yvonne Diaz – Approve; Billy Ellis – Approve; Chris King – Approve; Kathy Pothier – Approve; Bill Vogl – Approve. Carolyn Small did not respond.

On September 18, 2018 there was a telephone conference call to discuss heavy equipment repair. Those directors present on the call were Russell Bundy, Billy Ellis, Chris King, Kathy Pothier, Carolyn Small, and Bill Vogl. Marilyn Anthenat and Yvonne Diaz were absent.

We discussed the options presented in the proposal from ranch manager, Anita Goss as well as funding for the proposal. The group present agreed unanimously that Option 3 was the best for POATRI right now. Option 3 from the CAT 140H Repairs Proposal reads as follows: Rebuild powertrain, rebuild differential, replace engine with remanufactured engine and replace parking brake.

This option was priced at \$83,373.72 minus \$8000.00 core credit plus \$2400.00 (transporting equipment to and from repair site) making the amount of repairs \$77,773.72. The members present unanimously passed following resolution:



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS,

The current 140H is in need of repairs and the estimated repair costs are \$80,000.00

Therefore;

BE IT HEREBY RESOLVED:

To authorize the transfer of up to \$80,000.00 from the Capital Reserve Fund account to the Operating Account to cover the cost of repairing road maintenance equipment. These funds will be paid back to the Capital Reserve Fund in equal monthly installments over five years (60 payments) and such payment/s will be included in the budget each year until the funds have been repaid in full.

Effective Date: September 18, 2018. Motion By: Carolyn Small Second: Bill Vogl

Ayes: 6 Nays: 0 Abstain: 0 Absent: 2

Record of Voting: M Anthenat – A R Bundy – Y Y Diaz – A B Ellis – Y C King – Y K Pothier – Y
C Small – Y B Vogl – Y

Also discussed was the remainder of the loan that was borrowed from the capital fund in December/2016. Not all the \$45,000.00 was used for the equipment repairs and truck. Chris asked for a clean paper trail rather than leaving the money in the operating account and borrowing a smaller amount. We agreed there was wisdom in this approach.

K Pothier moved and R Bundy seconded to return from the operating fund to the capital fund, the unused funds in the amount of \$18,750.00 from the original \$45,000.00 loan in December/2016.

Record of voting: M Anthenat – A; R Bundy – Y; Y Diaz – A; B Ellis – Y; C King – Y;
K Pothier – Y; C Small – Y; B Vogl – Y.

Anita confirmed that this transfer from the operating fund to the capital fund was made.

President's Report is attached at the end of these minutes.

Treasurer's Report was an audio-visual presentation of the financial status of POATRI. The Profit and Loss report and the Balance Sheet will be posted on POATRI.org. July, August and September are normally our down months. Our fall should be good for revenue generation as our bookings are up. We have a budget and finance committee - Ed Marcato, Bill Vogl, Marilyn Anthenat and Anita Goss. This group will be able to delve into our income, expenses and capital expenditures and question what we are going to need in the future. This committee will also work with Anita on the budget for 2019. The purchase of the new grader of approximately \$139,000 was funded from the operating account.

Manager's Report are attached at the end of these minutes.

Committee/Task Force Reports

Budget and Finance Committee – Chris King noted that the committee is always looking for volunteers. If you have an interest or experience in this area and would like to join this committee contact Chris. Ed Marcato, Bill Vogl, Marilyn and Anita are current members.

Audit Committee – Chris King reported that this committee is being reset and all board members are tasked with reaching out to find volunteers for this committee.



Communications Committee – Yvonne reported that Dale Weiss has agreed to be a member of this committee. Thank you, Dale. The Social Media Policy will be added to the P&P. The resolution is attached at the end of these minutes and the policy will be added to the Policies and Procedures manual. An additional social media policy will be added to the Employee Manual.

TSUS Task Force – John Hyack is the Vice Chancellor of the Texas State University System, is the first vice chancellor in a number of years who has taken an active interest in things on the Ranch. They have purchased property on Terlingua Ranch and have plans to build a lab facility. This task force will be disbanded and the President will be the liaison for any future issues or projects.

Hunt Committee has no report.

Airport Committee has no report.

OLD BUSINESS:

Update on Collections and Foreclosures is attached at the end of these minutes.

RGCOG Terlingua Ranch 9-1-1 Maps Update – There's an updated map. We will be getting another updated map with revisions and updates. The road crew, Calvin Glover and Anita Goss have worked with Rio Grande Council of Governments to revise and update these maps. We now have section maps that show the road names better.

TCEQ Well Status – We have small issues with the Smith well regarding regulating pressure. We are working with Arrowhead Drilling to get pressure regulated.

3-Mile Road Paving Task Force – a big thank you to Nancy Reyes, Calvin Glover and Larry Drgac. They've done an excellent job and made a lot of progress. The task force report is attached at the end of these minutes. The following motion was passed:

Marilynn Anthenat moved and Russell Bundy seconded that the board accept the task force recommendation to send an introductory email from the President under POATRI email; approve the format of the draft letter to the property owners (subject to its review by the County attorney); approve the Petition to the County to accept the three miles stretch into the County road system and authorize POATRI's designated representative to sign the Petition and the letters to the property owners; delegate leading and implementing the approved process to the task force, the include presenting the form easement to the County attorney for review; completing verification of property owners to be contacted; finalizing letters to the property owners; finalizing the easement agreements; meeting with the property owners in person, group meetings, and/or letters to the property owners to obtain written easement agreements and signatures on the Petition; and meeting with members of the Commissioners Court to discuss dedication of the public road and paving and working to obtain their support of the project.

Record of voting - Ayes: 7 Nays: 0 Abstain: 0 Absent: 1

M Anthenat – Y; R Bundy – Y; Diaz – Y; B Ellis – A; C King – Y; K Pothier – Y; C Small – Y; B Vogl – Y;

Social Media Guidelines has been discussed and the resolution is attached at the end of these minutes.

Road Signage regarding firearms in the lodge area is not helpful as it is meaningless. There was discussion regarding taking that sign down and adding proper signage concerning firearms in both the office and café. The “no loaded guns in the lodge area” sign has been removed. We do need to catch up with the times and the state laws regarding firearms. There was general discussion about the laws regarding firearms and the state



laws. Because we, as a board, are not all educated about the firearms laws, we will educate ourselves and have a conference call to decide which, if any, of the appropriate signage we need to display. Anita will find out what our insurance coverage requires regarding firearms. We will follow up in a couple of weeks with a conference call to make a decision on signage.

We have 3 seats available for the board of director election. The results will be announced at the January 26, 2019 quarterly meeting.

NEW BUSINESS:

Property Owner Participation – Chuck Corrao asked if there is still a gun range and is it on POATRI property. The gun range was on private property and not POATRI property. The gun range is no longer active, the sign has been removed and the staff no longer tells guests or owners that it is available. There is no longer a pistol range, either. That is now the wedding site.

Randy “Cooter” McLaughlin (who passed away in July) has donated his recording equipment to POATRI. We are very grateful for this donation.

2019 Budget Recommendation from the Budget & Finance Committee and the Manager is a work in progress and they will be presenting the budget via conference call before the end of 2018.

Standing Committee Review was discussed in detail at the Friday workshop. The airport and hunt committees will be removed as standing committees in the bylaws and the board procedure manual and the hunt committee will become a task force assigned by the President no later than September 1st each year starting in 2019. The hunt committee will be staffed by operations this year – 2018 and Anita will notify the board of the plan. The resolution is attached at the end of these minutes.

Volunteer/Task Force/Committee Confidentiality Agreement Review – the confidentiality agreement that the directors sign in January of each year is the one proposed also to be used for committee members. This agreement will be attested by either the Corporation Secretary or the Board President and will be filed in the board file cabinet in the ranch office. This version is to be reviewed by our attorney before implementation.

Member Mediation Request – was decided not to discuss in public as it was a private matter.

The order of candidate ballot positions are as follows:

1. Phillip Green
2. Yvonne Diaz
3. Chris King
4. Brenda Drgac
5. Richard Bradbury

Board of Director Term Limits was discussed in detail at the Friday workshop and the resolution is attached at the end of these minutes.

Financial Reporting Frequency was deleted from the agenda pending Budget & Finance committee discussions.

Increasing Contingency and Capital Reserve Account Minimums discussion was postponed pending Budget & Finance committee review.



CPI Review/Assessment Fee was discussed and the resolution is attached at the end of these minutes. The 2019 assessment is \$178.12 an increase of \$2.92

Task List

1. Kathy & Yvonne will rewrite the Communications Committee description for the Board Procedure Manual.
2. Kathy to add the Hunt Task Force to the President's list of responsibilities in the Board Procedure Manual.
3. Each board member is tasked to offer volunteers for the Audit Committee to come back to the board with the names of the volunteers.
4. Yvonne will research using Google Drive to be able to be used by the board before the next quarterly meeting.
5. Kathy will have the confidentiality agreement reviewed and approved by our attorney. Marilyn & Kathy will coordinate having the committee members sign the approved agreement.
6. Bill will work with Anita to obtain the login information for the Lodge Facebook site.
7. Yvonne, Kathy and Marilyn will work with Anita to update the employee manual.

Motion to adjourn by Carolyn Small, Second by Russell Bundy. All were in favor

Respectfully submitted by

Kathy Pothier, Secretary



BOARD OF DIRECTORS' MEETING – PRESIDENT'S REPORT
OCTOBER 2018

TCEQ and water system improvements update: On August 16 we were notified by TCEQ that they had received Mr. Turner's response to TCEQ alleged violations and provided the as-builts. At that time, TCEQ was unable to approve the well until additional issues were resolved. The ranch is diligently working on clarifying the issues and rectifying them. Recently, on Oct. 1st, Mr. Turner sent a letter to TCEQ including responses to TCEQ's comments regarding sulfate level monitoring, height of wellhead, system certification, and well pump capacity.

Bad Rabbit logo update: Our attorney is reviewing a revised licensing agreement with Racythangs Enterprises/Leslie Neale.

Important Dates for Upcoming Director Election:

September 1, 2018:	Applications Available and Applications Accepted
October 26, 2018:	Director Applications Due 5:00 pm
November 27, 2018:	Ballots and Voters' List Created
December 9, 2018:	Deadline for Printer to Mail Ballots
January 25, 2019:	Deadline to Receive Ballots 5:00 pm
January 26, 2019:	New Directors Announced

Respectfully submitted,

Marilynn Anthenat, President



MANAGER'S REPORT 3Q OCTOBER 27th, 2018

The Lodge is very busy and getting ready to go into our "busy" season. Although this year we only had a small break in August and September, as July's numbers were off the charts. We have hired lots of new staff including Jeremy Outler on Road Crew, Julie Villalobos in housekeeping, Chris Smith at the Front Desk, Janet Weidinger, cook, Edward Ritter, server, and Jerry Stephenson, dishwasher.

The new 120H is doing great work around the Ranch and is proving to be a very good piece of equipment. The CAT 140H has been picked up by Warren Cat for substantial rebuild and should be back by the first week of December if all goes well.

I have been working very hard on the 2019 budget, trying to capture all the growth needs, and infrastructure issues that need to be dealt with next. We are looking at purchasing two trucks along with another piece of heavy equipment.

The Bad Rabbit Café has just released a new fall menu! Come in and try our baby back ribs! We also have published menus for Thanksgiving, Christmas and New Year's. You won't want to miss these community gatherings! The Bad Rabbit will also be hosting live music every weekend in October, November, and December. Please come out and join us!

The next newsletter will be coming out before the end of this year. If you are not on our mailing list please email propertyinfo@Terlinguaranch.com, or if you require a paper copy, please call us at 432-371-3146 to get your copy.

Thanks

Anita Goss

Ranch Manager



POATRI 3rd QUARTER 2018 COLLECTIONS REPORT

Year to date there has been a lot of movement in the Property Services office. A special Thank You to Kelly Dayton for all of her hard work and dedication as she works with property owners both to come current on their dues and to welcome new members to our community.

This year we have added 231 new paying accounts.

	3Q 2017	3Q 2018
Total Members:	5019	5040
Total MIGS:	2914	3027
Exempt Members:	627	627
Total Paying Members:	2287	2400
Not in Good Standing:	2105	2013

Billing will begin in Dec for the 2019 Assessments. Next year we will send out late notices at the end of April, and again at the end of August. This system has proven very effective in collecting current year assessments.

Thanks,

Anita Goss



Three Mile Task Force Report to POATRI Board

October 27, 2018

The Three Mile Task Force was formed in October 2016 to look into the possibilities of paving the remaining three miles of Terlingua Ranch Road from the Old Marathon Road turn-off to Terlingua Ranch Lodge.

Since the Task Force's last report to the Board, we have (1) confirmed through legal counsel that paving the road does not fall within the scope of POATRI's duties to maintain existing roadways; (2) prepared a form easement which has been approved by POATRI's legal counsel; and (3) prepared a draft letter to landowners of tracts which the existing roadway crosses, which letter has also been approved by legal counsel. The Task Force has also prepared a working list of all such tract owners which is periodically updated to reflect changes in ownership.

Board president Marilyn Anthenat conferred with County Commissioner Garrett regarding dedicating the roadway as a public road to be taken into the County road system, with the ultimate goal of having the County pave and maintain the road. Commissioner Garrett consulted with other County officials, and in August 2018 provided guidance for the process, summarized briefly as follows:

POATRI needs to obtain written easement agreements from each landowner of tracts which the existing roadway crosses, in favor of the County, for the purpose of dedicating the road as a public road, which the County will maintain. The County stated that the section of the road to be taken into the County system will end at the Terlingua Ranch Lodge property line.

The County also requires a petition, signed by all of the landowners as well as POATRI's authorized representative, requesting that the road be taken into the County road system. The Task Force has prepared a form Petition which includes language that, by accepting the existing roadway, a commitment is made by the County to allocate funds for and pave the existing roadway within a reasonable period of time.

The Task Force recommends that the Board vote on and approve the following process: approve the format of the draft letter to the property owners; approve the form easement agreement to be signed by the property owners (subject to its review by the County attorney); approve the Petition to the County to accept the three mile stretch into the County road system and authorize POATRI's designated representative to sign the Petition and the letters to the property owners; delegate leading and implementing the approved process to the Task Force, to include presenting the form easement agreement to the County attorney for review; completing verification of property owners to be contacted; finalizing letters to the property owners; finalizing the easement agreements; meeting with the property owners in person, group meetings, and/or letters to the property owners to obtain written easement agreements and signatures on the Petition; and meeting with members of the Commissioners Court to discuss dedication of the public road and paving and working to obtain their support of the project.

Three Mile Task Force Members

Nancy Reyes, Chair

Calvin Glover

Larry Drgac



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS, this is the age of social media and whereas the use of social media presents certain risks and carries with it certain responsibilities

Therefore;

BE IT HEREBY RESOLVED: to add the Social Media Policy to the Policies and Procedures Manual regarding social media as written in the attachment to be added in Section 1, Number 9.

This resolution amends replaces revokes adds
 Article _____ Section 1 of the
 By-laws Policy and Procedures Manual _____
 Article _____ Number 9

Effective Date: October 27, 2018

Motion By: Chris King Second: Yvonne Diaz

Ayes: 7 Nays: 0 Abstain: 0 Absent: 1

Record of Voting:

M Anthenat - Y; R Bundy - Y; Y Diaz - Y; B Ellis - A; C King - Y; K Pothier - Y; C Small - Y; B Vogl - Y;



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS, the bylaws lists the standing committees as Audit, Airport, Budget & Finance, Communication and Director Application and whereas the Policies & Procedure manual only references the Director Application and Audit committees and whereas the Board Procedure Manual defines the standing committees as Audit, Airport, Budget & Finance, Communications, Director Application and Hunt and whereas the airport committee and hunt committee have been inactive and completed by operations staff;

Therefore;

BE IT HEREBY RESOLVED: to remove the Airport Committee from the bylaws as a standing committee and the Hunt and Airport committees from the Board Procedure manual as standing committees and establish the Hunt Task Force to be named by the President no later than September 1st each year.

This resolution amends replaces revokes adds

Article _____ Section _____ of the

By-laws Policy and Procedures Manual Board Procedure Manual

Article _____ Section _____

Effective Date: _____

Motion By: Marilynn Anthenat Second: Chris King

Ayes: 7 Nays: 0 Abstain: 0 Absent: 1

Record of Voting:

M Anthenat - Y; R Bundy - Y; Y Diaz - Y; B Ellis - A; C King - Y; K Pothier - Y; C Small - Y; B Vogl - Y;



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS, The **POATRI BYLAWS** Article **5: POATRI Officers**, *revised April 2017*, Section **5.01 OFFICERS** states; POATRI officers shall include a President, a Vice-President, a Secretary, and a Treasurer, each of whom shall be elected from the Board of Directors annually at its first quarterly meeting and whereas; BYLAWS currently do not govern term limits for officers and whereas; establishing officer board limits are vital to the health and progression of the organization and whereas; term limits allows a board to re-establish leadership every few years and whereas; much good can come from officers knowing that their time as officer is limited and whereas; board officers would be inclined to stay intensely focused on their role during the time they serve the board;

Therefore;

BE IT HEREBY RESOLVED: To add the following sentence: "No officer shall serve more than two (2) consecutive one-year terms in the same elected officer role".

The amended Section **5.01 POATRI Officers** shall now read: "POATRI officers shall include a President, a Vice-President, a Secretary, and a Treasurer, each of whom shall be elected from the Board of Directors annually at its first quarterly meeting. No officer shall serve more than two (2) consecutive one-year terms in the same elected officer role."

This resolution amends replaces revokes adds
 Article 5.01 Section _____ of the
 By-laws Policy and Procedures Manual _____
 Article _____ Section _____

Effective Date: January 1, 2019

Motion By: Marilynn Anthenat Second: Russell Bundy

Ayes: 7 Nays: 0 Abstain: 0 Absent: 1

Record of Voting:

M Anthenat - Y; R Bundy - Y; Y Diaz - Y; B Ellis - A; C King - Y; K Pothier - Y; C Small - Y; B Vogl - Y;



RESOLUTION BY THE BOARD OF DIRECTORS

Discussion: WHEREAS, As Required by the POATRI By - Laws, Article 4.01.f, the Treasurer has reviewed the average of the monthly United States Department of Labor, Bureau of Statistics, All Urban Consumers (South Urban) Consumer Price Index (CPI) on which the CPI in Section I of the Maintenance Agreement (approved July 23, 2005) is based.

Therefore; Based on the reference of CPI-All Urban Consumers Sept 2017 and Sept 2018, as of the US Bureau of Labor Statistics, extracted on September 1, 2018, the calculation of Annual Average Consumer Price Index (CPI) yields a ratio increase of 1.665% since September 2017.

BE IT HEREBY RESOLVED: To approve and adopt the average CPI increase of 1.665% which equates to an increase of \$2.92, for a new assessment of \$178.12 for calendar year 2019.

This resolution amends replaces revokes adds
 Article _____ Section _____ of the
 By-laws Policy and Procedures Manual _____
 Article _____ Section _____

Effective Date: December 1, 2018

Motion By: Bill Vogl Second: Russell Bundy

Ayes: 7 Nays: 0 Abstain: 0 Absent: 1

Record of Voting:
 M Anthenat - Y; R Bundy - Y; Y Diaz - Y; B Ellis - A; C King - Y; K Pothier - Y; C Small - Y; B Vogl - Y;