

Regency Point Townhomes Association, Inc.

MINUTES
FROM BOARD OF DIRECTORS MEETING
Monday, December 11, 2023
5:30pm
Regency Point Townhomes – Pool House

The meeting was called to order at 5:30pm by Raphael Taylor.

Present - Raphael Taylor –President
Present - Jason Huckabay – Treasurer
Absent- Brett Moreland – Secretary
Present - Brandon Boyd – Director
Present- James “Buddy” Walters – Director

ACMG – Jennifer Stanley, Community Manager

Owners – Sign In Sheet

Minutes: **November 13, 2023 Board of Director Meeting Minutes**

Motion: Jason Huckabay made a motion to accept the November 13, 2023 Board of Directors Meeting Minutes.

Second: James Walters seconds the motion.

Carried: The motion was carried.

Maintenance Report – 11/2023

Building Repairs & Maintenance
Unit Repairs

Units 3 & 4 - **BIDDING**

Stucco Repairs – MHB Bid \$7,440

Caulk/Paint - MHB Bid \$1,503

Unit 62 & 63

MHB 4ft Concrete Deck Remodel

Vast Structural Engineering – **Received - Bidding**

Unit 63

Garage Header – Vast Structural Engineering

Inspected, Braced

Vast Structural Engineering – Inspection/Specs

MHB \$7,572.49 - **Updating**

Units 72

Vast Engineering – **See Report**

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Sports Court

Lighting/Breaker Box Repairs/Timer – **TABLE**

Pool Area

Pool Replaster/Coping/Tiles – **BIDDING**

Dominion Pools \$29,255

Sunlife Pools \$25,133

Red Wave Pools \$15,425

Pool House Drainage Repair – **HOLD FOR WORK DAY**

Test Svc. \$1,288

Pool House Wall Interior Repair - **TABLE**

Test Svc. Sheet Rock – Ext. Wall \$1,178

A/C Unit Wall \$678

Pool House Wall Stucco Exterior Repairs - **TABLE**

Test Svc. \$924

Building Painting /Repair Specs – **BIDDING**

More Home Builders \$211,365

Test Svc. Updating Bid

Affordable Solutions Updating Bid

The Woodlands Premiere Remodeling Bidding

Budget & Funding

Bulkhead Repairs - Committee: Funding \$54,000.00 Balance \$15,474.94

Raphael Taylor, Brett Moreland, Matt Kello, Jason Huckabay

Bulkhead Committee Report:

Evaluation of low areas & holes along Bulkhead. Mr. Holloway (Slip 12) will monitor wash-out.

Boat & Trailer Storage Area:

Discussion: Needed repairs: Fencing, fill material, layout.

Parking & Towing Policy Draft: TABLE

Discussion: Recommendations: Contractor Parking, Loading/Unloading in front of Units, Paint Fire Lanes. Attorney review of overflow parking and any possible assigned parking.

Architectural Control Procedures Draft: TABLE

Discussion: Sent to Architectural Control Committee for comment- add Checklist.

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Association Attorney Meeting: Zoom 12-6-2023

Raphael Taylor, Brandon Boyd, Proxy James Walters.

Discussion: The Board met with the Owen's Law Firm to discuss the Association's Master Insurance policies and options available to decrease rising costs and difficulty finding carriers. The attorney reviewed the Association Governing Documents as it pertained to insurance requirements and raising the Dues or passing Special Assessments.

The increase in insurance is considered a regular assessment (Third Amendment to Bylaws 6.4(b)), but because the increase is so high we will need at least fifty (50) percent of a quorum of Members voting in person or by proxy at a meeting duly called to this purpose. (Third Amendment to Bylaws 6.4(b)). It can be increased on March 1st of each year. (Third Amendment to Bylaws 6.4(a)).

Unfortunately, we need to raise our regular assessments, but need a vote in a special meeting before March 1, 2024.

Thank you,
Travis Owens
Owens Law Group, P.L.L.C.
P.O. Box 8605
The Woodlands, TX 77387
Telephone 832.312.3013
Telecopier 832.327.9187
travis@owens-lawgroup.com

New Business:

Master Insurance Policy Renewal 12/6/23 – 12/6/24

Attached is the AIAI Proposal and Comparison for the Regency Townhome Association Insurance Renewal. The renewal date for all lines of coverage is 12/6/2023.

We approached all of carriers we have access to try to find the best option for your renewal. The comparison to the expiring coverage is also included here. We also received the following results from other carriers in the standard/admitted.

- CAU (the incumbent carrier) non-renewed the coverage this year due to the risk not meeting their current carrier underwriting guidelines. It's located in a county that is now prohibited. There is limited CAT capacity available to CAU, and these values were exceeded here.
- Philadelphia declined due to the age of the buildings and fireplace exposure
- Honeycomb declined due to the total insured value exceeding their threshold and the location of the risk.

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Lastly, we exhausted every option we had in the surplus lines market (this is the market that is approach once the standard/admitted market has been exhausted). A number of factors came up from the broker we worked with:

- The location of the community proved to be difficult because it is just far enough inland to not qualify for coastal carriers, which may have been more competitive here
- The age of the buildings was an issue for many of the carriers, some of whom declined because of this.
- Lastly, our broker had some other options that might have also been more competitive, but because of the presence of docks, they declined to quote as well.

With all of this taken into consideration, the attached proposal is the very best and only option we were able to obtain for the association. There are a couple of items to note on the proposal:

- The coverage provided is insuring the roofs on an “Actual Cash Value” basis. The carriers were not willing to insure them on a Replacement Cost basis. Actual Cash Value (ACV) means that the carrier will pay what the roofs are worth at the time of a claim, not what it costs to fully replacement them. ACV takes depreciation into account when valuing the item. The formula for Actual Cash Value (ACV) = Replacement Cost – Depreciation.
- There are 3 property carriers who quoted here. None of the property carriers approached were willing to insure the full value of the community. As such, you’ll see a primary (listed as (US Risk 1st layer), 2nd and 3rd layers. This is standard in the high risk surplus lines market. Basically, the first carrier will insure the value up to the first \$5,000,000. The second layer will take the next \$2,500,000, and the 3rd layer will take on the remaining value up to the full \$13,780,000 in total for all 3.

If you have any questions, please feel free to reach out to me. I apologize for the delay and the significant increase. There was a tremendous amount of back and forth and we had to negotiate with these carriers pretty extensively to take on the association. The insurance market as a whole, and particularly in TX, has experienced a major upheaval given the catastrophic losses of the last few years. Rates have been increasing across the board and particularly in certain areas of TX, rates have been significantly increasing.

If the board would like to bind the proposal as quoted, I just need the documents that are highlighted below. These can be sent for electronic signature if that’s easier for you.

Best Regards,

BILL MASON

Account Manager

ASSOCIATIONS INSURANCE AGENCY, INC.

Direct: 214-716-3883

Fax: 214-751-2390

Regency Point Townhomes Association, Inc.

Ratify Binding of Master Policies of Insurance:

- Motion:** Raphael Taylor made a motion to accept the available renewal for the Association Insurance Policies; Commercial Property (\$209,115), General Liability (\$2,640), Director & Officer (\$1,390), Crime/Fidelity (\$345) totaling \$213,490
- Second:** Brandon Boyd seconds the motion.
- Carried:** The motion was carried.

WORK DAY

REMINDER - December 16, 2023, 9:00 am-1:30 pm.

If it is raining on Saturday, the Work Day will be rescheduled to Sunday - same time.

1. Mulching property
2. Planting of some bushes/plants
3. Pruning of roses and pot plants
4. Re-painting of parking lot stripes
5. Replacing about 25 fence slat boards around boat storage area
6. Power washing pool area and bathroom
7. Installation of 12 solar spot lights

Chris could use one or two more pickup trucks to help pickup materials a day or two prior to the work day. Free lunch provided for workers on workday.

Please call Chris or Jennifer if you can help out; does not have to be entire day.

Chris can be reached at 586-913-6374 and Jennifer at 936-703-5256.

As a community team, let's make our great complex the greatest in the area!

Discussion: Relocate Doggy Station or remove, need to order additional bags.

Community Reminders:

Discussion: Guest Responsibility/Boat Slips – Unit Owner Property/Pet Policy/Pool Codes

T-Dock – Boat Cover Inquiry:

Discussion: Boat Lift Covers are not allowed on the T-Dock – pull prior minutes/legal opinion for review.

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Financials: The Board reviewed the 2023 Financial Statements \$33,371 in Operating Fund; SA Bulkhead \$15,474; Insurance Downpayment \$41,719; Painting of Buildings \$25,007; Total \$82,202.

Motion: Raphael Taylor made a motion to accept the November 2023 Financials as presented.

Second: Jason Huckabay seconds the motion.

Carried: The motion was carried.

Owners Forum:

Discussion: Insurance Policies

Adjournment of Board of Directors Meeting:

The meeting was adjourned at 6:43 pm.

Executive Session: 6:47pm-6:57pm Topics: Collections, Restriction Enforcement

Next Meeting: January 8, 2024 at 5:30pm – Regency Pool House Owners Informational Meeting – Dues Increase.