

KEY ALLEGRO CANAL & PROPERTY OWNERS ASSOCIATION
DIRECTORS MEETING – September 20, 2021, 8:30 a.m.

Via Zoom Video Conferencing

DIRECTORS PRESENT: Lynn Powers, Myatt Hancock, Brink Brinkerhoff, Jim Martin, Stephen Portner, John Schwarz, Jr. and Keitha Spiekerman

ABSENT: None

GUESTS: Henry Stewart and Chris Veatch with Spectrum AM

Lynn welcomed everyone to the July meeting. A quorum of Directors was certified, and Lynn Powers called the meeting to order at 8:31 a.m. Motion was made to accept the July 19, 2021, minutes as stated and written. Motion was passed unanimously.

FINANCIAL – Chris Veatch reported the financials as follows:

Balance Sheet:

The balance sheet continues to look good. Special Assessment has \$802k in cash and assets which is intended for signage, island entrance, revetment, landscaping, and lighting on the island and bridge.

The canal reserve account has approximately \$675k after making the annual contribution.

The General Reserve has approximately \$123k in cash assets. Our operating account has approximately \$380k in cash assets and are still owed approximately \$14k in 2021 assessments.

P&L:

The operating P&L is now tracking behind budget with income at \$264k with a budget of \$233k for year to date through August. The \$30K overage in income coming from ACC fees, pool fobs and merchandise sales. Operating expenses are approximately \$242k against a budget of \$213k. The overage in expenses is legal, almost \$13k over due to the lawsuit and ground maintenance \$7k over due to the freeze. General and administrative at \$4k over. Overall, net income was a loss of \$1.1k due to the increase in revenue offsetting most of the increase in expenses. We will continue to have additional legal bills with our documents attorney, Mike Thurman as we proceed with the our HOA documents.

For additional information on the P&L's, go to www.spectrumam.com

MANAGEMENT REPORTS- Allegro House has one more rental during Thanksgiving weekend. Additional signage was put up at pool gate concerning pets, gate access and parties no larger than 6 per fob. Pool fob sales are beginning to decline. Pool is in great shape and we had no calamities due to the last storm. I secured a construction dumpster full of old metal roofing and two open doors that had blown open in residences in the last storm.

We are currently taking bids for next year's ground maintenance contract, I hope to have four contracts for review.

SECURITY: Brink Brinkerhoff reported that crime is down. Burglary of a vessel has not occurred since May of 2020. No home thefts reported since February. Eight traffic incidents were reported around the bridge (new category). Only one incident was reported over the Fourth of July.

The use of a bridge camera will remain when the new bridge is built.

ARCHITECTURE CONTROL COMMITTEE-

YTD	2020	2021
Bulkheads	14	26

Permits	79	93
New Builds	3	7

The 2021 legislation session has changed the format for Architectural Committees. As of September 1st Board members or their spouses may no longer serve on the ACC.

With this new statute Stephen Portner and Brink Brinkerhoff have left the committee and I thank them for their time and efforts over the last few years.

George More, Trey Hancock, William Key and Susan O'Bryant will form the new ACC with Susan serving as chair. Thanks to them for offering their service.

BRIDGE: No new updates.

REVTMENT PROJECT:

Please welcome Forrest Word to the revetment committee. We appreciate him volunteering to work on this important project.

Regarding the temporary solution: The city has received bids for the Gabion baskets to secure the area around the failed bulkhead. The bids came in way over the budget and engineers estimate for the project. The city is looking for additional temporary solutions. Forrest is also doing some research on other ways to protect the shoreline until the project is completed.

The long term solution for Bayshore Drive that utilizes the \$2.3M TCEQ grant initiated 4 years ago for that purpose. Is moving along

- Last week, the surveyors were taking core samples and collecting data along Bayshore drive to finalize data collection.
- The Geotechnical sub has been given Notice to proceed. And
- Mott McDonald the construction engineer is developing the preliminary design and cost estimate as the next deliverable scheduled for the end of October.

The full timeline for the project shows a completion date of end June in 2022.

2022 BUDGET- Five percent increase to next years budget passed unanimously. Approval of 2022 Budget passed unanimously.

RESOLUTIONS-New state code mandates were approved and filed with the county. They will be available on the Spectrum website when returned from the county.

NOMINATING COMMITTEE- Stephen Portner will be heading up the committee. Applications can be made to Chris Veatch or through the Key Allegro website. There will also an article in the Fall newsletter about this. Applications will be accepted through November.

NEW BUSINESS- No new items were discussed:

MEMBERS QUESTIONS AND STATEMENTS:

Debbie Kahanek asked if new State Code documents would be available. They will be posted to the Spectrum Website.

ADJOURN – The meeting was adjourned at 8:52 a.m.

NEXT MEETING- November 15, 2021, at 8:30 a.m.

An Executive Session was convened following the regular Board meeting.