

Sunshine Estates Board of Directors Meeting Minutes

Tuesday, Monday, October 13, 2025 @ 1:00 pm "Hybrid" Meeting: All Purpose Room & Google Meet

- 1) Call to order - President, Randy Davis, called the meeting to order at 1:00 pm.
- 2) SEPO Board Roll Call - Randy Davis, Tom Perrier, Lisa Seiser (Google Meet), Pat Heinerikson, Tracy Wagner, Gay Paxton and Scott Kronshage (Google Meet).
- 3) Verified that the Notice and Agenda were made available to the community by the required day/time.
- 4) Meeting minutes presented to the board from the 04/7/25 meeting and the 7/15/2025 meetings were presented and approved.
- 5) Tracy suggested we amend the agenda to include discussions on the golf plaques in the hall and the water well under old business. The amendments were unanimously approved.

Meeting Agenda Items

1) Director's Reports:

- Scott Kronshage – Golf Course
Scott's report included:
 - The well water is still too high in salt content to use for watering plants. Therefore, we have permission from the district to use resaca water. Residents are not allowed to use the resaca water for watering their grass or landscaping.
 - The aeration of the Golf Course was just completed. It is scheduled for twice a year.
 - Scott thanked everyone for the exceptional help he had with the well-drilling process.
- Pat Heinerikson – Common Grounds Area 1
Pat's report included:
 - The renovations of the pool area and the pavilion. He said the pool is up and running. The hot tub will be good to go in the next few days.
 - Pat was able to install the new refrigerator for the Women's Club.
- Tom Perrier – Common Grounds Area 2
 - See Tom's report attached to meeting minutes
- Lisa Seiser – Common Grounds Area 3
 - See Lisa's report attached to meeting minutes

2) Financial report:

Tracy Wagner (SEPO Treasurer) presented the July, August, and September financial reports. See Tracy's report attached to meeting minutes. In the July update, Tracy requested a motion to close the Memorial Fund bank account at PNC Bank, deposit funds in SEPO's operating bank account, and report Memorial funds as a liability on SEPO's balance sheet (see details in her report). A motion was made and seconded to approve these actions. A motion was made and seconded to approve the financial reports for July, August, and September 2025.

3) Committee Reports:

- a. Architectural Committee:
 - Terry Lacy requested a written proposal for procedures to deal with outside plastic storage sheds.
 - All outside sheds need to be approved through the Architectural Committee.
 - The sheds need to be tied down to the house or a cement pad.
 - A new proposal will be reviewed by the board at a future meeting.
- b. Five Year Planning Committee:

- Tony Tramel explained the committee's intent to develop a five-year plan for capital improvements.
- A special assessment may be required at a future date to offset the cost of long overdue capital improvements. Different ways of billing the assessments were discussed to alleviate the burden on residents. No decisions were made, and discussion was tabled for a future date.

4) Old Business:

- Golf Plaque and Hall Renovations:
 - Jerry Weatherbee and Matt Lyne developed concepts for updating the plaques and to ensure consistency for future maintenance.
 - Pat brought up the dire need for a roof and downspout replacement with initial bid coming in at \$150,000 to \$170,000.
 - The air conditioner units also need to be replaced.
- Flood Control Committee:
 - Scott Kronshage confirmed that discussions on flood control are in process.
 - Further research is needed to determine effective preventative measures.
 - Efforts are being made to address drainage with the county.
- Water Well Update
 - See Tom's report attached to meeting minutes

5) New Business:

- Community Concerns:
 - Pat is addressing the lighting concerns in the mailroom as suggested by a resident.
 - Pat is addressing signs for the buildings as suggested by a resident.
 - The cabinet by the air conditioners belongs to the garden club. A new lock will be installed on the door.
 - Renter vetting practices will be reviewed and better enforced.
 1. New renters need to visit the office to verify their age, sign a waiver acknowledging receipt and agreement of the bylaws, covenants, and policies for the community.
 2. Lisa suggested creating a concise 10-point highlighted sheet of main rules for owners and renters. She graciously agreed to spearhead this.
- Community Reminders:
 - Pick up dog waste
 - Resaca water is only for the golf course. If a resident is seen using the resaca water, there will be consequences which could include installation of a system lock on their watering system.
 - A large container in the storage area is a temporary exception for a resident, not a new standard.
 - All guests need to have an owner present when they are using the facilities.

6) The SEPO Employee Manual:

- The board discussed the employee work manual concerning overtime, sick leave, hours of work for custodians, and time clock procedures. Revisions to these areas will be completed and presented at November's board meeting for approval.
- Employee appraisals will be completed soon.

Meeting Adjournment:

There being no further business to come before the Board, on motion duly made, seconded and passed; the meeting adjourned at 2:38 p.m. The Google Meet recording and video session were

stopped.

Executive Session Summary:

Immediately after this Regular meeting, the Board went into Executive Session. Here is a summary of that meeting: We discussed employee appraisals, merit increases, and bonuses for 2026.

Respectfully submitted,

Gay Paxton, SEPO Board Secretary

Meeting Report 10.13.2025

The Harlingen Water District has agreed to sell Sunshine water for irrigating the golf course, by the month. They said they would review this arrangement at the end of September and possibly continue providing water till December of this year.

Tom McLemore, general manager for the Harlingen Water District, met with a group here at Sunshine, and said they could possibly continue this arrangement into 2026. I reached out to Tom recently to see if anything has changed, he replied that we were “still good to go” with no date or time frame.

I also want to thank Tony Trammel.

I had been talking with the District regarding the contract Sunshine had with them, and Tony who had known Tom McLemore from his time on the board, reached out to Tom about our water situation. I think we hit them at the right time and they decided to help us out.

September 6th lightning struck a palm tree at the entrance on Texas Ave. This burned out the gate openers mother board, solar switches for the street lights, the flashing light and the entrance garden lights. It also damaged cameras and the antenna for the surveillance system. The storm also knocked out the storage area/Dog park antenna. All have been repaired or replaced.

Lalo will be repainting the lights along Texas Ave in the next week or two. Lalo also has removed several trees that have fallen in the Texas Ave park.

I received a signed copy of the Utility Access Agreement (UAA) from Metronet, they made all the changes to the agreement that we requested. Waiting for the construction group, Vexusfiber, to reach out with their build plan for us to review.

And I would like to thank Chris Snyder and Debbie Gossman, The Weed Warriors!, for once again braving the heat, weeding and watering the gardens.

They tell me It's a challenge they enjoy!

The gardens look great!

Tom Perrier
Director Area 2

Oct. 13, 2025 Report

Common Grounds Area 3 (Storage lot, Tennis Courts and Shuffleboard)

It was a busy summer spent completing some small projects in the Storage area.

These efforts, completed by our great maintenance staff, included:

1. Barbed wire on the west side fence was repaired. This likely was damaged and dilapidated for several years.
2. Workshop corner guard pole was replaced after it had been knocked down by a boat trailer earlier in 2025.
3. Gray gravel appears to be completely covering every part of the storage shed lot. This was a project started by Frank and it appears to be in a good place for now. This may be an ongoing project and we expect to continue to have to fill in some areas.
4. Small Dog Park items – New wooden chairs added with the financial help of the Women's Club and physical building by the Woodshop folks (Thank you). A dog poop stand with a bag dispenser and an attached metal garbage can was installed. It has been well received, so we will talk about putting these up in the other dog park areas.
5. The lines in the storage area between the RV and shed lots were painted so renters have a better idea of where their lot boundary is. This was a request from a renter who was having trouble backing an RV into a spot. The lines were tough to see on many of the lots.

Submitted by:

Lisa Seiser

SEPO Board

Financial update for July 2025

I want to highlight some items from the reports that I think are noteworthy, in addition to any footnotes in the financial reports:

- 1) Valerie and I continue to monitor resident accounts to ensure timely payments of HOA fees.
- 2) Our Wells Fargo \$100,000 Brokered CD at Oceanfirst Bank expired on July 30th. These funds were deposited in the Brokered Liquid Deposit account. The interest income earned from this 3 month CD in the amount of \$1,059.59 was reported this month. With assistance from our financial advisor at Wells Fargo, I will be opening a \$100,000 CD in August.
- 3) Our CPA recorded all the fixed asset deletions which totaled \$280,906. This entry was reflected in Common Areas-Bldg & Grounds and Accumulated Depreciation.
- 4) Work continued on the well project this month. July expenditures totaled \$4,483.11. Total spent on this project as of 07/31/2025 is \$43,602.87.
- 5) Shortly after our board meeting on July 15th, I heard back from the new bank manager at PNC Bank regarding the high monthly service fees being charged to the Gift & Memorial Fund account. I sent the following email to the board members on July 23rd: Because the bank balance in the Memorial Fund checking account is now below \$500 (balance in account is \$140.33), the bank is charging us a \$12 monthly service fee. I requested that these fees be eliminated because we have large SEPO accounts (CD & money market) at this bank. The bank manager graciously removed 2 months worth of fees but cannot continue to do this going forward. So something needs to be done before our next board meeting in October to avoid more bank fees. So we have 2 options as I see it. First option is to close the account, move the funds to the SEPO checking account at Wells Fargo and report the \$140.33 on the SEPO balance sheet (just like GNGT funds as a liability). Second option is to deposit SEPO funds from one of our bank accounts to increase the balance so it is over \$500. I asked Valerie to check the Memorial lockbox in the library to see if anyone had made any memorial donations and there were none. So there are no Memorial donations to increase the amount in this account. Reminder: There is no Gift and Memorial Fund 'committee' anymore as no one stepped forward to replace outgoing committee members. The oversight of this bank account was handed over to the SEPO treasurer by outgoing committee member Vickie Jones. So as your treasurer, I recommend we go with option 1 as I stated above. I am requesting your review of this matter and then if you all have no objections, I am requesting your vote to accept my option 1 proposal. All board members voted via email to go with option 1. At the end of July, Randy Davis went to PNC Bank and closed this checking account, received a bank check in the amount of \$140.33 and gave the check to Valerie to deposit in Wells Fargo checking. This is now reported as a liability on our balance sheet. Any future memorial fund expenses, such as flags, will be paid out of Wells Fargo checking and be charged against this liability account until all funds are used up. Any future memorial donations will also be reported in this liability account as well. To make this action official for meeting recordings and minutes, I am asking for an official motion to approve option 1 as stated in this report.
- 6) Our CPA reviewed transactions related to the donated exercise equipment. Because each piece of equipment was purchased for less than \$2,500, they did not record these transactions in fixed assets. Instead, they recorded the donated exercise equipment as an expense in the Sunburst account (\$11,988.03). Tax laws dictate that we must record the donations as income as well so that same amount is recorded in Other Income. These transactions created a zero net effect on our Profit and Loss statement.
- 7) I reviewed the July financial transactions, and they all looked good. I sent financial reports to Beth on 08/11/2025 and she sent them out to the community on the same day. July financial reports were also sent to our CPA on 08/11/2025 for review.

Financial update for August 2025

- 1) Valerie and I continue to monitor resident accounts to ensure timely payments of HOA fees.
- 2) Our CD at PNC Bank expired on August 5th. With assistance from the bank manager, I renewed the CD for 4 months at an interest rate of 4.03%.
- 3) With assistance from our financial advisor at Wells Fargo, I opened a \$100,000 CD at Plains Commerce Bank for 3 months at an interest rate of 4.2%.
- 4) Work continued on the well this month. August expenditures totaled \$321.98. Total spent on this project as of 08/31/2025 is \$43,924.85.
- 5) I reviewed the August financial transactions, and they all looked good. I sent financial reports to Beth on 09/06/2025 and she sent them out to the community on 09/06/2025. August financial reports were also sent to our CPA on 09/06/2025.

Financial update for September 2025

- 1) Valerie and I continue to monitor resident accounts to ensure timely payments of HOA fees.
- 2) Work continued on the well this month. September expenditures totaled \$5,458.00. Total spent on this project as of 09/30/2025 is \$49,382.85.
- 3) A new heater for the hot tub was purchased this month (\$3,465.66). It turned out to be the wrong one, so it is being returned in October, and the correct one is being purchased in October. The September financials reflect the incorrect heater.
- 4) I reviewed the September financial transactions, and they all looked good. I sent financial reports to Beth on 10/06/2025 and she sent them out to the community on 10/07/2025. September financial reports were also sent to our CPA on 10/06/2025.

If there are no questions from the board, I am asking for an official motion to approve the July, August and September 2025 financial reports. I have not heard back from our CPA so I am assuming there are no issues with these financial reports.

Future Financial Matters for SEPO

- 1) I am working with our CPA to record the disposal of the refrigerator that was donated to a local church. A new one was purchased by the Women's Club. This entry should be completed in October.
- 2) I am working with our CPA to record the disposal of the hot tub heater that was junked. This entry should be completed in October.
- 3) I sent out updated budget 2026 reports to the directors. These reports should assist them in preparing their respective budget figures for 2026. Are there any questions that we need to address at this time?
- 4) I created a 5-year capital expenditures spreadsheet and sent it to the directors and Tony Tramel. In the next couple of weeks, this committee will be working on the capital expenditures plan that will assist the board with our 2026 budget and beyond.

Well Update 10.13.2025

1) Texas A&M Reports:

We've had 2 water analysis's performed on samples from the well, we have built near the green on hole 6.

Prior to sending samples to Texas A&M, samples were brought to Leslie's Pool store and it showed high in salts. We then sent samples to Texas A&M Labs for testing.

The first sample testing didn't include determining the mineral content, and we found out later, that this was information that we needed to better understand what we were dealing with.

The first sample came back extremely high in Total Dissolved Salts (TDS), making the water unusable, for irrigating the golf course and grounds.

We decided to fill the ponds while we were waiting for the first report to come back from Texas A&M, and after filling the ponds the guys thought the water was less "salty".

Jerry Weatherby had purchased a water testing meter and tested a sample. It had become less salty, but still too high for use.

From conversations with the driller and research on the web, we found out that "working the well", running the pump for an extended period, could improve the water quality.

So we ran the pump for about a week, and had another sample tested by Texas A&M, the second sample came back still too high.

2) American Water Surveyors (AWS):

Jerry Weatherby shared a link with me to AWS thinking they may be able to help us.

American Water Surveyors is a business owned by Jim Bennett, a licensed engineer who previously worked in the oil industry. He has a process of locating fresh water called Seismoelectric Surveying.

I spoke with Jim and asked him to do a conference call with myself and Jerry.

After the call Jerry and I met with Randy Davis, we discussed with Randy what we found out to this point and options we had looked into to make the current well usable. We decided that using AWS to get a better understanding of what we were dealing with would be a good next step.

So AWS was contracted to help us locate and determine quantities of fresh water in Sunshine.

Jim came out September 23 and did 12 soundings, 10 on the course, 1 near the pump house on the canal, and 1 in the park on Texas Ave. We chose the sites for the sounding because of their proximity to the current well, hoping to use the infrastructure that had recently been installed.

Jim returned his report to us on October 6, and on the 8th I asked Jim to provide some more information regarding his soundings. I received that information October 12. I reviewed that and asked him for some clarification on his response and haven't heard back from him yet.

Three of those sites came back with promising results, one more so than the other two. The one that looked the best, test site 5, is located about 20' west of hole 7 tee box.

When I get the additional information from AWS I will get with the driller and review the results and criteria that AWS recommends for drilling. This I hope can help determine what the next step will be towards getting a useable and sufficient supply of water for Sunshine. We have some ideas in mind that should do what we want and need, depending on the conversations with the driller.

I want to thank Randy Davis, Pat Heinerikson, and Manny and Joe, for the work they did on the well while I was out of Sunshine. It was very hot and trying at times, I very much appreciated your efforts

And I want to give a big thank you to Jerry Weatherby for his taking charge of, and having the willingness to carry the "Ball". The hours on the phone with me, the research of possible options and steps we can take, and he continues to be of great service and knowledge to me while trying to make this a successful project for Sunshine.

And I want to thank all of the Owners/Residents of Sunshine for the support I've gotten through this endeavor. It has been a somewhat stressful adventure so far, but I'm confident we'll find what will work for us.

Tom Perrier
Director Area 2