

Bylaws of the High Gabriel Estates Property Owners Association, Inc.

Approved and Adopted

Initial - 8/11/2008
Revision VI - 1/20/2023

This document shall serve as the Bylaws for the High Gabriel Estates Property Owners Association, Incorporated hereinafter referred to as "the Association". This document has eight (8) pages.

Article I

Membership

Each owner of property in the High Gabriel Estates shall automatically be and must remain a member of the Association so long as such person is an owner of record of property within High Gabriel Estates. Voting rights will be granted to members with each recorded property entitled to one (1) vote. The membership of a person in the Association shall terminate automatically whenever such person ceases to be an owner, except that such termination shall not release or relieve such person from any liability or obligation arising during such person's period of ownership. Any transfer of title of land shall operate automatically to transfer membership in the Association appurtenant to such land to the new owner of such land. For a subdivision section to have membership in the Association, the subdivision section must have recorded deed restrictions which provide for maintenance fees in the same amount as the other subdivision sections in the Association.

Purpose

The purpose of this organization is to maintain common areas, provide for the harmony of the neighborhood, enforce restrictive covenants and maintain or improve the neighborhood. This purpose can only be modified by a majority membership vote at a membership meeting with a quorum of the members and the Board of Directors present.

Article II

Incorporation

1. This Association is a perpetual non-stock corporation as described under the provisions of Titles 1 and 2 of the Texas Business Organizations Code (BOC). Title 1, chapter 3, subchapter A, of the BOC governs the formation of a non-profit corporation and sets forth the provisions required or permitted to be contained in the certificate of formation.
2. This Association shall be a non-profit, non-commercial, and non-sectarian organization.

Article III

Board of Directors and Officers

1. Board of Directors of the Association shall be comprised of as many as seven (7) members of the Association but no fewer than three (3). After each regular or special election, at the next regular or executive board meeting, the board members will hold an election to determine the chairperson, vice chairperson, secretary and treasurer.

An election to a director position does not coincide with the member's term. These positions may change at the Board's discretion.

2. The Board of Directors shall be nominated and elected by the Association membership in accordance with Article VI of these bylaws. The directors shall serve a term of two (2) years and without compensation in any form though they will be reimbursed for expenses. The terms of service shall be staggered so that a minimum of three members are elected each year. Any vacancy in a director's position that occurs between regular elections may be filled by appointment by the Board of Directors. If no volunteer can be found, the position will remain vacant until a director is elected or volunteers.

3. The Board of Directors shall conduct the affairs of the Association and shall provide, and pay for, from maintenance fees collected into the Property Owners Association operational fund, the following if and to the extent such have been or are hereafter provided for by or contracted for by the Association or the Board of Directors as provisioned by and in accordance with the Articles of Incorporation and these Bylaws:

- a) Care, maintenance, repair, and preservation of the common areas;
- b) Insurance and utilities which pertain to the common areas;
- c) The services of persons or businesses to clean, maintain, repair, build, clear, cut, fertilize, or plant and any other services necessary to accomplish the purpose and objectives of the Association or the membership;
- d) Legal, accounting, and other professional services, website maintenance services, and POA management software/services as deemed necessary by the Board of Directors or the membership;
- e) Any other materials, supplies, or structural alteration, assessments or dues which the Board of Directors is required to obtain or pay for pursuant to the terms of the Articles of Incorporation and the Bylaws;
- f) The collection of maintenance fees and moneys due the Association;
- g) To perform any other of the Board of Director's duties under the Articles of Incorporation and Bylaws by contracting third parties to enter into contracts as provided herein, to maintain one (1) or more bank accounts and generally, to have all the powers necessary or incidental to the operation, function, and management of the Association;
- h) Those contracted by the Board to perform services or construction for the Association may not be related in any way to any of the members of the Board of Directors. These same contractors may not have any business or personal relationship with any member of the Board of Directors;
- i) All services or construction that exceeds \$500 must be bid by at least two contractors or service businesses.

4. To be eligible for election, a nominee shall have no business or financial interest in the High Gabriel Estates other than as the owner of record of property in High Gabriel Estates.

5. The Board of Directors may establish or dissolve subordinate boards or committees, and appoint chairpersons as deemed necessary as well as its name or designation, purpose, the extent or limits of its authority, and the terms of existence of the subordinate boards or committees. However, the existence of an Architectural Control Committee (ACC) shall be required, pursuant to the State Bill 1588 amendments to the Texas Property Code 209.00505 (effective 9/1/2021).

6. The Chairperson will preside at all General and Special Membership and Board of Directors meetings and may participate in discussions and deliberations as other members do. Decisions made by the Board must be handled by the Chairperson via Robert's Rules of Order with motions, seconds and votes. The Chairperson is also responsible to provide an agenda for all meetings of the Board or the membership.

7. The Vice Chairperson shall act for the Chairperson during his or her absence in accordance with the provisions set forth in the Articles of Incorporation and these Bylaws as well as any other duties assigned to the office by the Chairperson, Board of Directors, or the membership body.

8. The Secretary shall be responsible for recording the minutes of the General, Special Membership, and Board of Directors meetings. The minutes shall record the wording of motions, person making the motion, person seconding the motions and the results of the vote. The Secretary shall maintain the rolls of the Association containing the names, addresses, telephone numbers, and membership status. The Secretary shall maintain the files of the Association including but not limited to, all correspondence, communications, minutes, contracts, and such other records and files as may come into the possession of this office or as directed by the Board of Directors or membership body. The Secretary shall also give notice of all General, Special Membership meetings, including time, place, and a written agenda to the membership a minimum of ten (10) days prior to the meeting. For the Annual Meeting, this notice will include the name of positions up for election. Records shall be retained for all official business. Bylaws and documents of incorporation are to be retained indefinitely. Records of business performed as the ACC are to be retained indefinitely. All other records such as minutes of meetings, financial records, etc. shall be retained for seven (7) years. Members may review these records upon written request to the Board. Records specific to a property owner (such as complaints, lawsuits, etc.) are only available to the involved property owner. All records when delivered shall be delivered in accordance with state law.

9. The Treasurer shall act as the custodian, in a fiduciary capacity, of the funds of the Association and administer the finances of the Association. The Treasurer shall serve without bond and shall disburse funds only with an approved motion of the Board of Directors. The Treasurer shall maintain a complete and accurate set of books and accounts and will annually prepare a complete financial statement including detailed balance sheet and income statement for presentation at the Annual Membership Meeting. The Treasurer shall present a brief report of the Association's financial condition at each General Membership Meeting. The Association shall operate on a cash basis. The fiscal year of the Association shall be from January 1 through December 31. An annual audit of the books, performed by an Audit Committee, may be requested by the Board of Directors.

10. Upon a motion of the Board of Directors, an Audit Committee shall be formed. One (1) of the non-officers of the Board of Directors shall be a member of the Audit Committee. The Board shall select two (2) or more members of the Association to assist the appointed director. The position shall also carry out any other duties required by the Board of Directors or membership body related to the audit.

11. Any member or group of members can notify the Chairperson in writing of a charge against a director or an appointed chairperson or file such charge by making a motion at a Membership Meeting. Removal shall require a fifty-one percent (51%) vote of the membership attending, a quorum being present. Members of the Board also can be removed by the Board of Directors for cause with two-thirds (2/3) of a quorum voting for removal at a regular meeting of the Board of Directors.

12. The Secretary and Treasurer will facilitate billing when the Board of Directors so directs. The Secretary's involvement is necessary because of the maintenance of the rolls (Article III, Paragraph 8, and Line 3). The Treasurer's involvement stems from the responsibility to receive payments for maintenance fees. Other board members may assist at the Board's discretion.

Article IV

Committees

1. Each standing or special Committee will elect from among its members a Chairperson and Vice Chairperson. The standing or special Committee's purpose, scope, and authority will vary from time to time due to changing circumstances. The Board of Directors reserves the right to remove any member from a committee with a majority vote of a quorum of the Board of Directors. A special committee may be established by a majority vote of the Board of Directors where a quorum is present to respond to a special problem or event not covered by a current committee or director. The record of the Board of Directors meeting shall indicate the purpose, name, designation, and scope of authority, start date, and date of dissolution of the committee. The Board of Directors may abolish any committee with a majority vote, a quorum being present, at a regular meeting.

2. Special committees may be formed either by the Board of Directors or the general membership. The following are examples of 'special' committees: Audit Committee, Tabulating Committee, Block Representative Committee, Neighborhood Watch Committee, Newsletter and Directory Committee, Social Committee, Advisory Committee. The function, membership and term will be at the discretion of the Board of Directors.

3. The Board of Directors of the Property Owners Association will not serve as the Architectural Control Committee (ACC) for High Gabriel Estates, but as the Review Board to the ACC rejections or denials for any property improvement request. For contested ACC decisions, the Board of Directors may appoint a special Advisory Committee to assist in reviewing drawings or considering any issues that may require skills beyond those of the current board members. Following their review, the Board of Directors will vote via motion on any ACC rejections or denials and will communicate the voting results as well as any recommendations to the property owners. The Board of Directors may affirm, modify, or reverse, in whole or in part, any decision of the ACC as consistent with the subdivision's declaration.

a) The Architectural Control Committee (ACC) shall serve as the governing authority for the review and approval of improvements within each subdivision section.

b) The membership of the HGEPOA ACC will consist of at least three (3) but not more than five (5) persons appointed by the HGEPOA Board of Directors from volunteers, to serve two (2) year terms. The ACC chairperson shall be appointed from the membership of the ACC by the Chairperson of the HGEPOA Board of Directors with approval of a majority of the HGEPOA Board of Directors.

c) Membership on the HGEPOA ACC must follow the Texas Property Code section 204.012. A person may not be appointed or elected to serve on the ACC if that person is a current HGEPOA board member, a current HGEPOA board member's spouse, or a person residing in a current HGEPOA board member's household.

d) The HGEPOA ACC will adopt documents to comply with the current Texas Property Code, pursuant to the State Bill 1588 amendments to the Texas Property Code effective 9/1/2021.

e) A property owner may request a hearing before the HGEPOA Board of Directors on or before the 30th day after the date a notice of violation was mailed to the owner. A 'Notice of Appeal Request Form' will be provided on the High Gabriel Estates website. The HGEPOA will develop documents to comply with the current Texas Property Code law detailing the right to contest or appeal an ACC decision.

4. Any committee shall be empowered to create subcommittees to handle specific tasks with the scope to fall within the responsibilities of the committee as defined herein.
5. The chairpersons of each committee shall maintain close liaison with the Board of Directors and keep them informed of matters under consideration. Each committee shall provide a report of activities and meeting minutes, for review by the Board of Directors during the regularly held board meetings.

Article V

Meetings

1. The Board of Directors shall meet no less than monthly at such time and place as mutually designated. All actions of the Board of Directors will be decided by a majority vote of a quorum.
2. General Membership meetings shall be held at the discretion of the Board of Directors with the date, time, and place published no less than ten (10) days prior to such meeting. A membership meeting shall be held in January or February of each year and shall be designated as the Annual Meeting for the purpose of selecting nominees for board member vacancies, presenting the annual report of the Treasurer, and such other business as may properly come before the membership. Special meetings of the membership may be called by the Board of Directors or by petition signed by not less than ten percent (10%) of the members.
3. The Chairperson at his/her discretion can set limits on individual member's time or the total time for a discussion. The Chairperson may also rule a discussion out of order. All membership meetings shall be conducted in accordance with Robert's Rules of Order. The Board of Directors will present a report of actions and other matters it deems appropriate at each General Membership meeting.
4. All motions shall require a majority vote of the members in attendance or by proxy, a quorum being present. A quorum will be ten percent (10%) of the property owners.
5. The Board of Directors may submit any item they deem sufficiently important and necessary to a mail ballot. Such balloting will require the signature of the property owner and only be effective with a ballot provided by the Board. The return deadline for receiving ballots shall be determined by the Board of Directors and be clearly stated on the ballot, and all ballots shall be returned to the Tabulating Committee. After the deadline, the Tabulating Committee will deliver the ballots to the Board.
6. The Board of Directors may meet in an 'executive session'. The Secretary may take minutes at these meetings at the Board's direction. No official actions may be taken in an executive session. Such sessions will be used for fact finding, discussion and planning or other function that does not include official board functions. These sessions should be used when confidentiality is important.

Article VI

Voting For Directors

1. The Board of Directors may choose to appoint a Nominating Committee.

2. To be on the ballot, prospective directors may self-nominate. Nominations may be received from the floor of the Annual Meeting but the nominee must be present and agree to the nomination. A signed letter from the nominee indicating willingness to serve will allow nomination without Annual Meeting attendance. No member may serve more than two (2) consecutive terms (4 years total), unless no other member volunteers to serve.

3. Ballots with nominees for director will be mailed within two (2) weeks after the Annual Meeting. One (1) ballot per property will be mailed. The ballot becomes official with the printed name and signature of the owner of record. The Board may disqualify a ballot at their discretion for cause. The Board of Directors shall provide the ballot and an address for mailing the ballot. The Tabulating Committee shall receive the ballots and count them within fourteen (14) days following the mailing. The Board will have up to two (2) weeks after the Tabulating Committee completes its work to verify the voting results and post them either on a POA website or a mailing to all members. The new directors will take office immediately after the Board certifies the election results. A director's term shall run approximately two (2) years.

4. Any Association member may be placed on the ballot.

5. If a vacancy exists on the Board between Annual Meetings, a Board quorum may appoint a member to fill out the remainder of the vacant term. Such appointments must be done by the Board by a majority vote, a quorum being present.

Article VII

Quorums

1. The quorum for Board of Directors meeting shall be four (4) members of the Board. If there are less than six (6) directors, a quorum will be three (3) directors.

2. The quorum for a General or Special Membership meeting shall be ten percent (10%) of the voting members represented in person or by proxy with a quorum of the Board of Directors present.

Article VIII

Amendments

1. The membership shall have the power to adopt, amend, and rescind these Bylaws as allowed by the laws of the State of Texas with a majority vote, a quorum present.

2. The Bylaws of the Association may be adopted, amended, or rescinded by presenting a motion, moved and seconded, and passed by a majority of the membership, a quorum being present. Any member making a motion to change Bylaws must provide the written motion to the Board of Directors so that it may be included in the Membership Notice of Meeting.

3. The Board of Directors may amend these Bylaws except those provisions that are reserved for the members at any time by a two-thirds (2/3) vote of the total Board. The Board consists of seven (7) positions even if a position is vacant. Those Bylaw changes implemented by the Board will be in effect four (4) weeks after the membership has been informed of the revision, how to obtain a copy, and the effective date.

Article IX

Association Assessments

Association assessments or fees are defined in the Deed Restrictions of each subdivision section.

Article X

Finances and Indebtedness

1. The Association may not incur indebtedness of any kind.
2. The private property of the directors and the membership of the Association shall be forever exempt from the Association's debts and obligations.
3. No individual member of the Association is authorized to incur any debt against the Association.

Article XI

Enforcement of Restrictive Covenants

1. Each of the High Gabriel Estates Subdivision Sections has its own specific Deed Restrictions or restrictive covenants. These restrictions shall define the remedies for that subdivision section if a member fails to meet any of the provisions. An owner of property within a subdivision section may make a formal complaint of violation to the Board of Directors. This Association must attempt to correct the violations by diplomacy before any legal action can be taken. At least two (2) members of the Board should attempt a visit to a violating member to make an effort at resolution prior to any written letters or legal action. In all cases, such legal activity will be authorized by the Board of Directors with approved motions and at least five (5) members approving the motion.
2. Before taking legal action, the Board of Directors must determine the expected cost and set aside the funds to cover expenses.
3. If any of these provisions conflict with the recorded Deed Restrictions, the recorded Deed Restrictions shall take precedence.

Article XII

Other Laws

If any provision in these Bylaws that is in conflict with local, state or federal law, that local, state or federal law shall prevail.

Article XIII

Dissolution

Dissolution of this non-profit corporation will follow the state of Texas rules for distribution of assets upon dissolution.

Per Article VIII, Paragraph 3 of the HGEPOA Bylaws, this document has been revised, adopted and implemented by the Board of Directors. Primarily, the revisions made to this document were done for clarity and to comply with the Texas Property Code including new rulings per Senate Bill 1588: Amendments effective 9/1/2021.

Bylaws of the High Gabriel Estates Property Owners Association, Inc. [Revision VI]

Attesting Board Member Signatures:

Virginia Partain
Chairperson

Jan. 20, 2023
Date

[Signature]
Vice Chairperson

1/20/23
Date

[Signature]
Secretary
[Signature]
Treasurer

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Date
1/20/23
Date

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Standing Board Member

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