MINUTES OF MEETING
OF THE
BARTON CREEK LAKESIDE MASTER
PROPERTY OWNERS ASSOCIATION, INC.
HELD
FEBRUARY 11, 2005

A MEETING OF THE Board of Directors of the Barton Creek Lakeside Master Property Owners Association, Inc., (the "POA") commenced at 8:00 A.M., Central Time on Friday, February 11, 2005, in the Barton Creek Lakeside Clubhouse, Spicewood, Texas.

The following members of the POA were present:

Charles Evans
Karl Stewart
Paul Sullivan
Joe Cutrer

Absent were Mr. Bobby Day, Mr. Gary Childress, and Mr. Bob McQuay. Also invited to join the meeting were Mr. Pat Haas, Mr. David Ripley, Mr. Dan Rimann, and Mr. Paul Motheral. Mr. Evans acted as Chairman of this meeting and Mr. Stewart acted as Secretary.

The first item of business was the approval of the minutes for the November 29, 2004 and January 7, 2005 meetings of the Board of Directors of the POA (material which was distributed at the meeting). Upon review and discussion, these minutes were approved.

Next, Mr. Cutrer presented the BCLPOA Consolidated Operating Statement – Year Ending 2005, which included Income and Expenses. Mr. Cutrer indicated that we have collected to date $385,500 re street assessments; and further efforts for collection would commence after February 2005; which will include a second billing and follow-up phone calls. Mr. Cutrer also indicated that $255,800 of the 2005 dues has been collected (88.91%); and that additional efforts for collection would also commence after February 2005.

Mr. Sullivan then presented a brief update on new construction underway and other Architectural Review Committee matters. Mr. P. Haas reviewed projects currently on-going regarding sewer hook-up lines and Mr. Ripley of Aquatex reported with regard to repairs currently being made to the water and sewer lines; and those planned in anticipation of the Barton Creek Lakeside road repair project. After discussion on these matters, it was the determination of the Board that Aquatex would be responsible to complete all water pipe repairs, including repaving of street repairs; and it would be the responsibility of the POA to fix all road patch repairs.

At the Chairman's request, Mr. Motheral presented an update on the Road/Street repairs project; and the next steps to be undertaken in receiving contractor bids for this project. Mr. Motheral also reviewed with the Board his role in this project; he emphasized that he is helping/assisting the Board in his role of a concerned property owner, and that he is volunteering his services to aid the Board in completion of this project; and that he is not acting in the capacity of a Professional Engineer. The Board agreed with Mr. Motheral's disclosure, and the Board indicated it would evidence this in a letter to Mr. Motheral.

Further, Mr. Motheral indicated the he has narrowed the bidding down to two contractors, both of which he considered to be excellent and capable of successfully completing this project. He further indicated that in order to complete the bidding process, the Board needs to inform him of the total monies that can be spent in this project, because this would dictate the scope of repairs that can be undertaken regarding the entire project. In this connection, the Board indicated it would meet on Wednesday, February 23, 2005, at 8:00 A.M., to review the status of the funds collected to date, and to determine the scope of work to be undertaken. Mr. Motheral concluded his remarks by indicating, in his opinion, a total of $420,000 would be required to adequately complete the entire road repair project. He further indicated that a final bid would be submitted to the Board for its approval at a future meeting.

Next, the Chairman recommended the POA obtain a $75,000 line of credit at this time, to cover the short-fall in the road repair assessment collection, so that we could successfully complete this project, and not have to cut back the amount and/or quality of the repairs to be made. Following discussion, upon motion duly made and seconded, the Board unanimously approved obtaining a $75,000 line of credit, and authorized Mr. Cutrer to obtain same from our Bank. The Chairman then indicated that he would make appropriate telephone calls to the larger property owners who are currently in arrears in the payment of this assessment.

There being no further business to come before this meeting, the same was duly adjourned.

Secretary

APPROVED:

Chairman