

MINUTES OF MEETING
OF THE
BARTON CREEK LAKESIDE MASTER
PROPERTY OWNERS ASSOCIATION, INC.
HELD
APRIL 30, 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 Saturday, April 30, 2005, in the Barton Creek Lakeside Clubhouse, Spicewood, Texas.

The following members of the Board were present:

Gary Childress
Bobby Day
Charles Evans
Bob McQuay
Karl Stewart
Paul Sullivan
Joe Cutrer

Also invited to join the meeting was Mr. Byron Zinn, Mr. Paul Motheral, and Mrs. T. Ackers. 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 April 30, 2005 meeting of the Board of Directors of the POA (material which was distributed at the meeting). Upon review and discussion, these minutes were approved.

The Chairman presented an update on the Aqua-Tex rate increase hearings (a report that was distributed at the meeting and is attached as an Exhibit to these minutes). Mr. Zinn also provided an update on certain issues concerning this matter, indicating the Board would be further updated as necessary.

Next, representatives of SDI Associates present at the meeting, Mr. and Mr. Gary Eaton, presented an update on the function/operation of the Guard Service at the property's Front Gate, First Quarter Report (material which is attached hereto as an Exhibit). Following this presentation, the Chairman discussed further security requirements needed at the property's back gate, and at the Lakecliff gate roadway. Following this discussion, corrective action was approved for the Lakecliff entrance to install a post on the cart path road that would restrict vehicular traffic; and the Board authorized Mr. Zinn and SDI Associates to research the possible use of video surveillance at the back gate. Further, the Board authorized placing an exit stop sign for vendors/guests to stop and return the entry passes they were given to enter the property. At the conclusion of this discussion, the Chairman indicated that new protocol regarding the use of the marina and boat trailers would be devised in the near future. The Chairman

also indicated that any repairs needed to the Guard House, up to \$100, should be undertaken by SDI and submitted for reimbursement; amounts over \$100 should be submitted for approval in advance by Mr. Cutrer.

Mr. Evans then indicated the date for the 2005 Property Owners Annual Meeting would be October 9, 2005.

Next, Mr. Motheral presented an update on the Roads Paving Project, indicating we need to manage the condition of the roads and its use on an on-going basis, and in this connection, submitted recommendations for the Board's consideration (attached hereto as an Exhibit). Mr. Motheral explained that the ultimate responsibility for making sure the various contractors do not abuse the road lies with each property owner.

Next, Mrs. Terri Ackers reviewed various landscape matters that need to be addressed regarding irrigation needs by the Front Gate. Following this review, the Chairman indicated that further review was needed before action can be authorized.

Mrs. Ackers then presented a proposed budget for 2005 Landscaping Services (attached hereto as an Exhibit). The Chairman indicated that this matter would be further revised and discussed at a future Board meeting.

The Chairman then discussed with the Board the need to complete the review and transfer of the Subdivision's Common Areas to the ownership of the POA. Mr. Day indicated that this would be done as quickly as possible.

Next, Mr. Childress presented an update on the installation of solar lights on the street signs in the subdivision; whereupon on motion duly made and seconded the Board unanimously approved such project.

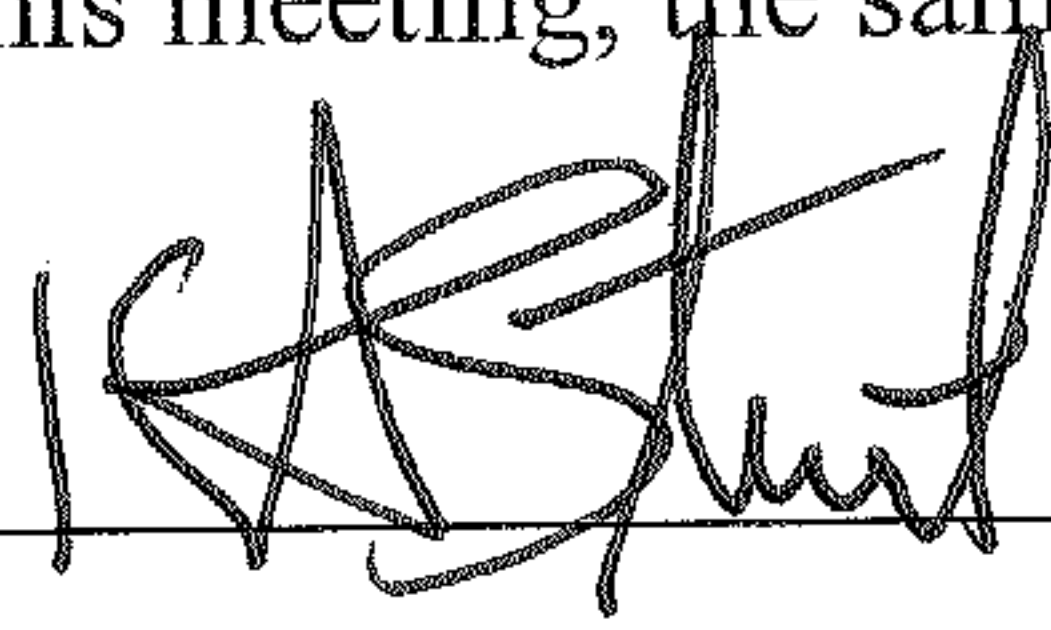
Mr. Childress then updated the Board on insurance needs of the Board and subdivision, indicating that this review should be completed in early June, for the Board's further consideration.

The Chairman then reviewed the drafting/revision of the POA's Articles of Incorporation and Bylaws; indicating that Mr. Curtis is undertaking to do the initial revision. The Board indicated its approval of this matter, for consideration at a future meeting.

Mr. Day then discussed a proposal concerning the Lake irrigation water system, and the possible POA undertaking of this project going forward. The Chairman indicated that the Board would need a formal proposal from Mr. Day; and, if approved by the Board, would then be submitted to the POA membership at its Annual Meeting for final approval.

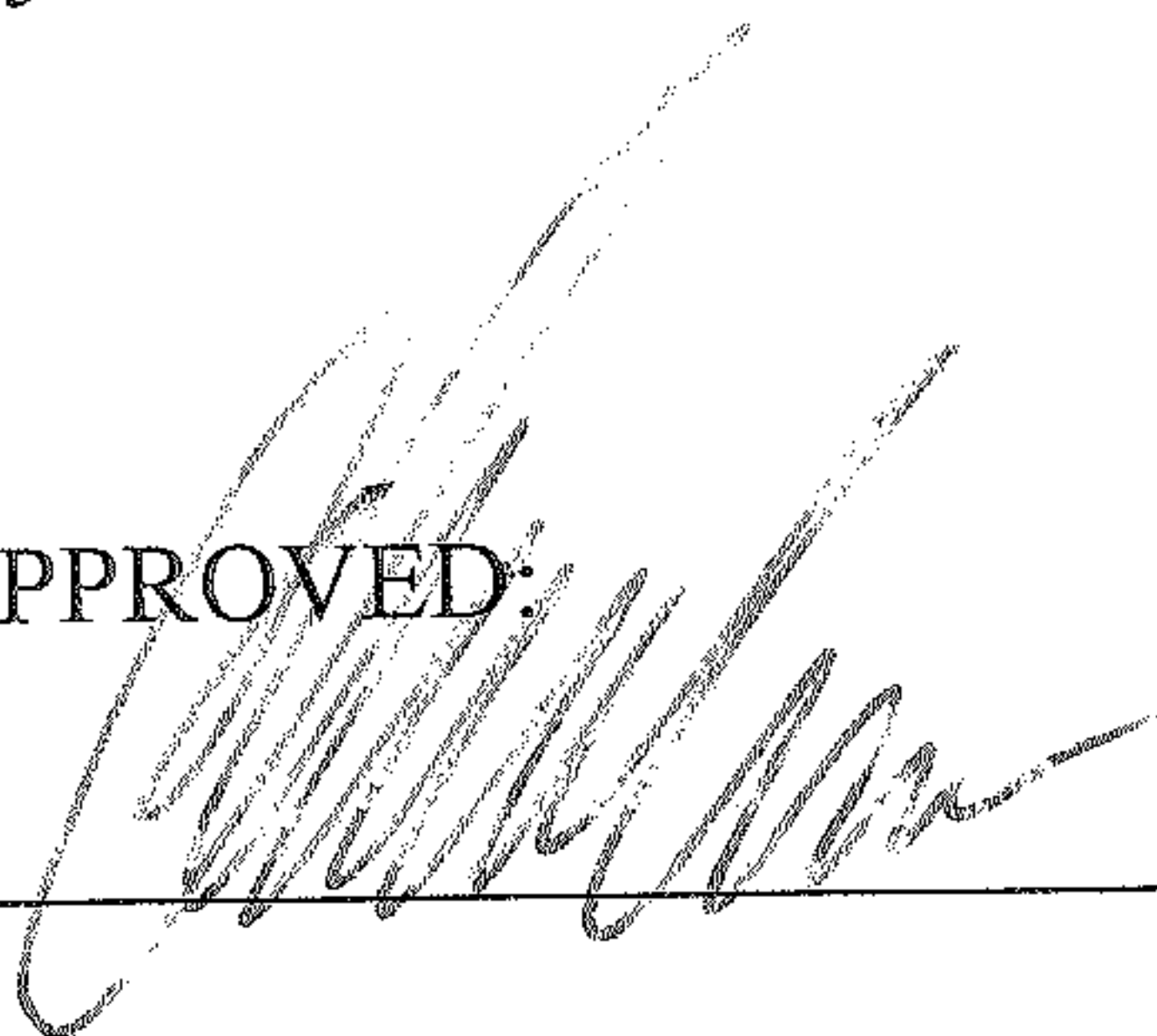
The final item for consideration was the Treasury report by Mr. Cutrer (a copy of which is attached hereto as an Exhibit).

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

A handwritten signature in dark ink, appearing to be "K. Stunt", written over a horizontal line.

Secretary

APPROVED:

A handwritten signature in dark ink, appearing to be "William", written over a horizontal line.

Chairman