

PRESTONWOOD COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.
APPROVED MINUTES—BOARD OF MANAGERS MEETING – July 28, 2026
The Clubs of Prestonwood—The Creek

Board Members: Jim Eason, Nancy Baker, Susie Brown, Rick Wilson, Ky Scott, Malena Marshall, Erica Clem, Johnna Gray, Amanda Wells

Operations Manager: Carrie Bailey

Members: Shawn Hall, Estella Shaw (for Delissa Jackson), Jeff Hughes, Jacob Shannon, Cecilia Gray, Janice Moore, Nancy Hopper, Delisa Day, Mike McCauley.

I. DETERMINATION OF A QUORUM—There is a Quorum

II. CALL TO ORDER – 6:00 p.m.

III. EXECUTIVE SESSION

IV. MINUTES REVIEW AND APPROVAL Rick Wilson made a motion to accept the draft 6/9/2026 minutes, Malena Marshall noted that the names of those making and seconding motions needed to be added. The minutes were approved subject to the additional information.

V. BOARD ACTIONS TAKEN BY EMAIL - POOL SERVICE VENDOR CHANGE – On 7/23/2026 the board approved unanimously to change the pool maintenance company to Water Works effective 8/1/2026. In the open meeting the Board discussed the current pool service provider, Sol Dia, and reviewed bids from four service companies. After evaluation of cost-effectiveness and service quality, **motion by Johnna Gray: Change pool service vendor to Water Works. Seconded by Jim Eason, the motion passed unanimously.** Water Works will begin service on August 1, 2026.

VI. EXECUTIVE SESSION SUMMARY- GAF Roofing Lawsuit Settlement. The board discussed resolution of the ongoing defective mansard shingles lawsuit. Following presentations of settlement options and legal counsel guidance from Leland de la Garza and Dave Hammack of Hallet Perrin, former President, Jeff Hughes discussed the options and answered questions. **Ky Scott made the motion: Counter GAF's offer of \$70,000 with RMWBH's recommendation, a settlement of \$75,000 with legal fees capped at \$25,000. Marlena Marshall, second, motion passed unanimously.**

VII. MANAGER'S REPORT/UNFINISHED BUSINESS— Carrie Bailey

A. Roof Replacement. Roof replacement punch list items remain outstanding. Materials are on-site and installation is scheduled to begin by end of week or following week.

B. HVAC Systems. One outstanding heating system leak is scheduled for repair. No new heating system leaks have been identified in the past two weeks.

C. Building Repair and Renovation. Work is scheduled to begin on 15935 Stillwood, including painting, light fixture replacement and address number changes.

D. Landscaping. K-Scapes completed installation of crushed granite at 15935 Coolwood. Crepe myrtles have been treated for aphids and bark scale (third consecutive year of treatment); treatment effectiveness is noted and foliage condition is good.

E. Trash Compactor. With board approval and cost-sharing from the country club, the electrical connection was relocated to allow the trash compactor to be reinstalled in place of an open dumpster. This addresses operational and safety issues associated with the open dumpster. Installation was completed 2 days after electrical work completion.

F. Fire Damage Rebuild – Unit 2079. Final reconstruction work is underway.

G. Flashing Solar Safety Light – Preston Road Entrance. The initial replacement unit was defective. The manufacturer replaced it at no charge, and the new unit is functioning properly as of 7/19/2026.

H. Sewer Line Backup – Unit 129. On July 19, 2026, a sewer line backup completely flooded Unit 129 (currently vacant and in collections with law firm RMWBH). Remediation is in progress, including removal of all flooring, removal of sheetrock (two feet from floor), and removal of destroyed base cabinets. Recovery of costs is pending clarification of foreclosure status and owner insurance status.

I. Occupancy and Sales. Approved leases: 51; on waiting list: 2. Year-to-date sales: 10.

J. Parking Permit Distribution. A new parking permit distribution process has been implemented using an online portal. Owners are directed to complete a form (which auto-fills and feeds to the database) and submit a photograph of the vehicle front quarter showing license plate and current registration. Permit pickup will occur at the office after owner notification that permits are ready. The process currently applies to portal-using owners. Rick Wilson is developing a form for distribution to remaining owners, family members, and tenants.

K. Governing Documents Revision. Based on board approval from the previous meeting, the law firm RMWBH (attorney Sipra Boyd) is drafting revisions to governing documents addressing: (1) assessment and voting calculation inconsistencies; (2) bylaws regarding insurance coverage and repair responsibility allocation in cases of cross-unit loss. These revisions will be voted on by members at a future meeting.

L. Storage Violations and Chunk Your Junk. Violation notices have been sent for storage on balconies and patios with deadlines for compliance. Chunk Your Junk will be increased from quarterly to every other month due to consistent need for a second dumpster. Moving to bi-monthly frequency will reduce the hours of labor required of the Staff.

M. Collections. Notices of default have been sent to five owners.

N. Reserve Study. Reserve Advisors was previously selected by the board to prepare the next reserve study. Financial and inventory data have been submitted; an onsite visit will follow. The resulting report will project capital needs over the next 30 years to support financial planning.

O. Market Conditions and Foreclosures. Two units have entered or are expected to enter foreclosure. These are the first in more than 10 years. Dallas foreclosures from January through April are up 33 percent year-over-year to 2025 foreclosures. Texas ranks eighth nationally in foreclosure rates. The market conditions (buyer's market with 50 percent more sellers than buyers) and compressed foreclosure timeline (average 155 days in Texas versus 563 days nationally) mean rapid loss of lien position and financial impact to the association. The budget for the remainder of 2026 and the 2027 budget is being adjusted to account for anticipated losses due to foreclosure.

VIII. NEW BUSINESS

A. Water Works Pool Service – Begins August 1, 2026. There will be three services per week from mid-March through mid-October, and two times per week for the remainder of the year. Specific service days are to be determined at a meeting later in the week.

B. Meeting Frequency - Rick Wilson asked the Board to consider increasing the meeting schedule to every month. This had been the schedule until the 2025/2026 board. The volume and complexity of issues facing the Association require more meeting time to fully discuss and process. **Rick made a motion to increase board meetings from 6 to 10 per year.** The cost and availability of the country club meeting room was discussed. The club only charges the Food & Beverage Minimum for the room, \$350 + + and for the audio/video if we need it. Non-club members are also charged a Room Fee averaging \$1,000 in addition to the F&B minimum. **Ky Scott amended the motion to add meetings for August and October of 2026 and allow the new board to set the schedule for 2027/2028. Malena Marshall made the second. The motion passed with 7 members approving and “no” votes from Nancy Baker and Jim Eason.**

VIII. MEMBER COMMENTS

A. Board Recognition and Appreciation. Jeff Hughes commended the board for their dedication and hard work representing the association. He noted that the board is performing well and working hard for the members.

D. Recognition of Carrie Bailey – GAF Lawsuit. Jeff Hughes gave special recognition to Carrie Bailey for her sustained effort over six years to resolve the defective mansard shingles lawsuit with GAF. He highlighted the stressful nature of the case, the heavy workload involved, ongoing communications and stonewalling by GAF, and the litigation that followed the filing one-and-a-half years ago. He acknowledged her handling of the case largely on her own and commended the successful path toward settlement.

E. Recognition of Rick Wilson – AI Assistance. Jeff Hughes recognized Rick Wilson as the board's "AI expert" and commended his assistance with the lawsuit. Specifically, Rick applied AI during the discovery process (the most time-consuming and labor-intensive phase of litigation) to streamline and expedite the review of voluminous data, thereby reducing the workload that would otherwise have been required. Additionally, Rick produced a 17-page AI-compiled report on the lawsuit itself approximately 10 days before the meeting. This report provided comprehensive coverage of the litigation, clarified key information for interested members (available online on the association website), and provided perspective and clarity for the board, including new board members.

F. Rick Wilson – AI Clarification. Rick Wilson provided clarification regarding the use of AI in board operations and the lawsuit. He noted that as an IT Project Manager, he hears "AI" discussed frequently and emphasized that the board's applications of AI are not instances of AI making decisions, but rather AI compiling and analyzing information that the board provides to it. He further clarified that no HIPAA-protected data is being fed to AI—only open records are being processed. He stated the goal is to use AI as a tool to help the board make better decisions, not to enable external parties (such as Musk, Google, or others) to access community information. A board member confirmed that no GDPR violations are occurring.

IX. MEETING ADJOURNMENT- President Amanda Wells made a motion to adjourn. It was approved, concluding the meeting at 8:15 p.m.

The next Board Meeting will be on September 22, 2026

Minutes compiled by Rick Wilson with AI assistance; Susie Brown, Secretary