



COVES PHASE II
PROPERTY OWNERS ASSOCIATION
www.covestwo.com – covestwo@gmail.com

Board of Directors Meeting
ANNUAL BOARD WORKSHOP
July 10, 2021 – 5:00 p.m.

AGENDA

Call to Order: President Paxton

Roll Call: President: Kristifier Paxton
Vice President: Houston Murillo
Treasurer: John Gay
Secretary: Denise Corbin
At Large Position: Vacant

Approval of May 7, 2021 Virtual Meeting Minutes

Financial Report from the Treasurer

Old Business:

1. Resolution 2021-005: Rules of Order of the Association

New Business:

1. Resolution 2021-009: CIP – Driveway Numbering with Pure Spray
2. Resolution 2021-010: CIP – Street Tree Landscaping with City Tree Giveaway

Workshop for Annual Meeting Items:

1. Resolution 2021-007: Recommendation to Amend the Covenants of the POA
2. Resolution 2021-008: Recommendation to Amend the Bylaws of the POA
3. Resolution 2021-011: Recommendation to Owners to Approve Cost Share to Improve Holland Park with Conditions

Note: Workshop items require a motion to forward to the FULL POA MEETING with a recommendation.

Announcements:

1. Next meeting is the Annual POA Meeting to be held on October 9, 2021. The meeting will be held at 1166 S Gentle Valley Drive. Voting methods will be by those present, by-proxy, and through written instrument as defined within the Covenants. The time of the annual meeting will be determined by the Board at this meeting.

Adjournment



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Board of Directors Special Virtual Meeting
May 7, 2021
Minutes

President Kristifier Paxton called the virtual meeting to order at 6:30 p.m. on May 7, 2021.

Roll call was taken with President Paxton, Vice President Murillo, At-large Representative Helmick and Secretary Corbin in attendance. Treasurer Gay was excused.

The minutes of the March 23, 2021 virtual special meeting were posted on the Coves II website so were not read at this time. At-large Representative made a motion to approve the minutes with a second from Secretary Corbin. All present vote yes, motion passed.

No financial report was presented at this meeting.

New Business:

1. Resolution 2021-006 Landscape Easement Improvements: President Paxton presented Resolution 2021-006 which will allow a one-time fee of up to \$4,000 to be used to improve and modify the landscaping at the front entrance to Coves II (corner of Alberta and Springfield). Following discussion and some recommendations to improve and modify the front entrance, At-large Representative made a motion to approve Resolution 2021-006 with a second from Vice President Murillo. All present vote yes, motion passed.
2. Holland Park Swing Set: President Paxton informed us the City of Fayetteville will consider installing a swing set in Holland Park if the surrounding POA's would agree to pay half the cost. The estimate of the project is \$20,000. The City will pay half and complete the installation. Discussion followed. It was suggested President Paxton contact the surrounding POA's to see if there is any interest in pursuing this project.

Announcements:

1. The next Board of Directors meeting will be held on July 10, 2021 at 5:00 pm. To prepare for the annual POA meeting which is scheduled for October 9, 2021

There being no further business President Paxton adjourned the meeting at 7:07 p.m.



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PASSED AND APPROVED on July 10, 2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary

Coves II Property Owners Association
Monthly Financial Report

	JAN	FEB	MAR	NOV	DEC	APR	May	Jun	YTD
BEGINNING BANK BALANCE	\$ 14,177.86	\$ 13,628.17	\$ 17,599.92			\$ 19,062.72	\$ 18,695.92	\$ 19,345.92	
TOTAL OTHER INCOME		\$ 91.00							\$ 91.00
TOTAL DEPOSITS FROM DUES	\$ 150.00	\$ 4,050.00	\$ 1,515.70			\$ 290.00	\$ 650.00	\$ -	\$ 6,655.70
TOTAL INCOME	\$ 150.00	\$ 4,141.00	\$ 1,515.70	\$ -	\$ -	\$ 290.00	\$ 650.00	\$ -	\$ 6,746.70
TOTAL DUES PAID	1	28	37			39	41	41	
TOTAL DUES UNPAID	44	17	8			4	4	4	
Ben McMullin	\$ 495.00								\$ 495.00
Kris Paxton	\$ 76.78								\$ 76.78
John Gay	\$ 127.91	\$ 113.45							\$ 241.36
Square Fees		\$ 55.80	\$ 27.90						\$ 83.70
Tia Shibley Refund for Overpayment			\$ 25.00						\$ 25.00
Wright Law Firm						\$ 657.50			\$ 657.50
									\$ -
									\$ -
									\$ -
									\$ -
TOTAL EXPENSES	\$ 699.69	\$ 169.25	\$ 52.90	\$ -	\$ -	\$ 657.50	\$ -	\$ -	\$ 1,579.34
NET REVENUE	\$ (549.69)	\$ 3,971.75	\$ 1,462.80	\$ -	\$ -	\$ (367.50)	\$ 650.00	\$ -	\$ 5,167.36
ENDING BANK BALANCE	\$ 13,628.17	\$ 17,599.92	\$ 19,062.72			\$ 18,695.92	\$ 19,345.92	\$ 19,345.92	
Detention Pond Reserve	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	
Available Balance	\$ 9,128.17	\$ 13,099.92	\$ 14,562.72	#VALUE!	#VALUE!	\$ 14,195.92	\$ 14,845.92	\$ 14,845.92	



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FILE NUMBER RES 2021-005

Board of Directors Authority and Rules of Order

WHEREAS, Bylaws Article VI Directors and Officers states in Section 6.5, “Duties of President: The President shall serve as a point of contact for the Members regarding all POA matters and shall preside over meetings, as needed. The President shall also carry out all other duties as may be prescribed by the Board. Otherwise, the President may not take any action without the express approval of the Board”; and

WHEREAS, Bylaws Article VI Directors and Officers states in Section 6.6, “Duties of Secretary: The Secretary of the Association shall keep the minutes of the meetings of the members and the Membership and shall keep and make all other records and reports, except for accounting purposes, necessary and proper to the operation of the Association”; and

WHEREAS, Bylaws Article VI Directors and Officers states in Section 6.7, “Duties of Treasurer: The Treasurer of the Association shall keep the books of account of the Association, maintain deposit accounts for the funds of the Association which shall be subject to withdrawal upon the signature of the Treasurer and whose signatures shall be duly certified to the depositories of the Association, and be responsible for the proper reporting to any governmental agency and the membership of the Association for funds received and paid out, including the responsibility to submit a financial report to the members at each regular member’s meeting and to the membership at the annual meeting of the membership”; and

WHEREAS, Bylaws Article VI Directors and Officers states in Section 6.8 “Duties of Directors: The business and property of the Association shall be managed by the Board of Directors and shall include, but not be limited to: keeping Association records; prepare budgets; fix, collect and enforce assessments; maintain and manage all Common Properties; pay applicable taxes. All decisions and actions of the Board shall be made by majority vote”; and

WHEREAS, Bylaws Article VI Directors and Officers states in Section 6.9 “Powers of Directors: The Board shall have the powers necessary for the administration of the affairs of the Association and may do all such acts and things, except for those acts or things which are exclusively reserved to the Members, to carry out said administration and to fulfill the obligations of the Association pursuant to the Declaration. These powers shall include, but not be limited to: adopting rules and regulations consistent with the Declaration for the management of the Subdivision; levy, collect and enforce assessments as provided for in the Declaration; sue Owners and others to collect delinquent assessments or cure violations of the covenants and restrictions set forth in the Declaration or other rules or regulations; borrow money and conduct banking



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transactions for the benefit of the Common Properties and the Subdivision; employ managing agents, accountants, and attorneys as needed”, and

WHEREAS, Bylaws Article VI Directors and Officers states in Section 6.10 “Execution of Documents”: The Board shall have the power to designate the agents who shall have the authority to execute any instrument on behalf of the Association”.

NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: In meetings of the Board of Directors or the Full POA, the President of the Association shall preside over the meeting as Chair. If the President is absent, the Vice President of the Association shall preside over the meeting as Chair. If the President and Vice President are both absent, the Secretary of the Association shall preside over the meeting as Chair. Three members of the Board are required for quorum for all meetings. Three votes in favor are required for any item to pass in a Board of Directors meeting. During a Full POA meeting of all members, the Chair must break any tie vote.

Section 2: Pursuant to Section 6.8, the Board authorizes the President and Vice President to issue Individual Assessments for violations of Bylaws or Covenants not addressed in other Resolutions, Bylaws, or Covenants, in the amount not to exceed \$100. The Board may authorize higher amounts if necessary. These assessments may be appealed to the full Board of Directors within 10 days in writing by the Owner which received said assessment to the Secretary.

Section 3: Individual Assessments shall be due within 30 days and must be paid to the Treasurer. Failure to pay individual assessments shall result in late fees of \$25 per month beyond the date which the payment is due.

Section 4: Any and all dues equal to or exceeding \$500 may be filed as a lien pursuant to “Section 3. Assessments” of the Covenants.

Section 5: The Board designates the President, or the Treasurer when directed by the President, may act as the agents who shall have the authority to execute any instrument on behalf of the association.

PASSED and APPROVED on 07/10/2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary



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FILE NUMBER RES 2021-009

Capital Improvements Program (CIP) – Driveway Numbering with Pure Spray

WHEREAS, Resolution 20-002 established a Capital Improvements Program for The Coves Phase II; and

WHEREAS, the improvement adds value to the subdivision and/or Owners as a whole, which may include, but is not limited to advanced atypical maintenance along Common Property, for example between the front of curb to the back of the sidewalk for each and every lot; and

WHEREAS, the improvement is a part of or becomes a part of the subdivision or is permanently affixed to the subdivision; and

WHEREAS, the improvement will be a permanent installation; and

WHEREAS, some lot owners have already moved forward with the installation of the driveway numbering, and other owners have not at this time, removing uniformity among the lots.

NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: The Board of Directors authorizes the President to pay \$20 per lot to Pure Spray to include driveway numbering at each lot that has not already paid for said installation.

Section 2: The Board of Directors authorizes the Treasurer to credit \$20 to the 2022 annual dues for any lot that has already purchased a driveway numbering installation from Pure Spray. The President shall determine how many lots have already had the driveway numbering installed and provide the Treasurer with a list of addresses for said credit on their 2022 Annual Dues.

PASSED and APPROVED on 07/10/2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary



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FILE NUMBER RES 2021-010

Capital Improvements Program (CIP) – Street Tree Landscaping with City Tree Giveaway

WHEREAS, Resolution 20-002 established a Capital Improvements Program for The Coves Phase II; and

WHEREAS, the improvement adds value to the subdivision and/or Owners as a whole, which may include, but is not limited to advanced atypical maintenance along Common Property, for example between the front of curb to the back of the sidewalk for each and every lot; and

WHEREAS, the improvement is a part of or becomes a part of the subdivision or is permanently affixed to the subdivision; and

WHEREAS, the improvement will be a permanent installation; and

WHEREAS, the City of Fayetteville has offered approximately 30 trees during the City's annual tree giveaway for the Coves Phase II; and

WHEREAS, the Urban Forestry division of the City of Fayetteville recommends that some trees within the subdivision's street trees, owned by the City of Fayetteville, be removed, trimmed, or replaced; and

WHEREAS, new mulch and materials for existing and proposed tree locations will be necessary to ensure proper installation of new street trees between the sidewalk and a landscape company would be best suited to complete said installation.

NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: The Board of Directors authorizes the President and Vice President to organize with the City of Fayetteville Urban Forestry Division to receive the trees and that the trees and any materials will be brought onto the front yard of the property of the President for storage as a staging area until installed.

Section 2: The Board authorizes the President and Vice President to get quotes for the installation of the new street trees by a qualified landscaping company. If said quote is under \$3,000 the Board authorizes the President and Vice President to move forward with said installation. If the quote is over \$3,000, a special meeting shall be called by the President for further discussion with the Board of Directors.



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Section 3: The Board authorizes the President and Vice President to work with individual lot owners to determine the best locations for the street tree plantings, and prohibits street tree plantings that would block a 25-foot line of site at any street intersection. The Board authorizes trimming of any tree within the subdivision's street frontages and said trimmings/pruning shall be completed in compliance with the City of Fayetteville ordinances.

Section 4: Any dead or dying trees shall be removed in coordination with the property owners. Installation of new trees shall be in coordination with each property owner along street frontages. White flags shall be placed in all locations where trees will be planted ahead of installation for coordinating with the landscaping company.

PASSED and APPROVED on 07/10/2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary



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FILE NUMBER RES 2021-007

Recommendation to Amend the Covenants of the POA

WHEREAS, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COVES II, A SUBDIVISION TO THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ARKANSAS (Covenants) states in Part 2. Membership and Voting Rights in the Association: Additions “(d) Quorum, Notice and Voting Requirements. The quorum, notice and voting requirements of and pertaining to the Association are set forth within the Bylaws of the Association as the same may be amended from time to time. Subject to the provisions or the Bylaws, any action by or on behalf of the Association, except for actions allowed to be taken by the Board of Directors alone, may be taken with the assent given in writing and signed by Members who collectively hold or control a majority of the outstanding votes of the Association”; and

WHEREAS, the Covenants state in Part 4. Duties and Powers of Association “(h) To make reasonable rules and regulations for the operation of the Common Properties and to amend these Covenants from time to time”; and

WHEREAS, the Covenants state in Part 11. Regulations “Reasonable regulations concerning the use of the Property, including Common Property and all other areas which the Association maintains, regardless of fee ownership, may be made and amended from time to time by the Association”; and

WHEREAS, the Covenants state in Part 12. Enforcement of Obligations; Miscellaneous “(c) Any and all of the provisions contained in these Covenants may be changed or amended at any time by a written instrument signed and acknowledged by the Declarant during such period that the Declarant is the record owner of at least one (1) Lot, or alternatively these Covenants may be amended or terminated at any time by a written instrument signed and acknowledged by the Owners of sixty percent (60%) of the Lots. In the event of any conflict between an amendment or termination property executed by the Declarant (during its ownership of at least one (1) Lot) and any amendment or termination properly executed by the Owners of sixty percent (60%) of the Lots, the instrument executed by the Declarant shall prevail during the time of the Declarant’s ownership of at least one (1) Lot. The provisions of any instrument amending or terminating these Covenants shall be effective from and after the date it is properly recorded”; and

WHEREAS, the Board of Directors at the July 10th 2021 quarterly Board of Directors meeting identified revisions within the Covenants which the Board recommends revisions.



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NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: The majority of the Board of Directors has reviewed and agreed upon a recommendation for amendments to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COVES II, A SUBDIVISION TO THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ARKANSAS.

Section 2: Said recommended amendments as identified by the Board of Directors at the July 2, 2021 workshop are to be forwarded to the Annual POA Meeting with a Recommendation of Approval.

Section 3: The Board of Directors recommends a combination of those present, written instruments in the form of ballots for those absent, and proxy voting as suitable methods for owners to establish a quorum of at least 27 members.

Section 4: The Board of Directors recognizes that any less than 27 votes in the affirmative, a combination of those present, by written instrument, and by proxy, will result in a failure to amend.

Section 5: The Board of Directors recognizes that an affirmative vote of at least 27 owners by a combination of those present, by written instrument, and by proxy, will result in the need to file said amendments by record. The provisions of any instrument amending or terminating the Covenants shall be effective from and after the date the amendments are properly recorded.

PASSED and APPROVED on 07/10/2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary



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FILE NUMBER RES 2021-008

Recommendation to Amend the Bylaws of the POA

WHEREAS, DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COVES II, A SUBDIVISION TO THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ARKANSAS (Covenants) states in Part 2. Membership and Voting Rights in the Association: Additions “(d) Quorum, Notice and Voting Requirements. The quorum, notice and voting requirements of and pertaining to the Association are set forth within the Bylaws of the Association as the same may be amended from time to time. Subject to the provisions or the Bylaws, any action by or on behalf of the Association, except for actions allowed to be taken by the Board of Directors alone, may be taken with the assent given in writing and signed by Members who collectively hold or control a majority of the outstanding votes of the Association”; and

WHEREAS, The Coves II Property Owners Association Bylaws, Article XI Amendments states in 11.1 that “Any and all of the provisions contained in these Bylaws may be changed or amended by an instrument in writing, drafted so as to be recorded with the County Clerk of Washington County, Arkansas, and signed by the Secretary of the Association, subject to the provisions of the Declaration. Such a change or amendment shall require approval by majority vote of all Members except that Declarant may make unilateral changes without the need for consent as long as it owns a Lot”; and

WHEREAS, the Declarant no longer owns any lot; and

WHEREAS, the Board of Directors at the July 10th 2021 quarterly Board of Directors meeting identified revisions within the Bylaws which the Board recommends revisions.

NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: The majority of the Board of Directors has reviewed and agreed upon a recommendation for amendments to the Bylaws of The Coves II Property Owners Association.

Section 2: Said recommended amendments as identified by the Board of Directors at the July 2, 2021 workshop are to be forwarded to the Annual POA Meeting with a Recommendation of Approval.

Section 3: The Board of Directors recommends a combination of those present, written instruments in the form of ballots for those absent, and proxy voting as suitable methods for owners to establish a quorum of at least 23 members.



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Section 4: The Board of Directors recognizes that any less than 23 votes in the affirmative, a combination of those present, by written instrument, and by proxy, will result in a failure to amend.

Section 5: The Board of Directors recognizes that an affirmative vote of at least 23 members by a combination of those present, by written instrument, and by proxy, will result in the need to file said amendments by record. The provisions of any instrument amending the Bylaws shall be effective from and after the date the amendments are properly recorded.

PASSED and APPROVED on 07/10/2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary



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FILE NUMBER RES 2021-11

Capital Improvements Program (CIP) – Holland Park Improvements with Conditions

WHEREAS, Resolution 20-002 established a Capital Improvements Program for The Coves Phase II; and

WHEREAS, the improvement adds value to the subdivision and/or Owners as a whole, which may include, but is not limited to advanced atypical maintenance along Common Property, for example between the front of curb to the back of the sidewalk for each and every lot; and

WHEREAS, the improvement is **NOT** a part of or becomes a part of the subdivision or is permanently affixed to the subdivision, which would require a waiver from all owners; and

WHEREAS, the improvement will be a permanent installation; and

WHEREAS, the City of Fayetteville has agreed to pay for the installation of a swing set at Holland Park providing that surrounding POAs agree to pay for the swing set in the amount of \$20,000.

NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: The Board of Directors recommends to the full POA during the annual meeting a waiver from the requirement that the Board of Directors created which requires improvements paid for with POA funds be a part of the subdivision or permanently affixed to the subdivision.

Section 2: The Board shall forward to the full POA annual meeting with a recommendation to allow the Board of Directors to work with neighboring POAs in a cost share to pay the City of Fayetteville to install a swing set at Holland Park. The total cost has been identified as \$20,000, which requires funding allocations from neighboring POAs for further consideration by the Board of Directors. Participating POAs shall divide the amount of the full installation (\$20,000) by the amount of lots in all participating POAs.

Section 3: The Board of Directors shall accept as approval of this a simple majority of all those present or voting by any instrument at the 2021 full POA meeting.



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Section 4: The Board of Directors recognizes that any installation in a City Park becomes public property and usable by any member of the public, maintained by the City of Fayetteville.

PASSED and APPROVED on 07/10/2021

APPROVED:

ATTEST:

Kristifier Paxton, President

Denise Corbin, Secretary



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