

NOVEMBER 2017

The Official Publication of The Briarhills POA

VOLUME 6, ISSUE 11

Friends and Neighbors,

I hope October find you making progress rebuilding and returning to a sense of normalcy - or some semblance of it.

This email is about the clubhouse. So lets get right into it. I know this is quite late for our meeting coming up on Monday, October 9th, but I wanted to make sure we had all the information possible before sending this out. Much has happened in the last month regarding the clubhouse, and I think the best way to convey this is through a Frequently Asked Question format. So lets get right to it.

1) Why has the project not yet started? - Harvey, short and simple. Our project was suppose to start the first week of September. Demolition crews were set to come out the Tuesday after labor day and start the tear down process. Our contractor, however, was flooded as well. Actually, both owners, and a number of their staff were all flooded along with their company building. The contractor notified me immediately after the storm of what had happened, and that they were working towards getting re-mobilized to get started. Last week, the BPOA was officially notified that the contractor would no longer be able to meet their obligations to perform the work due to increases in cost and lack of manpower to staff the job. Our contractor has been excellent and has worked with the BPOA for over two years to get to this point now. The BPOA has instructed our law firm to draft a release of contract letter for both parties to sign to formally terminate the agreement.

2) Sooo...what happened to the contractor pulled out? A week after Harvey the drawings were sent out to multiple other contractors to rebid the job as a hedge against our original contractor not being able to complete the work. We received two rejections for the work and another interested contractor who is preparing the final bids as I am writing this. The BPOA has consulted with out lawyers and so long as the price of the new work is close to the original contracted amount and the contractual terms are similar we can accept the new bid and contractor.

3) We don't need a clubhouse, why are we building one? Need isn't the correct term. Obligation is. Article IV, Section 4.2 of the associations Bylaws and Declarations specifically include, as a property right of every member, swimming facilities, tennis facilities, and clubhouse facilities. This passage has been interpreted over the

years to mean that, for whatever reason, should such facilities not be made available, the BPOA would be infringing upon the rights of the Members.

4) What about the BHOA? Do they have access to a clubhouse? Yes. They do. As part of the BPOA - BHOA use agreement, a two story clubhouse is specifically included in the agreement. When the BPOA started the rebuild project, they asked the BHOA for a release of this section for the duration of the construction period in order to rebuild and were denied this. Should the BPOA not provided the BHOA with a clubhouse facility, the BPOA would be in default of the agreement.

5) Is the BHOA paying for any part of the clubhouse project? No, they are not. Multiple attempts have been made to reach out to the BHOA, and no satisfactory reply has been given. The last, unofficial, offer from the BHOA was to provide \$200,000 in funding over the course of 10 years with a guarantee from the BPOA to continue to subsidize the Constables Service for the duration of the commitment. This would be the total sum of the BHOA's participation in any capital improvement project - which the BPOA rejected entirely.

6) Why did the cost increase so much for the clubhouse? Short answer, Sitework and Time. When we first estimated the cost of the project the only parts of the scope were the clubhouse and the pool. Site work was specifically not included in the project (new parking, detention, sidewalks, etc.) because at the time they were not required. During the course of design, the code changed, and detention was no longer grandfathered in. The BPOA was forced to include an entire new scope into the project to address detention and site work. The BPOA reached out the Councilman Travis to help with this, but they too were unsuccessful in petitioning the city code enforcement department to relax this regulation. The building was also delayed one year due to permitting and the pool season. Final permitting was granted in March of 2017, and by that time starting construction would have resulted in the loss of the pool season. The decision was made to delay construction to allow for a complete pool season, which incurred more cost.

(Continued on Page 3)

IMPORTANT NUMBERS

GOVERNMENT SERVICES

Emergency	
Constable (Closest Law Enforcement)	
Poison Help	1-800-222-1222
Library and Community Center	832-393-1880
City Services	Call 311
Citizens' Assistance	713-247-1888
Public Works	713-837-0600
Neighborhood Protection	713-525-2525
Animal Control	713-229-7300
Wild animal problem	713-861-9453
Hazardous waste	713-551-7355

OTHER UTILITY SERVICES

Street light problem	713-207-2222
	(then 1 then 4)
Power out/emergency	713-207-2222
Gas leak suspected	713-659-2111
Before you dig	Call 811

BRIARHILLS SERVICES

Trash collection	
Amenity tags	
Tennis courts	
Pool parties	
Clubhouse rental	

ADVERTISING INFORMATION

Please support the businesses that advertise in the Briar Hills Beat. Their advertising dollars make it possible for all Briar Hills residents to receive the monthly newsletter at no charge. If you would like to support the newsletter by advertising, please contact our sales office at 888-687-6444 or <u>advertising@PEELinc.com</u>. The advertising deadline is the 8th of each month for the following month's newsletter.

NEWSLETTER INFORMATION

Article Submission	briarhills@sbcglobal.net
Advertising	advertising@PEELinc.com

POA OFFICE INFO

OFFICE HOURS 2017

Monday – 1:00pm – 4:00pm Saturday – 9:00 am – 12:00 pm And by appointment *Due to the construction of th

*Due to the construction of the clubhouse, the BPOA physical office is closed indefinitely. However, the BPOA Office Manager will continue to maintain the above regular office hours during this time period, except on these days: November 25, December 25, December 30.

OFFICE CONTACT

Street Address
14300 Briarhills Parkway, Houston, TX 77077
Mailing Address
P.O. Box 940548, Houston, TX 77094-7548
Telephone
Email briarhills@sbcglobal.net
Website www.briarhillspoa.org
Every resident is encouraged to register in the Briarhills POA
website. This allows you to have access to various up-to-date
information about the BPOA that is not available to the public.
You will also be able to immediately receive, by email, important
announcements. Your information will only be used for official
BPOA communication and will not be shared.

SWIMMING POOL

A pool tag is required to access the pool amenity. Check the Briarhills POA website for information on how to obtain a pool tag.

TENNIS

A key is required to access the tennis court amenities. Check the Briarhills POA website for information on how to obtain a tennis key.

CLUBHOUSE

Closed for construction.

POA MAINTENANCE FEES

Invoices for BPOA dues are mailed in early December. Please contact the POA office if you do not receive your invoice by December 15. Non-receipt of the invoice does not preclude payment of the dues.

The above information is subject to change without prior notice.

(Continued from Cover)

7) Why cant we make the project cheaper? There isn't much in the building that can be removed at this point. The building is a box with concrete flooring. Without removing the clubhouse from the project, the overall project cost cannot be lowered at this point. See questions #2 for why this isn't possible.

8) What happened with the insurance claim on the damage the existing building suffered from Harvey? In short, it was denied - outright. The BPOA does not carry flood insurance on the property, and never has in the entirety of its existence. The water damage to the structure, even though it was caused by rainfall, was denied as well. No damage was done by wind or hail to the exterior of the building to merit water leakage. As such, without any visible damage, the water that did get into the building was attributed to the age of the building and the poor condition of the roof. A third party roofer was brought out to the site and confirmed the findings of the adjuster. No visible wind or hail damage was observed.

9) What's the condition of the clubhouse today? Awful. The building is molding form the inside as no remediation was done after the storm. Volunteers were directed to residents homes instead of the clubhouse to get them cleaned out. With the building being torn down so soon, it didn't make sense to remediate and take up resources that would have been otherwise directed towards residents.

10) Why cant we wait a year and do the project? Insurance. With a moldy building posing a heath hazard to the community our insurance carrier will not continue to insure the association unless something is done to remediate or tear down the building. Also, code changes, again. The 2015 Energy Code went into force earlier this year. Because our project was submitted for permitting before Jan 1, 2017 we did not have to follow the new energy code. If we were to wait, and re-permit the building again, we would not pass code. The additional cost of HVAC equipment, insulation, and thermal breaks would amount to over \$30,000 in costs, in addition to the inflated cost due to time delay.

11) Why cant we just tear the clubhouse down and wait a year? The clubhouse and the pool house are a single building. To tear the clubhouse down would require us bringing the pool house up to code. That would require a substantial investment in the buildings electrical, plumbing, and sewer system. In short, its cheaper to tear down the pool house than to try and bring it up to code. If we tear the clubhouse down, and rebuild the pool house, to only tear it down again, would be throwing money away. The City of Houston will not allow us to tear the Clubhouse down without doing the improvements to the pool house.

12) What about Harvey? Is this really the best time to do this? Harvey is a tragic event for sure. Its hard to convey what it feels like to speak with a resident while they are choking back tears in the middle of what was once their house. The emotion of what happened should not, and can not, influence long term capital decisions. For all of the previous rationale in the aforementioned questions, the BPOA cannot afford a delay any longer, and cannot afford inaction. This is surely a confluence of bad timing and bad luck, no doubt, but we have to make the best of it and move forward.

13) Why cant we use the money on the playground and pool and not the building? See question #3. The BPOA received approval to borrow funds for the construction of Master Plan B - which included improvements to the clubhouse and pool. The BPOA cannot legally use that money for any other purpose or any other combination of projects without running into legal trouble. The only use of the funds is either to enact Master Plan B, or to return the money.

14) I strongly oppose what is going on. What can I do? Article I, Setion 1.1, (k). Its right there in writing. The BPOA is a non-profit representative democracy corporation. As such, voting rights are paramount, and individual members can exercise that vote at any time according to Association Declaration.

15) What is the new cost estimate of the project? The cost estimate for the pool did not change. That contract is signed and still in force with the pool company doing that portion of the work. The bid for the building, as of this writing, is within 2% of the original bid price. We are working right now to get the revised bid back to, or below, the contracted \$706,000 amount. We should have final numbers by meeting Monday, October 9th.

16) I heard the building cost \$900,000, then I heard \$500,000, then I heard \$700,000? What is the cost of the building? Lets take this one step at a time. I'm rounding numbers to the nearest 1,000 for simplicity.

The BPOA has contracts totaling \$89,000 for professional services for the building. This included the fee for the architect, structural engineer, mechanical engineer, electrical engineer, plumbing engineering, civil engineer, geotechnical engineer, and surveyor. All of these contracts were awarded in 2016, prior to the BPOA securing a loan for the cost of construction. Collectively, these costs are called "Soft" Costs. To date, the BPOA has paid all but \$15,000 of these fees. The payments for the soft costs came out of the 2016 operating budget instead of the capital improvements budget. This was because the project design needed to be started in order to get a design to be priced to then get a loan on.

The "hard" costs are costs associated with actually putting work in the ground. The pool renovations are contracted for \$94,000. This contract is with the contractor that works with our pool management company. They have agreed to hold this number post Harvey, which is excellent. The building and site came in at \$706,000. This is the number based on the original contract amount. Total "hard" costs are \$800,000. Total "soft" costs are \$89,000. Total project cost is \$889,000.

17) How are we going to pay for all of this? Lets take this one step at a time as well. Again, numbers are rounded to the nearest 1,000 for clarity.

Of the \$89,000 in soft costs, all but \$15,000 remains to be paid. *(Continued on Page 4)*

BRIARHILLS

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These costs were already paid in 2016 and are already out the door. The BPOA currently has \$462,000 in the Building Fund. This is the amount of money that was borrowed.

Wait wait, I thought we borrowed \$550,000?

We borrowed, after closing costs, \$537,000. Earlier this year, in order to conform with auditing standards, we transferred \$74,000 from the Building Fund back to the Operating Fund to account for the "soft" costs already paid to date. This allows us to track total project costs separate of the operating funds. Approximately \$1,000 was spent on emergency plumbing repairs needed earlier this year to get our constitutions permit. \$537,000 - \$74,000 - \$1,000 = \$462,000.

The BPOA also has \$246,000 in our capital reserve account. And another \$100,000 in savings bonds that will mature in the next few years. The face value of the savings bonds are \$60,000 total. There is \$40,000 in interest payment that we will collect upon cashing them out.

Total money available for the project is: \$462,000 + \$246,000 + \$100,000 = \$808,000

Total project cost remaining: \$706,000 (building) + \$94,000 (pool) + \$15,000 (consultant fees) = \$815,000.

Wait wait, you don't have enough money!

If we were to purchase the building today, no we would not. But we don't have to do that. Buildings are built on a monthly payment schedule which will take us through next May. So, next year, the BPOA plans on making additional contributions to the capital reserve fund the same as we did this year.

The BPOA contributes \$15,000 a year to the capital reserve fund. The Terraces on Memorial also contribute \$3,000 a year as part of their use agreement (even the Terraces pay for capital costs!). The BPOA also raised rates this year, as part of a one time increase to pay for the building, which will generate another \$28,000.

Next year then, the total available funds will increase 15,000 + 33,000 + 28,000 = 46,000.

At the conclusion of the project in May, 2018, total funds available will be \$808,00 (cash on hand) + \$46,000 (2018 contribution) = \$854,000. This will give the BPOA a \$39,000 contingency on the building, amounting to almost 5% extra.

The BPOA is also predicting a \$10,000 surplus in the general operating fund at the end of this year. This money has not been allocated towards the building, but is available if need be.

18) And what about the BHOA, are they going to contribute anything? Right now, no. See question #5. The BHOA's original

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offer was rejected. Over a series of meeting through the summer the BPOA discussed what to do about the BHOA. The BHOA needs the BPOA to continue to share the cost of the County Constable's in order to afford it themselves. After a series of meeting, and community input, the direction heard was for the BPOA to forgo the County Constable's and solicit private security for the BPOA only. The BHOA is aware of this, and has yet to approach the BPOA with an offer to contribute to the building.

19) And will the BPOA cancel the constables? The proposed plan is for the BPOA to suspend constable's service effective December 31 and have private security in place by that time. This will give the BHOA two months to make the BPOA a final offer on contributing towards capital improvements with a firm termination deadline. The BPOA will vote on this motion at the October meeting.

20) What about the homes that flooded. Aren't we afraid that we wont have enough money collected next year? A month ago this was a very real fear for sure. After working with our office manager, relief agencies, and residents we've been able to reach out to just about every homeowner that flooded. Most folks are ready and want to return. Over 100 homes flooded in the neighborhood, but nowhere near that many think they will default on their dues in 2018. On average we have 5 homeowners a year that we have to turn over for collection. We anticipate there might be 20 homeowners next year that fall into this category. Round numbers, 20 residents equals about \$14,000 in our annual budget. This can be absorbed and, ultimately, offset by the generous donations to the www.rebuildbriarhills.org gofundme site that was set up to assist homeowners with problems paying their dues.

21) The clubhouse doesn't pay for itself, why should we even have one? See question 3. Also, and more importantly, generating sustaining revenue from the amenities is not a benchmark for any of the park services. The BPOA does not charge for tennis, pool usage, or park admission either. But more importantly, the clubhouse is rented out and used 48 weekends a year on average. Not including the BPOA and BHOA monthly and annual meeting. On top of that, the clubhouse is part of the use agreement signed with the Terraces on Memorial. That agreement generates \$24,000 annually to the BPOA. The THOA has notified the BPOA that if the clubhouse is not part of the amenities package, the THOA will no longer participate in the use agreement. There is an argument to be made that his use agreement alone generates enough revenue to help pay for a significant portion of the \$537,000 loan over the 10 years it will take to pay it off.

- Alec

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@Cincinnati - 7:25 p.m.Sunday, September 24@New England - 12 p.m.

Sunday, October 1 Tennessee - 12 p.m.

Sunday, October 8 Kansas City - 7:30 p.m.

Sunday, October 15 Cleveland - 12 p.m.

Sunday, October 29 @Seattle - 3:05 p.m.

Sunday, November 5 Indianapolis - 12 p.m. Monday, November 27 @Baltimore - 7:30 p.m. Sunday, December 3 @Tennessee - 12 p.m. Sunday, December 10 San Francisco - 12 p.m.

Sunday, November 12

@L.A. Rams - 3:05 p.m.

Sunday, November 19 Arizona - 12 p.m.

Sunday, December 17 @Jacksonville - 12 p.m.

Monday, December 25 Pittsburgh - 3:30 p.m.

Sunday, December 31 @Indianapolis - 12 p.m.



281.496.6837

TEXANS 2017 Season Schedule

14520 Memorial Drive • Houston, TX 77079

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2018 Annual Maintenance Dues

Please be on the lookout for your annual statement in December. Just like last year, the billing statements will come from a third party vendor and payments will be processed by Mutual of Omaha Bank (which is also our loan originator for the new building). Payments can be made by check, e-check or credit card. Remember, in order to avoid a \$100 late fee, all payments must be postmarked by February 28, 2018.

REBECQUE & NANCY'S BEAT

Most of your houses did not flood but for those of us who did, we are still facing the frustration of making what seems to be an unlimited number of decisions, mounds of paper work, and forever facing the unknown. We will persevere and win this battle. As the song goes "the sun will come out tomorrow."

For those of you who did not flood, but were there for us every day with water, food, supplies, labor, love, and prayers - we give thanks. This is truly a great neighborhood and city.

The POA is collecting donations to offset the maintenance fees for owners of the 125 homeowners whose houses flooded. You can donate at https://rebuildbriarhills.org.

Life does go on. Hopefully the Houston Astros are headed to the World Series and will have won by the time you read this. The Astros need to pay Marwin Gonzales enough money to keep him next year. Otherwise our best scoring player will go to a team that will use him as a position player. As you can tell we are baseball fans.

As to the Texans, the team is almost out of luck with J. J. Watts and Whitney Mercilus, and Brian Cushing all out!

Real estate in the Houston and Harris County area is in a state of flux. It may take several months before we will know how the flood and oil market will affect the real estate market. Houston is still one of the best destination cities in which to live. More importantly, in Houston we have the needed resources of financing, labor, and materials to make this revival happen. We expect to bounce back and, whenever that is, we will have all of the updated houses available.

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Business classifieds (offering a service or product line for profit) are \$50, limit 40 words, please contact Peel, Inc. Sales Office @ 512-263-9181 or *advertising@PEELinc.com.*

SOLID WASTE COLLECTION GENERAL INFORMATION

Trash and recycling collection service is provided by Waste Corporation of America (WCA) www.wcawaste.com

Type of Collection: Refuse will be collected two (2) times per week on Monday and Thursday. Containers and bags shall be placed at their collection points by 6:30 am on the designated collection day. Refuse is defined as waste generated inside the house. Items must be either in light weight metal or plastic containers, or sturdy plastic trash bags (not "kitchen" bags). Containers and bags should not exceed fifty (50) pounds. All permanent trash containers, after being emptied, will be returned to their point of origin in the same condition in which they were taken, normal wear and tear expected.

Yard and Tree Waste: Placed at the curb on your designated collection days. Trees, shrubs, brush trimmings and fencing must be bundled in lengths no greater than four (4) feet with no branch diameter exceeding three (3) inches. The bundling is required to allow quick pickup and size limitations are required to avoid damaging the equipment in the crushing process.

Heavy Trash and Waste Collection: Bulky Waste Items: Furniture and appliances (stoves, refrigerators, washer, and dryers) will be picked up on Thursday. Exclusions: hazardous waste, carpet, and construction debris resulting from remodeling or demolition operations. By Federal Law, refrigerators and freezers, or any other items containing Freon must be drained of Freon and have an accompanying bill to validate such service was performed.

Unacceptable Items: For reasons of government restrictions, personnel and community safety, and protection of equipment, the following items cannot be collected: gasoline, motor oil and used oil filters, paint and other similar liquids, vehicle tires and batteries, and large pieces of metal such as car fenders or engines. Debris from construction and remodeling such as carpet, rocks, bricks, concrete, dirt, sand, gravel, roofing, lumber, fence boards, and large pieces of glass also cannot be collected. Potentially dangerous materials such as sharp objects, glass, metal, and the like should be properly identified and separated from other trash and/or double wrapped to avoid potential injury to the loader.

RECYCLING

Type of Collection: Recyclables will be collected once per week on Friday. Designated recycling containers are provided by WCA. These containers may be obtained by contacting WCA or the Briarhills POA office. Recyclables shall be placed at their collection points by 6:30 am on the designated collection day.

Acceptable Items:

• **Paper:** newspaper, magazines, catalogs, junk mail, envelopes, office paper, construction paper, colored paper, folders, paper bags, phone books, holiday cards and greeting cards

• Cardboard: corrugated cardboard boxes, paperboard boxes

• **Containers:** aluminum cans, tin cans, steel cans, empty aerosol cans, aluminum foil, plastics **#1-#5 & #7** (milk, soda, water, juice, shampoo, detergent, pool supplies, pet food), metal pots and pans, copper, scrap metal (nails, screws, gutters)

Commonly Mistaken Unacceptable Material: plastic bags, styrofoam, wrapping paper, used pizza boxes, coat hangers, paint and solvent containers, light bulbs, mirrors, windows, dishes and cups, pyrex pans, wet or soiled paper, paper towels, facial and toilet tissue, disposable plates and cups, milk and juice cartons (wax-board containers)

HOURS OF OPERATION: Collection of refuse shall not start before 6:30 am or continue after 7:00 pm on the same day.

HOLIDAYS: WCA may decide to observe any or all of the following holidays by suspension of collection service on the holiday. In the event the holiday falls on the pick-up day, refuse will be made on the next scheduled pick-up day.

New Year's Day Independence Day Memorial Day Labor Day Thanksgiving Day Christmas Day

THE BRIAR BEAT IS LOOKING FOR SUBMISSIONS!

The Briar Beat would like to build community between neighbors by sharing in each other's celebrations and losses. Thus, please submit news of any birth, wedding, or death of a Briarhills resident, or a family member of a resident, to: bhillspoa.briarbeat@gmail.com ¢

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