

Walden C. I. A.

***Board Policy
Manual***

Revised September 28, 2006

**Walden On Lake Conroe Community Improvement Association, Inc.
Board Policy Manual**

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**Walden on Lake Conroe Community Improvement Association, Inc.
Policy Manual**

I. Purpose:

The Board of Trustees wishes to consistently administer the various rules and regulations of the association. The association is, as a Texas not-for-profit corporation, obligated to conform to its governing documents. However, in the absence of specific direction from its governing documents, the Board has established certain policies and procedures. Procedures are documented separately by subject matter and generally deal with the direct management of retail operations and standards of service. Policies, on the other hand, are Board directed and usually initiated by a resolution of the Board of Trustees. These various resolutions are, hereby, presented as a collective statement of Board policy.

II. Review:

These collective policies shall be reviewed no less than annually by the Board of Trustees and/or a specially appointed Policy Committee.

Walden On Lake Conroe Community Improvement Association, Inc.
Open Board Meetings Policy

I. General:

The Board of Trustees of the Walden on Lake Conroe Community Improvement Association formally approved an open meeting policy on May 23, 1998, as reflected in the minutes of its meeting held on that date. An ad hoc committee was appointed at that time to develop "format and rules for these meetings." However, records do not reflect a follow-up report. Therefore, it is the intent of this statement to clarify the Board's practice since then of allowing any member to attend Board meetings.

II. Purpose:

Clearly, the Board of Trustees wishes to conduct its meetings openly and without secrecy; to encourage member input and participation when appropriate and to communicate effectively and directly with its membership when practical.

III. Rules:

A. Regular Board of Trustees meetings shall be scheduled annually in advance and published in the February newsletter. Periodic notices of each meeting shall also be noted in the newsletter in the month preceding each scheduled meeting.

B. Agendas are posted at the Administration Office, Yacht Club, and Racquet Club prior to each meeting.

C. A member may have a subject scheduled to appear on the agenda of any meeting merely by directing a written request to the general manager or president of the association. A member may then have his written question(s) or comment(s) read before the Trustees or may choose to make a personal presentation to the Board. The Board will respond directly during the meeting or follow-up after the meeting in an appropriate manner.

D. Members may attend any Board meeting in person and are encouraged to do so. The Board Chairperson has allowed members attending to make presentations even when not scheduled formally on the agenda.

E. Substantial time be scheduled at each annual meeting for members to address the Board on any matter affecting the association. In addition, comment/question cards shall be distributed to encourage input from those not choosing to verbally address the Board. Written responses shall than be mailed to the member by the appropriate Board member or general manager.

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F. Members are encouraged to address comments or questions to the general manager at any time between scheduled meetings by phone, letter or in person at the administration office. All records of the association are open and available for review by members. It is the intent of the Board of Trustees and management to address each member's concern with a prompt and direct response for the benefit of all concerned.

Walden on Lake Conroe Community Improvement Association, Inc.
Inspection of Association Records

I. Purpose:

To provide reasonable access to information regarding financial performance of the association to include both operating statements and annual audits, records of Board of Trustees and Committee meetings, policy and procedure, etc. It is the intent of the Board of Trustees to be as open as is reasonable with regard to any information produced on behalf of the corporation.

II. Policy:

A. The association will allow any Walden on Lake Conroe property owner to inspect the records. When a member requests to inspect the records, an appointment will be established during regular business hours. Assistance will be provided by the association's Controller or General Manager to the degree necessary to answer any questions.

B. Should the property owner require a copy of any document, every effort will be made to do so in a reasonable time, manner, and at a minimal charge.

C. Copies of annual financial summaries and annual audited financial statements are available at no charge.

D. Copies of corporate documents such as corporate charter, by-laws, deed restrictions, etc. are available at a nominal per page copy charge.

E. Personnel records of association employees will not be made available for open inspection. However, certain general employment information regarding an individual employee may be available at the discretion of management or the Board of Trustees.

Walden on Lake Conroe Community Improvement Association, Inc.
Design Guidelines Review Policy

I. Purpose:

The Board of Trustees of the Association has established the *Design Guidelines* as a detailed supplement to the deed restrictions for each section of Walden on Lake Conroe. Property Owners wishing to make improvements to the exterior of their residence or to their property are required to first obtain approval from the Architectural Control Committee (ACC). The *Design Guidelines*, intended as a guide to maintaining standards and overall image of Walden, will help in planning and making such improvements. Periodic review of the guidelines will ensure that the standards remain current compared to the latest building codes and the newest materials available.

II. Policy:

A. The Board of Trustees of the association has appointed the Architectural Control Committee (ACC) as its designated representative to review every application for improvement to Walden property. The ACC shall report to the Board of Trustees any need for revisions, additions, deletions or other recommendations and act accordingly to revise the manual.

B. In addition to input from the ACC, the Board will review the *Design Guidelines* periodically to ensure conformity to current building standards and acknowledgement of new acceptable building materials in an effort to preserve the overall image of Walden.

C. The Board of Trustees is authorized to enforce compliance with the standards of the *Design Guidelines*, the deed restrictions, and the decisions of the ACC through any appropriate legal and equitable proceedings on behalf of and in the name of the association.

D. To facilitate enforcement, the association shall employ Deed Restrictions Officers and a General Manager's Administrative Assistant whose duties include verifying the conformity of all sections of Walden for compliance with the respective restrictions, covenants, and *Design Guidelines*.

**Walden on Lake Conroe Community Improvement Association, Inc.
Maintenance Fee for Home on Combined Lots**

I. Purpose:

It is the intent of the Board of Trustees to align its maintenance fee assessment policy to clearly reflect the intention of the deed restrictions regarding uniformity.

II. Deed Restrictions:

The language utilized in the deed restrictions as filed in the Montgomery County Deed Records for each plotted section of Walden on Lake Conroe is virtually identical. A sample is as follows:

"...Every person or entity who is an owner of more than one lot... shall pay the full assessed rate on one lot and twenty percent (20%) of the assessed rate on all additional lots owned..."

III. Definition:

Combined Lot(s) shall refer to any combination of lots which have been configured into a single parcel on which one house is constructed.

IV. Change in Policy (January 10, 1998):

For some time the Walden on Lake Conroe Community Improvement Association allowed a policy which waived the maintenance fee for the additional lot(s) in a combined lot/house configuration. More specifically, one full fee was assessed for the first lot and no fee for the additional lot(s) on which the house was positioned. This policy was in direct conflict with the language of the restrictions. The recorded deed restrictions document is clearly recognized as the controlling document. Therefore, when presented to the Board, the former waiver policy was rescinded.

The policy regarding the assessment of maintenance fees is, hereby, conformed strictly to the language of the deed restrictions for each section. Each lot of Walden will be assessed the appropriate full fee or allowable discounted fee as stated in the restrictions.

**Walden on Lake Conroe Community Improvement Association, Inc.
Capital Reserves Study Policy**

I. General:

The Board of Trustees of the association recognizes its responsibility to effectively manage and maintain its physical and real property assets. In addition, the Board realizes it must periodically determine the useful life expectancy of these assets and the need to project an estimated cost of replacing them in the future. This responsibility has been addressed by conducting a thorough engineering study in 1990 of all association assets and individual components. Subsequently, this study has been updated every three years (see Replacement Reserve Report). In addition, the Board of Trustees of the association recognizes its fiduciary responsibility to manage its cash designated for future asset replacements in a prudent manner. Accordingly, the Board has set forth an investment strategy, security selection criteria, and control and review procedures to pursue the stated objectives as goals (see Investment Policy).

II. Purpose:

A. The Board of Trustees wishes to establish and maintain a reasonable, unchanged yearly reserve contribution necessary to meet future expenditures for major replacements or repairs of the common area elements owned and operated by the association.

B. The underlying, if not primary purpose, of conducting, updating, funding and implementing the various projects for repair and replacement is to maintain the highest possible property value of all association assets for the long term at the least possible cost.

C. By conducting periodic updates and appropriate annual funding, the Board will avoid the necessity of a special assessment.

III. Definition:

A. Reserves for Replacement are estimates of that amount of money which must be put aside to replace major issues such as building components that will wear out before the entire facility or project wears out.

B. Replacement Cost is the cost to replace an item or component which will perform the same function and have the same usage.

C. Useful Life is the average expected life of a component when new.

D. Estimated Remaining Life is the life expectancy of an item or building component based on the condition and state of repair.

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IV. Policy:

A. The Board of Trustees shall review its capital funding requirements annually and shall set its annual assessment accordingly.

B. The Board shall review the component study periodically and have a professional engineer and/or CPA or other qualified professional appraiser update the 10-year reserve plan at least every 3-5 years.

**Walden on Lake Conroe Community Improvement Association, Inc.
Guest Policy**

I. Purpose:

It is the intent of the Board of Trustees of the Walden on Lake Conroe Community Improvement Association to allow certain non-property owners to utilize the amenities of the association when that utilization is considered beneficial to the association in the sole discretion of the Board. Allowing certain selected guests is intended to add value to property ownership and increase revenues in retail outlets without negatively impacting space available to members of the association.

II. Types of Authorized Guests:

- A. Overnight house guests of property owners;
- B. Day guests of property owners;
- C. Recognized rental program guests;
- D. Lessees of a Walden residence;
- E. Time Share/Vacation Rentals International or Resort Condominiums International guests;
- F. Contracted catering and tournament group guests;
- G. Reciprocal program guests;
- H. Guests of the Board on Management.

III. Amenities of the Association:

The following amenities are impacted by this policy:

- A. Walden Yacht Club;
- B. Walden Racquet Club;
- C. Yacht Club Pool;
- D. Breakwater Grill;

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- E. North Boat Ramp;
- F. South Boat Ramp;
- G. Baseball Park;
- H. Breakwater Peninsula Park.

IV. Guest Privileges:

A. Overnight House Guests of property owners may have access to any of the amenities listed above without guest fees when accompanied by a property owner. Guest fees at the Racquet Club will apply when the "house guest" is unaccompanied or when the term of their visit requires a green guest card to be issued.

B. Day Guests of property owners may have access to any amenities listed above without guest fees when accompanied by the property owner. Guest fees at the Racquet Club will apply when the day guest is unaccompanied.

C. Recognized Rental Program Guests should be issued a green guest card assigned by unit number and are subject to guest fees and court fees at the Racquet Club.

D. Lessees of a Walden residence (whether single family, condominium or town house) may be issued a green guest card for the term of their lease upon meeting the following requirements:

1. The tenant must be an individual (not a corporation or other commercial entity).
2. The term of the lease must be at least three (3) months.
3. A copy of the lease must be placed on file with the Walden on Lake Conroe Community Improvement Association.
4. The lessee must pay a monthly assessment in advance for the entire term of the lease as an administration fee for the use of WCIA facilities.
5. The lessee must agree to abide by the policies and rules of the association.
6. A lessee must pay appropriate fees for his guests when accessing the Yacht Club Pool and Walden Racquet Club.
7. The lessor does not waive any of his property owner privileges upon leasing his Walden residence.

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E. Time Share guests (utilization of a time share unit outside the week of ownership or as a result of a trade program) must pay appropriate guest and court fees when accessing the Walden Racquet Club.

F. Group guests contracted by the Yacht Club or Racquet Club will be assessed appropriate access fees under the terms of the catering contract or tournament contract. Walden green guest cards will not be issued to individual members of the group.

G. Reciprocal club programs will be honored upon management approval of individual requests.

H. Guests of the Board are considered those allowed dining privileges in the Commodore Dining Room and are usually members of other area dining clubs. Guests of management are usually dining guests generated as a result of gift certificates or other promotional programs. No access fees are assessed in the case of either.

V. Guest Fees:

A. Racquet Club - Tennis
Weekdays, \$4/day
Weekends, \$6/day

B. Racquet Club - Exercise
\$3/day

C. Yacht Club Pool
Weekdays, \$2/day
Weekends, \$3/day
Holidays , \$3/day

D. Yacht Club Commodore Dining Room

The Board of Trustees has approved a special discount program available to all property owners/members of the Walden on Lake Conroe Community Improvement Association when dining a la carte in the Commodore Room or when ordering from the banquet menu for special events. The 15% discount, effective April 1, 1998, will apply to any food purchases by the property owner, his family or accompanied guests. In order to receive the discount, the property owner must present a current property owner identification card upon payment. The purpose of this policy is to provide an obvious benefit to owners while continuing to allow authorized guests to access the dining club. Guests of programs such as rental programs, reciprocation, members of local clubs, etc. will pay full menu price.

E. Marina Slip Rental Guests

The former policy of issuing green guest cards to Walden Marina slip renters has been rescinded effective January 10, 1998, or until the current slip lease term expires.

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**Walden on Lake Conroe Community Improvement Association, Inc.
Single Family Residential Trash Service**

I. Purpose:

The Board of Trustees of the association wishes to maintain a uniform plan for removal of residential trash. The nature of the Walden community makes this goal difficult when recognizing the high percentage of secondary home ownership and the resulting part-time, if not infrequent, occupancy of those homes. Additionally, it is important to maintain the image of the community by limiting the visibility of trash containers.

II. Policies:

A. The association shall require every single-family residence to participate in the association managed trash removal system.

B. The association shall maintain a service agreement with a reliable, professional residential trash contractor.

C. The association shall require the service contractor to provide garage door area pick-up in order to prevent, to the best degree possible, public view of trash containers. This service allows secondary owners to participate in the trash service program without having to deal with the typical problems of a curbside program.

D. The association shall maintain a billing service agreement with the local MUD's or other convenient billing service.

E. The association shall also maintain a recycling drop-off container in a generally central location to allow property owners an opportunity to recycle certain materials.

**Walden on Lake Conroe Community Improvement Association, Inc.
Managing Deer Population**

I. Purpose:

Part of the attraction of the Walden on Lake Conroe community is its natural beauty to include the wooded environment and its indigenous wildlife. As attractive and desirable as the wildlife can be, it can become a nuisance if not also dangerous to vehicular traffic.

As late as 1982 the Board of Trustees informally endorsed a voluntary program to feed the local deer population to hold them in the subdivision even as development increased. Ironically, as the subdivision has grown, so has the deer population. It is desirable to maintain natural animal resources and integrate that animal population within the human residential population's activities. However, when conflict occurs, control must be implemented.

II. Protective Devices and Feeder Devices:

A. Warning Signs

Roadside warning signs will be maintained where approved by Montgomery County Commissioners Court or the Precinct One County Commissioner. Signs, such as deer crossing signs, are intended as reminders to drivers to exercise caution and develop awareness of the presence of deer activity while driving through the community. Hopefully, vehicular/deer accidents can be avoided by creating awareness.

B. Feeding

Feeding devices are discouraged. Some natural dissipation of deer populations may occur if they are not artificially encouraged to stay near feeding stations. Life long exposure to feeding stations trains deer as wildlife to be dependent on unnatural food sources. If these unnatural food sources are interrupted or discontinued they will feed on the next available source of food which typically is urban landscape material. One owner's love of wildlife may only serve as an attractive nuisance to another owner who may be less tolerant of destructive wildlife habits.

C. High Frequency Noise Devices

All Walden residents are encouraged to attach "Game Saver" type devices to their vehicles to serve as a deterrent to deer grazing near or crossing our roadways. Samples of these devices and purchasing information are available in the administration office.

III. Managed Programs:

It is not the desire of the Board of Trustees to enter into a licensed trapping program to prevent deer overpopulation. However, if natural occurrences do not balance deer population with increases in human activities, then managed control programs may be implemented.

**Walden on Lake Conroe Community Improvement Association, Inc.
Pet Policy**

I. Purpose:

One of the reasons Walden on Lake Conroe is a special place to live is that all property is subject to Deed Restrictions. The intent is to:

1. Provide for a uniform plan to preserve the image and character of the subdivision;
2. Maintain the overall quality of life that has been achieved;
3. Encourage sensitivity between neighbors so that all may reside in harmony;
4. Uphold and enhance property values;
5. Prevent the deterioration of these desirable qualities;
6. Encourage responsible pet ownership.

II. Deed Restrictions:

The covenants recorded in Montgomery County Deed Records for each of the platted sections of Walden on Lake Conroe contain similar language under the heading of Article III. USE RESTRICTIONS, subtitle, Pets:

"No horses, cows, hogs, poultry or livestock of any kind (other than house pets of reasonable kind and number) may be kept on any lot. Should such pets become a nuisance in the opinion of the Declarants, they must be removed from the premises and the subdivision. No pets are to run at large."

III. Definitions:

Reasonable. Fair, proper, just, moderate, tolerable, suitable under the circumstances. Fit an appropriate to the end in view. Rational, governed by reason. Not immoderate or excessive.

Kind. The genus or generic class; Description.

House pet(s). Animal(s) belonging to the house and/or family. Domestic, but not intended to include animals normally considered raised or used on a farm. It is not intended to include animals normally living in the wild, but raised domestically in captivity or fur bearing animals raised in captivity.

Nuisance. That activity which arises from unreasonable, unwarranted or unlawful use by a person of his own property; obstruction to the right of another. Producing such material annoyance, inconvenience and discomfort that will presume resulting damage. That which annoys and disturbs.

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one in possession of his property, rendering its ordinary use physically uncomfortable to him; e.g. odors, or noise. An offensive annoying, unpleasant or obnoxious thing or practice; a cause or source of annoyance especially a continuing or repeated invasion or disturbance of another's rights.

Declarants. The Board of Trustees of The Walden on Lake Conroe Community Improvement Association, Inc.

Pets at Large. Pets which are not contained within the owner's property; free, unrestrained, not under control.

IV. Rules

A. No animals, whether livestock, wildlife, bees, poultry, or even household pets shall be raised, bred or maintained on any lot for commercial purposes.

B. No animals other than dogs, cats or other normal household pets of reasonable and limited number or specie may be kept on any lot.

C. No owner shall allow his pet to become a nuisance or threat to other owners, guests or neighbors.

D. No owner shall allow his pet, whether dog, cat or other domestic pet under his ownership control to leave such owner's lot unless leashed or under firm personal control and accompanied by a responsible member of the owner's family.

E. Owners shall at all times conform to the Montgomery County Health Department's Animal Restraint and Rabies Control Ordinance.

F. Owners wishing to report a complaint against another owner's pet shall be required to do so in writing by filing a Pet Grievance Form.

G. Grievances shall be reviewed by association management and if appropriate, referred to the Association's Pet Committee for review. The Pet Committee shall make recommendations to the W.C.I.A. Board of Trustees regarding serious corrective action such as legal process.

**Walden on Lake Conroe Community Improvement Association, Inc.
Use of Yacht Club Pool After Scheduled Hours**

I. Purpose:

It is the intent of the Board of Trustees of the Walden On Lake Conroe Community Improvement Association to operate the Walden Yacht Club swimming pool in as safe a manner as possible while meeting all maintenance guidelines of the Montgomery County Health Department. In addition, the Board wishes to allow a liberal schedule of operating hours that will maximize the pool's usage by various age and user groups on a year-round basis.

II. Policy:

A. Walden Yacht Club swimming pool will be available for property owners in good standing and authorized guests. Access will be allowed on a daily, off-season schedule without lifeguards on a "swim at your own risk" basis. Proper posting of the Health Department's required signage in this regard will be maintained. Off-season hours of operation will be 10:00 a.m. until 6:00 p.m., generally from Labor Day to Memorial weekend.

B. In summer season, Memorial weekend until Labor Day, Walden Yacht Club swimming pool will be available to property owners in good standing and authorized guests with life guards on duty 10:00 a.m. until 10:00 p.m.

C. Access prior to 10:00 a.m. in the summer season will be limited to participants in scheduled programs such as swim lessons, swim team and aquatic exercise groups.

D. Gates to the pool will be locked at 6:00 p.m. off-season and 10:00 p.m. summer season and all users will be required to leave the pool premises at closing.

E. Swimming "after hours" or after posted hours of operation will not be allowed. This after hours period will be utilized for proper maintenance and obviously as an observance of all normally recognized safety precautions.

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**Walden on Lake Conroe Community Improvement Association, Inc.
Boat Ramp Storage Violation/Towing Policy**

I. Purpose:

To provide reasonable guidelines for access to and usage of the two boat ramps and adjacent parking areas known as the North and South Boat Ramps. These areas are designated for parking during watercraft day usage only, not as temporary or permanent storage under any circumstances.

II. Policy:

A. Access to the boat ramps and respective parking areas is limited to Walden property owners in good standing and authorized guests. Authorized guests will include house guests of owners, guests of the W.C.I.A. Board or Management, overnight guests of recognized rental programs, lessees of a Walden residence and authorized boat repair shop representatives.

B. The ramps may be utilized for launching or re-trailering of owners' and guests' watercraft. The related equipment to include trailer and vehicle used to launch the watercraft may be parked in the adjacent lot for the period of watercraft usage.

C. Vehicles and trailers should be appropriately identified by display of property owner decals or a guest launch pass. Guest launch passes may be obtained with proper identification from the W.C.I.A. Administration Office or Walden Marina. Authorized rental programs will issue the approved guest(s) a Walden guest card (green card) with magnetic strip to operate the security gate at either ramp.

D. Extended parking up to 72 hours may be preapproved at either the Administration Office or Walden Marina for extenuating circumstances.

E. The Walden Deed Restrictions Officer will check each ramp daily to identify users. The following circumstances will result in a tow order to be initiated with a recognized storage-for-fee lot (all related tow and storage fees to be paid by violator/owner of equipment towed).

- 1) Watercraft without TX numbers or trailers without license plate.
- 2) Any vehicle or trailer without Walden owner identification of guest pass.
- 3) Any vehicle or trailer stored past expiration date of special 72-hour pass.

**Walden on Lake Conroe Community Improvement Association, Inc
Parking and Storage of Vehicles and Equipment**

I. General:

The Board of Trustees of the Association is obligated to interpret and enforce the deed restrictions of, the various sections and to mitigate known safety hazards in order to protect members. The Parking of automobiles and other motorized equipment must conform to deed restrictions and must be accomplished in a safe manner.

II. Purpose:

The purpose of this policy is to provide guidelines for parking and storage of vehicles and equipment.

III. Policy:

- A. There shall be no parking or storage of boats, marine craft, hover craft, boat trailers, travel trailers, campers, trailers of any kind, inoperable automobiles, operative vehicles, vehicles of any kind, non-motorized vehicles, aircraft, portable buildings, machinery or equipment of any kind upon the following areas:
1. any grassy area, including but not limited to the front and side yard of any lot, common areas, easements or right-of-way;
 2. a vacant lot; or
 3. an adjacent lot to an owner's lot;
- B. There shall be no permanent or semi-permanent storage of boats, marine craft, hover craft, boat trailers, travel trailers, campers, trailers of any kind, inoperable automobiles, operative vehicles, vehicles of any kind, non-motorized vehicles, aircraft, portable buildings, machinery or equipment of any kind, on any portion of any lot unless such is concealed from public view within the garage, behind a fence which encloses the rear of a lot, or other ACC approved enclosure. "Semi-permanent storage" shall mean storage for three (3) or more consecutive days.
- C. Parking in the driveway is allowed for passenger automobiles, passenger vans or pickup trucks that: are in operating condition; have current registration and inspection stickers; and are in daily use as motor vehicles.

**Walden on Lake Conroe Community Improvement Association, Inc.
Storage of Small Watercraft on Private Docks**

I. General:

Walden on Lake Conroe, as its name implies, is a waterfront community, which depends greatly on the quality of life the lake, as an amenity, affords waterfront property owners. The lake provides one of the major recreational amenities around which this community was developed. It would follow, therefore, that the various watercraft and water-based recreational "toys" are critically related to the overall enjoyment of the lake as an amenity. Perceived value of property is impacted by accessibility of the lake by waterfront owners. The storage of this type of equipment, in turn, has impact on the image or the "look and feel" of the community.

The restrictions for each platted Section of the community specifically address the issue of boat trailers, boats, travel trailers, inoperative automobiles, campers, vehicles of any kind or portable buildings being stored permanently or semi-permanently in public view. "Public view" is generally considered to be the front or street-side of the property such as the driveway or in the street right-of-way. The restrictions do not specifically address the storage of smaller watercraft or water related recreational equipment on waterfronts except to address approval of construction of boat slips, docks and bulkheads.

II. Purpose:

The Board of Trustees of the Walden on Lake Conroe Community Improvement Association wishes to create a reasonable plan to allow the normal usage of equipment such as jet skis or similar watercraft, canoes, kayaks, paddleboats, etc., and that the storage of such equipment at the shoreline be controlled so as not to negatively impact the surrounding community.

III. Policy:

A. Jet skis (or similar watercraft) are to be stored in the water at the shoreline, on a ramp designed into and constructed as part of the bulkhead and dock or stored on a mechanical lift device. Should a lift be utilized, the top of the watercraft, when raised to its maximum height position, should be no higher than 207' MSL (or approximately 4' above normal bulk heading of 203' MSL). This height and size of this category of watercraft must not unreasonably restrict views from adjacent property. It is intended that this height not exceed that of normally accepted boat covers installed over boat lifts. In addition, consideration should be given to limiting storage of jet ski type craft to a reasonably limited number.

B. Paddle craft to include canoes, kayaks, paddleboats, flat bottom boats, etc. should also be limited in number and kind. These items may be stored neatly at the shoreline in a safe and secure manner so as not to create an unreasonable visual obstruction or to create a nuisance by their presence. Clearly, the preferred or most acceptable storage of this type of watercraft would be in a garage or behind a side yard fence.

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C. As with any other play or work equipment, it should be returned to proper storage after each use.

D. Storage of any watercraft on the lawn or landscaped areas is prohibited.

**Walden on Lake Conroe Community Improvement Association, Inc.
Garage Sales Policy**

I. General:

Occasionally, property owners may wish to conduct a garage sale at their personal residence to rid themselves of unnecessary or unwanted, but generally useful items. A typical garage sale is advertised to the general public, but interested shoppers experience difficulty in finding a home strictly by an address. A typical garage sale may be conducted from early morning to mid-afternoon and may utilize the drive-way for display. The typical garage sale can be somewhat unsightly, attract atypical guests to Walden and can create short-term traffic and parking problems in the immediate area.

II. Purpose:

To establish rules to prevent garage sales from negatively affecting the image of Walden and to prevent inconvenience to neighbors near garage sale locations.

III. Policy:

- A. All garage sales must be registered with Walden C. I. A. This information shall be distributed to Walden Deed Restrictions Officers and Walden security.
- B. Walden Deed Restrictions shall monitor the host residence to prevent negative impact on neighboring properties. The sale activity shall be limited in scope and space.
- C. Display of items for sale shall be limited to one's residence, garage or driveway no further forward on the property than the front property line. Lawn areas in front (or side abutting a sidestreet) of the home shall not be utilized for display.
- D. Clothes and other hanging displays shall not be visible from the street.
- E. Walden security personnel shall monitor the area to prevent parking which might become an impairment to traffic or emergency vehicles.
- F. Roadside directional signage is not allowed and shall be removed by Walden Deed Restrictions Officers.

**Walden on Lake Conroe Community Improvement Association, Inc.
Increased Minimum Building Requirements for
Walden CIA Administrative Resale of Residential Lots**

I. General:

Periodically, Walden CIA may acquire by purchase, foreclosure or deed in lieu of foreclosure process, certain residential lots. The association may designate certain lots as common area green space or may resell the property. Texas Property Code allows restrictive encumbrances to be included in conveyance documents, which may exceed and supercede the deed restrictions filed of public record.

II. Purpose:

This policy shall determine the additional restrictions under which any transfer of residential property from Walden CIA may be conveyed.

III. Policy:

- A. Any deed for conveyance of a residential lot from Walden CIA to an individual or builder shall contain certain increased minimum building standards compared to the deed restrictions filed of record.
- B. The Walden CIA General Manager shall continue to be authorized to convey such properties on behalf of the corporation.
- C. The General Manager shall be directed and authorized to increase certain minimum building standards compared to individual section deed restrictions as designated in the attached Exhibit A entitled Increased Minimum Building Requirements for Walden CIA Administrative Resale of Residential Lots.
- D. The Increased Minimum Building Requirements for Walden CIA Administrative Resale of Residential Lots shall be specified in the individual deed for any conveyance from Walden CIA and shall be considered constructive notice to any future buyer when filed of public record.
- E. The Increased Minimum Building Requirements for Walden CIA Administrative Resale of Residential Lots shall be filed of record in the deed records of Montgomery County in its entirety and shall be noted in the Walden CIA's annual affidavit of records for disclosure filed as Memorandum of Dedicatory Documents.
- F. The Increased Minimum Building Requirements for Walden CIA Administrative Resale of Residential Lots shall be included in the Walden CIA's disclosure package as required by Texas Property Code.

**Page Two - Increased Minimum Building Requirements for Walden CIA
Administrative Resale of Residential Lots**

- G. Individuals conveying residential properties shall be encouraged and authorized to include identical requirements of the Increased Minimum Building Requirements for Walden CIA Administrative Resale of Residential Lots on a section-by-section basis providing, however, that the restrictive language requiring the increased standards be pre-approved by the Walden CIA General Manager and that a copy of the publicly filed deed be provided to the Walden CIA.

**Exhibit A
Increased Minimum Building Requirements for
WCIA Administrative Resale of Residential Lots**

The minimum building standards listed below shall be required as a matter of WCIA Board Policy. These standards shall be made a part of the deed in the conveyance process by Walden on Lake Conroe Community Improvement Association, Inc. to the party purchasing any WCIA lot after March 24, 2004. Walden C.I.A. shall also encourage and allow the same minimum standards to be included in private individual conveyance transactions subject to prior approval of the deed language regarding enhanced standards.

Minimum Building Standards

| <u>Section</u> | <u>1 Story/1½ - 2 Story</u> | | | | |
|----------------|-----------------------------|--------------------|--------------------|-----------------|------------------------|
| | <u>Waterfront</u> | <u>Golf Course</u> | <u>Residential</u> | <u>Patio/TH</u> | <u>Minimum Masonry</u> |
| One | N/A | N/A | 2400/2800 | N/A | 100% |
| Two | 2800 | N/A | 2400/2800 | N/A | 100% |
| Three | 2800 | N/A | 2400/2800 | 1800 | 100% |
| Three A | N/A | N/A | N/A | 1800 | 100% |
| Four | 2800 | N/A | 2400/2800 | N/A | 100% |
| Five | 2600 Patio | N/A | 2400/2800 | 1800 | 100% |
| Six | 2800 | N/A | 2400/2800 | N/A | 100% |
| Six A | 2100 | N/A | 2400/2800 | N/A | 100% |
| Seven | 1800 | N/A | N/A | 1600 | 100% |
| Seven A | 2800 | N/A | 2400/2800 | N/A | 100% |
| Eight | N/A | N/A | 2400/2800 | N/A | 100% |
| Eight A | N/A | N/A | 2100/2400 | N/A | 100% |
| Nine | 2800 | 2800 | 2400/2800 | 1800 | 100% |
| Ten | 2600 | 2400 | N/A | 2100/2400 | 100% |
| Eleven | N/A | 2400 | 2100/2400 | N/A | 100% |
| Twelve | 2800 | N/A | N/A | 2400/2800 | 100% |
| Twelve A | 2800 | N/A | 2400/2800 | N/A | 100% |
| Fourteen | 2800 | N/A | 2400/2800 | N/A | 100% |
| Fifteen | 2800 | N/A | 2400/2800 | N/A | 100% |
| Sixteen | 2600 | N/A | N/A | 2100 | 100% |
| Seventeen | 2800 | N/A | N/A | 2400/2800 | 100% |
| Eighteen | N/A | N/A | *2100/2400 | N/A | 100% |
| The Estates | N/A | N/A | N/A | N/A | N/A |

* No duplex residential dwellings

Walden on Lake Conroe Community Improvement Association, Inc
Parking and Storage of Vehicles and Equipment

I. General:

The Board of Trustees of the Association is obligated to interpret and enforce the deed restrictions of the various sections and to mitigate known safety hazards in order to protect members. The Parking of automobiles and other motorized equipment must conform to deed restrictions and must be accomplished in a safe manner.

II. Purpose:

The purpose of this policy is to provide guidelines for parking and storage of vehicles and equipment.

III. Policy:

- A. There shall be no parking or storage of boats, marine craft, hover craft, boat trailers, travel trailers, campers, trailers of any kind, inoperable automobiles, operative vehicles, vehicles of any kind, non-motorized vehicles, aircraft, portable buildings, machinery or equipment of any kind upon the following areas:
1. any grassy area, including but not limited to the front and side yard of any lot, common areas, easements or right-of-way;
 2. a vacant lot; or
 3. an adjacent lot to an owner's lot;
- B. There shall be no permanent or semi-permanent storage of boats, marine craft, hover craft, boat trailers, travel trailers, campers, trailers of any kind, inoperable automobiles, operative vehicles, vehicles of any kind, non-motorized vehicles, aircraft, portable buildings, machinery or equipment of any kind, on any portion of any lot unless such is concealed from public view within the garage, behind a fence which encloses the rear of a lot, or other ACC approved enclosure. "Semi-permanent storage" shall mean storage for three (3) or more consecutive days.
- C. Parking in the driveway is allowed for passenger automobiles, passenger vans or pickup trucks that: are in operating condition; have current registration and inspection stickers; and are in daily use as motor vehicles.

**Walden on Lake Conroe Community Improvement Association, Inc
Property Owner Complaint Procedure**

I. Purpose:

It is the intent of the Board of Trustees of the Walden on Lake Conroe Community Improvement Association to establish a clear, easy to understand procedure for property owners who wish to register a complaint about the services and amenities administered by the Board. The objective is to respond to complaints in a timely manner and provide a satisfactory resolution to the property owner's concern.

II. Policy:

- A. A property owner may call, write or email the WCIA office or the department heads of the Racquet Club and/or Yacht Club. Staff will respond within 24 hours of receipt of complaint.
1. W.C.I.A. Office: (936) 582-1622
 2. Deed Restrictions/Animal Control: (936) 582-4275
 3. Racquet Club: (936) 582-1022
 4. Security: (936) 760-5800
 5. Yacht Club: (936) 582-4150
- B. If complainant is dissatisfied with response, he or she should speak to the general manager.
1. General Manager: (936) 582-1622
- C. If complainant is dissatisfied, then he or she may request a meeting with the Board committee with oversight of the area being complained about.
1. Please contact the WCIA office to set up a meeting with any committee.
- D. If complainant remains dissatisfied, he or she may appeal to the Board of Trustees.
1. Please contact the WCIA office to set up a meeting with the Board of Trustees.

Walden on Lake Conroe Community Improvement Association, Inc.
Coalitions Outside Formal Board Meetings

I. General:

The Board of Trustees is to conduct meetings and make decisions guided by the By-Laws of Walden on Lake Conroe C.I.A. In Article VI, Section 3 of the By-Laws, it States: “[a] majority of the Trustee members shall constitute a quorum for the transaction of business. Every act or decision performed or made by a majority of the Trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Trustees.” This policy is in response to the concern of some homeowners that coalitions of Trustees of the Board may make decisions outside formal meetings of the Board.

II. Purpose:

To provide guidance to Trustees to limit the possibility of coalitions forming among Trustees, inhibiting the free and open discussion of issues by the entire Board.

III. Policy:

A. There should never be more than three (3) members of the Board of Trustees serving on any one committee of Walden on Lake Conroe Community Improvement Association, Inc. (WCIA)

B. No Trustee or Trustees should circumvent the By-Laws by meeting in numbers of a quorum or more at any time for the purpose of secret deliberations or for binding decisions regarding the affairs of WCIA.

C. Decisions made in a regular or special Board meeting because of such secret deliberations, straw votes, or commitments to vote a certain way, made outside of regular or special Board meetings, where there is a quorum of Trustees present, may not be valid.

D. Any Trustee found by the Board to be in violation of this policy may be removed by the Board or the President, as the By-Laws allow, as an officer, committee chair, or committee member.

E. Before a Trustee votes on a matter, the Trustee should exercise independent judgment concerning that matter. After seeking advice from others, the Trustee should decide how to vote independently based on his or her own understanding of the situation. A Trustee should not vote one way or the other based solely on some other Trustee’s vote. A Trustee should not vote for something he or she does not understand.

**Walden on Lake Conroe Community Improvement Association, Inc.
Capital Purchasing Policy**

I. General:

The following sets forth the policies of the Walden on Lake Conroe Community Improvement Association, Inc. (WCIA) for capital expenditures. The WCIA General Manager has authority to make capital expenditures, which are specifically approved by the Board of Trustees.

II. Purpose:

Goods and services for capital expenditures must be procured in a manner so as to assure the prudent and economical use of WCIA funds, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to conform to sound internal control practices. To further these objectives, the WCIA Board of Trustees has adopted the following internal policy governing capital expenditures:

III. Policy:

Any capital expenditure expected to exceed \$10,000 shall be supported by the acquisition of three (3) competitive quotations from independent vendors.

A. Exceptions – Competitive quotes will not be required for any of the following conditions:

1. An extreme emergency involving risk to public health, safety, or property;
2. Limited sources from which to procure goods or services so that there is no possibility of competition;
3. Contracts for professional services based upon proven past performance with the WCIA involving the application of specialized expertise, a professionally established relationship of trust and confidence, the use of professional judgment, or a high degree of creativity in past performance of a WCIA contract.

B. Documentation –

1. In the absence of the required number of quotations, the WCIA will also maintain written documentation defining the exception that applies.
2. The WCIA General Manager will provide justification and documentation for any contract award to a vendor other than the lowest bidder, setting forth the reasons why such award was concluded.
3. Suitable documentation may include but is not limited to verbal or written quotes, Board resolutions, memoranda, telephone logs, e-mails, requests for quotes, quotes, contracts, and other appropriate forms of documentation