

MEETING NOTES **Approved Copy)**

THE HIGHLANDS COMMUNITY ASSOCIATION STRATEGIC PLANNING COMMITTEE (SPC)

8400 HIGHLAND GLEN DRIVE CLUBHOUSE

October 10, 2023

1. Attendance: The meeting was called to order at approximately 2:15 PM with attendance as follows: Lynn Herman; Mike Thompson; and David Reeves. Hans Pfitzer was absent.
2. Meeting Notes of 9/19/23: motion by Lynn Herman to approve; second by Mike Thompson; approved.
3. The Committee discussed a spreadsheet entitled "Review of the Highlands Governing Documents," (copy attached), summarizing items that should be considered for amendments to the current documents because they are out of date due to changes over time in management and/or operational changes since the original adoption in 1992. The committee agreed its first efforts should be focused on Priority #1 items. Lynn Herman made a motion as follows: for the next BOD meeting, prepare a draft Amendment in simple narrative form including Priority 1 items, (to be reviewed ultimately by legal counsel for form and content), and presented to the membership for a vote at the first BOD meeting in the new fiscal year. Motion seconded by Mr. Thompson. Motion passed.
4. Homeowner / Member Voice: none
5. Next Meeting: TBD based on outcome of next BOD meeting.
6. The meeting was adjourned at approximately 3:02 PM.

MEETING NOTES (Approved Copy)

THE HIGHLANDS COMMUNITY ASSOCIATION STRATEGIC PLANNING COMMITTEE (SPC)

8400 HIGHLAND GLEN DRIVE CLUBHOUSE

SEPTEMBER 19, 2023

1. Attendance: The meeting was called to order at approximately 2:03 PM with attendance as follows: Lynn Herman; Mike Thompson; Hans Pfitzer; and David Reeves. As the initial Kick-off meeting for the SPC, David thanked the members for agreeing to serve on the committee.
2. Agenda & Robert's Rules: David proposed if no one objects, the committee will observe Robert's Rules for meetings. Item 1 on the Agenda - Committee Charter emailed previously for review.
3. Charter (attached); Discussion about the number of committee members – consideration of adding additional members discussed to avoid ties. Consensus reached such that as long as there are an even number of members, the chair will abstain from voting to avoid ties.
4. Charter: (see attached)
 - a. Purpose: David introduced a recommended Initial Strategy for the committee before any long-range planning done for the Community.
 - b. Priority #1: Update CC&R's & By-laws by a series of Amendments (currently there are 6 already in place that modified the original 1992 documents.
 - c. Begin with the absolute most urgent update needed as priority #1; then follow up with subsequent Priority #2 updates.
 - d. This committee will make an Amendment proposal to the BOD at next meeting; they will review & make changes as needed; then legal review; next proposed Amendment made to membership for VOTE. A 2/3rds approval vote is required to pass.
 - e. Committee Homework: All review the governing documents & come prepared with Priority 1 items to discuss at next meeting.
5. Homeowner / Member Voice: none
6. Next Meeting: October 3; same time & location. [REVISION: date changed to 10/10 due to illness of the Chair.]
7. The meeting was adjourned at approximately 3:30 PM.

Review of the Highlands Governing Documents
 (Attachment to Meeting Notes of 10/10/23 for Reverence)

AMENDED: AS OF 10/19/23

DOCUMENT: ARTICLES OF INCORPORATION

(NOTE: REVIEW WITH ATTORNEY- CAN OR SHOULD THESE BE AMENDED?)

Item	Document	Ref. Article/Page/Section	Subject	Priority (SEE NOTE "A")
1A			Subject	
1A	Subject to the advice of HCA's legal counsel, file Amended Articles of Incorporation with revisions noted below			2
1B	Art. Of Incorp.	Page 2	Two classes of membership listed - Class "A" and "B". Delete Class "B"	2
2	"	"	Class "A" - Owners AND Tenants can be members. Delete Tenants.	2
3	"	P. 2, Art III (5)	States that Owners can assign voting rights to lessee. Delete.	2
4	"	Art. IV, Page 3	Delete reference to different classes of Membership	2

NOTES: A. Key to Priorities: 1 = MUST DO IMMEDIATELY. 2 = Should implement after all Priority 1 items have been completed..

DOCUMENT: COVENANTS AND RESTRICTIONS

Item	Document	Ref. Article/Page/Section	Subject	Priority (SEE NOTE "A")
5	CCRS	Part 1, Page 3 (1)	Plans, construction and permit listed as approved by the Developer. Recommend revise to "Submitted by the Developer with Final approval by the HOA (through the ARC)."	2
6	"	Page 4 (4)	Revise "Committee" listed to "by the HOA (through the ARC)."	2
7	"	Page 4 (7)	Landscape guidelines previously addressed by Policy Revision #1	No action required
8	"	Part 2 Page (8)	Change "approval by the "Developer" to "approval by the HOA."	2

Item	Document	Ref. Article/Page/Section	Subject	Priority (SEE NOTE "A")
9	"	PART 3, Section 1, Pages 9 - 10	THIS SECTION SAYS THE DEVELOPER HAS THE RIGHT TO CHANGE THE MASTER PLAN, ITS BOUNDARIES AND TO CONVEY "AT ITS SOLE DISCRETION FROM TIME TO TIME BASED ON ITS RESEARCH AND PROGRAM." RECOMMEND THESE RIGHTS BE CHANGED TO "FINAL APPROVAL BY THE HOA IN LIEU OF THE DEVELOPER.	1
10	"	PART 3, Section 3, PAGE (3)	NEED TO CLARIFY DEVELOPER'S "RIGHT TO MAKE IMPROVEMENTS TO OPEN SPACE HE OWNS. ALSO, CLARIFY THE DEVELOPER SHOULD NOT MAKE REPAIRS TO OPEN SPACE OWNED BY THE HOA AND CERTAINLY NOT BILL THE HOA AS CURRENTLY STATED.	1
11	"	PART IV, PAGE 15 (3)	THIS SECTION SAYS THE "DEVELOPER" HAS THE RIGHT TO ADD ADDITIONAL RESTRICTIVE COVENANTS OR TO LIMIT THE RESTRICTIVE COVENANTS. ON LANDS TO BE CONVEYED. RECOMMEND THIS VERBIAGE BE CHANGED TO SAY THE "DEVELOPER AND THE HOA" RESERVE THESE RIGHTS.	2
12	"	PART IV, Section (4a, b), PAGES 15-16	THIS SECTION SAYS THE DEVELOPER HAS THE RIGHT TO BRING ADDITIONAL LANDS THAT ARE "ADJACENT TO OR NEAR" THE HIGHLANDS WITHIN THE DEVELOPMENT PLAN. THE BOARD AND HOA NEED TO DISCUSS WHETHER OR NOT AND HOW THIS SHOULD BE DONE. IT FURTHER STATES THE OBLIGATIONS AND CONDITIONS WOULD EXTEND TO THESE ADDITIONAL PROPERTIES. RECOMMEND NEW CONSTRUCTION BE LIMITED TO REMAINING SCATTERED LOTS AND THROUGHOUT THE DEVELOPMENT AND THOSE UNDEVELOPED LOTS IN TRACT PREVIOUSLY DONATED TO CHESTERFIELD COUNTY FOR A SCHOOL SITE BUT SINCE RETURNED TO THE DEVELOPER FOR HIS USE.	1

Review of the Highlands Governing Documents

AMENDED: AS OF 10/19/23

Item	Document	Ref. Article/Page/Section	Subject	Priority (SEE NOTE "A")
DOCUMENT: BY-LAWS				
13	BY-LAWS	Art. II, Section 1, Page 1	Membership: Two categories of membership are stated: Class A and B. Revise to one Class A membership to coordinate with proposed revisions to the DCRs.	2
14	"	ART II, Section 5, Page 2	Notice of meetings: only notice listed is by traditional mailing; recommend adding "...or notice by electronic means via the HCA website or such other electronic means as determined by the BOD."	2
15	"	ART. III (A); SEC. 1 - 5; Pages 4-5	Board of Directors: As the community has matured to its current stage, there only needs to be one class of Board members.	2
16	"	ART. III; SEC. 7 & 8; Page 6	NOTICE OF MEETINGS: only notices listed are by traditional means and methods;. Recommend adding "...or notice by electronic means via the HCA website or such other means as determined by the BOD."	2
17	"	ART. III; SEC. 17; PP. 10-11.	NEW CONSTRUCTION: Need to discuss this section which currently states the existing documents do not need to apply to new construction. This may or may not be appropriate. Recommend the option of applying as determined by the BOD and its supporting resources.	2
18	"	ART. III; SEC. 18; PAGE 11	BORROWING: NEED to discuss this section. Currently states the BOD has authority to borrow money without consent or vote of the membership.	2

MEMORANDUM

TO: Board of Directors, The Highlands Homeowner's Association
FROM: Strategic Planning Committee
SUBJECT: Review of The Highlands Governing Documents
DATE: October 11, 2023

BACKGROUND

One of responsibilities of the Strategic Planning Committee identified in its Charter is to assist the Board of Directors in overseeing the review and update of The Highlands By-laws in cooperation with the Board, legal counsel, and residents.

The Committee has completed its initial review of the governing documents as currently posted on The Highlands website. A list of potential updates, changes and/or clarifications have been identified by the Committee as possible amendments. The list has been classified as Priority 1 and Priority 2 orders of importance. The Committee believes Priority 1 issues are those having potential significant impact on the community's future character and sustainability. Priority 2 issues are those that are less time-sensitive that the Committee will re-visit with the Board after the immediate Priority 1 concerns are resolved.

RATIONALE FOR PROPOSED AMENDMENT & RECOMMENDATION

It is evident that The Highlands has developed over the last 40 years evolving from a large-scale planned development of homes into a mature community of "built out" homes and real estate currently focusing on more resale vs. new home construction. (For example, an estimated 1500 homes today with a built-out projection of 1700.)

As The Highlands has matured, like other planned communities, less involvement by the Developer has occurred and the HOA and the Board's focus has become more of maintaining a World Class neighborhood for our residents to enjoy and a highly desirable location for resales. During this journey the Developer has exercised its option of adding additional land to the original Master Plan as allowed by the Covenants and Restrictions. (Refer to Part III, Section 1, Pages 9-10; Part IV, Sections 4(a) and 4(b), Pages 15-16.) As the Developer continues toward completion of the original Master Plan, the Board should now evaluate the appropriateness of these provisions.

In the Board's capacity of managing the long-term vision and strategy of growth and development of The Highlands, the Committee recommends an amendment of these provisions such that the HOA has final approval of any and all additional land for development along with the corresponding Covenants, Restrictions and By-laws. This amendment would still allow the HOA the option of partnering with the Developer or another entity regarding the need to expand The Highlands. That decision would be based on the HOA's own evaluation of market conditions and growth strategy and not based solely on the Developer's goals.

Therefore, the Committee respectfully requests the Board's review and approval of this recommendation and stands ready to assist the Board with facilitating the necessary legal review and the attorney's preparation of the Amendment as to form and content. Furthermore, the Committee will also assist the Board with moving this initiative toward approval by the membership, hopefully by the beginning of the new Board's first meeting of the year.