

SONTERRA PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
Held at The Management Company Office
February 25, 2010 – 8:30 AM

MINUTES (Corrected)

Directors Present

Rick Faner, Vincent Nazzaro, Dayna Rinklin, Sergio Salazar, John Tracy, Bill Wuest

Directors Absent

Bernie DeNisio

Guests

Tonja Condor, Ray Jansure, Josephine Stevens, Chief Marvin Tillman

A quorum was established and the meeting was called to order at 8:34 AM and conducted by Mr. Wuest.

The January 28, 2010 Minutes had been previously provided for review. A motion to approve the minutes was made by Ms. Rinklin, seconded by Mr. Tracy, and passed unanimously.

Unanimous Consent

Mr. Wuest read the following unanimous consent into the record:

RESOLVED, that Automatic Gates, Cameras & More be contracted to purchase one DVR (4CH-60FPS) for use at the La Cierra entrance at a cost not to exceed \$2,180.45, including tax and battery back-up, to be paid from the Capital Account.

Financials and YTD Capital

Mr. Jansure recommended writing off a total of \$4,905.14 on four property accounts which had been foreclosed in past years and were uncollectible. A motion to write off \$4,905.14 on the four foreclosed property accounts was made by Mr. Wuest, seconded by Ms. Rinklin, and passed unanimously.

The January 2010 Financial Statements had been previously provided for review. The following line items were noted and discussed:

- On page 8, Mr. Jansure noted the \$10,075 under Miscellaneous Income included the reimbursement to Sonterra POA for 2009 from Stone Oak POA.
- On page 8, the increase under the Security-patrol amount was due to the addition of incentive pay bonuses from the last quarter of 2009. Mr. Jansure confirmed that incentive pay bonuses are always paid in the following quarter.
- Mr. Jansure noted that no unpaid invoices remained from 2009.
- With regard to expenditures under Maintenance-flowers-seasonal, Mr. Jansure will contact Mr. Acuna with Expert Lawns about replacing plantings in The Meadows entry that did not survive.
- Mr. Jansure noted the Total Maintenance Expenses were under budget.
- Chief Tillman has begun replacing damaged long boards in gate arms so that maintenance personnel are no longer called after hours.
- Mr. Nazzaro requested an asset line item to track payment by The Management Company on the note for the 2010 Ford F-150 truck. Mr. Jansure will follow up on line item to represent the note.

A motion to accept the Financials was made by Mr. Faner, seconded by Mr. Wuest, and passed unanimously.

Delinquencies

Sonterra Capital Suit Status

Mr. Jansure reported that Sonterra Capital had not fully complied with the suit settlement agreement. Counsel for the Association has continued pursuing compliance.

Shops at Stone Oak

Mr. Jansure reported that The Shops at Stone Oak were delinquent for the First Quarter of 2010 but had just requested a copy of the invoice and stated their intention to remit.

The Fairways and The Meadows

Mr. Jansure advised that suit had been filed against the owners of two properties-one in The Fairways and one in The Meadows. One resident had not yet been served due to out of state residency. The other resident was successfully served but no answer was filed; a default judgment will be sought.

Collection Process

Mr. Wuest reported that Ms. Astoria confirmed her willingness to continue on collections at this time.

Sunset View

Mr. Jansure reported that the residence on Sunset View in The Midlands had been purchased out of foreclosure and the yard was now being landscaped.

Finance Committee

Mr. Nazzaro reported the Finance Committee had reviewed assessments and operating expenses in preparation for the Annual Meeting. Mr. Wuest presented slides based on member assessments and 95% of total operating expenses incurred from security, maintenance, management fees, and utilities. Mr. Nazzaro suggested that showing the total operating expenses in comparison to total operating assessments might be a more telling depiction of our current financial status. Mr. Wuest stated he would consider the suggestion.

Walls Maintenance

Mr. Wuest reported that an estimate of \$20,000 had been obtained from New Look Painting for maintenance to the exterior walls from the Sonic location on Stone Oak Parkway to The Villas. The estimate did not include the tops of the stucco walls or the gate entrances. Mr. Wuest suggested starting with maintenance to the three interior walls of The Waters, The Enclave and The Villas. The New Look Painting estimate for power washing, sealing cracks, and painting those walls was \$9,000. Mr. Wuest will consult with counsel about notifying a resident in The Waters that repairs are required to their private wall that has severe cracking. The Association may offer to provide the resident with a bid from New Look Painting. Mr. Wuest moved to spend \$10,000 for New Look Painting to perform maintenance on the three interior walls of The Waters, The Enclave, and The Villas from the Operating Account. Ms. Rinklin seconded the motion, and it passed unanimously. Mr. Jansure will obtain a bid for the Stone Oak Parkway walls with the tops included and separate bids for the entrances.

Street Repair

Mr. Jansure reported that Ms. Brandy Baker with Four B Paving stated she could survey Sonterra streets and provide a list of needed street repairs which could then be confirmed by more technical analysis. Mr. Wuest will review the previous G. E. Reeves Engineering Reserve Study. Mr. Faner suggested that Ray develop a street repair process.

Landscape Committee

Mr. Wuest reported that the meeting to review the Oaks West Entry Landscape Plan was cancelled and rescheduled for March 2, 2010 at 10 AM.

The Club at Sonterra

Mr. Salazar reported that there was an increase in memberships for The Club at Sonterra in February. The indoor activities have been very well attended.

Architectural Review Committee (ARC)

Mr. Faner reported that the two lot plan on Kristen Way in The Midlands was formally approved. Mr. Jansure was asked to verify with counsel as to how assessments should be charged upon completion of the project. The xeriscaping policy was still under development and will be presented to the Board upon completion. Mr. Faner noted the Bexar Metropolitan Water District had an approved turf grass list that could be used as a reference in the xeriscape policy.

Awareness Committee

Mr. Jansure advised the Board of the Awareness Committee's recommendation to bill the resident in The Woods for the damage caused by her to the gate arm in The Fairways. The Board agreed with the Awareness Committee's recommendation.

Chief Tillman reported that the rapid recovery gate arm in The Breezes was installed. The Meadows will receive the next installation. Chief Tillman advised that light bars are needed on the Securitas trucks. The Board will send a letter to Securitas with that request. Mr. Wuest asked for a follow up on whether the burglars apprehended last month had also been involved in previous auto burglaries. Posted signs for theft prevention and securing automobiles were being rotated in neighborhoods to encourage vigilance.

Mr. Jansure reported that a resident in The Fairways requested permission to park some of his many vehicles in the street overnight, and the Board denied the request. All AT&T telephone lines at the main guard house and all gate entries have had the long distance feature removed as those locations should only use local numbers. Chief Tillman reported that the SpeedMinder did not substantiate that more people are driving through The Greensview to access Stone Oak Parkway rather than exiting through the main gate. Mr. Jansure displayed the current speed limit sign being used and an alternative sign for use in the neighborhoods but the Board agreed that the current design was more in harmony with the neighborhoods. Mr. Wuest suggested that not all neighborhoods needed more than one sign. Mr. Jansure will follow up on the placement of internal signs.

Mr. Salazar departed at 10:27 AM.

A break was taken at 10:27 AM and the meeting resumed at 10:39 AM.

The Hills Drainage Easement Maintenance

Mr. Wuest reported that that the City was still reviewing the drainage easement situation in The Hills. The Stone Oak POA would not approve "no trespassing" signs in the easement. A letter was sent to residents in The Hills notifying them that the property is privately owned and must be maintained by the owner. A letter will be sent to residents of The Highlands whose property abuts the easement advising them not to dump in the easement as it is privately owned. Mr. Wuest asked if the Board would consider a contribution to the clean up for up to 50% of the cost from the Operating Account. Mr. Nazzaro suggested the POA cover half the cost but not to exceed \$5,000. After further discussion, the

issue was tabled until the next meeting. Mr. Wuest commended Mr. Phil Franzone, President of The Hills of Sonterra HOA, for the manner in which he conducted the meeting with residents.

Annual Meeting

Mr. Wuest presented the Agenda for the Annual Meeting to be held on March 24, 2010 at 7 PM in the Ivy Room at The Club at Sonterra.

The Management Company

Ms. Rinklin reported the new accounting software and been purchased and installation commenced. A sequel server program was added to the server to accommodate the database and additional software licenses. A job search for a new accounting employee already familiar with Microsoft GP has begun. The target date for full implementation was moved forward from April to May 2010.

Wall/Fence Project

Mr. Jansure reported that wall repairs in The Greensview, La Cierra, and The Fairways were not yet completed.

Maintenance Yard Makeover

Mr. Jansure reported that the makeover was on hold at present.

Sale of Vacant Lots

Mr. Jansure reported that the sale of the lot on Treaty Oak was still under discussion with the prospective buyer. Mr. Jansure noted that the follow up on locating owners of privately owned drainage easements discussed last month was handed over to counsel. Mr. Wuest asked that it be placed on the Board Meeting Agenda for March 2010.

The Vistas

Mr. Jansure reported that Mr. Bautista is paying the past due payment per the agreement, but had not paid the current assessments.

Late Fees on Assessments

Mr. Wuest asked for suggestions to encourage residents to pay their assessments sooner. Late fees are currently not added until the end of the quarter. Discussion followed but no recommendations were made at the meeting.

Newsletter Articles

Mr. Wuest will submit an article encouraging removal of dead plants, palm fronds, and pruning with a link to the Bexar Metropolitan Water District approved turf grass list.

Mr. Wuest adjourned the meeting at 11:28 AM.