

**SONTERRRA PROPERTY OWNERS ASSOCIATION**  
**BOARD OF DIRECTORS MEETING MINUTES**

**Held at The Club at Sonterra**  
**March 25, 2010 – 9:00 AM**

**Directors Present**

Bernie DeNisio, Donna Howington, Vincent Nazzaro, Sergio Salazar, Bill Wuest

**Directors Absent**

Rick Faner, John Tracy

**Guests**

Tonja Condor, Ray Jansure, Josephine Stevens, Chief Marvin Tillman,  
Joe Acuna (Expert Lawns), Winston Ojeda, Sr. and Chris Ojeda (Residents in The Hills)

A quorum was established and the meeting was called to order at 9:08 AM by Mr. Wuest.

**Election of Officers**

Mr. Wuest called for the election of officers. Election of officers was handled by secret ballot with results as follows: Mr. Rick Faner as President, Mr. Bill Wuest as Vice President, and a tie between Ms. Donna Howington and Mr. Vince Nazzaro as Secretary-Treasurer. Mr. Nazzaro deferred to Ms. Howington to serve in this position.

Mr. DeNisio related Mr. Damaso Oliva of Sonterra Villas had inquired about representation on the BOD. Mr. Jansure had also spoken with Mr. Oliva and suggested an Area Representative position might be created for The Villas of Sonterra by the BOD. Mr. DeNisio will follow up with Mr. Faner.

Mr. Wuest continued to chair the meeting after elections as the newly elected President was absent.

**Approval of Minutes**

The February 25, 2010 Minutes had been previously provided for review. Mr. Nazzaro stated he had not intended to make a motion as stated on p. 4 regarding the POA's contribution to clean up costs in The Hills drainage easement.

Original Minutes: 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 moved to cover half the cost but not to exceed \$5,000. Ms. Rinklin seconded the motion and it passed unanimously.

A correction will be made as follows:

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.

A motion to accept the minutes as corrected was made by Mr. DeNisio, seconded by Mr. Nazzaro, and passed unanimously.

A motion to pay 50% of cleanup but not to exceed a contribution to \$5,000 was made by Mr. DeNisio. The motion was seconded by Mr. Wuest and passed unanimously.

### **Resident—19415 Gran Cima—Requested Hearing on Yard Violation**

Mr. Winston Ojeda, Sr. and his son, Mr. Chris Ojeda requested a hearing with the BOD regarding a violation notice for yard maintenance at 19415 Gran Cima. Mr. Ojeda, Sr. stated that his lawn would be replanted with St. Augustine sod within the next 5 days. Mr. Wuest stated a follow up inspection of the yard would be conducted. Mr. Wuest thanked Mr. Ojeda, Sr. for his cooperation. Mr. Ojeda also inquired about constructing a privacy fence and Ms. Condor explained the submittal process. Mr. Chris Ojeda will be the permanent resident and accountable for the house. The Ojeda's departed at 9:30 AM.

### **Financials and YTD Capital Expenses**

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

- On page 2, Mr. Jansure noted that the allowance for doubtful accounts under Current Assets decreased from \$71,589.98 to \$66,684.84 due to the write off on foreclosed property accounts approved by the BOD at the February Meeting.
- On page 2, the note receivable for the Ford F-150 truck from The Management Company was now listed under Other assets.
- On page 8, Mr. Jansure clarified that the variance under Revenues-Special assessment was large because the payback for projects in The Vistas and The Midlands were included. When the final 2010 Budget is completed, the payback entries will be moved from under assessments to another line item.
- On page 8, under Operating expenses—Legal fees-general, the case concerning the drainage area between The Hills and The Highlands accounts for the majority of increased legal fees.
- On page 9, under Operating expenses-Software expense, the \$10,000 was covered by the payment from Stone Oak POA as a result of the year-end reconciliation between the Stone Oak POA and the Sonterra POA.
- On page 10, under Operating expenses-Accounting, the increase of \$1,620 was for fees for preparation of the Federal Tax Return for 2009 which had not been budgeted.
- On page 11, under Maintenance-vehicles, the amount reflects equipment add-ons for the Ford F-150 for which the POA will be reimbursed by The Management Company.
- On page 12, under Maintenance-flowers/seasonal, the amount reflects the winter plantings and the removal of entrance holiday lights.
- On page 12, Maintenance-wages were higher in January 2010 due to reimbursement of bonuses from December 2009.
- On page 12, the Maintenance-walls/fence \$3,980 was for work begun by Yolanda Lopez on interior walls for The Waters, The Enclave, and Sonterra Villas.
- Mr. Nazzaro noted that the Capital Account Repayment for amounts mistakenly deposited into the Operating Account from The Midlands and The Vistas projects was not listed. Mr. Jansure will follow up to have it reflected in the Financials.

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

### **Landscape Committee**

Mr. Wuest introduced Joe Acuna and reminded the BOD that the proposal from Mr. Acuna for The Oaks West Entry was approved by the BOD at the December 2009 Meeting. At the Annual Meeting,

March 24, 2010, Mr. Wuest stated he had committed to share the proposal with The Oaks residents for their input. Mr. Acuna reported he had met with a group of Oaks residents before the Annual Meeting and related that they were opposed to the use of white gravel mixed with color gravel and too many spiky plants; they wanted a hill country woody look. Mr. Acuna stated he increased the number of plants, changed plant selections, increased the use of organic mulch, and removed a quantity, but not all, of the white rock cover. The modifications increased the original bid of \$27,462.05 by \$6,679.48. Mr. Wuest suggested the modified proposal go to the residents with a request from the BOD for a written alternative plan. Mr. Nazzaro noted that the basic issue, in his opinion, was how to get enough water to The Oaks West Entry. Mr. Nazzaro provided a layout of the current water meters in use and stated that the initial issue may be to get more water delivered to the entry and then to look at landscaping plans. Mr. Nazzaro suggested that the 1" meters at The Oaks East and West entries be utilized for watering the entries rather than using them to water the area between the wall and the street, for which they are currently being used. He suggested inquiry be made of Stone Oak POA as to whether Sonterra POA could pay Stone Oak POA for use of their 1½" meters to water the area between the wall and the street. Alternately, he suggested more meters be purchased. Mr. DeNisio made a motion for the BOD to ask The Oaks HOA to submit their proposal for The Oaks West Entry with full costs. The motion was seconded by Mr. Salazar. After discussion, a vote was taken on the motion. The motion carried with four (4) For and one (1) Against by Mr. Nazzaro. Mr. Nazzaro stated representatives of The Oaks had been informed at the annual meeting that they would be allowed to review any revised landscaping plan prepared by Expert Lawn. Now asking those representatives to submit their own plan to the Board was contrary to the message given at the annual meeting.

A break was taken at 10:52 AM and the meeting resumed at 11 AM.

#### **Update on Sonterra Capital Suit Status**

Mr. Jansure distributed a report on the status of the payment arrangement with Sonterra Capital and asked for direction for a course of action. The BOD concurred that counsel should pursue both actions of garnishing bank accounts and initiating a new lawsuit for the past due assessments.

#### **Delinquencies**

Mr. Jansure distributed a report on two delinquencies being handled by counsel. Legal proceedings will continue regarding The Fairways resident and The Meadows resident.

#### **Commercial Assessments**

Mr. Wuest reported that it has come to his attention that around 2003, the POA had begun incorrectly assessing some commercial properties. The undeveloped commercial properties' acreage was charged at the rate of a one-half charge of a single family lot with improvements per the appropriate square footage while undeveloped. Once developed, charges should have been assessed at a full charge for the corresponding square footage of the structures built on the property, but it appears not to have been assessed that way and resulted in some accounts being overcharged. Commercial properties that were incorrectly assessed will be reimbursed. Mr. Jansure distributed a summary breakdown of the status on affected properties. Mr. Wuest stated that two of the properties were paid up to date and asked for input as to whether they be reimbursed by check or have a credit entered. Mr. DeNisio suggested that counsel outline the process for each property in a memo to be filed at The Management Company. Mr. Jansure added that counsel would confirm all the determinations of assessments per the Declarations and draft the letter to each owner with the options for reimbursement. Mr. Jansure stated that the second quarter

invoices for commercial accounts under discussion would be placed on hold until a determination was made by counsel. A motion to table the item pending review by legal counsel was made by Mr. Nazzaro and seconded by Mr. Wuest. Mr. DeNisio amended the motion to approve the information provided in the commercial assessment analysis and recommendations pending review by legal counsel. Mr. Wuest seconded the motion. The motion passed unanimously.

#### **Finance Committee**

Mr. Nazzaro reported that an existing cash flow problem has worsened due to the number of accounts that are paid in the second and third month of the quarter. The recommendation from the Finance Committee was to begin levying late fees at the end of the first month of the quarter as allowed in the governing documents rather than at the end of the quarter. Mr. Nazzaro made a motion to send the invoices at the end of the previous quarter, with assessments to be due upon receipt, and for late interest to begin at the end of the first month of the quarter at the rate of one percent per month. Mr. Jansure was asked to come up with a process and recommendations to address the timeline for billing. After discussion, Mr. Nazzaro amended the motion to send invoices two to three weeks before the end of the current quarter for the next quarter, due first day of the quarter, considered delinquent and accruing late interest at one percent per month at the end of the first month, and The Management Company to prepare a process to be reviewed by the Finance Committee. The motion was seconded by Mr. Wuest and passed unanimously.

#### **Awareness Committee**

The Meadows entry will have the rapid recovery gate arms installed next. The light bars should be installed on Securitas trucks by the second week in April.

Mr. Jansure reported that upgrades to four servers at the main guardhouse were needed to ensure images from the entry gate video cameras are seen in real time and not delayed. The cost for updating the equipment would be in the \$1200 to \$1300 range. The BOD directed Mr. Jansure to obtain a bid which could be reviewed and approved by unanimous consent with expenditure from the Capital Account.

Mr. Jansure reported that the Time Warner Cable contract would expire in early April. Mr. DeNisio moved to renegotiate and resign the contract with Time Warner Cable with the static IP with an increase of up to \$225 per month with the price locked in for five years. The motion was seconded by Mr. Wuest and passed unanimously.

A proposal from Ms. Brandy Baker with 4 B Paving to provide a maintenance assessment of streets in Sonterra at a rate of twenty dollars per hour was accepted.

Mr. Wuest reported the wall project in The Enclave and The Waters was underway and had just begun in Sonterra Villas.

Mr. Wuest adjourned the meeting at 12:01 PM.