

SONTERRA PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
Held at The Management Company Office - April 29, 2010 – 8:30 AM

MINUTES (Corrected)

Directors Present

Bernie DeNisio, Rick Faner, Donna Howington, Vincent Nazzaro,
Sergio Salazar, John Tracy, Bill Wuest

Directors Absent

(None)

Guests

Ray Jansure, Josephine Stevens, Chief Marvin Tillman

A quorum was established and the meeting was called to order at 8:32 AM by Mr. Faner.

The March 25, 2010 Minutes had been previously provided for review. A motion to approve the minutes was made by Mr. Wuest, seconded by Mr. Tracy, and passed unanimously.

Unanimous Consents

The following Unanimous Consents were read into the minutes:

- (1) RESOLVED, that Automatic Gates, Cameras & More be contracted to install DoorKing 1601 Barrier Operator and LPR camera at the entrance for The Breezes at a cost not to exceed \$8,335.55 (\$6,329.53 for barrier operator and \$2,006.02 for LPR camera), including tax, to be paid from the Capital Account.*
- (2) RESOLVED, that the Sonterra Property Owners Association sell Lot 200, Block 17, NCB 17612, The Oaks at Sonterra, Unit 4-A PUD, to Keith and Rebecca Hering for a total of Five Hundred and No/100 dollars (\$500.00), and that Richard Faner, President of the Sonterra Board of Directors, be authorized to sign any legal documents pertaining to this transaction on behalf of the Association.*

Appointment/Reappointment of Committee Chairs

Mr. Faner withdrew as Chair of the Architectural Review Committee and Mr. Tracy accepted appointment as chair. Mr. DeNisio suggested that as this was his last year as Chair of the Awareness Committee that a second Board Member be added to the committee to ensure continuity for the following year. Ms. Howington accepted appointment to the Awareness Committee. The BOD confirmed the appointment of all committee chairs and the addition of Ms. Howington as member of the Awareness Committee.

Financials and YTD Capital Expenses

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

- On page 2, a line item had been inserted under *ASSETS* for *Other assets: Due from Operating-Midlands and Vistas* as previously requested by the BOD to track the progress of the Capital Account repayment. The total due for repayment was \$84,931.00. In the first quarter of 2010, \$4,387.02 was repaid, leaving a balance due of \$80,543.98. Mr. Jansure will follow up with the accountant to explain or correct the discrepancy between that amount and the \$69,739.71 amount as listed on page 2.
- On page 8 under *Revenues: Special assessment*, the major portion of the outstanding assessments was due to delinquent accounts in The Vistas for undeveloped lots.

- On page 8 under *Operating expenses: Legal fees-general*, Mr. Jansure noted that \$7,052.00 of the over budget amount concerned addressing drainage issues in The Highlands.
- On page 11, Mr. Jansure reported that the expenses for *Maintenance-Wages* continued to decline. Overtime issues are being addressed and include an agreement for Securitas personnel to handle most gate arms repairs rather than having maintenance personnel incur overtime to handle repairs.
- On page 11 under *Maintenance-streets*, Mr. Jansure reported that \$48,000 was spent on the crack/seal repair job primarily in The Oaks and secondarily in other neighborhoods. The expense qualified as a capital expenditure but will be entered as a maintenance expense in the Operating Financial Reports as it cannot be listed as a depreciable asset on the balance sheet. The BOD asked Mr. Jansure to follow up with counsel and the accountant on how best to enter and track this type of activity. Mr. Nazzaro supported Mr. Jansure's suggestion to consider implementing a capital budget to address these issues.
- On page 14 under *Maintenance-grounds-contract*, Mr. Jansure noted that the POA currently charges a set fee quarterly for maintenance on privately owned lots regardless of the number of times a lot is mowed. He plans to study whether mowing expenses could be reduced by charging per service rendered instead of charging a set fee quarterly.

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

Sonterra Capital Suit Status

Mr. Jansure reported that counsel was directed to garnish and file suit as needed to collect the delinquent 2010 assessments. All prior year assessments through 2009 were paid per the agreement.

The Fairways Residence

Residence was foreclosed.

The Meadows Residence

Counsel was still waiting on the Office of the Texas Secretary of State to serve the petition through the Office of the California Secretary of State.

Commercial Assessments

Mr. Jansure distributed a copy of the SPOA 2010 Annual Budget (Approved 01/28/10). He reported that of the 12 commercial properties in Sonterra as many as five may have been over assessed. The (-) column showed the impact on the budget due to possible corrections in assessments. The (+) showed the impact on the budget if the accounts were credited with the overpayment, they were then paid on time for the remainder of the year, and total included the payment of the recent \$10.00 increase in assessments. A second group of commercial properties may have been under assessed. A motion was made by Mr. DeNisio to approve the notation in the March 25, 2010 SPOA BOD Minutes that the 5 commercial properties that were incorrectly assessed be reimbursed and all financial transactions will be done on an account credit basis. The motion was seconded by Mr. Wuest and passed unanimously. The remaining commercial properties will continue to be evaluated by the BOD.

Addition of Account Signatory

The BOD approved adding Ms. Donna Howington as signatory on the financial accounts.

Finance Committee

The BOD reviewed the decision approved at the March 2010 SPOA BOD Meeting to mail invoices two to three weeks before the end of the current quarter for the next quarter, to be due the first day of the quarter, and 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. Mr. Nazzaro reported that

Mr. Jansure would prepare two letters addressing the issues of monthly payments and the initiation of late interest. After review by counsel and the Finance Committee, letters will be sent as follows:

- Approximately forty residents will receive notification letters that monthly payments will no longer be accepted; they will receive the quarterly invoice and be subject to the revised late fee policy after the first month of the quarter.
- All residents will receive notification letters that invoices are due on the first day of the quarter and considered delinquent and begin accruing late interest at one percent per month on the first day of the second month of the quarter.

Refund to Stone Oak POA for Payment of Fairways Entry Water Meter Bill

Mr. Faner reported that the Stone Oak POA was investigating a water meter that had recently been identified as the source of a water leak and appeared to be connected to the irrigation system at The Fairways entrance. Invoices for that water meter had been billed to and paid by the Stone Oak POA in the past. Mr. Faner confirmed that the Sonterra POA was now receiving and paying the invoices for that water meter. The Stone Oak POA was requesting reimbursement, and going back four years (the statute of limitations), Mr. Jansure advised that the invoices appear to total \$5,557.09. The BOD agreed to have Mr. Faner confer with counsel and the Finance Committee, confirm the amount due, work out a payment plan, and bring a recommendation to the BOD.

Landscape Committee

Mr. Wuest reported that the President of Crescent Oaks HOA, Mr. John Orsak, continued working with other Oaks residents and Mr. Joe Acuna on a proposal for the landscape plan for the Oaks West entrance.

The Club at Sonterra

Mr. Salazar noted the Fiesta event-A Taste of the Northside-was successful.

Street Repair and Wall Maintenance

Mr. Jansure reported that the New Look Painting contract for wall repair along Stone Oak Parkway included maintenance to the wall tops. Mr. Jansure will confirm whether the entries to The Greensview and The Gardens were also included in the bid. The BOD agreed that the wrought iron fence under the power line, at the drainage easement on Stone Oak Parkway would be included in the wall maintenance project.

A break was taken at 10:40 AM and the meeting resumed at 10:46 AM. Chief Tillman arrived at 10:46 AM.

Awareness Committee

Mr. DeNisio commended Chief Tillman for his handling of incidents. The speedminder was used in The Oaks on Flair Oak and subsequent data indicated that of the 6,000 vehicles counted, only one percent was speeding. The Awareness Committee addressed the issue by having the Flair Oak and Treaty Oak intersection striped and buttoned to aid traffic flow and make drivers more aware of their speed. Mr. DeNisio stated an ongoing discussion with counsel concerns whether an over-the-limit speedminder reading could be used by Securitas guards to issue a ticket and fine.

Architectural Review Committee (ARC)

Mr. Faner reported that the garage/room addition in The Midlands on Kristen Way had still not begun. Mr. Jansure will continue to follow up with the contractor.

Sonterra Entry Landscaping Modification Plans-Review/Approval Procedures

Mr. Nazzaro distributed a position paper entitled "Position on Sonterra Entry Landscaping Modification Plans" (see Addendum A). Mr. Faner stated that in the future any such documents must be provided to Board Members in advance for review prior to meetings. Mr. Nazzaro read the position paper and was then given the opportunity to summarize his position in the form of a motion. He moved that if xeriscape is the new standard for subdivision entries, then it be declared the new standard by the BOD and that all subdivision entries be brought up to that specification as soon as possible and that any entry landscaping proposals be approved by the ARC in accordance with the covenants of the subdivision in question. The motion died for lack of a second.

Mr. Faner noted that the ARC was tasked with bringing a xeriscape description to the BOD and he will follow up on its completion.

Request for Area Representative for Sonterra Villas

Mr. DeNisio reported the Sonterra Villas became part of the Sonterra POA about eight years ago. Mr. Damaso Oliva requested board representation and was advised that it would be better to start with area representation. A request has been brought to the BOD to create a position for a Sonterra Villas Area Representative and appoint Mr. Oliva. Mr. Tracy moved to create an area representative position for the Sonterra Villas and appoint Mr. Oliva. The motion was seconded by Ms. Howington and passed unanimously.

Approval of Expenditures

The Awareness Committee had previously received approval from the BOD for the following projects. The Approval of Expenditure forms designating payment from the Capital Account were presented for approval as follows:

- Total Amount of \$1844.99 for DVR –The Breezes Entrance (\$1,844.99)
- Total Amount of \$16,671.10 for DoorKing Barrier Arms (\$12,659.06) and LPR Cameras (\$4,012.04) – The Meadows
- Total Amount of \$8,335.55 for DoorKing Barrier Arm and LPR Camera (\$8,335.55) – TheVistas

Updates:

The Hills

Mr. Jansure reported that information had been received regarding a suit filed against the City of San Antonio by Sonterra residents, Andrew and Rebecca Thomasson, 23107 Whisper Canyon.

The Hills Drainage Easement Maintenance

Mr. Jansure reported that drainage maintenance was nearly complete.

Mr. Salazar departed at 11:46 AM.

The Management Company

Mr. DeNisio reported that Mr. David Kincaid was hired by The Management Company as the Stone Oak POA Project Manager. The Management Company also hired Ms. Melissa Neffendorf in the Accounting Department. A temporary employee was hired for data entry into the new accounting program. Initial data entry will allow staff training that is presently on hold to resume with a focus on manipulating the data in relevant tasks and reports. Mr. DeNisio requested that the BOD, in requesting information or services, adhere to the hierarchy of Ms. Condor as Office Manager, Mr. Jansure as Sonterra Property Manager, and Mr. Kincaid as Stone Oak Project Manager. Mr. DeNisio was joined by Mr. Nazzaro in noting that the Finance committee needed to address a cash flow problem so that the SPOA could meet its obligations to The Management Company.

Wall/Fence Project

Mr. Jansure reported that the wall/fence project was completed for The Greensview, The Fairways, and La Sierra. The final invoice was paid and a letter notifying residents will be mailed.

Oaks West-Sale of Parcel of Land

Mr. Jansure reported that all requirements had been met for the sale of the lot to the Herings.

Status of Repair on Internal Walls

Mr. Jansure reported that the repairs on the internal walls of The Waters, The Enclave, and The Villas had been completed.

Drainage Easement owner update

Mr. Jansure reported that he continues to work with counsel to contact the absent owners of drainage easement currently maintained by the SPOA.

Street Evaluation Process

Mr. Jansure discussed a course of action with Ms. Baker of Four B Paving to have the streets of three subdivisions reviewed each quarter to generate a list of structural problems and prioritize repairs. The first analysis will be brought to the BOD for review in May or June.

Newsletter Articles:

- Fourth of July information regarding large parties and parking issues
- Pod policy reminder

A motion to adjourn was made by Mr. Wuest and seconded by Mr. Tracy. The meeting adjourned at 12:31 PM.

ADDENDUM "A"

MAY BE OBTAINED FROM THE
MANAGEMENT COMPANY OFFICE