

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

**Held at The Management Company Office**

**May 27, 2010 – 8:30 AM**

**MINUTES (Corrected)**

**Directors Present**

Rick Faner, Vincent Nazzaro, Sergio Salazar, John Tracy,  
Bill Wuest, and Donna Howington (Arrived at 8:51 AM)

**Directors Absent**

Bernie DeNisio

**Guests**

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

A quorum was established and the meeting was called to order at 8:40 AM by Mr. Faner.

The April 29, 2010 Minutes had been previously provided for review. A motion to approve the minutes as corrected by changing “access to assess” on page 2 under Commercial Assessments, line 2, was made by Mr. Wuest, seconded by Mr. Tracy, and passed unanimously.

**Board Meeting Process**

Mr. Faner made a motion that if a position paper has been prepared for discussion and involved subsequent action by the BOD, that the BOD will require it to be included as part of the Board Packet to be reviewed prior to the meeting. The motion was seconded by Ms. Howington. Mr. Nazzaro stated that it was his opinion that position papers should always be included as addendums to the minutes and that placing restrictions on allowing position papers to be read aloud at the BOD meeting without prior inclusion in the Board Packet decreased open discussion. Mr. Salazar stated that without a prior copy in the BOD Packet, he could not reach an informed decision. After further discussion, Mr. Faner summarized that as documents in the Board Packet are not part of the minutes, the BOD would agree by consensus to designate a particular document as an addendum to be attached and published with the minutes on a case by case basis. The motion carried with five (5) “for” by Mr. Faner, Ms. Howington, Mr. Salazar, Mr. Tracy, and Mr. Wuest and one (1) “against” by Mr. Nazzaro.

**Residential Landscape Issues**

Two residents appeared before the BOD to request a waiver of the violation fines for non-compliance with landscape maintenance covenants.

**Financials and YTD Capital Expenses**

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

- On page 2, Mr. Jansure confirmed that *Other Assets-N/R Mgmt Co 150* referred to the note receivable for the sale of the F-150 truck to The Management Company.
- On page 2, regarding the *Other Assets-Due from Operating-Midlands and Vistas* line item, Mr. Jansure reported that after meeting with the accountants there is still a

difference between the accrual amount and actual cash amount to be reimbursed. The accountant at Jim Oliver & Co. was still attempting to reconcile the difference. Mr. Nazzaro suggested that there was a possibility that after removing the administrative costs, the difference would be minimal or erased.

- On page 4 under *Revenues-Overbilled assessments*, the amount from five commercial properties will be credited as per BOD recommendation and the present balance will diminish to a zero balance by the end of 2010. The total amount for overbilled assessments was also referenced on page 8 under *Revenues*.
- On page 4, the *Other income (expenses)-Major capital repairs or improvements* reflects the expenditure for crack sealing street repairs in The Oaks and other neighborhoods. The lack of a capital budget resulted in it being placed as listed. Mr. Nazzaro and Mr. Jansure both agreed that a capital budget would help track applicable income and expenses more effectively.
- On page 4 under Operating expenses-Security-patrol, Mr. Jansure noted that the timing of tenure bonuses affected the amount. Mr. Faner stated that tenure bonuses needed to be budgeted. Mr. Nazzaro recommended that in addition to being budgeted, tenure bonuses have a separate line item.
- On page 10, Mr. Jansure explained that the Revenues-Special assessments showed an increase due to a payment received from the title company at closing for delinquent assessments upon the sale of a house in The Vistas.
- On page 11 under Maintenance- wages, Mr. Jansure stated that the decrease was due to overtime hours for maintenance crew being managed more effectively.
- On page 11 under Maintenance-irrigation, Mr. Wuest asked whether increased monitoring of the actual need for irrigation at the neighborhood entrances and a reset of the valve times might prevent the possibility of overwatering. The current rain sensor readings avoid watering while raining, but do not gauge the need for irrigation. Mr. Wuest and Mr. Jansure will seek advice on how irrigation could be better managed.
- On page 12, Mr. Nazzaro again suggested moving the \$49,193.09 for Maintenance-streets to a capital budget with its own line item. The BOD concurred that a change was needed and Mr. Jansure stated he would ask the accountant how best to resolve the issue.
- On page 13, Mr. Jansure noted that the amount collected under Revenues-Violation fees had increased.
- On page 13 under Operating expenses-Office expenses, the majority of the total was due to certified mail postage costs at \$5.54 per letter mailed.
- On page 14 under Maintenance vehicles, the negative amount was due to the truck accessories originally purchased with the truck that were added to the sale price of the truck and will be recovered through the truck note from The Management Company.
- Regarding the POA's mowing of privately owned lots, Mr. Nazzaro asked for an update on a cost comparison of billing property owners a set fee per quarter or billing per mowing event. Mr. Jansure was still working on a comparison and will also address it in conjunction with contract renewals/bids.
- Mr. Faner stated that the amount being spent on mowing the properties of absent owners still needed to be addressed. Mr. Jansure confirmed that counsel continued to work on identifying lot owners and obtaining an agreement to transfer ownership to the POA.

## **Update on Sonterra Capital Suit Status—No new information**

### **The Meadows Residence**

Mr. Jansure reported that the petition service date was April 12, 2010 based on the date the Secretary of State of California received it, and the answer date was May 3, 2010. However, the POA cannot default it until a Certificate of Service is received that certifies the petition was mailed to and received by the defendant. Counsel will continue to monitor its progress.

### **Shops at Stone Oak**

Mr. Jansure reported that The Shops at Stone Oak account is no longer delinquent because of the recent over-assessment credit to their account.

### **Commercial Assessments**

Mr. Jansure reported on the status of the adjustment of assessment points on the second quarter invoices for commercial accounts. Of the 14 commercial accounts, three warranted no change in points, six were still being evaluated, and five were adjusted as applicable.

A motion to accept the Financial Statements was made by Mr. Tracy, seconded by Mr. Nazzaro, and passed unanimously.

A break was taken at 10:36 AM and Ms. Howington departed. Chief Tillman arrived at 10:49 AM and the meeting resumed.

### **Finance Committee**

Mr. Nazzaro reported that the FDIC had reimbursed the POA for two Certificates of Deposit formerly held at financial institutions that were no longer in business and the monies designated for the Capital Account have now been reinvested.

Mr. Jansure reported that a list of payments made by Stone Oak POA (SOPOA) for invoices based on The Fairways water meter had been received. The SOPOA is requesting reimbursement for the entire list of payments. Counsel for the Sonterra POA has advised that a four-year statute of limitation does apply. In reviewing the list, Mr. Jansure found that the amount requested included late fees for past due invoices. The BOD agreed to pay the last four years of Bexar Met invoices, including late fees, with payments established at \$451.83 a month on a 24-month repayment plan to cover a total of \$10,843.81 for the past four years.

Mr. Nazzaro reported that the Finance Committee suggested no action be taken on increasing assessments in the fourth quarter. The Finance Committee would like to study changing from quarterly to semi-annual billing. Since the costs associated with invoicing need to be quantified, Mr. Faner asked Mr. Jansure to summarize a cost comparison for postage and supplies and, also, check on a third option for sending statements via email.

### **Procedures for placement of PODs**

Mr. Faner reported on past actions taken in allowing PODs to be placed on residential driveways per Ms. Condor's search for previous policies or history. A proposed article for the June 2010 Sonterra Insert in the Stone Oak Newsletter was provided.

### **Gate Entry Procedures**

The topic was placed on hold until the June BOD Meeting when Mr. DeNisio will be present.

### **Landscape Committee**

Mr. Wuest reported that Joe Acuna was asked to review the entry proposals and make suggestions. Mr. Nazzaro reported that John Orsak with the Crescent Sonterra HOA thought their alternative entry landscape proposal for The Oaks West would be ready in three weeks. The BOD agreed to hold a special BOD Meeting to review the proposal.

### **The Club**

Mr. Salazar did not have any issues to discuss.

### **Architectural Review Committee (ARC)**

Ray reported that the fence/wall at the Cavazos residence was torn down, and work will begin on the addition.

### **Area Representatives for The Highlands and The Gardens**

Donna Howington suggested Stacey Semtner as area representative for The Woods. Ms. Semtner's nomination was accepted by acclamation. Mr. Jansure relayed that Ms. Garza in The Highlands had expressed an interest in that area representative position and he will meet with her soon. An area rep is also needed in The Gardens as Mr. Paul Norton resigned.

### **Awareness Comm**

For informational purposes only, Chief Tillman reported the following incidents:

- Security escorted a 17 year old male home after observing him near an auto with a door opened. The SAPD was called and took an incident report.
- On May 24, 2010 an unsecured vehicle was burglarized and a home may have been entered when the garage door was left partially open and the garage door to the house unlocked. The resident filed a complaint with Security and the SAPD. Later a student was arrested at a local high school after using the stolen credit cards.

Chief Tillman also reported on collections for broken gate arms. Overall, vehicle burglaries had decreased. The new gate for The Vistas was activated May 26, 2010. Mr. Wuest suggested that Mr. DeNisio be asked to follow up with publicity on the positive impact by Security on incidents. The BOD asked Chief Tillman to consider how best to reduce the security patrol presence on Hymeadow that has deterred unauthorized persons from entering and going to one of the houses for parties.

### **Sonterra Security Cost Avoidance**

Mr. DeNisio had met with the Securitas Branch Manager, Mr. Howard Newton to discuss how to further lower costs and will follow up in an effort to gain further concessions. Mr. Faner suggests all contracts be scrutinized for cost savings.

**The Hills Drainage Easement Maintenance**

Mr. Jansure reported that \$5,000 had been paid to The Hills of Sonterra HOA as agreed for help with the drainage easement clean up.

**The Management Company**—No report was provided.

**Trash Collection Contract**

Mr. Wuest reported that 13 of the 17 gated communities in Stone Oak agreed to stay with Allied Waste with two weekly trash collections and once weekly recycling using the 36 gallon bin. Mr. Wuest relayed Sonterra's agreement to the Stone Oak Neighborhood Representatives Committee (NRC). If approved by the Stone Oak BOD, the new contract would begin November 1, 2010.

**Newsletter Articles**

No suggestions at this time.

**Assignments:**

- Mr. Jansure: to send letters regarding fines to two residents who appeared before the BOD;
- Mr. Jansure and Mr. Nazzaro to discuss –Capital Budget;
- Mr. Jansure-assessment follow up;
- Mr. Jansure to check on irrigation timing issue, rain sensors;
- Mr. Wuest to look at landscape contract- look at value;
- Mr. Salazar will check on water moisture indicator probe and ask two of his employees in landscaping and irrigation to discuss irrigation issues with Mr. Wuest.

The meeting adjourned at 12:05 PM.