

SONTERRA PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
Held at The Management Company at Stone Oak-Sonterra
July 22, 2010 – 9:00 AM

Directors Present

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

Directors Absent

Sergio Salazar

Guests

Ray Jansure, Josephine Stevens, and Chief Marvin Tillman

Resident Hearing: Mr. Mario Hesles, a property manager and real estate agent for a resident in The Hills, requested and was granted a hearing regarding violation fines incurred through failure to bring yard maintenance into compliance. Mr. Hesles explained that yard maintenance had since been performed, the new renters understood the need to maintain the yard, and requested a partial waiver of fines to date. The BOD thanked him for his input and Mr. Hesles departed. The BOD discussed the issue and accepted by consensus a recommendation to adjust the total fine to the amount due as of June 6, 2010 with the stipulation that if compliance was not maintained the amount of fines waived would be reinstated.

Since the POA (as in the above situation) is often not advised of an owner's alternate address, Mr. DeNisio suggested a policy that absentee owners be required to supply current data on tenants and a point of contact for mailing invoices and addressing compliance issues be developed for security. This issue will be taken up with Association counsel with a view towards formulating such a policy.

A quorum was established and the meeting was called to order at 9:09 AM by Mr. Faner.

Approval of June 24, 2010 Minutes

The June 24, 2010 Minutes had been previously provided for review. Two corrections were entered—on page 5 to omit “concerns.” and on page 6 to change the item heading to Highlands from Gardens. A motion to approve the minutes as corrected was made by Mr. DeNisio, seconded by Mr. Wuest, and passed unanimously.

Website Upload Status

Mr. Nazzaro asked about the time frame to upload data to the SPOA website. Mr. Jansure related that Ms. Condor grouped various updates to be submitted as one work order to curb additional charges. The BOD emphasized the need to have current contact information and minutes as approved available on the website. Mr. Faner will also confer with counsel regarding any concerns of sensitive details being included in the minutes.

Financials and YTD Capital Expenses

The Financials and YTD Capital Expenses had been previously provided for review. The following items were noted:

- Page 2 - Mr. Nazzaro confirmed that the *Other assets: Compass brokerage account* amount reflected certificates of deposit.
- Page 2 - The transition to Great Plains (GP) caused bank deposits to be postponed which led to a temporary low balance on the *Checking-Compass Bank* account.
- Page 2 – Mr. Nazzaro noted that the capital accounts included staggered maturity dates on CD's and types of investments for liquidity purposes.
- Page 2 – *Other assets: Receivable—Vista Community and Midland turn lane project* reflected the loan amounts that are being re-paid through special assessments quarterly;
- Page 2 – *Other assets: Due from Operating –Midlands and Vistas* reflected the repayment to capital account for monies mistakenly placed in operating account.
- Page 4 – *Operating expenses: Utilities-telephone* included all communication lines. A suggestion was made to rename the line item *Utilities-telephone/data*.
- Page 9 – *Revenues: Special assessment* line item's location will be changed in 2011 to remove The Midlands and Vistas loan repayments.
- Page 12 – *Maintenance-drainage/clearing/lot mowing* was running ahead of budget but the management of most other costs had resulted in actuals being below budgeted figures. Mr. DeNisio commended Mr. Jansure and Mr. Mauricio for their management of costs.
- Page 14 – Mr. Jansure noted *Revenues: Overbilled assessments* will be expensed through the remainder of 2010 and the absence of the former revenue will continue to affect cash flow into 2011.
- Mr. Jansure also noted Chief Tillman had trained two officers to program the Home-link gate access in residential vehicles.

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

Sonterra Capital Suit

The substitute agent for Sonterra Capital was served; their answer date is August 2, 2010 which if not met will result in a default judgment. Any response provided will be dealt with at that time by counsel.

Delinquencies

The action by counsel on the Meadows residence was delayed so that third quarter charges could be included. Counsel will continue the process.

Commercial Assessments

Mr. Jansure reported counsel for the association had approved the process of documentation for re-evaluating commercial assessments. Counsel had also reviewed a request for payment from one of the businesses who received a credit.

Discontinuing Monthly Account Payments

Mr. Jansure requested that the policy discontinuing monthly payments which became effective the Third Quarter of 2010 be postponed until July, 2011 with a late fee added to the balance each month. Residents would also need to submit a request letter for approval from the BOD. The Board accepted the recommendation.

Finance Committee

Mr. Nazzaro distributed information on unexpected budget items and an overview on the present state of the budget. An increase of \$21 per quarter would be allowed per the SPOA By-laws, but the Committee hoped to recommend a lower increase and also advised that a capital savings account be initiated. All agreed that a savings account to provide an operating reserve with its attendant flexibility would be a goal worth pursuing. The Finance Committee will bring a formal proposal to the BOD next quarter.

Discussion Concerning Gate Entry Procedures—Delay in Entry

Mr. Wuest noted that the entry procedure at the gate required the driver to press the call button to be able to talk to the security guard and expressed a concern that drivers behind a delayed vehicle would use their remote control to allow access for the car in front to unblock the gate entry. The BOD agreed such action circumvents the security procedure. After confirming that security cannot presently initiate conversation with a driver at the call box or remotely engage the guard arm to open without an active call box link in the present system, Mr. Wuest asked the Awareness Committee to obtain the cost for those features. Mr. DeNisio noted a duplex system for two-way call initiation could involve the cost of additional equipment, a telephone extension at each entry location, and increased labor for security guards. Mr. DeNisio will follow up through the Awareness Committee regarding the cost to add such features to the system. Mr. DeNisio also asked for data regarding the frequency of complaints over backed up vehicle access, the number of gate runners, and how many vehicles were given access by the vehicle behind them. The BOD discussed whether a notification of security policy letter should be sent to the resident whose vehicle with Sonterra sticker was videotaped giving unauthorized access to another car in front. Mr. DeNisio presented a suggestion from the Awareness Committee to aid communications by attaching a small sign to the call box with call box directions in English and Spanish which could also include a prompt to use a cell phone to contact the guardhouse as needed. A sample of the directional sign was presented. Ms. Howington suggested including the word "Help" in bold font next to the security phone number. Mr. DeNisio will request gate entry data from Chief Tillman and edit the directional sign format.

New Floodplain Designation

Mr. Wuest reported the new digital flood insurance rate maps to become effective in September, 2010 could mean houses or businesses have been removed or added to the flood plain. Property owners can review the maps online at www.BexarFloodFacts.org to see if they are affected. Notifications from Bexar County have already been sent to residents of The Woods whose properties were affected by the new maps. Several properties on Kristen Way in The Midlands have also been removed from the floodplain. Mr. Wuest suggested all residents of The Woods be contacted by their area representative about recent changes in the floodplain and be provided with the link to the website.

Landscape Committee

Regarding the June BOD request for cost information, Mr. Wuest reported that irrigation rain sensors were very expensive. Mr. Wuest noted that an alternate landscape plan with cost estimates had still not been received from the Oaks West Entry Gate group. Mr. Nazzaro mentioned it would be ready soon.

Architectural Review Committee (ARC)

Mr. Faner reported significant progress on the major residential addition on Kristen Way in The Midlands. Mr. Tracy reported a request for the installation of solar panels had been submitted and a general presentation on solar panels made by the contractor at the previous ARC meeting. The submittal was still under review.

The Gardens

Mr. Rick Rawley was proposed as Area Representative for The Gardens and his appointment approved by the BOD. Mr. Nazzaro also proposed a resident for consideration and Mr. Jansure will contact him to ask whether he would be interested in serving on another committee.

Awareness Committee

Mr. DeNisio reviewed incidents in the previously submitted report. Mr. DeNisio reported confirmation had been received from counsel that when the speed minder is deployed if a security guard observes speeding, a violation notice (ticket) can be given for speeds 6 miles over the speed limit. Guards will be given directions for the procedure and publicity placed in the newsletter. Tickets could also be sent in a letter to the vehicle's registered owner per license plate number if not handed directly to the driver. Chief Tillman reported that a recent vehicle break-in incident was unusual because the keyhole was punched out instead of breaking the window. Chief Tillman reported that speed limit signs had been installed in The Oaks (Flair Oak and Peg Oak) as a direct result of communication with Oaks residents. The BOD directed that in the future all future requests for traffic signage be directed to the Awareness Committee for evaluation and action as needed.

Updates

Sonterra Security Cost Avoidance

Mr. DeNisio will continue working with Securitas to secure further contract cost reductions.

The Management Company

Mr. DeNisio reported that The Management Company oversight Board has become aware of work still needing to be done that heretofore had been overlooked and as a result tasks have fallen behind. The new accounting software, Great Plains (GP) will contain data beginning with the Third Quarter of 2010 and all previous history will be saved for reference on the former TOPS program.

Trash Collection Contract

Mr. Wuest reported that the new contract had not been signed yet. Mr. Jansure reported that Allied Waste will mail invoices directly to the residents. The process used by Allied Waste for delinquent accounts will include 1) notification of the Sonterra POA of delinquent accounts, 2) referral to a collections agency, and 3) a fee for reactivation of service. Mr. Jansure will ask Stone Oak POA to verify whether a resident could opt out of service. Mr. Jansure expressed concern that interrupted trash pickup could become an immediate concern if garbage remained on the curb. The BOD suggested that if garbage was not picked up, that someone from maintenance be sent to pick it up and the resident be billed.

Maintenance Building

Mr. Jansure reported that since the Sonterra POA cannot own property outside its boundary, it could lease enclosed bay space in the Stone Oak POA Maintenance Yard. He is negotiating a 5-year lease agreement with SOPOA for two bays and will bring the agreement to the BOD for approval.

Greensview Turn Lane

Mr. Jansure reported that the City of San Antonio (COSA) would not initiate a study to support providing a stop light at Stone Oak Parkway and Sweetbrush—the entrance to The Greensview. The Sonterra POA would have to fund the initial study and the emplacement of a traffic light if approved by COSA. However, the possibility of constructing a left turn lane remains, and he is discussing parameters with COSA.

Street Evaluations by 4 B Paving – Woods/Midlands

A recommendation from Brandy Baker with 4 B Paving for The Midlands was distributed with options to reduce costs. Option 1 uses concrete repair instead of cracksealing and reduces the bid to fix The Midlands from \$143,398.40 down to \$126,172.97. A separate recommendation for repairs in The Woods totaled \$29,568.75. Mr. Nazzaro noted that 4 B paving had proposed using a slurry seal for some repairs. Mr. Jansure also reported street repair bids of \$35,000 for The Gardens, \$24,000 for the Greensview, and \$27,000 for the Waters. He suggested that Mr. Tracy and Ms. Dayna Rinklin visit the neighborhoods to compile a priority list to compare to 4 B Paving's priority list. Recommendations will be brought to the BOD. Ms. Baker will also send proposals for two other neighborhoods to provide an overview of future costs.

Annual Holiday Party

Ms. Howington distributed information regarding the holiday party. The proposal was for the Sonterra POA and the Stone Oak POA to jointly host the holiday party on Wednesday, December 8, 2010 from 5 PM to 7 PM in the Horizon Room at The Club at Sonterra. The approximate cost would be \$3,000. The BOD was in favor of participating.

Midland Residence Assessment Issue

A property owner is completing an extension of his residence onto his adjacent property that was previously assessed as a lot. The BOD concurred to assess the now developed lot at full cost.

Newsletter Articles

Mr. DeNisio will submit an article on the speeding tickets to be issued by security guards.

To do

Legal point of contact directive for absentee owners-Mr. DeNisio/Mr. Faner.
Mr. Jansure will inquire when minutes should be reviewed for content by counsel.

August Agenda

Place "Bagster-dumpster in a bag" or similar item used for trash collection on the driveway during a home project.

Mr. DeNisio moved to adjourn, and the meeting adjourned at 12:30 PM.