

SONTERRA PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
Held at The Management Company Office
October 22, 2009 – 8:30 AM

Directors Present

Vincent Nazzaro, Mark Neneman, Bernie DeNisio, Dayna Rinklin, Rick Faner, Bill Wuest

Directors Absent

John Tracy

Guests

Ana Ball, Tonja Condor, Ray Jansure, Chief Marvin Tillman

A quorum was established and the meeting was called to order and conducted by Mr. Wuest.

The September 24, 2009 Minutes had been previously provided for review. A motion was made by Ms. Rinklin to approve the Minutes. The motion was seconded by Mr. Wuest and passed unanimously.

The Financials for September 2009 were presented by Mr. Jansure. He noted that utilities and water were over budget which was probably due to the drought. The Board asked that the irrigation system be set to once a week since the area has had rain, but to pay close attention to new plantings to make sure they receive enough water. Mr. DeNisio, again, asked that legal fees be broken out to determine what fees pertained to establishment of The Management Company. Maintenance is over budget, showing increases in July and August. Ms. Ball stated she would prepare a schedule setting out the individual maintenance categories on a monthly basis which would help determine the reason for the overage. Mr. Nazzaro asked Ms. Ball to prepare the schedule showing three years for comparison purposes. Gate Maintenance was also shown to be over budget and Mr. Jansure stated some of it was due to a carryover of expenses from 2008. Additionally, the cost of The Gardens barrier arm (approx \$6,000) was incorrectly paid from operating rather than capital. Mr. DeNisio asked whether gate maintenance could be paid from the capital account and stated that the POA should maximize whatever can be capitalized with regard to gate expenses. He also asked that it be verified that monies collected for broken gate arms are being credited back into the same account from which gate repair expenses are paid. The Finance Committee will research whether any gate maintenance expenses can be capitalized and make a recommendation to the Board. Mr. Jansure was asked to research whether any "bad debts" should be written off and advise the Board, since Board approval is required for any write-offs of bad debts.

Regarding wall repairs, Mr. DeNisio suggested that Mr. Jansure perform an inspection of the properties where repairs occurred and include an article in the Newsletter stating that the project is now complete. Mr. DeNisio then made a motion that once this inspection is complete, counsel for the Association should be asked to prepare a letter to be sent to all residents who were noticed that repairs would occur to their walls/fences advising that the project is now complete and future maintenance is the responsibility of the property owners. The motion was seconded by Mr. Faner and passed unanimously.

A motion was made by Mr. Nazzaro to approve the financials. The motion was seconded by Mr. Wuest and passed unanimously.

Mr. Jansure informed the Board that no payment for fourth quarter assessments has been received from Sonterra Capital. The Board will be kept apprised of developments in this matter.

Concerning the assessment delinquency of the commercial property at the intersection of Stone Oak Parkway/Huebner Road, the consensus of the Board was that the matter be referred to counsel to pursue.

Ms. Ball departed the meeting at this time.

Discussion occurred regarding a property in The Fairways which had been posted for foreclosure by the Stone Oak POA. The property owner paid the delinquent amount just prior to foreclosure and the Board asked that, due to the success of Stone Oak in collecting, this account be referred to counsel for the Sonterra POA to pursue. In reviewing the delinquency report provided by The Carlton Company, it did not appear that additional unpaid assessments, incurred after the account was referred to The Carlton Company, are being added to the amount Carlton is attempting to collect. The Board asked that Mr. Jansure check with Ms. Cockrell on this process and report back to the Board. Mr. Wuest stated that there are six properties shown as delinquent for which arrearages total approximately \$80,000; two of these properties are being forward to counsel to pursue.

There was no discussion concerning the 2010 budget as Mr. Jansure will need to provide information on The Management Company budget to the Sonterra Finance Committee to enable Sonterra to prepare its budget. Mr. Nazzaro stated that no Finance Committee meeting took place this month. He stated that Ms. Cockrell is keeping track of special assessments which need to go back into the capital account. The special assessments are being deposited into the operating account and then paid back to the capital account.

Mr. Wuest updated the Board on Landscape Committee matters, stating that the project at the main entrance is in process. Mr. Neneman stated that he has received positive comments on the appearance. Mr. Faner stated that although the planting beds and plants installed at the residence on Contadora were not exactly what was submitted, that property is essentially in compliance. The resident is requesting a letter stating the property is in compliance, but providing such a letter has not been the practice of the Board; therefore, the Board's consensus was that no letter be sent.

Mr. Neneman advised that feral hogs have been seen on Club property and Mr. Jansure added that a resident in The Enclave is also having a problem with the hogs damaging her yard. Mr. Neneman advised that a trap was put out on Monday night.

Mr. Faner updated the Board on matters being addressed by the Architectural Review Committee. He stated the Committee is attempting to work with a resident of The Highlands who wants to build an addition to his home. The addition would create an encroachment into the rear setback which would not be approved; therefore, the owner is attempting to purchase a parcel of land directly behind his property from the property owner who is a resident of The Hills. Property owners on Kristen Way have hired a new contractor who is completing the room addition and a December 31, 2009 completion date is projected. Mr. Faner stated that the possibility exists that a change of plans for the vacant lot adjacent to that property will be submitted, but no plans have been submitted to the committee at this time. Mr. Jansure advised that the builder of a new home on Trailview is requesting a final inspection in order to obtain a refund of his deposit. Although he has sold the house and the new owners are moving in, no landscaping has been installed. The builder has been advised that no deposit will be refunded until the project is completed in a timely manner; otherwise, fines will be assessed which will be applied toward the deposit.

A break was taken at 10:30 and the meeting reconvened at 10:35.

Mr. DeNisio stated that the Recap of Incidents and Gate Runner Analysis had been prepared by Chief Tillman for the months of July and August and Chief Tillman will continue to prepare these reports. Mr. DeNisio asked that the Awareness Committee be allowed to make any necessary adjustments prior to publication in the newsletter. No broken gate arms have occurred at The Highlands where the most recent rapid recovery gate has been installed. Mr. DeNisio stated that he would like a letter sent to residents of The Estates, The Waters and The Villas stating that residents in those subdivisions must follow the same policy regarding large parties as other Sonterra subdivisions. Lists of guests must be provided to Sonterra Security and guests will be verified before access will be granted. No phone calls or verification will be made after 10:00 p.m. Mr. DeNisio will draft the letter for approval. Mr. DeNisio informed the board that the San Antonio Police Department is now doing after-dark checks in the Stone Oak area, which Sonterra Security has performed for quite some time.

Mr. Jansure updated the Board on insurance matters, stating that the premium for commercial coverage package decreased from \$9,200 to \$8,467 annually and coverage increased from approximately \$250,000 to near \$600,000. Mr. Wuest verified that the Directors & Officers Liability policy covers all committee members as well as directors.

Mr. Jansure then stated that the Stone Oak POA Board is discussing the need for a major overhaul for the Maintenance Yard to include the possibility of tearing down and replacing one of the buildings, a better method of access to the area, and other issues. He will keep the Board apprised of any developments.

Additionally, Mr. Jansure advised that the Stone Oak Board is also discussing the monthly reimbursement from Sonterra to Stone Oak for use of vehicles and whether that amount should be increased. He will also keep the Board advised of any developments on this topic.

Ms. Condor informed the Board that a resident of The Oaks has requested two separate entries in the call box with the same three-digit code and same phone number but under two different names. The consensus of the Board was that the policy established when the call boxes were implemented, allowing one line per property, would be adhered to. A letter will be sent to the resident advising of the Board's decision.

Mr. Jansure stated that he had received a concern expressed from a resident of The Greensview regarding the Medivac helicopter flying over residential neighborhoods to arrive at North Central Baptist Hospital. He stated that in speaking with a Medivac pilot, he was told that pilots are primarily looking at wind direction in choosing an approach. The Board asked that Mr. Jansure convey that information to the resident and suggest they speak to the hospital with any further questions.

As a result of some flooding in the park area in The Oaks, Mr. Jansure had researched ownership of a drainage easement which appeared to have contributed to some damage to walking paths in the park. Mr. Jansure stated that Bexar County Appraisal District does not state that that area is owned by the Sonterra POA as residents of The Oaks once thought and he has advised the Area Representative for The Oaks of his findings. The Association did pay a contractor to have the drainage area cleaned up but will not take responsibility for the expense incurred as a result of damage to the park area. Mr. Nazzaro said that he had been told for years that the drainage easement was Sonterra property and suggested that further research take place to determine ownership of other drainage easements throughout Sonterra.

Repairs have been made to the cul-de-sac in The Meadows and Mr. Jansure has received complaints from residents living in homes along the cul-de-sac due to the patchwork appearance. Mr. Jansure obtained a proposal from 4B Paving for sealcoating of that area in the amount of \$500. The consensus of the Board was to adhere to its longstanding policy that street repairs are not performed for aesthetic reasons.

The Board discussed the topic of door-to-door fundraising solicitation by residents with respect to the fact that such solicitation is prohibited by the Sonterra Post Orders but is not included in any policy or deed restrictions. Mr. DeNisio and Chief Tillman will analyze and compare the Post Orders with restrictions and policies to determine policies that need to be developed/amended and recorded. He will report his findings to the Board.

With regard to holiday lighting and decorations, Mr. Wuest reported that Maintenance Supervisor Israel Mauricio stated that he would install the lights at the same cost as last year and will see that the lights are ready to turn on the Friday after Thanksgiving.

Mr. Jansure advised that two residents in The Oaks are interested in purchasing lots on which homes cannot be built in order to extend their existing property. The Board is interested in selling the lots but asked that Mr. Jansure confirm that the lots are owned by the Sonterra POA. He will do so and report back to the Board.

Updates

Ms. Rinklin stated that The Management Company did not hold a Board meeting in October due to the absence of two Board members at that time. She advised that The Management Company continues to operate within budget. Mr. Jansure informed the Board that the plasma television had been purchased by the Stone Oak POA. The extra cabinetry in the break room was installed by Ms. Rinklin and Mr. Tracy. Ms. Rinklin stated that Mr. Erickson had received a request from an HOA for one of the Stone Oak neighborhoods to rent the conference room for a meeting. The request was denied and the topic will be discussed at the next Management Company board meeting.

Mr. Jansure advised that he believes no additional water meters are needed at the Oaks West entry, as a line is laid from a meter at the Oaks East entry to the Oaks West. Mr. Jansure suggested that what may be needed is one more controller and to have someone realign the zones (half to each controller) in order for Oaks West to have sufficient irrigation capability. Mr. Wuest directed that Mr. Jansure coordinate with Joe Acuna to install at least one more, but preferably two more controllers and reapportion the existing zones among the controllers to determine if that will resolve the irrigation shortfall at the Oaks West entrance. Mr. Jansure will keep the Board advised.

Mr. Neneman departed the meeting at 12:15 to attend a prior engagement.

Mr. Jansure advised that, although weather has interfered, the street repairs in the various subdivisions are progressing. Mr. Nazzaro suggested that Mr. Jansure have 4B Paving inspect the entry drives of all neighborhoods to determine whether repair work is needed for any of those areas.

With regard to taxes for The Vistas common area, Mr. Jansure is attempting to obtain prior tax returns from Mr. Bautista in an effort to move forward with future preparation of tax returns.

Mr. Jansure stated that rezoning of the Steubing Ranch had passed in City Council with nothing planned at this time for the completion of Hardy Oak in the Stone Oak area.

Mr. Nazzaro volunteered to attend the next Stone Oak Neighborhood Representatives Committee on behalf of Sonterra and advise the Board of the role of that Committee so that permanent representation on the Committee can be determined.

The Holiday Volunteer Gathering will be held at The Management Company Office on Wednesday, December 9th, from 5pm to 7:30pm. Ms. Rinklin and Management Company personnel will handle the arrangements.

A motion was made by Mr. Nazzaro to adjourn the meeting. The motion was seconded by Mr. DeNisio and passed unanimously. The meeting was adjourned at 1:07 p.m.