

*THE CLUB AT SONTERRA
BOARD OF GOVERNORS
MINUTES*

Date: Wednesday, February 13, 2007

Mickey Gayler, Chairman

Arthur Abelman, STA

Michael Adzija, Chairman Emeritus

Patti Bordelon, SWA

Marian Dyer, SWGA

Lori Goforth, Vice-Chairperson

Rosalie Hallenberger, Historian

Steve McKim, MGA

Stephanie & Randy Park, Ambassador Council

MEMBERS AT-LARGE

Mike Cooney

Milt King

Grant Morris

Gary Nedwed

Becky Spears

Absent: Lori Goforth, Michael Adzija and Arthur Abelman.

Club Representatives: Kathryn Comfort, Mike Akeroyd, Jason Rouk, Jeff Hunter, John Lewis, Stacey Semtner and Michelle Dodier. Special guests: Bonnie McLeod and Kathy Blazer.

Chairman Gayler called the meeting to order and asked for approval of the January Board minutes. Ms. Dyer motioned for approval and Mrs. Spears seconded the motion. The January minutes were unanimously approved.

Chairman Gayler welcomed Gary Nedwed to his first Board meeting, since Mr. Nedwed was not able to attend the January meeting. In addition, the Board welcomed Bonnie McLeod, APGM Consultant, and Kathy Blazer, PGA National General Manager, as guests of the meeting.

COMMITTEE REPORTS:

MEMBERSHIP COMMITTEE/AMBASSADOR COUNCIL: Chairperson Stephanie Park feels very confident that the Club will reach Full with a Wait list (FWWL) in 2007. To be able to reach this goal, she needs every member's assistance with nominations to membership. She asked that each committee head speak with their respective groups to encourage them to submit nominations. Mrs. Semtner asked that each committee ensure that "Membership" is always on each committee meeting agenda. Ms. Comfort stated that we are currently 65 away from FWWL. Chairman Gayler also emphasized that the sooner we reach FWWL, the more dollars that go toward the Member Partnership Fund.

Mrs. Park stated that the Ambassador Council is working hard to get new members acclimated to the Club. The New Member Receptions are very popular, as are the Open House events. She reminded the Board that the Open House events are when all new homeowners/families are invited, on behalf of the Ambassador Council, to come out to the Club. Mrs. Park also asked for the support of the Board for our Cocktails with the Councils events. We are hoping for more interaction from the Board and the Ambassador Council. Mrs. Park asked for volunteers for Cocktails with the Councils on February 23 (Mardi Gras Theme):

Door Welcome – Beck Spears, Marian Dyer, Mike Cooney & Steve McKim

Greeting & Beading – Mickey Gayler and Steve McKim

Registration Table – Rosalie Hallenberger, Patti Bordelon, Gary Nedwed and Milt King

Membership Table – Stephanie Park

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In addition, she asked that that Board also attend the Open House event on Saturday, February 24 from 6:00 to 8:00 PM.

Chairman Gayler wanted to clarify that members do NOT need to bring a nominee for membership to the Cocktails with the Councils to be able to attend. Ms. Comfort stated that this was correct, we just are encouraging members to do so, since this is a great time to showcase their club. Also, Mr. Cooney asked for clarification on the complimentary items during Cocktails with the Councils. Ms. Comfort stated that the hors d'oeuvres, beer, wine and drink of the month are complimentary from 6:00 to 8:00 PM. After 8:00pm, the drinks will be half price for the event.

GOLF & GREENS COMMITTEE: Co-Chairs Marian Dyer and Steve McKim (see report for details). Ms. Dyer stated that John Lewis spent time remarking the courses and Mr. Lewis will be posting the changes. Ms. Dyer also informed the Board that the #4 markers are back on the property line.

Jason Rouk reported that January was a very wet month and the courses weathered the freeze as well as could be expected. Course clean-up is continuing. The water features on #6 have been completed and one side of #17 is running and a pump has been ordered for the other side. The staff has been working on tree pruning. Work is continuing on the sleeve of the transfer pipeline that brings water from the Canyon Creek Course to the North Course and this should be completed by the first week in March. A leak has been discovered in the new liner #3 North, which the company that installed is working on correcting for no additional fee. Mr. Nedwed asked about #9/#10 pond and why it is so low? Mr. Rouk stated that there is also a leak in the lake, however, it's a difficult time to assess the problem since we are going into spring and that lake is our irrigation lake and we cannot shut down the pump or drain the lake now to evaluate this. Jason stated that he does have a company coming out that states they believe they can determine where the leak is without draining the lake. They should be out mid-March.

Ms. Dyer stated that Stan Wreyford, APMG Agronomy Director, was at the last Golf & Greens Committee Meeting. They discussed the North Course bunker renovations. Several large companies are involved in providing bids to complete the work, and we are getting more. John Lewis is working on developing local rules for our golf courses. Mr. Lewis has a draft that he is in the process of finalizing. Mr. Morris mentioned to the Board a suggestion he had for the Golf & Greens Committee to develop a charity tournament that would encompass all areas of the Club (golf, tennis and food & beverage), with the Board, Committees and Club determining what charity would benefit from the event. Mr. Grant feels that developing this type of "all encompassing" event will help tie together the various types of members into a more cohesive group. Plus, there could be added benefits to helping membership.

Mr. McKim reported that the MGA had 100 players for their January tournament. Officers were elected for the MGA Board and they will be working on their By-Laws.

Ms. Dyer stated that the SWGA has been quiet due to the weather. She did announce that the North Team beat the San Antonio Country Club team in their Interclub match! CONGRATULATIONS!

Mike Akeroyd gave the Board a bunker project update. We are waiting on one more bid from "Landscapes Unlimited." Mr. Akeroyd stated that the financial needs for this project have been figured out. Three bids have been received, but we feel that this final bid will be the favored one. Once the final bid reaches us, we will set

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dates for the work. We are looking at beginning this project after the Sunburst Member/Guest Tournament, so sometime in June or July, and we estimate that it would take approximately 3 months to complete. We hope to have final information by the March Board meeting.

BUDGET/CAPITAL FUND COMMITTEE: (See Sub-Committee reports below.) Mr. Cooney stated that Chris Hamill spent time at Sonterra and is working on getting numbers for the Tennis court light project. Ms. Comfort spoke with him today and he should have numbers within the next 2 weeks. He is sending out electricians and electrical engineers to determine the true scope of the work that needs to be done for the courts. Mr. McKim reported that Gary Nedwed and Mary Lucas have joined the Committee and the Committee is working on completing the 5-year capital improvement plan. Mr. Cooney stated that once the final information for the bunker and tennis lighting projects have been submitted, the Committee will meet again. Mr. Akeroyd once again reiterated that we all had agreed that we would all give Jason Rouk one year to work with the Canyon Creek course before we made any final decisions as to what to do with it. Mr. McKim mentioned that Stan Wreyford stated that irrigation work would need to be completed on the Canyon Creek Course before anything else could be done. Mr. Akeroyd agreed and stated that just to complete the irrigation work the cost is estimated at \$1.5 million.

TENNIS COMMITTEE: Arthur Abelman was absent. Michelle Dodier reported that Jeff Hunter and Stacey Semtner participated in the Lovey Dovey Tennis Tournament, and did very well. February leagues are going strong. They have a Member/Guest Event coming up on March 23 and Sneakers and Cleats is on March 4.

HOUSE COMMITTEE: (See Sub-Committee reports below.) Ms. Dyer and Mrs. Spears met to get organized. They determined that Ms. Dyer would be in charge of Food & Beverage and Mrs. Spears would be in charge of Club Maintenance. Barbara Bruner will be joining the Food & Beverage Committee. Mrs. Spears stated that the Maintenance Committee will be focusing on the front-of-the-house items and not so much on what happens behind the scenes.

FOOD & BEVERAGE: They did take a full tour of the Club's kitchens, so that they could have a better idea of the Club's capabilities. They have met with Guy Fanelli, Food & Beverage Director, and he mentioned that they are still consistently having dress code issues every week. Mrs. Spears and Ms. Dyer asked that the Club make the dress code stand out more in emails and in the newsletter. Mr. McKim feels that this issue should lessen once the Mixed Grill is open for casual dining in the evenings, so that Members wearing denim can be redirected to another area. Chairman Gayler also stated that we need to be careful how we address the issue with a Member, when they are not dressed appropriately for the dining rooms, by being as respectful as possible and giving them other alternatives, when possible.

Ms. Dyer reported that the Fitness Center will have new coffee and Mr. Fanelli is working on a new Mixed Grill menu.

CLUB MAINTENANCE: Mrs. Spears stated that Treedy Chapa will still be part of the Club Maintenance Committee. To better address maintenance issues, the Committee has broken the Club grounds into 5 areas. At their last meeting they did complete a walk-thru with Kevin Steger, Maintenance Director, of area 4. They did note that the company that is handling the Club's housekeeping service, does not seem to be meeting the expectations set out and Mr. Steger will be meeting with them to discuss what needs to be done. There was also

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a discussion on changing out the black and white photos in the Mixed Grill and replacing them with something more Sonterra related.

POLICY COMMITTEE: Milt King and Grant Morris (see report for details). Mr. King stated that the Board of Governors By-Laws have been revised, per the decisions made during the January Board meeting. There were 2 violations that were reports, both dress code related.

SONTERRA WOMEN'S ASSOCIATION: Patti Bordelon stated that their next meeting is on February 23. Currently, the SWA is up to 91 members and is still growing.

HISTORIAN: Rosalie Hallenberger informed the Board that she is working on starting a Singles Club. She stated that the Club has a Dinner/Dance on March 1 and it will include a dinner buffet and a DJ.

NEW BUSINESS:

CLUB CAMPAIGN: Grant Morris stated that he has seen a lot of positive direction in the Club over the past year. He would like to see a theme developed to help promote to the Members everything that is happening at the Club; maybe even the creation of a Master Plan Committee to help define expectations and goals. Mr. Morris emphasized the need to quantify to the Members what we have planned as a Board, as well as on the Committee level, as well as to ensure that we are always communicating with the Members and hearing their needs. Ms. Comfort commented that much of this is already addressed by the Committees that were established over the past year and it is now in the hands of each of the Committees to actively communicate with the Members. Mr. Morris asked if we had developed anyway to ascertain exactly what the Members want? Chairman Gayler stated that the Member Survey that was completed last year helps give the Board direction on what the Members want to see accomplished at the Club. Ms. Dyer felt that Mr. Morris was looking for long term goals from each Committee. Mr. Morris wants the Board and the Committees to be proactive and see things move forward and not haggle over the past, but instead look toward the Clubs' future and continuing down the path for improvement as we have for the past year. Chairman Gayler urged all Committee Heads to look at Mr. Morris' suggestions to see how they can incorporate them into their committees. Ms. Comfort stated the Club would be using Mr. Morris' theme name "Journey to Prominence" for our upcoming membership letters. Mr. Cooney remarked that he has spoken with many long term members of the Club, who are starting to get more positive and excited about things happening at Sonterra and he recommended that we need to celebrate our success more often. Mr. Morris recommended that we continue emailing the Members, but also have events to help us celebrate, like a ribbon cutting for the new short game area. Mr. Cooney recommended doing something special for our Canyon Creek members, since they have been with us since the beginning. Mr. Morris stressed the need for more communication from the Board to the Members. Mr. Cooney stated that all Board Members need to ensure that they are at as many Club events as possible, to talk about what's happening at the Club. Chairman Gayler recommended that Mr. Morris have an article for the upcoming newsletter from his point of view, as additional communication.

DUES INCREASE: Ms. Dyer asked who actually makes the decision for dues increases for the Club and how is the amount determined? Mr. Akeroyd explained that when Arnold Palmer Golf Management first purchased the Club, one of the first things that Ken Story told the Board was to expect a dues increase each year. The dues increase help us maintain our regular business costs only, where as the 3% fund and the Member Partnership

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Fund are dedicated to capital improvements. The typical dues increase generally follows the CPI, but there are times when there might be outside influences. Ms. Dyer stated that she would like to see that all membership categories are given the same percentage for a dues increase and not one category having a higher percentage than another. Mr. Nedwed stated that we need to keep communicating that Sonterra's funds stay at Sonterra and are not siphoned off to help support other Clubs, as when we were owned previously. Mr. King agreed with Ms. Dyer that the percentage for increase should be the same for everyone. Ms. Dyer felt that by doing the same thing for all Members, it helps keep everyone united and consistent. Mr. Akeroyd agreed and stated that is exactly what we would be doing.

OLD BUSINESS:

NEW SMOKING POLICY: Ms. Comfort stated that since the policy went into effect, we have not received any negative calls. All seems to be going well.

Ms. Dyer had a question about a cotillion that is being hosted at the Club that advertised that it was open to everyone, members and non-members alike. Ms. Comfort explained that this event is not hosted by the Club but by a Member in a private room paying the Club.

With no further business to discuss, the meeting was adjourned at 8:15 PM.

Mickey Gayler
Chairman, Board of Governors

Minutes Compiled by: Jeannette H. Walker, Administrative Assistant