

*THE CLUB AT SONTERRA
BOARD OF GOVERNORS
MINUTES*

Date: Wednesday, October 9, 2007

Mickey Gayler, Chairman

Arthur Abelman, STA

Michael Adzija, Chairman Emeritus

Marian Dyer, SWGA

Lori Goforth, Vice-Chairperson

Rosalie Hallenberger, Historian

Cathy Lay, SWA

Steve McKim, MGA

Stephanie & Randy Park, Ambassador Council

MEMBERS AT-LARGE

Mike Cooney

Milt King

Grant Morris

Gary Nedwed

Becky Spears

Absent: None

Club Representatives: Ross Thornbrugh, Ken Story, Gene Miller, Kathryn Comfort, Jeff Hunter, Barry Carter, Michelle Dodier and George Rojas.

Chairman Gayler called the meeting to order. He reminded the Board that we are now ratifying the minutes via email. He asked that the Board be brief with their Committee Reports tonight because we have some very important items to discuss after the reports which may have lengthy discussion.

He introduced Barry Carter our new Director of Golf Course Maintenance to the Board and they all welcomed him to Sonterra.

COMMITTEE REPORTS:

MEMBERSHIP COMMITTEE/AMBASSADOR COUNCIL: Stephanie Park explained that Stacey Semtner is on a leave of absence to recover her damaged vocal cords, which was caused due to pneumonia. Kathryn Comfort, Gail Campbell and Jackie Walton will be filling in during Mrs. Semtner's absence. In addition, the Ambassador Council will be helping with tours where needed.

Currently we are at 1,088 full golf members, 434 tennis (including upgrades) and 583 social members. The Waterfall Classic Tournament, which was an appreciation tournament for all new members and their member sponsors, was a huge success. The Ambassador Council is calling each of the participants to thank them for being part of the event and ask them if they have any nominations for membership.

Thousand Oaks Racquet Club is under new ownership and their members are not happy with some of the changes that will be occurring, and they have contacted us regarding membership. We have created a special invitation for membership from the Tennis Committee inviting them to join Sonterra and the Tennis Committee will be calling them to follow up. In addition, we are also resending membership invitations to the nominations we have built up in our nominee database for the past 2 years and have had a good response.

We have a New Member Reception coming up on October 19, followed by Cocktails with the Councils which will have a Halloween theme and costume contest. Mrs. Park encouraged the Board to bring any candidates for membership to this incredible event. We also have our annual Halloween Spooktacular coming up on Tuesday, October 30.

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HOUSE COMMITTEE: (Sub-Committee reports below.)

CLUB MAINTENANCE: Becky Spears (see report for details). Mrs. Spears stated that the Committee met with Kevin Steger, Director of Maintenance, to review the priority list. The Committee agrees that overall things are looking better around the Club. The painting and refurbishing is being done more consistently. The pressure washing will be getting back on the regular schedule. The Committee understands that the sidewalks at tennis will be redone when we have some of the cart paths repaired in the weeks to come. The tile work has been completed in the locker rooms, plus tree trimming was completed around the 19th Hole and Ivy Room. They will be starting on the electrical work around the grounds and parking lots. Mrs. Spears stated that Gary Tupa is doing an outstanding job with the landscaping around the Club. The interior decorating group is ready to go revamp the Club and will meet on Mondays. The Committee has received a complaint about the tile and grouting in the ladies' locker room at the Fitness Center. Mrs. Spears stated that she would contact the member to get specifics.

FOOD & BEVERAGE: Marian Dyer (see report for details). Ms. Dyer reported that the Committee's goal to make the dining room attendance more robust seems to be working. The Chef's Featured Seafood items have been very successful, and the Early Bird Dining is starting to increase. Service consistency is now being addressed with training by George Rojas, Clubhouse Manager. Mr. Rojas and Mr. Fanelli are getting pricing for the deli case at the Sports Grill but it may take until after the first of the year to complete. The consensus of the Committee is that food and beverage overall has improved. Ms. Spears asked if we would continue to have extended hours in the 19th Hole? Mr. Thornbrugh stated that we would be adjusting the hours when daylight savings occurs.

GOLF & GREENS COMMITTEE: Co-Chairs Marian Dyer and Steve McKim (see report for details). Mr. McKim stated that overseeding is scheduled to occur on October 15 on the Canyon Creek Course and on October 23 on the North Course, weather dependent. Mr. Nedwed asked how long the courses would be cart path only? Mr. Carter explained that it depends on the weather, but generally it takes 2 to 3 weeks for the seed to germinate and we will be cart paths only until then. Mr. Morris asked if we would be sending emails informing the members of the overseeding and the fact we will be cart paths only? Mr. McKim emphasized the need to communicate with the members. Mr. Thornbrugh stated that emails will be going out to the members. Mr. McKim stated that our new ladies' club champion is Miki Gardner and the men's club champion is Rick York – congratulations to both!

Jeff Hunter informed the Board that Antonian would like to host a district golf event at the Club. It would be held on Monday, March 31 and Tuesday, April 1, 2008 and would only be 60 children/juniors and a few parents, plus they would be walking the course, so there would be no need for carts. Mr. Hunter also informed the Board that the PGA would like to host the PGA Assistants Championships on Monday, July 28, and Tuesday, July 29, 2008 for approximately 56 players. Mr. Morris asked if the courses would need to be shut down for either of these events? Mr. Hunter stated that there wouldn't be a need to close the courses. Mr. King motioned for approval of these small outings, provided that both events remain on a Monday and Tuesday. Mr. McKim seconded the motion and the Board unanimously approved.

Mr. Hunter stated that in the next newsletter he will be writing an article about how to properly rake a bunker and where to place the rakes. Mr. Carter explained that the pros will be taking maintenance staff out to the new

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bunkers to show them how hard it is the hit out of an improperly raked bunker, so that they understand the importance of doing it correctly.

Mrs. Spears asked if the Club has a lightening protection system in place? Mr. Hunter explained that we have radar that we watch for lightning. If we have lightning occurring near the Club, we sound the horn on the North Course and then and the other pros go out to the Canyon Creek course to sound the horn at #10 and #2 to catch all the golfers.

BUDGET/CAPITAL FUND COMMITTEE: Co-Chairs Steve McKim and Mike Cooney. Mr. Cooney stated that they would wait until the end of the meeting to discuss further the latest in the Cap Fund.

TENNIS COMMITTEE: Arthur Abelman (see report for details). Mr. Abelman stated that the Singles Club Championships are occurring this week. We have a Sneakers and Cleats event coming up on Sunday, November 4 and a Member/Guest (Doubles-Dinner-Duo) event on November 2. The leagues are all full and nominations for the Tennis Committee are being accepted until November 30.

SONTERRA WOMEN'S ASSOCIATION: Cathy Lay reported that they had 88 ladies at their luncheon in September. Currently they are up to 77 members for the Association. They have a fall floral arrangement show coming up on October 21 and the annual Holiday Bazaar in November.

HISTORIAN: Rosalie Hallenberger commented that the Clubs within a Club are going well. She has lots of pictures to add to the member scrapbook, which is located in the rotunda in the main clubhouse.

POLICY COMMITTEE: Co-Chairs Grant Morris and Milt King (see report for details). Mr. Morris reported that the Committee discussed having emails reminding members about cart paths only during the overseeding process. Mr. Nedwed asked if we would be doing any type of damage fee (mentioned in the Committee report) for those that violate the cart path only rule? Mr. Morris stated that the Committee discussed a fee, but opted to try better education. Mr. McKim commented that we need more and larger signage on the courses informing members. Mr. Hunter stated that we would have signs out, as well as notices on the carts. Ms. Dyer asked if the outside tournaments that are held on Monday will also have to be cart path only? Mr. Hunter stated that the tournament will have to follow the same rules, or their players violating it will be removed from the event.

Mr. Morris stated that Ken Story met with the Committee to discuss the wait list status and Mr. Story explained that this really isn't another type of membership, but instead would be a full privilege member on wait list status. In other words, they would have full access to the tennis, fitness, swimming and clubhouse facilities, and would have an "a la carte" limited menu of some golf options while they wait to become an active full golf member. Mr. Story explained that those coming to the Club who are interested in a golf membership are just not attracted to a tennis only membership while they are waiting for their full golf status and we do not want to lose these people since they will help us maintain our full golf status. Mr. Morris further explained that they will be required to pay the entire full golf initiation fee while they are on wait list status and would pay monthly dues of \$288. Mr. Story further explained that they will have no choice to activate their membership once they have reached the top of the wait list. Mr. McKim asked how many people we estimate would be on the wait list. Mr. Thornbrugh stated that he felt we wouldn't exceed 25 people at any one time on the list. In addition, he explained that we are activating members with 2 weeks to 30 days, due to our natural attrition rate at this time of year. Mr. McKim commented that these wait list status members, even with their limited golf, will still

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be on top of the 1,100 golf cap. Mr. Story explained that the company has done an extensive study on resigning members and has discovered that most who resign have not used the Club during their last 90 days. Mr. Adzija remarked that we use the wait list status as a way to manage our resignations and maintain our membership levels and he likes what Mr. Story presented the Committee for our wait list status members. Ms. Dyer asked the nature of the “a la carte” golf options and limitations. She stated she understood what the club was trying to accomplish with such offerings and could support it as long as the wait list members can’t essentially play golf every day at reduced dues. Mr. Story acknowledged that this was thoroughly understood and would be taken into account in shaping the “a la carte” golf options.

Mr. Morris stated that the Committee suggested a revision of the Club Rules and Regulations regarding playing lessons with the golf pros (see attached for exact verbiage). Mr. Morris motioned for Board approval. Ms. Dyer seconded the motion and the Board unanimously approved.

CANYON CREEK MASTER PLAN COMMITTEE: Grant Morris explained that this is a temporary committee. The Committee met with Ken Story and Stan Wreyford to discuss what needs to be done on the course. Mr. Story and Mr. Wreyford explained that many things have already been completed and Mr. Wreyford will be providing a list that we can send to the Members. Currently \$670,000 has been invested in improvements and maintenance items on the course. We are working on a comprehensive plan on exactly what needs to be done. Mr. Thornbrugh remarked that one of the biggest issues that needs to be addressed are the perimeters of the golf course and extensive tree trimming needs to be done, in addition to the irrigation work. Mr. McKim recommended that we publicize to the members everything that has already been accomplished on the course, so that they understand that significant funds have already been spent and more plans are coming. Mr. Nedwed added that they also need to understand that what was spent did not come from the Member Cap Fund. Mr. Story commented that we are working on creating a Canyon Creek newsletter update to help keep the members informed on what has been completed and what else we have planned. Mr. Adzija commented that many people have the perception that we were going to close the course down and completely renovate the course. Mrs. Spears remarked that many don’t realize that this is a Press Maxwell course and there is no reason to completely renovate the course, we need to maintain the integrity of the course. She reiterated that we need to communicate with the members what has already been accomplished and what has already been spent on the course. Chairman Gayler emphasized the need to keep the members informed on what is happening with the course. Mr. Thornbrugh stated that he and Mr. Carter did meet with an arborist regarding the tree issues on Canyon Creek and how to move forward.

NEW BUSINESS:

VICE CHAIR POSITION: Mickey Gayler explained to the Board that Lori Goforth will be stepping down as Vice Chair for 2007. The Board’s By-Laws do not address what to do in this type of situation since the Vice Chair position becomes the Chairperson for the Board the following year. The Board discussed at length what would need to be done. After much discussion it was decided at the November Meeting the Board would elect the Vice Chair for 2008, as well as a Chairperson for 2008.

OLD BUSINESS:

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NOMINATIONS & BALLOTS FOR 2008 BOG: Chairman Gayler stated that the nomination forms have been sent to the members and are due back by October 22. Ballots will then be prepared and sent to the members. All ballots will be due by November 30.

“RETURNING HEROES HOME” UPDATE: Ross Thornbrugh stated that Mr. Huffman was at the last Cocktails with the Council and was able to raise \$9,000 just at that event. Mr. Huffman and Mr. Tisdale are working on the details for the Thanksgiving weekend event for the members. Mr. Abelman stated that Buddy Lomax will be heading up the fundraising efforts

TENNIS COURT LIGHTS: Chairman Gayler explained that we have received the bid for the tennis court lights. Mr. Story explained that after a great deal of research the company feels that we should either have all the tennis court lights redone, or not do anything. There is no workable partial solution. The project is much larger than we originally anticipated. Mr. Story feels confident that we received a solid bid for the work that needs to be completed, plus the lights will include a 25 year warranty and all the necessary controllers. The total bid is for \$700,000. The company that will do the lights is willing to finance the project for \$13,000 per month. Mr. Story explained that currently he and his partners have discussed the issue and they would be willing to pay \$240,000 toward the project, so the Member Fund would need to pay the remaining \$460,000. Mr. McKim commented that the Board already approved to spend \$115,000 this year for the lights, so we are talking about approving an additional \$345,000. Mr. Nedwed asked what the trigger is for tennis? Ms. Comfort stated that they will receive a partial payout at 475 members, but their member fund starts accruing money monthly when they reach 500 tennis members. Mr. McKim asked if having the lights would help them reach trigger? Ms. Dodier stated that it would not only help them reach trigger, but would also help with retention, since no other facility in San Antonio would be anywhere close to the quality of these tennis lights. Mr. Story commented that if things remain as they are right now, he would have serious concerns if another tennis facility opened in San Antonio that had a more state of the art system. With this lighting in place, Sonterra’s tennis facility would be beyond anything else in San Antonio. Mr. Nedwed was concerned that if we spend these dollars on the tennis lights we won’t have funding for the Canyon Creek course. Mr. Story explained that he is still working out details on funding for the Canyon Creek course, but doing the tennis lights will not affect what needs to be done on the Canyon Creek course. Chairman Gayler. Mr. Cooney, Ms. Dyer and Mr. McKim all felt that the Cap Fund Committee should meet to review the Member Fund to ensure that by doing the tennis courts lights the fund will not be so drained that no other projects could be completed at the Club. Chairman Gayler asked if Mr. Story needed a decision tonight? Mr. Story stated that we had a little time, but he would need an answer soon. The Cap Fund Committee agreed to meet on October 15 and the Board will convene a special meeting on October 21 at 7:00 PM.

With no further business to discuss, the meeting was adjourned at 9:21 PM.

Mickey Gayler
Chairman, Board of Governors

Minutes Approved By Email Ratification on October 29, 2007.

Minutes Compiled by: Jeannette H. Walker, Administrative Assistant