

**Minutes of the Meeting of the Board of Directors of Condominium Corporation No. 9710379 operating as Square Butte Ranch**

**Date and Time:** January 20, 2022 at 4:00 p.m. Due to isolation requirements the meeting was held electronically.

**Directors Present:** Denise McMullen, Max Gibb, Terry Royer, Steve Banzsky, Gary Bennett, Lori Young and Yvonne Gaudet.

**Regrets:** None

**Present by Invitation:** Bob Lunge and Grant Kelba for portion of the meeting.

**1. The meeting was called to order at 4:04 with Denise McMullen acting as Chairman.**

**2. Agenda**

The agenda as prepared by Denise McMullen was reviewed.

**Motion:** Agenda be approved.

**Moved** by Max Gibb and seconded by Steve Banzsky. Passed unanimously.

**3. Minutes (of prior meeting)**

**Motion:** The minutes of the last board meeting (being the December 20 meeting) as previously circulated to members by Yvonne Gaudet be approved.

**Moved** by Max Gibb and seconded by Dennis McMullen that the minutes be approved. Passed unanimously.

**4. Renaissance Management Report**

Bob Lunge presented his report as previously circulated to the board.

Financials

Bob reviewed the financial report as at December 31, 2021 (unaudited). The board first discussed the 2021 year end positive cash numbers. The Operating Cash figure could show a change when audited. However, it was noted that the financial situation is strong.

Discussion of waste and water operational items that were over in the 2021 operating budget followed. Bob will review invoices for trucked in water to provide greater clarity regarding the over budget associated with the water supply items for 2021.

A discussion regarding the General Ledger and Cash Flow statements was held and the board was advised that if the board had specific requests or questions they could be sent directly to Bob for follow up.

A discussion was held regarding how to approach the reporting of the accrual for and payment of the \$25,000 Insurance Deductible from an accounts payable perspective given

the timing of the event (Dec 1) in the 2021 fiscal year. Bob advised that he will consult with the Auditor for advice.

#### Maintenance/Staff

Bob's report noted that follow up is required regarding WCB coverage for Grant Kelba. This item is further discussed under Operations Committee Report (item 6).

#### Administration/Correspondence

- Easement and Development of Lot #38 - Bob advised that Renaissance is in the process of updating the owner contact list to include the new owners of Square Butte property units. The list will then be provided to Max and Lori to assist them in making contact with owners whose response to the special resolution remains outstanding.
- Townhouse owner requests for a new front door and overhead gas heater installation for the deck - This item is further discussed under Previous Business (item 8)
- Bob noted that Units #26 and #39 have sold.

#### Condominium Common Amenity Areas and Vaccine Passport Requirements

Bob reported on a January 11, 2022 health order notice that contained amendments to the Condominium Common Amenity Areas and Vaccine Passport Requirements (VPR) which modifies the scope of eligible businesses. The eligible businesses scope now includes condo amenities such as fitness rooms, pools, game rooms, movie rooms and other similar amenities. Discussion followed concerning the saloon and the fitness room. As the saloon is currently closed for repairs, the board agreed that this is not an area that needs to be addressed at this time. The fitness room is an area that is in use by some residents and it is an important amenities feature of Square Butte Ranch. COVID protocols were put into place last year regarding fitness room use and occupancy so no changes are required at this time.

#### Stars Landing Site and Emergency Response Information for Owners

Bob raised this matter in his report. The board first discussed and confirmed that Square Butte Ranch has an active STARS Site Registration Number. Additionally the board noted that there is an initiative underway to various emergency response matters as part of an Emergency Response Plan. The Emergency Response Plan is further discussed under new business (item 9).

#### Winter Road Driving on Ranch Property

This item is discussed under Operations Committee Report (item 6)

#### Ranch Truck Replacement

Bob's report brought forward that the current reserve report makes provision for the replacement of the leased ranch truck. Discussion followed concerning the current truck's limitations with regards to the Ranch's operational needs. It was noted that while the truck is not ideal we do have a firm lease arrangement and early termination of the lease would be

costly and cannot be justified in light of other financial priorities. The board has captured a list from Operations of the recommended requirements of a replacement truck, to be considered when the term of the lease expires.

### Townhomes Painting

Bob's report noted that Phase 1 was completed in the summer of 2021 and that the board needs to confirm the plan for Phase 2 which is targeted to take place this summer. The board first reviewed the history surrounding the townhouse painting schedule that was put into place last year. Additionally the board reviewed what had been completed in Phase 1 and confirmed the scope for Phase 2. The board is in agreement with proceeding with Phase 2. Renaissance is to prepare a communication to the Townhome owners that will include the history and provide an update on the work to be covered in Phase 2. Grant will be asked to contact the painting contractor and proceed with booking the work.

### Equipment Storage Garage Structure/Garbage Building Replacement Outbuilding

Bob's report brought forward this item for a status update. The board spent considerable time reviewing this matter. A key issue discussed by the board centered on the need for the board to have absolute clarity about the scope of the project and what actions should be undertaken in respect of it going forward.

The board first discussed the Garbage/Recycling Building Replacement. As the Garbage Building was damaged in the wind storm it is included in the insurance claim. A decision will be required as to whether to repair the current structure in the current location or collect and apply the repair payout to the relocation and the building of a new garbage structure. Additionally the board discussed the scope, location and funding of the Equipment Storage Garage Structure. The board concluded the discussion with a summary of the following action steps:

1. Operations Committee will enter into discussions with Foothills County in order to identify potential building site locations that would receive MD approvals prior to addressing what might be built and where. The object of this approach is to ensure that site location restrictions be identified prior to seeking building permits.
2. Further thought will be given to the cost/benefit of the Equipment Storage Garage Structure proposed in 2021. This will include a review of how the project would be funded.
3. Lines of communication will be kept open with Integrity Builders.
4. Plans for the location, scope and specifications of proposed building projects will be communicated to owners.

### Windstorm Update: January 19, 2022

Bob noted the following updates from Dana Sharp, Loss Adjuster

- Engineering Reports - Engineering Reports were recently received and provided to the board. Service Master is working on site with the framers and the appropriate materials have been ordered for the Saloon. The lumber delivery is expected in the next day or two and then installation will commence immediately upon delivery.
- Engineering Letter - Gravity Engineering has raised concerns that there could be a similar structural issue with the south exterior wall of the Saloon that would not be considered

damaged by the loss. The board reviewed the engineering letter and a discussion followed on how to proceed.

**Motion:** Investigate potential Saloon damage to the south exterior wall. Renaissance and Grant Kelba are to approach Service Master to ascertain their ability to provide the board with a quote to investigate structural faults or other damage to the south exterior wall of the Saloon.

**Moved** by Denise McMullen and seconded by Lori Young. Passed unanimously.

- Garbage/Recycling Shed - Service Master has been instructed to provide a quote for the Shed repairs.
- Window Repairs - Renaissance will follow up with Service Master for an update on the window delivery time. There could be some delivery delays. Renaissance will reach out to the residents once materials arrive to make arrangements for scheduling the repairs.
- Trees - Insurance will cover the cost to remove the trees that are considered a hazard such as blocking trails, roads and trees that have fallen on fences in the common areas of the ranch. Grant has obtained quotes for tree removal and the quotes have been provided to the insurance company.
- Fencing - Grant will assess damage to the fencing and take pictures for insurance purposes.

## **5. Water Committee Report**

Steve presented the water committee report.

-Water Meter Status - Steve reported that work has been underway to monitor water meters to ensure that they are working. There were 5 residential meters suspected as potentially being faulty. Upon further investigation it was determined that 3 residential water meters are faulty and need to be replaced. Additional information concerning water meter replacement is contained under item 7.

- Monthly Water Usage and Cost Allocation Report - In the minutes of the prior meeting the board discussed water usage over the holiday season and arranged for water to be trucked in if the water levels were to fall to a low point where trucked in water would be necessary to make up for shortfalls. A communication to residents was circulated to convey the need for water conservation and a copy of the SBR Water Use and Cost Recovery Billing Policy was attached. Steve presented a Monthly Water Usage and Cost Allocation Report to the board. The report, in spreadsheet format, enters trucked in water volume, cost of the trucked in water, cost of trucked water per volume and an overuse admin surcharge. The report then inputs the water distribution and usage for each meter number and each residential unit at Square Butte (for the purposes of this report a zero factor was applied to the Barn/Saloon/Horse Waterer and Lab water meters). The report provided a breakdown for the previous month (November 2021) and the current month (December 2021). The calculations highlight the water usage of each residential unit. Allocation calculations are then conducted and the total overuse is determined. The formula applies the calculations to determine which residential units are in the overuse category and the variance from current to previous months determines the overuse cost applied for a residential unit. A board discussion followed and it was determined that Steve would proceed to work with Renaissance on an invoice billing format.

**Motion:** Proceed with water over-use charge backs to owners for December 2021, based on the December water allocation and use report and the invoiced amount for trucked-in water.  
**Moved** by Max Gibb and seconded by Gary Bennett. Passed unanimously.

-Back-up Generator for Water Treatment Plant Investigation - Steve presented information to the board as a follow up to a discussion in the minutes of the prior meeting including his findings related to the rate of return on an investment in a suitable generator. Following Steve's presentation of the pros and cons the board felt that there was sufficient quantitative and qualitative justification for Steve to proceed in providing the board with a project proposal and justification.

**Motion:** Proceed with the preparation of a Project Proposal and Justification for investing in a suitable generator, subject to a review of the 2022 Operating Budget.  
**Moved** by Steve Banzsky and seconded by Terry Royer. Passed unanimously.

## **6. Operations Committee Report**

Gary presented the operations report.

- The preparation of Grant's contract is in progress and Denise will work directly with Grant to complete the sign-off.
- WCB coverage for the consulting contract with Grant - Grant is to provide Renaissance with a copy of proof of WCB coverage and confirmation that the coverage is in good standing.
- Cowboy Trail Sign - the sign was damaged in the wind storm. It is requested that it be repaired and rehung if possible.
- Follow up is continuing with Foothills County regarding specifications and approvals needed for Equipment Garage Structure/Replacement of the Garbage Building. Gary and Grant are working on this with assistance from Max as required.
- Explore potential for Spray Lakes to assist with wind-downed tree clean up. Max will make contact with Spray Lakes.
- Winter road driving on ranch property was raised. The board discussed the priority areas for maintaining gravel such as hills, curves and intersections. Residents are encouraged to be prepared for winter driving and to ensure that they have winter tires for our unpredictable foothills weather systems.
- Prepare Chinook Ridge Road with gravel as far as Unit 26 to the extent possible for this time of year due to new builds. A better assessment can be conducted in the spring to determine gravel and road set up needs. Gary will communicate the work needed to Grant and the operations staff.

## **7. Operations Management Report (Grant Kelba)**

Grant Kelba was invited for a portion of the meeting and presented his report as previously circulated to the board.

- He has facilitated collecting information and obtaining quotes as per insurance requests such as tree cleanup and fence repair.

- He indicated that there is a supply of paint from last summer when outdoor chairs and picnic tables were painted. It is estimated that four gallons of the same colour would be required to refurbish and paint the Saloon picnic tables. The board provided direction for Grant to proceed with this project.
- He reported that the operations staff is working well together.
- He assisted Steve with the preparation of the Monthly Water Usage and Cost Allocation Report
- He has been involved in monitoring water meters and determining which meters need to be replaced.
- He attended a meeting with the Saloon framing crew to go over the scope provided by the engineer and is monitoring the delivery of materials and supplies as supply issues are affecting some of the timelines.
- He reached out to Foothills County regarding specifications for residential and water plant meter replacement since most meters in use at the ranch are reaching an age at which they can be expected to fail. He was advised of a municipal grant program that Square Butte Ranch may wish to apply for. He will obtain the information regarding making an application for a grant under this program.

**Motion:** Proceed to apply to Foothills County for funds to replace aging water meters for the treatment plant, the saloon, the barn and residences.

**Moved** by Denise McMullen and seconded by Yvonne Gaudet. Passed unanimously.

## **8. Previous Business**

- Townhouse owner request for front door replacement and side window installation - The board discussed drafts of a Letter Agreement and Indemnity that Denise McMullen previously circulated to the board in respect of townhouse owner renovation requests. The board approved for use. One set of documents will be prepared for each of two requests (new door and outdoor heater) from the townhouse owner. Denise will work with Renaissance in the preparation and forwarding of the documents.
- Website Upgrade - The board discussed the website project plan that Yvonne Gaudet previously circulated to the board. A brief discussion was held and support to proceed with the project plan was agreed to.

## **9. New Business**

- Construction Contract with Integrity Builders and Next Steps - The board discussed the outcome of Denise's conversation with Integrity Builders, the contractor engaged in 2021 to build the new Garbage/Recycle and Equipment Storage facility. Denise reports that this call was treated as exploratory. During her conversation with Integrity Builders the existing contract was discussed, in particular the cancellation clause in light of the denial of set-back relaxation. Design flexibility was also explored during the discussion. While it may be impossible to find a solution that benefits all parties, the board agrees that keeping the lines of communication open with Integrity Builders is important.
- Emergency Service Plan - Lori Young reviewed the Project Plan for the Square Butte Ranch Emergency Response Plan that she previously circulated to the board. The purpose of this project is to support residents, staff and external services with emergency preparedness and a response procedure that is specific to Square Butte Ranch.

Lori has been in contact with Foothills County and they have shared their Foothills County Emergency Response Template. One of the steps outlined in the plan is to formalize the creation of an Advisory Group. This was well received by the board and recruitment began with several board members who are interested in being a part of this group. The approach to the project is to prioritize types of emergencies and begin building the plan in stages, adding sections as each type of emergency is completed. The board provided some guidance on potential key contacts for information and training.

#### **10. Next Meeting:**

The next meeting of the Board is scheduled to be held February 24 at 4:00 p.m.

#### **11. Adjournment**

**Motion:** The meeting be adjourned at 7:55 p.m.

**Moved** by Yvonne Gaudet and seconded by Max Gibb. Passed unanimously.

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