

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

Date and Time: March 24, 2022 at 4:00 p.m. The meeting was held electronically.

Directors Present: Denise McMullen, Max Gibb, Terry Royer, Steve Banszky, 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 4:13 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 Yvonne Gaudet. Passed unanimously.

3. Minutes (of prior meeting)

Motion: The minutes of the last board meeting (being the February 24 meeting) as previously circulated to members by Yvonne Gaudet be approved.

Moved by Max Gibb and seconded by Lori Young 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 February 28, 2022.

Bob first walked the board through investments. A recommendation was presented to the board to convert a portion of the National Bank investment into a one year GIC.

The board spent time discussing and asking questions about the investment strategy.

Motion: That the board approve \$75,000 of the Corporation's National Bank Investment be converted to a GIC at best current rate for one year.

Moved by Denise McMullen and seconded by Terry Royer. Passed unanimously.

Bob then reported that there is a net cash balance surplus and that overall operations expenses to that time were under budget.

Maintenance/Staff

Bob reported that Renaissance is working with the National Bank to find a solution for setting up a debit card bank account for online purchases and recurring charges.

Administration/Correspondence

Easement and Development of Unit #38 - Denise provided an update that the special resolution easement for Lot #38 is no longer required.

Governance/By-laws

Bob reported that Sandy Cameron (SBR solicitor) has prepared a first draft of the required by-law changes to be in compliance with the new legislation. Denise indicated that the current by-laws provide that they are automatically amended for changes in legislation. She will circulate the draft by-law changes to the Governance Committee for review and comments.

Internet Options

Bob provided an update to the board regarding the option of having Starlink as a replacement for Xplornet for the barn/office/saloon and the water treatment plant. Renaissance is substantiating the start-up and subscription payment options including what the board needs to have in place for a method of payment. Steve will initiate the Starlink order subject to Renaissance confirming for the board that there is a solution for the method of payment and what we need for the water plant.

Water Usage and Meter Replacement Program

Bob indicated that charge backs for excess water usage have been completed for December and January. This item is further discussed under Water Committee Report (item 5).

Townhouse Painting

Lori confirmed that the townhouse owners had agreed among themselves that the next set of townhouse units to be painted will be 53, 54, 55, 56. Grant has been in touch with the painters and the start date will be dependent upon the weather but is targeted to begin in May.

Equipment Storage Garage Structure/Garbage Building Replacement Outbuilding

Bob reported that while the board explores potential building site locations through discussions with Foothills County he has also consulted with Sandy Cameron regarding the minimum set back requirements.

Wind Damage Insurance Claim

The board discussed the correspondence dated March 18, 2022 from Dana Sharp, Loss Adjuster that Bob circulated prior to the meeting. The insurance update and discussion is outlined below:

Saloon

An onsite meeting was held the week of March 14 to discuss the repairs. It was reported that there was deterioration of the north wall that was discovered when the wind damage was investigated. The Corporation's Insurer has confirmed that this is pre-existing damage such that the cost to repair the damage will not be included as part of the insurance claim. Service Master has been instructed to provide an estimate for these repairs for the board's consideration.

The board had considerable discussion about the uninsured structural repair that may be required for the north wall and possibly the south wall of the saloon. A question was raised as to whether the related costs would be covered by the reserve fund. Bob's advice was that it would be covered. The board concluded the discussion by requesting that Grant proceed with obtaining quotes, in addition to the Service Master quote already given, and continue with the task of having an engineering company assess the status of the south wall so that if both walls required remediation it would be possible to take care of both at once.

Fencing Repairs/Tree Removal

Bob reported that he and Grant have been working closely with the insurance company to confirm the process and documentation requirements for hiring a contractor for the insurable repairs related to fencing and tree removal. Our adjuster's report confirmed that the contractor proposed to be hired by the Corporation (Kelly Dunford with Zeuss Demolition) may proceed subject to agreement to submit detailed timesheets and receipts for material costs to be submitted to the insurer.

Exterior Repairs and Hayshed

Our adjuster's report outlines that the repairs are underway and that the completion date is expected to be within the next couple of weeks. This includes the hayshed which sustained minor damages and it is being repaired by Service Master.

Townhouse Window Repairs

Our adjuster reports that she has followed up with Service Master for an update on the window install date for the damaged windows.

Garbage/Recycling Shed

Bob reported that he has confirmed with our adjuster that the Board had approved the repair of the current garbage/recycling building structure in the current location and that the repairs can be completed by operations staff. Insurance indicated that they would accept as a

competitive quote and will pay up to the approved amount or the amount incurred. Grant was asked to prepare the quote and submit.

Insurance Appraisal

Bob reported that the Corporation's insurance expires May 2, 2022. The current appraisal, sent to the board, shows a significant increase over last year affecting the rates for 2022/2023. The appraisal is being submitted by Renaissance Management to several insurance companies for competitive quotes.

5. Water Committee Report

Steve Banzsky presented the water committee report.

- Steve reported on issues related to water meter readings and the Neptune system and that he and Clay are attempting to resolve. Due to this situation the February water usage spreadsheet is not available. As trucked-in water was not required during February there is no need for excess water use charges.

- Meter Replacement Program - Meters have been ordered and Grant will provide an estimate of the cost to install.

- Steve reported on his water conservation efforts. He is continuing to receive requests from residents that have reached out for his assistance to review their water system.

-Back-up Generator for Water Treatment Plant (Approval for Expenditure) - Steve walked the board through his report as previously circulated to the board. The report provided an outline detailing formal quotes for the installation of a standby generator for the water plant. The board spent considerable time discussing the costs and alternatives presented in Steve's report. While the benefits and justification remain strong, the board is awaiting a response from Foothills MD about the possibility of a financial subsidy/grant towards the significant estimated cost of a suitable commercial grade generator. It was agreed that while the board awaits a response from Foothills MD, Steve and Bob will meet to explore potential self-funding scenario options.

6. 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 noted that there are eaves troughs on several of the townhouse units that require repair or replacement. The board noted that eaves trough replacement is an identified townhouse reserve fund item and instructed Grant to obtain quotes from several companies for a decision including Epic Roofing which is familiar with the townhouse eaves and down spouts from the 2019 roof replacement project.

- He identified the need for a Saloon booking form and a procedure. It is requested that a standardized policy and procedure be developed in conjunction with the Social Committee.

- He reported that gravel placement on Chinook Road has been completed to the extent possible under current weather conditions.
- He reported that he is meeting with Kelly Dunford to confirm the plan for perimeter fencing repair and clean up related to the insurable wind storm damage. Grant will work with Bob and Denise to prepare the letter of agreement and confirm the start date.
- In addition to the insured fallen tree removal, Grant noted that he had been in contact with logging firms with a view to seeing if it is possible to have the work done at a reasonable price and to salvage as much of the wood as possible for future ranch project needs.
- He reported that the HK Vision security cameras are functioning again.
- He reported that the septic line from the barn to the main septic pump system may have failed and/or may be damaged. He is seeking budget approval to scope the line and assess the possible damage and associated repair costs.

Motion: That the board approve the authorization of up to \$1000 to cover the cost of scoping to determine if there are septic line damages and repair costs if needed.

Moved by Terry Royer and seconded by Denise McMullen. Passed unanimously.

Grant was also asked to proceed with paying the Door King subscription (or arranging with RM for it to be paid) so that the programming of the main (North) gate key pad can be updated.

Grant asked the board to consider hiring a casual summer employee to assist with cutting the townhouse lawns on a timely basis during the summer when growth is at its highest. The board generally agreed that this would make sense if one or more responsible persons could be identified and managed. Grant noted that he had some candidates in mind.

7. Operations Committee Report

Gary Bennett presented the operations report.

- The road culverts are currently being monitored however, it is expected with the low levels of snowfall this winter that there will be a cost savings as the culverts won't require steaming.
- The west door of the barn is being repaired.
- The garbage shed is on skids and can be moved to a new location if and when the time comes.
- There is gravel on hand for spring snowfall
- There are some fencing post soft spots that require reinforcement. Using wedge posts at an angle is a way of repairing these areas and can also save costs.
- A concern was raised regarding a resident's dog at large chasing the horses. A warning has been communicated to this resident and they were advised that if the behaviour continues the matter will be handed over to Foothills Animal Control.
- A reminder to residents is required related to the guidelines for disposal of garbage and recycling.
- The pond windmill is tilting and staff are investigating how it can best be repositioned.
- Foothills County has purchased a commercial chipper and Gary will explore if this is something that we can access
- At the end points of our three water lines we need to install hydrants for Foothills County water testing. To date, only one has been replaced.

8. Previous Business

Engineering Company to Review South Wall At the January 20, 2022 board meeting the board passed a motion to investigate potential Saloon damage to the south exterior wall. Grant Kelba was instructed to obtain quotes and bring them back to the board for a decision on the selection of the engineering firm.

Motion: That the board approve Quinn Saretsky Structural Engineers to be approached to investigate structural faults or other damage to the south wall of the Saloon.

Moved by Steve Bansky and seconded by Max Gibb. Passed unanimously.

Website Update - Yvonne Gaudet presented a brief project update. Initial conversations with residents who expressed an interest in sharing their ideas has concluded. The focus of the project has moved into the initial stages of the design and development.

Emergency Response Plan Update - Lori Young provided an update related to First Aid Training and Supplies for the Ranch. First aid training that includes use of the Automated External Defibrillator (AED) will be organized in the near future for staff and residents interested in participating. The board discussed the importance of all Square Butte staff receiving first aid training. The board agreed that the cost for appropriate first aid training for staff would be covered through the operational budget. Lori next provided information about the state of the first aid supplies. While the kit is a good one and quite comprehensive, the drugs included have all expired and the supplies should be stored out of the dust etc that is part of the barn atmosphere. She is preparing an updated first aid kit and will ensure there is a visible and labelled location for the first aid supplies in the barn.

Motion: That the board approve the replacement of outdated supplies and pay for the cost of these supplies along with staff first aid training.

Moved by Max Gibb and seconded by Denise McMullen. Passed unanimously.

9. New Business

Consultant for New Building Process Approval - The board discussed the status of finding a replacement for Leo Kylo who has stepped down. Max Gibb offered to approach a couple of contacts that may have the background and qualifications in addition to Grainger Nimmo who has been approached but declined.

Proposal for Restructuring Activities at the Ranch - Max Gibb presented his views about how the board might consider budgeting for the hire of a ranch manager to bring about a more efficient structure for implementing activities at the ranch. This person would act as a social convener and general manager, responding to the requests of owners. He noted that in past years, as an example, the ranch organized and held Sunday dinners for 20 to 30 people in the saloon. The board discussed this in context of a need to follow up the board strategic planning session with a resident survey in order to gain input from owners as to the perceived cost/benefit of an option like this for the ranch.

Ranch Club Matters:

(a) Joint Meeting with the SBR Board - The board discussed possible meeting dates for the Joint Meeting proposed by the ranch club board and determined that May 5 is the first available date. Denise McMullen will work with Maureen Heffring to confirm a date on the ranch club side and the agenda. Max Gibb offered the use of Falconcliff as a site for the meeting if the saloon is not usable at the time.

(b) Problematic Horse Issue – Denise McMullen advised as an information item that the Ranch Club had notified her of a problematic horse issue that might arise and require a future condo board response but that no response was required at present.

(c) Ranch Club Request Regarding Interior of the Barn - The Ranch Club requested approval for certain improvements to the barn's interior. Items that were proposed include general reorganization of the ranch-hand office, tack room and equipment storage areas. Other items included building a cabinet for emergency supplies (human and equine), cleaning and painting the washroom, building live-edge shelving with new hooks for horse halters and saddles. All costs and labour would be covered by the Ranch Club. The board discussed the overall merits of the request.

Motion: That the board approve in principle the project as outlined, subject to the Ranch Club providing a detailed written proposal that specifies the desired improvements and confirms that, when completed, they will maintain the rustic, Western personality of the barn. **Moved** by Denise McMullen and seconded by Terry Royer. Passed unanimously with Lori Young abstaining from the vote.

Community Garden Proposal - A proposal was received from Sandy Almberg, on behalf of a group of residents, requesting the board's support for a community garden project with two proposed options for location and water source, which has been submitted on the understanding that there are a number of logistics to be confirmed before approval. The board discussed the pros and cons of the concept.

Motion: That the board approve in principle the establishment of a community garden on a pilot basis as proposed, subject to the provision of additional information as follows:

1. Visibility and profile implications related to the proposed community garden site.
2. Water source access and implications to SBR water supply.
3. Site reclamation plans post pilot.

Moved by Denise McMullen and seconded by Terry Royer. Passed unanimously.

Flower Baskets - The board discussed and agreed to proceed with the purchase of flower baskets for the Saloon and other parts of the ranch common areas as budgeted for 2022. If the Saloon is undergoing repairs various board members have volunteered to protect the baskets while construction is underway. Lori Young, Gary Bennett and Yvonne Gaudet will action this item.

Motion: That the board approve the purchase summer flower baskets as budgeted. **Moved** by Max Gibb and seconded by Lori Young. Passed unanimously.

10. Next Meeting

The next meeting of the Board is scheduled to be held April 21 at 4:00 p.m.

11. Adjournment

Motion: The meeting be adjourned at 8:04 p.m.

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