



Square Butte Ranches Ltd.
Square Butte Condominium Plan No. 9710379
Board of Directors Meeting
September 20, 2019

Directors in Attendance:

Jack Wilson, Gary Bennet, Kym Penner (joining at ●), Kelly Long, Denise McMullen, Randy Jordan
Regrets: Max Gibb

Bob Lunge of Renaissance Management was unable to attend. In attendance as guests were Mike Papuc and Dennis Leis of Foothills MD

Call to order 5:10 pm, Kelly Long, Vice Chair

1) Report on Water System

- Mike Papuc and Dennis Leis from Foothills MD attended the early part of the meeting to provide the Board with an update on the water system and the work that has been done on it since Foothills MD took over from Corix.

Water Plant The board was advised that a temporary functioning SCADA has been installed pending the delivery of the new SCADA that is on order and due to arrive in about a month. The new SCADA will be installed by MPE Engineering and will be more functional and more easily updated than the old one. All electrical lines have been replaced with "Armortek" lines that are designed to withstand adverse weather conditions and other challenges over the long term. The pipe size has been doubled which increases the speed of transfer to within the distribution system and is expected to greatly improve distribution. All hoses have been replaced as well as the heat trace system (prevents the pipes from freezing) which is now based on an industrial level (as opposed to a residential level) product. It will still be necessary to replace the building heater to ensure that the building itself does not freeze. The board was advised that the forgoing replacements were for the most part age related.

Well # 3 (artesian well close to the barn that supplies our drinking water) Mike and Dennis advised that they had removed a great deal of build-up from the filters and the tanks and this alone had increased the flow from Well # 3 from 6 to 42 litres per minute. Turbidity has also been an issue that is being addressed through replacement filters, which will result in the low turbidity levels that are required by Alberta Environment.

Mike and Dennis advised that the well outlet adjacent to the barn (that accesses Well #3) has been set up for use in filling horse waterers from the old ranch truck.

Well # 1 (near the condos) and Well # 2 (behind the shop) Mike and Dennis advised that they will continue to see if Well # 1 and/or # 2 can be brought on line. If not Alberta Environment will require us to decommission them at our own cost next year.

Storage Tanks We have additional storage capacity that is not functional due to faults in the storage tanks. Mike and Dennis advised us to camera the lines before proceeding with repairs and to re-route the piping between the tanks to take advantage of gravity. They noted that with the additional 44 cubic feet of water the repaired storage tanks would provide we would have a much better chance of avoiding future water shortage problems.

Water License Renewal Mike and Dennis advised that they were helping Tim with the water license renewal process, that the license had already been extended for a year and that the longer term renewal would be officially granted once Tim had provided certain information he had to obtain from Corix.

Foothills MD Water Contract Mike and Dennis were asked about the renewal process for the Foothills MD contract and suggested that the MD be contacted shortly to ensure a satisfactory renewal would be forthcoming. A board member agreed to follow up with this.

Present and Future Costs Mike and Dennis were asked about the costs to date of the work that had been done on the water system and what we could anticipate going forward. They advised that the work to date and remaining work to bring the system up to where it should be will be roughly \$65 thousand. The board was advised that it would be prudent to acquire a propane generator for the water plant to ensure that it does not cease to function as a result of power failure since power failure results in a minimum 3-hour operator call out, loss of water to the community and potential electrical damage. Mike and Dennis will be working with the firm currently preparing our updated reserve study to ensure that the reserves include funds for the proper repair and replacement of equipment related to the water system. They agreed to provide us with any invoices for trucked in water that they receive so that we can include the costs with the water use policy in place to charge over use back to over-using owners.

2) Approve previous minutes

- The board was advised by a member that Renaissance Management had requested clarity concerning whether any future special assessments for townhouse painting had been approved at the previous meeting. It was noted by members who had attended that meeting that the board had not approved a second special assessment for 2020 townhouse painting and that the draft minutes correctly reflected that.
- Motion to approve August 29 minutes by Kym Penner, seconded by Kelly Long. Approved unanimously.

3) Review/Approve Agenda

- Motion to approve agenda approved unanimously.

4) Cash Flow Management

- Discussion took place concerning cash flow management as we enter into the last quarter of our fiscal period followed. It was agreed that operating or other expenditures that are not essential be deferred until next year. On this basis the board resolved to reverse its decision to pay for the stocking of the pond and consider this item for next year's budget.
- The current status of arrears was brought forward and it was noted that if arrears were collected operating cash flow management would be improved. The board resolved to instruct Renaissance Management to issue letters to owners in habitual arrears requesting immediate payment and if payment was not forthcoming to proceed to file caveats against the units in question.

5) Renaissance Management Report

- Discussion shifted to the Renaissance Management monthly report and budget reconciliation amounts in it. A board member noted that he had a few questions and would be contacting Bob directly to obtain clarification.
- Discussion followed concerning problems the office was experiencing in trying to manage our cash and accounts payable under the current cheque-based system currently used and the need for more current and flexible methods that would better suit our needs. It was agreed that a meeting would be set up as soon as possible among Randy, Denise and Kym from the board and Bob, Pat and Sandra from Renaissance.

6) Operations and Maintenance

- **Trailer Park**
The matter of grading and gravelling the horse trailer park was brought forward again and a board member suggested that consideration be given to using asphalt rather than gravel for a more durable result.
- **Culverts**
It was reported that work on the culverts most needing it would be commencing shortly.
- **South Gate**
The decision was made to put the matter of repairing or replacing the South Gate on hold given the difference of opinion among unit owners. However it was generally decided that steps be taken to improve the appearance of the gate by replacing the plastic cones etc. currently being used to show that it cannot currently be used with something more attractive.
- **North Gate**
We are still having problems keeping up the internet link between the office and the North Gate and the office is still unable to reprogram transponders as opposed to gate codes which can be reprogrammed.

- **Staff Evaluation**

The decision was made to provide a staff member with a fair performance evaluation so that the member would have a clear sense of the board's expectations.

- **Townhouse Roof Repair**

It was reported that the repairs to the townhouse roofs had commenced and that it was anticipated that, weather permitting, they would be completed within the next 3 weeks.

7) Finance Committee

- The board is being asked to sign off on the 2018 draft financial statements. A board member agreed to review the statements and discuss any questions and suggested changes with Don Hyde (our auditor) and Bob Lunge and with the other members of the finance committee before bringing a draft to the board with comments.

10) Correspondence

- The board acknowledged correspondence from a townhouse owner concerning an inability to contribute to the special assessment made for the roof replacement project. It was noted that ordinary proceedings for arrears as detailed in the by-laws would apply.

11) AGM

- Based on feedback received from Renaissance regarding the need to have the updated reserve report in hand for budget development purposes by the time the annual general meeting is held, it was decided that the meeting would be called for December 14, 2019 rather than some time in November as originally planned.

12) Next Meeting

- The next meeting of the board was scheduled for Wednesday, October 30.

Adjournment: The meeting was adjourned at 8:15 pm.