

*Sonoran Sea Resort Homeowners' Association
Minutes – General Meeting September 30, 2006*

The meeting was called to order by President Vern Schroeder at 9:25 am.
Board Members present: Vern Schroeder, Rod Herbert, Craig Reay, Bill Whitmore, Fritz Behrhorst and Mike Feibus. Absent board members: Mark Murphy, Bill Udall, Phil Tibi.

Vern introduced the board members and welcomed everyone to the meeting.

Rod Herbert presented the Financial report:

- The 2005 audit has been completed. No problems were discovered.
- As of this date the outstanding dues are \$3,325.00.
- A more current financial statement is available from Carlos.
- There is a question regarding the Financial Expenses which are over budget, this will be further studied by Rod and Carlos.
- We have experienced increased costs in the areas of insurance, water, and labor. The Rocky Point community is not prepared for the current growth and therefore labor costs are rising.
- No increase in dues is planned at this time.

Vern and Craig presented the Maintenance report:

- The original elevator panels have been replaced with new panels that are less prone to vandalism.
- The pool showers have been replaced and the shower area was tiled to reduce maintenance costs.
- All condo railings have been painted.
- The water leak in the east parking lot has been repaired by the developers.
- Tiles on the dome of the club house have been repaired by the developer.
- Water sterilizers have not been working properly. New sterilizers are on order and are scheduled for delivery and installation in October.
- A/C maintenance has been on schedule. Thus far, 61 condos are participating in the quarterly maintenance program. For those who are participating, there should be a sticker on your unit in your condo that should indicate the last date of service.
- A representative of the developer compiled a comprehensive maintenance report for the resort and will assist in taking corrective action.

Swimming Pool Issues

- Craig and Vern have been investigating alternatives for correcting the pool deck, filtration system and waterfall. They contracted two consultants from Patio Pools in Tucson to evaluate these 3 areas of concern and presented the board with a report. The report concludes that:
 - The filtration system is inadequate and does not meet U.S. standards.
 - The fiberglass waterfall, which the developers replaced when they handed the resort over to the owners in 2005, is deteriorating again. Because

fiberglass is prone to rust and deterioration, U.S. pool manufacturers abandoned use of the material years ago.

- The pool decking is also deteriorating and needs to be completely replaced.
- Fernando Anaya, project manager for Sonoran Resorts, and his engineers agreed to help us resolve some of these issues.
 - Filtration: The developer would like to investigate this issue further. In the next 2 or 3 weeks the developer's engineers will work with resort personnel to ensure that the system is being properly maintained. Fernando also plans to hire another independent expert to evaluate the system.
 - Waterfall: The developer has pledged to remove the fiberglass waterfall and replace it with a concrete waterfall by March 15, 2007. This will be done at the developer's expense.
- Decking: The Sea HOA has chosen a contractor to redo the pool decking with a longer-lasting material. The material is a concrete-and-stone mixture similar to the decking in place at the Mayan Palace. The current plan is to tear out a section on the west side of the pool area to be sure that the material is attractive and long-lasting.

Security

- There was a problem with an inferior batch of security bracelets for renters. They have been reordered.
- New, larger owner wrist bands have been received in Phoenix and will be delivered to Rocky Point within a week.
- Security is almost fully staffed.

Website

- Implemented to improve communication with owners
- Samples of screens were presented
- Official launch will be in January 2007 at the next general meeting.
- www.searesorthoa.com

Restaurant

- Edgar Padilla has purchased the aqua bar and the snack shack.
- He will be making improvements to service, menus and building a covered dining area outside the snack shack. This will improve the dining experience.
- In November he will begin offering room service.

Telephone update

- To date, 153 phones have been installed.
- 17 phones still need to be installed; 3 of those are new requests

Storage Units

- Financial report for the storage units was distributed.
- Karen Reay made a motion to approve minutes from last meeting. Seconded by Mary Snyder. Approved Unanimously.

Rental Condo Standards

- A discussion was held concerning the need for minimum standards for all condos in the rental pool.
- It was agreed that a committee would be formed to develop rental standards.
- Standards will be presented and voted on at the next general owners meeting.
- Mike Feibus will coordinate this committee

RPR Report

- Overall 2006 rentals are up over last year.
- They have spent \$170,000 in advertising this year.
- All key RPR personnel have an extension on the US phone number, with their own voice mail boxes.
- Betty is researching options for secured access into condos.

General

- Suggestion was made to have set meeting dates for the semi annual home owners meeting. The board will discuss at their next meeting.
- Donations of money and gifts are needed for the employee Christmas party. Donations should be submitted thru Carlos.

Mary Snyder made a motion to adjourn the meeting. Seconded by Rod Herbert. Vote was unanimous.

Meeting adjourned at 11:40am.