

Minutes of Emergency Meeting held on Oct 20, 2009

Meeting called by Bill Ostare

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1- Approval of the Ranches at Heritage Pointe irrigation licence amendment (as received in original PDF format from the Alberta Environment) - April 29, 2009 and May 7, 2009 - Water Licence Amendment approval by David Baker - March 18, 2009 - Heritage Pointe Developments letter to Alberta Environment - June 26, 2008 - MD of foothills letter to Kristi Beunder, Longview Planning & Design	3 - 9
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The Lake at Heritage Pointe Owners Association

Amendment to Meeting Minutes Oct 20 2009. This meeting was called in an emergency by Bill Ostare.

The Minutes were recorded by Michelle Fercho. Bill Ostare had objections and concerns that were not recorded correctly.

This amendment is declared by Bill Ostare Mar 24 2010.

The minutes state, that the history of how the water licenses came to be jointly owned was discussed, and Bill questioned the validity of the history and its origins. Bill shared with the board members proof that the AE had made the decision to have the licenses held jointly, and had not engaged with the developer since July 15 2005. The AE followed the developer's request as written, and on June 30 2005 the developer had 30 days to object; the developer did request an error to a name be changed July 08 2005, this was officially done July 11 2005. At that time the developer requested separation of licenses July 15 2005. So in effect the developer with the space of two weeks changed their position on the licenses; however the AE always wanted them jointly held to protect both parties from times of water shut in or drought. Michelle Fercho states that the ' developer was not yet aware of the mistake' and 'he had not paid attention at that time'. This is an incorrect statement and the developer was VERY AWARE and paying ATTENTION. He has in fact being trying to get the AE attention since July 15 2005.

Michelle Fercho states 'the board has always contended that License xxx925 was not our asset and did not have monetary value'. Who on the board decided this ? The majority developer board members? In the year 2009/2010 license xxx925 is today as much our asset as the developers and water has absolute and GREAT value!

The board 'president' presented the Heaver property (Ranches) to the AGM 2008. Michelle Fercho states this fact and states there were no objections from residents. Why is WATER never mentioned? This is not proof that the community were aware or in agreement. They certainly did not know that LAPHOA would reassign (in the future) a portion of our water license to the developer.

The board 'president' then presented the minutes of May 26 2009 as additional information to show WHAT?

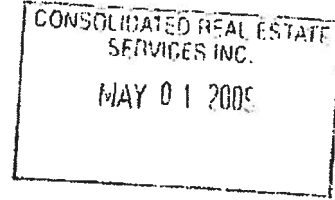
The ' president' had already signed the water license amendment:

- May 07 2009. A request from the developer for a portion of License 011145925-00-03 was signed by David Baker and the executed copy delivered to the developer and AE.
- This was completed after the 'April 2009 AGM' and at that time a new board of directors had been elected. May 07 2009 there were no executive officers in place because the new board did

not meet until May 26 2009 and the election of president, treasurer, sec. etc had not been decided. David Baker was not 'president' when he signed.

- David Baker did send a welcome/update letter to all the new board members May 11 2009 and did not mention that a few days prior he had executed a letter reassigning a portion of our water. Very odd, as new board members would require disclosure of all information.
- It is also worth noting that there is no record of the license amendment for the Heaver Property ie. The Ranches, in any prior minutes or meetings.
- David Baker did sign this request; David Baker did not have authority from the community or the other board members. Most associations require 2 signatures on official documents.
- This community was neither AWARE of this asset loss and we received no compensation for the water given to the developer.

Bill provided all board members with this information; which is all documented. Michelle Fercho wrote in the minutes that they 'unanimously agreed: satisfactory information provided backing up the signing of the water license: providing closure'. This statement is absolutely incorrect. David Baker provided nothing to support his solitary actions and the community has not yet received any satisfactory explanation of WHY this was done without board authority or community knowledge. This was executed in-between an AGM and the first sitting of the new board.



April 29, 2009

The Lake at Heritage Pointe Owners Association
c/o Brian Lilly – Property Manager
Consolidated Real Estate Services Inc.
Suite 500, 602 12th Avenue SW
Calgary, Alberta
T2R 1J3

Attention: Mr. David Baker
President

Dear Sir;

In conjunction with the ongoing development of the Hamlet of Heritage Pointe, Upper Lakes Group Inc. has requested approval from Alberta Environment to utilize a portion of the existing water diversion license issued originally to Heritage Pointe Golf Club Inc. to provide raw water for irrigation and storage purposes for the Ranche at Heritage Pointe.

Alberta Environment has asked that Upper Lakes secure consent from Heritage Pointe Golf Club Inc. and The Lake at Heritage Pointe Owner's Association as they are identified currently as joint holders of License #00145925-00-00.

Please indicate your agreement to this request by having a signing officer for the Lake Owner's Association execute this document in the space provided below and returning same to me.

Thank you for your immediate attention to this matter.

Yours truly;

E.H. (Ted) Stack
Development Manager – Heritage Pointe

Consented to by The Lake at Heritage Pointe Owner's Association

Name of Signing Officer DAVID BAKER, PRESIDENT, LAKE AT HERITAGE POINTE GOLF CLUB ASSOC Date MAY 7, 2009

File:\u1s1\ranche\letter to LOA re consent to use portion of the golf water license April 22 2009

#1 Heritage Pointe Drive, R.R. #1, DeWinton, Alberta T0L 0X0

Tel: (403) 254-LAKE (5253) Fax: (403) 256-4194 Web Site: www.heritagelake.ca Email: info@heritagelake.ca



COMMUNITY OF THE YEAR



#1 Heritage Pointe Drive, R.R. #1, De Winton, Alberta T0L 0X0
Tel: (403) 256-9192 Fax: (403) 256-4494
www.heritagepointe.com • e-mail: inform@heritagepointe.com

March 18, 2009

Alberta Environment
Suite 200
2938 11 Street NE
Calgary, Alberta
T2E 7L7

Attention: Mr. Randy Poon

Dear Sir:

Upper Lakes Group Inc. is proceeding with the development of a residential subdivision comprising 40 acres of land within the golf course stage of Heritage Pointe. Our plans are to service 33 Bareland Condominium units as set forth in the attached site plan.

We wish to advise that on June 19, 2008, Council for the Municipal District of Foothills #31 gave First Reading to Bylaw 92/2008 to authorize the re-designation of Plan 8911839 Block 1 in the NE ¼ of Section 5 - 22- 29- W4 from Agricultural to Residential District. Prior to further consideration, Upper Lakes Group Inc. must satisfy various conditions including the following:

"All requirements of Alberta Environment pertaining to water supply ...shall be complied with and proof of all applicable licenses and approvals to be submitted to the Municipality."

Please accept this letter as our application for a temporary diversion license to fill the storm water pond which requires approximately 6,000M3 of water. In addition we ask that Alberta Environment incorporate the Ranche subdivision plan into the Heritage Pointe Golf Club Inc. plan under License #00145925-00-00. We require approximately 20,000M3 of water annually for storage and irrigation of the park/common areas and home sites contained within the subdivision plan. We anticipate filling the storm pond in September 2009.

I would appreciate confirmation from you with respect to the receipt of this letter and timely approval of our request. If you have any questions in regards to this matter or require further information please do not hesitate to contact the writer. I may be reached at 403-254-3276.

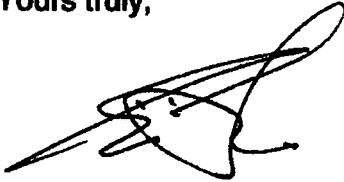
ALBERTA ENVIRONMENT
Received

MAR 18 2009

Southern Region
Calgary
REGIONAL SERVICES

I have attached a copy of the site plan, community plan and a copy of the Land Use Approval granted by the M.D. of Foothills in support of this application.

Yours truly;

A handwritten signature in black ink, appearing to read 'E.H. Stack', with a large, sweeping flourish extending to the right.

E.H. (Ted) Stack

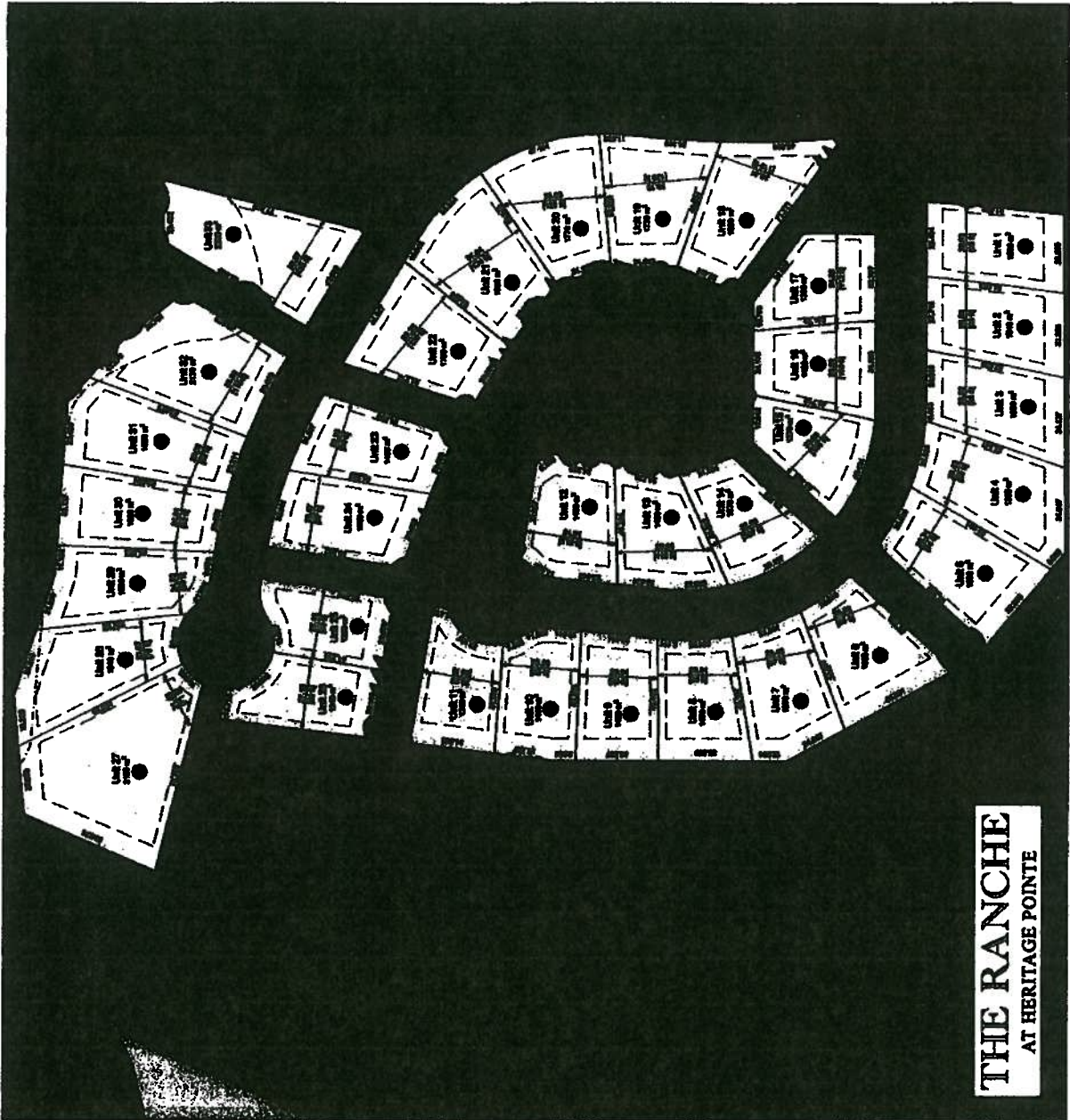
Development Manager

CC Carol Oxtoby – President Heritage Pointe

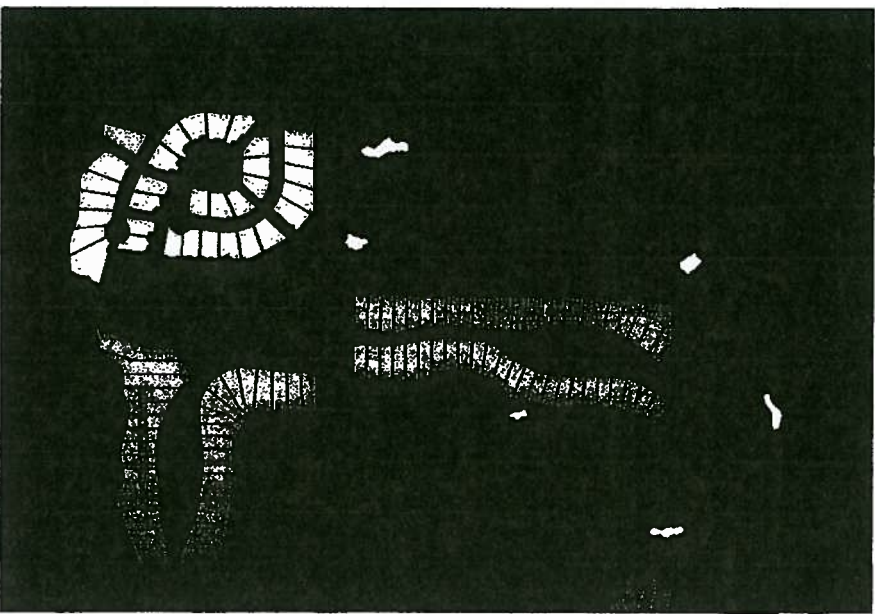
Cc Dave Stusek – Morrison Hershfield

Cc Doug Knight – Corix Utilities

File:u:\s\branche\alberta environment lir re water s upply mar 18 2009



**THE RANCHE
AT HERITAGE POINTE**



**THE RANCHE AT HERITAGE POINTE
MARKETING PLAN**

<ul style="list-style-type: none"> Site Area Diagram Site Plan Lot Layout Lot Dimensions Lot Area Lot Number Lot Name Lot Status Lot Notes 	<ul style="list-style-type: none"> Transfer Street Light Lot Line Lot Area Lot Name Lot Status Lot Notes Lot Dimensions Lot Area Lot Number Lot Name Lot Status Lot Notes 	<ul style="list-style-type: none"> Construction Construction Schedule Construction Status Construction Notes Construction Area Construction Number Construction Name Construction Status Construction Notes
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THE RANCHE AT HERITAGE POINTE
 10000 HERITAGE POINTE DRIVE
 HERITAGE POINTE, TEXAS 75043
 (972) 440-1234
 WWW.THE-RANCHE.COM



Municipal District of Foothills No. 31

309 Macleod Trail, Box 5605
High River, AB T1V 1M7

Telephone: (403) 652-2341 OR (403) 931-1905

Fax: (403) 652-7880

www.mdfoothills.com

June 26, 2008

RECEIVED
JUL 20 2008

Kristi Beunder
Longview Planning & Design
#205, 259 Midpark Way SE
Calgary, AB T2X 1M2

Dear Ms. Beunder;

Re: Redesignation – PTN. NE 05-22-29 W4

Please be advised that at its June 19, 2008 meeting, Council gave first reading to Bylaw 92/2008 to authorize the redesignation of Plan 8911839 Block 1 in NE 5-22-29 W4 from Agricultural District to Residential District in order to permit the future subdivision of 33 additional lots, one 4.6+/-acre environmental reserve lot, and the common area being designated as Recreational District with pathways being a permitted use. The bylaw will also allow for a site specific amendment to allow for a minimum 4-metre front yard setback and a relaxation of up to 90% on front yard corner lots.

Prior to further consideration, the applicants will be required to submit the following:

Infrastructure:

a) Road:

- ✓ 1. The Developer is to provide a Construction Management Plan which details the phasing strategy of the development, the schedule of construction and the mitigation of the effects of construction on the neighbouring landowners. The approved Construction Management Plan will be included within all Developers Agreements. The Construction Management Plan will be completed by the developer to the satisfaction of the Department of Public Works and Council;
- ✓ 2. Developer's agreement will be required for the internal road construction;
- ✓ 3. Development Agreement to be entered into for the for the road improvement fee of \$3500.00 per new lot;

b) Servicing:

1. Developer Agreements for all utility serving infrastructure, including all necessary licenses and agreements will need to be in place between the Province, the utility provider and the developer, to the satisfaction of the Municipal District of Foothills, all engineering drawings, and the required letter of credit; - ? In addition to L/C for roads
- ✓ 2. Confirmation from Corix Utilities that they will be servicing the site with water and wastewater facilities and that adequate capacity is available to accommodate the proposed new lots.
- ③ 3. All requirements of Alberta Environment pertaining to water supply, sewage disposal, and storm water shall be complied with and proof of all applicable licenses and approvals to be submitted to the Municipality;
- ✓ 4. Developers Agreement will be required for the construction of the storm ponds and any storm water facilities. All necessary engineering drawings to be provided to the satisfaction of the Municipality; - Provision for future? hand over? - all private
- ✓ 5. An integrated master drainage plan and storm water management plan submitted to the satisfaction of the Municipality;
- ✓ 6. A grading plan which indicates total earth work and finish elevations submitted to the satisfaction of the Municipality;

c) Conditions as per Area Structure Plan

- ✓ 1. The applicants shall submit a conceptual landscape plan which protects as many trees as possible, identifies the placement of new trees, outlines park area improvements, and grading/containment plans for review as per the Area Structure Plan;

- ✓2. Site Plan illustrating building envelopes for all of the proposed parcels to be provided for review and approval by the Municipal Engineer;
3. Sediment and erosion control management plan to be submitted to the Municipal Engineer for review;
4. A noise analysis as it relates to the location of the proposed lots and the potential noise impact and methods of noise mitigation from the Deer foot Trail;

Other:

1. Compliance with all requirements of Alberta Historic Resources Management and Alberta Transportation shall be met;
2. Final redesignation lot fees to be paid;
3. Subdivision application with all appropriate fees to be submitted

We would like to make you aware that third and final reading must be given within two years from the date of first reading. You therefore have until the last Council meeting prior to June 19, 2010 to finalize this application or your Bylaw will automatically be rescinded.

The fees for the enclosed Subdivision Application will be \$650.00 per new lot + \$75.00 filing fee and a \$500.00 Subdivision Appeal Fee which is to be paid up front.

By copy of this letter, the landowners who attended the hearing and/or landowners who submitted letters of concern will be notified of this decision. Regretfully, we are unable to send individual letters in response to concerns.

Should you require any further assistance please contact Coreena Carr of our Planning Department.

Sincerely,
MUNICIPAL DISTRICT OF FOOTHILLS NO.31



Judy Gordon
Planning Coordinator

JG/bb

Encl.

Cc: Ted Stack, Carol Oxtoby, Marilee Hill

Analysis of work on HP so far October09/2009

The Alberta Environment has in Oct 2009 confirmed

- we jointly own licences: HPGC and LAHPOA
- any objections have to be filed within 30 days..by Aug 11 2005
- if separated each licence will maintain its attributes-priority# and rights
- The AE has no plans and does not claw back unused licences
- These licences even if separated, can easily be converted to potable water usage by either party
- The AE has stated that they intentionally kept licences as joint ownership to allow for “checks and balances” to occur. It was not a mistake as ULGI would have us believe

The MD of Foothills has in Oct 2009 confirmed to us

- The MD requires no water from the LAHPOA for the fire hall. All water will be fed from existing pumping station
- The MD requires no water for the sports park from the LAHPOA. There are no plans for irrigation system to be installed
- There will be a washroom maybe kitchen which can be dealt with
- Therefore there is no relationship between these two projects and LAHPOA licence

Upper Lakes Proposal HPGC

- HPGC proposal offers LAHPOA approx 7.7% of the combined licences
- The ULGI position is that in July2005 their intent was to only transfer #802 with rights to divert 239,389m³ of water
- Why have ULGI remained silent for 2 years 2005-2007? Is it possible that the board majority was held by developers on the board .This would effectively mean when the licences were transferred in 2005 to include LAHPOA that they were transferred from one entity controlled by ULGI to another also controlled by ULGI
- It appears control got away on them from 2007 on

Position

- The LAHPOA has no motivation to separate licences at this time. This supports the original AE intent to keep licences held jointly
- I consider the HPGC proposal and the analysis provided irrelevant in the context of separation of licences. Since we jointly own the licences LAHPOA only concern should be that the RESIDENTS BEST INTERESTS ARE PROTECTED.
- Since we jointly own licences that would suggest that we have a right to ½ of the quantity of the licence
- If ULGI intent in 2005 was to transfer 239,389m³ I am shocked that they now propose to LAHPOA 44,999m³

Recommendation

- The board requires more study from a specialised committee including our legal rep and water issue expert
- Ultimate goal is if additional properties and customers are brought on to the water distribution and waste water systems, that there will be no additional cost to our community
- Preliminary analysis suggest that LAHPOA has the rights to the range of water from 239m³ to 290,489m³. No less than the minimum
- There is no need to separate the licenses in haste, ULGI may have a need; we the community do not
- Advantages and disadvantages of separation need to be studied in detail and presented to the board

From: Randy Poon [mailto:Randy.Poon@gov.ab.ca]
Sent: Thursday, October 15, 2009 4:27 PM
To: Rick Ironside
Subject: RE: Information Request

Elaine,

Further to our discussion, during the meeting on November 28, 2007 AENV indicated that the two groups should determine their water requirements and indicate to AENV on how they would like to amend the licences. David Baker indicated this may take 3 to 6 months and Carol Oxtoby said she would like to have it done by the beginning of April, 2008.

Randy

From: Randy Poon
Sent: Thursday, October 15, 2009 3:30 PM
To: 'Rick Ironside'
Subject: Information Request

Elaine,

Further to our telephone conversation, enclosed is a summary of authorizations issued:

Interim licence issued on March 21, 1990 for 471 acre-feet per year from the Bow River for golf course irrigation purposes. In March, 1993 interim licence changed name to Thornmark Utilities Corporation

In November, 2000 the interim licence holder requested to amend the interim licence for the use of 15 acre-feet of water to be used as make up water for Heritage Lake. Also, in this memo they mentioned they require certain amounts for existing Park area, golf course area, and west land development area. The total water requirement was approximately 277 acre-feet.

Licence no. 00145925-00-00 was issued to Upper Lakes Group Inc. for 277 acre-feet for golf course irrigation, park irrigation, and storage purposes on July 10, 2001.

In 2002 consultant indicated the water estimates used in 2000 were not correct and they still require the 471 acre-feet of water. The additional 194 acre-feet was applied for in April, 2002 for irrigation and storage purposes.

On July 10, 2003 Licence no. 00196802-00-00 was issued to Upper Lakes Group Inc. for approximately 194 acre-feet for golf course irrigation, park irrigation, and storage purposes. My recollection of the discussion with Upper Lakes on the purposes is that both licences would be for golf course irrigation, park irrigation, and storage purposes

so that the licensee had the most flexibility in times of water shortage in case one licence was shut down because of a priority call.

In June, 2005 Upper Lakes Group Inc. requested licence nos. 00145925-00-00 and 00196802-00-00 be amended to Heritage Golf Club Inc. and the Lake at Heritage Pointe Owners Association respectively.

On June 30, 2005 amended both licences to be in the name of Heritage Golf Club Inc. and The Lake at Heritage Pointe Owners Association.

On July 8, 2005 Upper Lakes Group Inc. requested over the phone to name should be Heritage Pointe Golf Club Inc. not Heritage Golf Club Inc.

On July 11, 2005 amended both licence to be in the name of Heritage Pointe Golf Club Inc. and The Lake at Heritage Pointe Owners Association.

On July 15, 2005 Upper Lakes Group Inc. requested to have Licence No. 00145925-00-00 go from Upper Lakes Group Inc. to Heritage Point Golf Club Inc. and Licence No. 00196802-00-00 from Upper Lake Group Inc. to The Lake at Heritage Point Owners Association.

Randy

ELAINE IRONSIDE

136 Heritage Lake Drive, RR3 DeWinton, Alberta T0L 0X0

(403) 698-3566

October 13, 2009

Gowling Lafleur Henderson LLP

1400 700 2 Street SW

Calgary AB

T2P 2W1

Attention: Mr Darren Taylor – Partner

Dear Sir

I am sending you this letter to inform you of matters relating to the Lake at Heritage Pointe Owners Association "LAHPOA" board. My motivation is my concern that any actions that the current board may be undertaking will not be binding due to inappropriate conduct and contravention of the LAHPOA bylaws. This LAHPOA board controls a sizeable annual spending approaching \$350,000 and significant common property including joint ownership of two sizeable water licences.

It has come to my attention that David Baker, acting in the role of President of LAHPOA and without the authorization or knowledge of the other members of the LAHPOA board, authorized an amendment for the use of one of the joint licences held by LAHPOA and Heritage Pointe Golf Club Inc. "HPGI". The purpose of this amendment was to allow inclusion of a sub-division of 33 homes named "The Ranches of Heritage Pointe". This authorized Upper Lakes Group Inc. "ULGI" to apply to the Alberta Environment (AE) which resulted in amending the license from 00145925-00-02 to 00145925-00-03 which was then used by ULGI to satisfy water requirements ("proof of water") with the MD of Foothills for this new sub-division.

Our 2009 AGM was held in April 2009 and the first LAHPOA board meeting was held on May 26, 2009 (minutes attached). Authorization for AE to amend the approval was signed on May 7, 2009 by David Baker and includes his hand written representation that he is acting as the "President, Lake at Heritage Pointe Owner Assoc". Not only did the signing agent David Baker not act on the authority of the board (no record in entire 2008 recorded minutes) but the Election of Officers of the new Board did not take place until May 26 2009. Mr Baker signed this letter before this appointment to President was made and according to advice of CRESI (our property management agent) David Baker was not the President on May 7, 2009 when he represented himself as such. Furthermore, Mr. Bakers actions are not reflective of our Bylaw 4.04 #iv "Duties and Powers of the Board" to maintain and properly protect all assets and properties of the Association.

In addition at the 2008 AGM there were two motions that were made that proposed:

1. To increase the allowed length of membership on the board from 3 to 5 years.
2. To decrease the legal majority of voting members from 20% to 10%.

These motions, as per your advice, are not in effect since the bylaws were never amended to incorporate them (in addition such amendment to the bylaws would require approval of 75% of association members which was clearly not obtained). As per our discussion October 06 2009 you confirmed that you received no instructions from anyone to incorporate these motions. This reality means that David Baker and potentially other board members are in contravention of the LAHPOA bylaws by attempting to serve beyond the allowed number of 3 years on the board.

As a board member I am appealing to you to assist the board in taking action to rectify this situation and provide legal advice or actions to:

1. Remove David Baker for the multiple alleged breach's of the bylaws.
2. Remove any other board members that exceed the 3 year bylaw limit.
3. Advise as to what actions and steps that the remaining board members should take to reform the LAHPOA board to be a functioning and legitimate board.

Please provide your authority on this matter and we trust that you will take immediate action to assist us in mitigating any further damage to our community properties and assets.

Yours truly,

**Elaine Ironside
Vice-President
The Lake at Heritage Pointe – Owners' Association**

Attachments:

Letter of request from ULGI April 29 2009

Minutes of May 26 2009 Board meeting

ELAINE IRONSIDE

136 Heritage Lake Drive, RR3 DeWinton, Alberta T0L 0X0 (403) 698-3566

October 5, 2009

Alberta Environment
Southern Region
303 Deerfoot Square Building
2938 11Street NE
Calgary, AB
T2E 7L7

Attention: Mr Randy Poon

Dear Sir

Re: Licence Amendment #00145925-00-03

It has come to my attention that Licence 00145925-00-00 originally issued July 10, 2001 was amended June 04, 2009 to include two additional plans.

This amendment did not have authorisation or approval from the Heritage Pointe Board of Directors who represent the Lake at Heritage Pointe Owners Association. This matter is documented in the minutes of the Boards last meeting September 29, 2009.

Based on this breach of our association bylaws, we kindly request that Alberta Environment inform us of any future applications or changes to our jointly held licences with Heritage Pointe Golf Club Inc.

Licence No.00145925-00-00

Licence No.00196802-00-00

Please advise receipt of this and Alberta Environments' position. Thank you for your attention to this matter.

Yours truly,

Elaine Ironside
Vice-President
The Lake at Heritage Pointe-Owners Association

Att: Minutes of HP Owners Association Sept 29,2009 meeting

THE LAKE AT HERITAGE POINTE OWNERS ASSOCIATION
MINUTES OF THE BOARD OF DIRECTORS MEETING
Tuesday, September 29, 2009

1. CALL TO ORDER

President David Baker called the meeting to order at 5:05 p.m.

2. ATTENDANCE and QUORUM

In attendance: Board members David Baker, Michele Fercho-Wilmoth, Tom Gear, Elaine Ironside, Bill Ostare and Peter Grant plus Brian Lilley from CRESI, Facility Manager Lou Nagy-Gyorgy, and Ted Stack from ULGI.

With six of seven members in attendance, a quorum was confirmed and the meeting was declared duly constituted. David Baker chaired the meeting and Brian Lilley recorded the Minutes.

3. SPECIAL BUSINESS

Ted Stack from Upper Lakes Group Inc. reviewed the water licensing history as he had more specifically outlined in ULGI's Water Diversion License Proposal dated December 17, 2007 and originally presented to the Board of Directors on January 22, 2008. Currently, two licenses (Licenses 00145925 and 00196802) for non-potable irrigation/storage water were jointly held in the names of the Lake Owners Association and the Golf Course, despite the fact that it had been ULGI's intention to assign each separately to the two parties respectively as opposed to jointly. Given this situation, he was asking the Board to reconsider that proposal to not only separate the two licenses, but reconfigure the water quantities as being in the best interests of all concerned for the following reasons:

- The current joint ownership status is tantamount to an impasse situation
- Alberta Environment will not approve the sale or transfer of licenses
- The Lake Owners Association would be better served by having approximately 75% of its water requirements vested in a higher priority license

The Board thanked Ted for his proposal and indicated that it would be considered.

4. APPROVAL OF MINUTES

Moved by Peter Grant and seconded by Michele Fercho-Wilmoth that the Minutes of the Board of Directors Meeting held on August 25, 2009 be approved and adopted as presented.

All in favour. The chair declared the motion carried by a show of hands vote.

5. FINANCIAL REPORT

Brian Lilley reported that the Association was running a small surplus of \$123 versus a budgeted deficit of \$43,492 for the first 8 months of the fiscal year as expenses are now catching up to budget. It is anticipated that Association will continue to post a modest positive variance versus budget for the balance of the fiscal year, barring any unforeseen developments.

As of Sep 23, 2009, receivables for the 2009 Association Fees stood at approximately \$5530 from 5 units, which have been sent to legal counsel for collection.

Moved by Tom Gear and seconded by David Baker that the financial statements for August 2009 be accepted as presented.

All in favour. The chair declared the motion carried by a show of hands vote.

6. MANAGEMENT REPORT

Brian Lilley referred to the Management Report appended to the August 2009 Management Report accompanying the August 2009 financial statements.

7. FACILITY MANAGER'S REPORT

Lou Nagy-Gyorgy reported as follows:

- Very pleased with FutureScapes landscaping performance over the past summer
- Irrigation system blow out was scheduled for October 07/08

- Culprits who have damaged the fire pit gas fittings during an after hours beach party had been identified and would be billed for the repair costs
- Investigating options for controlled access to the lake and clubhouse with a view to implement improvements at the start of next year's summer season
- The uncontrolled access to the North dock was becoming an issue with various residents and might have to be addressed in future.
- In response to MD concerns regarding noxious weed control, the berm had been mowed by a local heavy equipment contractor with touch up work done by FutureScapes at a significantly reduced cost vs prior years' mowing/spraying options

8. OLD BUSINESS

8.1 Water License Transfers

The Board discussed at length water licensing issues in general, including Ted Stack's separation proposal and David Baker's consent on behalf of the Owners Association to utilize a portion of the existing water diversion License No. 00145925-000 to provide raw water for irrigation and storage purposes for the **new Ranche development**.

It was generally agreed that the Board needed to be proactive in addressing these two issues of splitting the licenses and reallocating water volumes; and that part of this process included both engaging and consulting the community, and ensuring full disclosure. It was also felt that the water license was a community asset that needed to be protected

It agreed to organize was a "Town Hall Meeting" in early November to discuss the water-licensing situation in general and educate the community as to the issues involved with the possibility of organizing a residents' committee to provide input to the Board. It was suggested that Ted Stack be invited to the meeting to present his proposal to the Association's membership. Other possible guests included the Association's legal counsel, Darren Taylor, and Foothills MD Councilor Larry Spilak.

Brian Lilley was asked to book the Golf Club House on an evening during the first week in November and mail notices to all Association members.

8.2 Corix Rate Increase Application

Tom Gear advised that the AUC staff had likely passed their recommendations along to the Commission and that an announcement was imminent.

8.3 Calgary Regional Partnership

David Baker advised that the M.D. of Foothills had officially opted out of the Regional Plan; and it appeared that the Provincial Minister was no going to force MD participation at this time. Representatives from the MD will continue to attend the regional planning meetings for information purposes.

8.4 Tree Replacement Situation

Brian and Lou reported that they met with developer's representatives (Marilee Hill & Mary Boyes) and Acre Landscaping representatives along the Association's arbourist (Art Cox of Somerset Tree Service) to review the situation relative to the failure of virtually the entire October 2007 planting of Ash trees. The developer indicated that they had specified Green Ash and Acre insisted that's what they purchased and planted versus our opinion that the trees in fact were Black Ash. This issue was not resolved at the meeting. Subsequently, the developer retained the services of Gordon Paine of Lodge Pole Horticultural Services, a respected local authority (who was more than acceptable to us); and he categorically identified the affected trees as Black Ash. A response to this information has not yet been forthcoming from the developer.

Dave Baker indicated that he was making progress and was setting up a one-way. He hoped to have the site back up and running in the next month.

Comment [RaE1]: E I questioned DB as to what authority he had to authorize T Stack to have lic xxx925 amended to include the Ranche Dev. She told the board that upon checking all 2008/2009 minutes she did not find any motions or carried vote to give the authorization. She also noted that DB had signed this letter May 07/09 and the new elected board had not yet met for their first meeting. Consequently had not elected new officers to the board until May 26/09. DB offered little explanation and in fact would not answer to his unilateral decision without board documentation. At this time EI took action in requesting DB resign. DB did not respond EI took further action and called for a SPECIAL MEETING of all homeowners to bring the issues of board irregularities and consequences of certain actions directly to the home owners

Comment [RaE2]: EI called for a SPECIAL MEETING not a town hall to discuss nothing in General but specifically current and past water issues. And to enable DB to address the "Cast of Thousands" as he referred to the homeowners and explain his own actions with the community assets.

Comment [RaE3]: IS this a Guess on Toms part or did he have real knowledge re the HPCC accomplishments with the AUC and the current status. EI also asked why the board had not gone to bat for the community in the face of a 23% increase from Corix. She pointed out to the board that the HPCC had achieved a reduction in the rate increase from 23% to 15%, also they had the retroactive collection months reduced from Jan 09 to Sept 09 thus saving homeowners a large bill. This was all accomplished without the support or help from the board who they had tried in vain to engage and contact. DB reiterated the board was neutral EI asked WHY?

Comment [RaE4]: EI did not agree with this scenario She suggested that each member take a month were they are responsible for monitoring the questions coming to the board and if necessary ask other members to assist if question related to another expertise. This would alleviate one board member always having the website responsibility It also provides transparency for the board and residents. Other Members concurred.

8.6 Commercial Signage – 76 Lake Heritage Drive

Brian reported that the owner had finally removed the signage as requested.

8.7 Block Watch Program

David Baker reported that contact was being made with the Rural Crime Watch organization in an effort to elicit its support and input into resurrecting a version of the program in the community.

8.8 Community Recycling Program

David Baker indicated that he was waiting for a quote from Recycle Blue for a community-wide recycling program funded by the Association. Other operators and options should be investigated and considered as part of the annual waste removal review.

8.9 Grass Clippings Bin

Lou reported that use of the bin was generally well used and received by the community. At this time, it was uncertain as to whether the MD would offer this service again next summer. If not, the Board should consider doing it on its own.

9. NEW BUSINESS

9.1 Landscaping Approvals

The Board considered and acted on the following applications:

- 8 Heritage Lake Court ... request to replace the existing 4' perimeter fencing with a 6' fence to eliminate duplication due to swimming pool fencing requirements was denied.

9.2 Drainage Complaint – 237 Heritage Lake Isle

Complaint received from unit owner indicating that the addition of rolling mounds to the green space adjacent the property line resulted in excess water pooling in the natural swale at the edge of their fence and property. Owners did not feel that they should be solely responsible for alleviating the problem. Their complaint to Ted Stack met with the response that the area had been turned over to the community in 2008 and it was now the Association's problem. Further communication between Ted Stack and Mary Boyes suggested that the homeowner's grades were not built/sloped properly at the rear of the lot; and a further contributory issue was the fact that the neighbour's landscaping had not yet been completed. The developer further indicated that during construction of the adjacent parkland area, the swale along the fence line was regarded and approved by all parties concerned. The developer's position as supported in the Architectural Guidelines was that grades/drainage issues were the responsibility of the unit owner as opposed to either the developer or the community.

David Baker indicated that he would investigate further,

9.3 Enforcement Legal Opinion

Brian Lilley provided the Board with a copy of the report from the Association's lawyer, Darren Taylor at Gowlings, to the effect that the Restrictive Covenant and Encumbrances Agreement was enforceable; and that the Association could legally enforce the prohibitions contained therein ... owners could not be forced to do something but they could be enjoined for a negative ... i.e. they could be prohibited from but not forced to do something. Taylor felt that the initial cost of proceeding against a unit owner and getting a court injunction would be in the \$500 range.

9.4 Waste Removal Services

Brian Lilley was asked to investigate reduced bag pick-up limits and solicit quotes from other contractors for waste removal and recycling services in conjunction with the expiration of the existing contract with T&T Services.

10. NEXT MEETING: Tuesday, October 27, 2009 at 5:00 p.m. in the Beach Clubhouse

11: ADJOURNMENT: 7:35 p.m.

Comment [RaE5]: Mr Browns letter was received to the board by DB and EI. The letter advised the board of their efforts to contact and engage the assistance of the board. It was decided that DB would reply that the board acknowledged his letter and would be holding a special meeting about all the issues .

THE LAKE AT HERITAGE POINTE OWNERS ASSOCIATION
Special Meeting of the Board of Directors
Tuesday, October 20, 2009

1. ATTENDANCE and QUORUM

In attendance: Board members David Baker, Michele Fercho-Wilmoth, Tom Gear, Bill Ostare and Linda Michl

With five of seven members in attendance, a quorum was confirmed and the meeting was declared duly constituted. David Baker chaired the meeting and Michele Fercho-Wilmoth recorded the Minutes.

2. SPECIAL BUSINESS

Bill Ostare called this special meeting to clarify several concerns.

- The first concern was in regards to Bylaw changes made and approved unanimously at the 2008 AGM. The two changes allowed a board term to increase from three to five years, and the second decreased the percent of community member attendance at the AGM required for a quorum from 20% to 10%. The question asked was whether or not the changes had been registered with the government. David confirmed that he would follow up on clarifying this by making contact with Brian Lilley.
- The second concern raised by Bill was in regards to Water License Amendment #00145925-00-03. He wanted to understand the process behind the decision making in David signing the amendment that allowed water to be diverted to The Ranche development.

We discussed the history of how the licenses came to be jointly owned. When Bill questioned why the developer did not change it within the thirty day limit, it was discussed that the developer was not yet aware of the mistake. As the developer was part of the Board at that point, it was shared that the process by which we all came to understand the issues and implications of such took time. The developer acknowledged that he had not paid attention at that time.

We discussed that the License "925", originally dated 1989, predated our development and how the Board has always contended that "925" was not our asset and did not have monetary value.

David provided documentation around the presentation of the development on the Heaver property (now known as the Ranche) at the 2008 AGM. Community members did not register any objections. David provided documentation of his subsequent e-mail to Kristi Beunder, the planner recording that no objections had been raised at the community AGM (see attachments).

David then presented that the minutes of May 26, 2009 Board Meeting reflected the signing of the amendment. The minutes were approved by Peter Grant and seconded by Tom Gear. No objections had been raised.

Bill raised his concern that the amendment also included the 200+ development proposed for the East side of Deerfoot Trail. It was clarified that no water is attached to that development and that the Board would not be willing to sign any amendments regarding that development.

- 3: ADJOURNMENT:** It was unanimously agreed that satisfactory information and documentation had been provided backing up the signing of the water license amendment for the Ranche Development, providing closure, and concluding the meeting.

David Baker

From: David Baker [davidb@shaw.ca]
Sent: Monday, April 14, 2008 5:24 PM
To: 'David Baker'; Diane.Vine@cresi.com; hpbeachclub; Linda Michl (lmichl@telus.net); marilee.hill@heritagepointe.com; Michele Fercho-Wilmoth (nurseryprints@hotmail.com); Sam Chahda (schahda@shaw.ca); ted.stack@heritagepointe.com
Subject: RE: AGM Presentation
Attachments: AGM2008.ppt

I guess you want me to attach it too...sorry

From: David Baker [mailto:davidb@shaw.ca]
Sent: Monday, April 14, 2008 4:41 PM
To: Diane.Vine@cresi.com; hpbeachclub; Linda Michl (lmichl@telus.net); marilee.hill@heritagepointe.com; Michele Fercho-Wilmoth (nurseryprints@hotmail.com); Sam Chahda (schahda@shaw.ca); ted.stack@heritagepointe.com
Subject: AGM Presentation

Hi all

Attached is my presentation for the AGM with speakers notes. Please feel free to share any comments.

(Note: this is saved in an earlier version of Powerpoint for those of you who are not on Office 2008. I got a warning that some features may be disabled. If some of the functions do not work, they *will* on the final presentation)

David

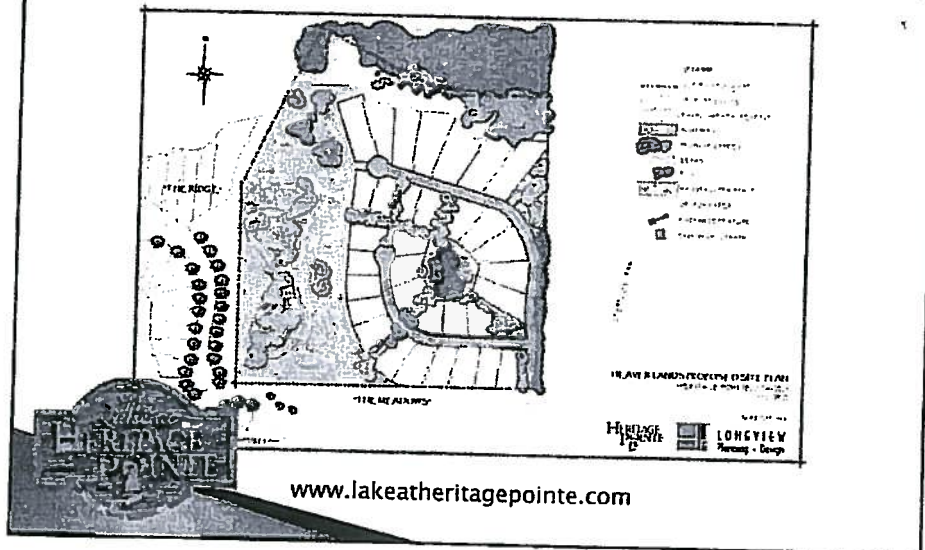
New Business

- ▶ New Developments in the area
 - Heaver Properties
 - The final phase of the Golf Course Community
 - Nielson Properties
 - North of Heritage Mews along Pine Creek Road
 - Public Hearing scheduled for April 24 @ 2:00 PM
 - DeWinton Station
 - A 50 acre commercial/retail plaza at the north-west corner of Dunbow Road and Highway 2A



www.lakeatheritagepointe.com

New Business Heaver Property



There are three new development being proposed for our area that we wanted to let you know about.

First is the Heaver Property. This is a parcel of land in the north east corner of the Golf Course community. This development will add 33 new homes and a large green space. From discussions with our existing resident members, we do not see any issues with this development and we see no reason to oppose it. Are there any comments from the residents?

David Baker

From: David Baker [president@lahpoa.com]
Sent: Tuesday, April 22, 2008 1:45 PM
To: 'Kristi Beunder'
Subject: RE: Plan Package
Attachments: image001.jpg

Hi Kristi

I promised you an update following our AGM.

The residents had no concerns or comments on Heaver.

The only question regarding Nielson was the type of "high efficiency" septic system being used—he moved into septic techno-speak so I don't know what he was really asking.

DeWinton Station was a hot topic of discussion. I believe that you will have a good Heritage Pointe turnout to the Open House. If you could make sure I get a copy of the invitation, I will make sure the residents are informed.

Thanks

David

From: Kristi Beunder [mailto:kristi@longviewplanning.ca]
Sent: Tuesday, April 15, 2008 10:15 AM
To: David Baker
Subject: RE: Plan Package

Hi David:

Thanks for your note, sorry I can't attend your meeting I've got too many appointments to get my kids to on Wednesday nights. I think you've captured the Petro-Can application correctly but I think "big-box" are your words not mine. I used the word anchor tenant to describe the larger retail sites. I don't want to characterize these as "Big box" because it brings to mind Wal-Mart which is not what we are looking to accommodate here. An anchor retail tenant could be a car dealership or a grocery store. One of the example footprints we show on the site plan actually fits a Safeway or a Sobeys quite nicely. We want offer some kind of use that could employ the neighborhood kids close to home. I also just want to caution that the site plan is conceptual and the phases may occur all at once if we find there is the interest in the market we think there is to locate here. We have an Open House scheduled for May 21st at DeWinton Hall and we will mail invitations to that Open House to all homeowners within Heritage Pointe. Also just as an update on Nielson's site, north of the Lake at Heritage Pointe, the public hearing has been scheduled to my surprise for April 24th. I have notes that you requested a linear connection to the ER along the south boundary and that we agreed to accommodate that in the design.

Regards,

Kristi

From: David Baker [mailto:president@lahpoa.com]
Sent: Monday, April 14, 2008 4:14 PM
To: Kristi Beunder
Subject: RE: Plan Package

Hi Kristi

Thanks for the information package. Our Board of Directors has asked that I introduce these three developments at our April 16 AGM (sorry for the short notice, they have changed their minds on this three times).

I just want to confirm a couple of my notes from the District 6 meeting.

DeWinton Station

30 Acres

Constructed in three phases

Two "big box" stores (un-named at this time) and five or six smaller retailers

Petro-Canada Gas Bar and convenience store

Groundbreaking in 18 to 24 months

I believe that I am reading my scribble correctly, but please let me know if I am incorrect on any of these items. Of course, you are welcome to attend and present the information yourself (again sorry for the short notice), or let me know and I would be happy to schedule a community meeting for you.

Thanks

David Baker

President,

Lake at Heritage Pointe Owners Assoc.

From: Kristi Beunder [mailto:kristi@longviewplanning.ca]

Sent: Thursday, April 03, 2008 11:16 AM

To: davidb@goldambre.com

Subject: FW: Plan Package

From: Kristi Beunder

Sent: Thursday, April 03, 2008 11:11 AM

To: daidb@goldambre.com

Cc: Roger Taylor

Subject: Plan Package

Hi David:

Please find attached the plan package in digital form as you requested. I did not put the dividing pages in, just the plans as presented.

Regards,

Kristi

Kristi Beunder

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