

DRAFT

**FORT MARCY COMPOUND CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
February 4th, 2017
Ft. Marcy Clubhouse**

A regular meeting of the Fort Marcy Compound Condominium Association (FMCCA) Board of Directors was held at the Ft. Marcy Clubhouse, Santa Fe, New Mexico, on February 4th, 2017.

CALL TO ORDER:

President Judith Swift called the meeting to order at 9:02 AM. A quorum was established with all Board Members present and introductions were made.

BOARD MEMBERS PRESENT:

Steve McMurtry – Director
Judith Swift – President
Ted McNamara – Vice President
Denise Jurgens – Treasurer
Peter Baldassaro – Secretary

OTHERS PRESENT:

Ken Rabach – HOA Accounting Manager, ASRL
John Garcia – Maintenance Manager, ASRL
Natalie Hamilton – Guest Care Manager, ASRL

OWNERS PRESENT:

Emma McNamara; Unit 28
Ron Weatherington; Unit 37
Elizabeth Rivera-Dirks; Unit 36
Dorothy Rogers; Unit 49
Dennis Dugan; Unit 24

APPROVAL OF DECEMBER 2016 BOARD OF DIRECTORS MEETING MINUTES:

Secretary Peter Baldassaro noted that there was a correction to the draft version of the meeting minutes posted to the website; the December date for the regular Board Meeting is the 2nd, not the 9th. After noting that there were no other corrections to the minutes, Peter Baldassaro asked for a motion to approve the minutes. Judith Swift motioned for approval of the December 2016 Board meeting minutes; Steve McMurtry seconded the motion. Minutes approved with all in favor.

PRESIDENT'S REPORT:

This last quarter, work has continued on a regular schedule on the stairs, walkways, steps lights, and all safety priorities that are still not complete. Steps are being replaced with cement rather than brick which will relieve a great cost moving forward. We are saving all the brick that is removed because the brick is discontinued; it will be used to make repairs on other areas of the sidewalks. President Swift noted that while Peter Baldassaro is the Secretary, his most time consuming responsibility is to review

the repairs and maintenance requests over \$1500, especially because the Board tries to obtain multiple bids. Vice President Ted McNamara has been working on amendments to the rules. Director Steve McMurtry has good news for the Association on the internet. Treasurer Denise Jurgens has good financial news as well. We will be discussing regular maintenance issues, the pool report, and then open up the meeting for discussion.

Judith Swift acknowledged the death of Jim Morris, a longtime FMCCA resident and active board member for decades and a real asset to the community and proposed that the Association plant a tree in honor of Mr. Morris. The Association needs to choose a site and coordinate with Pro Scape; owners are welcomed to suggest a site on the property. Ted McNamara motioned to approve the planting of a tree to commemorate Mr. Morris. Denise Jurgens seconded the motion and the motion passed with all in favor.

TREASURER'S REPORT:

Denise Jurgens reports the 2016 fiscal year ended with a \$141,850 surplus. We spent \$192,436 in the operating fund. It is intended that the surplus will go to the capital reserve, but the transfer to capital reserve will be delayed until the exact amount to transfer is determined. Any transfer to capital is not subject to gross receipts tax. Ms. Jurgens made a motion to transfer the surplus from the operations fund from 2016 to the capital reserve. Peter Baldassarro seconded the motion. Motion approved with all in favor. The surplus, in the amount of \$141,849.57 was transferred from the operating account to the capital reserve account.

With this transfer, the capital reserve fund will have a balance just shy of \$700,000. This level of funding of the capital reserve is needed as a backup for expensive repairs such as sidewalks. The sidewalk repair and upgrade is being completed on a priority basis. A capital reserve study will be completed by Kerry Goto.

In Accounts Receivable one owner is in significant delinquency who filed bankruptcy in 2009. Ken Rabach will work with us, as foreclosure is pursued. The Association will hire legal counsel to address this. ASRL has used and retained a law firm to get this taken care of quickly and forcefully.

PROPERTY MANAGER'S REPORT:

A large amount of Luis' focus has been deferred maintenance. ASRL's maintenance staff is continually inspecting roofs, walkways, parking lots, brickworks and outside lighting.

Code requires that 10% of the parking spaces be handicapped spaces, so all lots are being brought up to code. Also, new bumpers are being installed in the front parking lot and parking lot D because of a downhill slope toward condos, and in the fall some parking lots were crack-sealed.

- We are also doing a first-phase window seal and header/corbel inspection, scrape, and paint. As of this date, 62 have been completed.
- We have hired a new gopher extermination company. The previous contractor did not respond to our calls; we are now using Pro Scape, which is also our landscape company.
- The drainage issues from the canales of unit 66, 67, and 68 were resolved by building a cistern.
- We are continually going through roofs, walkways, parking lots, brickwork, and outside lighting. Ms. Swift noted that exterior lights are much improved.

We had an ongoing mold problem in the basement near Natalie's office. The source was identified as a roof leak which has been repaired. Moisture checks were completed and moisture levels have improved significantly, but to ensure the leak problem has been completed the contractor will check the moisture levels again in six to eight weeks. Once completed, we will complete the mold remediation at an cost of about \$20,000.

The maintenance crew will inspect the walkways after winter and make recommendations for repairs of rails and walkways.

In mid-April, ASRL will contract with a chimney cleaner who will clean all chimneys and check all spark suppressors. We will make this service available to non-rental pool owners at an economy-of-scale price that coincides with the requirement that the chimneys be cleaned and inspected on a scheduled basis according to the Rules and Regulations.

The functionality of the HVAC systems in the two units owned by the Association and leased to ASRL was inspected and it was decided that the mini-HVAC units in Unit 100 will be moved to Unit 99 to get better HVAC coverage in that unit, and a new HVAC system will be installed in unit 100.

INTERNET & CABLE TV UPDATE:

After an extended period, we signed a contract with Comcast to complete the upgrade. We will be also contracting with Crumbacher Associates to take over responsibility for change-over and long-term WiFi maintenance. The speed of the signal coming onto FMCCA property will increase from 30 mbps to 150 mbps by use of coaxial cabling rather than the radio signal used by the previous vendor. This will be distributed throughout the compound using mostly existing wireless infrastructure, which the new provider says is sufficient for this purpose. We expect the effect for owners and guests should be to reduce or eliminate delays and dropped connections. Upgrades should be in place within two months.

There are 204 television sets on the compound which will be upgraded to bring in HD quality picture and sound and the number of channels will increase by at least 100.

We expect the internet and television upgrades to save the Association money; \$12/month will be saved on the services and \$200/month will be saved on maintenance of the WiFi system.

POOL UPDATE:

Judith Swift formally introduced unit owner), Dennis Dugan, who has devoted so much time guiding the Association and evaluating plans. The Board is still not satisfied with the latest iteration of the construction design. The Board is evaluating inexplicable increases in the cost projections and the amount of time the design process is taking.

NEW BUSINESS:

For many years, we have had a no-smoking recommendation on the property; at times, when the city of Santa Fe implemented outdoor fire and smoking restrictions in certain areas, we have complied by issuing a non-smoking rule and notified guests and owners of non-smoking periods. This hasn't been as effective as the Board wishes. The Board decided to have a non-smoking rule applicable year-round on the property; "on the property" is defined by everything except the interior of a unit. The Board is amending an existing regulation (Rule 14) regarding the open flames on the property. Rule 14 states that

any instruments that produce an open flame are not allowed on the property, but cigarettes and cigars are not being interpreted as included in this. Rule 14 will be amended to specifically prohibit smoking at all times on the property. Peter Baldassaro made a motion to amend Rule 14 to add Subsection B stating: "Smoking is forbidden anywhere on the property at all times including general and limited common elements such as the clubhouse, all porches, and all balconies." Judith Swift seconded the motion. The motion passed with all in favor.

Rules and Regulations are distributed to owners and long-term renters as part of the rental agreement, however, short-term renters and guests may be not constantly notified of the Rules and Regulations. The Board that a condensation of Rules and Regulations relevant to short-term rentals be provided to owners to be placed on the back of the main entrance door. The ten rules and regulations include:

- Blocking of walkways/driveways prohibited
- Smoking prohibited
- Vehicles only allowed on parking lots and driveways
- No riding of bicycles, skateboards or scooters on the property
- Pets are not permitted except for renters with a minimum lease of six months
- Noise and lighting rules
- Keep off the landscaping
- Garbage and trash cannot be left anywhere except the trash compactor
- Barbeques, grills, hibachis, and heaters forbidden
- Porches and balconies must be kept clean and free of stored items
- Tampering or interfering in any way with fire alarm systems or other electrical and plumbing devices in the unit.

It will be noted on this sheet, that violations are subject to fines.

Ted McNamara recommended that a schedule of fines be issued to all owners for various violations with the note that "Except as noted below, any violation of the Rules and Regulations will incur a fine of":

- \$25 fine for a first violation
- \$50 fine for a second violation
- \$100 violation for a third violation

Noted below this schedule, are five listed Rules and Regulations that are particularly an issue and incur greater fines that include:

- Garbage left in the limited common elements or common elements - \$100 fine plus the cost of removal of the garbage to the compactor
- Harboring of pets - \$50/day until the pet is removed
- Open flame on property - \$100
- Late fee for payment of dues - \$100
- Construction, repair, or any changes, particularly to the limited common elements or the general common elements without written approval - \$100

A motion was made and approved by all Board members to adopt these fines and notify owners.

The notice directs individuals to call 911 in the event of an emergency, and to call a specified number or person for non-emergency scenarios. Ted McNamara made a motion that these "Rules for Renters" be approved by the Board and distributed to the owners and posted on the back of the main entrance of the unit door. Peter Baldassaro seconded the motion. Discussion on the motion was opened and a

request was made that the Board consider adding an 11th rule that prohibits the use of standard-sized wood in the unit. However, since this is within the units and not on The Property, such a Rule or Regulation is appropriate. The Board will gather further information for owners on the appropriate kind and size of wood for the fireplaces and send out an informational communication to owners. In the meantime, owners should be aware that the appropriate wood for the kiva fireplaces can be purchased at the front desk. Discussion on the motion was closed and the motion passed with all in favor.

OPEN DISCUSSION

The town of Santa Fe may revamp their recycling program in April. In the meantime, the recycling plan has been deferred until this is completed.

Steve McMurty noted that in March, ASRL will send out a document to verify ownership, rental status, and insurance per New Mexico state law. Owners should expect this within six weeks or so.

Owner Elizabeth Rivera-Dirks inquired about the new law about short-term rentals. The Board noted that owners who rent their unit short term may need a short-term rental license. Owners within the ASRL rental program are “grandfathered.” Other owners should check to determine if they must register. All short term rentals must pay the GRT, regardless of any “grandfathering.”

Ken Rabach reported that in a previous meeting, it was requested that www.fmcca.org, which is the Association’s URL, previously legally owned by Hoamco, has been granted to the Association and in the near future, when owners go to ASRL’s website to access the Fort Marcy HOA website, they will be forwarded to www.fmcca.org. The website will be managed by Jason Linder, ASRL’s Marketing VP and onsite IT for the internet, and Jim Simmons.

DATE OF NEXT MEETING:

Judith Swift announced that the next meeting is the Annual Meeting on May 6th, 2017.

ADJOURNMENT

Denise Jurgens motioned to adjourn the meeting. Ted McNamara seconded the motion. The meeting was adjourned with all in favor.