



FORT MARCY COMPOUND CONDOMINIUM ASSOCIATION
Quarterly HOA Meeting - Minutes
Saturday, November 14, 2020 11:00 AM MST

BOARD: Judith Swift, Ted McNamara, Peter Baldassaro, Denise Jurgens, Steve McMurtry

ASHM: Jim Simmons, Christine Robertson, Mike Howe

Owners: Alan & Harriet Bleiweiss (88), Carla McConnell (79), Georgia Nesselrode (55), Bruce Underwood (17), Beverly Lovelace (70), Ruth & Irving Bigio, (98), Glenda Patterson (61), James Stoll (84), Colin Robertson (89),

Call to Order: The meeting was called to order at 11:05 AM MST with all Board Members in attendance.

Approval of Meeting minutes of September 12, 2020: Judith Swift motioned to approve the minutes, as presented on the website as a draft. Denise Jurgens seconded the motion; motion approved unanimously by the board.

Treasurer's Report

2020 3rd Quarter Summary

The association was \$3,500 better than budget for the month of October. YTD, the association is \$56,000 better than budget.

Highlights: Savings in utilities (\$22,000 YTD), savings in repairs & maintenance (\$36,000 YTD).

Review 2021 Budget

As proposed, there are no dues increase scheduled. The capital reserve contribution is increasing by \$12,000, with savings from the operating budget, as a result of decreased occupancy.

Highlights: No increase in dues, no financial audit for 2021 (\$7,000), \$250,000 was budgeted in 2020 for maintenance and repairs- we are forecasting \$225,000 for 2021, but set the budget at \$238,000 to be safe, in consideration of savings from 2020 as a result of the pandemic. Utilities budgeted around \$147,000 for 2020, but we don't anticipate hitting that number (20% short of what was originally budgeted), as a result of decreased occupancy levels. For 2021, going off 2020 actuals, utilities are budgeted with an 11% increase at \$132,000, taking into consideration occupancy levels for 2021 are still unknown and considering occupancy levels may begin to return to more normal levels.

Once the 2021 budget is approved by the board, it will be distributed to owners. ***See the addendum at the end of these meeting minutes.***

Delinquent owners: Four owners are delinquent- Two accounts are being paid through their ASRL rental revenues, and we are working with the other two to get payment set-up.

ASRL Management Report

Maintenance Report

Completed: Property-wide paint touchups on exteriors, trim, beams, headers, corbels are 90% complete. A structural beam that had rotted was replaced in building 5. Stucco repair in lot C, and a portion of stucco repair in lot E has been completed. Property wide painting of the step noses is complete.

In progress/ongoing: Stucco repair will continue as weather allows. Exterior lighting replacement with LEDS (pathways, storage areas, porches); additionally, solar panels have been placed in areas that were needing more light. Brick walkway repair is being completed as necessary. Coyote fencing has been installed, as-needed. We had a heavy snow, and a few minor roof leaks appeared. Groundwork including neatening of river walk and gravel occurred over the summer, but this project is ongoing. Pro Scape comes weekly to blow and remove leaves; ASRL maintenance is also helping with this. Pro Scape surveyed the irrigation on property, and identified repairs that need to be made; Christine is awaiting a quote and hopes to complete this during the fall months. Christine anticipates \$3,000-\$4,000 for the irrigation repairs and will share the bid with the board when she receives it.

Future: Stucco repair in lot E (potentially next year). Roof replacement are upcoming. We will be sanding and repainting rails throughout property.

State of NM COVID status, Santa Fe news

The New Mexico Governor shared during a press conference that the state is taking a step back, as a result of spikes in cases. Moving forward, for the next two weeks, hotels/lodging and retail are back to 25% occupancy; restaurants can only do take-out and delivery. Pharmacies/grocery stores are open, but their occupancy is limited. The governor will re-evaluate November 30. ASRL staff is all healthy and continuing daily health screenings/mask-wearing. Common areas, the lobby, bathrooms, door knobs, continue to be constantly cleaned. The property has not had any cases of guests/owners contracting COVID on the property.

Old Business

Property Declaration Survey Response Status

Owners should have received this as an email in September. Nicole continues to receive and update the responses. About 30-40 are currently logged, but Nicole has quite a few more to still update on the spreadsheet.

New Business

Roof Replacement Update

This project is just getting underway. In April/May, it was determined that there was serious roof damage due to a hail storm in June of 2019. A public assessor (C3 in Denver, CO) assessed it and determined there was a substantial amount of damage on and below the surface, not obvious to the common eye, and suggested a claim be filed with State Farm, the insurer. In May, the claim was filed with State Farm for approximately \$3.1M. State Farm recognized the

claim and offered a \$75,000 settlement. As a result, the board examined bids and hired a law firm (GKW of Houston, TX) on November 4th. to assist with opening the claim; they specialize in these types of insurance claims.

We are in a 60-day period, prior to a filing of a legal document that would open a case with the courts of New Mexico. During this period, the lawyers will assess the entire case from a legal perspective; C3's input is from a technical perspective.

All owners will receive a letter from the board after the Board consults with BKW .

Dennis Dugan asked about owners knowing whether or not they have damage. Ted indicated C3 has assessed the extent of damages and he anticipates being able to share this information with homeowners, after GKW's review and approval. C3 has thousands of photographs, core samples, and further evidence of the damage. How it relates to individual owners remains to be determined. The board will inform the owners through a letter once they have full information from C3.

Jason Vogel asked if damage to the balconies from the hail storm have been looked at. The board confirmed that all surfaces damaged from the hail have been assessed by C3. Since balconies are limited common area, they are included. C3 will, also, determine if skylights were damaged by the hailstorm. Owners were advised to photograph any damage they have and have any contractor document work needing to be done, so the board can give State Farm reasonable time to examine the damage, before completing repair work. The letter coming from the board will have precise terms/specifics regarding projects like this.

Jason asked about installing solar panels. Ted indicated the roofs haven't been examined with the idea of installing solar panels and that the roofs are common areas- they're not individual roofs. Another owner indicated solar panels are not integrated with the roof, they are placed on top. Ted pointed out that solar panel installation, maintenance, repair, and removal (if necessary) would be an owner responsibility, like HVACs and TV antennas. The association will not be involved in costs associated with solar panels.

If individual unit owners are insured by State Farm, does that affect anything? Ted has asked this question of the lawyers and awaits a response. He reiterated that owners need to get their owner surveys sent in so we know which each unit's insurance company is.

Have legal expenses been included in the 2021 budget? They haven't as none have been incurred; these costs will come out of the settlement (legal and C3). At some point, we may need to budget for roof expenses, as the settlement likely won't cover 100% of repairs needed.

Does our insurance cover replacement cost or depreciated replacement cost? Legal counsel is reviewing this, but it appears to be replacement cost.

The date of the storm was June 2, 2019

Do owners need to inspect their own HVAC units and submit a claim? No. Look at your insurance policy and talk to your insurance company about making a claim. Ted encourages to wait for the letter from the Board.

Are other roof penetrations, dryer vents, stove and fireplace vents also owner responsibility? Does the C3 report list damages by unit and could it be posted for owners to check? We will

find this out from C3 and the level of detail they have for each unit. The board will address this once they know how much data was collected by the initial C3 inspection.

The board and owners thanked Ted McNamara for his efforts related to this project.

Open Session/Owner Comments

Submitted Homeowner Questions

What is the status of the ant/rodent infestation? The ant issue has improved this year. There were more mice this year, but they have recently subsided. ASRL and the exterminator continued to address these issues as they occurred. Plugging of holes has been completed as we could.

Carla McConnell, an owner, thanked Christine Robertson and the ASRL staff for how great the property looked and how well-maintained it was during her October visit.

Speaking about solar panels, Steve has reached out to a few solar panel companies. New Mexico will pay up to 10% of the cost, but they only allocated 8 million dollars and it's first-come, first-served. As far as we know, the association does not qualify for federalized incentives as a condominium compound. The board hopes to have more information on this before the next board meeting. Ted added that commercial operations do not qualify; subsidies are for personal residences. The board will continue collecting information on this.

Next Meeting Reminder/Adjournment

Quarterly Meeting: Saturday, February 6, 2021, 10:00am (MST)

Next Annual Owner Meeting: May 1, 2021

Adjournment: Judith Swift adjourned the meeting at 10:50 MST.

ADDEMDUM

The Fort Marcy Compound Condominium Association Board of Directors approved the budget, for the calendar year beginning January 1, 2021, by unanimous email vote on December 21, 2020 and it was subsequently posted it on the website.