

**FORT MARCY COMPOUND CONDOMINIUM ASSOCIATION**  
**QUARTERLY BOARD MEETING MINUTES**  
**SATURDAY, DECEMBER 3<sup>RD</sup>, 2022**  
**10:00 AM (MST)**  
**FORT MARCY CLUBHOUSE & ZOOM**

**PRESENT In Person Or By Zoom Conference Call Were:**

**BOARD OF DIRECTORS:** Dennis Dugan (24), Steve McMurtry (54), Peter Baldassaro (95), Ted McNamara (28)

**ALL SEASONS HOA MANAGEMENT:** Tom Overson, Ricardo Gutierrez

**OWNERS:** Bill Richwine (44), Bruce Underwood (17), Joanne Sauve (38), Mark Williams (1), Harris Smith (80), Glenda Patterson (61), Victor Corpuz (7), Elaine Williams (2), Patrick & Emily Mockler-Wood (34), Jean Menges (4), Frank Stluka (53), James Stoll (84), Silvio Eberhardt (84), Irving Bigio (98), Carla McConnell (79), Beverly Lovelace (70), Pat Howell (26), Andy Robinson (73), Amie Rodnick (33), Anja Wynne (40), Alan Goldberg (32), Steven Moore (59), Didi Clary (92), David Christensen (76), Larry Gray & Diane Edmondson (21), Robert Macias (67), David Christensen (76), Emma McNamara (28), Andy Darrow & Anne Schuind (13)

**CALL TO ORDER – STEVE MCMURTRY:** Steve McMurtry called the meeting to order at 10:00 AM (MST).

**ADDITIONS TO AGENDA:** Accounting Committee (Old Business)

**APPROVAL OF SEPTEMBER 17, 2022 BOARD MEETING MINUTES – PETER BALDASSARO:** Ted McNamara moved to approve the minutes as presented; Dennis Dugan seconded the motion. The minutes were approved unanimously.

**PRESIDENT'S REPORT – STEVE MCMURTRY**

- Buildings Committee Report (Roofing Project): A number of emails have been circulated to owners regarding this evolving project. We've engaged Joseph Hughes, a Building Envelope Architect – Building Analyst, who is assisting with the writing of Requests for Proposals. He will also be supervising the roofing work and be the point person working with the contractor bids and selected contractor. A detailed report from the Buildings Committee is forthcoming.
- Landscaping Committee – The Landscaping Committee has been very active and meeting monthly. Georgia Nesselrode will present the committee's report later in the meeting. Steve McMurtry noted that the grounds were looking very nice and credited both the committee and the ASRL staff.
- Accounting Committee: This is a new committee working to manage both the funds from the State Farm settlement and the existing reserve funds, ensuring we are staying on top of the best return on investment products.

**TREASURER'S REPORT – DENISE JURGENS**

- **FINANCIAL UPDATE:** Denise Jurgens was unable to attend the meeting. The financial update was circulated to all owners in the meeting packet. Owners with questions were encouraged to reach out to Denise with any questions regarding the financial update.

**ASRL MANAGEMENT REPORT – TOM OVERSON/RICARDO GUTIERREZ:** The landscaping committee and ASRL have completed numerous projects. Several trees have died, or are dying. The committee and ASRL are working with Proscap to identify which trees need to be removed.

- **ONGOING MAINTENANCE/COMPLETED PROJECTS**

- Monitoring and replacement of brick pavers as needed
- Roof leaks during inclement weather
- Repair, resurfacing, and painting of concrete porches is on hold until winter is over

- Fencing where needed and replacement of older fences (over 100 yards have been installed)
- The hot tub has been open intermittently over the past few months. A qualified pool contractor is assisting with the needed repairs. Parts that were on backorder were installed Thursday and the hope is to get the hot tub back into service.
- Clearing of leaves, branches, debris on roofs and throughout the property
- Painting of electrical boxes and water meter boxes to match the building
- Cleaning and painting of down spouts to match the building
- Pool garden area decorated with holiday decorations

#### **BUILDINGS COMMITTEE – TED MCNAMARA**

**The bulk of the committee’s report addressed the roofing project. The first to report was Committee Chair Ted McNamara, who noted three misunderstandings:**

1. Some owners believe they must replace older heating and cooling units now or in the near future.
  - There is no requirement to replace existing units, such as by installing new heat pumps. That is a decision of the owner.
  - The board will not advise about or recommend installers. That is again the owner’s decision.
  - The board has attempted to gauge the number of owners wishing to replace heating and cooling units to see if a group discount may be available.
2. The roof is in satisfactory condition and perhaps we shouldn’t be spending this money now.
  - A sudden catastrophic event (hailstorm) caused \$3.6 million damage to every Fort Marcy roof.
  - In October, more time and money went into roof repair than all other projects combined.
  - The roof is not up to code. Local roofing contractors will not do leak repairs because they fear license revocation if they patch the roof without removing the existing roof which has materials prohibited by Santa Fe code.
3. We should use the reserve fund to repair the roof.
  - The reserve fund is for planned repair and replacement over time, not for a sudden catastrophic event of this size. More importantly, if roof repairs are paid by a special assessment for a hailstorm, owners’ insurance policies may pay for some or all their expenses. If we pay from the reserve fund, those policies will not reimburse owners. But the reserve fund will have to be replenished and owners will wind up paying more than if we do a special assessment.

**Next, committee member Peter Baldassaro addressed financial aspects of the roofing work:**

FMCCA received a net of \$1.5 million after attorney fees and damage assessment fees from the State Farm settlement. The preliminary estimate to replace the roof from the architect engineer is approximately \$2.3 million. That’s a preliminary cost shortfall of approximately \$773,000. The projected cost for the project is preliminary; a final cost will be determined after bids are obtained, qualified contractors are selected, and any construction cost shortfalls after the final cost is determined will have to be covered by a special assessment. The special assessment amount is determined by each owner’s percent of interest in the compound. Many condominium insurance policies cover loss assessment for special assessments due to damage caused by events such as the hailstorm in June of 2019. The owners with loss assessment coverage can make a claim for the special assessment and may recover all or part of the special assessment depending on the limits on their policy.

**Committee member Dennis Dugan then addressed engineering matters:**

We are issuing the bid documents. Joseph Hughes, a licensed and expert architect in building envelope architecture, has done extensive work with the state of New Mexico, the city of Santa Fe, and other condominium associations. Hughes is requesting proposals from eight to ten manufacturer-approved roofers who can tackle this scale of project. We expect the bids to be returned to us on January 12, 2023. Joseph is expecting 4-5 bidders will give us complete bids on the project. We will spend the following week or so reviewing the bids and selecting a roofing contractor. Joseph will negotiate with the bidders to get the best possible price. He will then submit to us his schedule of work to be completed. He has provided a schedule of which units will be worked on over the next year and three quarters. This schedule is a road map that Joseph anticipates will be the way the roofer will want to go, however, the contractor will have the opportunity to make changes. We expect work to begin with the clubhouse on March 6<sup>th</sup>, 2023. Roofing on the units is anticipated to follow the schedule below:

- We anticipate beginning with units 45-74, although this is tentative.
- We will cease construction for the summer season from June 1 – September 30 to ensure comfort for owners and renters during peak season. We will again cease construction in the 2023-24 winter period, if weather and temperature require it. We will stop again in the summer 2024.
- The anticipated date of project completion is the end of November 2024
- Demolition of the existing roof for each building is expected to take 2-3 days. The roof will be temporarily covered at the end of each day. Installation of the new roof will take about one week per building. But some building roofs will be used to access other building roofs due to surrounding terrain.
- A detailed schedule, that outlines unit impact, will be provided with the selected contractor's submittal. As of now, we only have Joseph's tentative map.
- Every building will be a complete tear off, all the way down to the structural elements of the existing roof sheathing.

### **Ted McNamara addressed HVACs and Heat Pumps:**

Owners wishing to replace existing rooftop heating and cooling units with newer ones (such as heat pumps) will be responsible for all related costs. When the roofing work is undertaken, heating and cooling units in place at that time will be temporarily set aside and then put back in place after reroofing is completed. The cost of temporarily setting aside and returning existing units to their place will be borne by the association, as long as the units conform to requirements of the new roof work, such as limitations in the number of roof penetrations.

For owners wishing to replace existing heating and cooling units with heat pumps, there are three options:

1. Heat pump replacement before roof replacement:

- Owners should inform themselves about heat pump technology, including how they differ and how they operate. These are an owner responsibility. Important aspects to take into account are:
- condo size, widow area, and number of walls exposed to the outside air;
- Size of heat pump to be installed and whether interior condo modifications are needed.
- Capacity in BTU (British Thermal Units) and whether an auxiliary heating unit is needed for very low outside temperatures.

2. Replacement of heating and cooling units by a subcontractor of the roofer: This will be discussed with the general contractor as a possible option as a part of the contract. It is expected that particular types of replacement units will be offered by the contractor at a set price.

### 3. Replacement of heating and colling units after roof replacement:

- This is more complicated and expensive after new roofs are installed due to the need to protect the roof warranty. We anticipate additional costs of about \$3,000+ for installations. This would require owners to hire a manufacturer-certified roof installer to install or to observe, prepare, and repair any roof openings made. Additionally, the roof installer will need to ensure after installation that the roof is undamaged.

#### Additional Considerations:

- The Board will amend the Rules and Regulations with respect to accessing the roof, for maintenance/repairs. With the new roof, it will be strictly prohibited for anyone (owner, contractor, etc.) to get on the roof without prior written approval of Property Management
- If the roofer can remove installed items (e.g. skylights, antennas, etc.) and simply reinstall them, there is no cost to the owner. However, if the item cannot be reinstalled (aging of the item, cracks, defects, fitting, etc.) the cost of replacement is an owner expense. Owners will be informed of these costs prior to the beginning of roof replacement. Please read the R&Rs for details about responsibilities for roof modifications made by owners

**If you have a satellite dish or internet service device on the roof,  
please let Tom Overson know: [toverson@asrlodging.com](mailto:toverson@asrlodging.com)**

- Owners are encouraged to contact their insurance agents to determine if they have “loss assessment” coverage. The event date of the hailstorm was June 2, 2019. If you have since switched insurance providers, contact your insurance agent regarding the date of the event.

#### **LANDSCAPING COMMITTEE – GEORGIA NESSELRODE**

- Four new members have volunteered to join the landscaping committee since the September Board Meeting. There are currently a total of seven members.
- The committee had a Zoom call on November 7<sup>th</sup>. The compromised trees on the property were addressed. There are trees that will be in the way for the roofing replacement that were also discussed.
- Any new tree plantings will be species native to the area.
- The next meeting is scheduled for January 30, 2023.
- **ACCOUNTING COMMITTEE**
  - The committee was formed because we became aware of the need to watch what is happening with the economy and some investments that were solid investments in the past are not as good any longer. The committee met with Mike Howe and a Merrill Lynch advisor at the All Seasons corporate office. Based on the discussions had during this meeting, we have moved our investments into treasury bills and these are laddered. This includes the existing reserve funds and monies from the State Farm settlement.

**NEXT MEETING REMINDER:** Saturday, February 4, 2023 10:00 AM (MST)

**ADJOURNMENT:** The meeting was adjourned at 11:39 AM (MST) with all in favor.