

**EPCSA Board of Directors Meeting Minutes  
January 8, 2016**

Board Members present: Pat Jackunas (President), Jim Fassett (Vice-President), William Schiller (Secretary), A.L. Bontrager (Treasurer), Jill McIntosh, Barbara Chamberlin, Terry Schultz and Leslie Walker-Hirsch.

The meeting was called to order at 9:00 a.m.

**Approval of November Board meeting minutes:** The Board unanimously approved the minutes of the December 11, 2015 meeting without corrections.

**Treasurer's Report:** Mr. Bontrager, prior to the meeting, had distributed to Board members a Balance Sheet as of December 31, 2015 and the Profit and Loss Budget v. Actual Statement for the period January through December 2015. He reported that the budgeted amount for the financial year ending December 2015 was exceeded in the following categories: Insurance (\$298), General Management (\$1,390), Ground supplies (\$513), Refuse disposal (\$416), Gas (\$430), and Maintenance Labor (\$2,309). The following adjustments have been made to the Budget forecast considered at the December 2015 Board meeting: Insurance (\$8,600), General Management (\$7,000), Ground supplies (\$2,000), Refuse disposal (\$900), Gas (\$3,000), and Maintenance Labor (\$6,000). In 2014 the Association transferred \$9,000 to the Capital Reserve Fund and in 2015 we transferred \$13,752 to the Fund; these additions will help pay for the pool renovation.

**Clubhouse Manager's Report:** Manager Joan Conrow was not present but sent a brief report to President Jackunas. Joan is interviewing two ladies regarding routine cleaning of the clubhouse. It is likely that the clubhouse will need to be cleaned once each month during the winter and probably every week or every other week in the summer depending on usage. The Board will discuss this at its next meeting when further information about costs for cleaning will be available. The Association has had three reservations so far for the Clubhouse under our new policy of charging \$75 for each clubhouse reservation.

**ARB Report:** Chairman Schiller reported that the ARB is up to date on all of its activities.

**Homeowner Comments:** There were none.

**Old Business:** A.L. Bontrager and Dr. Schiller will oversee the pool renovation project. It is expected that the work will begin in February 2016 and will be completed by mid-April. Mr. Bontrager will get a firm written guarantee of the completion date, probably April 15.

President Jackunas indicated that she had mailed out the invoices for the annual dues on January 5, 2016. She had also emailed all EP owners asking them to contact her should they not receive an invoice in the next ten days. The closing date for payment is February 16 after which any payment not received will be subject to a late charge of 10 per cent.

**New Business:** *McGuire property:* The Board was informed that the Cresta Homeowner's Association had received a notice from the Santa Fe County Assessor stating that the McGuire property (J-09) at 775 Paseo Cresta (shown in the records of the Santa Fe County Assessor as owned by Joe Ann (*sic*) Hoover of Pagosa Springs, Colorado) would be coming up for a Tax Sale in January 2016 because of non-payment of approximately \$12,000 of property taxes. The Board noted that Joe Ann Hoover and Joanna McGuire (shown in the EPCSA records as the owner of this lot) are one and the same person. It was noted that the EPCSA has had a lien on the lot for several years because of non-paid annual dues (\$36 per annum for previous years, \$42 for 2016). The Board understands that the Cresta Homeowners Association also has a lien on the lot for unpaid dues. The Board expects that if the property sells at the Tax Sale conducted by the County, EPCSA and Cresta would receive the amounts owed to them in the lien from the sale proceeds before the new owner of the parcel could take possession. It is generally thought that the lot is not suitable for construction of a residence, however an adjacent lot owner in Cresta had expressed an interest in acquiring the land parcel. If that happens it is expected that he would in the future pay property taxes and annual EPCSA and Cresta dues. The Board concluded that it need take no further action in this matter. Cresta Director Barbara Chamberlin will keep the Board informed about this matter.

**Adjournment:** The meeting was adjourned at 9:13 a.m. by a unanimous vote of the Board members.

## **EPCSA Board of Directors Meeting Minutes February 12, 2016**

**Board Members present:** Pat Jackunas (President), Jim Fassett (Vice-President), William Schiller (Secretary), Jill McIntosh, Terry Schultz, and Leslie Walker-Hirsch.

The meeting was called to order at 9:00 a.m.

**Approval of January Board meeting minutes:** The Board unanimously approved the minutes of the January 8, 2016 meeting without corrections.

**Treasurer's Report:** Treasurer Bontrager had prior to the meeting distributed to Board members a Balance Sheet through January 31, 2016, a report on Transaction Detail by Account for January 2016, and the Profit and Loss Budget v. Actual Statement for January 2016. As of 2016, sixteen homeowners had not yet paid their annual dues and they will receive reminders about this from the Board members representing their neighborhood subdivisions.

**Clubhouse Manager's Report:** There was nothing new to report. A Board member mentioned that there were some problems with the lighting at the Clubhouse entry. This poses a problem when meetings are held at night. President Jackunas will contact Clubhouse Manager Joan Conrow about this.

**ARB Report** (William Schiller): Chairman Schiller reported that he had approved one Appendix III completion for installation of an air-conditioning unit in La Viveza and the deposit for this has been refunded to the owners.

**Homeowner Comments:** There were none.

### **Old Business:**

**Pool Renovation:** A meeting to discuss the pool renovation will be held at the Clubhouse on Tuesday, February 16 at 10:00 a.m. Treasurer Bontrager has prepared a list of items that need to be reviewed with the Company that will do the work. The Board considered choices of pool tiles and a solid blue tile was selected.

**Party for Pool Re-opening:** Barbara Chamberlin and Leslie Walker-Hirsch will organize this on behalf of the Board of Directors. The cost of holding the party will be covered by the EPCSA.

### **New Business:**

**Sidewalk Snow and Ice Clearance:** The Board noted that parts of the concrete sidewalks along Avenida Primera were not being cleared of snow and ice. After discussion, the Board noted that a City of Santa Fe Ordinance places the responsibility for removing sidewalk snow and ice on the owner or owners of the contiguous property or properties. Accordingly, depending on ownership, individual EP owners, EP neighborhood subdivisions (where concrete sidewalk adjoins neighborhood common areas), and the EPCSA (where concrete sidewalk adjoins EP common areas) are responsible for maintaining the concrete sidewalks along Avenida Primera free of snow and ice. The Board will communicate with neighborhood subdivision Presidents about this matter.

***Vegetation along Concrete Sidewalk along Avenida Primera:*** The Board noted that are places along the concrete sidewalk along Avenida Primera where vegetation encroaches on the sidewalk and grows over the curb and overhangs the adjacent street. The Board noted that a City of Santa Fe Ordinance places the responsibility for cutting back such vegetation on the owner or owners of the contiguous property or properties. Accordingly, depending on ownership, individual EP owners, EP neighborhood subdivisions (where concrete sidewalk adjoins neighborhood common areas), and the EPCSA (where concrete sidewalk adjoins EP common areas) are responsible for maintaining the concrete sidewalk and adjacent street free of encroaching vegetation. The Board will communicate with neighborhood subdivision Presidents about this matter.

***Ice Accumulation in Clubhouse South Driveway Entry:*** The Board noted that ice forms here after a snowfall since the area is shaded. However, the Clubhouse parking lot is only plowed when Avenida Primera is plowed namely when there has been a 6-7" snow accumulation. Accordingly, it was agreed that the Board needs to consider a separate arrangement for the clearing the Clubhouse parking lot of snow after lesser snow accumulations and for salting icy patches.

***Joanna McGuire Property:*** The annual assessment for this property remains unpaid. No further information is available regarding the tax sale of the lot by the County of Santa Fe for unpaid taxes. There was some discussion about getting the EPCSA attorney to contact Ms. McGuire about this matter. The Board decided to contact Barbara Chamberlin to determine whether there is further information relating to the pending tax sale of the lot before any other action is taken.

***Adjournment:*** The meeting was adjourned at 9:40 am by a unanimous vote of the Board members.

## **EPCSA Board of Directors Meeting Minutes**

March 11, 2016

**Board Members present:** Pat Jackunas (President), Jim Fassett (Vice-President), William Schiller (Secretary), A.L. Bontrager (Treasurer), Jill McIntosh, Barbara Chamberlin, and Leslie Walker-Hirsch.

The meeting was called to order at 9:00 a.m.

**Approval of February Board meeting minutes:** The Board unanimously approved the minutes of the February 12, 2016 meeting without corrections.

**Treasurer's Report:** Prior to the meeting, Mr. Bontrager distributed to Board members a Balance Sheet as of February 29, 2016, a report on Transaction Detail by Account for February 2016, and the Profit and Loss Budget v. Actual Statement for January through February 2016. Currently the Association has about \$78,952 in the Capital Reserve Account. This amount will decrease further after the final pool renovation payment has been made. Nine homeowners have not yet paid their annual dues, but four had indicated that their checks were in the mail. The remaining owners will receive reminders about this from the Board members representing their neighborhood subdivisions. After that if payments remain outstanding consideration will be given to filing liens on the properties involved.

**Clubhouse Manager's Report:** Joan Conrow and President Jackunas reported as follows:

- Owners may receive full refunds of the \$75 Clubhouse use fee if an event they had scheduled is cancelled.
- Ms. Conrow had contacted the company that had installed the new tennis court surface about new cracks in the surface. Previously cracks had been repaired without charge under the warranty, but the warranty is no longer in effect. The company had inspected the surface and had indicated that a repair of the new cracks would cost the Association under \$2,000. The Board will consider this matter at a later meeting.
- Ms. Conrow requested that she be provided with an EPCSA prepaid debit card for \$500-\$1,000 from which she could pay for expenses incurred in the routine maintenance of the clubhouse. Currently, she pays these expenses out of her own pocket and then applies for reimbursement from the Association. This complicates her tax situation since the 1099 form that she receives each year from the EPCSA bookkeeper includes these reimbursed expenses. A.L. Bontrager indicated that he would look into ways of correcting this situation.

- The Clubhouse was cleaned at a cost of \$465 after two recent events that had been held there. The clubhouse will be cleaned weekly during the summer. President Jackunas will report back to the Board at the next meeting regarding the likely cost for this maintenance.
- Ms. Conrow reported that the tennis court benches might need to be replaced. The cost for this will be about \$125-\$150 for each bench.
- An electrician will come out shortly to repair the defective lights at the clubhouse entry.

**ARB Report** (William Schiller): Chairman Schiller reported that the ARB had conducted no new business since the last Board meeting.

#### **Homeowner Comments:**

***Complaint about clubhouse use fee:*** Claudia and Barry Gerst (748 Calle Altamira) attended to protest the Board's recent decision to charge owners a \$75 clubhouse usage fee. Claudia Gerst made the following statements:

- A use fee is inappropriate if she wishes to hold birthday parties for her children and other family events at the clubhouse and the annual dues are sufficient to cover any costs incurred;
- When she holds such events at the clubhouse she brings all necessary supplies for such events and cleans the clubhouse after the function is over;
- All residents should have had a voice in the decision to charge a use fee and the EPCSA Board should therefore have conducted a survey of residents prior to requiring the fee;
- The Board should now conduct such a survey and abandon the use fee until the Board receives the approval of eighty (80) per cent of owners;
- She alleged that the Board had not given adequate notice to residents that a use fee was under consideration. Also, she was not available to attend the two Board meetings at which the fee had been discussed and voted on by the Board.

The Board responded to Mrs. Gerst as follows:

The Board first discussed charging a use fee at its meeting on September 11, 2015. The matter was deferred until a later meeting. On November 2, 2015, President Jackunas sent an email containing the agenda for the November 13 Board meeting to all owners. The possibility of a use fee was included in the agenda and owners were invited to submit their opinions and concerns about the matter to the Board. The proposed use fee was discussed at length at the November Board meeting. The Board noted then that each use of the clubhouse for a function costs the

EPCSA about \$150-\$200. The Board therefore agreed to partially cover such costs by applying a use fee of \$75. This fee would apply to all owners reserving the clubhouse for functions except for meetings of the EPCSA Board, of the ARB, and of neighborhood subdivision Homeowner Associations. The Board tabled the matter until the December Board meeting to give Board members an opportunity to discuss a possible use fee with the owners in their neighborhood subdivisions.

The Board revisited the matter at its December 11, 2015 meeting. In the interim no objections to the use fee were received from homeowners. However, many owners contacted by Board members had indicated that in their opinion the EPCSA should recover its costs and that it should not subsidize events like birthday parties at the clubhouse. The Board then voted unanimously in favor of a \$75 use fee for any nonofficial clubhouse function.

The Board has the power under Article 3.5 (h) of the Amended Declaration to impose use fees without any consultation with owners. Article 3.5 (h) states: “***Use Fees:*** *The Board of Directors shall have the power to charge reasonable use fees to Owners and others for any recreation facilities situated in or upon the Community common Areas, but in no event shall any such fees be charged for the use of streets, sidewalks or circulation system of the Property. The Board of Directors’ power to charge use fees to Owners shall not be limited by Article 5 [Community Assessments].*”

After further discussion, Mrs. Gerst again requested that the Board abandon the use fee until a survey of all owners has been conducted. The Board declined to do this. Mrs. Gerst then indicated that she would investigate possible legal avenues that she could pursue in this matter.

### **Old Business:**

***Pool Renovation:*** A.L. Bontrager reported that the pool renovation project was proceeding satisfactorily. There have been two change order issues. Unknown to the current Board, there was a hot tub adjacent to the pool that had been filled with rocks and covered over with concrete. The additional cost to deal with this issue was \$1,200. The old plaster in the pool was found to be loose because prior installers had not used a bonding agent to bond the plaster to the substrate. The plaster therefore had to be chipped away. This change order adds \$4,150 to the cost. The inserts for a future handicapped lift are being installed at no additional charge to the Association. The concrete work will commence next week.

***Maintenance of the concrete sidewalk along Avenida Primera:*** Barbara Chamberlin reported that she had written to all nine neighborhood subdivision presidents about problems associated with snow and ice accumulation on Avenida Primera sidewalks and overgrowth of vegetation that impedes pedestrians. Most had responded to her. The Board noted the following:

There is no mention of sidewalk maintenance in the Amended Declaration for the EPCSA. Accordingly, while the EPCSA can request that homeowners with lots that abut Avenida Primera perform such maintenance, the EPCSA has no enforcement powers in this regard. City of Santa Fe Ordinances, however, require that owners of property adjacent to concrete sidewalks maintain those sidewalks free of obstructing vegetation and of snow and ice accumulations.

The Board discussed whether it would be appropriate for the EPCSA to hire someone to clear the concrete sidewalk of snow and ice in the winter. Some Board members expressed concerns that this would result in the Board being exposed to legal liability should someone injure themselves on an icy sidewalk. Under the current arrangement, legal responsibility for such mishaps rests with adjacent lot owners who are usually covered for such eventualities by their Homeowner Insurance policies. The EPCSA, if sued, might not be covered for such mishaps by its Liability Insurance Policy since the concrete sidewalks are not EPCSA common areas. One Board member felt that the Board should not consider undertaking such maintenance without prior consultation with the EPCSA attorney. The Board decided to defer further discussion of this matter until a later meeting.

**New Business:** Leslie Walker-Hirsch indicated that the Women's Group in the past had organized the Memorial Day clubhouse party and in return for its efforts had received an annual stipend from the EPCSA to cover expenses for their monthly social functions. However, the stipend had been discontinued by the Board some years ago. She requested that the Board consider reinstituting the stipend if they wished the Women's Group to continue organizing the Memorial Day party.

Pat Jackunas reported that a previous Board had consulted the EPCSA attorney about this matter. The attorney had reported that Board subsidization of social groups, particularly those not open to all EPCSA owners, was not a proper use of Association funds according to the provisions of the CC&Rs. The attorney had indicated further that if the EPCSA were to subsidize social groups, particularly groups such as the Women's Group that undertakes road trips outside of Estancia Primera, the EPCSA might be exposed to legal liability. Moreover, the EPCSA might not be covered by the Directors and Officers Endorsement of the Association's Insurance policy if legal problems arose because social group members are not Board members, Association officers, or EPCSA employees as defined in the Declaration. Accordingly, the annual stipend had been stopped.

After discussion, the Board agreed that it would not reinstitute the stipend to the Women's Group and that the Group would not be expected to organize the Memorial Day Party in the future. The Board will instead solicit help in organizing clubhouse parties from individual volunteer EP owners who might constitute a standing committee appointed by and responsible to the Board. Any expenses they incurred for food, drink, clubhouse decorations and entertainment would be paid for by the EPCSA. Leslie Walker-Hirsch and Barbara Chamberlin will organize the party to



celebrate the forthcoming re-opening of the pool in their capacities as EP Board members as previously arranged.

**Adjournment:** The meeting was adjourned at 9:35 am by a unanimous vote of the Board members.

**EPCSA BOARD OF DIRECTORS MEETING MINUTES**  
**APRIL 8, 2016**

**Board Members present:** Pat Jackunas (President), Jim Fassett (Vice-President), William Schiller (Secretary), A.L. Bontrager (Treasurer), Jill McIntosh, Barbara Chamberlin, Carol Genebach, and Leslie Walker-Hirsch.

The meeting was called to order at 9:00 am.

**Approval of March Board meeting minutes:** The Board unanimously approved the minutes of the March 11, 2016 meeting without corrections.

**Treasurer's Report (A.L. Bontrager):** Prior to the meeting, Mr. Bontrager distributed to Board members a Balance Sheet as of March 31, 2016, a report on Transaction Detail by Account as of March 2016, and the Profit and Loss Budget v. Actual Statement for January through March 2016. Mr. Bontrager reported that the Association is on track regarding expenses for the first quarter except for about \$400 in costs incurred to date for more frequent cleaning of the clubhouse than had been done in the past. In the past the Association has spent about \$400-\$600 yearly for clubhouse cleaning. He expected, however, that the increased expenditure might be partly offset by the \$75 use fee for reserving the Clubhouse that the Board had imposed recently. Five owners have not yet paid their annual dues. If dues payments and late charges are not received by April 15, liens will be filed against the properties involved.

The pool renovation work is now complete. Outstanding items include cleaning up of the work area in the parking lot and repair of clubhouse stucco damage caused during the renovation. Mr. Bontrager had also been in contact with the pool company about getting lien releases from their suppliers and a written pool warranty that would be extended from the originally agreed upon two years to three years. The warranty will cover the concrete, tile, piping, and pool cover box. Mr. Bontrager had also requested the final bill for the pool renovation so that he could approve it. The total cost for the pool renovation was about \$77,251. This consisted of a down payment of \$9,000, an initial payment of \$31,251, and an outstanding amount of \$37,000.

**Clubhouse Report:** President Jackunas reported that the Association now has a new Clubhouse Manager, Mark Edwards, who rents a home in Kachina Hills. Mark has extensive experience in management and hospitality. His contact information will be posted on the EPCSA website.

**ARB Report (William Schiller):** Chairman Schiller reported that the ARB had conducted no new business since the last Board meeting. There have been some projects for which owners had not requested a final inspection and approval and their deposits have therefore not been returned. Dr. Schiller will contact these owners to try to get these outstanding matters finalized.

**Grounds Maintenance** (Barbara Chamberlin): Ms. Chamberlin reported that there are areas along the concrete sidewalk near Avenida Primera where there is overgrown vegetation that might impede pedestrians. President Jackunas will remind owners of the need to cut back overgrown vegetation in her next mass emailing to all owners. There are also several dead Russian olive trees along Avenida Primera in Cumbre Vista [these trees have now been found to be in Cresta] that need to be removed. Additionally, there are dead trees near the north Estancia Primera entry in the Cresta neighborhood subdivision that need to be cut down. These neighborhood subdivisions will be informed about the need to remove these dead trees by their EPCSA Board representatives.

**Homeowner Comments:** There were none.

**Old Business:**

- a) ***Haciendas Del Mirasol Development:*** A neighborhood notification meeting will be held on April 11 at 5:30 pm at the Main Public Library to discuss the proposed development of the Haciendas Del Mirasol neighborhood subdivision opposite Estancia Primera at 700 Hyde Park Road. The development company (700 HRP, LLC) has acquired ownership of 28 acres of the 69 acres that comprise the “Hobo Hill” property. The developer, Cody North, is proposing a subdivision of the 28 acres as the first phase of the overall development whereby the 28-acre lot will be divided into eight large parcels. Each lot will contain a single family home and cannot be subdivided according to the CC&Rs for the proposed subdivision. All homes will have a single story. The proposed development will be separated from Hyde Park Road by an open area or setback containing a hiking trail. This will vary in width from 150 to 250 feet.

The lots will be accessed via a private driveway that will connect with a street named Camino Mirasol that will open on to Hyde Park Road directly opposite the south Estancia Primera entry. The remaining 41 acres in the “Hobo Hill” area may be acquired by other developers in the future at which time additional homes might be constructed. However, the entire developed area would eventually use Camino Mirasol as the entry/exit for Hyde Park Road. The location of the entry/exit was agreed to by the City of Santa Fe as part of Ordinance 1981-3 under which Estancia Primera was established. The City will apparently not consider any other location for the entry/exit for the proposed new development.

Board members have expressed concern that the location of the proposed entry might cause problems and hazards for drivers entering and exiting Estancia Primera, especially when Hyde Park Road has heavy traffic such as during the skiing season. Board members will attend the meeting and express the Board’s concerns about the location of the entry to the proposed new development. Board members felt that a left turn lane near the Camino Mirasol entry might partially alleviate some of the potential traffic problems.

- b) ***Business/Home Office Application in La Viveza:*** President Jackunas reported that the Board approved via email a request by the purchaser of the home at 658 La Viveza Court to operate a

business/home office on the property. The request had also been approved by the La Viveza Homeowners Association as indicated by an email to the Board from their Vice-President. Jill McIntosh owns the home immediately adjacent to the property in question and shares a common wall with it. She reported that the new owner had asked to have a home business with his business license being at the home address. Jill indicated that the CC&Rs for both La Viveza and for the EPCSA prohibit the operation of such businesses without the express permission of the two Boards. Article 6.11 of the EPCSA Amended Declaration states in pertinent part as follows:

***Non-Residential Uses.** Residential areas within the Property shall be used only for residential purposes, and no part of such areas shall be used, caused to be used or permitted to be used, in any way, directly or indirectly, for any business, profession or other non-residential purpose, except that home occupations, as allowed by ordinance of the City of Santa Fe, shall be permitted as long as said home occupations are approved by the Board of Directors.*

Ms. McIntosh indicated that she had no objection to home offices that are widely used by EP homeowners since these have no negative impact on the neighborhood. However, she asked that the Board consider adopting criteria that could be used in the future to distinguish between home offices (which had always been allowed) and businesses (which had generally not been allowed). The criteria would apply only to new applications for home businesses. Existing home businesses that had not caused any problems for neighborhoods would not be affected. She suggested that the Board approve home business operations in the future only if they fulfilled the following criteria:

- there would be no clients/customers coming to the home;
- the business would have an outside mailing address so that there would not be frequent FedEx/UPS deliveries to the home;
- there would be no employees.

It was noted also that operation of a home business in a residential neighborhood such as Estancia Primera requires submission of a formal application to the Zoning Section of the Land Use Department of the City of Santa Fe, an inspection of the premises by the City, and the City's authorization to run such a business. After further discussion the Board agreed to defer further consideration of this matter until the next Board meeting. Jill McIntosh will draft a document that will outline criteria that the Board can apply in the future when confronted with applications for home businesses and will distribute the document to Board members prior to the next meeting.

- c) ***Pool Re-Opening Party:*** Barbara Chamberlin suggested that the Board organize the pool re-opening meeting in conjunction with the Women's group. She will report back to the Board about this at the next Board meeting.

**New Business:** Jill McIntosh reported that there had recently been a large white drone in their neighborhood (La Viveza). Its origin is unknown. However, it caused a serious disturbance in the neighborhood. Ms. McIntosh will further investigate issues relating to drones and report back to the Board about this matter.

**Adjournment:** The meeting was adjourned at 9:33 am by a unanimous vote of the Board members.

## **EPCSA Board of Directors Meeting Minutes May 13, 2016**

**Board Members present:** Jim Fassett (Vice-President), William Schiller (Secretary), A.L. Bontrager (Treasurer), Carol Genebach, Jill McIntosh, Barbara Chamberlin, and Leslie Walker-Hirsch.

Vice-President Jim Fassett Chaired the meeting in President Jackunas' absence and called the meeting to order at 9:00 am.

### **Approval of April Board meeting minutes**

The Board unanimously approved the minutes of the April 8, 2016 meeting without corrections.

### **Treasurer's Report**

Prior to the meeting Mr. Bontrager distributed to Board members a Balance Sheet as of April 30, 2016, a report on Transaction Detail by Account for April 2016 and the Profit and Loss Budget v. Actual Statement for January through April 2016. The Capital Reserve account currently stands at \$41,928. He further reported that the Association is on track regarding expenses except that we are over budget on web support and clubhouse cleaning costs.

### **Clubhouse Report**

Jim Fassett presented the report for Mark Edwards, the clubhouse manager. Clubhouse maintenance items already completed or pending include the following: a new lockbox installation inside the front door, color washing of the exterior, utility room reorganization, pool re-opening next week, pest control, purchase of new plastic bags for the dog waste stations, cleaning of the entry, obtaining a quote for a stronger magnet on the entry door and cleaning of the patio barbecue equipment.

### **ARB Report**

Chairman Schiller stated that Article 3.6 of the Amended Declaration requires that architectural applications first be submitted for consideration to the appropriate neighborhood ARB. The latter should then send a report of approval or disapproval with pertinent comments to the EP ARB Chair. The EP ARB will review the application and will give preferential consideration to the recommendations of the neighborhood ARB. However, the EP ARB will make the determination as to whether the application should be approved or not and this decision could be at variance with that of the neighborhood ARB. The EP ARB will promptly inform the applicant and the neighborhood ARB of its decision. All issues that arise after approval will be resolved by the EP ARB. Final approval of the completed project is the responsibility of the EP ARB in collaboration with the neighborhood ARB. In cases where the applicant fails to request and obtain approval of the completed project from the EP ARB, the project will be considered as not approved and may be referred to the EP Board of Directors for further action.

### **Home Businesses in Estancia Primera**

Jill McIntosh reported that Article 6.11 of the EPCSA Amended Declaration prohibits non-residential uses of property within EP. Because neighborhood subdivision homeowner associations are often unaware of this use restriction, there is a risk that potential buyers of EP homes might be told erroneously that they can operate home businesses. The covenants convey to existing owners protection from disturbances that might result from an active home business operating nearby them. Accordingly, if permission were mistakenly given to a new owner to operate a home business, an aggrieved existing neighbor might file a lawsuit against the EPCSA. Moreover, there is some confusion regarding the differences between "home offices" and "home businesses." Ms. McIntosh had therefore prepared a document (**Attachment I**) at the Board's request that indicates that whereas home offices are allowed, home businesses characterized by increased activity on the property are not allowed except with the

Board's approval. The few home businesses currently operating in EP would remain unaffected unless they changed the nature or scope of their businesses in which case they would need to seek Board approval. Ms. McIntosh believes that her document provides the Board with criteria that could be applied should an application to operate a home business be received. It would also alert realtors to the fact that home businesses are not allowed in EP.

After discussion, a motion was duly made and seconded that Ms. McIntosh's document be accepted as an EPCSA regulation was adopted by the Board by a vote of five in favor and two opposed. The Board decided that the document should be attached to all Certificates of Disclosure for future home sales in EP, that it be posted on the EP website, and that a copy should be sent to all neighborhood subdivision homeowner associations.

### **Proposed Haciendas del Mirasol Development at El Mirasol**

Vice-President Jim Fassett outlined the nature of the proposed El Mirasol development (**Attachment II**). He reported that the "Hobo Hill" property across Hyde Park Road from EP was renamed *El Mirasol* after a group of developers purchased it. It has been subdivided for development purposes into Tracts 1 (28 acres) and 2 (41 acres). Local developer Cody North has applied to the City to develop Tract 1 as the *Haciendas del Mirasol at El Mirasol* ("*HDM*"). Master and siting plans for the proposed development (**Attachments III, IV**) show that it will consist of eight lots that may not be subdivided. Each lot may have a single guesthouse that cannot be rented. The remaining 41 acres of *El Mirasol* have been zoned for a *maximum* of 39 residential units without guest houses.

An Early Neighborhood Notification meeting about the proposed *HDM* development was held on April 11, 2016. Additionally, an *ad hoc* Board Committee consisting of Pat Jackunas, Jill McIntosh, Rita Meek, and Jim Fassett met with the City Traffic Engineer on May 3 and with Donna Wynant, a Senior Planner with the Planning Division, on May 4, 2016 to obtain further information about the proposed development.

The proposed development will be considered by the City of Santa Fe Planning Commission on June 16, 2016. The main purpose of this meeting is for the Commission to hear public testimony about the development. Accordingly any EP owner with concerns about the development may attend the Commission's meeting and voice his/her concerns. The Commission will announce its decision regarding the development at the end of the meeting. The EPCSA Board members believe that the only potential adverse impact on EP is might be slightly increased traffic on Hyde Park Road.

**Traffic Impact Report for HDM** - Jill McIntosh gave an analysis of the potential traffic impact of the proposed HDM development on EP based on the Board Committee's meeting with John Romero, the City of Santa Fe Traffic Engineer (**Attachment V**).

**Entry Location** - The proposed development entry is to be located directly opposite the south EP entry. The City wants the smallest possible number of access points onto Hyde Park Road and considers an entry site opposite the south EP entry to be the safest option. The City does not favor an access point further west between the south EP entry and Prince Avenue. Such an access point would be on a less safe and steeper slope of Hyde Park Road where vehicles exiting HDM would not have a clear view of oncoming traffic because of the curve in the road. If the remaining 41 acres in *El Mirasol* are developed those homeowners would probably use the planned entry/exit for HDM opposite EP's south entrance.

**Traffic Impact Analysis (TIA)** - The City does not normally require a TIA for developments of fewer than 25 lots, however, because traffic concerns from adjoining neighborhoods were expected, the developer hired Traffic Engineer Mike Gomez to perform a traffic study. Mr. Gomez has thirty years of traffic-analysis experience and is regarded as being highly qualified in this area. Mr. Romero regards Mr. Gomez's TIA, which is a 300-page report, as having been done properly and in accordance with well-accepted criteria. The report indicates that HDM is likely to have only a minimal impact on Hyde Park Road traffic and the report is likely to be accepted by the City. If the City receives an application for the development of the remaining 41 acres in *El Mirasol*, it could request an additional traffic study if 25 or more lots are proposed.

*Possible Left-Turn or Deceleration Lane and Other Traffic Control Measures* - The City does not consider such a lane near the HDM entry to be justified by the small traffic increase likely to be caused by the proposed development. However, the possible creation of a left-turn lane near the proposed entry would be considered by the City when the remainder of El Mirasol is developed.

**Summary of Ordinance No. 1981-3** - At the Board's invitation, Errol Levine provided an analysis of the Ordinance that will control the HDM development (**Attachment VI**). This Ordinance was adopted by the Santa Fe City Council in 1981. It rezoned the *El Mirasol* area, which was then part of EP, as a Planned Residential Community. The Ordinance and its appendices were attached to the Original Declaration of Covenants and Restrictions for the EP Community of 1982 and it was referenced in all later amendments of the Declaration. Accordingly, all EP owners were informed of the possibility that the "Hobo Hill" area could be developed in the future. The Ordinance contains stringent requirements that the developer must fulfill to minimize water runoff from the development to prevent flooding of downhill properties. Because the land was approved for development about 35 years ago, the Planning Commission's deliberations about the development will focus on the developer's plans for drainage of the property.

### **Homeowner comments on the proposed HDM development**

Two Los Altos homeowners (Scottie Pierce and Mickey Melton) expressed various concerns regarding the proposed entry location for HDM, the accuracy of the TIA, nuisances likely to be caused by an increase in traffic and pedestrians, and their belief that the homes in HDM might be used for short-term rentals.

The Board then discussed the HDM development. A.L. Bontrager felt that the TIA was misleading (**Attachment VII**). Other Board members suggested that the new development might be an asset for EP in that the vagrant problem in the area might be eliminated. Others stated that while another location for the HDM entry would have been desirable it was unlikely that a better location for the entry could be found. The Board therefore concluded that it would take a neutral stance regarding the proposed development.

A motion was then duly made and seconded that the existing *ad hoc* Board Committee, consisting of Jill McIntosh, Rita Meek, and Pat Jackunas, should be formally appointed by the Board to monitor the HDM project. They will report back to the Board regularly on the progress of the development and on the proposed development of the remaining part of *El Mirasol* when the latter comes under consideration. The motion was approved unanimously.

### **Old Business**

**Home Rentals** - A.L. Bontrager expressed concern about uncontrolled short-term rentals in EP. Jill McIntosh responded that the City Council had recently approved an increase in permitted short-term rentals in the City from 360 to 1000. The Board concluded that the only way to control this in EP was for the neighborhood subdivisions to monitor suspected short-term rentals and to report back to the EP Board about them. The Amended Declaration of Covenants for EP prohibits home rentals of less than one month's duration. Jill McIntosh will present a report to the Board on this matter on a later occasion.

**Memorial Day Pool Party** - Barbara Chamberlin and Leslie Walker-Hirsch asked that everyone respond to them as soon as possible as to whether they plan to attend the Pool Party on Memorial Day.

### **New Business**

There was none.

### **Adjournment**

The meeting was adjourned at 10:33 am by a unanimous vote of the Board members.



## ***Attachment I***

### **ESTANCIA PRIMERA COMMUNITY SERVICES ASSOCIATION REGULATION REGARDING HOME BUSINESSES IN ESTANCIA PRIMERA**

Article 6.11 of the EPCSA Amended Declaration of Covenants and Restrictions for the Estancia Primera Community (2005) states in pertinent part as follows:

***Non-Residential Uses:** Residential areas within the Property shall be used only for residential purposes, and no part of such areas shall be used, caused to be used or permitted to be used, in any way, directly or indirectly, for any business, profession or other non-residential purpose, except that home occupations, as allowed by ordinance of the City of Santa Fe, shall be permitted as long as said home occupations are approved by the Board of Directors.*

The EP Board of Directors believes that the language of the covenant imposes on it an absolute responsibility to review and restrict proposed non-residential home uses in a manner that favors protection of the privacy and tranquility of adjacent homeowners and that preserves the residential character of the neighborhood.

#### **Definitions relating to Estancia Primera:**

*Home Office:* A Home Office is any part of a home used for business purposes, including commercial activity, where interactions with clients/customers are accomplished exclusively using the Internet, telephones, fax machines, or other electronic means. There are no client/customer visits to the property.

*Home Business:* A Home Business involves direct interactions with clients/customers on the property. Other characteristics include the presence of one or more employees who are not family members and who do not dwell in the residence and increased vehicular traffic at the home produced by visits of clients/customers and frequent delivery of packages and express mail.

#### **EPCSA Policy:**

A *Home Office* as defined above is allowed and does not require authorization by the Board.

A *Home Business* as defined above is **not** allowed in Estancia Primera.

Any existing home businesses are exempted from the above policy unless the scope or type of the business changes.

***Adopted by EPCSA Board of Directors at Board meeting on May 13, 2016***

## ***Attachment II***

Report presented by Jim Fassett at the EPCSA Board of Directors Meeting on May 13, 2016.

### **Introduction**

The developer, Cody North, has submitted an application to the City to develop 28 acres of the 69-acre area known colloquially as “Hobo Hill” and now renamed El Mirasol. The proposed development (*Haciendas del Mirasol*) will consist of eight single-family residences located on large lots. The remaining 41 acres of the “Hobo Hill” area have been zoned for a *maximum* of 39 residential units, however the final number is likely to be lower because of constraints imposed by the Escarpment Ordinance.

The Master Plan and Siting Plans for the Haciendas del Mirasol (HDM) development show that eight lots are proposed ranging in size from 1.03 acres for lot 7 to 7.07 acres for lot 4. The parts of each lot that are buildable, because of the very uneven topography of the area, are outlined by dashed lines on the Master Plan (**Attachment III**). As the table in the lower left of the Master Plan shows, the buildable areas for each lot are quite variable with the largest of these, lot 4, having a buildable area of only ten percent of its total area. For lots 2, 3, 5, 6, and 7 less than half of their total areas is buildable.

The Siting Plan (**Attachment IV**) shows more dramatically the relatively small percentage of buildable areas present in the entire development area. Possible home sites are shown for each lot that are in compliance with current escarpment restrictions (see below). Note that all home sites are well off of the topographic ridges labeled “RIDGETOP ESCARPMENT” on the Siting Plan. As noted on the Siting Plan, “*Possible building pad locations shown for feasibility purposes only.*”

### **Building Pad Siting**

The following text found on the Siting Plan explains the constraints for building pads in the development area:

- *Building pads shown range in size from 3,500 SF to 5,000 SF*
- *Building pads shown adhere to buildable area requirements from above [described earlier in the text of the report] and comply with Santa Fe City Code with respect to setbacks and 14-8.2(D) Footprints, Ordinance 1981-3 with respect to topography, and 14-5.6(D)3 Escarpment Overlay District siting structures as far as possible from the ridgetop viewline.*

### **Terrain Management Report**

This very detailed (406 pages) report was prepared for the developer to assess the terrain in the proposed development area and to develop a plan to reduce to a minimum the rainfall runoff from the developed area discharging mostly to the west. This report is far too complex to discuss

in detail in this venue, but one part of the report that is of particular interest states that in the development area:

*Many of the arroyos exhibit severe erosion. There are several dozen rock/wire check dams which were reportedly constructed by the Civilian Conservation Corps in the late 1930s. Many of these structures have been breached or have failed and are in need of repair.*

The report states that all of these structures will be restored to their original condition and that the amount of water running off of the developed area once the development is completed will be less than it now is in its natural condition.

The report states:

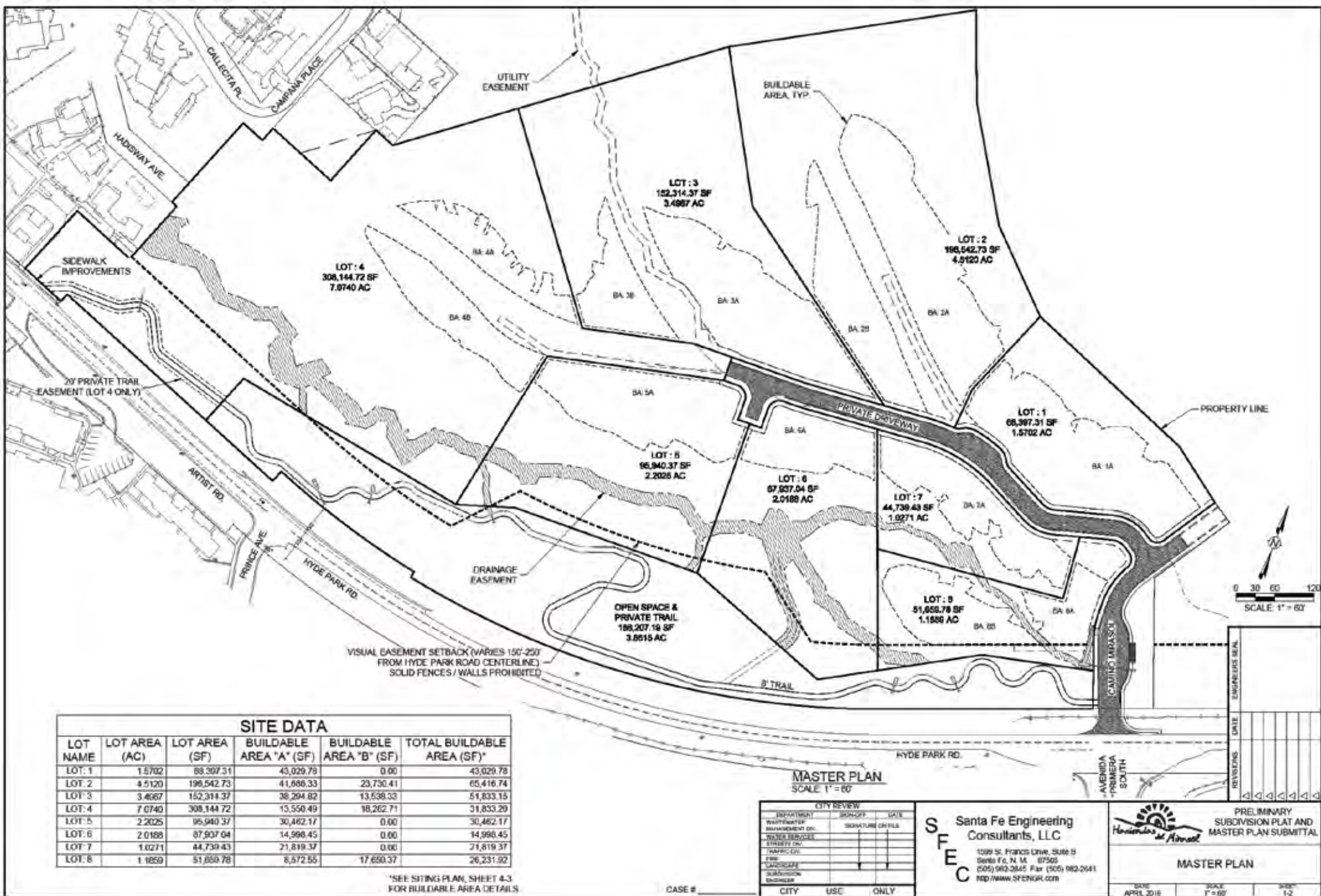
*The development of Haciendas del Mirasol will have an impact on storm water runoff due to the increase in impervious surfaces (driveways and roofs). In order to control this excess runoff, a number of alternatives for controlling drainage are proposed. Excess runoff from impervious surfaces (roofs and driveways) will be mitigated as follows:*

*On lot impervious areas are to be controlled as follows:*

- 1. All roofs are to be provided with cisterns (active water harvesting techniques). The cisterns shall be sized to capture one gallon per square foot of roof area.*
- 2. All impervious driveways, sidewalks, and patios shall use (passive water harvesting techniques), open ponds, and mulched water absorption swales are to collect 100% of the 100 year 24 hour precipitation.*

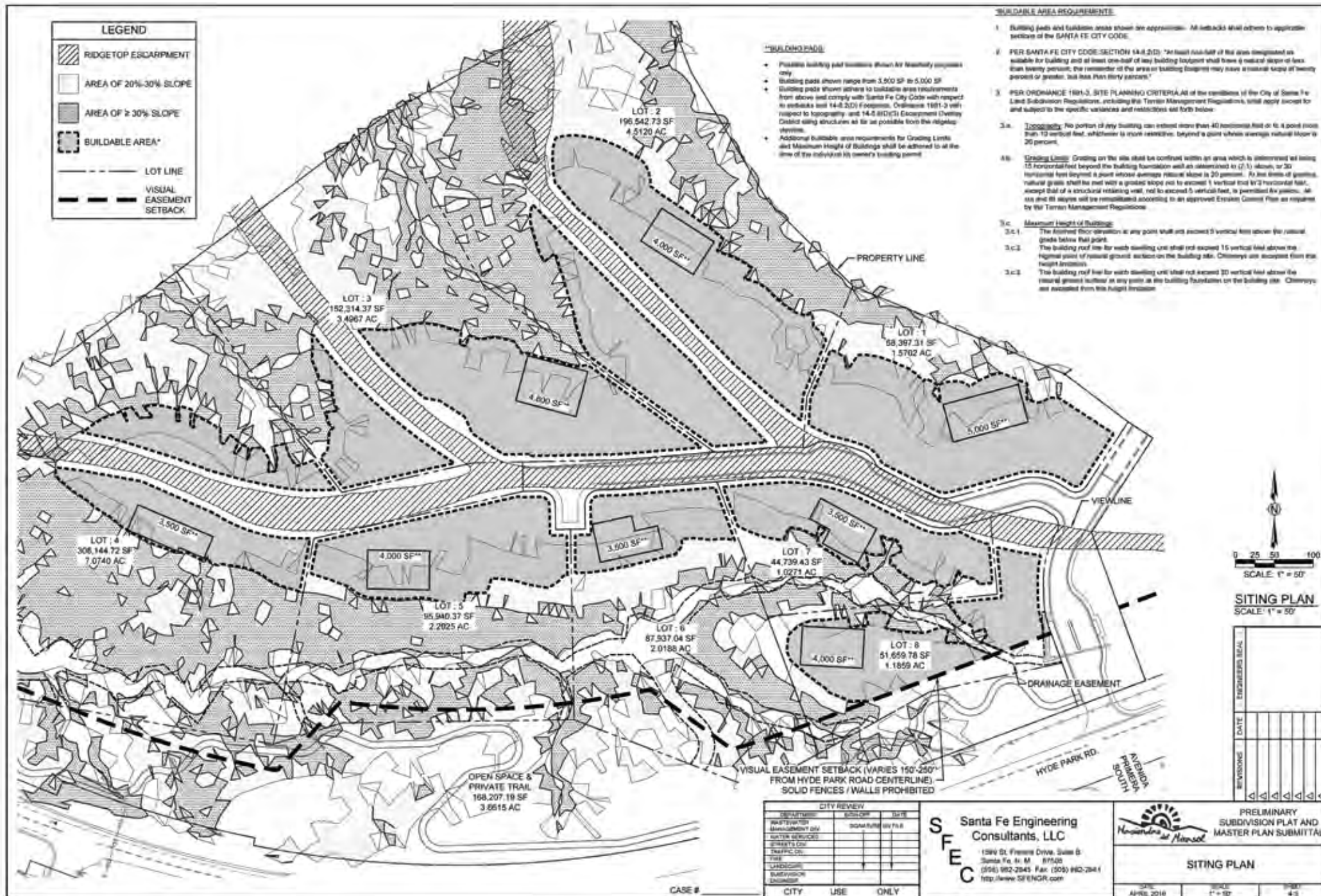
*Subdivision runoffs from streets are to be controlled as follows:*

- 1. Rain gardens will be provided adjacent to the driveway. Rain gardens are sized to control 100% of the 100 year 24 hour precipitation.*
- 2. Existing check dams are to be repaired.*
- 3. The existing onsite watershed is to be cleaned. The onsite basins shall be revegetated and planted at the optimum time for plant survival.*
- 4. New ponds are to be constructed to attenuate peak flows.*
- 5. Additional check dams will be installed.*
- 6. Inspection and maintenance for all storm water management facilities shall be performed by the Homeowners Association.*





# HACIENDAS DEL MIRASOL SITING PLAN



## *Attachment V*

### **TRAFFIC IMPACT OF PROPOSED HACIENDAS DEL MIRASOL DEVELOPMENT**

This report was summarized by Jill McIntosh, EPCSA Board member, at the EPCSA Board of Directors Meeting on May 13, 2016.

On May 3, 2016 Pat Jackunas, Jim Fassett, Jill McIntosh, and Rita Meek met with John Romero, the City of Santa Fe Traffic Engineer. The meeting established the following:

#### **Introduction**

The Haciendas Del Mirasol (HDM) development entry will be located directly opposite the south Estancia Primera entry (see master and siting plans) and will lead to an access road (*Camino Mirasol*). This road runs along the extreme east end of the *Haciendas del Mirasol* property. The City wants the smallest possible number of access points onto Hyde Park Road and considers an entry site opposite the south Estancia Primera entrance to be the safest option. An entry location further east is not feasible because the developer cannot construct the entry and access road on property that he does not own. Also, the City does not favor an access point further west between the south entry to Estancia Primera and Prince Avenue because such an access point would be on a less safe and steeper slope of Hyde Park Road. Vehicles exiting the development from such an entry location would not have a clear view of oncoming traffic because of the curve in the road. Additionally, the access road from an entry in that location would have to cross an area with a 30 per cent grade that includes a deep arroyo.

If during Phase 2 the remaining 41 acres in *El Mirasol* are ever developed the home owners there would probably use the existing entry/exit for the HDM development. A second access point to the development is not considered justified by the City. Even if a maximum of 39 homes were constructed in Phase 2, the total number of homes would be about 47. This contrasts with Estancia Primera which has 189 properties (12 vacant lots) and the access points allow for 94.5 lots per entry.

#### **Traffic Impact Analysis (TIA)**

The City does not normally require a Traffic Impact Analysis for developments of fewer than 25 lots. However, it had suggested to Cody North, HDM developer, that a traffic study be performed because of anticipated traffic concerns from residents of neighboring developments. The developer hired City Traffic Engineer Mike Gomez to perform the traffic study. He has thirty 30 years of traffic analysis experience and is regarded as being highly qualified in this area. Mr. Romero regards Mr. Gomez's TIA as having been done properly and in accordance with well-accepted criteria.

The City instructed Mr. Gomez to assume that eight homes and eight guest houses would be built so as to determine the maximum possible traffic impact. A total of eight guest houses would be the maximum allowed at the present time. The Covenants for the development prohibit guest house rentals. The traffic study was based on Estancia Primera traffic counted on one business

day in the middle of the week. This is an accepted standard for the average working neighborhood in America. These numbers were then scaled down to 16 residences - eight lots and eight guest houses for the HDM development from the traffic count for Estancia Primera's 177 homes. Mr. Gomez concluded that eight vehicles would be expected to enter and leave the new development on any given day. Based on the TIA, the City will likely conclude that the new development will not have a negative impact on Hyde Park Road traffic.

If the City receives an application for the Phase 2 development of the remaining 41 acres in *El Mirasol*, it will request an additional traffic study if 25 or more lots are proposed.

**Possible Left-Turn Deceleration Lane and Other Traffic Control Measures:**

Such a lane is not considered to be justified by the small traffic increase likely to be caused by the HDM development. However, a left-turn lane might receive favorable consideration from the City when Phase 2 of the development occurs. There are other developments further up Hyde Park Road which are significantly larger but which do not have left-turn lanes. These include Camino de Este (800 East) with about 31 homes, 1100 East, and 1200 East. A traffic light at the intersection would not be justified by the small increase in traffic caused by the development.

## SUMMARY OF CITY OF SANTA FE ORDINANCE NO. 1981-3

Presented by Errol Levine at the EPCSA Board of Directors meeting on May 13, 2016

Ordinance No. 1981-3 was adopted by the Santa Fe City Council on January 28, 1981 and signed by Mayor Arthur Trujillo. The Ordinance dealt with two areas of land in the former Prince family estate (Tracts A and B) and rezoned them as a Planned Residential Community ("PRC"). A PRC by definition consists of 2.39 home units per acre, neighborhood commercial services, parks, and open space.

Tract A was located north of Hyde Park Road and consisted of 68.36 acres. It was originally a part of Estancia Primera but remained undeveloped for decades as "Hobo Hill" and is currently called *El Mirasol*. The proposed *Hacienda del Mirasol* development represents a 28-acre subdivision of *El Mirasol*. Tract B was located south of Hyde Park Road and consisted of 120.90 acres. It was subdivided later into various tracts which eventually became the current Estancia Primera community with its 189 properties and nine neighborhood subdivisions.

The Ordinance and its appendices were attached to the Original Declaration of Covenants and Restrictions for the Estancia Primera Community of 1982 and it was referenced in all later amendments of the Declaration. The provisions of the Ordinance including that the so-called "Hobo Hill" area (Tract A) had actually been approved for residential development by the City in 1981 and were therefore available to all property buyers in Estancia Primera between 1982 and the present time.

Tract A (El Mirasol) and Tract B (Estancia Primera) were acquired by a company known as New Mexico Resources Inc. in about 1980. They intended to develop Tract B in phases and that became the current Estancia Primera community. They apparently intended to proceed later and develop Tract A. However, they went bankrupt in the early years of the development and other developers acquired and developed subdivisions of Tract B that became Estancia Primera as currently constituted.

Ordinance No. 1981-3 was passed because various downhill Homeowner Associations objected to the development of Estancia Primera on the grounds that it would cause increased storm-water runoff that might flood their properties. The Ordinance therefore included as an appendix a contractual agreement between New Mexico Resources, Inc., the Historic Hillside Neighborhood Association, and the Northeast Neighborhood Association whereby the developer agreed to fulfill a variety of strict conditions relating to terrain management, topography, grading limits, maximum height of buildings etc. that would minimize water runoff.

The Planning Commission of the City of Santa Fe met on July 9, 1981 and considered submittals for the development of that portion of the Estancia Primera PRC that lay south of Hyde Park Road (Tract B). The Commission, after studying the submittals, recommended plat approval for Estancia Primera and the various tracts within it subject to specific revisions.

The Planning Commission will now meet again to consider the details of the proposed *Haciendas del Mirasol* development and in particular to determine whether it complies with the provisions of the Ordinance that require any developer to adopt measures that would minimize storm water runoff from the property. However, the approval of the development itself is not in question. The approval provided by Ordinance No. 1981-3 remains in effect. If the developer satisfies the Commission regarding drainage issues, the Planning commission is likely to approve the development.



## *Attachment VII*

These are my comments on the project after reading the Traffic Study:

1. The study on the South and North entrance was performed on Wednesday, January 27, 2016. This is not a good example of traffic entering and leaving Estancia Primera since our occupancy is much higher during the summer months. Many people who own homes are part timers and spend the summers in Santa Fe.

2. There are possibly two entrances to the new development, one across from our South entrance and one between our South entrance and Prince Street. The problem with the entrance between our South entrance and Prince Street is that Hyde Park Road curves in that area and visibility is not good in that area. An entrance across from our South entrance may be their best one. However, currently they will have only one entrance to their development and not another entrance from the Tract 2 development.

3. In the Executive Summary portion of the study, the page that deals with "Rate Calculation Using Estancia Primera" the table shows for Tract 1 to have 8 dwelling units and Tract 2 to have 39 dwelling units. However the information at the top of the page shows Tract 1 to have 16 dwelling units, which includes a guesthouse and Tract 2 to have 39 dwelling units, which include no guesthouses. This comparison is inconsistent.

4. Again in the Executive Summary, in table 3, Comparison of Trip Generation Rates Using ITE Versus Calculated Rates, Tract 1 uses 16 dwelling units, which would include guesthouses, and Tract 2 uses 39 Dwelling Units, which would include no guesthouses. The zoning for Tract 1 and Tract 2 are the same, so once again, this is inconsistent. It is possible the terrain in Tract 2 may not allow for 39 dwellings, but even if you would use 30 dwelling units and add their guesthouses, this table is inaccurate.

A.L. Bontrager

### RATE CALCULATION USING ESTANCIA PRIMERA

ESTANCIA PRIMERA TRAFFIC DATA COUNTED JANUARY 27, 2016

NO OF DWELLING UNITS =		177	15	39	
	TOTAL	HOUSE AND GUEST HOUSE			TOTAL
DESCRIPTION	TRAFFIC	RATE	VEH	VEH	VEH
AM ENTERING	41	0.23	4	9	13
AM EXITING	29	0.16	3	6	9
PM ENTERING	32	0.18	3	7	10
PM EXITING	25	0.14	2	6	8

COMPARISON OF TRIP GENERATION				
PHASE I (8 DWELLING UNITS)				
DESCRIPTION		USING RATES	USING OTISS	DIFFERENCE
AM ENTERING		4	5	1
AM EXISTING		3	16	13
PM ENTERING		3	10	7
PM EXITING		2	6	4
PHASE II (39 DWELLING UNITS)				
DESCRIPTION		USING RATES	USING OTISS	DIFFERENCE
AM ENTERING		9	9	0
AM EXISTING		6	28	22
PM ENTERING		7	28	21
PM EXITING		6	17	11



and retired individuals. The same demographic of homeowner may purchase homes in El Mirasol. Based upon the traffic counts, rates for Estancia Primera were calculated. Calculations are presented in Appendix C. A comparison of the traffic predicted for Haciendas Del Mirasol at El Mirasol Subdivision, Tract 1 and the adjacent Tract 2 using calculated rates is presented in Table 3.

<b>TABLE 3</b> <b>COMPARISON OF TRIP GENERATION RATES USING</b> <b>ITE VERSUS CALCULATED RATES</b>			
<b>Tract 1 (16 Dwelling Units)</b>	<b>Trips Generated</b>	<b>Trips Generated</b>	<b>Trips Generated</b>
<b>Description</b>	<b>Using Calculated Rates</b>	<b>Using ITE Rates</b>	<b>Difference</b>
AM Enter	4	5	-1
AM Exit	3	16	-13
PM Enter	3	10	-7
PM Exit	2	6	-4
<b>Tract 2 (39 Dwelling Units)</b>			
<b>Description</b>	<b>Using Calculated Rates</b>	<b>Using ITE Rates</b>	<b>Difference</b>
AM Enter	9	9	0
AM Exit	6	28	-22
PM Enter	7	28	-21
PM Exit	6	17	-11

The actual traffic generated by Estancia Primera indicates a difference in the A.M. Peak Hour Traffic Exiting and P.M. Peak Hour Traffic Entering. This probably reflects the second homeownership and retired community in Estancia Primera. Due to the characteristics of the type of homeownership in this

## **EPCSA Board of Directors Meeting Minutes June 10, 2016**

Board Members present: Pat Jackunas (President), Jim Fassett (Vice-President), William Schiller (Secretary), A.L. Bontrager (Treasurer), Carol Genebach , Jill McIntosh, Barbara Chamberlin, Terry Schultz, and Leslie Walker-Hirsch.

*President Jackunas called the meeting to order at 9:00 am.*

### **Approval of May 13 Board meeting minutes**

The Board unanimously approved the minutes and the eight attachments thereto without corrections.

### **Updated Information regarding the Haciendas del Mirasol Development at El Mirasol**

Dr. Schiller indicated that after the May Board meeting further information about the development had become available that corrected some statements in the May minutes. The following updated information was obtained from Greg Smith, the Planning Division Director for the City of Santa Fe:

*It is not known currently how many lots/homes will be allowed in El Mirasol in Phase 2 of the development. Anyone owning a lot in the Phase 2 development of El Mirasol is eligible to have a guest house. However, the City will only approve a guest house if a property qualifies for one according to the requirements of various City Ordinances. The City of Santa Fe Planning Commission will consider the development application for the Haciendas del Mirasol at its meeting at 6:00 pm on July 7 at the City Council Chambers. The City is evaluating the Traffic Impact Analysis (TIA) prepared by for the development and is also investigating how Phase 2 might additionally affect traffic on Hyde Park Road. It remains unknown whether a second TIA will be required for Phase 2 of the development.*

A.L. Bontrager had also forwarded to the Board members two documents regarding the proposed El Mirasol development prepared for the Greater Callecita Neighborhood Association by an architect and their legal counsel.

### **Treasurer's Report**

Prior to the meeting, Mr. Bontrager distributed to Board members a Balance Sheet as of May 31, 2016, a report on Transaction Detail by Account for May 2016, the Profit and Loss Budget v. Actual Statement for January through May 2016, and a spreadsheet showing projected possible future capital expenses that might be incurred between 2016 and 2025. The Capital Reserve account currently stands at \$41,928. He indicated that he could not continue as Treasurer after the August Annual Members' Meeting owing to business obligations. Accordingly, another Board member would have to serve as Treasurer after August.

### **Clubhouse and Grounds Maintenance Report**

The pool renovation is now complete. The Board noted that are some minor cracks in the tennis court surface that may need repair at some future time. Barbara Chamberlin reported that there were still problems with overgrown vegetation in places adjacent to the sidewalks along Avenida Primera.

President Jackunas indicated that this keeping sidewalks clear of vegetation is the responsibility of the adjacent lot owner and not the responsibility of either the EPCSA or of the local HOA. She will write to the individual owners whose lots are considered to be a problem in this regard.

## **ARB Report**

ARB Chairman Schiller indicated that he had received plans for a home construction on a vacant lot in Cumbre Vista. These will be sent to the EPCSA's consultant architect for his assessment and approval. After that the ARB will meet to discuss the project. After ARB approval is obtained, a City of Santa Fe construction permit must be obtained by the lot owner.

## **Homeowner Comments**

Errol Levine (Los Nidos HOA) reported that he did not think that the Disclosure process for home sales in EP was working properly (see attached report). Realtors were not obtaining Disclosure Certificates from both the EPCSA and the local HOA for the neighborhood in which a home for sale was located. Full disclosure is a requirement of the New Mexico Homeowners Association Act of 2013. Also realtors and title company representatives had complained that they did not know whom to contact in EP to obtain Disclosure Certificates. Dr. Levine therefore recommended that the EPCSA become proactive in this matter by sending pertinent information to listing realtors as soon as homes go on the market (see attached report for details).

The Board discussed the matter and appointed a Sub-Committee consisting of Jill McIntosh, Errol Levine, Jim Fassett, and Barbara Chamberlin to produce recommendations for improving the disclosure process. Jill McIntosh will present the Sub-Committee's report at the July Board meeting at which time the Board will vote to adopt an improved disclosure process. Barbara Chamberlin reported that she had developed a list of owners (with contact information) in each of the nine EP neighborhood subdivisions who are available to prepare Disclosure Certificates for home sales in their neighborhoods (see attachment). Jim Fassett will post this list on the EPCSA website so that the information will be available to realtors and title company representatives. Ms. Chamberlin will continue to prepare the EPCSA Disclosure Certificates.

## **Old Business**

There was none.

## **New Business**

*Plans for Annual EPCSA Members' Meeting:* The Annual Meeting will be held at 7:00 pm on Wednesday, August 17, 2016 at the clubhouse. On or about July 3 President Jackunas will send a notice of the meeting to all EP owners using both ordinary mail and email. She will provide in the notice the date, time, and place of the annual meeting; the meeting agenda; and the method of voting to be used for the election of Board members. Board officers will present the ARB, Clubhouse, Grounds Maintenance and Financial reports. The draft minutes for the August 19, 2015 annual Members' meeting were posted on the EP web site so that owners may read them prior to the meeting when the minutes must be approved.

Three Board members' terms expire in August 2016 - Terry Schultz (Cumbre Vista), William Schiller (Aspen Compound), and Jim Fassett (Los Nidos). All three have agreed run for re-election. Any owner who resides in these three neighborhoods may nominate himself or herself for the vacant position. Nominations require submission of a Petition of Candidacy to Dr. Schiller no later than July 18, 2016. Each petition must be signed by five EP homeowners in good standing. President Jackunas will notify all EP owners about this in her meeting announcement letter. Blank Petitions of Candidacy are available on the EPCSA website. If there are no contested elections, the nominees will be elected by acclamation. If there are any contested elections secret written ballots will be used. The method of voting used will be "At large by neighborhood subdivision."

Draft budgets for the remainder of this fiscal year and for FY 2017 will be provided by the Treasurer and will be posted on the EPCSA web site prior to the annual meeting.

*Proposed Bylaw Amendment:* The Board noted that Article X, Section 1 of the Amended Bylaws for the EPCSA provides that "*These Amended Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of the Members present in person or by proxy.*" The Board noted further that the Bylaws were written in 1981 at which time electronic forms of communication were unavailable. The Board members felt that it was now appropriate to amend Article V, Section 1 of the Bylaws ("Notice") to permit the Board to notify owners about the annual Members' meeting each year via email instead of by ordinary mail, as is currently required. This would significantly reduce costs for the EPCSA particularly since in addition to paying for postage the Association may have to pay to get the mailings prepared. It was therefore agreed that President Jackunas would prepare an amendment to the Bylaws that would accomplish this purpose and that she would distribute a draft of the proposed amendment to the Board members for their approval via email. The amendment document would then be sent to all EP owners prior to the July Board of Directors meeting so that the necessary deadlines for the annual meeting announcement are complied with. The EP Members could then vote on the proposed amendment at the 2016 annual meeting. If the Bylaw is amended, the amendment would become effective for the 2017 annual meeting.

## **Adjournment**

The meeting was adjourned at 9:35 am by a unanimous vote of the Board members.

## **ATTACHMENT: EPCSA Disclosure Certificate procedures for home sales**

*Report presented by Errol Levine, EPCSA Board of Directors meeting, June 10, 2016*

In 2013 the New Mexico legislature enacted the Homeowner Association Act. Section 12 of the Act requires that the owner of a property for sale and the HOA provide a prospective purchaser with a disclosure certificate together with such documents as the Association's CC&Rs. The usual procedure is that the listing realtor makes such a request directly to the HOA on behalf of the seller.

I have spoken to realtors and title company representatives and found that we are not complying properly with the disclosure requirements. The reasons for this are as follows: Most listing realtors are unaware that full disclosure requires that they obtain disclosure certificates from both the EPCSA and

the local HOA and accordingly the latter is often not asked for a certificate. Since neighborhood subdivision HOAs frequently have CC&Rs and rules that differ significantly from those of the EPCSA, potential buyers may therefore be deprived of important information that they should take into account when considering a home purchase. Realtors do not know whom they should contact in EP regarding disclosure certificates. The EPCSA should make it easier for realtors to comply with the disclosure provisions of the HOA Act.

Prospective buyers who do not receive all disclosure documents remain unaware of their obligations when they move here. They are more likely, for example, to undertake major exterior home changes without ARB approval. It is far better that buyers be made aware of applicable restrictions in advance and therefore be given an opportunity to cancel purchase contracts if they find the restrictions unacceptable.

Accordingly, I would like to propose that the EPCSA become proactive in this matter by taking the following steps:

- a. Jill McIntosh will inform Barbara Chamberlin of the details of any EP home listed for sale;
- b. Barbara Chamberlin will then notify the listing realtor that when the home goes under contract, the realtor must obtain disclosure certificates from both the EPCSA and the local HOA;
- c. Barbara Chamberlin will inform the listing realtor that the contact information for the EPCSA and local representatives may be found on the Estancia Primera website.

Contact information for new owners must be provided after the closing. The person who completes the Disclosure Certificate for a local HOA must obtain and provide this information to the EPCSA following the closing.

## **EPCSA Board of Directors Meeting Minutes July 8, 2016**

**Board Members present:** Pat Jackunas (President), Jim Fassett (Vice-President), William Schiller (Secretary), Carol Genebach, Jill McIntosh, and Barbara Chamberlin,.

President Jackunas called the meeting to order at 9:00 am.

**Approval of June 10 Board meeting minutes:** The Board unanimously approved the minutes as submitted.

**Treasurer's Report:** Prior to the meeting Mr. Bontrager distributed to Board members a Balance Sheet as of June 30, 2016, a report on Transaction Detail by Account for June 2016, and the Profit and Loss Budget v. Actual Statement for January through June 2016. The Capital Reserve account currently stands at \$41,928. The pool filter will be replaced at a cost of \$2,180. The pay for the EPCSA bookkeeper and clubhouse manager has been increased from \$25 to \$30 per hour by unanimous Board agreement obtained via email.

**Grounds Maintenance Report:** Barbara Chamberlin reported that there were still problems with overgrown and dead vegetation adjacent to the concrete sidewalk and street along Avenida Primera. Two lots are particularly problematic in this regard. They are at 775 Paseo Cresta and 532 Los Nidos Drive. After discussion, the Board resolved as follows: President Jackunas will write to the owners of the home at 532 Los Nidos Drive on behalf of the Board reminding them of their responsibility to manage vegetation on the Avenida Primera side of their property. The letter will be sent by certified mail with a return receipt requested.

The vacant lot at 775 Paseo Cresta is owned by an individual who has liens filed against her by the EPCSA for unpaid annual dues. The Board believes it unlikely that they would get any response by writing to the owner. The vacant lot is on Cresta property and Barbara Chamberlin was asked to investigate the feasibility of the Cresta HOA hiring and paying for a landscaper to trim back vegetation on the lot.

**ARB Report:** Chairman Schiller indicated that the ARB had recently met and approved the plans for construction of a new home on a vacant lot in Cumbre Vista. The lot owner has obtained a building permit from the City.

**Homeowner Comments:** There were no comments.

### **Old Business:**

*Clubhouse repairs:* There are some cracks in the new tennis court surface which is no longer under warranty. President Jackunas will investigate the cost of repairing these. It is thought that the approximate cost will be \$2,000. New magnets have been ordered for the Clubhouse entry door.

*Arson attempt in the Saiz arroyo:* President Jackunas has still not heard from the Fire Marshall regarding the outcome of their investigation into the arson attempt. It was generally agreed that "No Trespass" signs at the arroyo entries would unlikely be an effective deterrent for vagrants and other trespassers.



*Disclosure certificates for home sales in Estancia Primera:* Jill McIntosh reported that, as discussed at the June Board meeting, realtors were not always obtaining Disclosure Certificates from *both* the EPCSA and the local HOA for the neighborhood in which a home for sale was located. Full disclosure is a requirement of the New Mexico Homeowners Association Act of 2013. Also, realtors and title company representatives had complained that they did not know whom to contact in EP to obtain Disclosure Certificates. She therefore recommended that the EPCSA become proactive in this matter by sending pertinent information to listing realtors as soon as homes go on the market. The Board discussed the matter and agreed with Jill McIntosh that steps should be taken to improve the Disclosure process. It was noted that a list of persons who could be contacted to prepare Disclosure Certificates for the EPCSA and the nine neighborhood subdivisions had been posted on the EPCSA web site. Jill McIntosh suggested that, in the future, she would contact Barbara Chamberlin as soon as she becomes aware that an EP home has been listed for sale and she would provide the MLS number and the listing agents' contact information. Barbara Chamberlin would then email the realtors involved informing them that they must obtain Disclosure certificates for the home sale from both the EPCSA and the relevant neighborhood subdivision. Realtors would be directed to the EPCSA website for the contact information of persons who have accepted responsibility to prepare Disclosure certificates. A motion duly made and seconded that Ms. McIntosh's proposals be implemented immediately was passed unanimously.

*El Mirasol development:* The Board noted that the hearing by the Planning Commission on the application to develop Phase 1 (Haciendas del Mirasol) had again been deferred until August 4.

### **New Business:**

*Plans for Annual EPCSA Members' Meeting:* The Annual Meeting will be held at 7:00 pm on Wednesday, August 17, 2016 at the clubhouse. A notice regarding the meeting including the agenda and the proposed Bylaws amendment was mailed to all owners at the beginning of July. Additionally, President Jackunas will send out an email notice regarding the meeting within the next two days. Ms. McIntosh will summarize the status of the El Mirasol development at the annual meeting.

Dr. Schiller reported that he had received Petitions of Candidacy from three Directors whose two-year terms expire in August 2016. The Petitions are in good order. If no additional petitions are received by the deadline of July 18, the re-election of the three Board members (for Los Nidos, Cumbre Vista, and Aspen Compound) would be by acclamation at the annual meeting. If any of the three vacancies is contested, a secret written ballot will be used. A paper ballot will be used for the proposed Bylaws amendment.

Draft budgets for the remainder of this fiscal year and for FY 2017 will be provided by the Treasurer and will be posted on the EPCSA web site prior to the annual meeting. President Jackunas indicated that she thought an annual dues increase to \$500 (from \$420) should be discussed at the annual meeting. She asked the Board members to canvass the owners in their neighborhood subdivisions regarding this possibility.

Owners wishing to submit proxies for the Annual Meeting will provide those to Dr. Schiller when they sign in for the meeting.

**Adjournment:** The meeting was adjourned at 9:32 am by a unanimous vote of the Board members.

# **ESTANCIA PRIMERA COMMUNITY SERVICES ASSOCIATION (EPCSA)**

## **ANNUAL MEETING MINUTES - AUGUST 17, 2016**

President Jackunas called the Annual Meeting to order at 7:00 pm.

**Directors present:** Pat Jackunas (President), Jim Fassett (Vice-President), A.L. Bontrager (Treasurer), William Schiller (Secretary), Jill McIntosh, Carol Genebach, Terry Schultz, Leslie Walker-Hirsch and Barbara Chamberlin.

**Approval of August 19, 2015 Annual Meeting Minutes:** The minutes were approved unanimously as submitted.

### **President's Comments:**

**New Clubhouse Manager:** Connie Burke was appointed as the new Clubhouse Manager during 2016.

**Fire in Saiz arroyo:** A couple of months ago a fire was set in the Saiz arroyo. This is regarded as an arson attempt by the Fire Marshal. The Fire Department found a lighter but there are no suspects in the case. Fortunately, residents who live close by had helped extinguish the fire and the Fire Department was called promptly and arrived quickly. About 46 separate fires were started.

**Swimming Pool:** The following work was done on the clubhouse swimming pool between February and March 2016. A new lining was installed, the blue edging tiles were replaced, the scuppers were rebuilt, a double drain system was installed, a new pool cover was provided, the infrastructure to achieve disabled compliance (if needed at a later stage) was installed and the concrete decking was rebuilt.

**Home Business Regulation for Estancia Primera:** Ms. McIntosh reported that the Board had approved a home business regulation on May 13, 2016. The regulation was developed to further clarify Article 6.11 of the CC&Rs (non-Residential uses of EP property). The document has been published on the EPCSA web site and is also provided to all new owners as part of the disclosure process for home sales. The regulation defines and distinguishes between home offices (which are allowed without any need for Board approval) and home businesses that involve direct interactions with client/customers on the property. Home businesses are not allowed in Estancia Primera with the exception of those that already existed when the new regulation was adopted by the Board.

**Haciendas del Mirasol (HDM) development:** Ms. McIntosh reported that a preliminary application from a developer to develop 28 acres across Hyde Park road from EP (HDM development) had been approved unanimously by the City of Santa Fe Planning Commission on August 4, 2016 (Phase 1). When the development is completed, it will consist of eight homes on large lots. There is no information currently available regarding the development of the remaining 41 acres within the larger El Mirasol property (Phase 2) of which HDM is a part.

**Bylaw amendment:** Dr. Schiller reported that the Board recommends that Article V, Section 1 of the Amended Bylaws for EP be amended to permit most owners in the future to receive notices of annual Members' meetings and of special meetings via email instead of by ordinary mail, as is currently required by the Bylaws. In situations in which the Board lacks current email addresses for owners, the Board would provide notices of meetings to such owners via ordinary mail. This change will save the EPCSA money used for preparing the mailing and postage. Each attendee had been given a ballot form on signing in and the ballot contained the proposed amended Bylaw. Proxy holders had been given ballot forms equal in number to their proxies. Dr. Schiller asked that Members complete and sign the ballot forms and then hand the completed ballots to the ballot counting committee members, namely Scott Bunten and Carol Genebach, who would check and count the ballots.

**Election of Board Members:** Dr. Schiller reported that he had received nominations in good order for the re-election of the following individuals for two-year Board terms: Terry Schultz (Cumbre Vista), William Schiller (Aspen Compound) and Jim Fassett (Los Nidos). President Jackunas explained that since there were no contested elections, the nominees would be elected by acclamation in accordance with the Board's decision at its July 2016 meeting. A motion duly made and seconded to elect by acclamation Terry Schultz, William Schiller and Jim Fassett, all for two-year Board terms, was approved unanimously.

**ARB Report:** Dr. Schiller (ARB Chair) reported that the ARB had last met in June 2016. The ARB had then approved one Appendix IV application (a new home construction). Another Appendix IV application has been received and will be considered at a forthcoming ARB meeting. There had also been seven email approvals for Appendix III projects (minor projects) that were confirmed and memorialized at the recent ARB meeting. There are two appendix IV projects that are still in progress and six Appendix III projects that are in various stages of completion.

Dr. Schiller advised members that although there is no requirement that an ARB application be submitted for minor exterior repairs or re-stucco projects and new roof installations, the ARB prefers to be informed of these in advance so that they can address any queries received about them from neighbors. Repair projects, however, that are likely to alter significantly the exterior appearance of a home (e.g. selection of a different roof color or a change in stucco color) require a formal ARB application and prior ARB approval. Homeowners were reminded that they need to notify Dr. Schiller when their projects have been completed so that he can give final ARB approval.

Dr. Schiller reminded the Members that ARB applications should first be submitted to the relevant neighborhood subdivision Architectural Review Committee (ARC) using the EPCSA applications forms together with the appropriate performance deposit. The ARC should then forward the application to the EP ARB with a recommendation regarding whether the application be approved, disapproved or modified. However, neighborhood ARCs are advisory to the EP ARB and cannot approve ARB applications on their own; nor should they ever give verbal approval for architectural changes except for minor repairs. The EP ARB pays careful attention to the neighborhood subdivision ARC recommendations and, in general, supports such recommendations. However, the EP ARB usually has the final say regarding architectural applications in EP and may sometimes reach a different conclusion to that of the neighborhood ARC.

An owner inquired regarding whether window replacements require prior ARB approval. Dr. Schiller indicated that if replacement windows are of the same size and appearance as the windows being replaced then no ARB application is required. However, if the replacement windows are different in style, color and size from the existing windows and if the window replacements are part of a larger exterior home renovation project then a formal ARB application is required.

A member inquired whether tree removals require ARB approval especially when the Fire Department, having done an inspection, recommends that certain trees closer than three feet to a home be removed. Dr. Schiller noted the following:

- The EPCSA Architectural guidelines indicate that all landscaping projects including the planting and removal of trees require ARB approval.
- The Fire Department can only make recommendations regarding tree removal and cannot require that trees be removed. In such instances, the homeowner has to make a decision regarding such trees and needs to apply to the EP ARB if he/she wishes to remove them particularly when the trees are large and when their removal might result in significant changes to the exterior appearance of a home and of the neighborhood. The homeowner might also consult his/her homeowner insurance provider regarding the removal of such trees.
- Some EP neighborhood subdivisions have covenant provisions that prohibit removal of any trees without prior approval of their neighborhood ARC. The EP ARB guidelines do not specifically address tree removal. As indicated on the EPCSA web site and in legal settlement documents signed between some neighborhood subdivisions and the EPCSA, where a covenant or architectural guideline provision for a neighborhood subdivision is more restrictive than that for the EPCSA, the more restrictive covenant or guideline will prevail. Accordingly, where a neighborhood subdivision's CC&Rs prohibit the removal of trees, the EP ARB would need to abide by the neighborhood subdivision ARC's decision regarding removal of specific trees if an application to remove a tree or trees is received.

**Grounds Maintenance Report:** Barbara Chamberlin thanked all homeowners and neighborhood subdivision HOAs that had cut back vegetation that encroached on the concrete sidewalk or curb along Avenida Primera and that had impeded pedestrians on the sidewalk. She expressed concerns about snow clearance on the concrete sidewalk during the winter and thought that the EPCSA should take care of this problem. An owner reported that the street light near the south entry to EP had not been working for several weeks. President Jackunas will call the City about this.

**Clubhouse Manager's Report:** Connie Burke reported that two years ago the pool heater was replaced and that the sand filter was replaced during 2016. There have been no problems with the pool cover since the renovation. The pool cover is closed only when there is no threat of rain. There are five different types of light bulbs at the clubhouse. Ms. Burke will investigate replacing these with one type of bulb and will then make a recommendation to the Board regarding this matter. A roof inspection by an electrician had shown that the plastic conduit on the roof that contains electrical wires had degraded so that there are exposed wires. The electrician recommended that it be replaced with a metal conduit. The electrical

junction boxes are lying on the roof and are not attached to the parapets. This is dangerous and not in compliance with the Code. Tile in the foyer and exterior tile is largely Saltillo tile. It and the grout between tiles are beginning to degrade. There are about 900 square feet of tile. Ms. Burke has obtained bids for tile replacement. Ms. Burke indicated that the clubhouse has only a heating system and lacks air conditioning. However, clubhouse users are often unaware of this and sometimes have adjusted the thermostat during the summer months in a manner that has triggered the furnace to turn on. After discussion, it was decided that the best solution to this problem would be to install a locked Plexiglass box around the thermostat so that only the clubhouse manager could adjust the thermostat.

**Treasurer's Report (A.L. Bontrager):** The EPCSA financial documents were made available on the EPCSA's web site prior to the meeting. These are the Profit & Loss Budget vs. Actual document (for January through July 31, 2016), the projected total expenditures for 2016, the proposed EPCSA Budget for 2017 and the 2016 Balance Sheet (as of July 31, 2016). An EPCSA Capital budget extending between August 2016 and 2025 was also provided. The final budget for 2017 and the annual dues for 2017 will be voted on by the Board of Directors at its December meeting.

Mr. Bontrager indicated that in 2012 he and a former Board member were appointed by the Board as an *ad hoc* committee to evaluate the Association's finances. The former Board member had then consulted a Santa Fe accountant about the EPCSA's finances. The accountant after examining the EPCSA's financial and other data had recommended that the Association should have a Capital Reserve fund of about \$110,000. The Board in 2014 had therefore approved increasing the annual dues from \$360 to \$420 (effective January 2015) with the hope of gradually increasing the fund.

The Capital Reserve Fund currently contains about \$41,930. The depletion of the fund resulted from an early 2016 swimming pool renovation at a total cost of about \$77,000. Mr. Bontrager estimated that the EPCSA would have a surplus at the end of 2016 of \$13,000 - \$15,000 that could be added to the Capital Reserve Fund. However, this would not be adequate to restore the Capital Reserve fund to a healthy state. There had therefore been informal discussions that the Board of Directors might consider an annual dues increase from \$420 to \$500 per annum starting in 2017.

Future clubhouse repairs needed will include repairs of cracks in the tennis court surface, repairs to the sidewalk outside the clubhouse, painting of the iron work around the pool, stucco repairs on the clubhouse exterior, repairs of cracks in the parking lot asphalt and replacement of one of the two clubhouse furnaces (although both furnaces are currently in good working order). Mr. Bontrager indicated that the entry tile would eventually need replacement at an approximate cost of about \$21,000.

Mr. Bontrager indicated that the clubhouse roof was replaced in 2003 by Lopez Roofing (owner Art Lopez) and a six-year warranty was provided that expired in 2009. A roof renovation was also done in 2010 after the re-stucco project at the clubhouse. The roof had recently been inspected by three different roofers and one roof consultant. Core samples revealed that the clubhouse has two roofs on it and each roof is sloped with pumice. The current Code requires that before a new roof can be installed both roofs and the associated pumice would need to be removed. The approximate total cost for a new roof based on a minimum R24 value would be between \$40,000 and \$45,000. These estimates do not include the costs for

electrical repairs on the roof or any work for piping of gas, but they do include the cost of removal of the two roofs currently in place. Formal written recommendations and estimates for a roof replacement, should one be necessary, are not yet available; nor is information currently available as to how urgently the roof will need to be replaced. There is also concern about the condition of the wooden ceilings in the clubhouse and whether they have any rot due to recent or old water leakages.

The EP Board will consider reports on the roof's condition at its September meeting and will also consider estimates for a roof replacement. If there is a consensus that the roof needs to be replaced the Board will also consider methods for paying for a new roof. Possible methods include a Special Assessment, an annual dues increase or simply paying for the roof from existing funds.

**Bylaw Amendment:** Carol Genebach handed the completed ballots for the Bylaw amendment (Article V, Section 1) to President Jackunas. Ms. Genebach indicated that 37 ballots had been received and all were in favor of the amendment. Accordingly, consistent with the requirements of Article X, Section 1 of the Bylaws, the proposed amendment had exceeded the minimum requirement to be passed namely that two-thirds (2/3) of the Members present in person or by proxy vote in its favor. President Jackunas therefore declared that the Bylaw amendment had passed. The amended Bylaw will be recorded at the office of the Santa Fe County Clerk, after which it will be posted on the EPCSA web site. Dr. Schiller will ensure that the ballots will be preserved as part of the records of the EPCSA.

**Adjournment:** The meeting adjourned at 8:14 pm.

## **MINUTES OF EPCSA BOARD OF DIRECTORS MEETING SEPTEMBER 9, 2016**

**Board Members present:** Pat Jackunas (President), Jim Fassett (Vice-President), A.L. Bontrager (Treasurer), William Schiller (Secretary), Carol Genebach, Jill McIntosh, Terry Schultz, and Leslie Walker-Hirsch .

President Jackunas called the meeting to order at 9:00 am.

**Approval of July 8 Board meeting minutes:** The Board unanimously approved the minutes as submitted.

**Minutes of Annual Members' Meeting of August 17, 2016:** Dr. Schiller reported that he had distributed the draft minutes to Board members, but had not received any comments in response. He recommended that the minutes be posted in draft form on the EP web site for the information of owners who had been unable to attend the meeting. The minutes will be approved finally at the August 2017 annual Members' meeting. After discussion the following three-part motion, duly made and seconded, was approved by the Board with seven members in favor and one abstaining:

- The Annual-Meeting minutes will in the future be distributed to the Board members for preliminary approval at the September Board meeting each year
- The Annual Meeting minutes will be posted in draft form on the EPCSA web site after preliminary approval at the September Board meeting, and
- The annual meeting minutes will receive final approval at the annual Members' meeting of the following calendar year.

The Board requested that Jim Fassett post the draft minutes of the August 17, 2016 annual Members' meeting on the EP web site and that he change the heading of the August 19, 2015 annual Members' meeting minutes on the web site to reflect that they are now final having been approved by the members at the 2016 annual meeting.

**Election of Board Officers:** A motion duly made and seconded that the current slate of officers be re-elected was passed unanimously. The officers for the period September 2016 through August 2017 will therefore be President - Pat Jackunas, Vice-President - Jim Fassett, Treasurer - A.L. Bontrager, and Secretary - William Schiller.

**Clubhouse Roof Report:** President Jackunas introduced Mark Sims, the Business Development Manager of RoofCARE, a company that focuses on extending the life of existing roofing systems as a cost-efficient and sustainable alternative to premature roof replacement. Mr. Sims reported that he had recently done a basic review of the clubhouse roof, after which he had submitted a written report to the EPCSA dated 8/24/2016 (see attachment). He had noted obvious evidence of previous leaks within the clubhouse building. He had also performed core-cuts to assess the roof's condition and composition. Like many older roofs in Santa Fe, the clubhouse roof contains granular pumice that was used for slope.

Currently, there are two built-up roofs in place with two layers of pumice and a wooden decking. The State Building Code currently indicates that if a roof contains pumice and the roof needs replacement then the pumice should be removed first. The Code also requires that if a roof has to be replaced after

there are two roofs of any kind already in place, both roofs have to be removed to deck level prior to the replacement being done. The only exception to these requirements is the use of a Fluid Applied Membrane roof system. However, that option is only viable if the existing roof membrane, insulation, and substrate are in a dry and sound condition.

Mr. Sims stated that the only certain way to determine now whether the roof must be taken off and replaced is to do a moisture survey. If the survey shows that more than 15% of the total area of the existing roof is wet or saturated, both the Code and good roofing practice require that the old roofs should be removed to the decking and replaced. If a moisture survey shows that less than 15% of the roof area is wet then a Fluid Applied Membrane roof system is an acceptable alternative to a roof replacement. The latter would be significantly less costly to the EPCSA than a total roof replacement.

Mr. Sims therefore recommended that a moisture survey be performed to determine which option to pursue for the roof. Mr. Sims noted further that the clubhouse roof is composed of several different roof segments at different levels. A possibility exists that some segments contain less than 15% moisture and therefore do not require replacement, but can be saved and restored. Others, might contain more than 15% moisture and therefore require replacement.

Mr. Sims stated that if a moisture survey indicates that re-roofing of all or parts of the roof is required, the new roof/roof-segments would have to be brought up to current standards. The current roofs lack insulation currently. Current standards require that a new roof be brought up to an energy efficiency level of R38. Flashing heights might also have to be adjusted during a new roof installation.

Mr. Sims in his written report had rated the condition of the roof as “fair to poor.” He stated that the “fair” component refers to the condition of the membrane itself which, in his opinion, is potentially salvageable. There is no obvious evidence of blistering, splitting or cracking that would lead most consultants to the conclusion that the roof had failed and needed to be replaced. The “poor” aspects of the roof are that there are/or have been some leaks that we are aware of, there is wear and tear at the perimeter flashing, and there has been almost no regular preventive maintenance performed. This should be done annually regardless of the age of the roof and should include maintenance of the wall flashings, the scuppers, and the penetrations.

Mr. Sims concluded by recommending that a moisture survey be done at a total cost to the EPCSA of \$2,653.66, if the survey is performed by RoofCARE. This would include the following steps:

- Satellite photographs of the building would be obtained;
- A Tramex Electrical Impedance meter would be used to ascertain the moisture content. The accuracy of the method is about 90-95% if the moisture survey is done according to the ASTM (American Society for Testing and Materials) standard;
- Each roof section will be broken into a grid. Each grid square would be assessed with an impedance meter. If these individual assessments reveal areas of wetness then these findings would need to be verified physically with multiple core cuts and visual and moisture probe testing at each of these cuts. The total area of moist or saturated roof would be determined based on the findings in multiple grid squares.
- The condition of the decking cannot be assessed by this method. Mr. Sims feels that if the decking is all plank lumber, as he thinks is likely, he really doubts that there are serious structural issues. However, if high moisture levels are found in the roof then samples of the



decking below those areas would need to be obtained to determine their condition. However, wood testing is not included as part of the cost for the survey.

- If there is mold in the roof it will be found in the physical cuts.
- At least seventy-two hours of dry weather are needed before moisture testing can be done.

At this point Mr. Sims left the meeting.

The Board discussed the matter. A motion duly made and seconded that a moisture survey be performed, as recommended by Mr. Sims and the motions was then passed with six Board members in favor and two opposed. The Board will also investigate whether there is an alternative contractor who can perform the moisture survey at a lower price before RoofCARE is hired to do the work.

**Treasurer's Report:** Prior to the meeting Mr. Bontrager distributed to Board members a Balance Sheet as of August 30, 2016, a report on Transaction Detail by Account for August 2016, and the Profit and Loss Budget v. Actual Statement for January through August 2016.

Jim Fassett presented his predictions and analysis regarding the likely financial situation of the EPCSA at the end of December 2016 (see attached document). He noted that a reasonable estimate for total annual expenses was about \$57,000. Since the EPCSA has an annual income of about \$77,000 (mainly from annual dues) an annual surplus of more than \$20,000 was likely for 2016 (and 2017). He therefore concluded that if a new clubhouse roof were needed in 2017 the EPCSA could pay for the roof from available funds without the Board having to resort to a dues increase or a special assessment. This would, however, further greatly deplete the Capital Reserve account. However, if the EPCSA continued to have an annual surplus of ~\$20,000 then the Reserve account could gradually be returned to a more satisfactory level (see attached document).

The Board noted that it is likely that a clubhouse roof replacement, if needed, would occur during 2017 and not during 2016. The Board will be in a better position to determine how to pay for a possible roof replacement in 2017 when it has the near-final financial figures for 2016 available at the December Board meeting. The Board will set the annual dues for 2017 and will approve a final budget for 2017 at that meeting.

**ARB Report:** Chairman Schiller noted that there were two new Appendix III applications that had been approved and there is one such application that is being considered. There are a couple of projects that are on the verge of having a site visit for approval.

**Clubhouse Manager's Report:** Connie Burke was unable to attend and so did not submit a report.

**Homeowner Comments:** Harriet Raff and Allan Raff (516 Los Nidos Drive) were recognized by the Chair. Mrs. Raff informed the Board that one of her pet dachshunds had been bitten on the neck while outside in her back yard. While no wild animal had been seen entering the yard, Mrs. Raff suspected that a coyote had jumped over the cinder-block stucco wall that separates her back yard from that of her immediate neighbor (Jill Meyer at 512 Los Nidos Drive) and had bitten her dog. Mrs. Raff indicated that she had therefore submitted an ARB application in early August 2016 with a plan to heighten the existing stucco wall between her back yard and that of Jill Meyer. The Los Nidos Architectural Committee (AC) had visited the site and had informed her that they had no objection to the project, but that her application would be submitted to the EPCSA ARB for final approval.

Mrs. Raff informed the Board that Dr. Schiller and his Committee had recently visited the site. She had then spoken to the Chair of the Los Nidos AC who informed her that the EP ARB would not approve the project until the prospective new owners of the property at 512 Los Nidos Drive could be consulted, the property currently being “under contract.” Mrs. Raff believed that this delay would expose her dogs to further danger from wild animals. She had therefore erected a high wood-lattice barrier on her side of the stucco wall without ARB approval. Mrs. Raff acknowledged that she was therefore in violation of the EPCSA CC&Rs. She further stated that she did not care about having committed a violation and that if the Board wished to sue her they could do so in which case she would be her own advocate in court and would bring the “media” with her. She further indicated that she planned to withdraw her ARB application. At that point Mr. and Mrs. Raff left the meeting.

Dr. Schiller responded to Mrs. Raff’s allegations as follows:

- He (as EP ARB Chair) and three residents of the Los Nidos neighborhood (including the Chair of the Los Nidos AC) had visited the site at the beginning of September.
- The Committee did not have surveys for the Raff and Meyer lots available. However, a study of various landmarks had led the Committee to the conclusion that the stucco wall in question was probably located entirely on Jill Meyer’s lot at 512 Los Nidos Drive and was therefore legally the property of Jill Meyer. The Committee concluded that the ARB could not approve an application for a project in which the Ruffs were attempting to modify a wall that apparently did not belong to them.
- The Committee noted also that the home at 512 Los Nidos Drive was currently under contract with a possible closing date of as early as mid-September. Accordingly, any construction that might be approved by the ARB might occur after the new owners had taken possession of the property and without their authorization. The Committee concluded that the ARB could not proceed with approving such a project until the ownership of the property at 512 Los Nidos Drive was clearly established.
- The Committee therefore decided that the Ruffs’ ARB application was incomplete and could not be approved until the closing of the property sale at 512 Los Nidos Drive after which the new lot owners could be consulted about the proposed wall modification. The Chair of the Los Nidos AC was asked to notify Mrs. Raff accordingly and had done so.

The Board agreed that further consideration of the Ruffs’ incomplete ARB application be pended until the new owners of the property at 512 Los Nidos Drive had taken possession of the property and could be consulted about the proposed wall modification.

**Old Business:** President Jackunas reported that the amendment to Article V, Section 1 (Notice) of the amended Bylaws for the EP community, as recommended to the Members by the Board, had been approved by the required vote of members present at the annual Members’ meeting held on August 17, 2016. The amendment now needed to be recorded at the Santa Fe County Clerk’s office. A recordation document had been prepared and she and Dr. Schiller (as EPCSA Secretary) planned to record the document at the Clerk’s office on September 12. The Board approved the recordation document and authorized President Jackunas and Dr. Schiller to proceed with the recordation.

**New Business:** President Jackunas informed the Board that a Financial Advisory Committee to the Board consisting of A.L. Bontrager, Scott Bunten, Drew Stewart, and Connie Burke had been approved unanimously by the Board via email. The Committee will report back to the Board regarding such matters as the recommended size of the Capital Reserve Account at some future time.

**Adjournment:** The meeting was adjourned at 10:17 am by a unanimous vote of the Board members.

# Attachment to EPCSA September 9, 2016 Board meeting minutes (Annotated P&L Loss Budget vs. Actual through Aug 2016)

## Estancia Primera Community Services Association Profit & Loss Budget vs. Actual

Cash Basis

January through August 2016

	Jan - Aug 16	Budget	\$ Over Budget	
Ordinary Income/Expense				
Income				
4000 · Assessment Income				
2016 Dues Assessments	74,802.00	74,802.00		
Total 4000 · Assessment Income	74,802.00	74,802.00		
4018 · Assessment Late Fee	215.20	70.00		145.20
4025 · Interest	37.95	50.00		-12.05
4030 · Pool Card Fee	300.00	100.00		200.00
4290 · Other Income				
Clubhouse Usage	1,100.00			
4290 · Other Income - Other	500.00	400.00		100.00
Total 4290 · Other Income	1,600.00	400.00		1,200.00
Total Income	76,955.15	75,422.00		1,533.15
Gross Profit	76,955.15	75,422.00		1,533.15
Expense				
6010 · Admin & Office				
6012 · Admin & Office - ARB	30.98	??		
6045 · Insurance-Property/D & O	8,752.00	8,300.00	(452)	0.00
6060 · Licenses and Permits		100.00		-100.00
Total 6010 · Admin & Office	8,782.98	8,400.00	(382.98)	-100
6011 · General Expense				
6000 · Accountant	403.36	1,100.00	(-696.64)	0.00
6023 · Depreciation Expense	<del>12,000.00</del>	<del>18,000.00</del>		<del>-6,000.00</del>
6066 · Web Site Hosting/Domain N...		400.00		-400.00
7110 · Taxes	16.64	50.00		-33.36
7125 · Mileage and Parking	132.92	200.00		-67.08
7201 · Legal General		1,500.00	(-1,500)	0.00
7203 · Web Support	467.10	300.00	(167.10)	-150
7204 · Bookkeeper	2,680.43	3,800.00		-1,119.57
7206 · General Management	2,164.92	5,600.00	(-3,435.08)	-1,083
7210 · Office Supplies	418.16	600.00		-181.84
6011 · General Expense - Other	66.00	400.00		-334.00
Total 6011 · General Expense	<del>18,349.53</del>	<del>31,950.00</del>		<del>-13,600.47</del>
	6,349.53	13,950	(-7,600)	-3,369
6029 · Social Events				
6030 · EPCSA Functions	1,216.58	1,300.00		-83.42
7020 · Exterior Decorations		600.00	(-600)	-265
Total 6029 · Social Events	1,216.58	1,900.00	(-663)	-348
6039 · Grounds Expense				
6040 · Grounds Maintenance	2,829.48	8,000.00	(-5,171)	-2,021
6091 · Grounds Supplies	321.04	2,000.00	(-1,679)	0.0
6092 · Sign Maintenance		200.00		-200.00
7100 · Snow Removal		3,000.00	(-3,000)	-1,000
7115 · Electricity Entry Signs	171.15	300.00		-128.85
Total 6039 · Grounds Expense	3,321.67	13,500.00		-3,350
7000 · Rec Center Expenses				
7005 · Utilities				
7070 · Refuse	632.71	900.00		-267.29
7010 · Electricity	1,128.97	3,000.00	(-1,871)	-565
7015 · Gas	1,028.15	2,800.00	(-1,772)	-462
7035 · Phone	279.04	450.00	(-450)	-140

**Estancia Primera Community Services Association**  
**Profit & Loss Budget vs. Actual**

Cash Basis

January through August 2016

	Jan - Aug 16	Budget	\$ Over Budget
7060 · Water	932.84	500.00	-100
Total 7005 · Utilities	4,001.71	7,650.00	-1,534 (3,649.25)
7029 · Maintenance Rec Center			
7031 · Cleaning Service	890.00	700.00	-445 (190)
7032 · Maintenance Supplies	1,081.26	800.00	281.26
7033 · Maintenance Labor	715.00	6,000.00	-358 (-5,285)
7037 · Roof Maintenance		700.00	-700.00
7050 · Security	2,125.79	1,200.00	-309 (925.79)
7095 · Furnishings Equipment	416.78	500.00	-83.22
Total 7029 · Maintenance Rec Center	5,228.83	9,900.00	-2,176 (-4,671)
7096 · Pool/ Tennis Court			
7040 · Pool Maintenance	1,397.83	1,500.00	-102.17
7042 · Pool Supplies	3,086.08	2,400.00	686.08
7043 · Pool Furniture	181.51	600.00	-418.49
7045 · Pool Management Service	4,007.55	5,300.00	-1,292.45
7055 · Tennis Court Maintenance		1,000.00	-1,000.00
Total 7096 · Pool/ Tennis Court	8,672.97	10,800.00	-2,127.03
Total 7000 · Rec Center Expenses	17,903.51	28,350.00	-5,837
Total Expense * Not including depreciation	37,574.27*	66,100*	14,538 (28,526)
Net Ordinary Income	27,380.88	-8,678.00	36,058.88
Net Income	27,380.88	-8,678.00	36,058.88

Projected total expenses for 2016 (37,574+14,538) = \$52,112  
 (Expenses for 2015 = \$56,297)

2016 income = \$76,802  
 Expenses for 2016 = \$52,112  
 2016 surplus = \$24,690

Money on hand at end 2016 = \$24,690+\$41,947 (reserve) = \$66,637

## MINUTES OF EPCSA BOARD OF DIRECTORS MEETING - OCTOBER 14, 2016

**BOARD MEMBERS PRESENT:** Pat Jackunas (President), Jim Fassett (Vice-President), A.L. Bontrager (Treasurer, present by telephone), William Schiller (Secretary), Jill McIntosh, Terry Schultz, Barbara Chamberlin, and Leslie Walker-Hirsch.

President Jackunas called the meeting to order at 9:00 A.M.

**Approval of September 9 Minutes:** The Board unanimously approved the minutes as submitted.

**Treasurer's Report:** Prior to the meeting Mr. Bontrager distributed to Board members a Balance Sheet, a report on Transaction Detail by Account, and the Profit and Loss Budget vs. Actual Statement through September 2016.

President Jackunas reported that a new City regulation mandates the installation of an automatic chemical flush system for the clubhouse pool and a diaper changing table for each of the two change rooms. She had approved installation of the chemical flush system at a cost of \$4,500 since installation apparently was required prior to the 2017 pool opening. Installation of the diaper changing tables is required within the next two years.

After discussion, the following three-part motion was duly made and seconded and passed unanimously: The clubhouse manager should obtain a copy of the new pool regulations and these should be attached to the minutes of the October Board Meeting; The Board approved the \$4,500 expenditure for the new chemical flush system; The Board re-affirmed the requirement that expenditures greater than \$500 must have advance Board approval. The \$500 limit does not apply to remuneration of Association employees who are paid at an hourly rate.

Ms. Jackunas reported that the Association received two unusually high clubhouse water bills for a total of \$3,000 after the installation of a new meter in June 2016. An investigation revealed that the Association had been under-charged for water for about 6 years. However, we will not be charged for past unbilled water consumption.

**Finance Committee Report:** Drew Stewart presented the report (copy attached) on behalf of the Committee (other members are A.L. Bontrager, Scott Bunton, and Connie Burke). Copies of the report were distributed to the Board members and homeowners present. This report studied past expenses, current finances, and future expenses in order to project the financial situation for Estancia Primera over a 5-year time period. The Association is facing a major expenditure for the replacement of a compromised roof.

Mr. Stewart indicated that the EPCSA has inadequate capital reserves to pay for an estimated \$130,000 (\$26,000/year for five years) of predicted capital expenditures for the clubhouse facilities over the next five years (2017-2021). The Committee believes that if the Association takes no action to meet these capital needs between 2017 and 2021, Association funds will have a negative balance of \$47,000 by 2021. A former EPCSA accountant had recommended that the Capital Reserve Fund should be maintained at about \$110,000. The Committee also addressed several possible options as to how to meet these needs along with an effort to reconstitute the Capital Reserve Fund. As a general summary, these options can be characterized as follows:

1. A 2017 Special Assessment of \$500 per developed lot combined with a dues increase of \$80/year that would apply through 2021

2. No Special Assessment with Board action to increase the dues amount by a Board vote in each of three successive years. Annual dues suggested by the Committee were \$500 for 2017, \$575 for 2018, and \$650 for 2019 with the dues remaining at \$650/year through 2021.

Following the presentation of the Finance Committee's report, Vice President Fassett asked to be allowed to question the report, and the Chair allowed him to do that. He first stated that some of the numbers presented in the report were not correct and then added that the process of averaging nine years of past capital expenditures, and then projecting that average for the next five years in the amount of \$26,000 per year was in his opinion unrealistic. Mr. Fassett concluded by stating that the absence of any discussion of the pending clubhouse roof replacement was a fatal flaw of the submitted report.

During a discussion of the Committee's report by Board members and homeowners, several observations were made:

- The report does not discuss or include the anticipated cost for the clubhouse roof replacement but instead, only projects expenditures of \$26,000/year for five years for capital expenditures.
- The methodology of the projection of financial needs over the next five years based on capital expenditures during the past nine years was discussed and questioned.
- The process of passing a Special Assessment was discussed at some length. Some limitations imposed by the covenants plus the difficulties of actually obtaining approval of such an assessment were noted.
- There was a preliminary sentiment expressed by Board members that dues increases in 2017-2019 might be the most appropriate option. This would require Board approval on a year by year basis.

The Board thanked the Committee for its report and the report will be considered in more detail at subsequent Board meetings.

**ARB Report:** Chairman Schiller noted that since the last meeting, he had, in coordination with the local neighborhoods, conducted inspections and approval of two Appendix III projects. The ARB had also approved a new Appendix III project.

An application to heighten a stucco wall between two backyards in Los Nidos had been held without action because it was determined to be incomplete. The new owner of one of the properties had suspended approval until he could arrive on site to actually view the situation. Subsequently, he stated that he had no objection to the presence of a temporary wood-lattice barrier that been erected by the adjacent owners on their side of the stucco wall, but that he declined to approve any modification of the stucco wall. Dr. Schiller notified the applicants that he was going forward with the request for withdrawal of the application and would authorize refund of the performance deposit. However, in his email communication, he also stated that this action did not constitute approval of the temporary wood-lattice barrier and that this issue might arise again in the future.

Upon a duly made and seconded motion, the Board unanimously approved or re-approved the appointments of the following ARB members for three-year terms: William Schiller (Aspen Compound), Jerry Ward (Los Altos), Carolyn McCollum (Los Altos Norte), Rita Meek (La Viveza), Richard Czoski (Cresta), Elsie Hartog-Gobey (Los Nidos), Kurt Sommer (Altamira), Jim Hays (Kachina Hills), and Charles Bailus (Cumbre Vista).

As an additional item of business, it was determined, according to covenant requirements, that a house under construction in Cumbre Vista (Appendix IV application) would be assessed in 2017 at 25% of the full assessment rate since it will not yet be completed and occupied at the beginning of 2017.

**Old Business:** President Jackunas reported that the Association had received the Comprehensive Moisture Survey for the clubhouse roof prepared by Mark Sims of RoofCARE at the request of the Board. The report indicates that the moisture content of the roof is such that the two roofs in place will require removal and replacement. This will be discussed in greater detail at the November meeting at which time detailed specifications for the new roof will be available. The Board decided that Mr. Sims will be invited to attend a Board meeting after bids for the new roof have been received. Board members with questions about the roof may contact Mr. Sims directly if they so desire.

**New Business:** It was announced that the EPCSA had been awarded third place recognition in the Food Depot "Neighborhood to Neighborhood Drive." The program efforts were focused on collecting both food and monetary donations. Coordinators of the project for the EPCSA were Barbara Chamberlin and Leslie Walker-Hirsch.

**Adjournment:** The meeting was adjourned at 10:38 A.M. by unanimous vote of the Board members.





# **Estancia Primera (EPCSA)**

## **Operating and Capital Reserve Fund**

### **Summary and Projection**

#### **2008-2021**

Prepared October 5, 2016



*"It has always been the Estancia Primera Board's top priority to preserve and enhance property values."*

From October 2016 letter to EPCSA  
Homeowners from Pat Jackunas,  
President of the Board

**Estancia Primera Operating and Capital Reserve Fund Projection, 2008-2021**

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Page 4	Option C: Dues Increases in 2017, 2018, and 2019; No Special Assessment
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	Appendix Page A-3 Worksheet showing Income Projections, 2017-2021 for Options A, B, C, and D

October 5, 2016

## **To Estancia Primera Homeowners:**

The EPCSA Board has received the results of a Financial Committee Report\* confirming the fact that our homeowners association has inadequate Capital Reserves to pay for \$130,000 (= an average of \$26,000/ year) of predictable major maintenance needs of our facilities over the next five years. It is well beyond the capacity of operating fund surpluses to provide for this level of capital investment. Since 2008 EPCSA's Capital Reserve Fund has contributed \$204,000 (= an average of \$23,000/year) to maintain and enhance our Club House, Pool, Tennis Court and other amenities. These necessary expenditures have caused the Capital Reserve Fund to drop by \$72,000 from a high of \$114,000 in 2009 to just over \$40,000 currently. If we take no action to meet projected capital needs from 2017 to 2021, this Fund will have a negative balance of -\$47,000 by 2021, requiring bank loans to finance most of EPCSA's facility investments.

For a historical perspective, please be reminded that between 1995 and 1998 EPCSA received a total of \$100,000 from several settlements as the result of a lawsuit. These funds enabled EP to keep the dues very low, pay for all capital improvements, and not incur dues increases or special assessments. In the intervening years our community facilities have aged and have required substantial repairs beyond routine maintenance. In the last ten years, the clubhouse was extensively remodeled, the landscaping was redone, the tennis court was completely resurfaced, the restrooms were retiled, the pool heater and filter were replaced and the interior pool surface, decking and tile were replaced.

**It has always been the EPCSA Board's top priority to preserve and enhance property values.** Whether or not a homeowner uses the swimming pool, tennis court or clubhouse, these attractive amenities are key to enhancing every homeowner's property values and they must be maintained.

The Board, therefore, considers it mandatory to take action in 2017 to assure sufficient funding for timely major maintenance of our facilities over the next five years. We believe it is also an urgent priority to restore the Capital Reserve Fund to \$110,000+, the minimal level of capitalization that Judith Walsh, Estancia Primera's CPA recommended in 2012 for facilities and assets of our size. One option is to raise Dues to \$500 in 2017, keep them at that level through 2021 and pass a Special Assessment of \$500 in 2017 (which can be paid over two years at \$250/year). Another viable option, which would not require a special assessment, is to increase Dues to \$500 in 2017, to \$575 in 2018 and to \$650 in 2019, which will stay at \$650 through 2021.

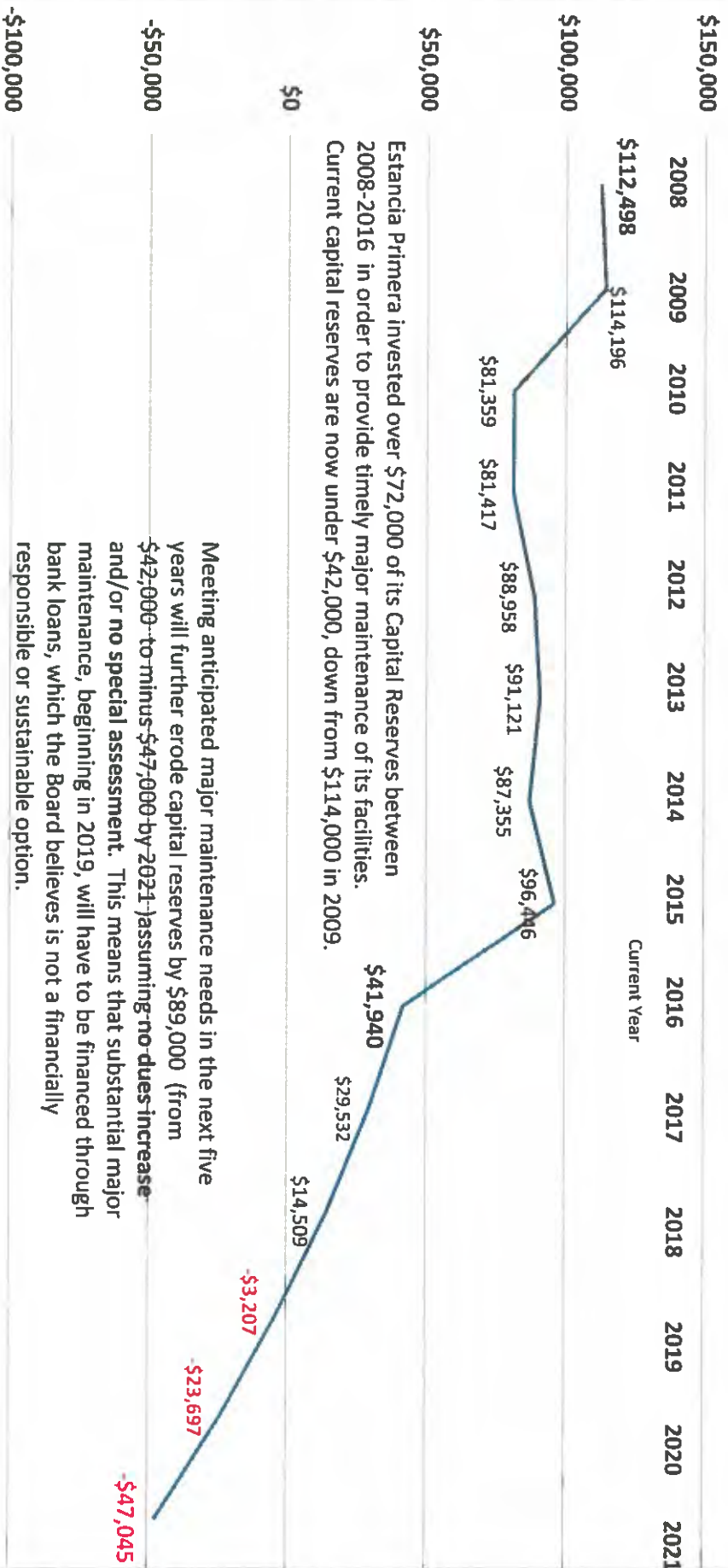
EPCSA Board and Financial Committee members will be glad to answer any questions and concerns that you may have. Thank you for understanding the urgency of taking these steps as soon as possible.

**Pat Jackunas, President of the EPCSA Board**

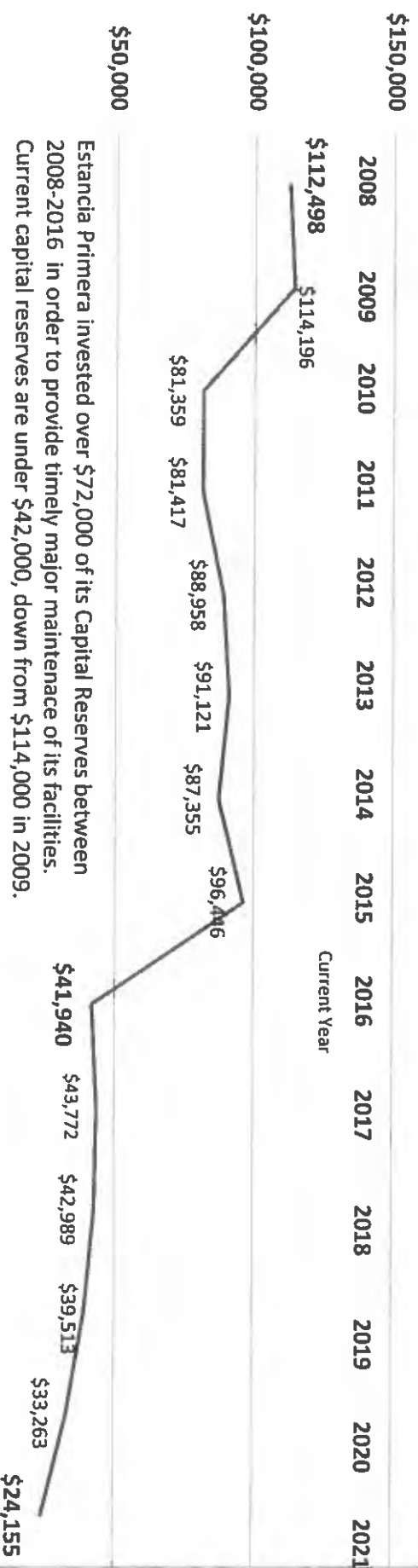
\*Financial Committee Members: A.L. Bontrager, Scott Bunton, Connie Burke and Drew Stewart

### Analysis of Estancia Primera's Capital Reserves, 2008-2021.

#### Option A: No dues Increase and No special assessment between 2017-2021



# **Analysis of Estancia Primera's Capital Reserves, 2008-2021.** **OPTION B: \$80 Annual Dues Increase in 2017; No Special Assessment**

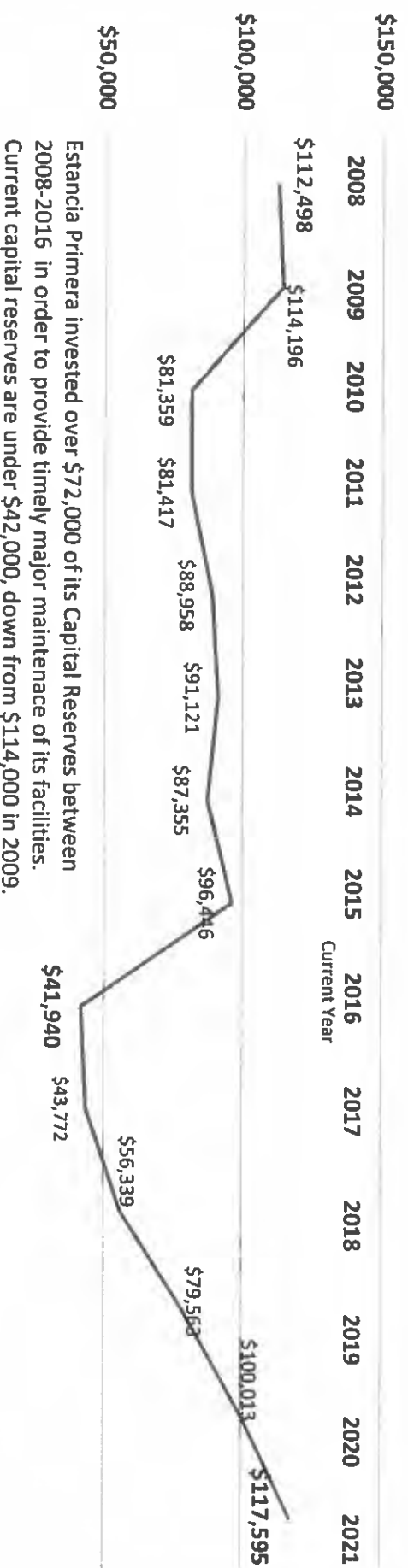


Estancia Primera invested over \$72,000 of its Capital Reserves between 2008-2016 in order to provide timely major maintenance of its facilities. Current capital reserves are under \$42,000, down from \$114,000 in 2009.

Meeting \$130,000 of anticipated major maintenance needs in the next five years will further erode capital reserves by \$18,000, assuming an \$80 dues increase to \$500 in 2017 but with no further increases in 2018-2021 and with no special assessment. While there will still be Capital Reserves of \$24,000 in 2021, this level is still \$86,000 below the minimum balance of \$110,000 recommended in 2012 by Estancia Primera's CPA Judith Walsh. The Board does not believe this a financially responsible or sustainable option.

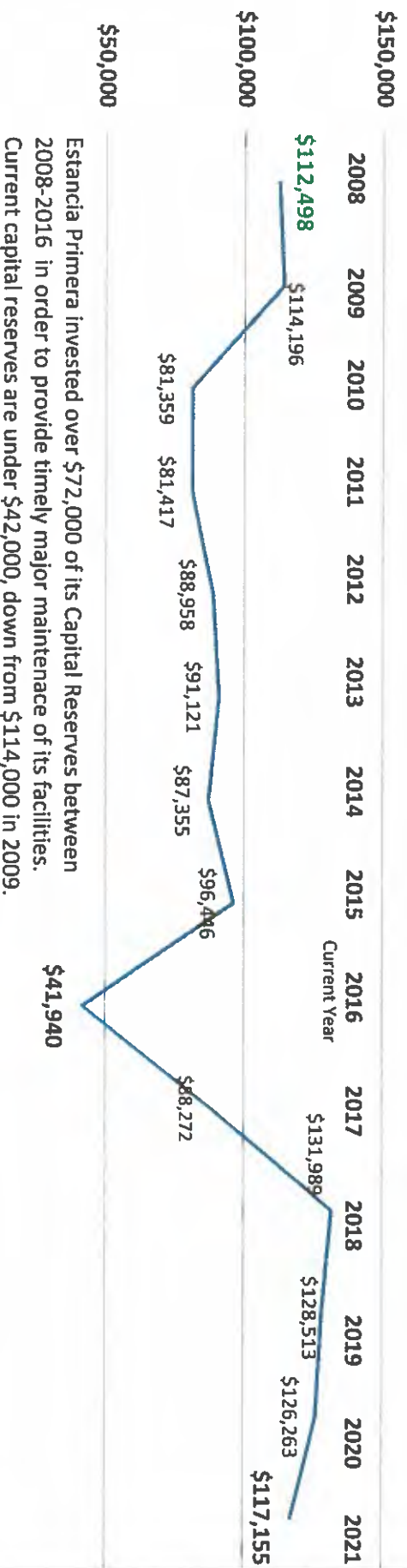
### Analysis of Estancia Primera's Capital Reserves, 2008-2021.

#### OPTION C: \$80 Dues Increase in 2017, \$75 in 2018 and 2019; No Special Assessment



The impact of an \$80 Dues Increase in 2017 with additional Dues increases of \$75 each in 2018 and 2019 will enable EPCSA to pay for \$130,000 in anticipated 5-year major maintenance expenditures from 2017-2021. It will also restore the Capital Reserve Fund to the \$110,000 minimum level recommended in 2012 by Estancia Primera's CPA Judith Walsh. No Special Assessment will be necessary.

**Analysis of Estancia Primera's Capital Reserves, 2008-2021.**  
**OPTION D: \$80 Annual Dues Increase and a \$500 Special Assessment in 2017**

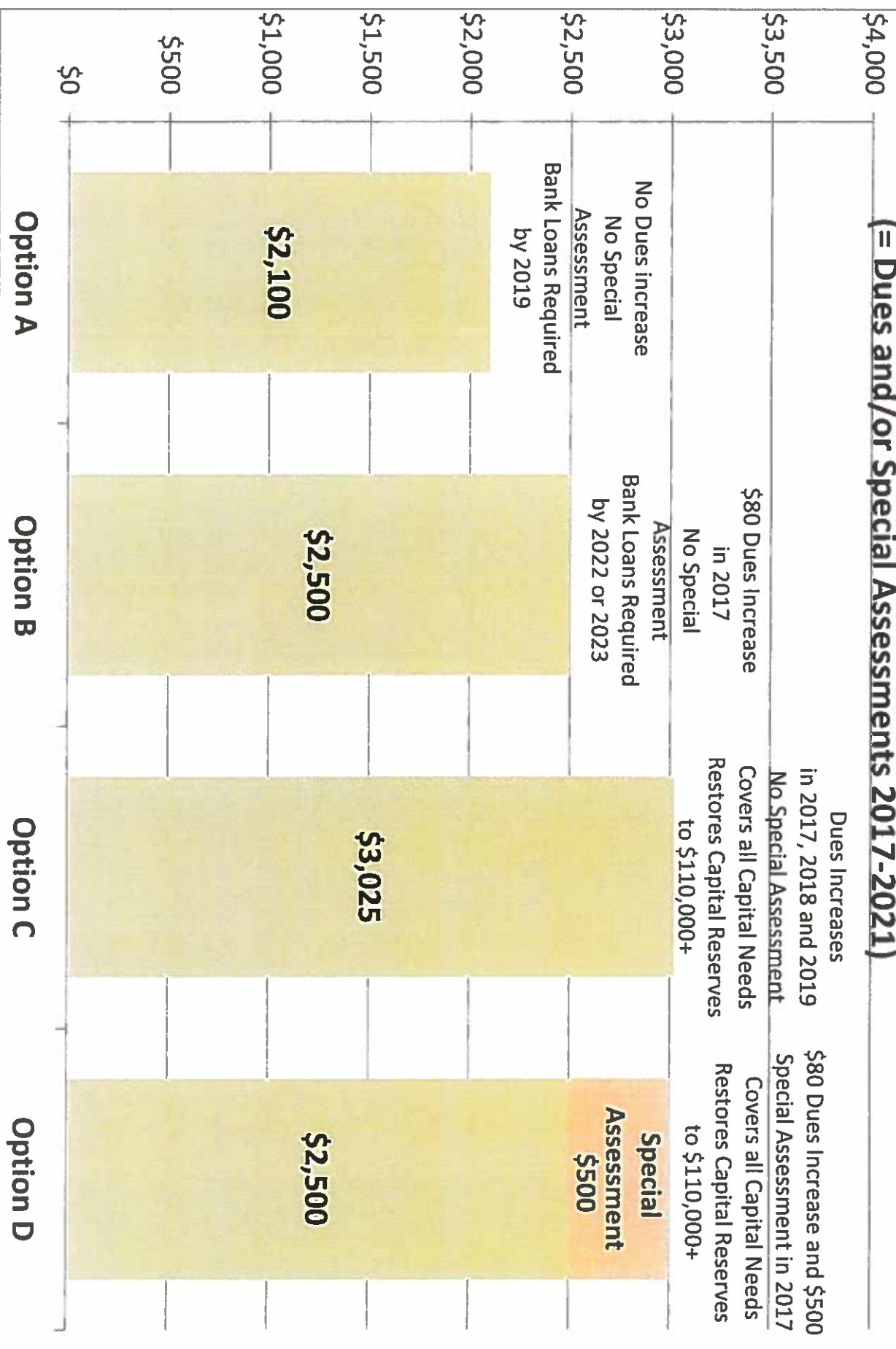


The impact of a one-time special assessment of \$500 in 2017 and an \$80 dues increase in 2017 will enable EPCSA to pay \$130,000 in anticipated major maintenance expenditures from 2017-2021. It will also restore the Capital Reserve Fund to the \$110,000 minimum level recommended in 2012 by Estancia Primera's CPA Judith Walsh.



# **Estancia Primera Total 5-Year Homeowner Payments**

**(= Dues and/or Special Assessments 2017-2021)**

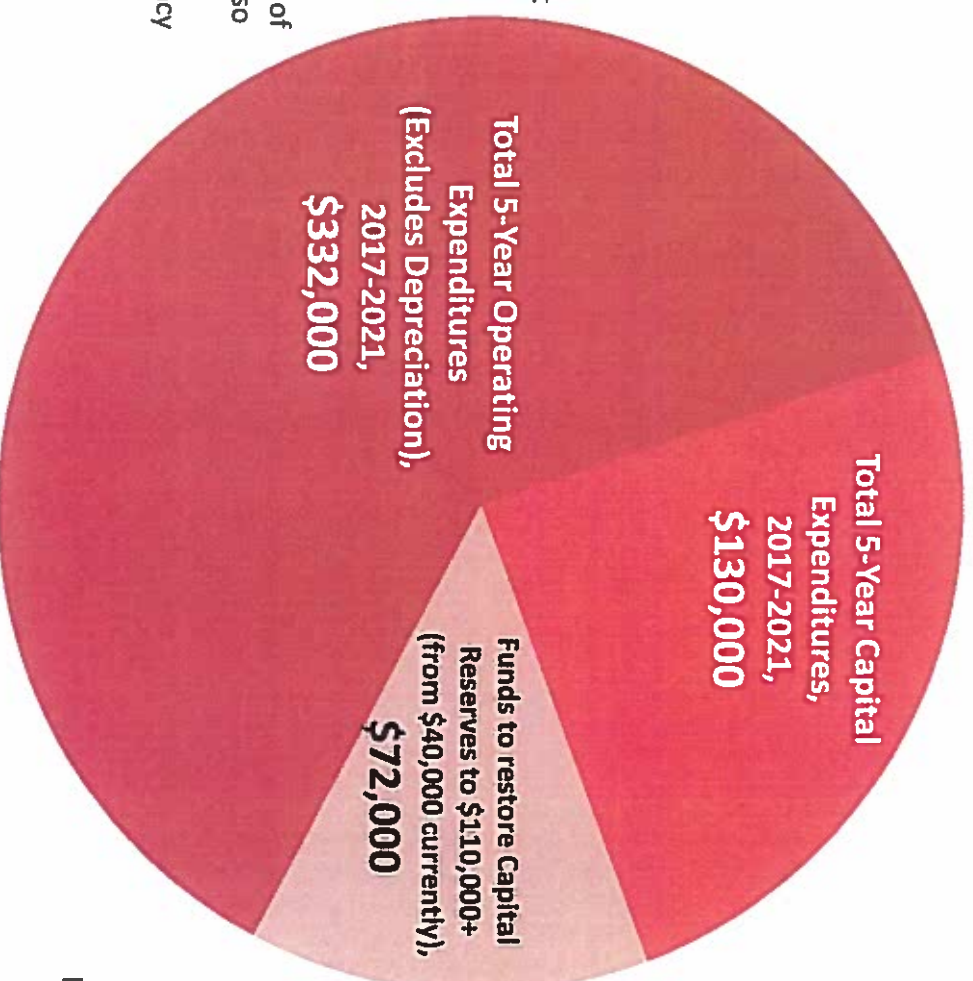




## Estancia Primera Operating and Capital Expenditures, 2017-2021

### Total 5-Year Expenditures and Investments = \$534,000

The annual estimate of Operating expenditures in 2017 includes a 3% inflationary adjustment over the average of \$58,000 for operating expenditures from 2008-2016. Also included is a 3% inflation adjustment per year from 2018-2021, and a 5% contingency allowance from 2017-2021.



Capital expenditure projections for 2017 equal a 3% increase over the average annual capital expenditures of \$23,000 from 2008-2016. There is also a 3% inflationary adjustment from 2018-2021 as well as a 5% contingency allowance from 2017-2021.

Estancia Primera's Capital Reserve Fund is currently at about \$40,000, well below its minimum level of \$110,000 recommended in 2012 by Estancia Primera's CPA Judith Walsh. An investment of \$72,000 will restore the Capital Reserve Fund to this level.

## **Estancia Primera Projected Sources of Cash, 2017-2021**

### **OPTION D: Total 5-Year Sources of Cash = \$534,000**

(equals Total Expenditures and Capital Investments of \$534,000)

Projected Annual Dues Assessments and Other Income from 2017-2021 include an \$80 increase in Dues to \$500 per year in 2017. Total dues will equal \$445,000 over five years.



The \$89,000 from a \$500 Special Assessment will help Estancia Primera to cover its projected \$130,000 of Capital Expenditures between 2017-2021. It will also help to restore the Capital Reserve Fund to the minimum level of \$110,000 recommended in 2012 by Estancia Primera's CPA Judith Walsh.

## Estancia Primera Operating and Capital Reserve Fund

### Summary and Projection, 2017-2021

## Appendix Material

Appendix Page A-1 Worksheet showing Homeowner Costs of Options A, B, C, and D

Appendix Page A-2 Worksheet showing annual Operating and Capital Expenditures, 2008-2021

Appendix Page A-3 Worksheet showing annual Income Projections, 2017-2021 for Options A, B, C and D

Estancia Primera Community Services Association (EPCSA) <b>PROPOSED 5-YEAR DUES PAYMENT OPTIONS, 2017-2021</b>		<b>Total Dues Assessments 2017-2021</b>	<b>5-Year Total Increased Dues over Current \$420/year rate</b>
<b>A.</b>	<b>NO DUES INCREASE or SPECIAL ASSESSMENT (= 5 years at \$420)</b>	\$2,100	\$0
<b>B.</b>	<b>\$80 DUES INCREASE TO \$500 IN 2017, NO SPECIAL ASSESSMENT</b>	\$2,500	\$400
<b>C.</b>	<b>DUES INCREASES (to \$650 by 2019); NO SPECIAL ASSESSMENT</b>	2017 \$500 2018 \$575 2019 \$650 2020 \$650 2021 \$650	\$80 \$155 \$230 \$230 \$230
	<b>Total Homeowner Payments, 2017-2021</b>	<b>\$3,025</b>	<b>\$925</b>
<b>D.</b>	<b>DUES to \$500 in 2017 + \$500 SPECIAL ASSESSMENT IN 2017</b>	Dues 2017 \$500 Dues 2018 \$500 Dues 2019 \$500 Dues 2020 \$500 Dues 2021 \$500 2017: 1st Half of Special Assessment \$250 2018: 2nd Half of Special Assessment \$250	\$80 \$80 \$80 \$80 \$80 \$250 \$250
	<b>Total Homeowner Payments, 2017-2021</b>	<b>\$3,000</b>	<b>\$900</b>

**Notes:**

- Both Option C and D accomplish the objectives of paying \$124,000 of anticipated Capital Expenditures from 2017 to 2021 and restoring the Capital Reserve Fund to its historically safe level of \$100,000+ from the current level of about \$40,000.
- Option C - Dues Increases in 2017, 2018 and 2019 but no Special Assessment will cost Homeowners \$925 more than Option A.
- Option D - A Dues Increase in 2017 and a \$500 Special Assessment in 2017 will cost Homeowners \$900 more than Option A.
- After 2021 Dues in Option C will remain at \$650 (vs \$500 for Option D), unless adjustments are made in the dues structure.
- Both Options A and B drain Capital Reserves and will require bank loans to stay current with major maintenance needs.

# Estancia Primera Actual and Projected Expenditures, 2008-2021

10/5/2016

<b>2008-2016 Expenditures</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>9-Year Total</b>
Operating Expenses, 2008-2016	\$75,787	\$49,899	\$61,173	\$60,780	\$49,597	\$46,775	\$54,453	\$56,297	\$66,100	\$520,861
Capital Expenditures, 2008-2016			\$56,082	\$6,197	\$0	\$34,788	\$12,808	\$9,665	\$85,000	\$204,540
<b>Total Operating &amp; Capital Expenditures</b>	<b>\$75,787</b>	<b>\$49,899</b>	<b>\$117,255</b>	<b>\$66,977</b>	<b>\$49,597</b>	<b>\$81,563</b>	<b>\$67,261</b>	<b>\$65,962</b>	<b>\$151,100</b>	<b>\$725,401</b>

<b>Recap of Average Annual 2008-2016 Expenditures</b>	<b>2008-2016</b>	
Average Annual Operating Expenses, 2008-2016	\$57,873	= 9-Year Total of \$520,861/9
Average Annual Capital Expenditures, 2008-2016	\$22,727	= 9-Year Total of \$204,540/9
<b>Average Total Annual Expenditures, 2008-2016</b>	<b>\$80,600</b>	<b>= 9-Year Total of \$725,401/9</b>

<b>Projected Exenditures + Capital Reserve Fund Investment, 2017-2021</b>	<b>=3% over Avg. from 2008-2016 2017</b>	<b>= +3% Inflation over 2017 2018</b>	<b>= +3% Inflation over 2018 2019</b>	<b>= +3% Inflation over 2019 2020</b>	<b>= +3% Inflation over 2020 2021</b>	<b>2017-2021 5-Year Total</b>
Operating Expenditures (at 3% Inflation/year), 2017-2021	\$59,609	\$61,397	\$63,239	\$65,137	\$67,091	<b>\$316,473</b>
+ 5% Allowance for Contingency	\$2,980	\$3,070	\$3,162	\$3,257	\$3,355	\$15,824
<b>= Total Operating Expenses (including Allowance for Contingency)</b>	<b>\$62,590</b>	<b>\$64,467</b>	<b>\$66,401</b>	<b>\$68,393</b>	<b>\$70,445</b>	<b>\$332,297</b>
Capital Expenditures (at 3% Inflation/year), 2017-2021	\$23,408	\$24,110	\$24,834	\$25,579	\$26,346	\$124,276
+ 5% Allowance for Contingency	\$1,170	\$1,206	\$1,242	\$1,279	\$1,317	\$6,214
<b>= Total Capital Expenditures</b>	<b>\$24,578</b>	<b>\$25,316</b>	<b>\$26,075</b>	<b>\$26,857</b>	<b>\$27,663</b>	<b>\$130,490</b>
<b>Total Annual Operating and Capital Expenditures, 2017-2021</b>	<b>\$87,168</b>	<b>\$89,783</b>	<b>\$92,477</b>	<b>\$95,251</b>	<b>\$98,108</b>	<b>\$462,787</b>
+ Investment required to restore Capital Reserve Fund to \$110,000+ by 2021						<b>\$72,000</b>
<b>= Total of all Expenditures and Investments</b>	<b>\$87,168</b>	<b>\$89,783</b>	<b>\$92,477</b>	<b>\$95,251</b>	<b>\$98,108</b>	<b>\$534,787</b>

# Income Projections, 2017-2021

	2017	2018	2019	2020	2021	2017-2021 5-Year Total
<b>OPTION A: A: Dues Remain at \$420 Level , No Special Assessment</b>						
+ Other Income - Not predictable or material enough to be budgeted	\$74,760	\$74,760	\$74,760	\$74,760	\$74,760	\$373,800
<b>Total Dues Assessments</b>	<b>\$74,760</b>	<b>\$74,760</b>	<b>\$74,760</b>	<b>\$74,760</b>	<b>\$74,760</b>	<b>\$373,800</b>
<b>OPTION B: Dues increase \$80 in 2017 to \$500; No additional increase and No Special Assessment</b>						
Dues Assessments at \$500/Year in 2017;	\$89,000	\$89,000	\$89,000	\$89,000	\$89,000	\$445,000
+ Other Income - Not predictable or material enough to be budgeted						\$0
<b>Total Dues Assessments</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$445,000</b>
<b>OPTION C: Raising Dues from \$500 to \$650 by 2019; NO SPECIAL ASSESSMENT</b>						
Dues Income from \$500 Assessment beginning in 2017	\$89,000	\$89,000	\$89,000	\$89,000	\$89,000	\$445,000
+ Other Income - Not predictable or material enough to be budgeted						\$0
+ Additional Income from \$75 Dues Increase from \$500 to \$575 beginning in 2018		\$13,350	\$13,350	\$13,350	\$13,350	\$53,400
+ Additional Income from \$75 Dues Increase from \$575 to \$650 beginning in 2019			\$13,350	\$13,350	\$13,350	\$40,050
<b>Total Dues Assessments</b>	<b>\$89,000</b>	<b>\$102,350</b>	<b>\$115,700</b>	<b>\$115,700</b>	<b>\$115,700</b>	<b>\$538,450</b>
<b>OPTION D: Dues Increase to \$500 in 2017; No additional Dues Increase; \$500 Special Assessment in 2017</b>						
Dues Assessments at \$500/Year from 2017-2021;	\$89,000	\$89,000	\$89,000	\$89,000	\$89,000	\$445,000
+ Other Income - Not predictable or material enough to be budgeted						\$0
<b>Total Dues and Other Income:</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$445,000</b>
+ Income from \$500 Special Assessment in 2017 (paid over two years at \$250/Year)	\$44,500	\$44,500				\$89,000
<b>= Total Dues Assessments and Income from Special Assessment</b>	<b>\$133,500</b>	<b>\$133,500</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$89,000</b>	<b>\$534,000</b>

**Minutes of the Meeting of the BOARD OF DIRECTORS**  
**Estancia Primera Community Services Association (EPCSA)**  
***Friday, November 11, 2016***

Call to Order: Pat Jackunas, President of the Board, called the meeting to order at 9:00 a.m.

The following members of the Board were in attendance: Pat Jackunas, President, Jim Fassett, Vice President, William Schiller, Secretary, A. L. Bontrager, Treasurer, Barbara Chamberlin, Carol Genebach, Jill McIntosh, Terry Schultz (by telephone), Leslie Walker-Hirsch

**Approval of Minutes of Previous Meeting:** A motion was made and seconded to approve the Minutes of the October meeting of the Board and to post the approved minutes plus the Financial Report attachment on the website. The motion was approved unanimously. It was decided during discussion not to post the attached pool regulations.

**Resignation of Secretary of the Board:** Dr. William Schiller presented his resignation from the position of Secretary of the Board. A motion was made and seconded to accept his resignation, and the motion was approved unanimously.

**Architectural Review Board (ARB) report:** ARB Chairman Dr. Schiller presented the ARB's report for the preceding month, which noted that one new Appendix III project had been approved by the ARB.

**Discussion of the Process for Approving Special Assessments:** The Board discussed the process, desirability, and difficulty of gaining approval by the Association of a special assessment, one option for obtaining the revenue needed by the Association to fund necessary Association maintenance and operations activities, notably including replacement of the clubhouse roof. Comments and questions from homeowners in attendance were invited and received.

**Treasurer's Report:** Treasurer A. L. Bontrager reported that with two months remaining in the year the Capital Reserve Account contained \$41,950 and the Operating Account contained \$23,450.

**Finance Committee Report:** President Jackunas asked Chairman Drew Stewart of the Finance Committee for an updated Finance Report. Chairman Stewart reported that at the Board's previous meeting, the Committee had presented four options for financing the future expenses of the EPCSA, but that most were rejected as being inadequate to meet the Association's long-term needs. The Committee, in response, proposed two options that could adequately meet the Association's anticipated financial needs:

*Use only annual dues increases:* Increase the dues in 2017 from the 2016 level of \$420 to \$525 (the maximum increase of 25 percent permitted by the Association's documents). In 2018, increase the dues to \$600 and leave the dues unchanged at \$600 to 2021.

*Use a combination of a special assessment and a dues increase:* Secure a special assessment of \$300 in 2017 and increase the dues in 2017 from the 2016 level of \$420 to \$525 (the maximum increase of 25 percent permitted by the Association's documents). Leave the dues unchanged at \$525 to 2021.

Chairman Stewart noted that either option would be sufficient to pay anticipated Association costs through 2021, including \$54,000 for clubhouse roof replacement in 2017, although relying solely on dues increases would leave the Association somewhat more vulnerable to unanticipated costs because that approach lacked the large up-front infusion of funds from the Special Assessment in 2017 that the Special Assessment/Dues Increase combination provided. Mr. Stewart responded to questions and comments from Board members and homeowners attending the meeting.

**Annual Dues Increase for 2017:** Treasurer A. L. Bontrager made a motion, seconded by Mr. Fassett, to increase the Association's annual dues in 2017 to \$525. After discussion, the Board approved the motion by a vote of 8 ayes, 0 nays, and 1 abstention (Carol Genebach).

**Discussion of Replacing the Clubhouse Roof:** President Jackunas called on A.L. Bontrager and Rita Meek, who together with Peter Meek, on behalf of the EPSCA, have been coordinating assessment of the clubhouse roof's condition and the process of determining the best way to repair it. Mr. Bontrager noted that a new roof, using pumice to obtain a slope, was placed over the existing roof in 2003, and that the Santa Fe Building Code prohibits a third roof, or placing a new roof on top of an existing roof if it has employed pumice. Ms. Meek noted that estimates for the cost of complete replacement had been sought from several contractors, and that those received were between \$36,750 and \$44,800. However, Mr. Bontrager and Ms. Meek noted that these were not based on a uniform and carefully prepared set of specifications, and so were not necessarily equivalent. They indicated that the critical upcoming task is to prepare detailed specifications, which, according to the Code, must be approved by a registered architect or structural engineer, and then obtain formal bids/quotes from three or four qualified roofing contractors based on those specifications. The Association must be prepared to pay not only the roof replacement cost of the bid accepted, but possible other costs that could include raising five sky lights, installing insulation required by Code, relocating a gas line that traverses a portion of the roof, replacing any decking that has deteriorated due to moisture, and other unforeseen work. Mr. Bontrager, in response to a question, said he hoped the specifications could be completed by and bids solicited in March or April, looking toward commencement of work in May. Ms. Meek recommended that traffic on the roof in the meantime be reduced to an absolute minimum, including forgoing installation of holiday decorations in December 2016.

**Discussion of Special Assessment:** President Jackunas opened a discussion of whether the Board was inclined to attempt to seek approval for a Special Assessment in 2017. After discussion, she asked that each Board member seek to ascertain the willingness of homeowners in that member's neighborhood to attend a called Association meeting in order to approve such an assessment, or to provide a proxy to approve it. She requested that all Board members come to the December Board meeting prepared to report on the results of their inquiries.

**Discussion of Snow Removal:** President Jackunas indicated that snow will be removed during the winter of 2016-2017 only in the case of snow in excess of six inches, and only from Avenida Primera, the clubhouse parking lot, and the two entryways to Estancia Primera from Hyde Park Road. She said she was requesting the contractor to avoid placing any of the snow removed from Avenida Primera or the parking lot on adjacent sidewalks. She said she was concerned about not removing snow from all sidewalks, noting that many owners fail to do that, and that not only the offending property owners but the EPSCA might be sued in the case of injuries resulting from falls on uncleared sidewalks. President Jackunas indicated she planned to revisit this matter at the December Board meeting.



**Approval of Appointment of a Minutes Recorder/Scribe for the Board:** In response to the resignation of the Board Secretary, President Jackunas asked if any Board member wished to take on those responsibilities. When none indicated a desire to do so, she said that homeowner Scott Bunton was willing to perform those tasks. A motion was made and seconded, and approved unanimously, to appoint Mr. Bunton as the Minutes Recorder/Scribe for the Board, effective immediately.

**Development Across Hyde Park Road:** A. L. Bontrager reported that the Public Meeting regarding the plans for development of the property across Hyde Park Road from the South entrance to Estancia Primera had been delayed until January, but that he does not believe that suggests any likely delay in development plans.

**Adjournment:** A motion was made, seconded, and approved unanimously to adjourn the meeting at 10:40 a.m.

**Minutes of the Meeting of the BOARD OF DIRECTORS**  
**Estancia Primera Community Services Association (EPCSA)**  
***Friday, December 9, 2016***

**Call to Order:** Pat Jackunas, President of the Board, called the meeting to order at 9:00 a.m.

The following members of the Board were in attendance: Pat Jackunas, President; Jim Fassett, Vice President; Barbara Chamberlin, Jill McIntosh, Terry Schultz, William Schiller, Leslie Walker-Hirsch.

**Approval of Minutes of Previous Meeting:** A motion was made and seconded to approve the Minutes of the November 11 meeting of the Board after correcting them to indicate that Board member Carole Genebach was the member who abstained in voting on the motion to increase the 2017 Association dues to \$525, and to post the approved minutes plus the Treasurer's Monthly Financial Reports on the website. The motion was approved unanimously.

**Treasurer's Report:** In the absence of Treasurer A. L. Bontrager, President Jackunas reported that, with one month remaining in the year, Treasurer Bontrager projected that the Association would end the year with an unexpended balance of approximately \$10,000 to \$12,000.

**Architectural Review Board (ARB) report:** ARB Chairman Dr. William Schiller presented the ARB's report for the preceding month, which noted that one new Appendix III project had been approved by the ARB since the preceding Board meeting.

**Approval of Expenditure to Repair Tennis Courts:** President Jackunas told the Board that advance Board approval inadvertently was not sought and obtained for expenditure of \$400 to repair the tennis courts before cold weather arrived. Vice President Jim Fassett made a motion, seconded by Barbara Chamberlin, to approve the expenditure retroactively. The motion was approved unanimously.

**Homeowner General Questions or Comments:** President Jackunas asked homeowners in attendance if any of them wished to make any general comments or ask questions of the Board. None did.

**Discussion of Replacing the Clubhouse Roof:** President Jackunas advised that A.L. Bontrager, Rita Meek, and Peter Meek continue to work on the matter of the necessary Clubhouse roof repair on behalf of the EPSCA. As noted at the November Board meeting, they will prepare detailed specifications which must be approved by a registered architect or structural engineer, and then obtain formal bids/quotes from three or four qualified roofing contractors based on those specifications. President Jackunas said that plans for the existing roof had been found, and they indicate that there is roof insulation, which, if it can be retained during re-roofing and is sufficient, should result in some reduction in the cost of re-roofing. She also said she is hopeful the detailed specifications will be completed before the end of February.

**Discussion of the Possibility of a Special Assessment:** President Jackunas asked each Board member in attendance to detail the results interactions with the homeowners in his/her neighborhood concerning the process of obtaining Association approval for a Special Assessment to derive some of the revenue needed by the Association to fund necessary Association maintenance and operations activities, notably including replacement of the clubhouse roof. Each Board member responded. President Jackunas summarized the comments, indicating it was her observation that while there might be a small majority of homeowners who had been contacted that apparently

favors a special assessment, it also appears that a majority thinks that the process of obtaining formal approval would be difficult at best and quite conceivably could fail. She then asked the Board if she correctly perceived a Board consensus that it should rely on annual dues increases in the next several years rather than attempting to gain Association approval for a special assessment; no Board member present disagreed with that conclusion. After discussion of whether the Estancia Primera Association documents require approval not only of special assessments but also of any annual dues increases and/or of the Association's annual budget on which the dues assessments are based, President Jackunas said that she would place this topic on the agenda for further discussion at a future Board meeting.

**Report on Association Amenities:** Connie Burke reported that winterizing maintenance of the swimming pool, including removal of the pool cover, would be completed between Christmas and New Year's. She reminded the Board that there would be no holiday decorations of the Clubhouse this year because of the necessity to avoid any unnecessary activity on the roof until repairs are made next spring.

**Notice of the 2017 Annual Dues:** It was agreed that Vice President Fassett will prepare a draft message advising homeowners that the 2017 Annual Dues Assessment is due, and indicating the new amount, and will provide the draft to President Jackunas for her review and editing. The message will be sent by email to those homeowners for whom the Association has an email address, and via the U.S. Postal Service to others.

**Checking Accuracy of the Association's List of Homeowners and their Email Addresses:** Vice President Fassett, who maintains the Association's list of homeowners and their contact information, will send to the President of each of the nine neighborhood associations the portion of the Estancia Primera list for his/her neighborhood and ask that the Presidents provide corrections and updates to him prior to use of the list to send the Annual Dues Assessment communication.

**Water Bill:** President Jackunas told the Board she had paid the most recent Association water bill to the City of Santa Fe. It was paid late, because, although the Association has signed up for auto payment, the payment is not made if the amount due is above a threshold level and this most recent bill was above that level. She said she would take the account off auto payment in March, in anticipation of bills higher than the threshold during the summer landscape watering and pool use season.

**Adjournment:** A motion was made, seconded, and approved unanimously to adjourn the meeting at 9:32 a.m.