



**MINUTES OF THE BOARD MEETING OF THE GENERAL COMMUNITY OF HACIENDA  
RIQUELME HELD 22<sup>nd</sup> NOVEMBER 2016 AT RESORTALIA OFFICE**

The meeting started at 10:00 am with the attendance of the following members of the Board:

**ATTENDEES:**

Name	Post
Mike Portlock	Resort President
Gordon Hutchinson	Phase 3 President
Ron Locke	Phase 5A President
Vivian Church	Phase 5B President
David Bamford (Video)	Phase 6 President
Margaret Daniels	Phase 7 President
Isaac Abad	Resortalia
Alberto Gómez	Resortalia
Pepa Pérez	Resortalia

**REPRESENTED:**

Name	Post	Represented by
Thomas Coppens	Phase 1 President	Ron Locke
Pedro de Pedro	Phase 4 President	Ron Locke

**AGENDA:**

1. Minutes of previous meeting (6<sup>th</sup> September 2016).
2. Legal issues update.
3. Administrator.
4. Finance.
5. Performance targets and Communication.
6. Maintenance Project.
7. Rubbish Collection and Street cleaning.
8. Gardening.
9. Irrigation.



- 10. Security.**
- 11. Pest control and Insurance.**
- 12. Any other business.**
- 13. Date of next meeting.**

#### **DISCUSSIONS AND AGREEMENTS TAKEN**

##### **1. Minutes of previous meeting (6<sup>th</sup> September 2016):**

The minutes of the previous meeting held on 6<sup>th</sup> September were approved.

Items from the previous meetings were discussed under the points included on the Agenda of this meeting.

##### **2. Legal issues update.**

Resortalia informed the meeting about news that had appeared in the Murcian Local Newspaper "La Verdad" last week in relation to PW Insolvency Proceeding. According to this news, all the documentation has already been submitted to the Court. The total debt is not clear (first news talked about 350 millions €, and the last one 90 million €). PW would have stated that they have no debts with workers or providers and that the debt with Tax Office, Social Security and Banks, according with their version, would be covered with guarantees on the properties.

11 companies would be in Insolvency Proceedings. Related to HR, we'd have PW Development (it was sued in the building defects case) and PWRE (they also absorbed Hacienda Riquelme, SL).

The Mercantile Court Number 2 of Murcia will now have to appoint a judicial administrator. Resortalia explained that this is the first step. They will continue informing us as soon as they get more information.

Due to this situation, and having had advice from Snr Montoya, the Board decided not to start any legal claim for the pending debt (from 1st January 2014), given that the procedure will now be different and subject to Insolvency Proceeding Law.



**ACTION:** Resortalia will produce a general Answers & Questions to inform owners about the main points of an Insolvency Proceeding, according to Spanish Law.

**WHEN:** For the week commencing 5<sup>th</sup> December 2016.

In relation to JIGAR and the last notification received by the Tax office, it was explained that after calculations with the Project Manager, around 16.855,10 € are going to be paid in the coming days to the Tax office, in order to comply with the Tax Law, which obliges us to pay to the Tax Office - if they notify a provider's debt with them – instead of the provider.

The pending amount: 4.528,23 €, will be kept in order to cover 404, 66 € on an STV Invoice to carry out some repairs on some defects caused by JIGAR; and 4.123,57 € for the retentions related to November and December that have to be legally kept.

This has already been communicated to JIGAR.

### **3. Administrator.**

Mike Portlock said that the Board was satisfied with the performance of Resortalia and therefore a change would only be considered in the case of a reasonable reduction on the costs, or an attractive increase in the service, to which everybody agreed. He said he will be contacting others companies to see if they can improve substantially the quotes originally sent, and then report back to the Board.

### **4. Finance.**

#### **a. Reconciliation 2016 Budget as of 31<sup>st</sup> October:**

Attached to the Minutes are the following documents:

- Reconciliation of the General Community Budget as of 31<sup>st</sup> October 2016.
- Reconciliation of the EUCC Budget as of 31<sup>st</sup> October 2016.



Resortalia informed that they were currently implementing a new software system in order to have better management and understanding of the accounts. It should be working early in 2017.

**b. 2017 Budget.**

**ACTION:** Resortalia will finish the Draft of the Annual Budget both for the General Community and the EUCC for 2017.

**WHEN:** Within December. It will be sent via e-mail to the Board.

**5. Performance targets and Communication.**

Following the surveys sent to the owners, further meetings have been set up with the suppliers for December, after the survey results are available.

**6. Maintenance Project:**

**a) Building Painting:** Alvaro Lorente attended the meeting at this point. The questions sent by Ron Locke were answered one by one. Attached to the minutes is the document with the list of answered questions. A long discussion took place in order to clarify all the points and doubts related to whether 1 coat of paint would be enough in order to reduce the costs of the project. The breakdown of the quotes provided and analysed by the architect were also reviewed. It was agreed to start with the trial of the 4 buildings in order to see the best result and report back to the AGM in March

**ACTION:** There will be a meeting with the constructors in order to negotiate the quotes provided and get the best and lowest costs.

**WHEN:** 29<sup>th</sup> November.

**ACTION:** Mike Portlock will be sending relevant information to the Board.

**WHEN:** Following the meeting with the constructors.



**Timescales:** If the decision is taken in early December, the works could start on the 4 buildings mid-January 2017.

**ACTION:** The Phase President in each case will inform the BP of the Buildings appointed to be done in January 2017.

**WHEN:** In December.

**Drip system below the balconies and/or windows:** A discussion took place related to the way to avoid stains at the bottom of balconies, terraces and windows due to the drainages. David Bamford gave an explanation about the measure which will be taken during the painting of the facades to reduce the staining caused by excessive use of hose pipes on balconies when cleaning is taking place. He said the best way to avoid it would be to have a high quality prime coat plus 2 coats high quality paint. Ron Locke suggested we should test the 2 other solutions which had previously been proposed which may prevent most of the dirty water getting onto the facades. David Bamford pointed out that the mastic or plastic profiles will not really work in very heavy rain, or when a terrace was being hosed down. It will be discussed further, so no decision was taken.

**ACTION:** Resortalia will investigate whether it is possible to include, and approve, at the AGM a point to forbid people to wash their balconies with a hose pipe.

**WHEN:** For the next Board Meeting.

There was an exchange of opinions about the way the tendering and selection process had been undertaken. From now own all the Board Members will take part in each stage of the tender according to the procurement policy.

## **7. Rubbish Collection and Street cleaning.**

The proposal presented by STV at the meeting held the 27<sup>th</sup> October 2016 was voted by the attendees and approved by unanimity. The amount of 26.000 € offered to the community will be deducted from the total cost (VAT not included) of the quotation provided by them for the repair of the rubbish containers in HR.

**ACTION:** Review the situation in order to plan the works related to the rubbish container repairs.



**WHEN:** Early 2017.

**8. Gardening.**

- a. Review of the Condition of the Trees at HRGR/Pruning the Larger Trees:** The information sent by Vivian Church prior the meeting was discussed. Further information is in the documentation sent with these minutes.

**9. Irrigation:**

Attached to the minutes are the following documents updated as of 31<sup>st</sup> October 2016:

- The daily meter readings updated as of 31-10-2016.
- The water usage comparison as of 31-10-16.
- The costs of the irrigation water 2015 vs. 2016 updated as of 31-10-16.

Resortalia held a meeting with ACUAMED (the entity which is in charge of providing the water) in which they were told that it's necessary to sign a Convenio (Agreement) on which they are already working. It would also be necessary to sign a concession with Confederación Hidrográfica del Segura (organisation managing the river Segura's issues).

They also held a meeting with the manager of the new founded Association Of Irrigation Users Of Valdelentisco, which have been set up to protect the interests of the users. The fee for joining is 100 euros and 5 euros per hectare of irrigable land every year. The Board will consider, and will make a decision by e-mail, as soon as possible after they receive the information in writing.

**10. Security:**

**ACTION:** A security company will be contacted in order to carry out an independent security audit of the current system. This company will be advised that, if they were likely to bid for the next contract they could gain an unfair advantage by doing the work and, therefore, they would not be considered at contract renewal time.

**WHEN:** This same week.

Some discussion took place on the role of Vigilant with regard to El Cason.



**ACTION:** Try to arrange a meeting with Vigilant in order to discuss the incident which happened at El Casón last week which resulted in the police being called.

**WHEN:** Friday 25<sup>th</sup> November at 10:00am if possible.

#### **11. Pest control and Insurance.**

**Insurance:** Our Insurance contract with Mapfre ends on 31-12-2016. Invitations to tender were sent to 8 insurance companies, plus an insurance broker recommended by an owner. All 8 companies attended the meeting and were provided with all information to make a bid.

Only 5 proposals were received . Following the meeting with Gordon Hutchinson where the bids were opened, we went back to most of them in order to clarify doubts related to the covers and to the cost of the policy.

Based on the above, and the fact that Mapfre were significantly cheaper than the other bids, a Meeting was arranged with them on Thursday 17<sup>th</sup> November. At the meeting the 3 years agreement was discussed. Mapfre is prepared to keep the same policy cost (60.896, 60 €) for the next 3 years if the amount of claims paid covered by them during the year is not over 70% of the net cost of the policy. It would mean that if the claims made by the Community, and the repairs covered under the policy, exceed 34.512, 97 € the first year (2017), they would be increasing the annual cost of the policy up to a maximum of 15%.

We were also able to confirm we could negotiate the premium every year, on the basis of claims history for that period.

At the meeting it was requested whether the 15% could be broken down but they felt this could make the increase more likely if we were to go over the limit by say a few hundred euros, whereas they could just ignore the increase.

Negotiating with Mapfre was difficult as the offer was pretty good, they have kept the same annual cost, whilst increasing our cover on the 2 item below:

**Communal furniture:** The amount covered for previous years was of 6.879, 50 € increased to 30.000 €.



**Blockage pipes:** The cover was of 600 € per claim to unblock a waste blockage pipe; increased to 1.500 € per claim, per year.

We also suggested that if the 15% was decreased to 10% we would recommend to the Board to accept this contract offer. As a result, they say they are prepared to decrease the 15% to a 10% of the policy cost if the claims go over the 70% of the annual cost. However, if they do so, they could only agree a 2 years agreement.

Gordon Hutchinson thought the 3 year deal was important so would ask Mapfre to reconsider the 15% to 10% once again.

**ACTION:** Resortalia to go back to Mapfre and ask them to accept the 3 years agreement with a 10% maximum increase if the amount claimed during the year is higher than 70% of the net cost of the policy.

**WHEN:** Already done. They finally accepted the 3 years agreement with a 10% maximum increase.

**Pest control:** The information sent prior the meeting was discussed.

**ACTION:** Go back to the cheapest company in order to clarify some aspects of their offer and also to ask how many Resorts like HR they are performing the service for.

**WHEN:** Already done. Meeting arranged with the manager of the company to visit the Resort again on Tuesday 29-11-16.

## **12. Any other business.**

- a. **Pool rules:** It was agreed to deal with this point via e-mail so that a decision could be taken prior to the summer season in 2017.
- b. **Emergency plans for buildings:** The Board agreed that it is a Sub-community issue, so the information will be sent to the Sub-community Presidents for them to take a decision on their corresponding buildings.



- c. **Storage rooms:** After a discussion, it was agreed that it is not a General Community issue. It is the Sub-community that has to take decisions on this.
- d. **Area for the dogs:** The Board unanimously agreed not to go for this.
- e. **Request to install a pergola Atlántico 204 Ground floor B:** Further information will be sent to the Board once a communication is sent to all the owners in the building and Resortalia receives the feedback from the owners.
- f. **Request to remove the lattice from a terrace in Adriático 2 Ground Floor B in order to install a glass window:** Approved.
- g. **Request to close the open atrium in Estragón 2 by installing more windows in Atlántico 130, a couple of which are the large open areas on floor 3:** The Board agreed that it is a Sub-community issue, so it is the BP, in consultation with all the owners in the building, who has to take a decision about this.

**13. Date of next meeting:**

Tuesday 24<sup>th</sup> January 2017 – AGM of the General Community (2017 Budget approval). **Date moved to 31<sup>st</sup> January 2017**

The meeting finished at 13:35pm.