

Alcazaba Lagoon Sector 1

Minutes of Committee Meeting

January 31, 2019

4pm

Estepona Golf Club

In attendance: David Fitchett, Aart van Os, Jason Callow. Apologies Faycal Mahjoud, Trevor Reavill, Nicky Mason, Kenneth Mogensen Guest Attendance Joni Burnett (Comunimas)

Approval of previous meeting minutes

The November meeting minutes were approved and it was agreed that any matters arising would be covered by the scheduled agenda.

Financial update – Community Expenses

Joni presented the draft Financial report for the Community for the calendar year. The draft numbers indicate that costs are just under budget with the costs of various unplanned but necessary projects being funded by savings on water costs. However as was reported at the last meeting overdue fees from owners were in excess of 35,000 Euros and it was noted that if this was not collected it would result in additional costs of over 300 Euros per apartment for the year. Aart reported that this has been reported on Facebook and further chasing was acknowledged. It was confirmed that those owners in arrears would be named in the AGM papers and legal action would be taken to collect such debts.

It was agreed that the format of the Expenditure report would be modified to show the major categories which were gardens, bloques, ,pools, utilities and administration. Joni undertook to change the format accordingly.

The draft budget for 2019 was discussed and it was agreed that committee members should give any recommendations on specific projects to David and Aart so due consideration could be given in advance of the AGM in March. It was further agreed that Comunimas could be authorized to spend up to 5,000 Euros per annum and up to 500 euros in a project without prior approval if they deemed the expenditure to be necessary to be dcompleted in a timely manner.

- Entity Update

Joni confirmed that the Entity Accounts were now up to date and that expenditure was slightly below budget.

The outstanding projects were again noted and it was agreed that a revised list would be discussed separately with Pablo Chenevey (President of the Entity) at a meeting to be held on 1 February where the objective would be to obtain his approval to move ahead.

- Lagoon Issues

- 1) Lagoon Entry Policy Agreement (LEPA)

The final version of the policy that had now been agreed was discussed and David reported that he hoped Pablo Chenevey would sign the agreement at their meeting the following day.

It was accepted that owners have exclusive use of the lagoon and that the short term allowance of outside guests for 2018 and for 2019 was solely for the purpose of allowing the Chiringuito to remain economically viable. In 2020 when sector 2 would be fully operational it was at this stage anticipated that outside guests would not be allowed entry to the Lagoon or Chiringuito.

It was noted that the Chiringuito had never been specified as planned when owners had purchased and this was an extra cost funded entirely by Sagamore.

As part of the agreement which allowed for a maximum of 25 outside guests in peak season Sagamore would be extending the beach areas before the new season and would also be providing a fully fitted gym underneath the new show flat. The Committee appreciated Sagamore's commitment in this area and accepted that this would do a lot to ease congestion next year in July and August (the two peak months).

- 2) Lagoon Segregation

Joni reported that we were still awaiting the final report from our lawyers in English. However there were some IVA issues and possible other tax considerations which could arise from the agreed segregation. David and Aart undertook to discuss this with Pablo Chenevey and to confirm that although in principle owners were happy to proceed with the agreed segregation they expected Sagamore to fund any fiscal costs arising from the transfer of ownership

- Blocks - gates, electrics, lighting etc

Aart reported that the switch to new locks for the gates was progressing and that additional keys could be obtained directly from Comunimas. Joni would send an email to owners to this effect. Master Keys had also been received and the plan was to switch the locks at the end of March after the AGM.

The new soft closure mechanisms have been fitted to bloques 9 and 10 and as they are working well it was agreed that all other bloques would now be completed. Aart undertook to confirm this with our supplier.

It was agreed we should obtain a quote for upper pool painting including waterfalls.

The remedial painting that had been completed for all the bloques was noted and feedback from owners had been positive.

- Pools and Gardens

Joni confirmed that the waterfall project was in progress and the committee asked that all efforts should be made to have this completed by May 2019

Following an independent agronomist review and input from Jason's green keeping staff the need to repeat the hollow tining exercise in late February early March and to reseed and hand water where necessary was confirmed. Joni was requested to obtain a budget cost for this from Clean Team prior to approval although it was noted that expenditure could be in the region of 20,000 Euros.

It was noted that the upper pool drainage issue and new steps between bloques 6 and 7 would be completed soon.

- Social Media Communications – Facebook and Website

Facebook continues to work well although it was agreed that the website was probably under utilised

- AOB

The meeting concluded at around 6.30 pm

David Fitchett