

TOWN LIFT CONDOMINIUM ASSOCIATION, INC.
Board of Trustees Meeting, March 30, 2018

The meeting was held via conference call. Participants were:

Chris Schaefer (board president, Unit 2E)
Jill Packham (board member, commercial units)
Harrison Itz (board member, Unit 3E)
Robert Wilcox (board member, Unit 3C)
Bennett Dorrance (homeowner, Unit 2A)

Elevator status. Chris Schaefer said that this week he offered to pay ThyssenKrupp \$2,000 on their \$4,000 service call invoice but has not heard anything back. Our current Thyssen contract costs \$234/month, and with two “out of regular hours” service calls like last year, we could be looking at \$7,000 in costs for 2018. Thyssen’s “Platinum Premier Plus” 24/7 coverage plan is \$350/month and with that our 2018 costs would be \$4,200. However, Carson Elevator, a local non-union company, said they would provide 24/7 coverage for \$180/month, or \$2,160 for 2018, if we are willing to go that route.

Jill Packham said that for the difference in price we should go with Carson. She has worked with clients in Salt Lake, in particular a 24-hour fitness center, where the heavily used elevators were maintained by Carson and they did a great job. She suggested that Chris contact a couple of their references in Park City, and request a 6-month “trial period” up front before committing to their full 3-year contract.

Robert Wilcox said that if Jill has had good service with Carson, that is a good enough endorsement for him and he agrees to go with Carson.

Harrison Itz asked if Carson can get parts for our elevator. Chris reported that Carson says they buy parts from a company in Florida that stocks U.S. Elevator parts, including controller boards, and that parts are readily available for most models of U.S. Elevator. The Carson rep visited our building this week to review our equipment and get our model numbers so he could confirm parts availability. ThyssenKrupp, on the other hand, said that they have limited parts availability for our elevator and that is why they recommend that we have them rebuild our elevator now (or at least soon).

All agreed that if Carson’s proposal looks good and their Park City references have had good experience with them, we should switch to Carson. Chris mentioned that Otis will make a proposal to rebuild our elevator and then maintain it, but that the sales rep estimates that the rebuild will cost \$70-80K, and that after the warranty period they do not offer 24/7 full coverage, and out of regular hours service calls are still on a time and materials basis.

Robert said that he has received a bid to refinish the wood surfaces in the elevator cab and he will forward that to Chris. The contractor can probably refinish the doors in the hallways at the same time. There is money in our Reserve Fund for completely refinishing the hallway doors and the elevator cab in the future and a portion of that can be used now if necessary, but this level of refinishing might fall under general maintenance.

Roofing schedule. Redd Roofing is sending a contract for us to sign. Roof replacement will probably take place in late May, depending on weather.

Loading Zone/Plaza rebuild.

CDC (general contractor) has bid more than \$500,000 for the job. John Maxfield has not gotten any other bids, and said that his original \$300,000 estimate was for decorative concrete so he is not surprised that the pedestal/paver system would come in at over 500K. Chris expressed concern that Maxfield's lack of concern about cost is not a good sign.

Also, last Friday John Maxfield said that our pre-Application to the city might be better without Columbus Pacific's name on it due to difficulties they have had with the city while building the Kimball project. On Monday he asked that the pre-Application be submitted by Town Lift without Columbus Pacific's name on it. Chris removed Columbus Pacific's name before submitting the pre-Application. We have had no feedback on the suggested contract terms we submitted to Columbus Pacific. On the other hand, when Chris told John that we have maintenance work we want to do in conjunction with the plaza development, and asked if we should not plan on doing it this summer, John replied positively saying that Columbus Pacific sees the whole Kimball project being wrapped up before next ski season, including the plaza project.

Columbus Pacific renewed their parking contract with Town Lift, but only for 3.5 months ending July 31.

Randy Luebke has suggested that we invite John Maxfield to make a presentation to our HOA meeting about the plaza project. Robert and Harrison both said they thought this was a good idea. Chris will contact John.

Financials for 2017.

Chris pointed out that our Reserve Fund is now separated out in our financial statements, is maintained in a separate bank account, and Reserve Fund contributions are now separated out on our income statement.

Jill asked what kind of charges were going into account 6010 - Property Management Admin, and why this account was not budgeted for 2017. Chris referred to the list of charges in Note 1, and said that these charges have previously been put in 6000 - Property Management Contract, 6070 - Administrative Expense, and other accounts. They are mostly charges from Sea to Ski for doing various administrative tasks for Town Lift, but are not covered by the monthly fee (account 6000). Charges from Sea to Ski were discussed, and it was concluded that across all expense accounts we pay Sea to Ski about \$35,000 - 40,000/year for various services. Some of these services are buried in other accounts--for example, when Apollo Rooter comes to clean out drain lines each year, a Sea to Ski employee accompanies them as they go into each unit. The charges for Sea to Ski's time, in this case, are in the plumbing expense account.

Jill also asked why there was a large variance in account 6200 - Inspections. Chris replied that at the beginning of the year we were paying Sea to Ski \$1,500/month for property "inspections," but that this seemed excessive. At Sea to Ski's (Charlie Robbins') suggestion we scaled this back to one inspection per week during the summer and two during ski season, while increasing the amount of housekeeping.

Jill and Chris pointed out that account 4000 - HOA Dues shows a shortage of \$34,000 because the dues for 1st quarter 2017 were booked in 2016 and included in 2016 taxes. The 2018 budget and bookkeeping will include all of the year's dues.

Budget for 2018.

The proposed budget was discussed and Chris explained that no dues increase was implemented for 2018, as the previously authorized regular increases of 3%/year were to build up our Reserve Fund by 2017, a goal which has now been met. However, our projected operating expenses for 2018 leave us about \$5,000 short of what should be our Reserve Fund contribution for 2018.

Reserve Fund projects:

- Last year Randy and Chris suggested that we install smoke detectors in Buildings B & C to give advance warning of a possible fire (Note: both buildings are sprinklered and the sprinklers set off the fire alarm if they go off). We have \$1,733 left from the Fire Alarm upgrade, but this is not enough to cover the \$5,331 cost of smoke detectors as proposed by Certified Fire. Jill will consult with the owners of the commercial condos regarding the need for smoke detectors. Chris will forward the bid received from Certified Fire to Jill.
- It was decided to defer painting of the metal railing around the parking ramp as it is not necessary at this time.
- The teal paint on the back of Building A will be repainted by Fred Marshall, and the TPO roof on Building A will be replaced by Redd Roofing this spring.
- It was decided to replace the carpet in the Main Street lobby, and to remove the drop ceiling in that lobby, paint the remaining ceiling black, and replace the florescent fixtures there with more attractive LED lighting. The plan discussed last year to install an electronic lock on the Main Street door is dropped for lack of interest--this is the most likely point of entrance for a vandal or other unwanted person, and the key lock followed by the electronic locks on the stairs and elevator make the building more secure than having to pass through two electronic locks.
- Funds are also available for replacing carpets and repainting the hallways and stairwells in Building A, however there is no particular plan in place to alter the present color scheme. Harrison indicated that it would be good to brighten up the halls if we are going to repaint. Jill said that she would put us in contact with Susan Monahan, who devised the new decorating scheme at the Caledonian, and that Susan might be willing to make some suggestions without incurring a major decorating expense. All agreed to wait and see what Susan suggests.

Special projects:

There will be \$13,522 left over in the Reserve Fund after replacing the roof on Building A. However, this is not enough to cover three special projects for which there are no funds in the Reserve Fund:

- Repair the broken post-tension cable in the Loading Zone slab (\$8,500),
- Replace and seal the leaking sidewalk behind Building A (\$10,000),
- Replace and repair the storage locker doors of several units in the garage (\$3,650).

Our intention has been to do these projects in conjunction with the plaza rebuild, and they may cost more or have to be reduced in scope (no snowmelt under the sidewalk, for example) if done stand-alone. Harrison asked if the leaking sidewalk problem could be fixed by placing a sealant over the top of the sidewalk rather than tearing it out and replacing it. Chris said that at one point a sealing cover was considered for the entire Loading Zone area but it was not particularly attractive. Chris will look into

covering the sidewalk as a temporary remedy if it looks like the plaza project will be delayed past this summer.

Dues increase. A 3% or 5% dues increase was discussed to cover the above costs, and the board agreed on a 5% increase for 2018. Chris expressed the opinion that a similar increase will probably be required next year, due to maintenance requirements of the buildings. Harrison said that he did not think that our dues were excessive for this property, and Robert said that he has never heard anyone complain about the level of dues charged at Town Lift.

Water. Robert Wilcox has gotten bids from Superior Water & Air to install a water filtering system for Building A, provide under sink purification systems, and replace water heaters for individual units at discounted rates. All agreed that replacement of water heaters should be brought up at the annual HOA meeting, and that the HOA should require any water heater over ten years old to be replaced. The undersink purification systems will be discussed also, for those who are interested. The specifications for the building-wide purification system, priced at \$7,495, were discussed and Robert will contact Superior Water & Air for more information--the capabilities of the system, and the drainage and maintenance requirements need to be clarified. If the membership decides to proceed with this building-wide system, the cost will be divided among the water users in Building A, the two commercial units being counted as equal to one residential unit in the calculation. Homeowners will bear the costs of their own water heaters and undersink systems.

Sea to Ski replacement. We are looking at two potential providers

- All Seasons Property Management is a fairly large organization with several fairly large condo associations as clients, mostly in the Canyons, and they manage the Caledonian. Chris has talked to three persons familiar with their work, including Jill, Steve Barsh and Carolyn Foss, who owns units in both Town Lift and Caledonian, and has gotten reports that they do a good job but their accounting department is a little weak. We will continue to use Lorrie Allen for our accounting so that issue won't be a problem.
- Elevated Property Management is owned and operated by Bill Riley who was the building maintenance engineer for Deer Valley Lodging and therefore maintained the Town Lift buildings before Deer Valley went out of business. They manage several properties about our size, with a mix of residential and commercial, mostly in Deer Valley. As yet, Chris has not had an opportunity to talk to any of their customers, but will try calling some this Saturday.

If we are not able to find and talk to any owners before we ask either of these companies for a proposal, we will ask them to provide lists of board members of HOAs they manage, and we will call some of them randomly for references.