

Sundial Lodge Condominium Owners' Association
Board of Directors' Meeting
January 9, 2015
8:00 A.M. - 11:00 A.M.

Board members in attendance: Bob Flaig – President; David Scher – Vice President; Deborah Scher – Treasurer; Michael Janas - Secretary; Ron Neville – Commercial Representative

ASRL members in attendance: Jim Simmons – HOA Manager; Ron Brenner – Sundial Maintenance Manager; Ken Rabach – HOA Accounting; Brian Bell – Sundial General Manager

Homeowners and Canyons/Vail Resort staff in attendance: Kristin Huffmon – Canyons Sundial Lodge Resident Manager; Roger Stephens – B306; Steve Mardjekto – C402, Sara Scher - Elizabeth March – B316, Paul Perrault –B314, Martin Shill – B223 and B407, Daniel and Mary Mouthaan – C007, Kenny March and Deb Gott – C004 and C204. By phone: Richard Schwartz

Call Meeting to Order – Bob Flaig

Sundial Lodge Board meeting was called to order at 8:03 A.M.

Additions to Agenda

Deborah Scher – Review hot tub hours, signage and security.

Deb Gott – Common area upgrade suggestions.

Bob Flaig – Add unique phone line for the Board Room.

Approval of HOA Board Executive Session from 10/30/14, Board Meeting from 9/26/14 and Annual Meeting from 9/27/14

Deborah Scher asked that the Executive Session minutes be updated to reflect the Board's request to attorney Melyssa Davidson to brief the Board on the Utah Non-Profit Act.

Motion: David Scher motioned to approve 10/30/14 Board Session as amended, Ron Neville seconded. The minutes were approved as amended, 5-0.

Motion: David Scher motioned to approve the 9/27/14 Annual Meeting minutes, Ron Neville seconded. The meeting minutes were approved as presented, 5-0.

Motion: David Scher motioned to approve the 9/26/14 Board Meeting minutes, Deborah Scher seconded. The meeting minutes were approved as presented, 5-0.

The minutes will be posted to the HOA website at www.sundialhoa.com

HOA Update – Jim Simmons

- Newsletter went out to all owners the first week in January.
- Ski Lounge was further remodeled in the fall with new flooring, paint, chandelier, furniture and TV that features mountain cameras of the resort.
- Garage LED lighting upgrade is complete and coupled with new paint job looks very bright and inviting.
- The Board has reviewed new signage for the garage. One option is a large logo above the entry as you descend the ramp in to the garage, the cost is approximately \$2,500 with the logo on a Lexan glass.
 - The Board requested some additional options, including a projected light logo on the wall.
- Holiday lighting around the property and in the roundabout were very well received.
 - There was discussion on whether the tree lighting should remain year-round. The decision was made to leave up through ski season and evaluate next steps in the June Board meeting.
 - Ron Neville will work with RVMA and other base area properties to try to coordinate a more unified holiday lighting plan next year.

Common Area Upgrades – Deb Gott

Deb suggested adding window shades, floor lamp, stand up desk and stool for in the ski lounge. Sara Scher also recommended a floor tray to collect water and ice under the ski/snowboard racks. The total expense to date is \$39K to a budget of \$40K. The Board approved adding the addition items suggested to complete the upgrade and evaluate the possibility of adding a gas fireplace in the room in the spring. There are concerns about adding a heat source in the room that already gets hot during the day.

HOA Financial Accounting Update – Ken Rabach

Ken reviewed preliminary December and year-to-date financial reporting for the HOA.

- The incomplete December financials are tracking to show the month will be better than budget in operating by \$5,000.
- Year-to-date total operating expenses are unfavorable to budget by \$23K.
- Major variance lines are HOA common area cleaning, maintenance and security. The common area cleaning services and security walks were increased based on previous request by the Board.
 - Ron Neville would propose looking at options to have Vail Resorts provide the onsite security. Jim confirmed that it was not an option during the original transition from Talisker. Jim will work with Ron to evaluate further.

- Deborah Scher and Ron Neville would like to further review the details of the operating budget and capital budget in a follow up meeting. Jim will coordinate.
- Utilities are under budget YTD by \$7,500
- The current reserve funding is just under \$705,000.
 - The Board would like to see the YTD capital expenses and projected expenses in the monthly reporting moving forward.
 - The Board recognized that the review of the most recently completed financial reporting will be more useful in future meetings. Reviewing the incomplete December financials created more questions than answers.

Maintenance Update – Ron Brenner

Completed Projects

- Garage LED light upgrade
- Snowmelt system repairs and concrete patches
- Replaced two rusted exterior doors at the 3rd floor bridge
- New floor drain in ski lockers
- Added keypad to all common area doors
- Added new domestic water tempering valves to help maintain water temperatures in both buildings
- Replaced another section of eroded hot water recirculation piping above ceiling on the 5th floor
- Repaired some cracked refractory material inside one of the boilers that was causing some excessive heat due to cracks in the internal fireproof liner

Spring Projects 2015

- Ron Brenner presented two options for addressing issues with the building water softener system that currently does not sufficiently soften the water and requires manual regeneration. Option A is to add a new controller and rebuild valves and add an ion exchange resin media for \$21,000. Option B is to install new water softener system for estimated \$40K-\$50K.

Motion: David Scher made a motion to approve expense up to \$21,000 to address water softener issues at Sundial. Seconded by Ron Neville. Unanimous approval.

- Balance domestic water recirculation system through building for more even flow.
- Add exhaust system to help ventilate for lobby restrooms.
- Add exhaust system to unit C002 to help vent food odors outdoors.

Before reviewing and approval additional anticipated capital projects in the current fiscal year the Board asked for a year-to-date summary of capital expenses and planned projects to further understand the level of capital funding. Jim Simmons

will work with Ken Rabach and Ron Brenner to compile details for Board review and discussion.

RVMA Update – Roger Stephens

Roger notified the Board that Jennifer Guestchow is no longer the Executive Director and the RVMA Board is seeking to hire a replacement Director. RVMA President Beth Lohman is acting as interim manager until a replacement is appointed.

Roger reviewed various financial reports for the RVMA and provided a wrap up of the golf course funding. RVMA owes approximately \$11 Million on the project and has four sources of income to cover the balance; transaction fees in the SPA area, regular RVMA dues paid by SPA members, RVMA levied lodging taxes and the sale of RVMA owned land.

There was considerable discussion among the Board on challenges with working with RVMA to represent Sundial Lodge's interests. The Board asked Jim Simmons to coordinate a meeting with Beth Lohman to discuss concerns on the Master Transportation Plan, signs and other matters. David Scher will attend the meeting as well.

Sundial Parking Discussion – Jim Simmons

- All owners have been notified of pending changes in the use of the parking garage at Sundial in the recent newsletter. Beginning in January of 2015 the HOA will be assigning parking permits to all groups authorized to park onsite and ASRL will monitor parking.
- Residential guests will be issued temporary parking permits that will be valid during the dates of their stay onsite. Owners that rent with companies other than Vail Resorts or ASRL will be required to register their rental agents with ASRL to coordinate permits to be issued.
- Residential owners will each be issued a parking permit for each unit they own. Additional permits will be made available for owner guests in the form of temporary passes.
- Commercial owners have reserved parking in with access from the building C garage entrance. The area fenced off by barricades that can be moved in the event of an emergency.
- During the ski season the transition period will be flexible for enforcement of new parking regulations and the Board will review options for additional services and fees for the next ski season.

Grand Lobby Road Map – David Scher

David suggested that until the RVMA Master Transportation Plan details can be settled to understand any potential and desired change in resort guest drop off at Sundial roundabout. David and Jim will meet with RVMA to discuss further.

Trip Advisor/Facebook

Bob Flaig introduced attorney Melyssa Davidson with Morris Sperry and discussed the opportunity for the HOA to address negative experiences that affect Sundial

Lodge when an owner or rental management company provide unsatisfactory lodging or services. The result can impact all Sundial Lodge owners when consumers read reviews or observe other feedback that indicates the property does not meet expectations. Along that line, Melyssa Davidson drafted a letter at the Board's request to be used as a form letter to owners that are identified as having provided an experience that is substandard. The purpose is to make sure they are aware of the issues and request that they take steps to address those issues to avoid an overall negative impact to all Sundial Lodge owners. The Board recently reviewed a candidate for the letter and asked that Jim Simmons forward the letter to the owner for additional follow up on behalf of the HOA.

Bob asked about the business listing under Trip Advisor held by ASRL as a means to review online reviews. Ron Neville explained the he and Jim Simmons are discussing that listing as a rental matter and will follow up with the rest of the Board.

Open Discussion/Additions to Agenda

- Deborah Scher asked about hours for the 3rd floor hot tub area after being disturbed in her adjacent unit. The posted hours are 6:00am to 10:00pm. Deborah suggested that morning hours not begin until 8:00am. The Board agreed and hours will be updated. Security detail will be asked to watch the area more closely to help avoid abuses and disturbances.
- Deb Gott reviewed thoughts on common lobby and hallway upgrades. Deb and Jim Simmons will get a bid from interior designer Susan Monahan to produce an overall plan for the upgrades to keep things consistent. Jim will report back on costs for the plan.
- Deb Gott offered to purchase books for a book exchange in the Lobby. The Board felt that there was no need to purchase books, but use many that were already donated and to add a shelf in the C building lobby would be best.
- Deb and Sara Scher identified a few additional items needed in the ski lounge. They include drip pans for skis beneath the wall rack, a stand up desk and lamp. The current total expense for the lounge remodel is \$39K, just under the \$40K approved. The Board approved the three additional items. Jim will purchase and have them installed as soon as possible.

Adjourn Meeting – Bob Flaig

Bob Flaig motioned to adjourn the meeting. David Scher seconded. Meeting was adjourned at 11:10 A.M.