

2019 ANNUAL MEETING MINUTES DRAFT
Saturday, December 7, 2019
Silver King Hotel

I. CALL MEETING TO ORDER: 9:35 am MT

II. ESTABLISH QUORUM: 63 %

BOD: Michael Kvietkus, 310 and Mike Ciferri, 320

Owners Present: Mike James,217; Suzanne & Michael Larkin, 219; Laura & John Burkett 220; Shouse, 304; Pam & Gregory Koch, 305; Noah & Marie Ramirez, 307; Teri Rio, 311; Richard Schwartz, 312 & 407; Daniel De Leon, 315; John & Jeannie Rasmussen, 316; Jeff Coe, 317; Kevin Haas, 318; Don Winsor, 408; Alessandra & Marco Prado, 409; Andrea Luce, 410; Pete Dunmire & Deb Hogshead, 412; Bobbi & Anne Whitehead, 416; Michele Levy, 418; Darryl Flaming, 420; Mike Barber, 509; Deborah & Patrick Hickey, 513

Owners joining by phone: 201; 305; 502

Management: Jim Simmons - HOA Manager, Gina Covino - HOA Administrator and Alan Finnegan - President of All Seasons Resort Lodging.

III. OLD BUSINESS

A. Approval of 2018 Annual Meeting Minutes: Draft with revisions required, will be approved by the BOD via email.

B. HOA Managers' Update

- Great turnout at the Owner Reception on Friday night!
- ASRM current HOA management agreement ends on June 1, 2020. The BOD has been working with HOA attorney, Melyssa Davidson to create a request for proposal that addresses maintenance, housekeeping, governance, communication and budgeting. ASRM will bid and looking to continue managing the HOA.
- Check-In: homeowners not in ASRL rental program are using ASRL's front desk services free of charge for their guests to obtain key-cards. BOD to discuss in RFP options for key distribution and potentially paying the HOA manager to provide front desk service to all owners/guests. At the meantime, ASRL will continue to provide key card service free of charge.
- Security:
 - the building is locked from 7:00 pm- 7:00 am
 - a camera will be added to the back hallway/stairwell
 - FOB system will be installed in locker room

C. Maintenance Report

The routine maintenance duties were outlined:

Daily

Inspect all Floors, Lighting, and Entryways
Inspect grounds (summer check Cooling Tower)
Pool and Spa water is tested
Pool and Spa water is screened and or vacuumed as needed
Pool and Spa equipment inspected
Pool and Spa Furniture and Deck as needed
Clean Pool Skimmer Baskets
Clean around Dumpster, Recycle Containers
Check Mechanical room, all Boilers, Pumps, (Summer Chiller)
Hskp - Mop and Vacuum all Common areas
Hskp - Empty all Trash Containers
Hskp - Clean Windows and Door Glass in Common Areas, Pools, Entries
Hskp - Clean Pool Bathrooms and lower level Common Bathrooms
Hskp- Elevators are cleaned

Weekly

Spa water is drained and refilled - Tuesday a.m.
Pool and Spa Tile is cleaned
Mow Lawn (Spring, Summer, Fall - mulch leaves)

Monthly

Blow outside parking lots
Clean Pool Deck, also as needed
Hskp - Clean baseboards, doors, walls, and carpet as needed

Spring (March- May)

Turn off Heat Tape
Turn on Sprinklers - test and repair
Trees Sprayed
Lawn Fertilizer, Insect control
Window Cleaning exterior
Change oil in Lawn Mowers
Powerwash Garage (Paint Yellow stripes yr 2020)
Turn on Chiller and Cooling Tower
Rotate Chiller Cooling Pumps
Grounds Prep - Trim Trees, Bushes, Gardens
Capital Improvement Projects (April 20th - July 1st)

Summer

Fertilize Lawn
Spray for Weeds
Check Roof for damage and needed repairs
Rotate Chiller Cooling Pumps

Fall

Turn on Heat Tape (based on Snow)
Blow out Lawn Sprinklers

Fertilize Lawn
 Turn off the Chiller and winterize the Cooling Tower
 Rotate Boiler Heat Pumps
 Window Cleaning exterior and interior of Front Entry, and Pool & Exercise
 interior glass
 Capital Improvement Projects (Sept 10th - Nov 20th)

Winter (Dec. –Feb)

Snow Removal
 Salt as needed
 Rotate Boiler Heat Pumps
 Melt Snow as needed, “turn on/off” the Front Entry heat for Skylight Glass

Planned Capital Reserve Items

Jun - Pool gutter repair and new downspout - S&S Roofing	\$ 1,688
Jun - Heat tape for new pool gutter & downspout - GTC Electric	\$ 504
Sept - Culinary hot water heat exchanger condenser - MHI	\$ 3,800
Sept - Painting of the pool metal fencing and exterior railings. Included painting of all interior stair railings - ASRM staff L&M	\$ 1,800
Sept - Asphalt repairs front entry - Eccles Paving	\$ 7,087
Sept - Window Replacements of failed glass - Summit Valley Glass (8)	\$ 4,200
Oct - Pool Boiler replacement - Aquatech	\$ 4,153

Non - Planned Capital Reserve Items:

Apr - 4' x 8' glass window replacement - Summit Valley Glass	\$ 850
Feb - Roof repairs, flashing of 2 chimney boxes and misc. tar patches - S&S Roofing	\$ 850
May - Battery backup added to the exterior key pad transformers - ASRM staff	\$ 702
Jun - Engineering inspection of front entry and pool trusses - Reaveley Engineering	\$ 10,010
Jun - Replaced the cooling tower filter for the chiller - Reyerson Steel & MGM Welders	\$ 837
Sept - Generator prograded maintenance - Generation Systems	\$ 3,244
Oct - Roof repairs, flashing of 2 chimney boxes and misc. tar patches - S&S Roofing	\$ 1,580
Oct - Garage entry motion sensor - Crawford doors (reimbursement from long term tenant)	\$ 1,546
Nov - Addition of 2 locker room locks VisionLine Front Desk system – Assa-Abloy	\$ 1,094

Unplanned R&M Electrical/Mechanical Items relating to the Operating Budget:

Mar - Replaced failed culinary water 3" copper piping - MHI	\$ 1,753
Mar - Phone Lines - Ranger Communications	\$ 343
May - Replaced the Pool pump, impellar, and seals - ASRM staff	\$ 737
Jun - Spa seat bubblers - GTC Electric	\$ 396
Jun - Lobby fireplace replacement of the igniter, refractory glass, light bulbs, and side glass - Hearth and Home	\$ 1,028

Aug - Lobby elevator main power panel fuse replacement - GTC Electric	\$ 608
Aug - Lobby elevator pump oil seal replacement – Thyssen-krupp	\$ 599
Sept - Lobby elevator circuit board replacement – Thyssen-krupp	\$ 2,088
Sept - Update to the pool piping and control valves, the sand filter control, and a light assembly - Aquatech	\$ 1,259
Nov - Lobby elevator main power panel fuse replacement - GTC Electric	\$ 441
Nov - Replacement of the fire suppression water backflow and the shutoff control pipe section - Certified Fire (The HOA has requested reimbursement from the City of Park City for this work).	\$ 4,413
Nov - Garage Door replacement of the lower 2 panels - Crawford Doors	\$ 1,385

Pending Planned Capital Reserve items:

Pool bathroom remodel	\$ 48,000
Common area flooring, carpet replacement	\$ 123,084
Fire Alarm System upgrade/up to code with new Park City regulations: sprinkler heads, fire breaks, new fire panel	\$ 95,000
Lobby Elevator- installing new starter motor	\$ 4,500
Fire Safety Inspection: exit signs, exterior fire bell, fire extinguishers in hallways.	\$ 15,225

- Inspecting the Quality of Drain Pipes:
 - Homeowners have requested pipes being scoped as a preventative measure. A cost to have this service provided will be obtained by ASRM.
 - Park City has hard mineral-rich water and the pipes are made out of copper. Throughout the community old pipes have been failing due to mineral deposits. ASRM has inspected and replaced many common area drain pipes as they have failed. A spreadsheet will be created to document the pipes to ASRM has replaced.
 - It has also been suggested, that when homeowners are doing a remodel (bathroom/kitchen), it would be wise to have the pipes scoped inside the units.
- Maintenance Manager: Acknowledgement to Chris Tomczyk, Maintenance Manager and his team for their hard work and thorough maintenance. He replaced Hal Smith and has been with ASRM for a year now.

D. Truss Repair Project:

- A routine maintenance cycle of painting and treating the trusses/beams occur. ASRM went to paint this year and observed that the wood looked soft. An architectural engineering firm provided a study of the entire building’s truss support structures.
- A report was circulated to owners regarding 2 beams (trusses) that are failing based on water penetration over the last 30 years. Though the beams have been routinely stained and maintained, water has collected in support brackets that have caused the deterioration of the beams. These beams are located at the front entry of property,

one that is 60 ft. and is the wall support for the front lobby, the other located over pool.

- Currently, there is a temporary safety support system in place at the front entry based on the engineer's recommendations.
- There are 2 initial options being considered for repairs using the existing, original design based on use of different materials for either \$1.2 million or \$1.5 million. Costs are still to be determined for the option of considering alternative designs.
- Architect firm, *Hoffman Architects* has identified some alternative ideas:
 - Different materials being used (steel)
 - Front lobby remodeled
 - Open pool (not enclosed)
 - Water shed dispersed differently
- With these architectural designs ASRM is obtaining estimates from a professional estimating company that specializes in this type of work.
- Please note the BOD has not made a decision on what design to go with.
- Construction would be done during the shoulder seasons of spring or fall.
- Homeowner proposed generating money to fund this project by selling the expandable parcel (small parking lot), which is estimated at \$1.2 million dollars. The current thought is to possibly use the parcel as a collateral for a loan to partially fund the work.

E. Onsite Transportation Service Update:

- ASRL rental program will no longer provide transportation to owners not in their rental program.
- For homeowners in ASRL rental program, ASRL will no longer be servicing their own vehicles, but provide app based transportation for guests that request it.

IV. NEW BUSINESS

A. Budget

2019 Actual Variance

- Association Fee Income: Variance was under budget by \$16,533. 2% of ASRL's gross revenue is given to the HOA, however, some units have left rental program which diminished revenue to HOA.
- General & Administration: under budget by \$3,371.
- Housekeeping/Maintenance: over budget by \$16,685 due to wage increases, thoroughly tracking expended hours and cost for supplies.
- Repair & Maintenance: over budget by \$9,410, bulk due to heavy snowfall and the additional expense of snow being hauled off premises (newly imposed fire code that snow cannot be stored on front ramp).
- Supplies: over budget by \$9,796 due to heavy snow fall, elevator failure, patch work of entrance driveway and plumbing with back flow preventers/fittings.
- Utilities: over budget by \$8,077. Water price has increased significantly and the water usage was recorded accurately. Last year with the water main break, the line was temporary being ran through the fire hydrant and not metered through SK account.

- With the gas costs increase, the BOD requested ASRM to research a bulk rate buy with other properties under ASRM portfolio. Jim will research further.
- Total Operating Expense over by 6.7% = \$40,570.

2020

- 14% dues increase with an anticipated ending balance of \$92,701 in the capital reserve (19% fully funded). This budget is a place holder for the next 6 months, with unknown factors relating to the RFP process. Dues are likely to increase based on RFP and the services the HOA wants moving forward.

B. Insurance

- Insurance liability of \$1,000,000 with an umbrella policy of \$25,000,000. The current deductible is \$5,000. BOD will take action to increase the deductible to \$10,000. COI can be found on HOA Dashboard online.

C. Special Assessment Current anticipated plan is have a special assessment and loan to pay for truss work. Potential loan terms are 8% interest rate for a 5-year bank loan. This is not reflected in the 2020 budget; however, owners need to be aware that a special assessment is in the near future. Goal is to have truss repair construction begin in May of 2020, to receive loan, bank will review collateral, dues structures and reserves. The design, cost and timeline will be transparent to homeowners.

D. Amended Declaration & Bylaws:

- Votes will be separated (al a carte) via electronic ballot. A super majority, 67% vote is needed by Owners to change the following:
 - Allocated Ownership Percentage updated: each unit was re-measured, which produced an updated report of ownership % of sq. footage.
 - Provisions that are no longer violable under UT Condominium Act were removed.
 - Re-investment Fee added: .5% value price of unit is collected at closing and paid to the Association.
 - Lowering the Threshold Percentage needed to Amend Governing Documents: currently it is at super majority 67%, it can be changed to a simple majority of 51% or lower. At the end of discussion, it was decided that this would be amended at a later time.

E. Park City Base Development Update:

- PEG Companies is a developer out of Provo, UT that has been selected by Vail Resorts to develop the space located around Shadow Ridge and Silver King.
- This is in early stage of discussion of a master plan. Current plans have construction beginning in Spring 2021. Public hearings will be held with owners being able to provide input/feedback.
- **Parcel B.** Parking Structure for ~760-day parking stalls. 55 condos. 23 affordable housing units. 4 stories (40'). Access from Shadow Ridge drive directly across from lobby.

- **Parcel C.** Hotel - 4 star - 250 units. 5 stories.
- **Parcel D.** Condos. 35 units. 5 stories. 1st story retail shops. 4 floors condos. Underground parking.
- **Parcel E.** Condo and Club - 41 units. Day parking for skiing
- One-way travel turning right at Silver King Drive from Empire, front of resort on Lowell wrap around Manor Way and then continue one way down Empire back towards Park Ave.
- Timeline - Anticipated to be 6 years
 - One year of planning with City
 - Spring 2021 break ground on B
 - Spring 2022 break ground on E
 - Spring 2023 break ground on C
 - Spring 2024 break ground on D



F. Real Estate Update: This report is for the first 9 months, $\frac{3}{4}$ of this year and is based on medium statistics, strictly for condos and single family homes, and does not include commercial or fractional ownership. This is for areas 1- 23, which consists of Old Town area out to Summit Park and Jordanelle. 2018 vs 2019: 1% decrease in transactions, with an increase of 8% in the selling price. Days on market average 13 days compared to 2018 of 25 days. Market sales: gone up 5% in condos to 50% and 3% increase in family homes to 37% and an 8% decrease in land at 13%.

- Silver King Hotel: 2018 had 3 sales, 2019 so far has had 5 sales. Average sales price in 2018 was \$457K and in 2019, \$432K. Days on the market 2018, 110 days and 2019, 243 days.

G. Board of Directors Election: John Rasmussen has been newly appointed to the BOD. BOD consists Michael Kvietkis, Doug Haigh and John Rasmussen. Acknowledgment to Mike Ciferri's diligent fiduciary dedication and participation for the past 20+ years.

V. OPEN COMMENTS

There was discussion on cleaning up the dumpster area and possibly adding additional trash areas on each floor. The board will consider those options.

There was discussion on water quality in Silver King. Local testing is performed by the City to ensure water quality meets State standards.

VI. ADJOURNMENT 1:37 pm MT