

Fawngrove HOA  
Management Committee Meeting Minutes  
July 10, 2021, 9:00 AM

Members present: Jeff Batterson, President; Bill Case; Duncan Patterson; Tom Miller; Theresa Rollins, Treasurer

Jeff Batterson welcomed John Lindell, HOA member, who is also a member of the Lower Deer Valley Coalition. He gave us an update on Deer Valley's plans to build on the parking lot. Prior to the meeting he had sent us a link to a presentation on the proposed entrance area, parking and traffic patterns. John told us that these plans focus on transportation. Traffic is one of the city's primary concerns. This proposal has been prepared for city approval. Under this proposal, the entry to the resort will be on Doe Pass Road, which bisects the parking area. There will be a large, new entry building. Underground garages will be built. Total parking spaces will increase to about 1,800, from 1,400+ spaces today. Buses would primarily enter from the west side and cars from the east side, though traffic would continue to be two-way. It will take three years to complete, and it can only be worked on between mid-April and the start of the ski season in December. The resort is hoping to get approval so that construction can be started in April of 2022. However, John thinks that is highly unlikely.

The resort also plans to build two condo-hotels and other housing as well as retail and restaurants. However, no specific information has been provided on this. The managers of the project, Rich Gardner (Alterra) and Steve Issowits (Deer Valley Resort) noted that they were not going to request any height variations. They will continue to keep the Lower Deer Valley Coalition informed of their plans.

Jeff thanked John for his help on this and John left the meeting.

The Management Committee (MC) agreed that we should hold the Annual Meeting via Zoom. This allows for greater participation. The meeting will be held on Saturday, November 13, 2021, at 12:00 pm MST. Jeff noted that the Nominating Committee will be led by Stephen Watson, Penny McNulty, and John Lindell. Jeff is going to rotate off the MC.

Theresa reviewed the financials through May 31st. She noted that there were a number of variances. The budget and actual for payments for equipment, landscaping and snow removal do not line up, perhaps because Holly Carlin does not receive the detail. Overall, the sum of the three accounts is \$2,600 over budget (actual is \$13,600.) Payroll is close to budget, though it might be over budget by year-end as we did not include year-end bonuses in the budget. We are over budget in building water by \$1,000 (actual is \$24,090.). We are significantly under budget in building maintenance because we have not started any work on the heat tape wires for the roofs. Bill Case is working with a contractor to get a proposal for the heat tape work. The great unknown is the irrigation water, which begins to be billed late in the summer.

The MC discussed the need to increase the portion of our dues going to the reserve. The consultant that reviewed our reserves has recommended that we increase them. Both the consultants and the state of Utah recommend routine funding as opposed to special assessments. This is for a number of reasons, including equity. Improvements to the buildings benefit many owners over many years, not just the owners in the year of the improvement. Wear and tear occur every year, also, even if there are no major improvements in a current year. Secondly, large assessments may be difficult to collect and that could cause financial problems for the HOA. Also, mortgage companies are requiring higher funding of reserves for mortgages. There have been many articles written on the reserve funding issue after the building collapse in Florida. While we don't face the same issues as the Florida high rises, our buildings are getting older and will need more repairs or renovations. Tom Miller told us that two complexes nearby, Bristlecone \$60,000 per unit and the Pinnacle \$65,000 per unit had large special assessments.

Theresa prepared a worksheet that suggested that if, each year, we put \$100,000 into the reserves from dues and added the funds from the reinvestment fee on sales (.5% of the sale price), we would have sufficient funds to pay for the needed improvements through 2033. The most significant expenditure is a new roof in 2033, estimated to be almost \$1 million. The MC is going to refine the schedule to include residing of the Hardie Board (which may not need to be done until the 2040s) and will make a recommendation for next year's budget. There is a consensus on the MC that we must change the funding to be ongoing. We will be sharing more information with the membership about this proposed change.

Duncan gave us an update on our attempt to collect the Reinvestment Fee on Unit 1628. The fee was not collected at closing even though the necessary paperwork had been filed with the county. We are in the process of having our attorney write a letter to the new owner to see if we can collect the fee. Otherwise, we will consider putting a lien on the property.

Bill and Tom gave us an update on maintenance issues. Bill told us that we should put some battery-operated lights in the garages, so that if the power goes out, residents will be able to see their way to the exits. He is getting costs estimates. We had hoped to do some repaving this year, but it is almost impossible to get estimates, given the building boom in Park City. Jeff noted that we are going to look at putting in heated pavement by the entrances of some of the garages. This should help with the ice dams and water problems and save on labor.

Tom reviewed the irrigation issue. We had a free audit from Summit County and several issues were pointed out. We are following the recommendation to water less, given the drought and will look to make improvements and repairs to our system. We will also continue to work on a longer-term plan for more drought resistant landscaping.

We discussed various issues around renters, neighbors using our space, off-leash dogs, quiet hours and parking. Bill passed out suggested changes to the bylaws. Most are minor changes to improve language and bring them into the 21<sup>st</sup> century. Some are more significant. We will

separate them into categories to present to the homeowners. All changes will require a 2/3<sup>rd</sup>s vote of the owners.

There being no further business, the meeting was adjourned at 11:20 AM.

Prepared by Theresa Rollins