

Minutes of the 2021 Fawngrove Homeowners Association

Meeting called to order:

Jeff Batterson called the meeting to order at 2:03 pm EST. The meeting was held by Zoom call. Margaret Rollins helped monitor and run the meeting. Her technical savvy was greatly appreciated!

Introduction of Management Committee Members:

Jeff Batterson - President
Tom Miller - Vice President
Theresa Rollins - Treasurer
Bill Case - Board Member
Duncan Patterson - Board Member

Roll Call of Unit Members:

1408, 1416, 1420, 1432, 1462, 1470, 1486, 1504, 1524, 1532, 1550, 1558, 1562, 1582, 1600, 1616, 1620, 1658, 1662, 1670, 1674, 1678

Minutes of Prior Year's Annual Meeting:

Motion to waive reading of and approve prior year's minutes- **Passed**

Review of Past Year:

Accomplishments - Tom Miller presented the past year's major accomplishments.

1. Water Conservation

- Summit County-imposed watering restrictions caused by the drought to two watering sessions per week.
- Local water district sent out people to review and make recommendations on our watering practices. This was a free service.

- Irrigation was turned off after rains in July and August. It was turned off earlier than usual because of early fall rains.
2. The three ponds.
 - Deer Valley recognized that our aeration of the ponds helps with the water quality in their three lower ponds.
 - Deer Valley is now removing water from the ponds such that the impact on our community is less, mainly during snow melt time as opposed to afterwards.
 - Summer pond levels are significantly higher as a result.
 3. Heat tape repair
 - A thorough review of all existing heat tape found several problem areas.
 - The electrician repaired definitive, existing problems but will return for on-site review through this winter to identify additional problem areas.
 4. Jeff, Bill, and Tom met bi-weekly with our Maintenance Chief to identify maintenance problem areas and define priority work items.
 5. New lights on both Fawngrove entrance lights located above the sign rather than on the ground in the snow.
 6. Ongoing water use monitored for irrigation and units.
 - We researched the possibility to switch to individual unit water billing and found that the majority of our water charges are caused by a surcharge and switching to individual water meters would add extra cost that would take many years to recoup, if at all. The Management Committee (MC) decided to leave it as is since there was no savings to the community.
 - Reinvestment fee passage last year resulted in our filing this change with the county.

- Generated more than \$22,000 in revenue for the reinvestment fund
7. Park City/Lower Deer Valley/Fawngrove real estate
 - The real estate market throughout Park City has been very active the past years. Five units were sold at Fawngrove at record prices. There are currently 10 units for sale throughout lower Deer Valley and overall, condo availability in the area is very low. No units are currently for sale at Fawngrove.
 8. Extremely high labor and material costs caused a reduction in planned projects during 2021. Owners doing remodels and other work have found higher costs and longer completion times due to high demand for skilled tradesmen and shortage of supplies due to supply chain issues. It is unknown how long this will continue.
 9. Resurgence of beaver activity.
 - The local beavers in the ponds have found their way to our trees after bringing down many trees around Lakeside. They are mostly interested in Aspen trees. We have installed chicken wire around the bases of the trees to prevent them from accessing them.
 - Park City has been asked to relocate the beavers.
 10. Review conducted of the Declaration and Bylaws.
 - Several items of the document use older terminology or are no longer applicable to our situation. Examples are use of outdated language, such as mandated association with Deer Valley Resorts, and outdated concepts such as no allowance of dogs by renters. When completed, the document will require owners to review each change and provide final approval requiring two-thirds approval.

11. Local area fires

- Parley's Summit fire
- Smoke from fires in the western states.

12. Bugs affecting trees

- Due to the drought, the aphids were a bigger problem than normal. They eat sap from Aspen trees and excrete a sticky substance all day long, which caused a sticky mess throughout the outdoor areas around the trees. A contractor was hired to spray some of the trees. Due to cost, we didn't want to spray every tree on the property so identified those trees that had the highest effect on owners' outdoor living areas. This treatment followed by the late-summer rains was successful.
- Tip weevils attack our evergreens. A contractor sprayed the trees to protect them from further damage.

13. Parking space delineation

- Each garage had parking spaces repainted
- Parking areas in both East and west circles had parking lines painted

14. Sidewalk Leveling

- After a number of winters our sidewalk sections had some sections which had risen or subsided. We chose to grind down those transition areas to help avoid slips and falls (This is a common method in snowy areas).

15. Unit Owners Request for Work

- This was a busy year for projects and remodels. Since last year's annual meeting, there were seven remodels, six air conditioner requests, one awning request, one hot tub request, and a request by the last owner of the upstairs units with approval to build a deck of their intention to add a deck. Nine of the ten units have

already built their decks per Board approval policy issued in 2010. Below are the unit numbers of work requests this past year.

- Unit 1428: Remodel Interior (Approved/Done)
- Unit 1462: Request by new owner to add hot tub on existing deck (Approved)
- Unit 1504: Remodel Interior (Approved/In Work)
- Unit 1532: Add Air Conditioner (Awaiting further details. Not yet approved)
- Unit 1550: Add Air Conditioner (Approved/Done)
- Remodel Interior (Approved/In Work)
- Unit 1562: Remodel Interior (Approved/Done)
- Request by new owners to add deck and possible hot tub (Requirements provided)
- Request by new owners to add a new furnace and AC and 220V power to parking spot* (Approved)
- Unit 1570 Skylight changed (Approved/Done)
- Unit 1574 Install Awning (Approved/Not started)*
- Unit 1578: Remodel Interior (Approved/In work)
- Add AC (Approved/In work)
- Unit 1628: Add Air Conditioner (Requirements provided)
- Unit 1650: Add Air Conditioner (Approved/Done)
- Unit 1678: Remodel Interior (Approved/Done)
- Unit 1686: Remodel Interior (Approved/Done)

* A new policy will be written for the conditions of installing an awning and electric car charging.

- a) Please remember that remodel and project requests MUST be submitted to the Management Committee prior to

starting. Any remodel or condo modification other than paint, wallpaper, or carpeting must be submitted to the Management Committee for review and approval (e.g., remodels, addition of air conditioner, awning, or hot tubs, any changes to the exterior of the building, etc.). Most items require a park City permit and must have an HOA approval form included with the submission.

b) Park City will NOT issue permits without the Management Committee signoff. Please refer to the FAQs on the Fawngrove website Remodel link for further details.

c) Maintenance/Repair Projects

- Water leaks
 - 1562 skylight
 - 1604/1608 water leak
 - Multiple leaking toilets were chased down
 - Miscellaneous but relatively minor exterior repairs
- Driveway repair project put on hold due to contractor availability and high cost this year

16. We identified a situation where a local rental company was dumping post-rental trash in the trashcans in garage #1. We identified the company and put a stop to the practice (Another reason we want to keep the garage codes private).

Reminders for Owners – Bill Case presented the reminders to owners

1. Garage Codes

- Please remind rental agents and property managers not to give out garage combinations to contractors. The only vehicles allowed (by covenant) in the garages are those belonging to owners and guests. This is to enhance security, ensure there is sufficient parking for residents, increase safety (There have also been cases of drivers sitting in the garages with idling engines),

and avoid damage to doors from tall trucks. We do not want to reset the codes more than we need to.

2. Please ensure water is turned off in units unoccupied for more than a week.
 - This is required by the covenants.
 - If a leak is detected by our monitoring system, it will only detect a particular building and not a specific unit. This takes time by maintenance staff to check each unit in a building to isolate the leak.
3. Insurance claims
 - Please do not file insurance claims against the HOA insurance without first speaking to the Management Committee. Our insurance agent has been notified about this issue and will not accept claims without Management Committee notification. Often, the damage is less than or slightly above our deductible so filing a claim will ultimately increase our insurance fees.
4. Condo maintenance
 - Homeowners are responsible for the condition of their interior and the external window/door trim of their units.
 - External paint colors are available from the Fawngrove web site. Arnolde may have some paint left if you only need a small amount and would like to borrow some.
5. Rented units
 - Please provide the Management Committee with the following information:
 - Whether or not you allow others to use your unit – either rentals or family
 - Contact information for the rental company
 - Company name, telephone number, emergency contact information
 - Contact information for the property manager (if different from above)

6. Quiet hours in Fawngrove are between 10 PM and 8 AM.

- Please help us enforce these rules. Most noise is by renters who generally are understanding when approached to quiet down, but there are exceptions. Note that the Management Committee is not a police force. If we get complaints, we will recommend the caller contact the Park City Police Department.
- Please ask your rental agents and property managers to add this information to their rental confirmations.

7. Bus Service

- The Deer Valley shuttle bus service for Fawngrove stopped for the 2020/21 ski season. This is a service for which communities are charged but we somehow had free service the past years. Deer Valley must have recognized this and told us we would need to pay for continued service. Our cost would be in excess of \$13,000/year for this coming ski season. Individual unit owners cannot subscribe on their own; Deer Valley requires the entire condo association subscribe, therefore the high cost. The Management Committee felt this was not a fiscally responsible subscription. There was some discussion at the meeting from owners who liked this service as it was a desirable feature for their rental unit. An informal poll was taken and showed approximately 80% of owners do not want this service and would prefer not to pay for it.
- There is the free City and County bus services that services our area.
- The *MyStop* application is available for iPhones, Android phones, and through Google. This app shows a live bus schedule. This is the free Park City bus system

and has several busses going to Deer Valley Snow Park and Park City Mountain Resort.

- If you would prefer to take the High Valley Transit bus, there is a High Valley Transit app available at least for iPhones from the Apple store. Please be aware that the High Valley Transit busses travel counterclockwise around Deer Valley Drive. That would make it difficult to travel to Snow Park.
8. Recycling information is available on the Fawngrove web site. Please note our garbage collectors do not pick up recycling and we appreciate your efforts to take your recycling to the recycling center near the Boneyard Saloon.
 9. Fire sprinkler replacement/repairs
 - The HOA will finance the draining and recharging of the fire suppression system for each building once every ten years (per building set). Building 6 was done last year. The MC will help coordinate the dates such that owners of each building can be done on the same day.
 - Unit owners are responsible for additional charges for work done on their sprinklers. Please give as much lead time as possible (at least 30 days) prior to scheduling modifications to in-unit sprinkler systems. This will give other unit owners in the same building time to schedule any changes or updates to their units.
 10. Sidewalk Plants
 - Thanks to Rita Lindell and Gail Miller for procuring and planting the flowers on our sidewalks.
 11. Contract Christmas lights
 - We reviewed whether we could lower our price of the installation and removal of our Christmas lights. We had already done this several years ago and reduced our price significantly. We considered leaving them up all

year but were told the lights will deteriorate too quickly. We will keep our current contractor.

12. Please use Bill Case as the initial point of contact for concerns and requests. He will either act on the request directly or will send it to the appropriate individual. His contact information is on the initial page of the Fawngrove web site (<http://fawngroveutah.com>).

Plans for 2022 - Jeff Batterson presented our plans for next year.

1. Anticipate inspecting/repairing roofs and skylights for potential leaks.
 - We hope to get ahead of the leaks since we have several reports of roof or skylight leaks each year. The roof is not planned for renovation for several years.
2. Investigation of the cost of earthquake insurance.
 - We have asked our insurance provider to send us a quote for adding earthquake insurance. We do not anticipate this will be a large number and it will provide us with added protection given we live in an earthquake zone.
3. Potential repaving of the East and West entrances
 - If costs are not prohibitive, add underground heating at the entrances to garages 1, 2, 3 and 5. We had a contractor review our area but since they are so busy this year with larger projects, we were unable to get a commitment or quote. We will review this further.
4. Committees
 - The Management Committee is considering establishing sub-committees to help the Management Committee with special projects. Those with needed skills would be highly encouraged to join (e.g. landscaping, irrigation, etc.). If you have a recommendation for a sub-committee or would like to

chair a subcommittee, please submit that recommendation through the Fawngrove website Contact.

5. Electric car charging

- Owners who have or anticipate renters with electric cars may have a recharging station installed on the wall at the front of their assigned parking spot in the garage. The charging station must be connected to their unit's electrical circuit (not the HOA circuits). Neither owners nor renters are permitted to connect their car to the HOA circuits.
- Requests must be approved by the Management Committee prior to installation.

Financial Report: Theresa Rollins, Duncan Patterson and Bill Case

Theresa reviewed the current year and proposed budgets.

The August 2021 year-to-date income statement was reviewed (attached). The HOA revenues will be higher than budget, a result of higher than expected reinvestment fees. We have collected \$23,400 in this fee, compared to the full year budget of \$15,000. We expect some of our expenses to be over budget for the year, including salaries, landscape and snow removal expenses. Other expenses, including building maintenance and irrigation water should be under budget.

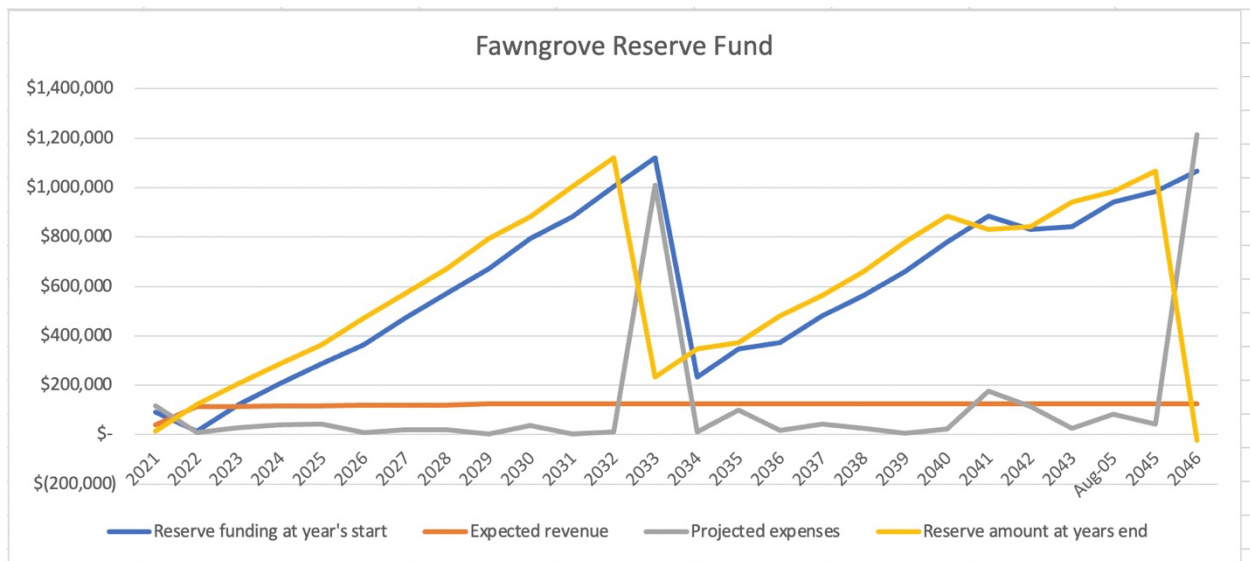
The 2022 budget was reviewed (see budget attached). Dues have been increased to \$629,800 from \$477,350. Some of this increase is to cover increased operating expenses. The majority of the increase is to fund the capital reserve account. In 2021, we budgeted to put \$10,000 from dues into this account, as well as

the funds from the reinvestment fee. For 2022, we are budgeting \$100,000 from dues to go into this account. (See Duncan's report, below). For operating expenses, we budgeted increases for salaries and for many of the expenses. It is important to keep the employees we have in this very tight labor market. We kept the budgets for water usage the same as this year's budget. While we hope to be under budget, the cost of water continues to rise. We plan to add earthquake insurance to the policy.

The 2022 capital budget was reviewed (see capital budget attached.) Based on the Reserve Study, we have budgeted to repave the driveways and fix the driveway gutters (\$101,000). This year we were not able to get estimates for this work, given all the building being done in the area. Secondly, we have budgeted \$25,000 for consulting on landscape and irrigation improvements and \$10,000 for other items.

Duncan explained why the Management Committee decided to increase the amount we put into the capital reserve each year. We had an update of our Reserve Study and our consultant, Mari Jo Betterley of Better Reserve Consultants, told us that we needed to increase our reserve. She had suggested an increase of \$200,000 for two years and then varying amounts. The Management Committee thought a \$100,000 a year on an ongoing basis would be a better approach. Second, Utah law discourages special assessments. Third, Duncan explained that everyone benefits, every year, from the improvements made and should pay a share of it. Finally, he noted the tragedy from the Florida condominium collapse. While we would not face a similar problem, the articles pointed out how most HOAs have not funded their reserves properly.

Bill Case reviewed an Excel chart (below) that showed how even additions to the reserve will provide adequate funding for our planned large expenditures - the roof and the siding.



The 2022 Budget and the 2022 Capital Budget were approved unanimously.

Election of New Management Committee Members:

The Nominating Committee was headed by Stephen Watson. The other members were Penny Cuff and John Lindell.

1. Theresa Rollins and Bill Case were re-elected for another two years. Dennis Fish was elected as the fifth Board member for a term of two years. The votes were unanimous.

2. Jeff Batterson will leave the Board after being involved for eight years. He was thanked by all the Board members and HOA attendees for his valued service.

Report on Snow Park

John Lindell has been our representative on the Lower Deer Valley Coalition. He shared the latest plans for the parking lot and redevelopment of the Snow Park area. Nothing has been approved yet and he doesn't think Deer Valley will get permits in time to start the work in the spring of 2022.

Any Other Business:

1. No additional business was presented.

Adjournment:

1. The meeting was adjourned at 4:20 PM EST.