

**Edelweiss Haus Homeowner's Association  
Annual Homeowner's Meeting  
October 3, 2014**

**DRAFT FOR BOARD APPROVAL**

**In Attendance:**

|                      |                                    |
|----------------------|------------------------------------|
| Phil McCall          | E101A                              |
| Karl & Donna Paulsen | E115                               |
| Mike Washburn        | E118 (proxy for Marcia Price)      |
| Neil & Chris Timothy | E219                               |
| Carolyn Young        | E224A                              |
| Shane Kemp           | E307A                              |
| Hilary Williams      | E308A                              |
| Gemma Lenard         | E407                               |
| Carolyn Brannan      | EWB                                |
| Jacob Ward           | EWC-B (proxy for Timothy/Kim Ward) |
| Jon & Susan Norgren  | EWE-A                              |

**In Attendance via Phone:**

|                          |  |
|--------------------------|--|
| David Cushing            | E114A  |
| Manny & Patricia Tehrani | E222A  |
| Richard & Ellen McBride  | E305 left call at 3:44, proxy to Carolyn Young |
| Greg & Katie Wiest       | E306   |
| Chris Faris              | EWN-A  |
| Gary Novotny             | EWS-A  |

**Proxies Received:**

|                         |       |                             |
|-------------------------|-------|-----------------------------|
| James Wayne             | E117  | assigned to Jeanne Lehan    |
| Steven Brownell         | E204  | assigned to Carolyn Brannan |
| Marvel Harrison-Kellogg | E220C | assigned to Hilary Williams |
| Carol Silverman         | E410A | assigned to Ellen McBride   |
| Laurie Baker            | E412B | assigned to Carolyn Brannan |
| LDP Skiers/V.H. Link    | EWA   | assigned to Hilary Williams |
| Diane Harrell           | EWB-A | assigned to Rhonda Sideris  |
| Brian & Sydney Wallace  | EWK-A | assigned to Chris Faris     |
| Jason Grauch            | EWM-A | assigned to Rhonda Sideris  |
| Robert Woolsey          | EWO-A | assigned to Carolyn Brannan |
| Bob & Ruth Stephens     | EWP-A | assigned to Chris Timothy   |

## **Representing Park City Lodging**

Rhonda Sideris, President

Jeanne Lehan, HOA Accounting

Trudy Stump, HOA & Administrative Assistant

Woody Sideris, Director of Maintenance

### **I. Attendance/Establish Quorum**

A quorum was established.

### **II. Call Meeting To Order**

Meeting called to order at 3:10pm.

### **III. Review and Approval of 2013 Minutes**

Carolyn Brannan motioned to approve the 2013 meeting minutes. Susan Norgren seconded the motion. All in favor. None opposed. Motion approved.

### **IV. Old Business**

#### **a. Maintenance Recap:**

Woody Sideris reported on maintenance projects completed since last annual meeting:

The boiler room remediation project expense is \$23,000 so far and additional expense of \$12,000 to \$13,000 is anticipated to complete. The pool, spa, boilers and electrical had to be brought up to code and spa room remodeled. Everything was re-wired in corrosion resistant conduit. The project included asbestos remediation in the garage, adding a wall in the boiler room for chemical storage area and replacing 4 fire doors. This was an extensive project.

Other building maintenance repairs this year included:

New window treatments were installed in the lobbies. A roof leak in the alphabet building was repaired by replacing the top membrane and a window was replaced in unit 200. In March, connections on the boilers were replaced and Questar requested that the gas meter be replaced. The pool recirculation pump and thermometer temperature gauge were replaced. New laundry machines have been installed.

**b. South Side Stairway**

The south side wooden stairway will not be replaced as planned. Park City Lodging approached the City on the HOA's behalf for assistance since the stairway is used by many residents on Woodside Avenue for access to the ski area. Current city code requires staircases to be 48" wide. The existing staircase is 36" wide and is bordered on one side by a concrete wall. The concrete wall would need to be demolished to widen the staircase. The City will not approve new stairway construction unless the wall is removed. PCL will stain and seal the stairs and will continue replacing damaged or compromised boards.

The City said the stairway can be closed to public access as it is private property. There could be locking access gates at the top and the bottom to control entrance onto HOA property.

**c. Long Term Tenants**

After last year's HOA meeting and further input from owners, the Board decided not to assess owners with long-term tenants \$100/month for increased utility usage. The Rules and Regulations require all owners to register long-term tenants (leases longer than 30 days) with the HOA. PCL can provide owners with a Long Term Tenant Form for registration of tenant contact information with the HOA. The owner has 14 days to register their tenants or risk a fine from the HOA of \$100. If a long-term tenant breaks the HOA rules or creates a disturbance that requires a call to the police, management will notify the owner who has 48 hours to rectify. Parking permits will not be issued until the tenant has been registered by the owner with the HOA.

The HOA is looking into installing security cameras in the courtyard to identify any criminal activity. Owners and tenants are reminded to call the police if they see someone trespassing.

**d. Common Area Interior Remodel**

The remodel of the common area was postponed due to the boiler mediation. We are now moving forward with renovation of the common areas in Bldg. A and B with expected completion in early December.

### **e. Lock Boxes for Property Keys**

There is currently one outside Building A. Bob Stevens recommended a box for multiple keys for Bldg.B. The bid for additional boxes was \$400 each. For aesthetic reasons, the board would like to keep boxes to a minimum and ensure that they have a uniform look. Each owner wishing to utilize the lock box will share in the expense to purchase.

### **f. Other**

E118 wants to have two pipes moved that are inside their closet. There is an ongoing concern about communication from management or the Board when E118 requests resolution on this issue. Mike Washburn, the representative for E118, asked who the owner should contact on the Board to fully explain their problem? Susan Norgren commented the Board was copied on the communication with management on this issue and is always available for further discussion. Woody stated that the building inspector said they shouldn't move the pipes and that they would not recommend it. Rhonda reminded Mike that he was on the phone call when the inspector said he did not want those pipes moved. Woody stated that they can attach these pipes to the wall and Mike disagreed as it de-values the property. The issue is that they are not mounted to the wall and wrapped and this is what can be done effectively.

The Board will be getting back together in another month to talk about capital projects. If Mike can get Carolyn more information she will be happy to come and look at the Price's pipes. Hers have been done exactly the same and she recommended that Mike come and see hers. They will follow up on that together.

## **V. New Business**

### **a. Board Update**

Rhonda reported that Edelweiss Haus is definitely one of the older complexes and there is a lot of deferred maintenance and some big ticket items coming up. The Board will meet in December to develop a Strategic Plan to prioritize maintenance and reserve projects. Items worth noting are: degraded stairwells that need replacement in ABC, window replacement throughout all of the buildings because utility costs are spiraling and that was one of the best recommendations to make increase energy efficiency, replacement of the cast iron boiler pipes throughout the project.

An owner suggested that communication would be better through email rather than the website. Rhonda reported that the upgraded PCL website just went into development and the communication will be much better.

#### **b. Pool Closing Date**

One owner has requested that the pool stay open later in the summer season. Rhonda reported that starting in 2014 and in future years, the pool will be kept open until October 1, adding another month to the schedule.

#### **c. Earthquake Insurance**

The liability insurance policy renewed in August 2014. There was discussion about whether the HOA wanted to add earthquake insurance. It will increase insurance expense by \$350 per owner for the year. The Board presented this to the HOA attendees for approval. The Board asked for a vote by show of hands to buy earthquake insurance. Three people voted for the insurance. The decision was made to not purchase earthquake insurance at this time. The Board agreed to keep it on the agenda for next year.

#### **d. Financials/Budget**

2014 Forecast: Jeanne Lehan reviewed the 2014 financial statement and 2015 budget. The reserve account will end the year with a \$60,000 balance.

The biggest variance on the forecast for year-end 2014 is the \$12,000 budgeted resident utility income which was not realized. This was an additional billing for long term resident utility usage that was later voted down by the ownership. The largest expense variances are a positive insurance variance and utility expenses higher than budgeted. Utah law requires that HOAs budget each year to cover the \$10,000 insurance deductible should a loss occur. No expense is posted if no claim is made. That savings will partially offset loss of the \$12,000 income. The forecast for year end 2014 is a loss of \$14,000 compared to a budgeted loss of nearly \$9,000.

Reserve Study Analysis: This report summarizes the life expectancy and replacement costs for the building and property's assets. Projects on the study for 2015 include:

- Project 705:Furnace Flue Pipe – This is a new item that was not on the previous study but was identified this year as needed. The furnace flues do not meet code and need to be stainless steel. There are six of these and they will be replaced in April/May 2015. Budget is \$15,000
- Projects 1110 and 1111: Pool/Spa Pumps & Chlorinators – Replacement of one pool pump and two chlorinators. Budget is \$8,400.
- Project 1490: Ice Machine - The ice machine is at end of life and is frequently out or order and leaking. Budget is \$3,500.

2015 reserve projects total \$26,900. In addition, 20% of the remaining projects (21,403) is added to the 2015 projects for a total reserve contribution 2015 budget \$48,303.

Rhonda commented that other HOAs typically fund higher for their reserves. She pointed out that they are a bit underfunded at this time.

Jeanne also commented that on item #1105 regarding replacing the concrete pool deck could be deferred for a year or two but definitely needs to be replaced.

Proposed 2015 Budget: Rhonda noted that dues have not increased since 2010 and then the increase was \$110 per owner/year. Expenses like utilities and pool chemicals, etc. have continued to increase in price. A 20% dues increase is required to cover operational expenses for 2015. Monthly fees include your wifi, cable, electric, gas, sewer, phone, recycling, and water. These utilities are approximately 47% of HOA annual expenses.

Hilary Williams motioned to approve the 20% dues increase and accept the 2015 budget as presented. Susan Norgren seconded the motion. All in favor. None opposed. Motion carried.

Chris Timothy asked about the HOA owned rental unit and should they raise the rent or keep it as it is. If this unit were to be sold to generate cash, it would require renovation and replatting. This is something to consider moving forward but would also require separately engineering and attorney/professional fees. No further discussion on this.

Hilary discussed doing a special assessment and the Board collectively feels the reserves are low and that HOA financial strength should be addressed. The Board requests approval of a \$1,000 assessment per unit. The Board plans to have a Strategic Planning session in December to determine the most immediate project needs and prioritize future projects. Most of the needs are structural, not cosmetic. After discussion, it was agreed that the assessment will be for the 2014 fiscal year and will be billed 50% in February 2015 and 50% in April 2015.

The goal of the Board is to strengthen the financial position of the HOA to avoid frequent special assessments.

#### **e. Elections**

The Board serves one year terms. The current Board, except Phil McCall, have volunteered to run again.

Susan Norgren nominated Diane Harrell to the Board and Gemma Lenard seconded the motion.

Rhonda Sideris (proxy) nominated existing board members Hilary Williams, Carolyn Young, Shane Kemp and Susan Norgren for another term. Mike Washburn (proxy for E118 Marcia Price) seconded the nomination. All in favor. None opposed. Nominations approved.

**f. Other**

Chris Faris asked about the status of the pipe repair in his unit and Woody commented it is on the short list to be fixed.

Owner Manny Tehrani expressed concern about the service at the front desk and quality of customer service provided, particularly regarding use of the sauna. He feels that each owner should have a key. Rhonda explained that there are certain hours of operation and PCL is responsible for opening and closing both the pool and the sauna and staffing the front desk. The sauna has been locked for security and to limit trespassing and theft. There were people stealing light bulbs and shower screens from the area.

Meeting adjourned at 4:51pm motioned by Chris Timothy and seconded by Susan Norgren.