

**Draft MINUTES OF THE ANNUAL MEETING
of the
PINNACLE HOMEOWNERS ASSOCIATION**

**February 28, 2022
Meeting via Zoom**

The Annual Meeting of the Pinnacle Homeowners Association (the “Association”) was held, pursuant to notice duly given, on February 28, 2022. The meeting was held via Zoom video conferencing and originated in the office of Burnside Property Maintenance, Park City, Utah.

Call to Order, Establishment of Quorum. The meeting was called to order by President Bill Newman at 5:00 pm. A quorum was established by homeowners participating via Zoom and by proxy, constituting representation of more than 50% of the 86 Pinnacle condominiums.

Welcome and Introductions. President Newman opened the meeting. Board members participating were: Paul Neuhoff, and John Wasilewski.

Also participating were Luke Taylor, representing the CPA firm, Eide Bailly, and Bob, Shanna and Patrick Burnside, representing Burnside Property Maintenance.

President Newman thanked Jeff Rousso and Steve Krumholz for their service on the board and asked for any owners who would be interested in serving on the board and filling the vacancies left by Jeff and Steve to let him know. Interested candidates should have experience working on other boards including non-profit boards. Candidates who have construction industry experience would also be considered. Qualified candidates should be willing to commit to working on one or more of the facets of the recently approved exterior renovation project as this will be the main focus of the board for the next two years and may demand a considerable amount of time in order to see the project completed on time and on budget.

In addition, a volunteer is being sought to work with the Lower Deer Valley Coalition in monitoring the Deer Valley Snow Park Project to assure the interests of The Pinnacle are protected. Homeowners interested in either of these positions should contact Bill Newman, contact information is available on the HOA’s website, pinnaclehoa.info.

Approval of Minutes of 2021 Annual Meeting. Upon motion duly made and seconded, the Minutes of the 2021 Annual Meeting were approved. The 2021 Minutes are available on the HOA website, pinnaclehoa.info.

Financial Report.

President Newman asked John Wasilewski to give a brief review of the Pinnacle’s finances. Mr. Wasilewski reported that the HOA ended the year slightly under budget. That overage will be transferred to the reserve fund. The board approved a 2 percent increase in the dues for the current year. The board also approved a budget that will be posted on the HOA website.

Mr. Wasilewski asked if there were any questions about the HOA’s finances. There were no questions, so President Newman introduced Luke Taylor, from the CPA firm, Eide Bailly.

Mr. Taylor gave an overview of the recently completed Audit of 2021. The auditors spent a day on site at Burnside Property Maintenance testing accounts and making sure the financial statements are materially consistent with generally accepted accounting standards. It was noted that the HOA is

expected to receive a refund of around \$8,000 from the IRS due to overpayment of last year's taxes. The HOA is mostly exempt from taxes except for earnings on the HOA's investment account.

One other item addressed by Mr. Taylor was the requirement for a reserve study to be done every six years. The Pinnacle HOA is currently in compliance with this requirement having had a Reserve Study done by Facilities Advisors International in 2018. The current study is posted on the HOA's website.

Mr. Taylor offered to answer any questions from the homeowners. Except for clarification on the reserve study requirements, no additional questions were asked. The 2021 Financial Statements will be posted on the HOA's website, pinnaclehoa.info.

Property Manager

President Newman asked if anyone had questions for Bob Burnside with respect to the operations of The Pinnacle. No questions were asked.

Election of Board Members.

Current board members, Bill Newman and John Wasilewski, were re-elected to three-year terms on the board. These new three-year terms will end at the Annual Meeting in 2025. Based on the CC&Rs enacted in 2009, this continues a rotation of officers elected to 3-year terms. All terms begin and end at the Annual Meeting.

President Newman reminded the homeowners to be familiar with the insurance information that was emailed along with the Annual Meeting Invitation. This information is also posted on the HOA's website, pinnaclehoa.info.

President's Comments.

President Newman then gave his president's report. A copy of President Newman's comments is attached and by this reference is made a part of the Minutes.

Exterior Renovation Project.

The Exterior Renovation Project was approved by the Pinnacle HOA membership by a vote of 64 to 8 with 14 abstentions. A contract for the project is being reviewed by outside counsel, and it is expected to be signed this week. Weather permitting, work will begin on or about April 1, 2022. A permit from the fire department has been approved. Regulatory approval from the Park City Building Department is currently under review. Once the contract is signed, orders will be placed for materials.

Currently 79 of the 86 homeowners have paid their assessment in full. Two owners have made partial payments, leaving 5 owners who have made no payment.

At least 38 owners have expressed interest in doing coordinated projects on their units. Davies will contact these owners to discuss their projects. The Pinnacle HOA will have no other role in these coordinated projects. The homeowner may hire their own qualified contractor to do the work. If an owner proceeds with a coordinated project, he will need a release and indemnification form executed and a building permit obtained. A map of units planning to do these projects is available on the HOA's website.

Terry Way, Director of Operations for Davies Design Build, was introduced to the membership. President Newman reminded the homeowners that their questions should be of general applicability. Questions pertaining to a particular unit should be directed to Terry Way via email, terry@daviesdb.com.

Mr. Way made some opening remarks expressing Davies' excitement to get the Exterior Renovation Project under way. Stone from the quarry is already in transit. The scheduling of crews is being planned.

Discussion ensued between owners and Mr. Way. Following are some of the questions that were asked:

Q. Is there any expectation that there will be supply shortage issues with the Hardie Board?

A. The procurement that is locked up for this year should be adequate.

Q. Do you see supply chain delays in terms of window replacement that some owners are doing?

A. Windows are taking about 26 to 28 weeks.

Q. Do you have a layout of where the work will begin?

A. This is currently being determined. An ideal area to start would be a grouping of units that are not doing windows or decks.

Q. How will communication be made as to when you're going to work on a particular building?

A. Davies will communicate through Bob Burnside or the staff at Davies to let owners know when your building will be worked on.

Q. Will you be meeting with each unit owner to discuss issues or potential problems?

A. We will video the exterior prior to beginning the work and then again after to document any issues that may come up. We want to check the furnaces and air conditioner units to check their operation prior to the work and then again when the work is completed.

Q. Will full-time residents have access to their units while the remodeling is going on?

A. There will be scaffolding that will go up around the exterior, so we will need to communicate with the full-time residents so they can get their cars out of the garage before scaffolding goes up. We want to be sure the homeowner can safely access their unit. We will get a list of full-time residents.

Q. Will there be an in-house project manager who will look out for our interests?

A. Bob will be a liaison for the homeowners as will the Board and the architect.

Q. For homeowners who are upgrading decks or replacing their windows, what is the advantage of using your subcontractors?

A. Being able to have more control is an advantage to using our subcontractors. We do a lot of business with various window suppliers, so we have better buying power than a single homeowner. If you choose to use another subcontractor, we will want to have a contact person who we can coordinate with. We will come out and measure windows and give the homeowner a quote. Working around the deck subcontractors is not as much of a problem.

Q. How can the decks be expanded?

A. Deck expansions have been done throughout the complex. Approval from the Board and a building permit from Park City is required.

Q. Are you concerned that with so many owners wanting to replace windows and windows taking so long to get that you won't be able to work on any of the buildings, and all the work will have to wait until next year?

A. We have asked the architect if it would be possible to change the trim around the windows so they could be replaced after the siding work is done. We currently have 10 buildings that aren't doing windows. That could give us a good start, and by that time more windows would be available.

Q. Does Pella also do sliding glass doors?

A. Yes. If you are replacing sliding glass doors it is a good idea to get it ordered and installed to get the best waterproofing possible when the siding is installed.

Q. Can you put us in contact with window suppliers other than Pella.

A. Yes. There are a lot of great window suppliers out there. Send me an email and I will have my estimator get in touch with you.

Q. Are we replacing all eaves and decking fascia board?

A. The trim fascia piece and the Trex decking and the soffit under the eaves is not being replaced as part of the exterior renovation project. The fascia part on the front end of the deck is part of the bid.

Q. What months do you expect to be able to work?

A. Depending on the weather, we would like to start on April 1 and work through the end of October or the first of November. We don't want to leave any work unfinished through the winter.

Q. What are the plans for protecting the decks?

A. Scaffolding will be set around and, on the decks, but will not be screwed into the decks. Where it is needed, additional protection will be used.

Q. Do you have an idea of how long it will take to do each building from beginning to end?

A. Our estimate is six to eight weeks for the full process. We expect the first buildings to take longer; as we flatten our learning curve, we should get done faster. Each building will be a little different.

Q. For those units who rent, how far in advance will we know when construction is going to be done so we can notify our rental companies?

A. As soon as we can determine the units that are doing coordinated projects, we will better know where we will start.

Q. Have you got a plan for addressing unanticipated problems such as finding rotted wood behind the siding?

A. We have an allowance for replacing some rotted wood if that should be found when removing the existing siding. We don't expect that to be a big problem from what we know about the buildings.

Q. Would it be possible to insulate the buildings more thoroughly when replacing the siding?

A. Behind the siding is plywood. To insulate, you would need to be on the interior side of the plywood. The Tyvek that will be used is not insulation. It is a vapor barrier.

Q. As a non-resident homeowner, is it possible to communicate with the window vendor via facetime or Zoom, or do I need to be there at the condo to get a window replacement quote?

A. We can have the window vendor do measurements, especially if he can access the unit. You do not have to be here.

Unit 1372 wants to extend his roof over his front porch. This is something that was considered during the design process for other downhill units but was later dropped.

Q. What kind of lifts will be used during the work?

A. We will use scaffolding and working from the ground. We will try to avoid damaging the landscape areas.

Q. Are the windows an all or nothing choice?

A. No, you can choose to replace whatever windows you want.

Q. With owners doing different projects, are we making sure the complex still has a cohesive look?

A. Any work that is done has to be approved by the Board and by Park City when they get a building permit.

Q. Has the architect engaged an engineer to sign off on the plans?

A. That is still a work in progress, but it will need to be done before Park City issues a building permit.

Q. Where will the materials be staged during the project?

A. The supplier for the stone has agreed to store most of the stone as it gets quarried. We also plan to use the area where you push the snow and some of the additional parking areas, and the parking areas in front of the units when we're working on that unit. We don't want to store materials on the street or in garages, but we will need to have materials available to keep things moving quickly.

Q. Will the trash cans still be accessible when there is scaffolding set up.

A. We may have to pull the cans out of the bins in some cases.

There being no further questions or comments, President Newman thanked everyone for their participation and commented that the board is committed to completing the project on time and on budget.

Adjournment. Upon motion duly made, seconded and unanimously carried, the meeting was adjourned at approximately 6:30 pm.

Shanna A. Burnside, Secretary

These Minutes, and the audited Financial Statements for 2021 are posted on the Pinnacle HOA website: www.pinnaclehoa.info.