

**HOMEOWNER’S ASSOCIATION**

**PARK CITY, UTAH**

2022 ANNUAL MEETING

**MINUTES**

The 2022 Annual Meeting of the Bear Hollow Village Homeowner’s Association was convened on December 5th, 2022 at 7:00 PM MST via a Zoom webinar.

**The following 50 Owners (52 votes) were present on the webinar:** (alphabetical)

Deborah Aronson Mike Axelrood Lannas Barfield

Mark Bigatel Marty Blazic Ron Bryce

Marian Bressel/Laura Jumani Patra Butler Howard Butt

Matthew Brown Alicia & John Cummings Marisa Cummings

James & Cheryl DeMarco Matt & Tori Dombrowski Pam Dorricott

Dawn Estelle Don Fella David Frankle

Brent Fernandez Randy Geels Eileen Haynes

Gregg Ann Herrern Hank Israel Eric Iverson

David Kruszenski Fred Kelner Steve Lotfi

Bob & Elaine Larson Jody Lodrick & Monique Rasband (2 votes)

Bruce Logan Stephanie Lebold Karen Malm Bruce Maw Rob Magnotta John Molenaar Lauren Nadler John Ostrowski Bill Popadich

Leslie Pugatch Laura Ramanis Lynn Rees

David Schloss Diane Siskey Sandra Vogt

Bob & Sandra Vandergriff Joe Venturato Sara West

Greg Watkins & Kim Blocker (2 votes) Andi Wieser Benny & Becky Yih

**The following 52 Owners (58 votes) were represented at the meeting by proxies received:**

(by date proxy received)

Lisa & Scott Horowitz (2 votes) Eric Mischel Keith Brown

Robin Lewin Deborah Steele Jon Connor

Paula & Michael Lack Stephen & Jennifer Spontak Lauren & Jeana Schott

Jonathan & Karen Schwartz Jose & Dania Garcia Gary Manton

Mike Keglovich Carl & Cheryl Kuck Amy Thompson

Randal Rupert/ Office Bldg. (5 votes) Donald Kerr Kimberly Cassett

Ryan Stevenson & Jennelle Butera John Huff Brady Goodwin

Susan Worthington Steve Noufer Ann Carolin

Jeff & Leah Butterworth Lora Laing Dennis Irvin

Natalie Belnap Laura Wilkinson/Kevin Myrh James Wilson

Richard McConnell Joseph & Beverly Kimmel James Sevier

Donald & Cynthia Chittenden Kathleen Sarette Clarence Brenan

Paul Gardner Colt Klements George Sees Jr.

Robert & Teresa Baker Susan Stark Tim Bauer

Lars Friberg Tim Cantrell Ken & Traci Grant

Hansel Stedman & Lisa Evans (2 votes) Julia & Noah Garland Joshua Wilder

Randall & Sharon Geels Steven Harrison Petra Butler

Mike Gillhamer

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**The meeting did not achieve a quorum with a total of 110 votes represented.**

(Note: 139 votes were needed for a quorum. When a meeting does not achieve a quorum, in accordance with the Association By-Laws and the community CCR’s, the Annual Budget is deemed to be approved as presented by the Board of Trustees. No other official business can be finalized; the meeting needs to be re-convened at another date for the purpose of finalizing other official business matters. The only other matter of official business to be addressed would be the election of Trustees. (More info at end of Minutes). \*\*

**Howie Butt, President of our HOA, opened the meeting**, welcomed all in attendance and thanked the Owners for making time to join the meeting. It was mentioned that we have welcomed 6 new Owners year to date into our community and said farewell to an equal number of old friends.

While the meeting did not achieve a quorum, as noted above, a discussion on community matters with the Owners on the webinar was still appropriate. Howie mentioned that we would conduct the meeting in accordance with the Agenda as best possible and any/all Owner concerns expressed at the Meeting would be addressed.

Howie advised that the HOA sends information to the community throughout the year in several ways; at the beginning of the year the Minutes of the previous year Annual Meeting are sent in late December /early January, there is a Spring Time Newsletter, a Summer / Fall Time Newsletter and at the end of the year the documents for the upcoming Annual Meeting are sent in November. In addition, the HOA website [www.bhvhoa.com](http://www.bhvhoa.com) Announcements Page will have community information posted as needed and any significant / more urgent information is sent via email to the Owners.

Howie asked each of the current Trustees to briefly identify themselves and Greg, Karen, John and Jody offered a hello to the Owners and a brief bio.

**Howie made a presentation on Projects Completed in 2022, summarized as follows:**

* The Clubhouse was the priority for the year and Greg will address the projects completed with his Clubhouse Report.
* The Bobsled entry corridor was cleaned, shrubs were planted and a rock feature added.
* New trees were planted by the Bobsled Park on north end of the community.
* Flowers and shrubs were planted by the mail kiosk island and in the Village Green.
* Parking Signs that were weathered or damaged were replaced.
* New soccer goals were added to the Park area.

**Howie gave a presentation on the HOA Reserve Study, summarized as follows:**

The State of Utah enacted laws in 2011 that required all HOA’s to have a reserve study conducted and to have separate reserve savings accounts. The purpose of a reserve study is to identify future repair or replacement costs an HOA will incur and then to implement a systematic savings plan to address those future costs.

Recognizing the importance of saving for the future, our HOA conducted a reserve study in 2006 and we have been saving diligently since then for the costs of repairs or replacement of our infrastructure when that time comes. The Study categorizes future expenses into 3 categories –

* The Clubhouse (roof – furnace – interior and exterior walls – etc.)
* The private roads and sidewalks
* Other infrastructure

The initial Study in 2006 was conducted by then Trustees Jon Larson (a bank vice president), Nick Mingo (engineer who designed Bear Hollow Village) and Howie. A review was conducted in 2011 when the law was enacted and again in 2014. The Trustees review the Study annually and have been reporting on the Study at the annual meetings.

In 2020 all the HOA private roads were resurfaced and / or seal coated based on the professional recommendations of the contractor doing the work (Big Red Paving). The project costs

($191,000.) were paid for by the reserve fund account.

We contribute $36,000.00 annually to our reserve account from part of the dues collected.

We also budget funds annually for repairs as necessary for our Clubhouse and infrastructure. Doing repairs when they are needed has helped substantially in preserving and extending the normal life span of our infrastructure. While our current Reserve fund balance is lower than what it was, it must also be recognized that the road paving expenditure has “restarted the clock”

on when the roads will again need repaving. That additional time will allow us to rebuild our Reserves with our normal annual contribution.

At some point in time other things in the community will need replacement. The Reserve Fund will be ready when that time comes. The 2011 and 2014 reports on the reserve study are available on our website under the “Financial” heading. The Trustees believe that our Reserve Savings plan and accounts are appropriate and adequate at this time

Our Emergency Fund was established to deal with any unforeseen circumstances or situation we might encounter in the future. It is fully funded at the $50,000.00 level (plus interest that accrues) and these funds would also be available to supplement the reserve account funds if necessary.

Owner Cheryl DeMarco stated that an update to the reserve study was required every six years.

(The Trustees have planned a more in depth review of the Study in 2023).

Owner John Ostrowski asked who conducts the Study. The Trustees are tasked with this responsibility, but if outside help is needed we will reach out to the appropriate source for the assistance.

Owner James DeMarco commented that the Lodges at Bear Hollow, in which he owns a condo unit, saves much more than the $36,000. we currently save.

Owner John Cummings commented that a comparison with the Lodges was not appropriate, they have had many construction related problems with their buildings and they are a condominium community where the HOA is responsible for exterior maintenance on the buildings. (that is not the case with Bear Hollow Village we are a PUD planned unit development and each owner is responsible for their private property exterior maintenance).

Howie commented that the more important part of a reserve study is the savings that takes place to address future needs – we have been and are continuing to save diligently.

Several owners asked if Kodiak Way and Polar Way were resurfaced or just seal coated and that there were bad cracks in the roads at this time. (Portions of each were completely resurfaced as deemed necessary and those roads were then entirely seal coated.) The Trustees will inspect all the community roads in Spring 2023 and address any maintenance concerns at that time.

Owner Lauren Nadler commented that Bobsled Blvd. and Oslo Lane were just seal coated.

(Those are County roads and Summit County did the seal coating work at their expense).

**Jody gave a Treasurer’s Report on the Association finances as follows:**

**As of 12/2/2022** we have the following funds on deposit in accounts with the

JP Morgan Chase Bank, Kimball Junction Branch:

CHECKING ACCOUNT (operating capital) $ 29,035.95

MONEY MARKET RESERVE ACCOUNT $ 365,167.70

MONEY MARKET EMERGENCY FUND $ 50,498.42

TOTAL HOA FUNDS AVAILABLE **$ 444,702.07**

ALL HOA bills are paid by check in accordance with the Check Disbursement Procedures in place - (all disbursements by check are co-approved by Jody & Howie).

Any significant expenditure the HOA will incur is discussed and approved by all the Trustees.

ALL HOA bills are current and paid in full to date. The HOA has NO debt.

**ALL funds are fully accounted for and the HOA remains in excellent financial condition.**

Owner Lynn Rees, (our newest community member) commented that he felt the Association finances were most encouraging to him as an owner and that his communications with Howie helping him get established as an owner in the community and HOA were very positive and appreciated.

**Greg, the Clubhouse Manager, gave a report on the Clubhouse, summarized as follows:**

* The concrete surface areas around the pool and hot tub were refinished.
* The aluminum railings on the front entry steps were replaced.
* A new cctv camera was installed on the roof of the office building so we can better monitor activity in the Village Green.
* A new CO2 sensor monitoring system was installed in the mechanical room as per County requirements.
* The gym equipment is receiving monthly maintenance (was quarterly) and this has helped to keep the machines in service and problems to a minimum.
* The Clubhouse passed all County and State inspections.
* The Attendant hours were modified to have an attendant on duty from 4-10 PM on Tuesdays, Wednesdays and Thursdays during the ski season (formerly 2-10PM) and for an attendant to be on duty 7 days a week during the Summer pool use season.
* Repairs to the hot water heater, furnace, roof heat tape, carpeting, front door and alarm, kitchen exterior door, pool gate and lighting fixtures were needed and completed.

The Clubhouse is in good condition.

Owners Leslie Pugatch and Sandra Vandergriff stated that in their opinions the Clubhouse furniture was in need of replacement; the leather couch and chairs were faded and the wooden table/chairs had many scratches. (The Trustees do not concur but will review the condition of the furniture and will form a Committee of owners to assist with an evaluation of the Clubhouse furnishings in early 2023).

Howie stated that the Trustees have been indirectly made aware of a document circulated to owners in the community by James DeMarco that contains questions and concerns regarding the management of the community and other issues. The Trustees will respond to these issues at the appropriate time of the meeting agenda.

One such issue pertains to a bike rack at the Clubhouse blocking the handicap parking space area. Howie asked Owner Kimberley Blocker to first comment on how the bike rack came to the Clubhouse. Kimberley replied as follows:

*This bike rack was one of 8 or 10 donated by Mountain Biking Park City with the support of Summit County Restaurant Tax. Any business that was a member of the Park City Lodging Association at the time could participate in the drawing to win one of the bike racks. The requirement, if a winner, was to install it at a business or donate it to a business or community in Park City. At the time, I did not have a physical office and, therefore, when I won one of these, I donated it to the Bear Hollow Clubhouse and community and it was installed at the clubhouse on May 5, 2017. It has been in place for over 5 years with no issues.*

*The bike rack’s primary plaque shows that it was donated by Mountain Biking Park City. The plaque from Vacation Rentals Park City shows “Placement Designated By.”*

*All donated bike racks are in this green color. We did not paint it to match our logo color. The same bike rack can be seen outside of Snow Park Lodge in Deer Valley and at 8 or so other locations in Park City based on where the winner’s chose to use them.*



The issue with the bike rack is that it was blocking the handicap parking area unloading area.

Trustee Jody Lodrick went to the Clubhouse to check the problem. Jody advised that it appears that the blacktop area of the actual handicap parking space has become recessed and has caused a

depression of 3 to 4 inches at its lowest point and then tapering down to level with the concrete sidewalk area leading to the Clubhouse entry. The bike rack is at the location where the blacktop becomes even with the concrete - it was not in the diagonally striped area designated for handicap loading / unloading but it was a problem.

Greg contacted the Summit County Building Department and then met with Richard Butz, the County Chief Building Inspector, at the Clubhouse for him to personally inspect the area.

There are actually 2 handicap parking spaces at the Clubhouse; one immediately adjacent to the Clubhouse and another about 80-100 feet down Lillehammer Lane. Mr Butz said both of the handicapped areas are non-compliant. The biggest issue is that the ground / grade must have less than a 2% grade. Also, the upper space (off Lillehammer Lane) does not have access to the clubhouse without going onto the street. He said the county does not have an ADA compliant authority and that it is the architect that designs the spaces who confirms they are ADA compliant.

He further advised that at its current configuration, the bike rack cannot be placed where it is because it is in the way of the only level to ground roll on access space to the walkway from the handicapped space. Mr Butz did say it is his opinion that the bike rack could stay where it is if the handicapped van parking space grade were raised to the same level as the sidewalk to the clubhouse front door (approx. 4 inches), and assuming it had less than a 2% slope.

Mr. Butz has been with the Summit County Building Dept. for 30 years to include the entire time that Bear Hollow Village was under construction. He added that his brother in law, James Glascock, was the architect who designed the Clubhouse. He provided the contact phone number for Mr. Glascock.

Subsequently, Howie and Greg had a conference phone call with Mr. Glascock to discuss the Clubhouse handicap space issues. Mr. Glascock was most helpful and provided information on the ADA compliance requirements that were in effect when the Clubhouse was built and architectural drawings of the space. Mr. Glascock now lives in Arizona and he is unable to assist with our needs at this time. We need a Utah architect and a civil engineer to assist the HOA in resolving all the ADA compliance issues at the Clubhouse.

The bike rack was subsequently removed from the Clubhouse area until this issue is resolved.

The Trustees are pursuing this matter and will have it resolved. See photo.



Owner Sara West asked if the bike rack should be placed at the park area. Howie replied the bike rack placement is on hold.

James DeMarco commented that the Trustees, especially Howie, were not acting appropriately in their management of the community and stated the HOA was a “dictatorship” and he could not get elected to the Board of Trustees accordingly.

Howie commented that the way to become a Trustee and be part of the Board is with the approval of the Owners by their vote – and not otherwise.

Another issue raised by Mr. DeMarco dealt with the insurance coverage the HOA has in place for the community. He claims we are not insured adequately to cover an injury claim, and he cited the incident where a teenage boy was recently injured while in the Village Green. Here are his exact words:

*“And based upon the accident that resulted in the son of nightly renters needing 19 stitches, our insurance only covers $5,000 in medical expenses. This severely underinsured policy is very concerning if another injury occurs that we as owners end up paying for. “*

A second insurance related issue he raised is described as follows in his words:

*“we could face a multi-million dollar lawsuit if someone gets injured in the Clubhouse gym or drowns in the pool. If our insurance only covers $1M, we need to see how much Watkins’ policy will pay above that. If we are only covered by our own policy and a jury awards someone $1M over our policy limit, we may all be asked to pay a large Special Assessment.”*

To provide a clearer perspective on these issues please be reminded that last year a teenage boy visiting Bear Hollow with his parents was playing in the Village Green when for reasons unknown one of the large rocks bordering the grass area became dislodged and injured the boy.

He was taken to the hospital and required 19 stitches to close his would. His parents filed an insurance claim against the HOA and our insurance provider, Travelers Insurance, represented us and settled the claim for $5,000. which was the amount listed for bodily injury on our policy.

Howie contacted our insurance agent, Craig Crockett, to ask for his professional opinion on the adequacy of our existing insurance policy coverage. We have a general liability policy with 1 million dollars of liability coverage and an umbrella liability policy that adds an additional 5 million dollars of liability coverage. Mr. Crockett advised we are more than adequately covered.

With regards to the specific issue of the $5000. Settlement, he advised as follows:

*“Premises medical is a form of no-fault/non-negligence voluntary payments up to the Premises Medical Limit—in this case $5,000.. It is intended to assist with medical bills that occurred on the premises in order to maintain a friendly relationship and to avoid litigation.  The insurance company can always pay more if, in their judgement, it is warranted, and that additional payment would be made out of the bodily injury liability limit of $1,000,000.  Many communities have actually asked that the premises medical payments be dropped from their policies because people exaggerate claims knowing that insurance will just pay the voluntary amount.  These insureds feel that If we are negligent in causing their injuries then the bodily injury liability limits will pay whatever the medical payments are incurred”—which is true.  I personally believe having a modest amount is better—such in this case—to get the matter dispensed with.  I also believe, in this case,*

*the parents of this boy would have pushed for more if there were more to get—not taking any personal responsibility.”*

Our budget clearly shows line items for both the general liability insurance and the umbrella insurance policies. In addition, we have an insurance certificate posted on our website clearly identifying all out policies and coverages.

We are adequately insured, comments to the contrary are inaccurate.

**Howie made a presentation on landscape and snow removal services provided, summarized as follows:**

* All grass areas received two fertilizer treatments
* trees received insect control and borer treatments.
* Grass areas were sprayed for weed control
* The irrigation system needed several repairs which were all completed
* Irrigation system backflow valves were inspected and certified as required.
* One irrigation valve in an underground well needed replacement and re-positioning to an above ground location to meet new code compliance
* Mulch was provided to properties in accordance with the Landscape Services Policy
* We are now in the snow removal months and early storms have been handled well by our contractor (Eschenfelder – formerly Red Barn).

Owner Gregg Ann Herrern stated her home on Polar Way did not receive mulch. Howie replied mulch is only provided to the front of homes facing the street – mulch to other areas of a property are the responsibility of the owner; we provide mulch on a bi- annual schedule doing half the community each year as per the Landscape Services Policy.

Gregg Ann advised there were large straps on a tree next to her home and they were very unsightly. (Jody checked the area the day after the meeting and noted the straps were apparently put in place by the property owner to keep a tree growing straight – they were not put there by the HOA. The straps were removed).

Gregg Ann also stated she was not pleased with snow removal services on Polar Way.

Howie advised he will check with the snow removal foreman to make sure there are no specific issues on Polar Way that are being neglected.

**Howie made a presentation on community rules – the CCR’s and HOA Policies, as follows:**

The Trustees are empowered to enact rules to help maintain the community in a safe and sound manner. While our CCR’s do not change unless we change them, Utah Statutes and County Ordinances do change annually. We need to be sure that our community rules do not conflict with laws and ordinances, fire codes, Fair Housing rules and ADA requirements. The Trustees are planning a meeting for early 2023 to do a comprehensive review of all our Rules and Policies to ensure there are no conflicts.

When the meeting is scheduled the Owners will be notified and invited to participate and send their comments.

Owner Hank Israel said he has noticed several properties that have unsightliness issues and how can they be addressed.

Owner Stephanie Lebold asked how frequently the Trustees inspect the community for issues.

Howie replied that when he is in Bear Hollow for the winter ski season months he rides thru the community daily to check on things. He is also in Bear Hollow during the spring/summer months and does a more comprehensive check at that time for unsightliness issues; when unsightliness is observed owners are contacted to address the concern and cooperation has been good.

Unsightliness is a debatable issue as to when a property has crossed the line, but when you see unsightliness you know it.

Owner John Cummings commented that he has seen Howie in the community on several occasions picking up trash and doing other things for the community.

Jody added that he is in Bear Hollow weekly and checks for problems including illegally parked cars and maintenance concerns. John, Greg and Karen also assist with checking on the community frequently.

Howie added that there are several owners that contact him regularly to report problems and issues. Their comments are presented in a courteous and helpful demeanor and all the issues presented by them are addressed.

Howie wanted to take this opportunity to mention that Stephanie’s husband, Bryan, is one of those owners and he is a great resource for reporting problems, AND he actually fixes them too when appropriate. Thanks to Bryan for his valuable assistance.

**Owner Cheryl DeMarco requested that a discussion of the Design Review Committee (DRC) be part of the meeting Agenda.**

Howie commented that the language in the HOA By-Laws (6.01) relevant to committee membership states any committee established must include at least 2 Trustees. No owners have previously volunteered to be on the DRC. With no other volunteers the Trustees assumed the duties of the DRC. This served to also streamline the DRC process since they would need to review any committee recommendation.

In Attachment 2 of the Second Amended CCRs there is also language that says we are to charge a fee of $250. and collect a $2500. refundable security deposit from any owner requesting a DRC review. To date, the DRC has received and reviewed 156 requests from owners, we have not collected any fee’s from any owner for a DRC review.

The Trustees have been functioning very effectively as the DRC. We are all well educated professionals with many talents and skills that the DRC needs to function. Cheryl has volunteered to be a member of the DRC. Howie advised her there is currently no vacancy.

There is some concern that an Owner acting on the DRC would be subject to liability concerns if there was an issue with their actions.

Jody advised that the Ranch Place HOA (the HOA for the community across Rt 224 from Bear Hollow Village) also uses the Board of Trustees as the DRC.

(The Trustees will review the DRC composition and process in 2023).

Howie asked if Cheryl would like to add any comments to the discussion. There was an apparent technical issue with the Zoom webinar where she could not unmute her position on the call. The following information is provided from an email Cheryl sent to the Trustees stating her comments and suggestions, summarized as follows:

* A DRC Project Application be created to standardize the process.
* An email address be created to receive DRC requests and facilitate the review process.
* Guidelines for the Owners be created to help clarify what projects need DRC review.
* The current DRC procedure needs to be updated since the address listed for in person delivery of a request has an old address for Jody.

These are good suggestions that the Trustees will consider and act upon in 2023.

Another DRC matter pertains to a stairway that was requested by Owners Greg Watkins and Kimberley Blocker near their property. The DRC reviewed the request and gave approval for the building of the stairway on their property (Lot 29) in 2020. A complaint has been received from the DeMarco’s that the stairway is in community common area and not on the private property lot, it was built without a County permit, and it needs to be removed. No documentation to support the complaint was presented by the DeMarcos.

There was further discussion that the Trustees acted improperly in this matter.

Trustee Karen Malm stated that the accusatory tone of the meeting language needed to stop and she was embarrassed that Owners on the webinar (especially new owners) were hearing this poor representation of the community.

Owner Laura Ramanis asked where was all this concern from the Owners for at least the past 5 years and it was unfair to bring all these matters up all at once in a confrontational manner to the Trustees. She stated that Owners also have a responsibility to be civil and they should bring matters to the attention of the Trustees when they become known and not wait to the Annual Meeting to unload them all at one time. In her recollection there have been no problems or concerns raised at the last few annual meetings.

Owners Scott Doughman and David Frankle added they felt the Trustees were doing a great job in managing the community and they had their full support.

Greg also advised that when he initially inquired to the County planning department he was told no permit was needed to build the stairs. In a preliminary phone call with Mr Butz regarding the stairs Mr Butz said the county normally does not get involved in projects like these concrete stairs and would not require a building permit unless they were attached to a residence.

When Mr. Butz came to Bear Hollow to look at the handicap space issue he also viewed the stairway. Upon viewing the stairs Mr Butz told Greg that the stairs would require a building permit because they are used for access to a residence. He further stated that the rise and run looked great, there were hand rails on both side and only one side is required, and they have much more lighting than is required. He said Greg should apply for a building permit, fill out a building permit request on the county website, supply a drawing of the stairs with rise and run measurements, handrail locations and light source. The County would send out an inspector to check the stairs and issue a permit.

With regards to the stairway issue, the Trustees are reviewing the matter and gathering the facts. A survey needs to be performed to determine if the stairs are on Lot 29 or common area. Once that information is received and all the facts are clear the matter will be reviewed and acted upon.

**A discussion on 2022 Expenditures and the 2023 Budget was opened.**

As previously mention, the meeting did not achieve a quorum. In accordance with the community CCRs (Article 3.10) when that happens the budget is deemed to be approved as presented.

Howie mentioned that the Trustees have worked very hard to manage expenses and the

**2023 budget recommends no dues increase.**

James DeMarco has made several allegations in regards to the HOA finances, budget line items and contracts in the document previously mentioned. We will address each issue as follows:

**Language in Section 4.01 requires bids from 3 contractors for contracts.**

This is an apparent reference to Article 4.01 in the Association By-Laws. The language in 4.01 says *“The Board of Trustees may by written contract delegate, in whole or in part, to a professional management or organization or person such of its duties, responsibilities, functions and powers as are properly delegable”.* There is no such language in 4.01 or anywhere else in our legal documents that requires 3 bids or annual bids on contracts. When we selected Eschenfelder Landscape for our landscape and snow removal services it was done with a competitive bid process. The Trustees and the community have been very pleased with their services and we have stayed with them

accordingly. We negotiated a 4 year contract with them in 2020 for a variety of reasons

including cost savings and enhancement of services.

Greg assumed the Clubhouse management duties from All Seasons Resorts years ago and since then we have also been very pleased with his services and have stayed with him.

Greg’s contract is reviewed by us annually. We approved a 3% increase this year.

That works out to only $800. in the 2023 contract because our fiscal year is January thru December and Greg’s contract is July thru June of next year – so only 6 months are in the 2023 budget.

We have written contracts with Eschenfelder and Greg and they both carry liability insurance identifying the HOA as an additional insured. Eschenfelder contract has a 3% per year cost of living / escalation clause – therefore the $4700. landscape services and $3000. snow removal services line items in our budget reflect those increases. The increases are only on the labor portions of the contract. Salt and other items do not increase.

When we negotiate contracts and select who will work in our community there are many factors to consider. Costs are certainly important but they are not the only thing.

We do not want the cheapest contractor, we want the best contractor for the community.

One with a solid reputation, that has the right equipment to effectively and timely do what needs to be done.

Your Trustees place considerable value in establishing good working relationships with contractors we hire. This builds pride in workmanship, familiarity and experience with the specific needs of the community and its Owners, and a mutual trust that only comes with time. In a community such as ours, with so many second home out-of-state Owners, it would be a safety and security concern for us to constantly be having unknown contractors in the community.

It does not serve our reputation in the area well to always be looking to “fire” our contractors to just get low bidders, sometimes the low bidder is not necessarily the best choice. The dollar value of the above described intangible services must be considered. Our community is also very complex and has many features that are unique, especially our irrigation system. Our current techs are very familiar with the system and can locate and fix problems in short time where it would probably take an unfamiliar tech double the time. At the current irrigation tech rate of $135. (85 tech 50 laborer) per hour those costs can become significant. Similar circumstances with snow removal where some streets do not receive much direct sunlight and need extra servicing, our guys know what to do and handle issues like this quickly.

Owners should be asked to consider their own situations; do they all just annually seek out new car insurance / home insurance / health insurance providers, or do they stay with a company that has earned their confidence and mutual trust?

Also, we have a very solid reputation as an HOA as someone great to do business with.

Do we really want to rotate contractors in and out every year just to try and save a few dollars? Will contractors invest in new/modern equipment to perform their work

(as Eschenfelder did when we gave them a 4 year contract to allow them to justify buying new plows/machines/etc.) or just go with what they have on hand.

It is also a known practice with some Park City contractors that they will low bid to get a contract and then add on numerous “extra” fee’s they claim are not covered. We experienced this first hand years ago with a contractor who had to be fired after 5 months

due to numerous problems with their contracted services being sub par.

**Accounting / support – why $900. Increase.**

My wife, Patti, does the accounting services for the HOA and provides support to me.

Her duties include the following tasks…..

* Monthly, quarterly, semi annual and annual dues billing to the owners.
* Dues statements, returned check letters, error on check letters, statements of account status to owners as needed
* Reminder notices on dues payments, Late Dues Notices, Delinquent Dues Notices
* Check HOA post office 5-6 days a week for mail, process mail as needed
* Enter all dues payment info into our Quickbooks software program
* Assist with payments to HOA vendors as needed
* Prepare and send Welcome packets to new owners
* Prepare and make bank deposits weekly for checks received/ not mailed to lockbox
* Maintain address directories on owners
* Obtain office supplies when needed
* Assist with preparation of all HOA other correspondence / documents as required
* Assist with HOA budget preparations / meeting Minutes / Annual Meeting documents/Newsletters sent to owners
* Maintain database of Design Review Committee actions
* Assist with irrigation system turn on / turn off responsibilities
* Maintain records of any violations of HOA CCRs / Policies sent to owners
* Numerous other record keeping duties associated with the HOA as a Utah corporation required to maintain records on all actions taken by Trustees.

She works approximately 75-80 hours per month to perform these tasks. Based on her current monthly salary of $2700. that equates to an hourly rate of about $35. an hour. The going rate for landscape / snow removal laborer services in Park City is $50. an hour. An accountant certainly makes way more than $35. an hour.

There is no line item in our Budget for “Property Manager” duties. I perform this service for the HOA/community at no cost and spend 80-90 hours per month / 7 days a week morning noon and night, weekends and holidays handling all the responsibilities / requests / services required to keep our community functioning. It would be extremely difficult for me to handle these duties if I did not have ready access to HOA records and have someone to assist with the endless filing and recording of data requirements.

The Trustees voted to give Patti a 3% raise earlier this year. This is the second 3% raise she has received in the past 8 years.

With inflation in the economy running at about 9% this is a modest increase and a “thanks” for a job well done. There was NO dues increase this year - in the current inflationary climate holding the line on our dues was a tremendous accomplishment that could only be accomplished with hard and dedicated work by Patti and all the Trustees.

By any standard her salary is modest and the increase is appropriate. No one is “getting rich” on the HOA – all money received is earned by hard work.

**Mr. DeMarco questions the Clubhouse management contract - it is not all inclusive, we pay for supplies / repair / maintenance – he has a retired owner who will sit at the front desk like Watkins does for just $40,000. per year. Why $800. increase.**

Greg’s duties and responsibilities as the Clubhouse Manager include the following …..

* Maintain a County required Certified Pool Operator designation to keep the pool and hot tub in compliance with all health dept. requirements.
* Test pool / hot tub water daily / as required and chemical balance as needed – maintain records of all pool / hot tub actions taken.
* Clean the men’s and ladies room toilets / sinks / urinal / shower areas / floors / counters thoroughly weekly and at other times as needed.
* Maintain staffing at Clubhouse during ski and pool use seasons (about half of the money paid to Greg is for staffing salary).
* Ensure the pool and hot tub are covered and properly closed nightly
* Remove pool cover every morning during pool season to open pool for the day.
* Vacuum pool and hot tub to maintain cleanliness
* Keep pool / hot tub /gym/ kitchen / Great Room / bathrooms / hallways in a clean and neat appearance daily.
* Order supplies as needed – ensure bathroom toilet paper dispensers / towel dispensers/ soap dispensers / shower areas are stocked and ready for use.
* When Clubhouse is not staffed – physically check in on Clubhouse / monitor cameras periodically during the day to ensure all is OK. Respond if something needs attention.
* Respond after closing hours to alarm activations (when someone jumps the fence to use the pool or hot tub after hours, triggering the alarm and a Sheriff response, for example)
* When Clubhouse is rented for a function coordinate with the owner at start and check Clubhouse conditions at end of rental to ensure no damages.
* Manage the electronic access card database system – handle requests for lost key replacements / additional keys / new owner key issuance / departing owner de-activations.
* Keep the gym equipment clean and schedule maintenance as needed
* Clubhouse carpeting vacuumed nightly during ski and pool seasons. Tile floors moped weekly and other times as required.
* Clean the 2 BBQ grills in Village Green weekly
* Clean the Fire Pit on patio when needed
* Clean / dust / empty trash cans / take out cans for pickup/ keep things neat and tidy.
* Handle minor repairs / incidents / inquiries / misc. duties as necessary
* Maintain general liability insurance naming the HOA as an additional insured.
* Maintain Workmen’s Compensation insurance for all staff at Clubhouse.

Please take a look at the below photo of the Mechanical / Pump Room in the Clubhouse.

All the piping, filters, mechanical equipment for the pool and spa are working constantly in a pressurized / sealed system. It requires constant oversight and maintenance to make sure all is working OK. Very time consuming.



We believe that Greg does an excellent job keeping our Clubhouse in first class condition and the fee we pay him for these services is both fair and reasonable and well below what an outside vendor would charge. The $800. increase represents a 3% cost of living increase for Greg this year. This is the third increase for him in past 8 years which is by no means excessive or not appropriate.

Does Mr. DeMarco actually think that Greg should be responsible to pay for supplies?

While Greg does perform many repair tasks to keep the Clubhouse and amenities working he cannot do repairs that would require a licensed contractor (electrician - plumber – HVAC tech). Someone who says he is a licensed contractor, realtor, insurance agent should know this.

The Clubhouse contract encompasses so much more than just “sitting at the front desk”. Anyone performing these duties might just have to get up from the front desk and do things.

**Explain why we pay $5400. for the Clubhouse telephones/ internet/ cable TV services.**

The Clubhouse has 4 telephone lines to service the fire and burglar alarms, the fax line and a general purpose line. We have 5 cable modem boxes for the 2 TVs and the 3 treadmills that are connected to the system, and internet service for 3 computers, all provided by Comcast with high speed fiber optic cable. We also have a Sports & Entertainment Package for the TVs added. The price we pay is a bundled amount for all these services and the best deal available.

The Clubhouse is a commercial / business account and rates are different than those a personal owner account is charged.

**Why do we pay $3000. in bank fee’s.**

This expense is for the Chase Bank lockbox, approx. $250. per month.

**Why do we pay $14,000. for holiday lighting.**

The company Brite Nites has been providing holiday lighting on a total of 14 trees at our north and south entries. They are the premiere company in the area for this service. The owners in the community have expressed appreciation for and great pleasure in the lighting display over the years. This is what it costs to install and remove the lights from the trees.

**Identify what the Clubhouse misc. $5000. and Infrastructure $11,700 line items in budget are for.**

These line items are contingency funds to address an unforeseen event that needs repair or other attention. It would be irresponsible to not have funds available and budgeted for this type of expense. We cannot predict the future and know what will break or need repair, but it would be reasonable to conclude that something is going to break and need attention.

**Explain why we pay $100 phone payments monthly to Trustees (Howie).**

Howie has a second phone line in his home used as a dedicated fax line for HOA business. The fax line is used considerably for document communications with Greg for the Clubhouse, to send and receive documents from title companies, banks and mortgage lenders, insurance agents, appraisers, repairmen and others asking for HOA records or needing a payment.

Howie’s personal cell phone is used extensively for HOA business. Cell phone billing is based on usage / minutes and text data. He has the highest available cell service bundle for the best cost savings, way beyond what he would need if there was no HOA business. His phone/text/email communications with the HOA and all our owners / providers are constant. The $100 payment reimburses him for a portion of these cell phone and fax line bills. We should not expect Howie to provide his services (at no cost) and have to pay for providing them to us.

**Mr. DeMarco claims that** **payments to a Trustee or a family member are a conflict of interest and a Trustee must resign if such payments are made.**

The issue has been raised in the past at Annual Meetings by Mr. DeMarco and it has been thoroughly refuted. Our HOA attorney has reviewed the matter and commented there is no conflict of interest for Patti or Greg to be compensated for the services they provide.

There is no language in our CCRs that talks about Trustee compensation.

The Association By-Laws contain the following language….

* 1. *No Trustee of the Association may be compensated as a Trustee, provided, however, that Trustees may be reimbursed for expenses incurred in performance of their duties as Trustees and, except as otherwise provided in these By-Laws, may be compensated for services rendered to the Association other than in their capacity as Trustees.*

*5.10 No officer shall receive compensation for any services that he or she may render to the Association as an officer, except for expenses incurred. Officers may be compensated for services rendered to the Association other than in their capacity as officers.*

This language makes it perfectly clear that there is no conflict of interest. These business relationships are in the best interest of the community / owners and a tremendous cost savings.

Owner John Cummings commented that he had spoken to Michael Brodsky years ago (he is the owner of Hamlet Homes, the community developer) and was told there would be no Bear Hollow Village if it was not for Howie doing what he does and working to bring the community and the new developer together to make it work. He added that the dues we pay makes our community “one hell of a bargain” and our real estate values reflect that. In his opinion we are the cheapest HOA in Utah.

Owner John Ostrowski commented that he felt the issue was not change in HOA procedures but that there needs to be more transparency. (the Trustees send info to the owners regularly – we will send more).

Trustee John Molenaar commented that the synergy between what Howie provides and what Patti does must be considered. If we had to hire a property manager to replace what Howie does the cost would be substantial and the owners should be prepared for that added expense if that is what happens.

Owner Laura Ramanis asked do we want high quality or low price in our contracted services.

Owner Sandra Vandergriff said we should have separate contracts for landscape and snow removal services. (the Trustees do not concur – we had this arrangement years ago and it was not effective – it is hard to say when snow removal services end and when landscape services begin – mountain weather is unpredictable. The responsibility for damages would be problematic – having one contractor is a much better and more cost effective option).

Owner Sara West said we should use the Quickbooks software program to streamline accounting expenses. Howie commented that we use Quickbook features as best possible. We try to be fast, but it is more important to be accurate, there is no margin for error when dealing with other people’s money – everything is checked – and double checked.

Owner Sandra Vandergriff stated that all owners should be billed and pay their dues on a quarterly basis. Howie commented that the HOA provides owners the option to choose to be billed and pay dues annually, semi annually, quarterly or monthly. Owners can select the best option that is most convenient for them and what best fits their individual financial situation. That is a much more owner friendly and appropriate option.

**The meeting then moved to the election of Trustees.**

James DeMarco stated that it is a requirement that only an owner can seek election to the Board of Trustees. He had researched the ownership of the Watkins / Blocker properties and found that in 2017 all ownership rights to the properties were granted only to Kimberley Blocker, therefore Greg Watkins is not an owner and Mr. DeMarco demanded that Greg resign as a Trustee or the other Trustees must remove him if he refuses.

Mr. DeMarco provided no documentation to support his claims, only his verbal assertion.

Howie reported that when this issue was noted in the document authored by Mr. DeMarco and received shortly before the meeting he investigated the matter. Greg and Kimberley own 2 properties in Bear Hollow Village. A check of the Summit County tax records showed that both are owned by the Solid Sky LLC since 2021. Greg was contacted and he provided Howie with a copy of portions of the Operating Agreement for the Solid Sky LLC formed 1-19-2012. The document clearly showed that both Greg and Kimberley are the principals and managers of the Solid Sky LLC as equal partners.

Mr. DeMarco commented further that records on file with the State of Utah show the ownership as only with Kimberley and they are the controlling factor.

It was clear that this matter could not be resolved during the meeting. The nomination process for Trustees was opened.

Cheryl DeMarco nominated James DeMarco for a Trustee; seconded by owner John Ostrowski.

John Molenaar nominated Karen Malm for a Trustee; seconded by owner Joe Venturato.

Kimberley Blocker nominated Greg Watkins for a Trustee; seconded by owner Bill Popadich.

Since the meeting did not achieve a quorum the election process could not be completed at this meeting. A re-convened meeting would take place next week to finalize the elections.

In the interim the Trustees will investigate the status of Greg as an owner.

Owner Pam Dorricott asked about the ballot counting procedure and asked if 2 owners could be included in the ballot review and counting process. We will do that.

**In the Open Forum portion of the meeting the following subjects were discussed:**

Owner Andi Wieser said that as a vacation property community there were too many renters using the amenities, such as the Clubhouse, and they were preventing the owners from enjoying them. He asked if owners renting their property could be asked to pay more. He wants restrictions on nightly renter use of the community amenities.

The Trustees do not have the authority to tell owners how they choose to use their property. We must also treat all owners equitably and fairly and charging owners who rent their property is not an option, or fair to them.

Owner Kimberley Blocker stated it may be illegal to charge different rates to owners based on how they use their property.

Owner Sara West expressed concerns that nightly renters were being unruly and their inappropriate behavior is a problem. She asked if we could limit rentals to a 3-7 night minimum.

The community CCRs and the Rules enacted regulate the behavior of all residents, when there are violations the Trustees take appropriate actions to resolve them. There is no authority to limit rental periods.

Trustee Greg Watkins stated that for most of the time during the year the Clubhouse has a minimum occupancy level, there are times when occupancy is higher, such as holiday times and weekends, and we limit access via the electronic access card system rules (6 people per card access) during those times.

Owner Cheryl DeMarco asked who was the Secretary for the meeting. Howie misunderstood the question when first asked and replied that all the Trustees were asked to take notes on the meeting content for consolidation, but then added that Greg is the Secretary for the HOA and Patti Butt is the Assistant Secretary. Both positions are clearly noted, as are all the Officer positions, on our website.

Trustee John Molenaar made a motion that the meeting be adjourned; seconded by Kimberley Blocker.

The meeting was adjourned at 10:43 PM MST.

\*\*As noted, the meeting did not achieve a quorum and the election of Trustees could not be finalized. **The Annual Meeting will need to be re-convened** for the purpose of completing the election for the vacant Trustee positions.

**NOTICE** that the Annual Meeting was being re-convened for the purpose of concluding the Trustee election process will be posted in the Clubhouse and all Owners were advised of the possibility that a re-convening of the meeting might be necessary with their Annual Meeting information packet sent to them. A reminder Notice will also be sent to all Owners.

**The date of Monday, December 12, 2022 at 7:00PM MST via Zoom conference call was established and posted for the re-convened meeting to finalize the vote for election of Trustees.**

**RE-CONVENED ANNUAL MEETING**

The 2022 Annual Meeting was re-convened on Monday, December 12, 2022 at 7:00 PM via Zoom conference call. HOA President Howie Butt opened the meeting.

**The following 28 Owners (29 votes) were present on the call for the re-convened meeting:**

Julie Andrews Mike Axelrood Matthew Brown

Howard & Patti Butt Marian Bressel Petra Butler

James & Cheryl DeMarco Pam Dorricott Gregg Faulconer

Brent Fernandez Mike Gillhamer Gregg Ann Herrern

Dennis Irvin Robin Lewin Stephanie Lebold

Jody Lodrick (2 votes) Robert & Elaine Larson Karen Malm

John Molenaar Brian Moran John Ostrowski

Lynn & Heidi Rees James Sevier Debbie Steele

Sandra & Bob Vandergriff Joe Venturato Sara West

Andi Wieser

**The following additional proxies were received from 3 Owners for the re-convened meeting:**

Felicia Head Mike & Erika Nutting Jack Lopez

All proxies previously submitted for the regularly scheduled Annual Meeting that were not amended were also valid for the re-convened meeting.

**The meeting constituted a quorum.**

(Note: At a re-convened meeting, whatever the number of members/votes present is constitutes a quorum in accordance with the CCR’s and By-Laws).

The only remaining item of business to be addressed at the re-convened meeting was the election of Trustees. There were 2 vacancies and 3 names were previously placed into nomination;

Greg Watkins, Karen Malm and James DeMarco.

There were no other nominations.

Howie then made the following statement:

At the December 5th Annual Meeting, which did not achieve the required number of owners in attendance to reach a quorum, there was considerable discussion for almost 4 hours on various subjects, some of it positive and some of it not.   As the result of the information conveyed by the owners the Trustees intend to conduct a comprehensive review of all HOA operating procedures, contracts and concerns from the meeting, to include the following...

* Clubhouse management contract
* Clubhouse furnishings / condition / replacement needs
* Handicap parking space at Clubhouse / ADA compliance
* Accounting services / costs / need for new agreement or contract
* Property management services / Howie services / outside contractor services
* Landscape & Snow Removal contract
* Design Review Committee issues
* Conditions of community roads
* HOA reserve study
* Condition of properties in community / unsightliness

Therefore, we will not entertain any further conversations tonight on these subjects - the Trustees will work diligently on all these issues but they will take time and will be in addition to our regular duties and responsibilities to manage the community.

The Trustees will seek input and direction from the Owners on how we should proceed with some of these issues as deemed necessary.

The Trustees will report on all our findings and make recommendations to the Owners for their consideration and vote.

With regards to the Trustee election issue - the question of whether Greg Watkins is an Owner and his status on running for a Trustee position has been discussed with the HOA attorney.   He has researched the issue and counsels us that based on all the information we have at this time and his review of all that information we should proceed with the elections to include Greg as an owner and a person allowed to run for a Trustee position. That is what we will do.

We do not think it appropriate to disenfranchise the Owners voting preferences and the vote should decide who is a Trustee. If there is a legal or technicality issue determined that changes the election eligibility of anyone it will be dealt with at that time and remedial actions can be taken.

We have put in place a procedure to count all vote ballots received - Trustee Jody Lodrick has been designated as the person in charge of the vote count.

Jody is now in possession of all vote ballots received from the Owners.

Jody was asked to provide further information on the procedure to be followed.

Jody acknowledged that he has received all the votes - has checked the ballot box - and has removed any vote ballots inside.

He will be assisted by Owners Petra Butler and Joe Venturato – he selected those Owners because he does not know them personally, only casually as Owners.

All 3 of us will review and count all the vote ballots and then report the results as soon as they are available.

The results of the election will be posted on the Clubhouse bulletin board and also on the HOA website Announcements page as soon as possible.

James DeMarco asked why Greg Watkins was not on the call. Howie replied Greg had a

personal commitment and could not be on the call as the result.

Mr. DeMarco then again brought up the subject of Greg’s ownership status and his eligibility to run for a Trustee position. Howie replied that this matter is under review, we have to determine factually Greg’s ownership status and then act accordingly, we are proceeding as our attorney has advised at this time. If it is determined that Greg is not a legal Owner we will take appropriate actions at that time.

Owner Stephanie Lebold asked if we could do voting by electronic ballot in the future.

Owner Petra Butler asked if ballots could be placed in a sealed envelope and then opened for the count process.

Howie replied that these suggestions and the election process as a whole will be reviewed.

Cheryl DeMarco again raised the issue of the Design Review Committee membership and asked that more volunteers be on the Committee. Howie replied we have stated that the Committee membership will be reviewed and modified.

Petra Butler stated that the role of a Committee is to make recommendations, not decisions.

On behalf of all the Trustees Howie thanked all the Owners for their support and confidence. The Trustees will continue to serve the community to the best of their abilities.

Howie advised that the Minutes for the Annual Meeting will contain an overview of all discussions and actions taken at the regular and re-convened meetings.

The Board of Trustees would like to take this opportunity to wish all Owners a healthy and happy Holiday Season and a Happy New Year!

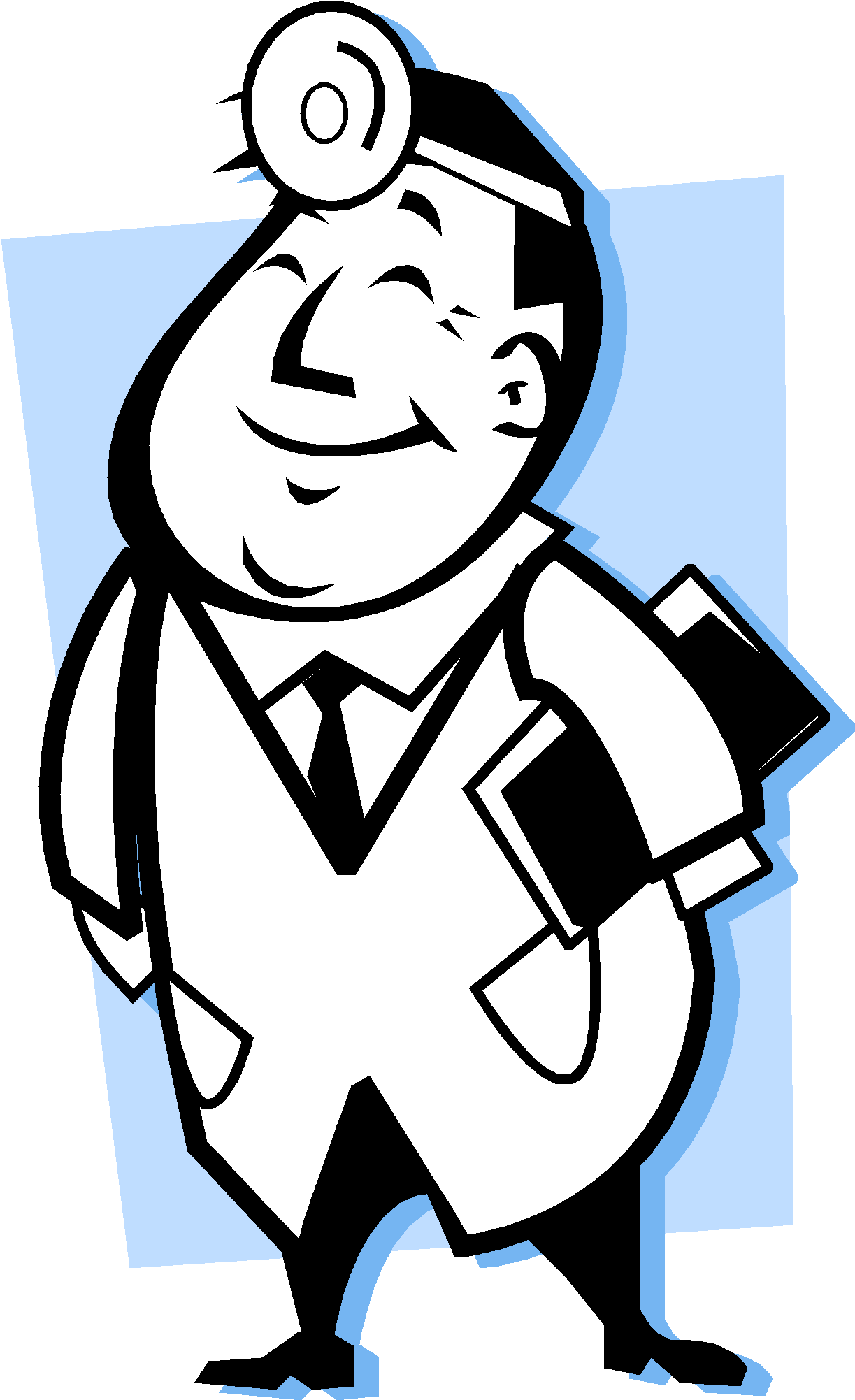
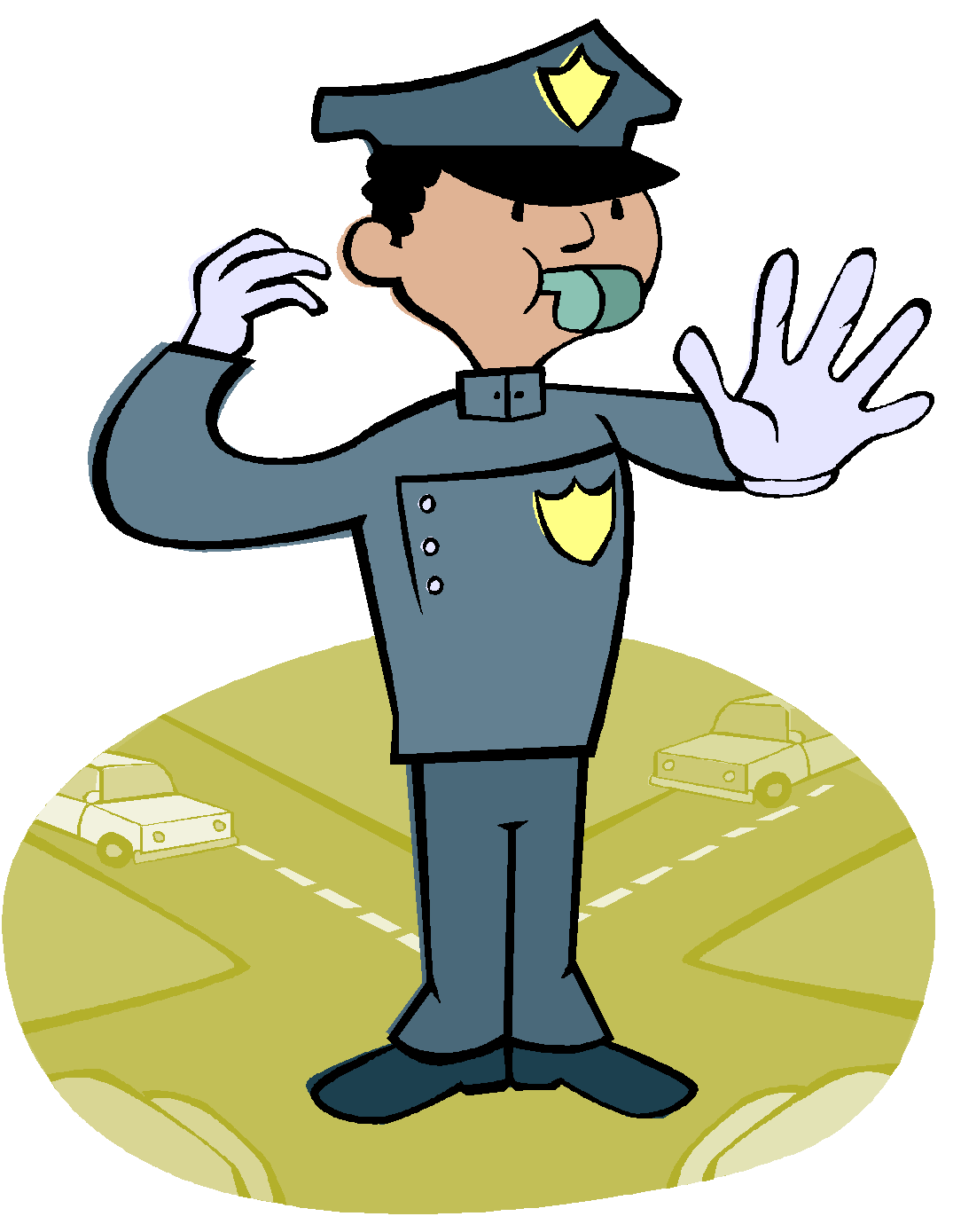
The meeting was adjourned at 7:35PM MST.

**NOTE - the results of the Trustee election are attached to these Minutes.**





Greg Karen John Jody Howie

PLEASE VISIT OUR WEBSITE

[WWW.BHVHOA.COM](http://www.bhvhoa.com/)

FOR COMMUNITY INFORMATION AND ANNOUNCEMENTS



**HOMEOWNER’S ASSOCIATION**

**PARK CITY, UTAH**

**December 13, 2022**

DEAR BEAR HOLLOW OWNERS –

The results of the 2023 Board of Trustees election are summarized below in a copied email from Jody Lodrick:

After the meeting adjourned at approximately 7:35pm, I met owner Petra Butler at the clubhouse to collect the remaining votes from the lockbox.  We then met with owner Joe Venturato to proceed with the counting of the ballots.  Each ballot was inspected by all 3 of us to verify that the ballot was eligible to be counted.  There were 4 ballots that were disqualified from the count due to the ballot being incomplete (no property address listed).  The disqualification of these ballots had no bearing on the final results of the election.  It is important to note that Petra Butler, Joe Venturato, and I were in full agreement throughout and at the conclusion of the vote counting process.

The vote count is as follows:

**Karen Malm: 70 votes**

**Greg Watkins: 70 votes**

**James DeMarco: 31 votes**

**Other (write in): 5 votes**

I, Joseph Lodrick, hereby certify and attest that the counting of votes for the 2023 Bear Hollow Village HOA trustee elections was true and accurate to the very best my ability.  I have copied Petra Butler and Joe Venturato on this email.

Congratulations to Karen and Greg on their re-election and thank you to James for your willingness to serve the community.

I certify that the above information received is a complete, fair and accurate counting of the votes cast in the election process.

Howard Butt

President

Bear Hollow Village Homeowners Association