

MINUTES
22 STATION OWNERS' ASSOCIATION BOARD MEETING
May 18, 2022

Meeting Participants:

Name	Title/Affiliation	Present or Dialed-in
Arthur Chiang	Board President	Dialed-In
Jon Grant	Board Treasurer	Dialed-In
Mike DeGross	Board Commercial Director	Dialed-In
Stacia Lange	PTH, Owner Experience	Dialed-In
Christy Beck	PTH, General Manager	Dialed-In
Michelle Smith	PTH, Asst. General Manager	
Ronnie Whitelaw	PTH, Maintenance	
Mike Martin	PTH, Building Services	Dialed-In
Shay Steffanich	PTH, Maintenance Coordinator	Dialed-In
Celine Sanie	Homeowner, 5230	
Meredith Rosenberg	Homeowner, 5411	Dialed-In
Caroline Vertongen	Homeowner, 4408	Dialed-In
Marj Magboo	Homeowner, 5320	Dialed-In
Steve Bosowski	First Ascent Board President	Dialed-In

Call meeting to order

The meeting was called to order by Arthur and there was a quorum presents. Arthur noted the call is being recorded. Arthur reiterated the HOA's meeting guidelines: do not interrupt, please indicate when you have finished speaking, limit to each speaker of 3min, and to be courteous to one another.

Adoption of Agenda

Arthur proposes the agenda be modified to move the renovation applications for those in attendance to the front of agenda and add a recap of the executive session, Jon makes a motion to adopt the agenda with this modification, Mike seconded, and it was approved.

Approval of Minutes

Jon made a motion to approve the minutes from April, Mike seconded, and they were approved.

Executive Session Recap

Board discussed delinquent accounts and if any action was necessary.

General Reports

A. Management Presentation

- a. Christy thanked the Board for approving the PMI increase
- b. PTH will reach out to other area property managers that refurbished the hallways to get a ballpark figure.

- c. Spring 2022 occupancy will be at record levels.
 - d. Christy reminded owners that trash cannot be left in the hallways and stairwells, please remind guests and renters to bring trash down to garage dumpsters.
- B. Commercial Presentation
 - a. Shoulder season for the commercial. Rolling closures for cleaning and breaks for Village businesses and staff.
 - b. Ski resort open Fri- Sun
 - c. Made in Tahoe festival for Memorial Day Weekend
- C. Financial Presentation
 - a. Jon noted that opportunity for reserve investments CD's are creeping up slightly from .1% towards 1%. Strong cash position ready for better rates.
 - b. March Financials were reviewed at the April Board meeting. April Financials were not available for review
 - c. Delinquent Accounts
 - i. 1 account 1Q delinquent, all owners contacted.
 - ii. A few other accounts with small balances, Stacia has reached out to these owners.
 - d. Energy trends
 - i. Electric
 - 1. Usage is below average.
 - 2. Rates have declined slightly but remain above average.
 - ii. Propane
 - 1. Usage is at seasonal average.
 - 2. Cost per gallon remains high, causing above average expense.
- D. Pending matters
 - a. Bullseye leak detection proposal to repair the pipes under the spa deck in Bld 5 for \$7,075.
 - i. Jon motions to approve the Bullseye proposal, Mike seconds, and this is approved.
- E. New Business
 - a. The Board considered the application from 5320 for new flooring.
 - i. The Board motions to approve the renovation application, Mike seconds and it is approved.
 - 1. Arthur noted that the contractor must be mindful of the common areas and keeping them tidy. He also asked that the owner be in touch with Stacia on timing.
 - b. Kone 5yr term extension rider for the cost of \$24,048yr
 - i. Arthur comments the new 5yr agreement increases the scope of monitoring, with only slight increase in price from the prior years. The underlying contract has voluntary termination terms.
 - ii. Jon motions to approve the Kone contract, Mike seconds and this is approved.

- c. Reserve Policy
 - i. Arthur introduced a clarification to the reserve policy based upon the civil code, CC&R and counsel from legal and McClintock (accounting firm). Policy clarifies what are reserve funds expenditures. Jon motions to approve and adopt the reserve fund policy, Mike seconds and this is approved.
- d. Reserve Study
 - i. Jon motions to approve the reserve fund study, Mike seconds and this is approved.
- e. Generator
 - i. The FA Board approved the purchase of a 12,000W generator, contingent on 22 Station also purchasing a similar generator. The cost of the generator is approx. \$1500.
 - ii. The use would be during power outages, which have become more frequent in the past year. PTH would deploy the generators to Palisades conference room to support basic amenities such as device charging, lighting, a coffee pot, etc.
 - iii. Backup generation for residential units is not feasible. Arthur recommended that Homeowners have batteries, flashlights and supplies in the case of a power outage in the Village.
 - iv. Jon makes a motion to approve the purchase of a 12,000W generator for \$1500, Mike seconds and this is approved.
- f. Insurance allocation to P1 & P2 garage owners
 - i. 22 Station has a Property and Casualty Insurance policy that covers the buildings, foundations, and garages. This has been an operating account expense. Assessments are levied against PVNC as P1 owner and PT as P2 owner and have been labeled as the garage fund assessments.
 - 1. These assessments are intended to cover expenses and maintenance of the garages as well as insurance.
 - 2. McClintock has recommended debiting 2/7ths of the annual P&C insurance expense against P1 and P2 Assessments.
 - 3. In conformance with 22 Station CC&R's Section 7.23 (a) and Section 7.23 (b), Jon moves that 22 Station allocate 2/7ths of the annual Property Casualty Insurance expense for Buildings 4 and 5 to the Garage Fund and 5/7ths to the 22 Station Operating Fund starting in Fiscal Year 2022 and continuing in future fiscal years. Arthur seconds, 2 board members vote to approve this motions and Mike abstains.
- g. Budget
 - i. The A draft FY2022 – 2023 budget has been reviewed by the Board for approval. The 22 Station FY 2022-2023 Budget includes a 11% increase in the Regular Assessments effective June 2022.
 - 1. Property management, indexed to inflation, increasing 4%.

2. Liberty Utilities proposing a 21% increase in the summer months, 6% decrease in non-summer months, net impact of 5% impact over the year.
 - a. Liberty proposed rate structure includes a \$100,000 per meter charge.
 - i. 22 Station has 7 meters, 4 for residential, 3 for commercial. Commercial meter expenses are passed through to the commercial owner. Expenses associated with the 4 common area and residential meters are assessed to the residential owners of 22 Station. This could be a \$400,000 impact to 22 Station residential owners, one time, or annually, this is currently unknown.
 - ii. The PUC is scheduled to render a decision in June.
 - iii. The PUC may reject, amend, or accept a portion or all of the Liberty Utilities proposal. The net effect is uncertain, unknown, unpredictable and may be extraordinary.
 - iv. We are evaluating the consolidation of electric meters, costs and implications if consolidation changes the rate structure.
 - b. Liberty expense estimate for next year is \$380,000, without the per meter charge.
 - c. The current budget does not account for the potential \$400,000 in meter charges.
3. Propane price has increased following global energy markets. Propane price has increased in a step function over the past year. The current budget has estimated future prices; however, it is possible prices prospectively exceed the estimates.
4. Water and sewer rates are increasing by 5% per OVPSD.
5. Utility usage rising back to pre-pandemic levels, estimates from May 2022 could be exceeded.
6. Property and Casualty insurance expense. Farmers has for many years insured 22 Station, First Ascent and PVNC. This year during the policy renewal period, Farmers declined to renew all the HOA policies.
 - a. 22 Station and the other Associations are seeking P&C coverage with other carriers.
 - b. Brokers have indicated that because of the insurance companies' assessment of risk associated with wildfires, a new P&C policy for 22 Station may cost two or three times the existing P&C policy. The projected insurance expense in the FY2022-2023 budget is a three-fold increase year over year. However, brokers have also indicated that given the

extraordinary conditions in the insurance markets, the future premiums could greatly exceed three times the existing P&C policy expense.

- c. Some properties in Tahoe region have seen policy premiums increase in excess of \$1M year over year.
 - d. Actual insurance expenses could exceed the projected expenses.
7. If actual expenses for utilities and insurance exceed budget estimates, it may be necessary to adjust regular assessments during the year or have a special assessment.
- ii. Jon motions to approve the FY 2022-23 budget with an 11% regular assessment increase, Mike seconds, all Board Members vote in favor and this is approved.

F. Open Forum

- a. Homeowner inquired about next year's owner keys. Stacia let her know that an email was sent on Friday of last week with all the info and asked the Homeowner to reach out if she has questions.
- b. Homeowner inquired if there were any substantial changes in the reserves. Arthur noted that the only substantial change was one that clarified and documented what are reserve expenditures.

Meeting Adjourns to Executive Session