

Prospector Square Property Owners Association

April 27, 2023 - 5:00pm

Special Membership Meeting Minutes

Board Members in Attendance: Dean Berrett, Joe Cronley, John Logan, Katie Wilking, Josh Pepper, Jay Niederhauser and Terese Walton

Also in Attendance: Craig Dennis, Chris Bullock, Chris Nangle, Paul Carpenter, Dr. Yong Hui Ahn, Peter Ricci, Doug Porter, Megan McKenna, Patrick Von Horn, Tom Peck, Bob and Lynda Sammons, Karynne "Kiki" Aliagaand, Kelly Pfaff.

Meeting called to order by Dean at 5:02pm.

Introduction by Dean Berrett: A Quorum was established with more than 60% in attendance by proxy or in-person. Sign-in sheets were passed around to make sure attendance is counted. The proposed \$1.6 million proposal over 3 years starting in May. This meeting is a "yes or no" for a resolution vote (Resolution attached as an addendum) recommended by the Board of Directors to the membership for approval.

Membership Notifications:

- Dean Berrett and Craig Dennis held three coffee chats in October 2022, where all members were invited.
- Board Approved Resolution on March 15
- Special Informational Meeting was held on April 5
- Three Email Blasts
- Posted on Website
- Mailing on April 7

Overview of Proposed Assessment by Craig Dennis:

Craig goes over the Master Plan Phase 3. The proposal is \$1.6 million (there is a 5% discount available). Master Plan includes: sewer line replacement, repave 5 parking lots and add lighting, concrete replacement, replace compactors, update monument signs, replace lights on Berrett Lane. This option was chosen because our #1 priority is getting out of the sewer business. Craig discusses Phase 1 and Phase 2a/2b completion in past years. PSPOA collects \$165,00 in annual capital reserves, currently committed but frees up in Jan. 2025.

Q&A: When will the work be done? Craig states that we are looking at 2 years of work, 3 years at the max. Our plan is to break ground as soon as possible, planning this summer. Where will the project start? It depends on what the sewer district tells us. Our critical, hardest, and most expensive is Lot I to Sidewinder.

Dean recessed the meeting at 5:30pm for Craig and Chris to count up votes.

Announce Vote Totals:75.2% in favor of Phase 3 Master Plan. 12.01% (2 votes) opposed. Board resolution has been approved. 85% of members participated.

Dean adjourned the meeting at 5:35pm.

ADDENDUM:

**RESOLUTION OF BOARD OF DIRECTORS
OF PROSPECTOR SQUARE PROPERTY OWNERS ASSOCIATION**

WHEREAS, the Board of Directors of Prospector Square Owners Association (PSPOA), a Utah non-profit corporation (the "Board"), has worked with consultants to develop a renovation master plan for the renovation of capital improvements of Prospector Square; and

WHEREAS, the renovation master plan design is complete (known collectively as the "Master Plan" and available at www.prospectorsquare.com) and reconstruction has been completed on Phase 1 (Lots D and H), Phase 2A (Lot G), and Phase 2B (Berrett Lane East).

WHEREAS, in order to continue progress on the Master Plan components and increase the life of PSPOA assets, the PSPOA board proposes to the membership to move forward on a Phase 3 as outlined in Exhibit B for a \$1,600,000 member assessment. The Phase 3's primary goals are to:

1. Replace six-inch sewer lines with eight-inch lines to meet current standards in Lots A, C, E and I that PSPOA now maintains and turn over maintenance of said lines to Snyderville Water Reclamation District. (Estimated at \$770,000)
2. Repave with a two-inch rototill and overlay Lots, A, C, E, I and J. (Estimated at \$295,000)
3. Upgrade multiple areas with lighting, signage, concrete replacement and garbage/recycling enclosures and receptacles (Estimated at \$335,000)
4. Contingency funding of \$200,000 (Approximately 15%) to cover unexpected expenses of above, permitting and project manager.

WHEREAS, the Board has determined that the implementation of Phase 3 will require raising \$1,600,000 and

WHEREAS, the Board has received designer and contractor estimates to base the above request of members and intends to begin construction in the 2023 construction season, recognizing work could take two to three years based on cash flow from the assessment and

WHEREAS, the Board has determined that such funding should be raised through a special assessment to all Owners pursuant to Section 5.4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Prospector Square Subdivision, a Planned Commercial Development, Park City, Summit County, Utah (the "Declaration"); and

WHEREAS, the Board has authority under such Section 5.4 of the Declaration, subject to the assent of at least 60% of the Owners present in person or by proxy, to levy a special assessment upon the Owners to implement Phase 3 of the Master Plan.

WHEREAS, the Board desires to propose to the Owners a special assessment upon the Owners for the implementation of the foregoing, effective only upon the assent of the Owners as contemplated in such Section 5.4

WHEREAS, the Board desires that a membership vote of Owners on this special assessment request take place within 45-days of approval of this resolution by the Board, as contemplated in such Section 5.4

NOW, THEREFORE, IT IS HEREBY RESOLVED That Phase 3, as outlined in Exhibit B, is hereby approved by the Board and sent to the Owners for their assent.

FURTHER RESOLVED, that a special assessment be levied upon all Owners pursuant to Section 5.4 of the Declaration in the amount of \$1,600,000 to be used as outlined in Exhibit B. The special assessment will be paid by the owners in twelve (12) quarterly assessments over a term of not less than three(3) years; provided, in the event an Owner prepays all installments of its special assessment on or before the due date (60-days from billing) of the first installment of the special assessment, the Board shall grant to such Owner a discount equal to five percent (5%) of such Owner's entire special assessment. The proposed capital assessment and Owner payments is outlined in Exhibit C.

FURTHER RESOLVED, that in the event that the Owners assent under Section 5.4 of the Declaration, the first installment will be billed within 15-days of said approval and subsequent billings will appear on the Owner's regular quarterly dues billing. Assessments are due within 30-days of receipt and subject to penalties, late fees and liens if not paid in a timely fashion.

FURTHER RESOLVED that all funds collected from the Owners through the levy of such special assessment shall be applied as outlined above. Any contingency funds not used in Phase 3 will be deposited in the association's reserve fund for future capital improvement projects.

FURTHER RESOLVED, that the Board actions described in each of the foregoing Resolution shall become effective only with the required assent of the Owners under Section 5.4 of the Declaration.

ADOPTED this 15th of March, 2023, by the Board of Directors of the Prospector Square Owners Association, a Utah non-profit corporation.

BY: SIGNED _____
DEAN S. BERRETT

ITS: President

Phase 3 Master Plan . . . \$1.6 million assessment

DETAILED EXPENDITURES

SEWER (Jan. 2023 Quote from Daley Excavating)		
Sewer Lots I to A	450,565	8 Lights
Sewer Lot E	140,805	2 Lights
Sewer Lot C	121,301	0 Lights
TOTAL Sewer	712,671	
Replace Concrete Lot A to I	60,000	
!0 Parking Lot Lights for Safety		
	84,000	\$7,000 each quote from D&D Electric
Rototill and Pave Five Deteriorating Parking Lots		
Lot I	61,920	Price was updated May 2022 by Miller Paving
Lot A	61,200	
Lot C	25,200	
Lot E	50,000	
Lot J	98,330	
Total Paving	296,650	
Beautification & Physical Ugrades		
Replace Lighting on Berrett lane	50,000	Match what was done on Berrett Lane East
Concrete Replacement	50,000	Fix unsafe concrete throughout Square
12 Stone Seating Areas	12,000	Nodes 1 and 2 on Berrett Lane
Update Monument Signs	30,000	Park City Signs Quote, Fix Five Rusty Signs
Replace Compactor	50,000	Have quote from Ace Disposal
Replace Enclosures	60,000	Have initial Quotes
TOTAL UPGRADES	252,000	
TOTAL	1,405,321	
Contingencies on Above	195,000	13.88% Need for unexpected soil disposal costs possible entryway concrete replacement temporary asphalt patching Sewer bonding cost
GRAND TOTAL	1,600,321	

