RIVER RUN CONDOMINIUM ASSOCIATION PHASE II

ANNUAL MEETING

Saturday, November 9, 2019 @ 1:00 pm – Saco Room, Building 7

The Annual Meeting of River Run Condominium Association Phase II was called to order by Kip Eaton, President at 1:00pm.
The following Units were represented in person or by proxy:
Building 6: I/J, O
Building 7: A, B, C, D, G, H, I/J, K, L, M, N, O, Q, R, S
Building 8: A, B, C, D, G, H, K, L, N, O, R, S, T
Building 9: A, D, H, J, L, M, N, O, Q
Building 10: B, G, I/J, L, M, N, O, P, R, S, U

Review and Accept Minutes of November 17, 2018 Annual Meeting.
A motion was made and seconded to accept the Minutes of the November 17, 2018 Annual Meeting as presented. All voted in favor.

Review Fiscal Year End Financial Statements through April 30, 2019 – Robert Reardon
Bob led the Owners through a review of the April 30, 2019 fiscal year-end financial statements.

Balance Sheet - Although the reports indicate the checking account bank balances was less when compared to the prior year, this is offset by reductions in Accounts Payable. The following items were also noted:

- Capital improvements increased by $77K for projects: Building 9 boiler, Building 8 vinyl siding (entrance tower only), final payment on the Building 7 generator, Building 8 dumpster coral, and the Building 7 & 8 chimney repairs.
- Deferred revenue represents future dues paid in advance by multiple owners and remains similar to prior years.

Income Statement - The year-end reports included income and expense totals for years ending 4/30/19 and 4/30/18. The following increased expense categories were noted:

- HVAC expenses were higher than the previous year as a result of duct work and boiler repair projects.
- Propane expense was significantly higher than the previous year and Bob felt this was primarily the result of additional product costs. It was noted the current contracted rate of $1.35/gal was secured by Lynda with an effective date of 9/1/19. This represents a 12% reduction vs. the previous contract and should help contain costs this coming winter.
- Road maintenance expense was higher than the previous year as a result of the lamp post and common road paving projects.
- Snow removal expenses last year were elevated due to the severity of the last winter's weather.
- Septic system expenses have increased due to the age of the systems and specific challenges with high water tables and drain field saturation.
- Trash removal expenses were higher due to changes in recycling costs due to market challenges experienced across the country due to trade issues with China.

Property Manager's Report, Rick Scienzo

1. The Resort had a great summer, and we have transitioned into our fall season. The valley experienced a beautiful fall foliage this year, our fall flower plantings along with our pumpkin and cornstalk décor looked fantastic. Our winter lighting installation has already begun.

2. All concrete patios were pressure washed and had new stone dust installed during the summer.

3. Each sidewalk was inspected this year and concrete repairs were made where necessary. All split-rail fencing was repaired and stained.

4. Last winter took a toll on our roofs, skylight flashing, and heat cable. Many of these repairs have been completed. We are now working with our insurance company to complete this large claim.

5. After experiencing one of the most difficult winters in our local resorts' history, AMSCO has made several changes to our snow removal process and plans to be even more proactive at clearing snowfall from the many sections of roofs. We plan to have several boom lifts dedicated to our resort so that roofs will be shoveled. This should greatly decrease the chance of ice dams and/or leaks occurring in the units.

6. AMSCO has modified the dry well on the southeast side of Building 7 to help the ground water enter our larger pumping chambers. We hope this work will decrease the amount of ground water next to our foundation and stop water from entering the lower level. Further clarification was offered explaining the work was completed by digging along the foundation on the southeast corner of Building 7 three to four feet to the closest drywell. The area was backfilled with 1 ½" stone. The desired result is to open a path for ground water to easily flow to the lowest point away from the building which is the existing drywell.

7. The fire alarm panels in all buildings have now been converted to a cellular signal for alerting and dispatching emergency personnel. This upgrade has eliminated the use of the old phone trunk lines which were costly each month, and cost more to maintain.

COMMENTS: Shirley Young, the owner of Unit 7M inquired about the need for drainage modification as the water being pumped from Building 7 seemed to pool back toward the building. Rick acknowledged some areas did not flow correctly. He is discussing this with the Board and will be presenting a cost to retrench and regrade the area to the east along the swell. Joe recalled that debris which had built up on the east side of pedestrian crossing contributed to drainage issues last spring. That debris has been removed and should eliminate the ponding.

SPORTS CLUB REPORT, Rick Scienzo

1. New luxury vinyl floor covering was installed in the Hospitality Building arcade room on September 11th. The floor looks great and it has really brightened up the area.

2. A new heavy-duty portable basketball hoop system was installed near the all-season tennis courts. It has been a great addition as it allows the hoop to be lowered to any height for players of all ages.

3. A new ping-pong table was installed in the lower level of Building 7 Saco Room. We also have plans to add several arcade games in this area in the near future.

4. A very nice wooden cabinet dartboard was recently installed in the lower level of Pickering House.

5. A new lava rock sauna has been installed in the lower level of the Hospitality Building.

6. The women's changing room at the indoor pool had damage to the walls and ceilings last winter. The Sports Club had a new roof installed over this area in August.

7. A mosquito magnet was installed at the outdoor pool this summer in an effort to reduce the mosquito population which was very high this year.

8. Both ice rinks have been constructed and are ready for our winter season. We will be updating the winter lighting in this area to enhance this great winter amenity within the next several weeks.

2018 / 2019 Winter Storm Damage and Roof Repairs, Rick Scienzo

- 95% of the necessary roof repairs are completed with the exception of some work on the south side of Buildings 7 & 8 which should be completed next week.
- Roof heat cables – additional work is needed on two Building 8 cable connections. All other heat cables have been repaired and are in good working order.
- Additional equipment investments were made by AMSCO which include a new man lift with 60 ft boom and a heavy-duty bob cat skid-steer with a large capacity snow blower attachment. This will enable us to maintain wider paths around the buildings. Rick emphasized his goal for the upcoming winter season is not to have any ice dams form and he will be very proactive keeping roofs raked and clear of snow. If needed, they will call in additional manpower to accomplish this.
- Questions were raised about deck shoveling and Rick indicated some decks were overloaded with snow and ice from clearing the roofs and it was necessary to clear affected decks due to safety concerns.
- John Lane, the owner of Unit 7N expressed concerns about the condition of the Building 7 parking lot last winter and asked about the plans to address these challenges. The ice build-up was 8 – 12" in some places and his car continuously bottomed out. Rick again indicated new equipment and a sweeper attachment should allow them to improve the maintenance of parking areas and roads to keep them free of ice and snow build-up. They will also be implementing the treatment of some walkways and paved surfaces with a brine mixture which will assist in the process of removing ice. A backhoe will be available and can be used if necessary.
- David Tucker, the owner of Unit 9Q indicated that he experienced new leaking with minimal damage under one of the windows in his unit. The status of the roof replacement for Building 9 was discussed and is included under OLD BUSINESS.

OLD BUSINESS

Building Exterior Upgrades – Rick Scienzo reported that in talking to the Board, next spring they will be working on deck staining. They are refraining from using paint as it has not held up well. They will be sanding off any remaining paint and a transparent, penetrating stain will be used. Rick has also presented a recommendation to the Board for updating all exterior patio lights to approved LED fixtures.

Heat Pump Inspections – Mark reported that inspections are 80 – 85% complete for units still utilizing the original equipment.

Future Planned Capital Improvements - The Building 9 roof replacement remains the primary planned capital improvement. This project is pending the determination of which unit owners desire to add dormers. Joe indicated that 42 dormers have been added to existing building over the last 14 years. The earliest the dormers additions will be scheduled would be 2021 and when they are completed, the building's roof would be immediately addressed. There are 4 Vacation Ownership units that are planning dormer additions. This is a large project with dormers costing approximately $65K per unit and Joe indicated they are waiting for the Vacation Owners receptivity to pay for the project.

Lower Bartlett Water Precinct – The Lower Bartlett Water Precinct runs from Intervale to Cow Hill Road next to The Attitash Motel. This 12" line distributes water from the source wells in Intervale. This water district has entered into a written agreement with the Bartlett Village Water Precinct to connect and they are in the process of securing funding. Joe believes it would be nice to have access to reliable precinct water. Increasing costs to maintain systems and meet state water testing requirements facilitated many districts to become interconnected for better cost controls.

- It was asked what the financial impact of these changes would be. Joe indicated that currently the Attitash Mountain Village campus is served by a series of 3 wells which provide fabulous water at a very reasonable cost. The cost of water through the precinct would be higher but the risks associated with periodic expenses for maintaining equipment would decrease. Joe did indicate that Attitash Mountain Village Vacation Ownership Trust has committed to connecting to the new precinct water line when service becomes available. The financial

impact to River Run Condominium Association and this Association remains to be worked out. Kip indicated that this association is not anxious to tie into this new service with increased costs.

NEW BUSINESS

Election of Directors – Kip indicated that the Board was activity seeking owners wishing to serve on the Board and if any Owners present are interested in serving in the future, they should speak with one of the Board members after the meeting. The Board positions are volunteer but they do not demand much time and you would be very well informed.

Kip Eaton, Judy Chimenti, and Scott Knightly are the three Board Members with terms expiring. All three are willing to continue their service. The floor was opened for nominations with no new Owners coming forward. A motion offering a slate to retain the three existing Board Members for an additional 2-year term was made and a 2nd was received. All present voted yes.

Other positions on the Landscape Committee or as a Representative for the Sports Club may also be available for Owners wishing to increase their involvement. If you would like additional information on these positions, you are encouraged to inquire.

RRCA II – 2020 Annual Meeting – The next annual meeting will be held on November 14, 2020.

OTHER

Attitash Ski Area Ownership Changes – An Owner present inquired about the Board's thoughts on the new ownership at the Attitash ski area. Joe addressed this topic indicating that Peak Resorts who owned both Attitash and Wildcat, was recently purchased by Vail Resorts. Vail Resorts is certainly the biggest and most successful ski company in the North America and probably the world. They purchased the 2 local areas in conjunction with the other ski resorts that Peak Resorts operated. This was a big move and very exciting given the pattern that has happened over recent years regarding Vails acquisitions. Historically Vail has made significant investments to improve ski areas they purchase but no infrastructure changes are anticipated this first season. It was noted that Vail Resorts is known as an industry leader with their innovative marketing programs. It is anticipated that future skier visits for both local ski areas will increase significantly under their ownership.

Dog Policy – Several Owners voiced concerns regarding an increased presence of dogs at the resort. Clarification was offered indicating that Attitash Mountain Village ownership documents prohibit pets on property. Pets specifically identified as "service dogs" were the only exception allowed by law and those dogs are generally identifiable. Guests are required to notify the front desk when they have a service dog with them, provide documentation, and a nominal fee to defray additional cleaning costs of $25/night with a maximum of $100 is charged. Owners were encouraged to contact the front desk or Marcus Dindorf, Guest Service Manager if they have concerns.

Communication: A suggestion was made by the membership to increase communications. Staffing and policy updates would be greatly appreciated. Assurances were made for immediate implementation of programs to increase communications. After the formal meeting is adjourned, AMSCO staff will be available to address any individual issues.

With no further business presented, a motion and a 2nd were made to adjourn the meeting. All present voted in favor.

Respectfully Submitted,

Susan Demarest, Secretary
Lynda Tibbetts, Treasurer
River Run Condominium Association, Phase II