

June 13, 2018

Dear Marriott's Mountainside Owner:

The minutes from the MountainSide Board of Directors Meeting held on May 2, 2018, are being distributed to Owners as outlined in the MountainSide Condominium Association By-Laws, Article 3. Meetings of the Condominium Association, 3.8.

Please also consider opting-in to receive mailings required by the Association's governing documents or applicable law via electronic transmission through an email address. Examples of required mailings may include: notices of meetings, financial statements, budgets and amendments to the governing documents.

In order to receive these items by electronic transmission, Owners must first explicitly provide consent (or "opt-in"). Consent to receive required mailings by electronic transmission is effective unless it is revoked at a later time.

To opt-in, log into your Owner account on MarriottVacationClub.com. Click on "Account", click on "Profile", click on "Register for Online Document Notification". Edit Settings.

For questions regarding minute content, contact Mark Harney, General Manager by telephone at 435-940-2000 or by e-mail at Mark.Harney@vacationclub.com.

Regards,

Mark Harney
General Manager

MountainSide Condominium Association, Inc.

Board of Directors Meeting

May 2, 2018

A regular meeting of MountainSide Condominium Association, Inc., Board of Directors was held, on May 2, 2018, via webinar, hosted from Marriott's MountainSide, 1305 Lowell Avenue, Park City, Utah 84060.

Present from the Board of Directors were: Keven Rowe, President; Roger Taylor, Vice President; Philip Bateman, Treasurer and Jim Phillips, Secretary

Present from Marriott Vacation Club® International, representing the Management Company, were: Bob Spear, Area Director of Operations-West; Brandon Weilenmann, Director of Finance; Freddie Arellano, Assistant Controller; Scott Wilkerson, Regional Director of Finance-West; Mark Harney, General Manager; Mitchel Davis, Director of Engineering, Jeff Grace, Senior Director Refurbishment Services and Grace Cromwell, Executive Assistant

Guests present were: Amy Johnson and John Sittig, PricewaterhouseCoopers, LLP (PWC)

CALL TO ORDER

The meeting was called to order by Keven Rowe, President, at 11:10 a.m., Mountain time.

ESTABLISHMENT OF QUORUM

Mr. Rowe announced with all Board Members present, quorum was met.

APPOINTMENT OF RECORDING SECRETARY

Mr. Rowe appointed Grace Cromwell to serve as Recording Secretary.

PROOF OF NOTICE OF BOARD MEETING

Notice of Board Meeting was emailed on April 7, 2018 to all Board Members as required by the Association Bylaws.

APPROVAL OF AGENDA

A motion was made by Jim Phillips to approve the Agenda as presented. The motion was seconded by Roger Taylor and unanimously carried.

APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES

A motion was made by Philip Bateman to approve the October 11, 2017 Board Meeting Minutes as presented. The motion was seconded by Jim Phillips and unanimously carried.

A motion was made by Jim Phillips to approve the October 11, 2017 Organizational Meeting Minutes and approve as presented. The motion was seconded by Philip Bateman and unanimously carried.

A motion was made by Philip Bateman to approve the February 21, 2018 Special Board Meeting Minutes and approve as presented. The motion was seconded by Jim Phillips and unanimously carried.

2017 FINANCIAL AUDIT

Amy Johnson presented the 2017 Audit results. The auditors gave an unqualified opinion which is the highest level of assurance that can be received.

A motion was made by Philip Bateman to accept the 2017 Audited Financials as presented. The motion was seconded by Jim Phillips and unanimously carried.

2020 VILLA REFURBISHMENT

Jeff Grace presented an update on the 2020 Villa Refurbishment. Highlights included:

- Coordinated design with Van Dresser Company
- Model room options were reviewed
- Timing and execution of work was reviewed

RESORT OPERATIONS REPORT

Mark Harney presented the Resort Operations Report. Highlights included:

- Guest Satisfaction Survey results were reviewed
- Resort Experience Activities were reviewed
- New leaders are in place

FINANCIAL REPORT

2018 Current Financials

Freddie Arellano presented the Operating Financials for the First Quarter 2018. Highlights included:

- Savings in Electricity due to an increase in billed usage to Vail Resorts for the chiller.
- Savings in Water due to decreased usage.
- Overage in Activities due to lower revenues and higher entertainment.
- Overage in Front Office due to higher wages and benefits because of turnover.
- Overage in Housekeeping due to higher contract labor, training expense and turnover.

2018 Accounts Receivables

Brandon Weilenmann presented an update on Accounts Receivables. Highlights included:

- As of March 31, 2018, the unpaid maintenance fee percentage decreased 0.9%, compared to 2017
- Outstanding maintenance fees by season were discussed; Gold, Silver and Platinum seasons coincide with the number of billed weeks.

Investment Policy

Philip Bateman and Roger Taylor presented the Investment Policy and Investment Provider options.

A motion was made by Jim Phillips to approve Comerica Securities, LLC as the Investment Provider for MountainSide Condominium Association, Inc. The motion was seconded by Philip Bateman and unanimously carried

A motion was made by Philip Bateman to approve new Investment Policy as presented. The motion was seconded by Jim Phillips and unanimously carried.

Mr. Harney discussed the 2017 emergency cost and repairs.

A motion was made by Jim Phillips to approve emergency plumbing repair at a cost of \$7,258.99 and \$24,270.69 in Housekeeping expenditures for a total GM emergency/contingency Reserve Expenditures of \$31,529.68. The motion was seconded by Roger Taylor and unanimously carried.

RESERVES

2018 Reserve Projects

Mr. Harney presented a review of 2018 Reserve Projects. Highlights included:

- Activity Center enhancement
- New movie theatre chairs
- New pool furniture
- Fire system replacement
- World Cinema HD system installation
- Pool deck renovations and stain coating are currently in progress
- Front circle ice melt repair currently in progress

A motion was made by Philip Bateman to approve \$150,000 from the 2018 Reserve Fund for the purchase of World Cinema System. The motion was seconded by Roger Taylor and unanimously carried.

A motion was made by Philip Bateman to move \$168,805 from 2017 Reserve Projects to 2018 Reserve Projects for pool deck stain/coat application in the amount of \$58,942, activity room refurbishment in the amount of \$55,663, fire pump control panel relocation in the amount of \$4,200 and fire system

replacement in the amount of \$50,000. The motion was seconded by Roger Taylor and unanimously carried.

A motion was made by Philip Bateman to approve \$12,033 from the 2018 Reserve Fund for projects and items listed as GM emergency/contingency fund including: emergency garage door replacement in the amount of \$5,545, emergency snow melt repairs in the amount of \$3,834, Ford transit van purchase overage in the amount of \$2,654. The motion was seconded by Roger Taylor and unanimously carried.

2019 Reserve Preliminary Projects

Mr. Harney presented 2019 Reserve Preliminary Projects. Highlights included:

- Boiler-domestic/snow melt replacement
- Building automation system upgrade
- Automatic door refurbishment
- Paint, stain and seal building exterior hardi-panel
- Wi-fi equipment replacement
- Golf cart garage shuttle replacement

Reserve Study

Mr. Weilenmann presented the Reserve Study from Armstrong Consulting. Highlights included:

- Repairs to elevators were added to 2018-2019 based on consultant reports
- Building automation was increased in 2019 based on consultant reports
- Replacement of the chiller was delayed from 2021 to 2029 based on condition
- Replacement of villa cabinets was moved from 2035 to 2025 based on condition
- Replacement of garage exhaust fans moved to 2022
- Replacement of fan coil unit was delayed to 2022 based on consultant reports

A motion was made by Philip Bateman to approve the 2018 Reserve Study. The motion was seconded by Roger Taylor and unanimously carried.

NEW BUSINESS

Mr. Harney presented New Business. Highlights included:

Announcement of Next Meeting Dates

The meeting dates are subject to change as determined by the Board:

- Board and Annual Meetings – October 10, 2018
- Board Meeting – May 8, 2019
- Board and Annual Meetings – October 9, 2019

Board of Directors Replacement

Mr. Harney presented the following information from the Bylaws:

2.6 If vacancies shall occur in the Management Committee by reason of the death or resignation of a Management Committee member, the Management Committee members then in office shall continue to act, and such vacancies shall be filled by a vote of the Management Committee members then in office, though less than a quorum. Any vacancy in the Management Committee occurring by reason of removal of a Management Committee member by the Association may be filled by election at the meeting at which such Management Committee member is removed or any subsequent regular or special meeting of the Association. A vacancy resulting from a removal shall only be filled by the vote or written consent of a majority of the voting power of the Association residing in Owners other than Declarant.

The Board discussed replacement and recognition of Board Member, Donald Dockstader, who resigned.

BoardVantage

Mr. Rowe will review BoardVantage and report the findings to the Board at the October 10, 2018 Board Meeting.

Park City Lowell Avenue Projects

Mr. Harney presented an update on the development plans on Lowell Avenue Kings Crown Development adjacent to Marriott's MountainSide. The possibility of workforce housing will be discussed at the October 10, 2018 Board Meeting.

Brand Refresh

Mr. Harney discussed Marriott Vacations Worldwide brand refresh.

Mr. Harney announced Marriott Vacations Worldwide purchased ILG, Inc., the parent company of Interval International.

ADJOURNMENT

There being no further business to come before the Board, a motion was made by Roger Taylor to adjourn the meeting at 1:06 p.m. The motion was seconded by Philip Bateman and unanimously carried.

Submitted by:

Approved by:

Grace Cromwell Date
Recording Secretary

Keven Rowe Date
President

These minutes are subject to approval at the next Board of Directors Meeting