

The Clarion

Crown Harbor Community Newsletter

July 2012

Board of Directors:

David Eck - President,
Don Gibson - Vice President,
Gene McDermott - Treasurer
Scott Sheppard - Secretary
Sean McDermott - Director

Board Meeting:

7pm on Wednesday, July 18th at The Sheppard's, 1305 Crown Drive.

Board meetings are held on the 4th Wednesday of the month. However, it is moved ahead one week

due to planned absence of at least two Board members. Meetings are open to all homeowners.

Board Meeting Agendas are available on our website at least 7 days prior to the meeting.

<http://crownharbor.org/events/agenda.pdf>

In an effort to keep everyone informed, this issue of the Clarion is devoted to building maintenance and the roof replacement.

Board Notes from June 20th: As advertised, the Board held a special meeting on June 20th where they received and reviewed numerous proposals in response to their RFP. There were 6 bids for siding and trim repairs, 5 bids for exterior painting, 4 bids for a 5 year tune-up on our existing roofs and for replacing our shingled roofs. Two companies chose not to bid the roofing work. As requested in the RFP, the shingle replacement was bid separate from the other work. Only two of the companies bid on all of the work and both offered a bundled price to do it all(excluding shingle replacement). They would also include the seal coating on the walk-out roofs. One of the two, the lowest priced quote, was from a company pre-approved by Associa Construction who also offered a discount based on that relationship. Dan Poe, our Construction Manager explained the details of the various jobs and the quotes and answered questions from the Board and residents attending. There were two specific results expected from this process: First, from the bids to replace the shingled roofs, the Board would get a fair and reasonable idea of what our roof assessment must be. Second, the Board could decide how much of the needed repairs to our buildings we could afford to do this year. Unfortunately, on this note, the total cost for siding, paint and roof tune-up exceeds the funds available in our Reserve Account. Your Treasurer was tasked to define an

assessment plan for the roof replacement and to develop a plan to address whatever maintenance and repairs we could do this summer. These two plans would be presented at the June 27th meeting.

Board Notes from June 27th: This was a regular meeting so the Board followed the usual agenda. As part of the Landscaping report, they approved procurement of another 5 yards of mulch and solicitation of quotes for another round of tree trimming. In the Design Review category, use of the Maintenance department of Associa Construction was approved for painting the new garage doors (to be paid by each owner). The CERT Committee reported on their recent communications training session. The meeting minutes from the Board's May 23rd and June 20th meetings were approved as was the Treasurers monthly financial report.

Special Assessment: Just in case anyone is counting, the Board has solicited two special reserve studies, two informal roof inspections, held eight (yes that's 8) special meetings for residents and received independent quotes from 4 separate roofing companies in the last year to prepare for this decision. Based on all of these data sources and all the comments and discussions with our homeowners, our Treasurer proposed and the Board members present unanimously approved a five year assessment plan for roof replacement in summer of 2017. (see details on next page). Ballots for members vote on this assessment plan are being developed now. Look for your ballot later this summer.

Spit-shined and polished by Thanksgiving!

As expected, our Treasurer also proposed and the Board members present unanimously approved awarding the Bundled Maintenance Plan to A-1 Roofing, Management and Construction for their quoted price of \$ 335,589.93. This bundle includes siding and trim repair, 5 year tune up and maintenance of our existing roofs, sealing of our walk-out roofs and painting the entire exterior of our buildings. In a separate action, the board also awarded gutter and downspout repair to A-1 to be added to the bundle. All of this work will be completed THIS SUMMER. (again, see the details enclosed).

The Board also voted to delay repair and re-sealing of the asphalt streets and walking path until next summer.

Roof Assessment Proposal: Based on the cost calculations provided below and supported by the competitive bids received by the Board, the value of the Roof Replacement Assessment is established at \$1,100,000.00. The assessment will start with the first payment due Dec 31, 2012 and run for 5 years (2012, 2013, 2014, 2015 & 2016) to produce the final value for roof replacement in summer of 2017."

	30 year
Shingle Roof Replacement Bid	\$622,048.00
Inflation 5 years at 4% ea (21.6%)	\$134,362.37
Sub Total	\$756,410.37
Spark Arrestors (per UCC Est)	\$40,975.00
Walk-Out Roofs	\$13,000.00
Tune Up & 5 year Maintenance	\$60,800.00
2nd sub total	\$871,185.37
5% Contingency on roof work	\$43,559.27
3rd sub total	\$914,744.64
6%CM Fee on all billed work	\$54,884.68
4th sub total	\$969,629.31
Lump Sum CM Fee for Bids	\$3,000.00
Total of New Cost	\$972,629.31
Adding Pay-Back of Flat Roofs	\$120,000.00
Grand Total, All In	\$1,092,629.31

Rounded up to \$1,100,000.00 the proposed assessment would be:

		Per Unit	Per Unit	Total Per Unit
	# of Units	Per month	Per Year	Over 5 years
Type A	16	\$172.74	\$2,073	\$10,364
Type B	18	\$264.09	\$3,169	\$15,846
Type C	12	\$277.33	\$3,328	\$16,640
Type D	22	\$278.50	\$3,342	\$16,710
Type E	8	\$170.12	\$2,041	\$10,207
SUM	76			

Bundled Maintenance Plan: Based on the receipt of qualified bids and bundled package prices offered by vendors, we awarded the bundled package of siding and trim repair, walk out roof re-sealing, shingled roof tune up and maintenance and repainting the entire complex to A-1 Roofing, Management and Construction for a cost of \$335,589.93 (their quoted price).

Recognizing that this cost exceeds our available funds at this time, A-1 has also agreed to carry the balance of approximately \$137,000.00 as a no cost loan and allow us to make monthly payments until it is paid off at the rate of about \$13,000 per month. This is approximately our monthly contribution to Reserve in 2013. No further expenditures from Reserve are planned during this period. At this rate, the loan will be paid off in November of 2013. We will carry a balance of \$40,000.00 in the Reserve account in case of emergencies. This amount meets the minimum balance requirement.

In the event the proposed roofing assessment is approved and the first payment is received by the end of 2012, the received roofing funds can be used to pay back the Reserve funds for roofing costs already expended. By the end of 2012, the total roof expenditures on flat roofs, walk out roofs and tune-up will be approximately \$200,670.00. Repaying the reserve account the exact amount ensures the collected roof funds are used solely on the roof work. With this amount repaid to the reserve account, the reserve balance would exceed the loan balance and would be used to pay off the loan prior to November 2013. Once the loan is cleared, the reserve account can be used for reserve expenses as needed.

A forecast of cash flow to and from the Reserve Account, showing the above mentioned details is available for review. If you can't get to it on the website, ask a Board member for a copy.

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Community Assistant - Anna Zugar 510-780-8551
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For after-hours emergencies: 1 866-673-5415

This is an emergency line only. If your issue can wait until normal business hours, call Alex or Anna at their contact numbers above.

Gate Codes: Side gate: 514 Pathway Gates: 30245

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