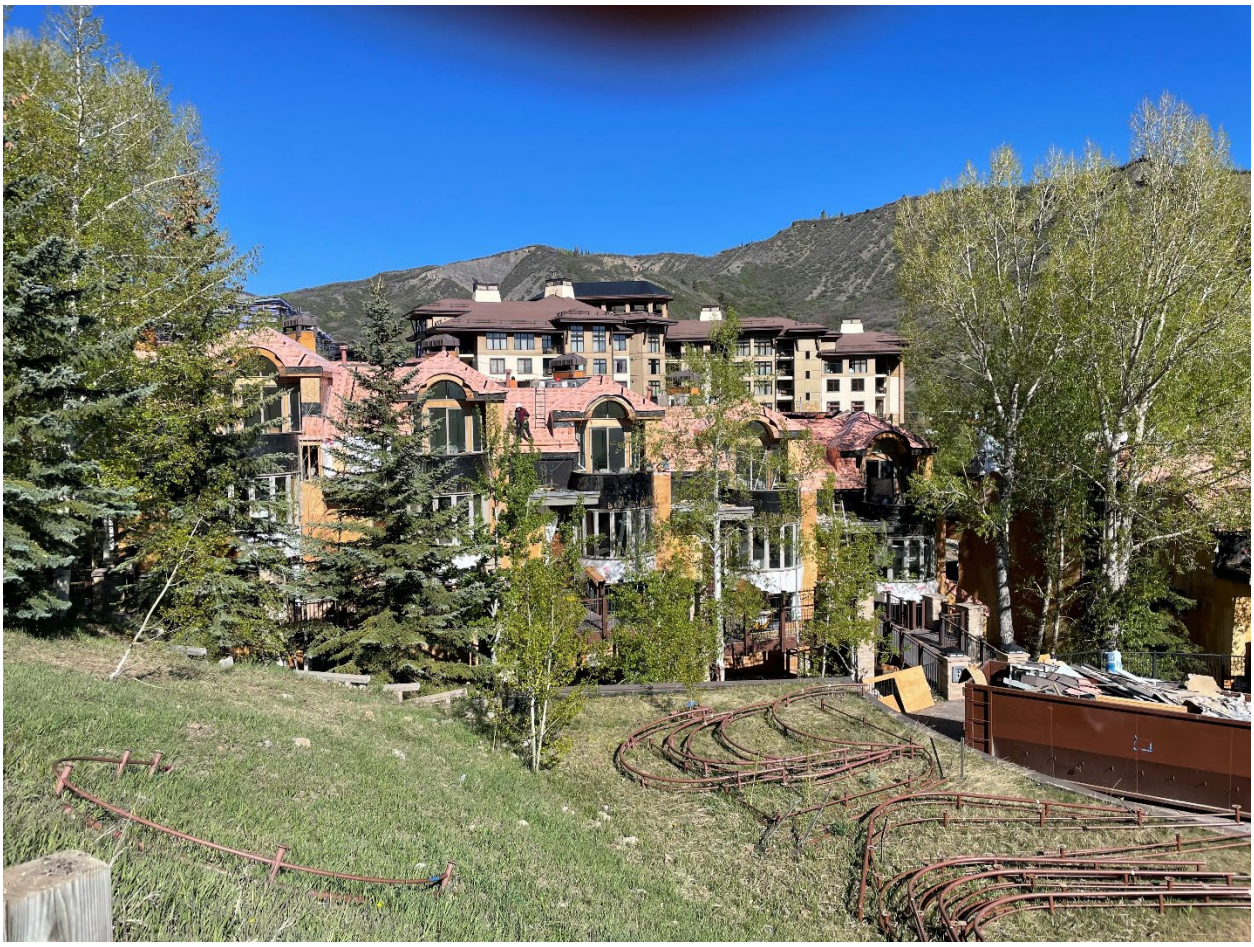
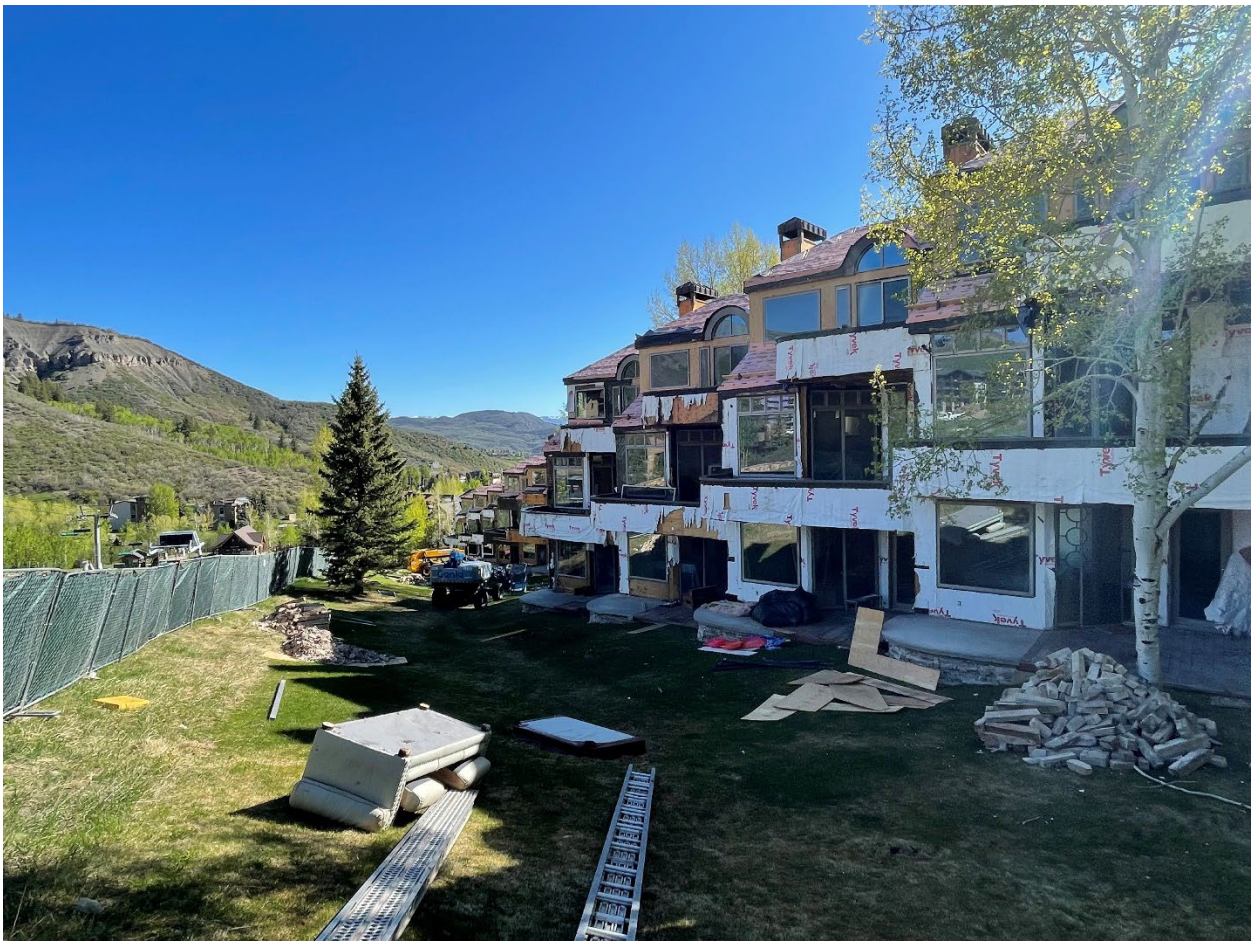
Exterior Renovation Update 05-27-22

The exterior renovation is moving apace. Demolition is about 75% complete—stone, siding, and roofing. New waterproofing has been installed where the roof has been torn off to keep things dry. They have started on the installation on the windows.

The first two photographs show broad views of the front and the back of B and A building respectively. The railings appearing in the foreground of the first will eventually be taken away to be painted and then re-installed toward the end of the project.



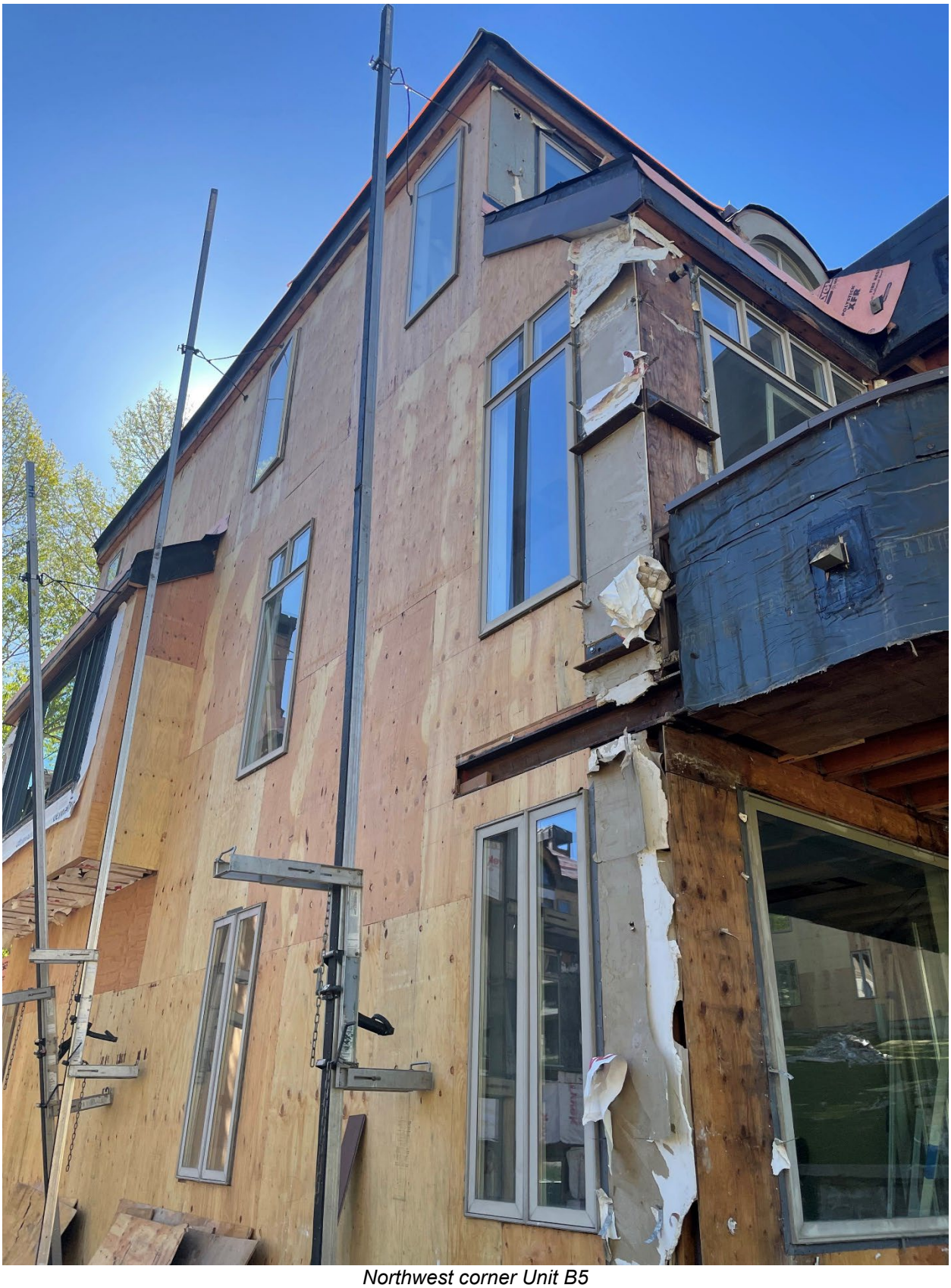
Front of B Building



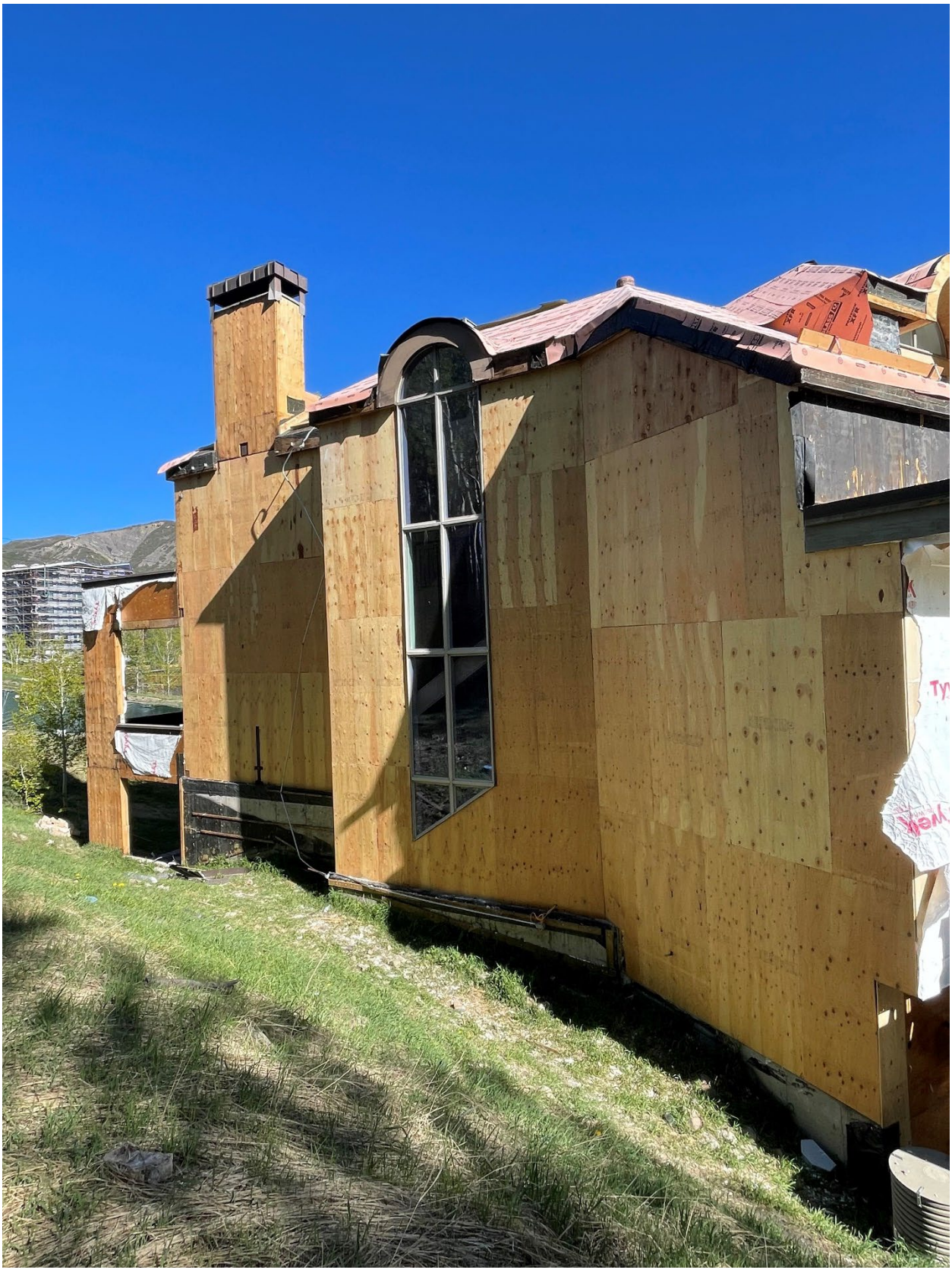
Back of A Building

During demolition of the stone veneer and wood siding, workers discovered that the building sheathing was almost entirely gypsum board—aka drywall or Sheetrock™—rather than plywood. The vast majority of the gypsum board was rotten and was replaced with ½" plywood to provide the proper backing for the stone and siding.

The original *scope of work* included removal of only a small portion of the existing stone veneer and the addition of some on the front and the northwest corners of the buildings. Because of the rotten gypsum board, all the stone needed to be removed. You can see in the below picture some of the drywall still on the northwest corner of the building—on the north side right of the living room and guest master windows, and on the west side to the left of the master bedroom window. The plywood on the north side is all new, the plywood on the west side is original, one of the few places that actually had plywood. It is discolored due to age and not due to damage; it is still structurally sound. You can also see the new dining room window! The second picture below is the south side of A1 and shows new plywood everywhere except for the decks.



Northwest corner Unit B5



This necessary work resulted in a *Change Order* with an increased cost of $389,000, and a 10-day extension to the length of the construction period. On the surface, that moves the projected date for any occupancy potential to November 1st, with completion now scheduled for December 14th. This does not change the currently scheduled third installment of the special assessment, which is due on July 1, 2022. It also does not present a cashflow problem for the HOA. The Board anticipates that there will be other—though much smaller— Change Orders to the scope of work over the next few months, and will have a better understanding of cash requirements towards the end of August/start of September. The Board is currently looking at options for additional funding: line of credit, construction loan, long-term loan, special assessment, etc.

Another concern is the total electrical demands being placed on the available capacity. From the perspective of the exterior renovation itself, the original analysis still holds true: The electrical capacity available through the house panels is adequate to power all of the needs of the HOA common elements. These needs include the boilers and pumps for the new snowmelt system (concrete walkways, stairs, decks, and patios), heat tapes, heat mats under certain sections of the metal roof, exterior 'house' lights, crawl space ventilation, etc. The potential problem lies with the electrical capacity available to the individual units themselves.

The current service provided to each unit is rated at 150 amps. An initial review by an electrical engineer is that these panels are tapped and will need to be upgraded to handle any additional loads. For example, some units have already upgraded their HVAC system and the demand from the heat pumps may already equal or exceed the power available from abandoning the in-ceiling heat mats. Some units have upgrade appliances and, while those appliances are undoubtedly more efficient, the actual power draw may be larger. Other units have added steam showers where there were none. Other units have added appliances—under-counter refrigerators, wine refrigerators, free-standing ice makers—and electric in-floor heat in the bathrooms. We are trying to sort this out.

The new hot tubs require a 60-amp circuit, the old tubs needed only a 50-amp circuit. Additional lighting, while not a large demand on available power, still increases the load. The potential installation of electric out-door heaters and controls creates another demand. Other units are upgrading their HVAC system. All of this adds up. It may be possible to increase the capacity of each unit's panel to 200 amps without a major expense. It may be that new wire needs to be pulled from the transformers to each building. As noted above, we are trying to sort this out. On a positive note, Holy Cross Energy tells us that the transformers and power available at the transformers are more than adequate.