

Kingsgate Highlands Division I & II

Pool Renovation Project Summary and Q&A

The purpose of this document is to explain the pool renovation project and answer questions asked by association members. A separate document will explain the assessment amount and payment options.

Summary

Approximately a year ago, the association board of trustees convened a committee of homeowners to lead a pool-deck replacement project. We originally planned to replace the deck between the 2007 and 2008 swim seasons. After looking into the project, the committee discovered the pool needed much more work. In addition to the deck replacement, we need to replace the plaster that lines the inside of the pool, tiles along the waterline tiles, and copingstones along the pool rim for both the pool and baby pool because of considerable deterioration. While the concrete deck is up, we will replace all pool plumbing, some of which we think is leaking. During the 2007 swim season, King County notified us that we must replace the fence around the pool and redesign the baby pool drainage. With all of this work, we have the opportunity to make major safety improvements by adding wider steps to the main pool and relocating the baby pool so guards and parents can monitor children in both pools. The committee has been dedicated to keeping costs as low as possible by doing what is required by King County Code, needed for long term preservation of this shared asset, and safety conscious while helping to modernize the facility.

Questions and Answers

Can we just clean and paint the deck instead of replacing it? No, the deck is at the end of its life and needs replacing. In addition, the deck is just one piece of the overall project. Regardless, any type of paint, sealer, or rubberized coating would quickly degrade and become unsightly. It would also become more costly to maintain.

Is the structure of the pool sound? We are unsure at this time and will not know until the contractor removes the deck and plaster. We are certain that we will need to back-fill some areas under the deck and around the shell due to settling and wash out from leaks. This has been included in the overall plan. If the contractor finds problems, he can fix those spots without having to replace the entire shell.

What is the lifespan of the proposed deck replacement? The current deck lasted approximately 40 years. We expect the same or better from the new deck.

How long will construction of the replacement take? The construction phase of the project should take approximately six weeks.

When would the construction take place? The construction will begin in September 2008. There are several compelling reasons for this. September is the optimal time of the year for concrete construction. Construction costs are expected to go up 7% to 12% next year. Given the current economic downturn, contractors are willing to be flexible with payment terms. Since the annual meeting, we negotiated payment terms with the contractor to coincide with our assessment collection schedule.

Could we spread the assessment over 18 months? It is possible, but the project would cost more if we delayed it; see the answer above. In addition, further deterioration will add cost. Typically, in condominium and other associations, special assessments can be thousands of dollars and are due immediately. We believe the assessment plan is a good balance between being accommodating to the members, taking advantage of current conditions, and keeping costs as low as possible.

Can we close the pool for a season and use the savings to help defer the assessment? No, the savings would be minimal and the impact on the community would be too great. We would only save lifeguard costs. We would

still have to run the pool to maintain the mechanical systems. We would not have guest member dues. There would be no swim team for the year. And, the pool facility would be vulnerable to vandalism.

Could we raise regular dues instead of an assessment? No, it would take too long to raise the needed amount.

Can we hold a garage sale at the park and have everyone donate their proceeds to the pool project fund? The board supports this idea, however we cannot accurately estimate the cash flow to include it in the budget, and it would only bring in a small amount. We could use these funds for items that are more cosmetic. Association members are welcome to step forward and organize this event.

Can we use engraving the copingstones as a fundraising opportunity? Yes, but like the garage sales idea, it would only bring in a small amount. An association member is welcome to step forward and organize this event.

Can we open up the newsletter to allow ads from local businesses? Sure, but the revenue would be minimal.

What other options did the board evaluate and consider for financing? The board considered many options. Here are comments on several of them. The swim team will contribute to the project. The board increased guest fees for the 2008 season. We looked into a bank loan, but it was not feasible. Because of the percentage ownership of the park and pool by all lots in the association, two thirds of the association would have to approve mortgaging the park and pool property. Furthermore, there would be added interest expense. There are many fundraising possibilities; please see the garage sale answer above. Corporate donations are not possible since our pool is not open to the public.

Has the question been addressed as to how many people can and will pay the assessment? We will assess all lots. The assessment statement will explain the payment options.

Could we only do the King County requirements this year and do the pool in the fall of 2009 to provide for a longer time to collect assessments? It is possible, but it would cost more due to some rework and delay. See the answer regarding when construction would take place.

Can we set up a structure where people who can afford to do so, pay for or sponsor those who cannot? There are legal and tax implications that prevent the association from facilitating such arrangements. Individuals are welcome to make such arrangements between themselves.

If we knew about this, why did we not raise dues a few years ago? We did not know the true scope of the project until after the pool committee started investigating deck renovation last year. We raised dues a few years ago to save up for a simple deck replacement. Since then, pool operating costs have risen significantly and dues have not kept up to build a sizable enough fund.

If I do not use the pool, why do I have to pay? All association members have equal ownership of our park and pool. Therefore, we all benefit from it and are responsible for maintaining it. Please see article 5 of the association's articles of incorporation for further information about assessments.

Why move the baby pool? Current code requires us to make changes to the baby pool. We have the opportunity to make significant improvements to the baby pool for comparably smaller incremental cost. In addition, the board feels that it would be safer to have the baby pool located closer to the main pool so the guards can monitor it.

What happens to the old space if we move the baby pool?

We will run conduit under the new deck to allow future development of that area. Ideas include a cabana area with amenities. In the mean time, we are also considering making it a picnic or grass area.