

BUILDING ENVELOPE PROJECT UPDATES

On 4/19/2021, the board met with Alika Nee, Marcus (Gores Construction), and John Turner and Melinda Tran.

Pricing was reviewed. The front decks will be reset rather than replaced, to decrease cost. It may be possible to replace 12- as vs 16- decks, but this will depend on the engineering team. Marcus indicated owners will not be displaced, and Gores will work Monday to Friday, 7:30 AM to 4:00 PM. The order of work is decks, rear sliders, south exposure, north exposure, and roof. The scope of work was approved by the board. The contract will be reviewed by the attorney, after which a meeting will be held with owners and attorney present.

On 3/18/2021, the board met with John Turner and Alika to discuss pricing and possible adjustments, prospective loan from Northwest Bank. Budget was again discussed.

On 3/4/2021, a zoom meeting with Alika Nee and Kali Bose (of Pono), Attorney Jason Grosz (who recorded the meeting), Tony Privatera, Anne Girardot, and John Turner and Melinda Tran (of Century 21).

3 bids were reviewed as was the base scope of repair. Siding, patio doors, patio closet doors, decks, roof, gutters, "catwalk" and front landing/stairs, roof replacement was recommended by Alika. He indicated extensive repair was necessary due to the advanced problems and recommended as much repair as financially possible be done, as a preventive and cost-effective measure.

The board approved Gores Construction based on bidding. Plan was for Alika to contact Gores and discuss pricing specifics, and John Turner to contact banks regarding the possibility of a loan.

Q & A Zoom Call - July 26th @ 6:00 pm - Meeting Notes click [Here](#)

Questions & Answers

Scope & Contractor

- What is the scope of work and the cost for each component, including the materials that will be used?
 - Please see document: [*Scope of Repair*](#)
- What is the name of the company performing the project? How reliable is this company, and what would happen if they went bankrupt during or after the project is completed?
 - See information provided for question 1. We can also discuss with our Attorney on the Zoom call.
- How many bids did you obtain before deciding on this Contractor?
 - Three, which is standard. They were Charter Construction, Gores Construction, and Tatley-Grund Inc.

- Is it possible to decrease the expense by excluding the units which have already had some work done on their windows or decks?
 - This question will need to be answered by our Attorney.
- How urgent is the roof replacement?
 - It is urgent, which will be clarified by our Project Manager, Pono Building Consultants.
- Why are we replacing landing on the south building if it was done within the last 8 years?
 - This will be answered by our Project Manager, Pono Building Consultants.
- What is the estimated duration of the project?
 - Approximately 6 months.
- Is the cost for the whole project locked? Does the contract state if the cost for the material goes up, we will not have to pay extra?
 - This question will need to be answered by our Attorney and Project Manager.
- How will you address moving and storage of exterior A/C units during deck work?
 - This will be answered by our Project Manager.
- How can an owner or the Association get a rebate for energy efficient products installed?
 - This question will need to be answered by our Attorney and Project Manager.
- Will the front parking be affected at all?
 - The Contractor is aware that Residents will continue to occupy their units during the project, and will minimize the effect on parking to the best of their ability. This question can also be addressed by our Project Manager.
- Do the owners have an opportunity in choosing colors for the building?
 - This will be discussed on the Zoom call.

Loan & Repayment

- When is the payment due if I decide to pay in full?
 - This date is not determinable until the project is approved.
- If I pay my portion in full, will there be any additional discount besides not paying the interest?
 - No.
- If I pay in full, what proof will I get? Are we expecting any additional project cost?
 - Our Attorney will need to confirm exactly what kind of proof you will receive. We are not anticipating additional costs at this time.
- If I make a large payment, how is the smaller remaining balance spread out? Or, if I make larger monthly payments than required, to pay off sooner, will I still owe the entire interest balance?

- These questions will need to be answered by our Attorney.
- What will happen if someone does not pay or stops paying their portion of the special assessment? (How will that affect the rest of the homeowners?) To ease concerns in the event of a shortfall due to non-payment by homeowners (who are not prepared to deal with a cost increase), is there a way to certify the amount of equity in each owner's unit?
 - These questions will need to be answered by our Attorney.
- How many banks were contacted regarding the loan? Is the interest rate locked or not? Will the interest rate go up in 1 or 2 years and by how much?
 - These questions will need to be addressed by our Attorney.
- If the cost of the construction is less than proposed, what will happen to the remainder of the loan?
 - This question will need to be answered by our Attorney.
- Is the anticipated decrease in HOA dues more than \$100.00 per month *after* the project is complete? When will I see a reduction in my dues if I am making monthly payments, or if I pay in full up-front?
 - This amount is not finalized- it is not determinable until the project is complete, and the budget is analyzed at that time.
- As per Section 3, part (a): If an owner prepays the full amount of owner's entire Project Assessment (\$74,175.88) by August 1, 2021, the owner will *not* be charged the amount of Loan Cost Assessment (\$48,755.59). However, the deadline for voting on this matter is stated as August 27, 2021. Please advise on how to reconcile this timetable.
 - Dates are currently fluid and can only be finalized upon approval of the project.
- As per Section 7 – *Use of Assessment Income*: "...the Association is not bound to pay down the balance of the loan if the Board determines it is in the interests of the Association to use the funds to cover other common expenses." So, once the Board receives an owner's full payment of \$74,175.88, where does the money go? And in the event the money is appropriated for other than the loan repayment, will the owner be notified? Will another round of voting take place?
 - These questions will need to be answered by our Attorney.