

Estimated 30-year Costs (both pools, 3 & 5)

	Remove Both Pools	Rehabilitate Both Pools
2010 Costs	\$120,000-\$140,000	\$170,000-\$200,000
Operating Costs	Small, maintaining open space	\$20,400 per year, \$1,018,000 over 30 years
Reserve costs 2010-2039	None	Mastic, pumps , filters, heaters, re-plaster, furniture \$200,000 over 30 years
2040 Costs	None	Refurbish again \$355,000-\$420,000 in 2040 dollars
Total 30 Year Costs, including 2010	\$120,000-\$140,000 + maintaining open space	\$1,743,000-\$1,838,000

BACK-UP DOCUMENTS

1) Estimated Refurbishment Costs

Pool 3

Re-plaster, tile, coping	\$9000
Plumbing, electrical, cabana to pool	5000
Cabana exterior—shingles, doors, vents, shower tile, paint	12,000
Cabana interior—plumbing, vanity, partitions, paint	5500 (1)
Pump room wallboard	2000
Roofing, including new wood	8,000 (2)
Drawings, permits, inspections	5,000
Fencing, 300 linear feet	30,000
Decking, pool level only	12,000 (3)

Total \$88,500

Pool 5

First 6 line items as above	\$48,500
Fencing, 165 linear feet (incl \$5000 for new footing)	21,500
Decking, pool level only	15,000 (3)

Total \$85,000 (4,5)

(1) If we replace bathroom stall partitions and/or add tile as we have in the main pool bathrooms, this could be much more.

(2) The cabana sub-roof is 2x6 tongue and groove wood that can be very expensive to replace.

(3) For a unified look at pools 3 and 5, we may decide to redo or coat the raised cement areas. The above decking estimates only include the decking at the pool level. This would involve considerable

added costs.

(4) The above costs assume NO ADA mandated requirements.

(5) Our experience with the main pool rehabilitation was that many expenses were discovered only after we removed the decking and cabana shingles. Examples: the ground under the decking was not properly prepared requiring gravel and re-grading, electrical conduit under the decking was rusted through; pool railings had to be replaced when the decking was removed, there was extensive rotting wood under the shingles.

2) Pool 1 & 6 Removal Costs (2009) as a basis for pool 3 & 5 removal costs

BASIC COSTS

Removal of pool 1 (\$6800) and 6 (\$7800) decking and fencing	\$14,600
Fill in pools 1 and 6 (\$14,000 each)	28,000
Demolish pool 1 and 6 bathrooms and pump rooms (\$11,000 each)	22,000
Subtotal	\$64,600

CITY/COUNTY REQUIREMENTS

City drawings, permits & inspections	8,693
Geotechnical engineer	4,000
Subtotal	\$12,693

UTILITY RELOCATION/CAPPING

Removal of gas meter, capping of gas lines	6,150
Pool 6 temporary power poles	2,900
New electrical housings	11,476
Subtotal	\$20,526

LANDSCAPING

Irrigation (\$4550 pool 1 + \$3576 pool 6)	8,126
Sod and plants (\$3657 pool 1 + \$3744 pool 6)	7,401
Pathways	3,000
Subtotal	\$18,527

Total approved as of September, 2009 **\$116,346**

3) Satellite Pool Operating Costs, 2008

Average annual costs for each small pool

1. Natural gas	\$1,025
2. Pool Service	1,703
3. Janitorial	861 (updated 2010)
4. Chemicals	377
5. Electricity	2,964
6. Plumbing repairs	160+
7. Lighting contract	437
8. Satellite pool/cabana repairs	702
9. Miscellaneous maintenance	581+

10. County permit	305	
11. Tree trimming	740	
12. Maintenance/repairs	225	
13. Insurance	107	
14. Security patrols	0	
15. Water	0	
16. Landscape (added cost)	0	
17. Other	0	
TOTAL	\$10,187	
30-year costs assuming 2 1/2% general inflation and 5% energy inflation		\$508,905
Computed by $10,187[(1-1.033^{30})/(1-1.033)]$		

NOTES

1. 2008 natural gas usage averaged 251 therms costing \$430 in May-June, 140 therms \$250 in June-July, 96 therms \$95 in July-August, and 146 therms \$250 in August-September

2. Tim Rolfer of Aquapure estimated that half his labor costs were due to the 6 small pools. The pool service contract actuals for 2008 were \$20,430.

3. Sophia of Sams' Janitorial estimated that half of her time was spent on the small pools during the summer and one-third of her time in the winter. This is 6.5% of the time per pool. We changed to Walker in 2009 but the ratio remains valid. The 2009 janitorial contract was \$13,252 (basic contract plus supplies but not including rental of clubhouse cleaning). Note that the small pool bathrooms must be cleaned and stocked in the winter because they are used by landscape and other contractors.

4. Tim Rolfer said that about 10% of the chemicals are used on the small pools. In 2008 actual pool/spa materials was \$22,672.

5. In 2008, pool 1 used an average of 1570 kwh/month which at 17 cents each meant an average cost of \$267/month or \$3204 per year. Edison verified that this meter was closed 3/18/09. Pool 6 used any average of 1337 kwh/month costing \$227 for an annual cost of \$2724. This meter was closed 3/26/09. Note: The pool committee and the Board have worked to reduce electrical use at all the small pools by reducing pump hours and using lighting more efficiently. These efforts have reduced electrical costs. The 2006 electrical costs for pool 1 were \$5821 and for pool 6 were \$4127.

6. General ledger account 7620 deals with sewers and plumbing repair. There are many entries "clear a main line stoppage," "plumbing maintenance," "plumbing/rooter service," and "sewer maintenance." Some may have involved a small pool, especially pool 6 with many ficus trees. The references that specifically mentioned a small pool totaled \$959 or \$160 per small pool.

7. The 2008 actual light maintenance contract was \$26,820. The community has 895 lights according to the April 2008 Inventory. The six small pools had 118 lights. Counting the 156 tall pole lights three times (more labor intensive), the small pools use 9.8% of the contract.

8. The general ledger Jan 2008 through May, 2009 had an actual charge of \$5,789 for account 6220, Satellite Pool Repairs. Annualized, this is \$4086 per 12 months. The same general ledger as above showed \$179 for account 6221, Satellite Cabana Repairs. This is \$126 per year.

9. This is general ledger account 7614 for 2008. Many entries just referenced “common area maintenance” which could have been the small pools. References that specifically mentioned small pools totaled \$3487 or \$581 per small pool.

10. This is the annual county charge for inspecting one pool.

11. Tree trimming is done on a three year cycle except for trees around pools which are done annually. The number of trees around each pool varies. Pool 1 had 18 trees, 4 very large. The cost to trim these trees is \$1570 per year according to Tierra Verde. The extra trimming costs an average of \$1047 per year. Pool 6 has 8 trees, 6 ficus, one pine, and one acacia. The cost to trim these trees is \$650 per year or \$433 extra per year.

12. Taking to management and the Board member responsible for maintenance, it is estimated that our maintenance crew spends 7 to 8 hours per year on each small pool. Jobs done include: taking out, cleaning and putting back pool furniture; touch-up painting of gates, fences, shingles; replacing cabana shingles; repairing bathroom vent screens; checking out and fixing (if possible) plumbing, door, and other problems; painting bathroom floors. Our labor costs are \$105,348, including taxes and workman's comp. This works out to \$26.38 per hour. Add to this a small amount of materials such as paint, screen, hardware.

13. Email from Prendiville Insurance Agency: “I (Patrick Prendiville) confirmed that the reduction in premium is \$107 per pool on an annual basis.

14. In the 3 _ summer months security or maintenance opens and closes the small pool gates. The rest of the year they do not. They also make two rounds of the small pools daily. This takes about one hour for six small pools or 12% of the time. We now have four small pools, so this would be reduced to 8% of their time. Securitas charges us \$64,000 per year, 8% of that is \$5120 or \$853 per small pool. However, closing one or more small pools will not directly reduce security costs.

15. There will be little, if any, net change in water usage. The US Department of Energy estimates that pools the size of our small pools use 21-24,000 gallons of water per year due to evaporation and splashing. However, the decking, pool and bathroom area now need to be watered.

16. There will be an increase in landscape area, the area where the pool decking and bathroom were situated. These areas are about 3600 square feet for pool 1 and 2500 square feet for pool 6. Before the addition of this area, Beachwalk had 17.2 acres of common landscape or 749,332 square feet. 6100 square feet represents an addition of 0.8% of our \$276,000 landscape and sprinkler costs or \$2247 for the two pools. However, the decks at pool 1 and 6 had to be blown off and there were potted plants, ivy and bushes to be tended at pools 1 and 6 reducing this cost. Even though there would be an apportioned increase in landscape cost of around \$900 per small pool , it is unlikely that our landscape contract will be increased (see below).

17. There are other places in the operating budget that costs would be proportionally decreased due to the converting of pools 1 and 6:

- Pest control spent \$1779 in 2008 to control insects and we have removed two buildings and 54 feet of wooden fence (pool 6).
- Each small pool generates trash year round and we spent \$2629 on trash removal.
- Our management company deals with work orders and questions about the small pools and we spent \$128,072 on management plus printing and mailing costs.

- Our reserve study cost \$2023 in 2008 and 49% of the items on the study (84 out of 172) were small pool capital items.
- Our newsletter cost 4,118 and some of the articles dealt with the small pools.
- We paid 7,986 for elections in 2008 and one election was for the question of what to do with the small pools.

These costs can be difficult to determine and it is unlikely (as with landscape in item 16) that trash, management, reserve or newsletter costs would be reduced because we have two fewer small pools.

4) Reserve Costs 2010 through 2040

The \$100,657 number represents all the reserve costs between the 2010 refurbishment and the 2040 refurbishment. The complete list is:

1. Painting the cabana interior and exterior every 10 years	2 x 2000
2. Painting pool fence every 2-3 years if metal, every 10 years if wood	10 x 1000
3. Re-roofing every 15 years for flat roofs, incl wood	1 x 8000
4. Water heater every 10 years or 20 years if tank-less	2 x 1050
5. Pool filter every 10 years	3 x 1000
6. Pool water heater every 10 years	3 x 4000
7. Pool water pump every 6 years	5 x 1300
8. Re-plaster the pool surface and replace the tile every 12 years	2 x 6100
9. Pool furniture every 6 years for chairs umbrellas and lounges	5 x 1500
10. Mastic between decking and coping every 4 years.	7 x 600
Total	\$69,500
Total over 30 years with 2 1/2% inflation (\$69,500 x 1.025 ¹⁵)	\$100, 657