

C.C.C. Special Board Meeting

The Board of Directors

Topics of discussion

- Cause for project
- Associated costs
- Funding options
- Timeline of project

Cause For Plumbing Project

- 40 year old sewer mains
- Corrosion within
- Cracked pipes
- Rust
- Costly ruptures
- Remediation expenses

Determination of Approval for Project

- Horizontal mains replaced and remediation
\$4,200.00 per crawlspace
X 114 crawlspaces
= \$478,800.00

Project bids

- Y & Z:
\$434,975.00
- Total Plumbing:
\$260,138.00
- Elite Drain & Plumbing:
\$110,000.00

Elite Drain & Plumbing

- Positive past experience
- Familiar with C.C.C.
- Best bid for project

Emergency VS Preventive Maintenance

- Overtime hours for maintenance
 - Unexpected plumbing turnoff
 - Weather conditions
 - Remediation
 - \$4,200.00
- No over time hours for maintenance
 - Scheduled plumbing turnoff
 - Good timing
 - No REMEDIATION
 - \$965.00

4/12/2010

Savings \$3,235.00

Funding Options for Payment of Project

- 1) Canyon Club HOA assumes full responsibility for payment of project.
 - No up front cost to homeowners
 - Reserve fund would be depleted causing each line item to remain unfunded
 - Loss of future gains on the money that would be spent

Funding Options for Payment of Project

2) Homeowners receive an assessment to fund the entire project.

- Homeowners would each be assessed \$544 - \$795
This fee could be paid in one payment or divided over 6 months. \$91 - \$133 per month – Full payment due by 6/01/10 or 6 monthly payments to begin 6/01/10 and end 11/01/10
- CCCHOA would maintain the long term reserve plan as approved in September 2009

Funding Options for Payment of Project

- 3) Canyon Club HOA assumes responsibility for 50% of the payment of the project, Homeowners receive an assessment to fund 50% of the project.
- Homeowners would each be assessed \$272 - \$398. This fee could be paid in one payment or divided over 6 months. \$46 - \$67 per month – Full payment due by 6/01/10 or 6 monthly payments to begin 6/01/10 and end 11/01/10
 - Canyon Club would be able to maintain a 50% funding of the long term reserve plan.

Funding Options for Payment of Project

- 4) Canyon Club HOA would assess a 10% special assessment each month over the following three years to begin October 2010 above any regular increase in monthly assessments.

Funding Options Recap

- 1) Canyon Club HOA assumes responsibility for payment of project.
- 2) Homeowners receive an assessment to fund the entire project.
- 3) Canyon Club HOA assumes responsibility for 50% of the payment of the project, homeowners receive an assessment to fund 50% of the project
- 4) Canyon club HOA would assess a 10% special assessment each month over the following three years to begin October 2010 above any regular increase in monthly assessments.