



Town Hall #3 – October 12, 2022

PROJECT OVERVIEW

Agenda for this meeting

- **Introductions**
- **Project overview**
- **Why these repairs are urgent**
- **Code required design change**
- **Contractor selection based on competitive bidding**
- **Project Budget and Assessment**
- **Financing Options**
- **Questions and Answers**

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Construction Managers:
Design Build Associates

Dennis Brooks

Rich Carroll

HOA Attorney:

David Wankel

Agenda for this meeting

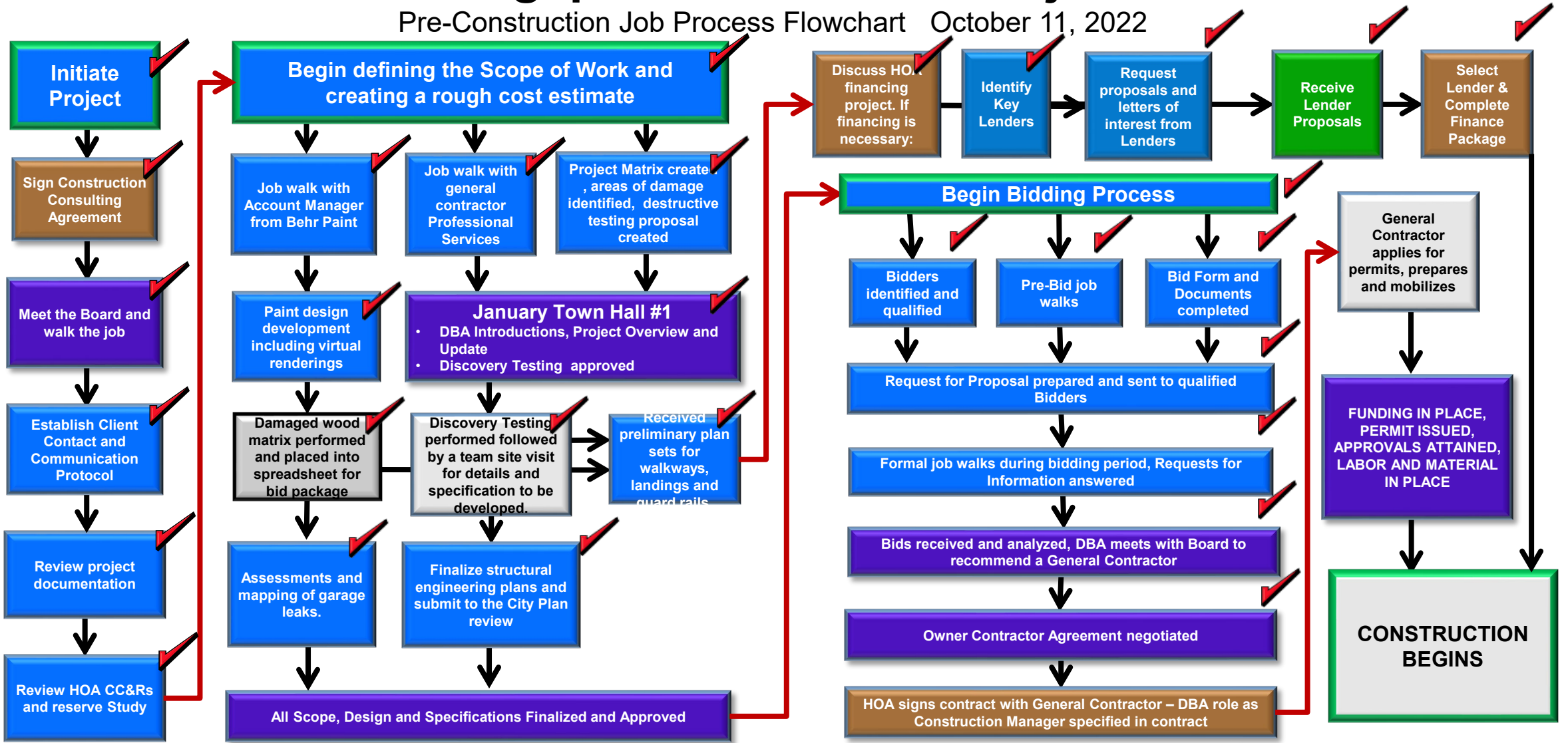
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Bridgeport Project Overview

- Damaged wood trim will be replaced.
- Balcony repairs.
- All damaged walkway beams will be replaced, new deck coating installed on all walkways. Required by Senate Bill 326.
- New wrought iron must be installed to meet Building Code requirements.
- Repairs will be made to the parking garage walls.
- All previously painted surfaces to be repainted.

Bridgeport Renovation Project

Pre-Construction Job Process Flowchart October 11, 2022



Legend

- Critical Path
- Bridgeport HOA
- DBA
- Team
- Lender
- Contractor
- Beginning of Phase
- Completed Task

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Failing structural
beams need to be
replaced



Failing structural beams
must be replaced



Emergency shoring to prevent collapse



Old shoring and continued failure

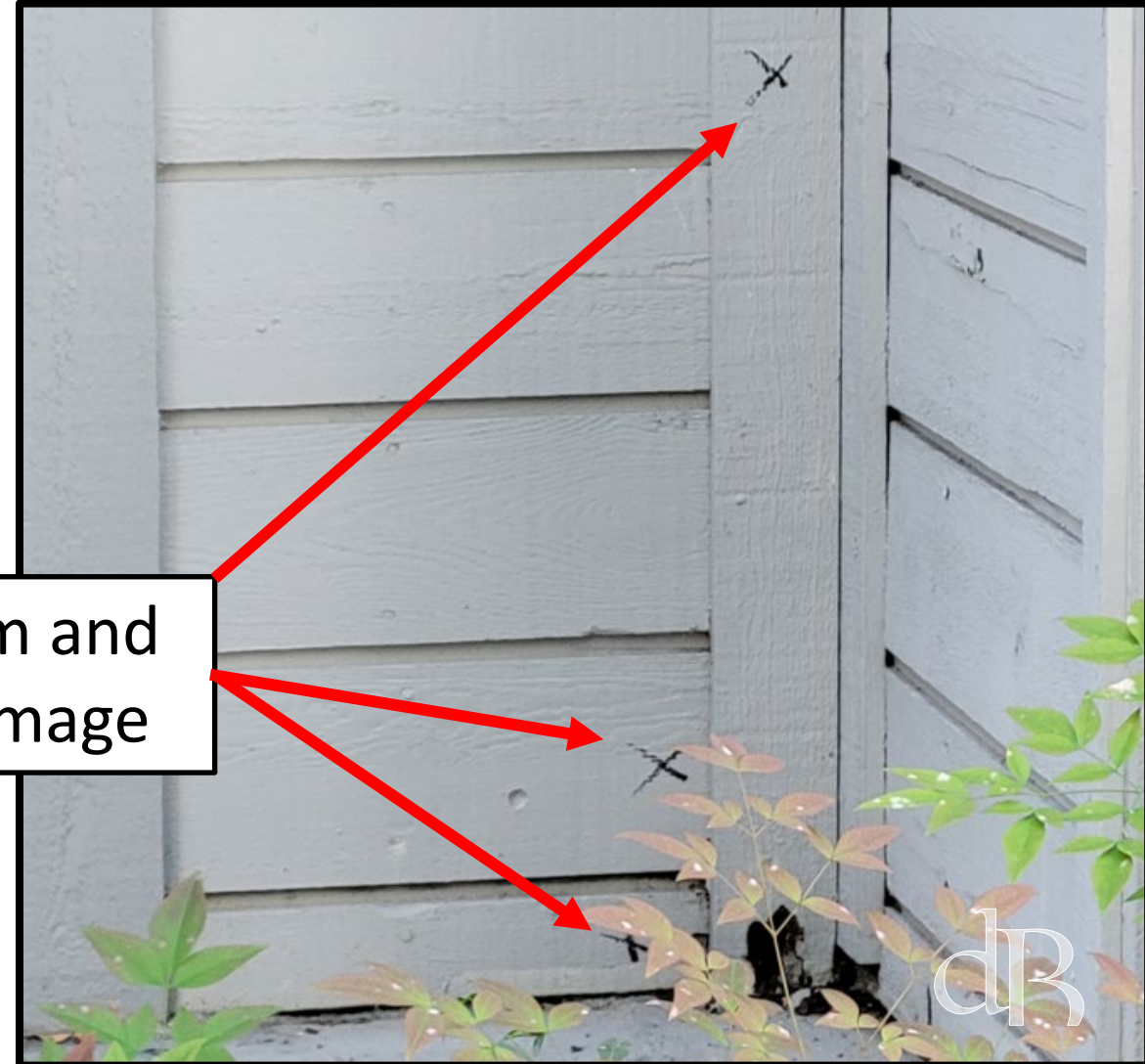
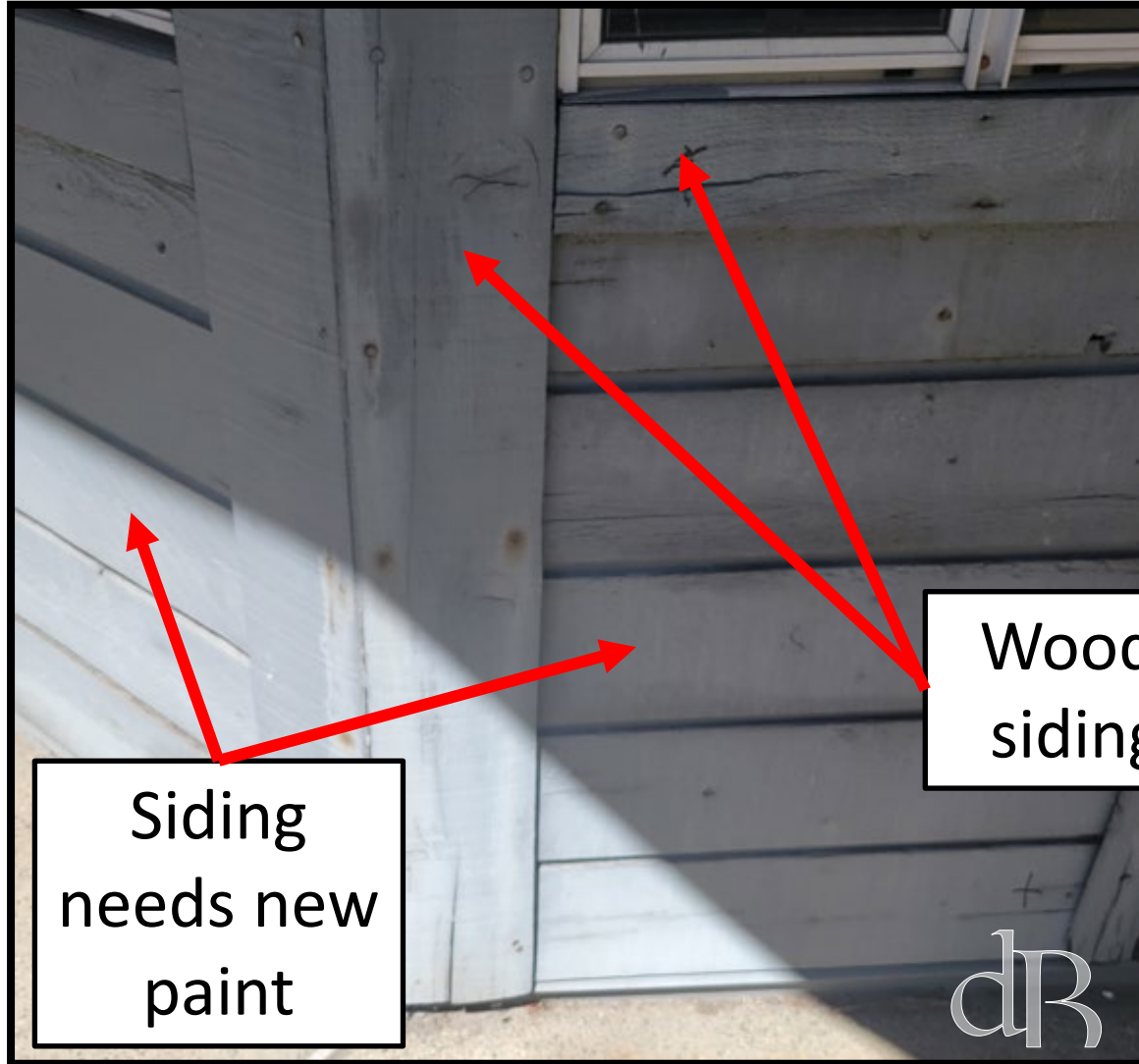


Structural landings must
be replaced



Efflorescence on garage walls due
to water intrusion





Stucco damage
needs repairs and
painting



Trim needs to be repaired and/or replaced.



Examples of building components that need repair



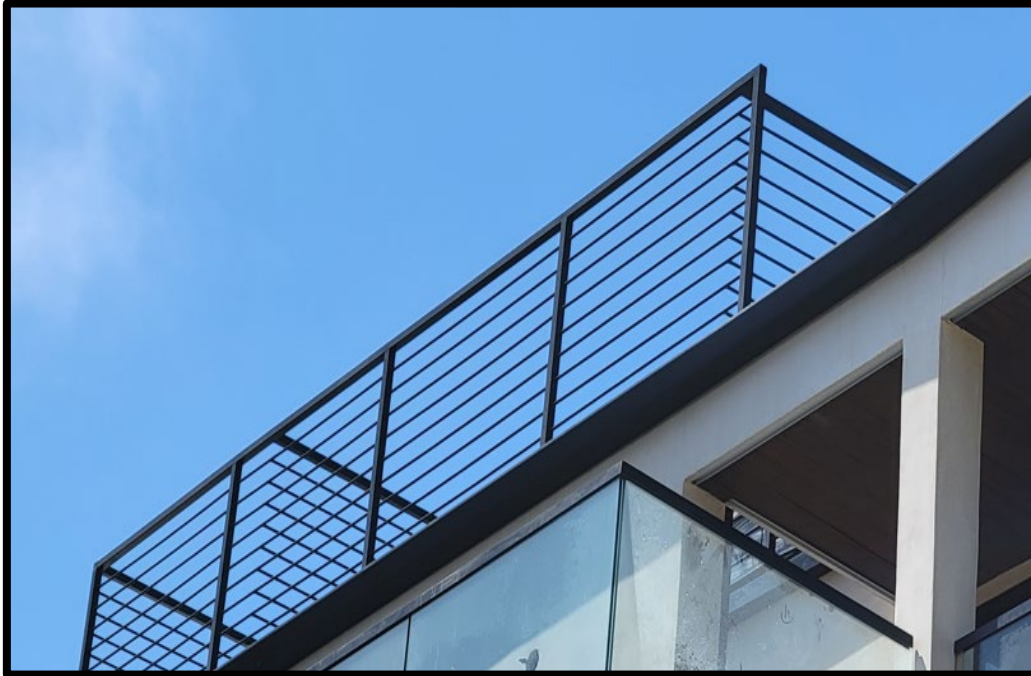
Trim needs to be repaired and/or replaced.

Siding needs new paint.

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Horizontal style guard rails



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Contractor selected based on competitive bidding

- Requests for proposals were sent out to 6 contractors
- Meetings and onsite inspections were conducted with each contractor
- DBA responded to Requests for Information
- We received 4 contractor bids
- Board reviewed bids, interviewed Contractors, and selected RayCo Exteriors

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Project Budget

Contractor's Base Bid

Painting only

\$388,401.60

Total Estimated Wood Replacement Cost

\$128,306.20

Pricing of Beams, walkways, and wrought iron

Beam replacement

\$684,986.20

Wrought iron replacement - Includes balconies and entry gate handrails

\$566,274.80

Walkway deck coating

\$234,503.00

Damaged walkway wood members

\$139,372.20

Elevator Modernization

\$275,000.00

Garage CMU wall rehabilitation

\$42,576.00

Balcony repairs to meet SB 326 requirements

\$38,951.00

Total Cost for Base Bid

\$2,498,371.00

Investigated Contingency

\$301,629.00

Total Project Cost

\$2,800,000.00

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Financing Options

- **Emergency Assessment** = approximately \$31,000 per unit
- Funding the project using existing reserve funds
 - Reserve balance available for this Project: \$824,0000 (34%)
 - Severe Shortfall with no ability to borrow the remainder.
- **Bank Loan of \$2,800,000.00**
 - HOA Monthly payments of \$25,067.00 (based on 6.75%)
 - 60 Units = \$418.00 per month for 180 months (15 years).

Financing Options - continued

- **Bank Loan of \$2,800,000.00**
 - Special Assessments of \$418 per month per unit
 - Requires membership approval
 - (Bank loan does not require approval)
 - *California Civil Code* §5605(b), the Board of Directors may not impose a special assessment that in the aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year without the approval of a **majority of a quorum** of members.

Financing Options - continued

- Bank Loan of \$2,800,000.00 = monthly payments
 - Majority of a Quorum
 - *Quorum* is set by law at more than 50% of members.
 - At least 31 votes must be received.
 - Of those that vote, a majority must vote yes.
 - If 31 votes are received, 16 or more must be yes.
 - If 53 votes are received, 27 or more must be yes.

Financing Options - continued

- **Bank Loan of \$2,800,000.00 = monthly payments**
 - Benefits of a loan v. emergency special assessments:
 - Spread out over time.
 - Can avoid interest with payment of \$46,666.66
 - Refinance options and HELOC options for tax benefits not otherwise available.
 - Can be negotiated with a sale/purchase agreement.

Financing Options - continued

- Why 180 special assessments of \$418 vs. one special assessment of \$46,666.66 paid over time?
 - Avoids losses to HOA due to Foreclosure and Bankruptcy. These only affect the special assessments already assessed at the time of filing.
 - Prevents heavy losses to budget within the 15-year time period.

Next Steps – Information presented at next meeting

- Ballots will be distributed for voting.
- Paint Color selections
- Contractor Selection and Contracts
- Loan Underwriting and Funding
- Project coordination and scheduling
- Help from all of you!

LONG BEACH BRIDGEPORT HOMEOWNERS ASSOCIATION

SECRET BALLOT FOR SPECIAL MEMBERSHIP MEETING FOR SPECIAL ASSESSMENT

November ____, 2022, or any adjournment thereof.

Pursuant to *California Civil Code* §5605(b), the Board of Directors may not impose a special assessment which in the aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year without the approval of a majority of a quorum of members. For the purposes of this vote, quorum means more than fifty percent (50%) of the owners within the Association. Thus, for our Association, at least 31 of the 60 owners must return their ballot or appear at the meeting to reach a quorum, and at least a majority of a quorum must vote in favor of the special assessments for the special assessments to be levied.

The Board of Directors has determined that a loan is needed to fund the community-wide structural wood replacement and painting project. The special assessments would be used to repay the loan. The details regarding the loan and special assessments are included on the attached Questions and Answers regarding the Special Assessments.

The election rules can be found at the following web-based URL: https://www.dbuild.com/client_pages/bridgeport/PW=BPrenovation The owner(s) of each home are entitled to cast one vote for the proposal. Please cast your vote by marking the appropriate box. Your vote will be cast in accordance with your choice as set forth on this ballot.

<input type="checkbox"/>	I AUTHORIZE the imposition of one hundred twenty (120) special assessments of \$418.00 each, per home, due on the first of each month, beginning on January 1, 2023.
<input type="checkbox"/>	I DO NOT AUTHORIZE the imposition of the special assessments.

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