

STRAND BLVD REPAVING PROPOSAL INFORMATION

At the 2017 Budget Workshop meeting, the issue of repaving Strand Blvd., from the front gate to just south of the Maintenance area, was recommended to the Strand Master Association Board of Directors by various Neighborhood Presidents. They recommended that the work be done because, in their opinion, the numerous pavement patches and roadway cracks presented a less than attractive entrance appearance to visitors, residents and perspective buyers. They would like this repaving work to be done this year versus the scheduled repaving in approximately 6 years (2023). The Strand Master Board agreed to review this proposal with the members, via a survey, before deciding on a course of action. This email is intended to provide you with some information about the proposed work prior to issuance of the survey.

Our yearly Budget includes funds for our Reserve Account. These account monies are used for future replacement or repair of specific items. They include: Repairs to sidewalks, roadways, perimeter fencing, etc. For each item, we estimated the full repair/replacement cost and then divided that cost by the useful life of the item to determine the amount we needed to set aside each year. You can view all these items on our web site under Budget Information, <http://www.thestrandmaster.com/>

For Strand Boulevard, that roadway is owned by the Club, but per the legal documents the Master Association is responsible for repair and maintenance of the roadway. We have estimated (based on recent contractor quotes) that the full repair/repaving of Strand Boulevard from the Gatehouse to the Club would cost approximately \$370,000. Per our Reserve Schedule, this work is fore-casted to be done in the year 2023. The cost of this repaving would be borne by the Club (20%) and the remainder borne by the Strand Master Association and its members. As mentioned, each year we put aside funds for this future work and, as of December 2016, we have approximately \$207,000 towards this project.

Here are some important items of which you should be aware: The roadway has been reviewed by engineers and a contractor who found that the roadway is structurally sound. Thus, any repaving now would be for cosmetic purposes only. When we reviewed the Club's cost sharing obligation with our lawyer under a scenario of replacement for cosmetic purposes, he informed us that the Club is **not** obligated to contribute towards this proposed cosmetic repaving since it is not "repair and maintenance" as defined in the legal documents.

Based on this we have assumed that the proposed project would require the full cost to be paid solely by the Master Association and its members. For this shorter section of roadway (both incoming and outgoing roadway from the Gatehouse to just south of the Maintenance area), the estimated cost is approximately \$265,000. Using the same appropriation of the monies currently in the reserve fund (approximately \$150,000 for this portion), the shortfall for doing the work this year is approximately \$115,000. Therefore, if the Master Association fully funds this proposed project, we would need to apply a Special Assessment of approximately \$120 per member.

The Strand Master Association Board of Directors ultimately will make the final determination on whether to move forward on this proposed project. However, we would like your opinion whether or not we should proceed to obtain quotes for the work and, if these quotes come within our estimate, whether we should then proceed with the work. We will be sending out a survey form in late January 2017 to solicit your opinion and any comments you may have on this proposal.

One final note: The Strand Master Association Board of Directors considers that for this Survey to be representative of the will of the members, it must have a minimum of 60% response of the 1073 members. Prior to sending out the Survey, we will send another email blast a week beforehand.

Thank you, for The Board

Bob Polizzotto, President
The Strand Master P.O.A.
January 17, 2017