

July 12, 2018

Executive Summary

Dear Seapointe Village Homeowner:

The purpose of this cover memo is to provide you with a brief summarization of the Seapointe Village plaza deck hot tub area reconstruction and rehabilitation project, Master Council's recommendations, and to ask for your prompt response to two ballot questions which are needed by your Master Council. Comprehensive information is included in this mailing. See the list of enclosures below.

The first ballot question is for the construction of the project. The Seapointe Village Master Council endorses the 2018 Plan, and we ask you to vote for Option 2 - the "2018 Plan". The 2018 Plan is a contemporary redesign of the hot tub area that reflects a multitude of improvements over the original design. The 2018 Plan creates a more functional, aesthetically pleasing common area with enhanced ocean views, a more accessible hot tub area, an iconic waterfall feature in the center of the oceanfront pool, meets current codes, and stabilizes and cures water infiltration into the structural deck (the reason for the project). The 2016 Plan rebuilds the hot tub amenity area as it was originally constructed and in the same location. The total project costs for each Plan is \$3.5 million.

The second ballot question is for authorization to open a line of credit. The plaza deck hot tub area project is expected to cost approximately \$3.5 million. Rather than assessing before the project begins, the Master Council endorses the line of credit to finance this project, and we ask you to vote "FOR" the second ballot question. Under the Association's governing documents, the Master Council may not borrow funds without a majority of Seapointe Village homeowners authorizing the action. Your favorable vote is imperative to allow the Master Council to open the line of credit.

By agreeing to line of credit financing, we will be able to begin the project this October, rather than delaying another year and realizing increased project costs. Perhaps more importantly, a line of credit provides payment flexibility to our owners, allowing homeowners to decide whether to pay their assessments in one payment or via extending monthly payment options for our homeowners. Please return your two ballots in the enclosed pre-addressed envelope on or before August 8, 2018. A meeting to discuss the project is scheduled for Saturday August 4, 2018 at Seapointe Village.

On behalf of the Seapointe Village Master Council, we thank you for your interest, support and prompt response by returning the two ballots as we approach the implementation of this project.

Sincerely,

Stanley V. Cach

Stanley V. Cach President Seapointe Village Master Association

Enclosures:

- 1) Construction Plan ballot
- 2) Line of credit proxy form
- 3) Project overview
- 4) Master Association Master Project Plan
- 5) The 2016 Plan Site Plan
- 6) The 2018 Plan Site Plan



All Members of Seapointe Village Master Association

To:

From:	Seapointe Village Mas	ter Council	
Re:	Construction Plan Ball	ot	
The purpose of this ballot is for you to express your preference for the reconstruction of the ocean front hot tub area. Your response below indicates your preference for how the hot tubs and amenities will be reconstructed in this area. There are two options.			
Option 1 - The 2016 Plan option reconstructs the ocean front hot tub area as is was originally constructed and presently exists in its current location.			
Option 2 - The 2018 Plan option reconstructs the ocean front hot tub area as follows: It converts the existing baby pool into a waterfall gazebo which would flow into the main pool; the baby pool is relocated to where the existing waterfall pool exists. The 2018 Plan retains 3 hot tubs, with approximately the same surface area as originally constructed and relocates them just west of their current location, into the area presently occupied by the lagoon and landscaping. The crow's nest area is incorporated into an elevated deck for lounging and seating.			
I SUPPORT FOLLOWING		OF THE OCEAN FRONT HOT TUB AREA TO THE	
	2016 Plan	2018 Plan	
Signat	ure of voter	Village – Unit Number	
Print N	lame	Date	

Please return the ballot in the enclosed envelope, email to yostopmc@comcast.net or fax to 609 729-8489.

LINE OF CREDIT PROXY FORM

The undersigned, being a homeowner in good standing in Seapointe Village Master Condominium Association (the "Association") direct the Secretary of the Association to cast my ballot with regard to the following as indicated below:

Ballot Proposal: Seapointe Village Master Council is authorized and directed to open a line of credit and borrow funds up to \$3,500,000.00 (three million five hundred thousand dollars) to finance certain repairs to the plaza deck hot tub area rehabilitation project. Seapointe Village Master Council may implement special assessments to be paid either in full or over time to pay off the loans.

Under this alternative, Seapointe Village Master Council would open a line of credit to finance the projects, then implement special assessments to pay off the line of credit. This alternative would give owners additional time until assessments are implemented. As security for the loan, Seapointe Village Master Council would grant to the lender an assignment of assessments, reserve accounts and/or other collateral as specified in the Loan Commitment.

For	
Against	
A vote in favor permits Seapointe Village Master Council number required for passage and action to borrow funds Please return your ballot on or before August 8, 2018. If votes to proceed, Seapointe Village Master Council will in amount to be determined to finance the scheduled project.	is 334. (334/499 = 66.93%). the proposal does not receive enough mplement a special assessment in an
Signature of voter	Village - Unit
Print Name	Date

Please return the ballot in the enclosed envelope, email to yostopmc@comcast.net or fax to 609 729-8489.



July 12, 2018

Re: Plaza Deck Spa (Hot Tub) Project Overview

Dear Fellow Seapointe Village Homeowner,

The purpose of this correspondence is to solicit your vote concerning two plans for the Plaza Deck Spa (Hot Tub Area) Project and to approve the Line of Credit to finance this project. We must receive your votes by August 8, 2018. Included in this letter are: Ballots and a return addressed stamped envelope to mail your votes and ballot to the Seapointe Village's General Manager's office or send them via: fax to 609-729-8489 or e-mail to Jim Yost @ yostopmc@comcast.net.

Seapointe Village is 31 years old, and the spas (hot tubs) are at the end of their useful life even after a proactive maintenance program. Some of the related infrastructure in this area is not designed to present codes. The plaza deck deterioration continues to occur and the longer this project is delayed, the higher the rehabilitation costs and increases the potential for unsafe conditions.

The project must be implemented to address the deterioration to the structural planks under the hot tubs area. The plaza deck's structural planks under the hot tubs are exhibiting signs of ongoing deterioration. The existing hot tubs and amenities in the immediate area must be removed in order to access the structural supporting planks. The planks will be inspected and rehabilitated as needed. Once repairs are complete, a waterproof system will be installed to ensure long term performance of the structure. After the structural repairs and the application of the waterproof system are complete, the new hot tubs and amenities will be installed.

In 2016, the Master Council was prepared to move ahead with this project. The plan was to remove the existing hot tubs, repair, reinforce, waterproof the area, and reconstruct the amenities back to the original design. The design professionals inspected the hot tubs area, main pool pump room, main pool water feature & lagoon area and made recommendations for needed repairs / replacement of these areas and prepared plans and specifications. For example, there are cracks in the ocean front water feature gunite rock wall, cracks in the supporting walls behind the waterfalls and leaks in the water pipes connected to the waterfall. The water lagoon also has a leaking water pipe. The main pool pump / heater room is difficult to maintain, the equipment is inefficient and beyond their useful life, unsafe inadequate ventilation and is not up to current codes.

Following the competitive bidding process, the lowest qualified bid came in substantially higher than the preconstruction cost estimate. Ultimately, the Seapointe Village Master Council rejected all bids and decided to re-evaluate this project. Since the Master Council's decision not to proceed with the project in 2016, the Master Council has posted the Master Association's open meeting minutes on their website, and in 2017 held three (3) open house meetings with the homeowners to present different concept plans by the design consultants.

The members of the Seapointe Village Master Council have dedicated countless hours over the past three years working with our legal counsel, engineers and design consultants. We have provided regular updates to the homeowners during open council meetings. Also, written updates were provided in various Association mailings, distributed at meetings and have been available in the Association's Management Office. Further, we have posted on the Seapointe Villages homeowners' website (spvma.com) relevant information of this project including background information, concept plans and updates, etc.

There are two alternate plans for rebuilding this area. We need your vote on your preference plan for the rebuild project. We refer to these two alternate plans as "The 2016 Plan" and "The 2018 Plan". The 2016 Plan is a rebuild in kind, as the plaza deck hot tub area was originally constructed and presently exists. The 2018 Plan, endorsed by the Seapointe Village Master Council, is a new concept plan developed by our design team based upon homeowners' comments, feedback and recommendations. The 2018 Plan relocates the hot tubs west of their present location and expands the plaza deck area by adding an elevated sun deck area with additional shaded seating area where the hot tubs are presently located.

We also request your authorization to open a line of credit for financing this project. We are at an important time in this process, regarding the rehabilitation and financing standpoint, and your timely formal response is needed. A proxy ballot is enclosed, including a return stamped envelope. Your immediate attention and response is needed. The Seapointe Village Master Council is endorsing the proposed financing plan outlined in this letter and encourages you to vote (through your proxy) in favor of opening the line of credit to finance the project. This requires 67% favorable owner's response to proceed with a line of credit. Should this proposal fail, the Master Council will determine another method for financing the rehabilitation project, which will likely include a special assessment in the coming months.

The 2016 Plan – "Rebuild As Originally Constructed"

The 2016 Plan is to rebuild the hot tub amenity area as it was originally constructed and in the same location. The Seapointe Village Master Council solicited competitive bids to perform this work in the fall of 2016 (work to repair the structural supporting planks and to replace the existing hot tubs area as it was originally constructed). The range of bids was widespread (\$2.4 million to \$4.2 million). The bids received were much higher than the pre-bid estimate of \$1.5 Million. In analyzing the 2016 bids, the Master Council sought to identify the cost-drivers and discovered that the unknown conditions of the project were a major contributing factor to the significant range of the submitted bids. After careful review, the Master Council rejected all the

bids, since they were significantly above the preconstruction estimate of \$1.5 million. The Master Council decided to reevaluate the project and not proceed with the project at that time

This Plan allows access to the existing raised Gazebo (crow's nest) **only** when the main front pool is open and is **not** ADA accessible. Therefore, this amenity is not utilized to it's potential. Also, the rebuild of the hot tubs in the same area is more complex construction and costlier.

The 2016 Plan's site plan is enclosed.

The 2018 Plan – "Updated Alternate Design"

The Seapointe Village Master Council wanted to evaluate a more cost effective plan for the plaza deck hot tub area rehabilitation project, seeking alternative concepts that enhance, update, renew and / or expand the plaza deck, amenities and their usage that achieve the objectives of performing the necessary structural repairs, while improving on the existing facilities making this area more attractive and functional, with a timeless, contemporary design that would sustain for the next 25-30 years.

In 2017, the Master Council retained the structural and aquatics consultants that worked on the 2016 Plan and added architects with coastal resort design experience. The Master Council directed the consultants to present concept plans that would refresh and renovate the recreational amenities while introducing captivating design elements consistent with the original design of Seapointe Village. Also, the consultants would consider the enhanced value of the improved amenities, assets and the visual, usage and appeal of the infrastructure facilities while avoiding short term trends.

Several concept plans were presented to the homeowners during the May 2017 annual meeting and at three (3) open houses during the summer of 2017, and again at the September 2017, December 2017, March 2018 open meetings. These concept plans have been posted on the Seapointe Village website.

The 2018 Plan design features include: converting the existing baby pool into a waterfall gazebo which would flow into the main pool, eliminating the need for a very expensive new receiving pond due to structural and code requirements; the baby pool would be relocated to where the existing waterfall pool exists, moving this closer to the lifeguard promoting greater safety and efficiency in guarding the pool, and also to bring this area into compliance with current codes.

The new design retains three (3) hot tubs, that are ADA accessible, with approximately the same surface area as originally constructed and relocates them just west of their current location, into the area presently occupied by the lagoon and landscaping. This plan results in significantly less construction cost because the hot tubs are raised above the plaza deck's structural planks and the waterproof system thereby simplifying the construction while keeping the same surface area square footage.

The elevated Gazebo, at the main front pool, (crow's nest area) is iconic but underutilized, so this area would be redesigned and incorporated into an elevated

amenity deck for lounging and seating with views of the ocean, beach and main front pool. ADA access would be available from the plaza deck to this new elevated amenity deck. Eliminating the crow's nest columns and gazebo, at the ocean front pool, will improve the ocean sight views.

The Master Council engaged with Merrell & Garaguso Contractors, (M&G), to develop the construction costs for the 2018 Plan and update the construction costs for the 2016 Plan to today's costs. M&G was the general contractor for the 2005 plaza deck rehab project submitting the lowest bid. The Master Council engaged M&G in a working collaborative arrangement with the 2018 Plan's design consultants. M&G's previous construction experience at Seapointe Village and their expertise and knowledge in the specialty type of construction required at Seapointe Village is a cost benefit advantage to Seapointe Village.

The 2018 Plan's site plan is enclosed with additional drawings on the Association's website.

Construction Costs

The Seapointe Village Master Council directed Merrell & Garaguso to update the construction costs for the 2016 Plan assuming the project's construction commences in the fall of 2018. M&G provided a proposal to construct the 2016 Plan per the design, plans and specifications for just under \$3 million.

The Seapointe Village Master Council directed Merrell & Garaguso to provide construction costs for the 2018 Plan assuming the project's construction commences in the fall of 2018. M&G provided a proposal to construct the 2018 Plan per the design, plans and specifications for just over \$3 million.

The design costs of just over \$210,000 have been incurred for the preparation of the plans and specification for the 2016 Plan.

The design costs of \$140,000 have been incurred for the preparation of the plans and specifications for the 2018 Plan. A portion of the 2016 Plan's design and specifications, mostly for structural repairs and aquatics features, can be utilized and are incorporated into the 2018 Plan

Total Project Cost

In addition to the actual construction costs of the repair and rehabilitation of the plaza deck hot tubs area, the total project costs include professional fees incurred for the design and development, on-going professional fees for legal services, consultant work and construction oversight. We expect the professional fees to be slightly higher for the 2016 Plan compared to the 2018 Plan, for the current resort design team to accept responsibility for executing the 2016 Plan.

The total project costs for the project are estimated as follows

Construction cost \$3,000,000
Professional Design fees \$350,000
Professional Construction fees \$150,000

Total Project Cost \$3,500,000

The total project costs are anticipated to be very similar for both the 2016 Plan and the 2018 Plan.

Project Financing

To date, the costs for professional fees have been financed from the Master Association's Reserve for Replacement Fund. The Master Association does not have adequate funds in the account to pay for the plaza deck hot tubs area rehabilitation project. The Seapointe Village Master Council is seeking approval to apply for a line of credit to finance the project.

Your authorization to approve the Seapointe Village Master Council to open a line of credit will allow the Master Council to move forward with the project this coming off-season, commencing immediately after Columbus Day Weekend. The Master Council must have homeowner approval by August 8, 2018 in order to execute an agreement with M&G Contractors and give them approval to proceed with the project and order the project's materials, supplies and equipment.

The Seapointe Village Master Association governing documents require favorable authorization from at least 67% of its members to approve this method of project financing by opening a line of credit. Master Council will draw on the line of credit to pay only expenses for the plaza deck's hot tub area rehabilitation project, including professional fees and construction. Based on the pre-construction project estimates, a maximum \$3,500,000 line of credit will be financed.

Any amounts borrowed from the line of credit will be paid back through a special assessment. Assuming homeowners authorize approval of the line of credit, the final assessments will be determined and implemented at the completion of the project. The assessments will be calculated and allocated in the same way the Master Association calculates the condo fees. The actual construction costs of the common elements are allocated based upon population. The costs for professional fees are allocated equally to each condominium.

Based on the total project cost of \$3,500,000, the range of the homeowners' assessment is anticipated to be approximately between \$6,200 and \$7,800 depending on unit type.

The Master Council would like to proceed with the project this coming fall and cannot wait until it accumulates sufficient funds through an annual reserve fund contribution. The longer this project is delayed, the ongoing deterioration further impacts the structural integrity of the plaza deck's supporting members. Project delays could increase the rehabilitation costs and the inflation rate will increase the total project costs.

If the membership does not endorse the line of credit financing plan, it is unlikely the project's construction will take place this coming October. The Master Council will most likely postpone the project for one year. Then, the Master Council will implement a special assessment in the immediate future, and homeowners will be obligated to pay the entire amount before June 2019, to accumulate the funds to commence with the project's construction in the Fall of 2019. Most likely, the total project costs will have to be recalculated given the project's delay of one year.

If the Association's membership endorses the line of credit financing plan, the project's construction will commence this coming October. The assessments will be determined and implemented at the completion of the project. Homeowners will have several options to pay their assessments, i.e., in a lump sum in advance so as not to incur finance charges; in lump sum at the end of the project; or in monthly payment installments extended up to 60 months.

Needed Homeowner Response No.1 - Project Construction Plan

The Master Council needs homeowner response to two ballot questions. There are two separate ballots enclosed for your vote.

The first ballot question is for the construction of the project. <u>The Master Council requests your vote by August 8, 2018.</u> You can cast your vote for the 2016 Plan - to rebuild the area as originally constructed; or you can cast your vote for the 2018 Plan - to rebuild the area as per the new concept plan.

Assuming a significant homeowner response, and assuming a majority of votes are cast, the Master Council will authorize the project construction based on which plan receives the majority of votes.

The Master Council will have the final ultimate decision. If the responses are low, or there is not a clear majority vote for either option, the Master Council will authorize the project's construction in accordance to the 2018 Plan – the new concept plan design.

Needed Homeowner Response No. 2 - Line of credit

The second ballot question Master Council requests homeowner response is for authorization to open a line of credit. The Master Council requests your vote by August 8, 2018. There is a separate proxy ballot enclosed for your vote.

Under the Association's governing documents, the Master Council may not borrow funds without a majority of Seapointe Village homeowners authorizing the action. Your favorable vote is imperative to allow the Master Council to open the line of credit.

If the membership does not endorse the line of credit financing plan, the Master Council will implement a special assessment and the assessment will be based on the estimated costs of the total project.

Your Response is Needed

Enclosed are several attachments, including a ballot and proxy form. Please return them both, the construction Plan choice ballot and the line of credit directed proxy form to the Association's Management office, either by email, fax or in the enclosed stamped envelope by August 8, 2018.

A special meeting addressing the plaza deck hot tub area project and the financing plan will be held at Seapointe Village on Saturday, August 4, 2018.

Should you have questions, kindly direct them to Jim Yost, General Manager, Seapointe Village Master Association in the Association's Management Office. He can be reached at 609-729-9090 or via email at yostopmc@comcast.net.

Kindly return your vote and proxy ballot by August 8, 2018

We welcome your attendance at the meeting and thank you for your support.

On behalf of the Seapointe Village Master Council,

Sincerely,

Stanley V. Cach

Stanley V. Cach President Seapointe Village Master Association

Seapointe Village Master Project Plan

July 2018

2005

Major rehabilitation of the plaza deck, per compliance to design and construction codes and standards, was undertaken in accordance to the Transition Settlement Agreement. 70,000 sf of plaza deck was rehabbed and included the installation of a water proof system. 5,000 sf of the ocean front hot tubs was not included, at the time, since it was determined that this area could be managed given proactive maintenance and no structural deterioration was observed. The SV Master Council retains the structural design engineer to make annual plaza deck inspections in order to monitor: the performance of the water proof system; the effectiveness of the annual maintenance program; and the integrity of structural members.

2013

The structural professional engineer's annual plaza deck inspection report, (August 26, 2013, summary report January 22, 2014) reveals water leaks under the spa and pool area, 2,220 sf. The water leaks are managed by repairing water pipes, install new drains in the crawl space, repair damage concrete walls and ceilings in the spa crawl areas. Also, it is very important to remove the soil from the adjacent planters and install new waterproofing and new drains, thus minimizing the water penetration into the spa area. In managing the water leaks of the west foundation wall at south plaza, the report states, "Due to the hidden nature of the water leaks at this area, it is very difficult to manage the leaks. The effectiveness of the water management measures are questionable." Though there are no visible signs of significant structural deterioration of the structural plaza decks at this time, the ongoing leaks under the spa area will eventually have an effect on the structural condition of the precast concrete planks and girders.

2014

The structural professional engineer's annual plaza deck inspection report, (August 22, 2014), water leaks were observed in the crawl space under the spa area at the south-east plaza area. Water infiltration within the spa area originates from several sources including: leaking plumbing and drainage pipes; ceiling of the spa crawl space; the sides of the crawl space spa walls; under the walls adjacent to planters which are not waterproofed. Several drains have been previously reset, and part of the water at the spa crawl space floor is draining out. However, water ponding still exists at some areas. The worst areas are under the ramp at the southeast area of the spa. A 4-inch diameter drainage pipe at the wall of the north crawl space

displayed excessive water leaks into the spa area. This pipe needs to be reconnected directly to a deck drain. The spa walls display vertical cracking with water leaks. Also, the metal lathing at the spa walls display moderate to severe corrosion. The metal lath walls need to be repaired. Observations from the underside of the deck at the spa area indicate that most of the water leaks are located along the plaza deck beams. Water enters the hollow cores of the precast planks and travels away from the source of the water intrusion, and discharges at the ends of the planks. A proper repair of the spa area water leaks includes the removal of the spa structures, installing a new waterproof membrane, and re-installing the spas. Though there are no visible signs of significant structural deterioration of the structural plaza decks at this time., the ongoing leaks under the spa area will eventually have an effect on the structural condition of the precast concrete planks and girders. A repair program for the waterproofing system at this area, as outlined above, should be initiated in order to prevent further damage to the plaza deck.

2015

The structural engineer's report, June 19, 2015, states, Spa area – "The ongoing leaks under the spa area have started to affect the structural condition of the precast concrete planks and girders. Corroded reinforcing bars were observed at the bottom of the planks. Also, continuous water leaks at the girder supports has corroded the steel base plates and caused spalling at the top of the columns. A repair program for the water proofing system at the spa area should be initiated in order to prevent further damage to the plaza deck." "Alternative repair methods of managing the water leaks by installing additional drains and joint caulking is not effective for the long run. Structural damage to the deck has already begun."

The structural engineer's report dated July 8, 2015 of recommended repairs include: "removal and replacement of the spa area, 3,300 sf including removal of the existing spas, planters, and other features; prepare deck slab and repair as required; install new waterproofing membranes and drains; reinstall spas and planters.; Partial removal of the waterfalls along the west foundation wall at south plaza and install new waterproof membrane etc.; and repair all the columns' corroded beam bearing plates."

The SV Master Council, upon the recommendations of the professional structural engineer and from the findings of his report, commences the RFQ process to retain design professional consultants for the removal and replacement of the hot tubs in order to rehabilitate the plaza deck structure and install water proof membrane.

2016

The design professionals inspected the hot tub area, main pool pump room, main pool water feature & lagoon area and made recommendations for needed repairs of these areas and prepared plans and specifications. These water feature assets, 29 years old, are showing signs of deterioration, failure and not up to current codes. For example, cracks in the ocean front water feature gunite rock wall, cracks in the supporting walls behind the waterfalls, leaks in the water pipes connecting to the waterfall. The water lagoon also has leaking water pipes. The main pool pump / heater room is difficult to maintain, equipment beyond their useful life, unsafe with insufficient ventilation and not up to current codes.

The SV Master Council solicits competitive bids for the construction of the Seapointe Village Plaza Renovation. Four bids were received, reviewed and the bids tabulated by SV's construction manager. The range of the bids were \$2.4 million to \$4.2 million. The unknown conditions of the project were a contributing factor of the significant range of bids. After careful review of the submitted tabulation of bids and recommendations from their professionals, the SV Master Council rejected all the bids, since they were significantly above the preconstruction estimate of \$1.5 million.

The SV Master Council wanted to reevaluate a more cost effective alternate plan for the hot tub plaza deck renovation. The SV Master Council solicited RFQ's to retain for design professionals that had exhibited excellence in designing and completing resort & aquatic, coastal feature projects in NJ, the surrounding areas and beyond too. Also, since Seapointe Village will be 30 years old, and many of the assets are reaching their useful life and in need of replacing, it was determined to develop a master concept plan that would include these features and assets. For example, the assets in need of major rehabilitation or replacement include: the gazebo above grills on plaza deck; gazebo above elevated deck at the ocean front pool; walkways over the dunes; main entry gatehouse and main entrance hardscape and water features; Garden and Centre Court pools and hot tubs; perimeter walls; and roadways are all approaching time for rehabilitation and/or replacement. Having a master plan would be helpful in showcasing how all these features can be integrated in Seapointe Village maintaining a family resort consistent and updated to current codes, maximizing the utilization of existing unused areas, improving, enhancing the existing amenities and prioritizing their replacement.

The annual structural engineer's report, August 31, 2016, indicated that further plaza deck deterioration corrosion from moderate to severe; progressed in more areas compared to observations of 2015; "Though the plaza deck under the spa area exhibits certain degree of deterioration, (as indicated in his report), the deck does not exhibit significant structural distress such as excessive cracking, spalling, deflections, movements, or widespread reinforcement corrosion. Therefore, in our opinion, of the professional consulting structural

engineer, the structural integrity of the plaza deck is not compromised at this time. However, a continuous deck deterioration will eventually affect the structural integrity and safety of the deck." Therefore, a repair program for the waterproofing system at the spa is needed. The repair plan includes removal of the spas and install new waterproofing membrane, reinstall the spa structures as well as structural repairs of the plaza deck.

2017

The annual structural engineer's report, June 20, 2017, indicated that the plaza deck deterioration corrosion from moderate to severe progressed in more areas compared to previous year observations. Observations from the underside of the deck at the spa area indicate that most of the water leaks are located along the plaza deck beams. The water leaks are slightly less than the ones observed during the previous years.

The ongoing water leaks under the spa area have already affected the structural condition of the precast concrete planks and girders. Corroded reinforcing bars were observed at the bottom of the planks. Also, continuous water leaks at the girder supports has corroded the steel base plates and caused spalling at the top of the columns. Other unknown deterioration conditions may exist at the top of the plaza deck that is currently covered by the spa structures.

Though the plaza deck under the spa area exhibits certain degree of deterioration as indicated above, the deck does not exhibit significant structural distress such as excessive cracking, spalling, deflections, movements, or widespread reinforcement corrosion. Therefore, in our opinion (of the structural professional engineer consultant) the structural integrity of the plaza deck is not compromised at this time. However, a continuous deck deterioration will eventually affect the structural integrity and safety of the deck.

A repair program for the waterproofing system at the spa area should be initiated to prevent further damage to the plaza deck. The repair plan should include the removal of the spas (including the spa walls) and install new waterproofing membrane and reinstall the spa structures. Structural concrete repairs may be required on the planks and beams.

The SV Master Council directed the new design team of professionals (including SV's structural engineer consultant, pool & aquatics consultant and new architects) to consider a plan that rehabilitates the plaza deck spa area and that would be more cost effective than the previous plan, the 2016 plan, considering alternate materials & construction methods, relocating the hot tubs in a less costly construction location than above the existing main pool pump room, for example. The revised concept plan was developed in the spring. It was posted on the SV's website and presented for owners' feedback at three open house meetings during the summer. It was discussed, also, at the SV Master Council open meetings.

The new concept plan included: the existing baby pool would be converted into a smaller more controlled waterfall which would flow into the main pool, eliminating the need for the very expensive new receiving pond due to structural and code requirements. The baby pool would be relocated to where the existing waterfall pool exists, moving this closer to the lifeguard station, promoting greater safety and efficiency in guarding the pool, and bring this area into compliance with current codes. The crow's nest area, elevated gazebo at the ocean front pool, is iconic but underutilized. It is not ADA accessible. The area would be incorporated into a raised deck for seating, ADA accessible, and not fenced-in the pool area so it would be utilized independent of the pools' open hours and accessible from the plaza deck. Eliminating the crow's nest would increase the viewing deck area over the pool and enhance ocean views. Shaded seating would be added to this area. One of the new concept alternatives addresses site line concerns by eliminating the crow's nest structure. Also, one of the new concept alternatives, the 2018 plan, includes three (3) hot tubs, and one, the 2016 plan, includes two larger hot tubs.

The SV Master Council has engaged Merrell & Garaguso, the low bidder of the original project, the 2016 project & the contractor for the plaza deck rehabilitation project of 2005, to collaborate with our design professionals in developing construction costs for the revised new design, the 2018 plan.

When the project costs are developed for the new design, the 2018 plan, and update the costs for the 2016 Plan, the SV Master Council will present them to the SV owners. It is the intention of the SV Master Council to present to the SV owners two plans for consideration to implement, i.e., the revised new 2018 plan or the 2016 plan. The selected plan will include the rehabilitation of the plaza deck, as recommended by SV's structural professional engineer consultant.

July 2018

The Seapointe Village Master Association's project team completed their review and evaluations of the 2018 Plan and costs update for the 2016 plan. The 2018 Plan is a contemporary redesign of the hot tub area that reflects a multitude of improvements over the original design in response to homeowners' comments, feedback and recommendations. The 2018 Plan creates a more functional, aesthetically pleasing common area with enhanced ocean views, a more accessible hot tub area, meets current codes and cures water infiltration into the structural deck (the reason for the project). The 2016 Plan rebuilds the hot tub amenity area as it was originally constructed and in the same location. The total project costs for each plan is \$3.5 million if the construction commences this fall. The Seapointe Village Master Association recommends financing the project costs of \$3.5 million by opening a line of credit. If the homeowners approve financing the project with a line of credit, we can start the construction

of the project October 2018, rather than delaying another year and realizing increased project costs. The line of credit provides payment flexibility to our owners, allowing homeowners to decide whether to pay their assessment in one payment or extending installment payment options. The Seapointe Village Master Association endorses the 2018 Plan and financing the project with a line of credit. The Seapointe Village Master Association is scheduling a meeting with the Seapointe Village homeowners and transmitting detail correspondence for their information and vote.

Seapointe Village Spa Concept

Lower Township, NJ