

Chamonix - Vail



Reserve Study
Project No. 170xx

Prepared for
Chamonix - Vail Association
Vail, CO

Prepared by
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Introduction

Borne Consulting has been commissioned by The Chamonix Vail Association to prepare an initial Reserve Study. The purpose of this Reserve Study update is to evaluate the proposed common-area components for major repair, maintenance and replacement that are the responsibility of the Association. This Study provides a limited-scope evaluation of the existing condition and remaining life of the common-area components. The Study also includes estimated costs for the major repair, maintenance and/or replacement of the items to enable the Association to establish an adequate level of reserve funds for the upkeep of the property. Major repair, maintenance and/or replacement items are defined as anything that costs over \$1,000.

Community Description

The Chamonix Vail project consists of 32 townhome residential units. The building envelope consists of wood siding and stucco façade. The common areas consist of an asphalt road, guardrails, driveways, mailboxes, gate, crusher fine trail, basketball court, landscaping and irrigation. The project is proposed to start construction in 2017.

Measure of Reserve Fund Strength

0% - 30% Funded

Is considered to be "weak" financial fund strength. Associations that fall into this category may be subject to special assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the reserve fund.

31% - 69% Funded is considered a "fair" financial strength. The majority of associations fall into this category. While this doesn't represent financial strength and stability, the likelihood of special assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial positions of associations in this category.

70% - 100% Funded is considered to be a "strong" financial reserve position. This indicates good financial strength and every attempt should be made to maintain this level.

For this study the Chamonix Vail project is within the 31% -69% funded, and is considered to have a "fair" funded reserve account, however it is recommended the reserve funds be placed in a separate account from the operating funds.

Approach

To prepare this Reserve Study Projection, Borne Consulting has completed the necessary research, the component report, the cost estimates, the financial projections, and the projection interpretation. The projections were assembled using the cash flow method. This method develops a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until a desired funding program is achieved.

Reference Material

The following references were provided to Borne Consulting for this Reserve Study by the client:

- 2017 proposed plans and contractor take-offs

Exclusions

Items not included in this Projection Update are:

- Non- common area components.
- Association components that have estimated costs below the reserve component threshold amount of \$1,000.
- Long lasting items with estimated economic lives exceeding 30 years, such as sanitary sewers or building structural components. However, these items are included if they are known to have a fairly predictable anticipated useful life that falls within the term of the Study.
- Normal operating items, i.e., taxes, insurance, snow plowing, utilities, cleaning and landscape maintenance, etc.

Disclaimer

This Reserve Study was prepared specifically for The Chamonix Vail Association. The information contained within this document has been assembled in conjunction with the client and is intended to assist the client with its reserve planning and funding. Borne Consulting does not guarantee, either explicitly or implied, that all repair and replacement items have been identified, the accuracy of the probable costs or the component lives.

In providing the opinions of probable replacement costs, the client understands that Borne Consulting has no control over costs or the price of labor, equipment or materials, or over the contractor's method of pricing, and that the opinions of probable replacement costs provided herein are made on the basis of Borne Consulting's qualifications and experience. Borne Consulting makes no warranty, expressed or implied, as to the accuracy of such opinions as compared to actual bid or construction costs.

All comments made are based on conditions seen at the time of the site visit. We do not accept any responsibility for unknown or unknowable conditions within the existing site or structures.

**Chamonix Vail
RA Detail Report by Category**

Mill and overlay road and driveways - 2031

Asset ID	B01.1	39,500 SF	@ \$4.50
Topography and Grading		Asset Cost	\$177,750.00
Driveways		Percent Replacement	100%
Placed in Service	September 2017	Future Cost	\$268,862.82
Useful Life	15		
Replacement Year	2031		
Remaining Life	14		

Description: There is a 39,500sf asphalt road and driveway surface.

Condition: New condition.

Action(s):

- Mill and overlay the asphalt road and driveways in 2031.

Seal coat and crack fill - 2022

Asset ID	B01.2	39,500 SF	@ \$0.25
Topography and Grading		Asset Cost	\$9,875.00
Driveways		Percent Replacement	100%
Placed in Service	September 2017	Future Cost	\$11,447.83
Useful Life	4		
Adjustment	2		
Replacement Year	2022		
Remaining Life	5		

Description: There is a 39,500sf asphalt road and driveway surface.

Condition: New condition.

Action(s):

- Seal coat and crack fill the asphalt road and driveways, every 4 years, starting in 2022.

Driveways - Total Current Cost \$187,625

**Chamonix Vail
RA Detail Report by Category**

Replace damaged sections of curb and gutter - 2031

		2,700 LF	@ \$65.00
Asset ID	B03.1	Asset Cost	\$17,550.00
	Flatwork	Percent Replacement	10%
	Curb and gutter	Future Cost	\$26,545.95
Placed in Service	May 2017		
Useful Life	15		
Replacement Year	2031		
Remaining Life	14		

Description: There are, concrete pans, curb and gutter adjacent to the asphalt road and driveways.

Condition: New condition.

Action(s):

- Re-place sections of the concrete curb and gutter every 15 years starting in 2031.

Curb and gutter - Total Current Cost	\$17,550
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**Chamonix Vail
RA Detail Report by Category**

Replace the bollard lights - 2036

Asset ID	C02.1	3 EA	@ \$2,500.00
Landscaping and Appurtenances		Asset Cost	\$7,500.00
Pathway Lights		Percent Replacement	100%
Placed in Service	August 2017	Future Cost	\$13,151.29
Useful Life	20		
Replacement Year	2036		
Remaining Life	19		

Description: Bollard lights.

Condition: New condition.

Action(s):

- Replace the bollard lights every 20 years starting in 2036.

Pathway Lights - Total Current Cost **\$7,500**

**Chamonix Vail
RA Detail Report by Category**

Replace irrigation control clocks - 2024

		3 UT	@ \$2,000.00
Asset ID	D10.1	Asset Cost	\$6,000.00
Landscaping and Appurtenances	Irrigation System	Percent Replacement	100%
		Future Cost	\$7,379.24
Placed in Service	May 2017		
Useful Life	8		
Replacement Year	2024		
Remaining Life	7		

Description: Irrigation control system.

Condition: New condition.

Action(s):

- Replace the control clocks every 8 years starting in 2024, or as needed.

Irrigation System - Total Current Cost **\$6,000**

**Chamonix Vail
RA Detail Report by Category**

Paint the garage doors, siding and trim - 2020

		43,200 SF	@ \$1.50
Asset ID	E01.1	Asset Cost	\$64,800.00
	Façade	Percent Replacement	100%
	Siding and Trim	Future Cost	\$70,808.71
Placed in Service	August 2017		
Useful Life	4		
Replacement Year	2020		
Remaining Life	3		

Description: Cedar hardboard siding, wood trim and garage doors.

Condition: New condition.

Action(s):

- Cyclically paint the garage doors, wood siding and trim every 4 years, starting in 2020.

Replace siding and trim - 2046

		40,000 SF	@ \$8.50
Asset ID	E01.2	Asset Cost	\$340,000.00
	Façade	Percent Replacement	100%
	Siding and Trim	Future Cost	\$801,232.27
Placed in Service	August 2017		
Useful Life	30		
Replacement Year	2046		
Remaining Life	29		

Description: Cedar hardboard siding and trim.

Condition: New condition.

Action(s):

- Cyclically replace the wood siding and trim every 30 years, starting in 2046.

Siding and Trim - Total Current Cost \$404,800

**Chamonix Vail
RA Detail Report by Category**

Paint the stucco - 2028

Asset ID	E02.1	31,600 SF	@ \$1.50
	Façade	Asset Cost	\$47,400.00
	Stucco	Percent Replacement	100%
Placed in Service	August 2017	Future Cost	\$65,612.68
Useful Life	12		
Replacement Year	2028		
Remaining Life	11		

Description: Stucco

Condition: Good condition.

Action(s):

- Cyclically paint the stucco every 12 years, starting in 2028.

Stucco - Total Current Cost \$47,400

**Chamonix Vail
RA Detail Report by Category**

Replace the asphalt shingles - 2036

Asset ID	E03.1	33,649 SF	@ \$5.00
	Façade	Asset Cost	\$168,245.00
	Asphalt Shingles	Percent Replacement	100%
Placed in Service	August 2017	Future Cost	\$295,018.62
Useful Life	20		
Replacement Year	2036		
Remaining Life	19		

Description: Asphalt Shingles.

Condition: New condition.

Action(s):

- Cyclically replace the asphalt shingles every 20 years, starting in 2036.

Asphalt Shingles - Total Current Cost \$168,245

**Chamonix Vail
RA Detail Report by Category**

Replace the metal roofs - 2061

		2,000 SF	@ \$18.00
Asset ID	E04.1	Asset Cost	\$36,000.00
	Façade	Percent Replacement	100%
	Metal Roofs	Future Cost	\$132,172.28
Placed in Service	August 2017		
Useful Life	45		
Replacement Year	2061		
Remaining Life	44		

Description: Standing seam metal roof.

Condition: Good condition.

Action(s):

- Cyclically replace the metal roofs every 45 years, starting in 2061.

Metal Roofs - Total Current Cost \$36,000

**Chamonix Vail
RA Detail Report by Category**

Replace the gutters and downspouts - 2036

		1,200 LF	@ \$12.00
Asset ID	E03.2	Asset Cost	\$14,400.00
	Façade	Percent Replacement	100%
	Gutters and Downspouts	Future Cost	\$25,250.49
Placed in Service	August 2017		
Useful Life	20		
Replacement Year	2036		
Remaining Life	19		

Description: Aluminum gutters and downspouts.

Condition: Good condition.

Action(s):

- Cyclically replace the gutters and downspouts every 20 years, starting in 2036.

Gutters and Downspouts - Total Current Cost **\$14,400**

**Chamonix Vail
RA Detail Report by Category**

Replace the heat tape - 2027

Asset ID	E03.3	1,200 LF	@ \$11.00
	Façade	Asset Cost	\$13,200.00
	Heat Tape	Percent Replacement	100%
Placed in Service	August 2017	Future Cost	\$17,739.70
Useful Life	10		
Adjustment	1		
Replacement Year	2027		
Remaining Life	10		

Description: Aluminum gutters and downspouts.

Condition: Good condition.

Action(s):

- Cyclically replace the heat tape every 10 years, starting in 2027.

Heat Tape - Total Current Cost \$13,200

**Chamonix Vail
RA Detail Report by Category**

Update Reserve Study - 2021

Asset ID	F01.1	1 UT	@ \$2,500.00
	Miscellaneous	Asset Cost	\$2,500.00
	Reserve Study	Percent Replacement	100%
Placed in Service	August 2017	Future Cost	\$2,813.77
Useful Life	4		
Adjustment	1		
Replacement Year	2021		
Remaining Life	4		

Description: Reserve Study.

Condition: N/A.

Action(s):

- Update reserve study every 4 years starting in 2021.

Reserve Study - Total Current Cost **\$2,500**

**Chamonix Vail
RA Annual Expenditure Spread Sheet**

Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Driveways										
Mill and overlay road and driveways										
Seal coat and crack fill						11,448				12,885
Driveways Total:						11,448				12,885
Curb and gutter										
Replace damaged sections of curb and gutter										
Curb and gutter Total:										
Pathway Lights										
Replace the bollard lights										
Pathway Lights Total:										
Street Lights										
Replace the street lights										
Street Lights Total:										
Irrigation System										
Replace irrigation control clocks								7,379		
Irrigation System Total:								7,379		
Mailboxes										
Replace the cluster mail box										
Siding and Trim										
Paint the garage doors, siding and trim				70,809				79,696		
Replace siding and trim										
Siding and Trim Total:				70,809				79,696		
Stucco										
Paint the stucco										
Stucco Total:										
Asphalt Shingles										
Replace the asphalt shingles										
Asphalt Shingles Total:										

**Chamonix Vail
RA Annual Expenditure Spread Sheet**

Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Metal Roofs										
Replace the metal roofs										
Gutters and Downspouts										
Replace the gutters and downspouts										
Gutters and Downspouts Total:										
Heat Tape										
Replace the heat tape										
Heat Tape Total:										
Reserve Study										
Update Reserve Study					2,814				3,167	
Reserve Study Total:					2,814				3,167	
Year Total:				70,809	2,814	11,448		87,075	3,167	12,885

**Chamonix Vail
RA Annual Expenditure Spread Sheet**

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Driveways										
Mill and overlay road and driveways					268,863					
Seal coat and crack fill				14,502				16,322		
Driveways Total:				14,502	268,863			16,322		
Curb and gutter										
Replace damaged sections of curb and gutter					26,546					
Curb and gutter Total:					26,546					
Pathway Lights										
Replace the bollard lights										13,151
Pathway Lights Total:										13,151
Street Lights										
Replace the street lights										12,275
Street Lights Total:										12,275
Irrigation System										
Replace irrigation control clocks						9,348				
Irrigation System Total:						9,348				
Mailboxes										
Replace the cluster mail box										
Siding and Trim										
Paint the garage doors, siding and trim		89,698				100,956				113,627
Replace siding and trim										
Siding and Trim Total:		89,698				100,956				113,627
Stucco										
Paint the stucco		65,613								
Stucco Total:		65,613								
Asphalt Shingles										
Replace the asphalt shingles										295,019
Asphalt Shingles Total:										295,019

**Chamonix Vail
RA Annual Expenditure Spread Sheet**

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Metal Roofs										
Replace the metal roofs										
Gutters and Downspouts										
Replace the gutters and downspouts										25,250
Gutters and Downspouts Total:										25,250
Heat Tape										
Replace the heat tape	17,740									
Heat Tape Total:	17,740									
Reserve Study										
Update Reserve Study			3,564				4,012			
Reserve Study Total:			3,564				4,012			
Year Total:	17,740	155,311	3,564	14,502	295,409	110,304	4,012	16,322		459,322

**Chamonix Vail
RA Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2017</i>	
<i>No Replacement in 2018</i>	
<i>No Replacement in 2019</i>	
Replacement Year 2020	
Siding and Trim	
Paint the garage doors, siding and trim	70,809
Total for 2020	<u>\$70,809</u>
Replacement Year 2021	
Reserve Study	
Update Reserve Study	2,814
Total for 2021	<u>\$2,814</u>
Replacement Year 2022	
Driveways	
Seal coat and crack fill	11,448
Total for 2022	<u>\$11,448</u>
<i>No Replacement in 2023</i>	
Replacement Year 2024	
Irrigation System	
Replace irrigation control clocks	7,379
Siding and Trim	
Paint the garage doors, siding and trim	79,696
Total for 2024	<u>\$87,075</u>
Replacement Year 2025	
Reserve Study	
Update Reserve Study	3,167
Total for 2025	<u>\$3,167</u>
Replacement Year 2026	
Driveways	
Seal coat and crack fill	12,885
Total for 2026	<u>\$12,885</u>

**Chamonix Vail
RA Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2027	
Heat Tape	
Replace the heat tape	17,740
Total for 2027	<u>\$17,740</u>
Replacement Year 2028	
Siding and Trim	
Paint the garage doors, siding and trim	89,698
Stucco	
Paint the stucco	65,613
Total for 2028	<u>\$155,311</u>
Replacement Year 2029	
Reserve Study	
Update Reserve Study	3,564
Total for 2029	<u>\$3,564</u>
Replacement Year 2030	
Driveways	
Seal coat and crack fill	14,502
Total for 2030	<u>\$14,502</u>
Replacement Year 2031	
Driveways	
Mill and overlay road and driveways	268,863
Curb and gutter	
Replace damaged sections of curb and gutter	26,546
Total for 2031	<u>\$295,409</u>
Replacement Year 2032	
Irrigation System	
Replace irrigation control clocks	9,348
Siding and Trim	
Paint the garage doors, siding and trim	100,956
Total for 2032	<u>\$110,304</u>

**Chamonix Vail
RA Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2033	
Reserve Study	
Update Reserve Study	4,012
Total for 2033	<u>\$4,012</u>
 Replacement Year 2034	
Driveways	
Seal coat and crack fill	16,322
Total for 2034	<u>\$16,322</u>
 <i>No Replacement in 2035</i>	
 Replacement Year 2036	
Pathway Lights	
Replace the bollard lights	13,151
Street Lights	
Replace the street lights	12,275
Siding and Trim	
Paint the garage doors, siding and trim	113,627
Asphalt Shingles	
Replace the asphalt shingles	295,019
Gutters and Downspouts	
Replace the gutters and downspouts	25,250
Total for 2036	<u>\$459,322</u>

**Chamonix Vail
RA Preliminary Reserve Study Summary**

Report Date	March 28, 2017
Budget Year Beginning	October 28, 2017
Budget Year Ending	October 27, 2018

<i>Report Parameters</i>	
Inflation	3.00%
Interest Rate on Reserve Deposit	0.25%
2017 Beginning Balance	

<i>Preliminary Funding Model Summary of Calculations</i>	
Required Monthly Contribution	\$4,583.33
Average Net Monthly Interest Earned	<u> \$6.21</u>
Total Monthly Allocation to Reserves	\$4,589.54

**Chamonix Vail
RA Preliminary Reserve Study Projection**

Beginning Balance: \$0

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2017	55,000	75		55,075	186,285	29%
2018	57,200	215		112,490	279,777	40%
2019	59,488	362		172,340	373,503	46%
2020	61,868	338	70,809	163,737	398,691	41%
2021	64,342	490	2,814	225,755	492,336	45%
2022	66,916	627	11,448	281,850	578,873	48%
2023	69,593	800		352,243	677,103	52%
2024	72,376	762	87,075	338,306	691,022	48%
2025	75,271	941	3,167	411,351	789,192	52%
2026	78,282	1,103	12,885	477,852	878,268	54%
2027	81,413	1,262	17,740	542,787	963,465	56%
2028	84,670	1,085	155,311	473,231	916,060	51%
2029	88,057	1,295	3,564	559,018	1,020,773	54%
2030	91,579	1,487	14,502	637,582	1,115,238	57%
2031	95,242	985	295,409	438,401	939,126	46%
2032	99,052	955	110,304	428,104	951,606	44%
2033	103,014	1,201	4,012	528,308	1,070,801	49%
2034	107,135	1,427	16,322	620,547	1,178,464	52%
2035	111,420	1,704		733,671	1,302,759	56%
2036	115,877	844	459,322	391,069	984,050	39%