

CVI NEWSLETTER

Spring 2010, Volume 1, Issue 1

Management Office 703-525-5557

www.colonialvillagei.com

This newsletter is intended to update you on important developments affecting Colonial Village I and your unit.

Important! - New Assessment Coupon Books

Effective April 1, 2010, Legum & Norman will begin using Community Association Banc (CAB) to process condominium and homeowner association assessments. A division of Mutual Bank of Omaha, Community Association Banc specializes in providing services to Community Associations nationwide.

Three standard options will continue to be available to homeowners for paying assessments:

- Option 1.** Payment by check using a coupon
- Option 2.** Direct Debit
- Option 3.** On-line Banking/Bill Payer Service

****PLEASE NOTE THAT OWNERS CURRENTLY USING DIRECT DEBIT
WILL NOT BE AFFECTED AND NO ACTION IS REQUIRED.****

Option 1. We will begin ordering payment coupons and envelopes by March 5, for your use when paying assessments by check or money order. The coupons also include account and payment information needed when using payment Option 2 and Option 3. **Owners should begin using these coupons immediately, for payments due April 1.**

Option 2. Owners wanting to sign up for Direct Debit may now use the **Direct Debit Authorization** coupon provided in the front of their coupon booklet.

Option 3. Owners who wish to use an on-line bill payer service to pay assessments will need to provide the payment service with their **16 digit**

account number located at the top of the coupon and full lockbox address printed below the barcode on the coupon:

COLONIAL VILLAGE 1
C/O LEGUM & NORMAN INC. HOA
P.O. BOX 65645
PHOENIX AZ 85082-5645

Rhodes Street Water-Main Repairs

The Arlington Department of Public Works has informed the Association that it intends to completely replace the water main that runs under Rhodes Street from the intersection with Key Blvd to the intersection with Lee Highway. This pipe supplies our property with clean, potable water. The current six-inch pipe, which was installed in 1940, will be replaced with a modern 12-inch pipe.

Although the County — for reasons discussed further below — has not stated exactly why it is replacing the main, it is fairly clear that the continued leakage of County water onto our property at 1917 Rhodes Street is a primary reason. The pipe broke completely during the February snowstorms, and that apparently sealed the decision.

We know that Rhodes Street residents have endured construction disruptions since last summer and are probably weary of it. At least we can hope that this project, once completed, will be the end of it.

The County projects that the work will be done in the first half of 2010. We will post more precise scheduling information as we receive it.

The “Big Dig” at 1917 Rhodes Street

As you know from previous letters, intrusion of water from County pipes running under Rhodes Street weakened the foundation walls at 1917 Rhodes Street and forced expensive repairs. So far, we have:

- shored up the interior of the foundation walls with permanent buttresses;
- installed additional footings under the base of the walls;
- water-proofed the walls; and
- installed two drainage pipes to divert water to the creek.

What remains to be finished is: tuck-pointing (mortar and brick repair) to fix cosmetic cracks in the exterior wall; and reinstallation of landscaping.

Our engineers are prepared to certify in writing to any homeowner at 1917 Rhodes Street that the steps we have taken constitute a permanent and complete solution to the problem, and the structural integrity of their units is not compromised.

This has been a traumatic experience, in terms of time, money and stress. Soon after we started the project, our engineers concluded that the water was coming from County pipes, despite County claims that the water was naturally occurring ground-water. The costs continued to snowball through no fault of our own. At present, it appears that the entire project will cost **in excess of \$250,000**.

Water from the leaking County main continues to invade the property, but our diversion system appears to be working well. However, the County has not yet admitted fault in this incident. We are vigorously pursuing insurance reimbursement for this expense. If we recover some of this expense from the insurance company, it is likely that they will, in turn, seek reimbursement from the County.

However, the prospects of recovering our costs, and the amount we might recover, are still unclear. We will let you know if we succeed.

Infrastructure Needs

In November 2009, we imposed a special assessment. This was prompted, *in part*, by the huge expense associated with the “Big Dig.” However, as explained in our last letter, this was not the only reason we needed the extra money: It is essential that we begin a major tuck-pointing program.

Tuck-pointing is required to ensure the integrity of the walls. Failure to tuck-point leads to water leaks; some unit owners have already experienced leaks due to mortar failure. Tuck-pointing does not have to be performed often — once every 30 years or so — but it is an expensive, hand-labor process. We are exploring a joint bid process with Colonial Village II so we can hire one company to work on both communities and obtain a discount.

At present, we estimate that it will require **\$1 million** to complete all tuck-pointing in the community. We are committed to fund **at least \$60,000** in tuck-pointing in 2010, beginning this summer. Thereafter, we expect to spend at least \$100,000 per year for a number of years to finish the job. To get a sense of the scope of the investment, consider this comparison: This program will consume 60 percent of our annual reserve contribution (which is currently \$165,000).

As a consequence, investments in cosmetic improvements, such as carpet replacement, will have to be deferred longer than we would like.

Our prospects would change, of course, if we succeed in obtaining a significant insurance settlement on the Big Dig, explained above. Such a settlement would allow us to speed up the tuck-pointing program.

Parking Lot Sealing — Plan Ahead!

Aside from tuck-pointing, the most significant planned infrastructure project for 2010 is the sealing and restriping of the CVI parking lot at 1903 Key Blvd. Although this is a fairly inexpensive process — almost certainly less than \$10,000 — it can lead to significant disruption in the short run because **all cars must be removed from the lot during the work**. At the least, cars must be removed for 24 hours — depending on the process used, the work may last for up to 3 days.

The work will not be performed until warm weather returns, and multiple notices will be issued. But we urge residents who expect to be gone for extended periods — such as foreign-service or armed-services personnel — to plan ahead and arrange for someone to receive notices and move their cars when the time comes.

Key-Fob Installation

The first run of programming and installation of key fobs has been completed. A second run is under way to extend the time period for which doors remain unlocked to 5 seconds and to program fobs to allow early-morning access for newspaper delivery personnel. If you have a newspaper delivered, please have your carrier contact the office at 703-525-5557. The Washington Post carrier already has his fob.

Landscaping

We experienced massive storm damage to our trees. We also had to remove several mature trees due to the Big Dig. Hence, there will be a vigorous tree-planting program this year.

We will no longer plant Southern Magnolias. Although they grow well in our climate, they are evergreen, and heavy snows break limbs every year.

Sincerely,

Colonial Village I Board of Directors