

Surfcrest One homeowner,

You may have noticed the roofing work going on throughout Surf One. Every year the Association undertakes some maintenance of the rusting metal roof parts, replacing them with copper. In addition, in 2013, some roof leaks lead to the discovery that the roofing edge metal was also rusting away, and upon close inspection it was determined that this edge metal on several buildings needed to be replaced. This discovery brought a new element of necessary replacement into the roof maintenance with additional costs.

To give all the Surf One homeowners the total scope of these roofing issues, the following history will be enlightening.

1. The first sign of the roof metal rusting was noticed on the chimney caps of all the homes in Surfcrest. In 2002, the first Chimney Caps began to fail completely with several homes having flooded living rooms after rain storms. All the components on top of the roofs were made out of galvanized metal, which may be fine in most environments, but next to the ocean salt air, the metal corroded severely with resultant big holes allowing water intrusion. So, in 2002, both Surf One and Surf Two had all the chimney caps replaced with new copper ones. In addition, a few other roof parts were replaced with copper as needed.
2. During the next few years, several of the buildings first constructed had their rain gutters rust completely through. The model building, the pool restroom building, the guard house, and the first 4 Surf One buildings built along Surfview and Surf had galvanized metal gutters while the rest of the buildings had aluminum gutters.
3. Prior to painting the buildings in 2005, the totally failed gutters on those four first buildings were replaced with new copper ones. To keep down Association costs and our dues, it was decided to only do those 4 buildings at that time and to reserve for replacement of all the other Surf One gutters at a later time as necessary. The budgeting plan was to replace all gutters prior to the next building painting.
4. From 2005 through today, the Association has been replacing the rusting roofing components with copper parts as needed. About 80% of all of these failing parts have been replaced.
5. 2012 bought the unplanned edge metal problem. This replacement was not anticipated or planned for so early in the roof life cycle. Roof failures must be addressed, so replacement of the edge metal was authorized by the Board. To fund this, the Board had 2 options;
  - a. A special assessment
  - b. Use the reserve funding set aside for gutter replacement since the aluminum gutter had shown no sign of failure in the salt air.

To avoid assessment increases, the Surf One voted to use the gutter reserves to fund the edge metal problem. . (To do edge metal repair and gutter replacement on the remaining 9 Surf One buildings was estimated to cost a little over \$250,000, significantly more than what was in the reserve plan.)

6. On February 26, 2015, while the edge metal was being replaced on one of the Surfpoint buildings, it was discovered that the aluminum gutters in several places had severely corroded through at the point where it over laps the edge metal and had to be replaced. At the Board meeting that evening, the Surf One Board voted to replace the gutters with new copper gutters along with the edge metal work in progress. That is the bright shiny roof you are now seeing. The high gloss copper will eventually patina just like the previous 4 buildings.
7. It is still the plan to leave aluminum gutters on the buildings where they have not failed and to replace them at a later date. The longer the gutter life, the more reserves will be accumulated to cover the replacement cost.

The Surf One Board will be reviewing the future reserve requirements to address all the necessary maintenance that has been identified. It is the Boards intention to always address maintenance issues and to properly fund the Association's reserves while, at the same time, being good stewards of the community's money.

The Surfcrest One Board of Directors