

Ranch House Renovation Updates

We held a meeting with the Design Advisory Group (DAG) on December 3rd to discuss Schematic Design (SD) prior to entering the Design Development (DD) phase.

We received preliminary pricing from RA Nelson (RAN) on November 15th. That pricing caused us to request updates to SD pricing to evaluate alterations to the scope being considered. During the meeting with the DAG we reviewed pricing and made recommendations for drawings that would bring us into Design Development. We continue to work with financials to ensure that we have a full understanding of all costs. To be clear, the design is still in flux and future pricing rounds will allow us to make adjustments as we fine tune details.

From the perspective of the “special assessment portion” of the project, the current design shows us nearly flat with our budget, though as noted earlier this pricing and scope is still very much subject to change.

From the perspective of the reserve portion of the project, we asked the General Contractor (GC) to entertain additional preliminary bids for work on the pool deck/pool plastering, etc. We are awaiting those new estimates to gain confidence in preliminary pricing estimates. Here it should be noted that we are not soliciting bids from sub-contractors at this stage of design. Pricing estimates are being obtained to ensure that we have dependable estimates to guide design decisions.

At this stage, we plan to perform needed maintenance/replacement for all reserve items that were discussed during the course of the Long-Range Planning Committee’s (LRPC) work. A short list of those items include: maintenance building replacement, pool deck replacement, partial window replacements, roof replacement, resurfacing all bodies of water, replace coping and tile work in pools, etc. These are some of the most expensive items to accomplish, particularly those related to the pools/pool decking. Preliminary cost estimates from a local contractor on these items came in high—hence our investigation into alternative preliminary price estimations. There are many other extraneous reserve items that are in our reserve study such as boiler replacement or augmentations to our HVAC system. At this time, we are reviewing all pricing and performing due diligence (as noted in my previous report) to guide a path forward.

Since my last report in November, we have had our boilers inspected and they have received an overall clean bill of health, though there are components that will always be subject to unexpected failure. As we had this work done, we had discussions about maintenance priorities should we retain the current boilers for a longer period of time. Boilers and HVAC work may be part of a longer strategy of planned replacement given the large-scale expense and the anticipated additional life that current components seem to have. Solar is also a consideration, we are obtaining price estimates and ROI projections.

We hope to have a design set to share soon, but I will share some more specific design details of the mailroom, as it’s overall design and dimensions seem to be more stable at this time. I will also elaborate a bit more on the overall design concepts.

Overall Design:

At this time, the current design is quite similar to what the LRPC recommended. The bar is planned to undergo a full refresh with new equipment, barstools a new bar top, keeping its current rough dimensions. A window will be added, creating a pool view and letting light into the reception area. The front desk will likely be replaced to be more ergonomic and space efficient. Lighting fixtures will be upgraded throughout the main level with all new furniture. The current restroom behind the front desk will be repurposed for refrigeration and dry storage with a utility sink. We will also be adding new modern water fountains that allow water bottles to be refilled. All of this is roughly in keeping with the concepts shared with the community. This is by no means a comprehensive list, but we will share more in the coming months.

The east addition on the other side of the great room fireplace has been drawn slightly larger than what the LRPC had envisioned, adding a storage area and an office area (likely used by the tennis pro). This design was entertained by the DAG under the assumption that added square footage here might be of little cost. It was drawn by the architects to understand if it would be advantageous from a cost perspective. It would eliminate the need for any renovations to the tennis shed (Cristina's office) and storage could be used just off of the Great Room. As we move through design stages, we will need to weigh the usefulness of this space with financial realities. That said, if it is not vetted, we can't make informed decisions.



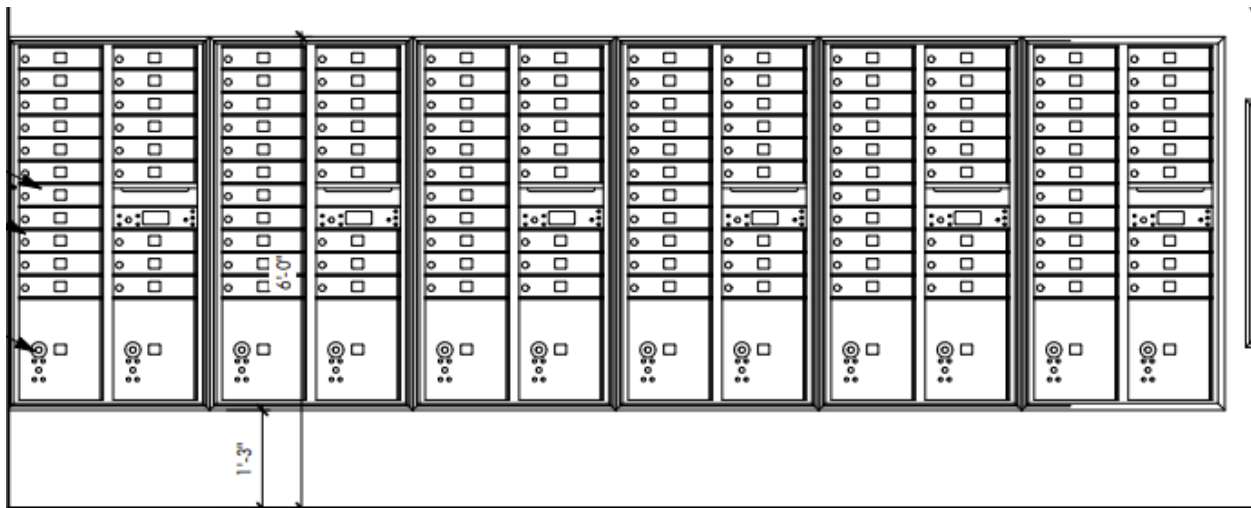
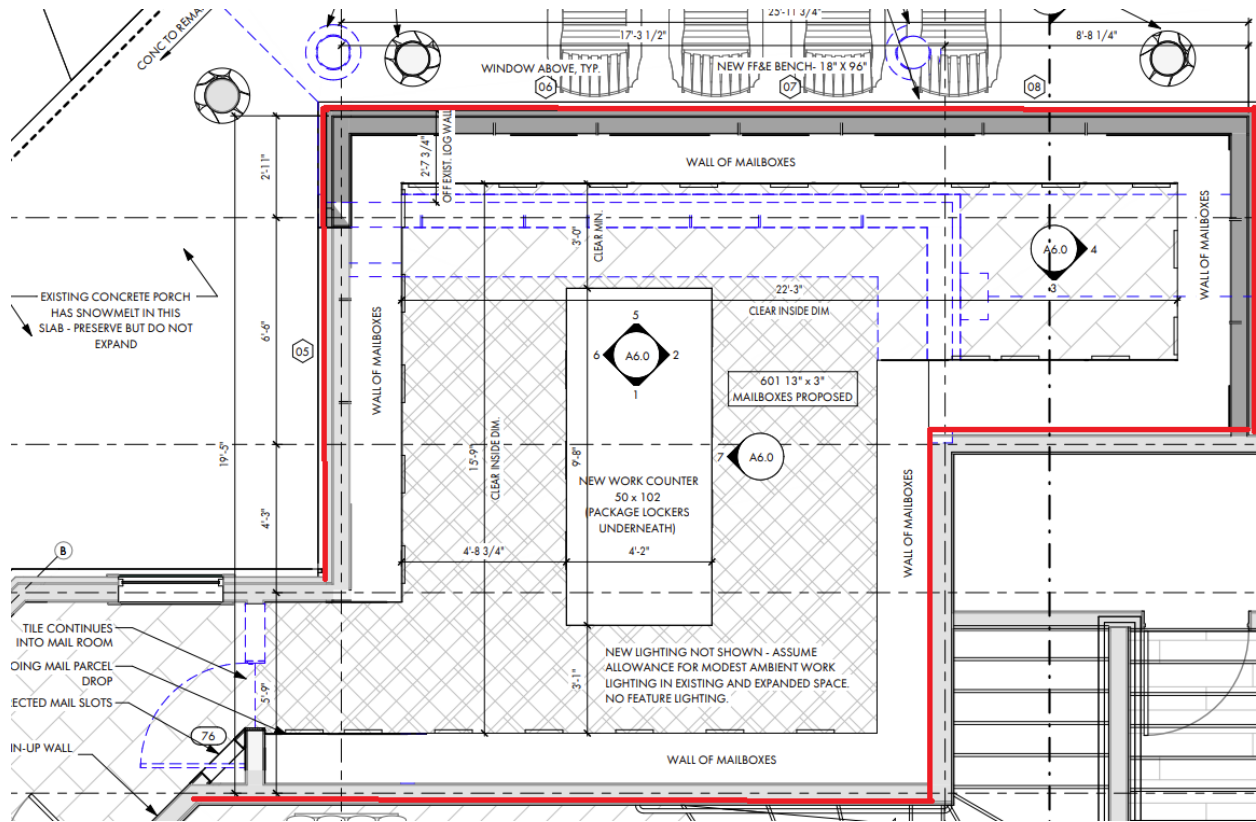
VIEW AT EAST SIDE ADDITION

In terms of the locker room renovation, that scope is still evolving but we do hope to re-tile showers and steam rooms, upgrade all plumbing fixtures and sinks, install all new countertops, paint lockers and add programmable 4-digit locks. The bathroom stalls are also planned to be upgraded with all urinals and toilets to be replaced. Of course we will also repaint to an alternative color scheme.

As noted previously, the plan for the mailroom seems to be more stable. This area is planned to move forward with some small modifications (slightly different than the Long-Range Plan in terms of its shape and design). The photos below illustrate its shape and form, which is more in keeping with the architecture of the existing building. This design allows the expansion to retain its current shed roof form bringing the addition further to the east, creating the shape you see outlined in red below. The current internal door to the mailroom will likely be eliminated to produce additional space and a more open feel (this door is never closed, there is no operational need for it). You may notice that the window below with red dots has slightly changed. This window is in the staircase leading to the boardroom. Under the plan the window transom will remain, but the shed roof form will continue across the current window.

This design would facilitate new mailboxes that are recommended by the USPS and it would allow nearly double the number of parcel lockers (see illustration below). The existing island will also be substantially larger.





From the special assessment side of the remodel, pricing came back roughly in line with expectations, largely thanks to an aggressive contingency that was added to the plan. There is still much work to be done to refine the scope while ensuring that the project comes on budget. We are in the contractual stages, formulating a contract with the GC that includes a Guaranteed maximum price.

The details of the renovation are in flux, but it is exciting to see things coming together. Preliminary pricing did cause us to reconsider some items, but the majority of cost overruns seem to center on reserve items. As discussed, we need to obtain more information on pricing before navigating forward. That said, the items outlined in the original LRP are a priority to accomplish (see screenshot below).

Improvements not in the plan to be funded from Reserves

The site plan shows several buildings and a pool area. Callouts with photos and cost estimates are as follows:

- Maint. Bldg. Rplacement: \$100,000
- Tennis Shop Refurbish: \$25,000
- Pool Decking Replacement: \$452,500
- Main & Lap Pool Resurface: \$300,000
- Spa Resurface: \$50,000
- Windows Replacement: \$150,000 (Partial)
- Roof Replacement: \$202,730

Note
Cost estimates from Association Reserves Study (May 19, 2023)

RIVER VALLEY RANCH

Previous Report from 11/13/2024

Given that our last board meeting occurred in late October, there are no significant updates. We have been working to ensure that details have been considered to get the most accurate preliminary pricing from RA Nelson.

As we receive that pricing, we will be in a better position to consider a path forward as we progress through the design process. We are also continuing a due diligence process with an HVAC contractor. Conversations related to HVAC are related to reserve expenditures, as opposed to items related to the Special Assessment portion of the project.

As we receive pricing, we want an estimated idea of what an overhaul of the current heating/cooling system of the Ranch House might cost. Our boilers are original to the building. Those boilers ultimately serve to heat the Ranch House and they also have a role in heating the pool via dedicated heat exchangers. The specific projects that we want preliminary cost estimates related to these mechanicals are:

- 1) A full replacement of our cast iron boilers, replacing them with high efficiency boilers
- 2) Transitioning our HVAC system to a variable air volume (VAV) system.
 - a. Our current system uses constant velocity, meaning that air is always circulating (the vents are always blowing air). This system utilizes an ERV (energy recovery Ventilator) which reduces the workload of the air conditioning units.
 - b. While constant velocity is not as efficient as a VAV system would be, it does allow for maximum air exchange in the building, which is useful in a health club setting.

We have an appointment set to have the current boilers inspected. Our HVAC maintenance purveyor will be physically inspecting the inside of the boilers. We hope that this will give us the most accurate indication of remaining useful life.

Boiler upgrades and VAV would have ROI, but they are some of the most expensive items addressed on our reserve study. While they are due for replacement, with funding via our reserve study, there could be enormous cost savings from delaying that project if the current units have a clean bill of health.

The due diligence that we are doing concerning our HVAC system is a good way to understand where we stand on the overall planning for the renovation at this time. The current schematic design sets have been crafted to ensure that we receive pricing, giving us enough information to forge a path forward.

I should also note that due diligence is also being conducted to understand the costs related to solar as we consider the roofing project at the Ranch House.

Previous Report from 10/24/2024

The update that was included in September’s Board Report appears below this update. For anyone who is not familiar with what was discussed at the September Board meeting, please refer to that report.

Since that time, a meeting was held with the GC, Architect, and RVR Design Advisory Group (DAG) to discuss early stages of Schematic Design. The conversation largely centered on specific plans for the added square footage to the east of the Great Room, along with specific ideas for a restructuring of the current bar. We also walked the locker rooms to discuss the remodel scope that might be included in the Schematic Design for subsequent pricing. This meeting was helpful to guide us toward a preliminary Schematic Design.

The timeline for design phases is included below, though it might require you to zoom in on the PDF file to read. We hope to conclude SD and have cost estimates provided by the GC by 11/15. This will give us a better understanding of overall costs for both the special assessment portion of the project as well as the portion that would be funded by existing reserves.

As has been discussed previously, from an accounting perspective, we are tracking costs for the reserve portion vs. the assessed portion of the project separately.

Concerning Engineering: Sopris Engineering has been working on a site survey and Bighorn Engineering will soon be engaged to review M&E. A meeting was also held to walk mechanicals with the vendor who maintains our boilers/HVAC, to better understand the current systems.



Previous Report from 9/25/2024

During the annual meeting I covered this topic in more detail. This document will further discuss processes that have unfolded since that time.

As noted in that meeting, we have selected RA Nelson (RAN) as a General Contractor. We ultimately decided on them after pursuing 2 other alternatives. RAN offered the best pricing structure via their RFP. They also provided references alongside comparative projects that were very similar in size and scope to our renovations at the Ranch House, inclusive of work on pools/community centers. The references provided were also outstanding. RAN had pre-existing knowledge of our project, having volunteered to assist us during the Long-Range Planning Committee's OPC (opinion of probable cost) phase with the McMahon Group. In this way, they fully understood what we were hoping to accomplish at the Ranch House.

Since that time, we have also selected an Architectural firm. After interviewing other architects, we ultimately decided to work with Land + Shelter (L+S), led by Andrea Korber. L+S is a well-known local architecture and planning firm. They have been involved with Carbondale projects such as: the Carbondale Pool/Rec Center and True Nature. As a long-time local, Andi has family in RVR and has familiarity with both our community, and our facility.

While we have made commitments to both L + S and RAN, our current obligations do not yet extend to the full scope of the renovation project. As we begin the Schematic Design (SD) process, we are working toward a full contract with both firms. As this SD phase comes to a close, we will work with RA Nelson for a preliminary pricing round. That will give us a more detailed idea of costs allocated to specific portions of the scope.

Up to this stage, our internal team has largely consisted of a working group, which is growing over time. I'd like to thank the following homeowners for providing their expertise to consult on the project. As we move through the SD phase, this group will serve a more formal role as a Design Review Team.

- Ashley Lynch (GM)
- Carl Hostetter (Co-Treasurer of the RVRMA Board)
- Marc Margulies (Boundary homeowner and retired Architect & Owners Rep)
- Rob Morey (Owners Rep, Old Town Homeowner)
- Zach Smith (RVR Custom Homes owner, Builder)
- Elizabeth Lozner (Caryatid Structural Engineering, RVR Homeowner)
- Jennifer Dicuollo (DRC Committee Member, Landscape Architect)

The timeline of the project will become clearer as we march through the planning stages, but we hope to accomplish the bulk of project from Labor Day 2025 to Memorial Day 2026. The Architectural phases of the plan leading up to the construction documents and construction administration phases will take some time to complete.

This puts us on track to accomplish the bulk of the improvements in 2025/2026. As a reminder to the community, the full plan, inclusive of financial data, remains available on the RVRMA website. You will find it on the top of the homepage. In that PDF, you will find a detailed accounting of expenditures, projecting those to happen in 2025/2026.

As we move deeper into the planning stages, more comprehensive cost estimates will be forthcoming.

It should be noted that the top priorities for this project remain to be:

- 1) To come in on, or below, budget.
- 2) To minimize disruption to the Ranch House as much as possible, focusing on timeframes outside of the peak summer season.
 - a. It is our goal to keep the facility open to the public to allow use of the building at all times.

Ashley Lynch

GM RVRMA