

# NEWSLETTER AND IMPROVEMENTS PROGRAM - AUGUST 2013

There was a committee meeting on 3 August.

There are many improvements due to start soon which have been planned for some time

Most owners understand that the last 2 years have been about repairing all the problems in the building. In the first year of the committee, the common fee was still 10 baht and we financed the repairs by recovering 1.3 million in long-term arrears. In the second year, all the budget including the Special Assessment was used to run the building and to pay off the water treatment bill (over 530,000).

In those 2 years, we have saved about 1 million baht by not using a management company and another 400,000+ baht in swimming pool costs (water, electricity, chemicals, cleaning and 50% of repairs) which are all paid by the pool operator

At the AGM in February, owners voted by about 90% for budgets for improvements. We allocated 600,000 for major unexpected expenses in the budget for 2013 but so far there have been none. We propose to release some of this money for improvements (see below)

## ARREARS RECOVERED

1. **Common fee** We have recovered a total of 469,330 since January 1 this year. Some of the arrears go back to 2003 and were recovered because a unit was sold. Some were recovered by turning off the water to units that had not paid.

2003 = 4,440  
2004 = 4,440  
2005 = 4,440  
2006 = 4,440  
2007 = 24,440  
2008 = 33,660  
2009 = 55,800  
2010 = 74,320  
2011 = 87,360  
2012 = 175,990

**Total = 469,330 arrears collected since 1 January**

**The TOTAL arrears in 10 years is now down to less than 510,000 or about 1 %. This is very small considering some owners have died or abandoned their rooms. Collecting arrears has been a priority since the committee started in 2011**

2. **Special assessment** The manager posted the details of all the special assessment arrears. Since then, the water has been closed to rooms that have not paid. More people have now paid and the arrears have been reduced to about 104,000 or 22 rooms. The list of arrears is available in the office

## NEW FLOORING

Owners voted a budget of 150,000 for new flooring. At the AGM, we said we would do 1 or 2 or more floors depending on the budget. We propose to do 2 floors costing about 190,000 each (at 436 baht/m<sup>2</sup> including levelling the floor and fitting). The extra 230,000 will come from the arrears we collected this year.

If we don't have unexpected expenses, we could do 2 more floors by the end of the year which could be paid for using the remaining 239,000 extra we received from arrears plus about 141,000 from the unexpected expenses budget.

We propose to do a wood style floor in 3mm plastic tiles 15 cm x 90 cm. The work will be done by a flooring company (level the floor and retiling). Our staff will remove the old tiles)

Owners looked at colour samples on display. The majority have voted for a light colour. We also propose to replace the ceramic tiles around the lift when we replace the flooring. We will display samples for owners to choose from. We propose to use ceramic tiles on the staircase which are much cheaper and harder wearing and we don't have a problem with weight or modifying door heights.

We received many good suggestions including using a different coloured border tile or a square design pattern to make a nicer design. Here are possible designs

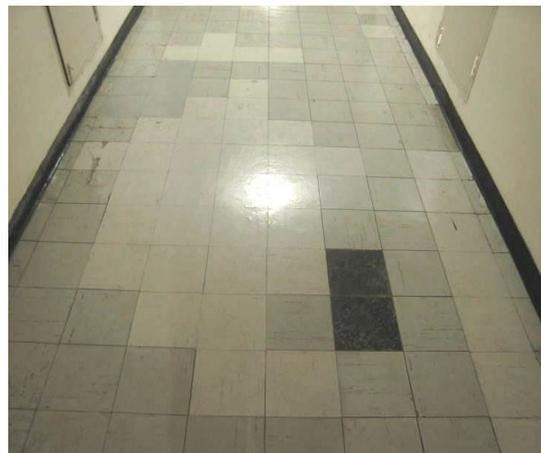


We will start with floors 2, 8, 11, 13 and 15 (depending on the budget). Floor 2 has the highest number of owners per floor and we think the other 4 floors selected are in the worst condition. The list includes low, middle and high floors.

Some floors are in ok condition with almost all tiles the same colour, for example floors 3 and 4. We will try to use the best tiles from the floors that will be replaced to make these floors good until we have the money to replace them so they look like the 3rd floor corridor where all the tiles are the same colour and in good condition. However, the old tiles on the 2nd floor could not be reused because they were so well stuck



3rd floor



15th floor

Owners may disagree with each other about which floors are the worst but most have different coloured tiles and a very patchy appearance. The 15th floor also has damage to the ceilings and light well and is probably the worst looking floor

Owners have the opportunity to vote a budget at the next AGM to re-floor the whole building so every owner can have new flooring soon.

## POOL RENOVATION

We propose to completely renovate the main swimming pool starting before high season. We had companies inspect the damage under the pool area and decided the only option was a full repair of the pool including new tiles to make it waterproof and also repair the water damage to the supporting structure underneath (see photos). We will fibreglass all the gutters around the pool. The gutters have been a constant problem because of the cement eroding. If we are going to repair the pool, let's do it properly so it lasts for years.

We are checking the quotes and work specification. We propose a cement and polyurethane repair of the damaged areas. The total cost may be about 584,000 + VAT (including pool, structural repairs and new fibreglass gutters.) .

At the AGM, owners voted a budget of 200,000 for pool and other repairs. We propose to use an additional 424,000 from the sinking fund. The pool is dangerous with many people complaining they are cutting their feet on the broken tiles and if we do not repair the damage under the pool, the problems and structural damage will become much more expensive later.

(NOTE ON THE SINKING FUND: At the 2013 AGM, owners voted to transfer 600,000 collected from arrears in 2011 to boost the sinking fund. That means we can still keep to our 5 year plan to restore the sinking fund back to 4.5 million by 2016 even if we use 424,000 for the pool this year.)



There have been repairs to the pool equipment recently including pumps and valves. The manager brought Digi-Chem company to clean and test the pool. They recommended liquid chlorine. The pool operator has a new contractor and the pool is now very clean.

We propose to install 2 new resin filters (26,000 each plus fitting). We were recommended to install a new 3 HP Emaux pump (20,000). The pool operator will contribute 50,000 to the cost

## TV

Members of the committee, the manager and tech staff visited Jomtien Beach condo to look at their renovated TV system. We propose to copy their system and equipment. We will use a company to connect to fibre optic in Pattaya Tai then run new RG11 main cable with all new hubs and boosters through the whole building. We may need to run individual cables to rooms depending on the quality of the signal after the work has been done.

We hope to start in October. The cost of connecting to fibre optic with a special hub plus the cost for 13 boosters, 4 hubs and new main RG11 cable could be over 100,000 including labour but NOT including running new cable to every room. Owners voted a budget of 200,000 to upgrade the TV.

### FIRE SYSTEM UPGRADE

We are on budget to complete this (100,000)

We have tested the alarm bells and we will fix the faults found.

We have installed new lighted fire escape signs on each corridor

There are new emergency escape lights on every floor on both staircases

The fire pump was repaired and we are trying to restore the control system to automatic pressure start

The security guards have been trained to respond to a fire

### SECURITY AND PARKING

We have employed a new security company from 1 August, Rungthip Security, who have the contract for the 5 buildings at Jomtien Beach condo which we visited. They are efficient, and popular with the residents there. The committee checked all the applications for new parking stickers and rejected about 17. The new stickers were delayed due to printing and numbering errors but are now ready. Controlling the parking has always been a problem. The Chairman has had several meetings with the company and we expect much better enforcement soon

### ELECTRICAL SYSTEMS

We will repair the Air Circuit Breaker within the budget of 100,000 (see June newsletter)

The voltage leak in the main transformer which we reported in June was found and repaired.

### WATER PIPES

Many galvanised main water pipes are rusting and leaking. Chief technician Boompeng has a replacement program but the pipes are close together in small shafts through the building and are often difficult to replace.

Recently, a main water pipe failed and flooded the ceiling on M floor. The tech staff had to renew the whole pipe from the ground to the roof tanks and worked through to 9pm several evenings. The cleaning staff worked until late in the night to clean the mess



### WATER TANKS

We would like to thank Mrs Kanong and her cleaning team for getting inside and cleaning the main water tanks on the roof again this year. It is not a nice job.

We would like to thank all the staff. There is a lot of work to maintain an old building and much of the work is not seen by owners. The technical staff continue to save owners a lot of money by doing almost all the repairs in house

## WATER PUMP

One main water pump that takes water to the roof tanks has been repaired. Cost 10,000. The other pump will cost 25,000



## ACCOUNTS

We have been unable to post monthly accounts for several months. We are changing accounts company (as voted at the AGM) and there have been some other problems. We hope to post all the monthly accounts soon.

## SUGGESTIONS

We continue to receive many good suggestions and try to follow them up.

## COMMITTEE AND MANAGER

This has been a particularly busy time. Problems with our old electrical and water systems continue and a lot of time has been spent researching and planning improvements

## BUILDING CRACK REPAIRS

We are getting estimates to repair the large cracks mostly on floor 15. It would be better to repair and repaint the whole building at one time but the larger cracks need to be fixed soon. If water attacks the structural steel, we will have serious problems in the future. The building is near the sea and the salty atmosphere makes any corrosion worse

## **CHOICES FOR THE FUTURE**

We encourage all owners to attend the AGM next year to direct the committee and decide what changes and improvements they want in 2014 and how this will be financed.

Here are some options for improvements owners could discuss and vote on at the AGM

### 1. NEW FLOORING ON ALL 14 APARTMENT FLOORS

If we re-floor 4 floors this year, the cost of re-flooring the remaining 10 floors is about 2.0 million. This could be financed by adding 5.5 baht to the fee only for 1 year in 2014

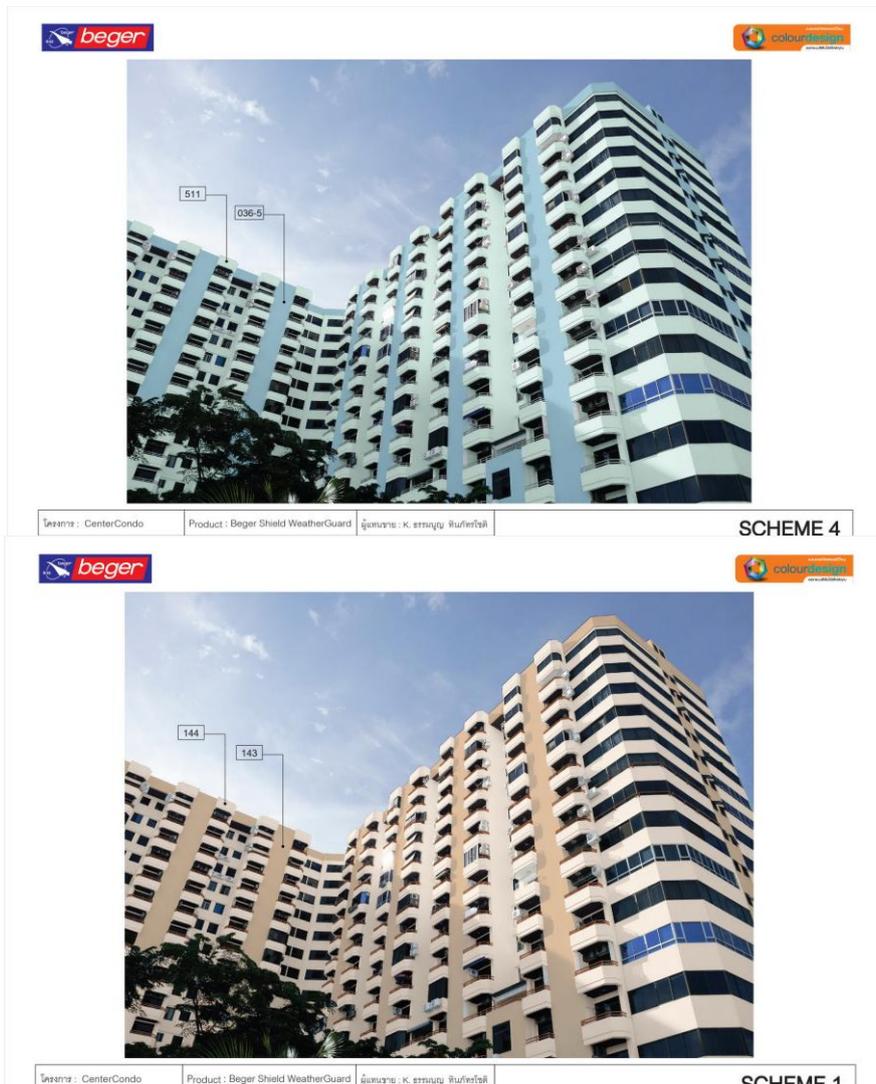
### 2. REPAIRING AND PAINTING THE BUILDING

We have estimates from a number of companies. The priority is to repair the cracks around the building with flexible epoxy. Owners could vote at the AGM in February whether to repair and repaint the whole building.

It has not been painted in 20 years and is full of small cracks everywhere and if we have workmen here repairing, the best and cheapest option long-term is to repaint at the same time. This will reduce future repairs and weather damage and extend the life of the building.

The cost is about 2.5 million but owners already allocated 300,000 for external repairs in 2013. We may use this now to repair the 15th floor cracks but some money could carry over to 2014 so the money we need to raise would be about 2.2 million. This could be paid by adding about 6 baht to the fee only for 1 year in 2014.

If owners vote to repaint, repainting in white is the simplest choice but companies have sent options on colour and design for owners to look at.



## SUMMARY

The total fee is now about 18 baht. Either painting or re-flooring would put the fee to about 24 baht for 2014, then it could drop back to about 19 baht in 2015.

We propose to have an informal owners meeting so owners can meet and discuss different options before the AGM.

If owners vote to continue to improve their home over the next few years, we can look forward to a very nice, well-maintained building in the heart of the city. We could have a new exterior, new flooring, a nice pool, good TV system, and good security.

**We could have our whole building up to modern standards but pay about half the common fee of new condominiums**

This newsletter is available on our website

<http://centercondopattaya.com/CC%20Committee%20Reports.html>