

February 20, 2024

All,

Attached is the certificate from CRA Engineering indicating we passed phase 1 of the milestone inspection process.

As you may recall, after the collapse of the Champlain Towers Condominium in Surfside in 2021, our state legislators took steps to ensure this type of catastrophic event wouldn't happen again in the future. In the 2022 legislative session, they signed into law SB 4D. They further refined the bill in the 2023 session. What this portion of the bill meant to us is that our milestone inspection had to be completed by 12/31/24. The fact that we passed phase 1 is very good news for us. Had we not passed the phase 1 portion of the inspection, we would've had to go to phase 2. Phase 2 could include destructive testing, how much may be as extensive as determined by the engineer overseeing the testing. So, the fact we passed phase 1 is very good news.

The other portion of the new regulations (and our next big hurdle) is the structural integrity reserve study (SIRS). After 12/31/24 associations can no longer vote to not fully fund reserves. The amount of money required to be in the structural portion of the reserves is process whereby each component is evaluated for the number of years left before replacement. Once that part is completed, they will calculate amount of money needed to be on track to be fully funded by the end of life for each component. This study must be performed by a licensed engineer or person qualified to do the study. Our SIRS will be done after the coating project scheduled to begin next month.

That's where we stand with the new regulations.

Regards,

Jim Jackson
President OBCI