



May 03, 2016

Dear Wood Creek Lodge Owners,

All unit water heaters are 12 years old or older. Crested Butte Lodging (CBL) has contacted Timberline Mechanical and they are prepared to replace all the water heaters in the unit either this spring or this fall. The Board has updated the Rules (see below), and is requiring that all water heater replacements need to have their shut off valves replaced and a drain pan. No drains for the water heaters need to be installed since it would involve major construction inside most units. The Board and CBL believe that if there is a drain pan some owners might install a water detection alarm inside the pan.

Updated the Wood Creek Rules:

*The board places the owner(s) on notice that each owner must replace any water heater 12 years old or older with new water heater – installed per code, and include a drain pan and new shut off valve. For the protection of our infrastructure and other owners' property, the Board has specifically instructed the HOA manager to make annual inspections and record the date of each water heater in each unit. A letter of notice will be sent to owners to replace the water heater. Two months will be given for plans to replace water heater units. After two months the owner will be in violation and a \$50 per day fine will be issued for non-compliance.*

The ideal scenario is to have all the work completed by one contractor at one time since all the water heaters need to be replaced.

I've included the average costs of different sizes of water heaters to give you an idea of your particular replacement cost. Our units have different floor pans with various space requirements and some have more than one water heater. The average cost of a 50 gallon water heater with labor, materials (water heater, pan, valves, etc), and taxes is \$1151.65. The average cost of an 80 gallon water heater with labor, materials (water heater, pan, valves, etc), and taxes is \$1897.60. Freight for the 50 gallon would be \$0.00 and the freight on the 80 gallon would be \$100. Note the size of the 80 gallon tank is 69" x 23 1/4" (it would not fit everywhere).

Please reply to Grant at Crested Butte Lodging ([Grant@Crestedbuttelodging.com](mailto:Grant@Crestedbuttelodging.com)) within 14 days from the date of this letter if would like CB Lodging to initiate the work. Otherwise, the owner will need to have their water heaters replaced by September 1 or pay fines of up to \$50.00 per day. This is a preventative measure that will help keep our insurance rates low as well as avoid serious damage to property and loss of rental income

Sincerely,

Anne Pharamond, President