

11/27/2019

Dear Willamette Towers Owners:

This letter is to inform you of an increase in HOA monthly fees for 2020, and to explain the reasons for the increase.

As of January 1, 2020, the monthly HOA fees will increase to the following amounts:

Studio	\$185
1 bedroom + 1303	\$266
2 bedroom	\$379
Penthouses	\$425

The reason for the increase is two-fold. First, our expenses for 2020 will be larger than for 2019 due to inflation and to increases in utilities and services, including storm water fees, sewer, and natural gas.

Second, we are increasing the amount of money we will put into reserves during 2020 in order to begin planning and funding the replacement of plumbing in the building. As those of you who have lived here for some time know, we have had problems with the plumbing for a number of years. The water is transported up through the various floors through pipes called "risers." These domestic water risers are galvanized steel, which has an average life expectancy of 40 to 50 years. WT was built over 50 years ago, meaning the pipes have passed the typical life expectancy. Our pipes have been deteriorating for years, resulting in reduced water flow, weakened water pressure, lack of hot water, thinning pipes, water leaks, and clogged distribution pipes and fixtures. So far we have dealt with problems as they have arisen by unclogging pipes, replacing pipes, and in 2018, a costly "blow down" of the risers, which removed much of the collected debris. These are stopgap measures, however, and as the pipes continue to deteriorate, new debris collects and the pipe walls continue to grow thinner.

The Major Maintenance & Repair Committee (MMRC) and the Board have spent a lot of time analyzing the situation, and are working on a plan to move forward. Unfortunately, the work to replace the pipes will cost a lot of money, and therefore the need to increase the HOA fees and begin building the reserve funds for this project. The MMRC is working on a more detailed description of the problems, the proposed plan of action, and the financial issues, and this will be available for owners when it is ready. In the meantime, we wanted to provide this shorter explanation. No one wants to pay higher HOA fees, but having functioning water pipes is essential to all of us.

Sincerely,

The Willamette Towers Board

Willamette Towers

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