

Message from the president re the resurfacing agenda item (proxy item #2):

Dear Shareholders,

At the board meeting on October 4, a shareholder asked the board what was the difference between resurfacing and white coating? The shareholder noted PHRA spent about \$45,000 in 2016-17 for white-coating and wondered why, so soon after that expense, was the board was recommending resurfacing now vs in several years.

I appreciate this question and want to share it with you in case others are wondering the same thing since, per the PHRA by-laws Section 11: *“Approval of Expenditures in Excess of \$50,000. Repair, modification or replacement of Corporation facilities in any one fiscal year with costs estimated to be greater than Fifty Thousand Dollars (\$50,000.00) shall be undertaken only upon recommendation of at least seven members of the Board of Directors, approved by a majority of the Shares present or represented by proxy at a duly constituted special meeting, of shareholders notice of which has included the proposed project.”*

Resurfacing and white coating are different. White coating shouldn't be done more than 4-5 times otherwise the white coat will disintegrate more quickly if there are more than 4-5 layers. The photos below show PHRA's pool has seven layers, which contributed to the quicker failure of the last white coat. Ideally resurfacing should last 30-40 years if it's managed properly. We have received multiple quotes for the work and the previous board was looking into doing this a couple of years ago. The current board agreed unanimously it needs to be done now in order to protect our largest asset- the pool. And we recommend an assessment to pay for it; this will allow us to continue building back our reserves from the 2020 season. We have recouped some of those reserves this season but not all.

Thank you for your consideration of this important work and I hope you will join the board in voting yes.

Regards
Marc

WHY RESURFACE OUR POOL NOW?

WHY: The plaster is peeling along the steps and floor of the pool. The pool industry refers to this as spalling. Our pool also has a large amount of check cracks, which are harder to see. They can also be described as eggshell cracks or, as the pros call them, craze cracks. Lastly, we have larger cracks that have caused the rapid loss of tile and pool edge coping in several areas in the pool and pool deck. Once this happens, there is no proper way to repair it and recoating must be done. If not, there is a risk that moisture will seep below the coating and cause corrosion and ultimately a failure of the metal structure of the pool. This work was recommend two years ago but was deferred due to other needed repairs. The board unanimously agrees this work needs to be done before next pool season and recommended an assessment to pay for it.

WHY NOW: Depending on the quality of the previous job, white coating/plastering of a pool surface will last 5-10 years. The standard is to apply a new coating on top of the existing coating, until the amount of layers prohibit that, as is the case with our pool. As seen in the photo below, our pool has so many layers that the previous layers must be removed and the surface taken down to the gunite, which is the concrete base layer above the metal structure.



It is estimated that the job will take 5-6 weeks to complete and the board proposes to do this work during the off-season.