Request for Emergency Generator Project Approval

September 2, 2019

The letter is a formal request to the Board to approve the emergency generator project.

The Association has already bought a generator. Yes, over the last 25 years, the Association has suffered property damage anywhere from $30,000 to $50,000 per year due to the lack of an emergency generator. These costs have been buried in the Association maintenance budget year after year by prior management companies.

- Every cabinet unit heater in every vestibule at the hotel has been replaced at least once due to freeze-ups.
- The front entrance to the hotel has been encumbered with HVAC workmen tearing into the ceiling to replace pipes and equipment, with the attendant step ladders and sheetrock mess. Once such event affected the front entrance for two weeks.
- Sprinkler pipes have frozen due to the loss of power. I have seen a three-story scaffolding tower erected in the lobby to fix pipes in the ceiling above the lobby due to freeze-ups.
- Boiler room motors and electrical controllers have been replaced due to the loss of one leg of the three-phase system during a partial outage.
- Heat pumps have been fried by the loss of one leg of the three-phase system during a partial outage.

Since one Board goal is to minimize Owner dues increases, an emergency generator is one avenue that will help. We need to stop buying a generator in the annual maintenance budget and having nothing to show for it. Committing to the emergency generator project will avoid insidious infrastructure costs every time the power goes out.

Owners who are opposed to a generator are not aware of the hidden costs of infrastructure damages that the Association has suffered. These Owners are also unaware that a squirrel can cause a power outage for three hours – like what happened in 2018.

The Board has a fiduciary duty to the Owners to avoid the potential liabilities of extended power outages when power outages are such

foreseeable events. Power outages of various durations have happened about four times a year, on average.

Our hospitality commitment to guests depends on power.

- The hotel has 600 beds; we need to protect 600 people.
- The emergency light batteries last only 90 minutes, if they are new.
- Although the hotel network has some uninterruptible power supplies on its network equipment, these UPS's have only limited duration.
- We are dependent on power for the Internet Reservations Module server and the RDP server to keep the hotel website reservations alive.
- Guests cannot check out at the front desk without power. Settling 143 guest ledgers after the fact will be laborious when everybody packed their belongings and left the cold darkened hotel without checking out.
- Think about a guest who uses an oxygen concentrator in his/her room, or other medical device that requires power for operation.
- The fire protection system air compressor cannot run to sustain the dry sprinkler system without AC power.
- The boilers, heat pumps and lights do not function without power.
- Summer air conditioning does not function without power.
- Food in the refrigerators and freezers may spoil without power. We own that food, so let's protect it.

I recently requested some value engineering from CUSA Consulting that will reduce the generator installation outages from two to one, such that the commissioning outage will be only a half a day, currently planned for a late April or early May time frame.

Lead Times:

- The generator has a 52-week lead time, so putting the generator on order will assure delivery in about a year.
- The switchgear Electrical Enclosure has an 16-week lead time.
- The switchgear equipment has a 14-week lead time.

Schedule:

- Underground excavations and placement of electrical conduits must be completed before the pads for the generator and the Electrical Enclosure are poured. This must be accomplished by early October.
- Concrete pads for the generator and the switchgear enclosure need to be poured by mid-October to allow 28 days of curing time before freezing weather in mid-November.
- The Electrical Enclosure can be delivered and installed during the winter months. It is a pre-fabricated structure.
- The switchgear can be installed after the Electrical Enclosure is completed.
- The half-day cutover outage can be completed in late April or early May.

10’ x 20’ Switchgear Enclosure (to be installed just west of the NHEC transformer)

Source:
Post Woodworking
NH Company

Electrical Enclosure

Cost: Firm costs can be developed after the Board of Directors approves the project concept. The expected cost is around $700,000.

Please approve this project for the benefit of the Association and all the Owners.

Respectfully,

Warren

Warren J. Mackensen, P.E.
Grand Summit Owner since 1999