

The Galaxy Homeowners Association

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Long Beach, CA 90803

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April 9, 2008

Councilmember Rae Gabelich
Chair, Economic Development Committee
333 West Ocean Boulevard
Long Beach, CA

Enclosure: July 2007 letter.

Dear Ms. Gabelich and committee:

At this time we have not received the agenda as requested for the April 15th, 2:00 pm meeting. I have a short statement from our Homeowners Association to share with the committee in this public forum.

You will have received letters from individual homeowners – Joseph Towers and Lester Miller detailing facts and figures regarding the sprinkler installation at Galaxy Towers. Please read these facts and figures. Think about how they would impact you as an individual.

We are first of all overwhelmed at the costs, which are incomplete and probably under estimated. Second of all, the consequences of such an expensive, all encompassing, lengthy project on the well being of our older occupants, disabled persons, and those on a fixed income is almost criminal in nature.

Yes, there was a life lost and we don't forget that. But our fear is there will be more deaths and homeless persons if we are forcibly mandated to install for sprinklers in this building.

We are probably the most fire resistant building in Long Beach. Surrounded as we are by asbestos and all of the regulations and requests the Long Beach Fire Dept. has mandated for this building. We have cooperated completely. We look to the LBFD for leadership and their expertise with other suggestions.

Fire damage was in 3 condos. Water damage was in 17 condos located below the fire. Smoke damage only in several condos on 3 of the floors.

We have volunteered to serve on your Fire Safety Committee primarily because of this recent fire in our building.

That old cliché of the pebble thrown in a quiet pool and ripples out is certainly appropriate here.

The cost to the city will also be large – to the individual homeowner, in most cases devastation of home, person and finances.

Thank You,

Marian Miller, President GHOA

July 8, 2007

SPRINKLER ORDINANCE AND AMENDMENTS

To: Rae Gabelich, Gary DeLong, Suja Lowenthal

From Marian Miller, President, Galaxy Homeowner's Association

Re: Your committee meeting to discuss and decide on the three motions sent to your committee from June 19, 2007 Council Meeting-Fire Sprinklers retrofit

Attached is a VERY rough draft of the many problems not addressed at the council meeting of June 19, 2007. We have not gathered costs, all the possible social impact on the individual condo owners, all the governmental agencies that would be involved, costs of preliminary studies, need for extra city services, added electrical services, tax issues. As you can see the list is unending and very complicated and this is only a partial list!!

We also feel that if indeed you do decide to look at the problem, on a case by case basis for existing high rise buildings. Who will make these decisions? We would hope those of us "in the trenches" would have at least equal input as the Fire Department, City Council, etc.

We would like to know where the Fire Department presenter obtained his estimate of costs? They were certainly incomplete. In this building, which was built in 1965, those estimates would not cover the cost of sprinklers or the total cost economically or socially that would be involved. Forty years ago the best fire fighter was asbestos. This building is loaded with asbestos products!! Along with that problem would be the removal of lead based paint, another governmental ordinance.

We have also discovered that in the common areas and in each individual unit, there is no space to put sprinklers unless the ceiling is lowered, and there is an ordinance for this also I believe.

We have called several companies regarding estimates of cost for installation of sprinklers. Needless to say one company said they would come and never did, the others never replied. We assume they are all waiting to see if indeed they will make a "killing" by raising their prices if indeed this unfair ordinance passes. You would certainly, city wide, have more people on your homeless, indigent, welfare roles than dreamed possible.

Please call and allow the GHOA to appear before your committee BEFORE any decisions are made that will impact so many people in a negative way.

Thank you,

Marian Miller

Preliminaries:

GHOA next budget a minimum of \$50,000.00 for beginning of feasibility studies and costs and costs from the following:

- city, county, state

- legal assistance: permits, litigation, process, etc.

- consultants and engineers ----structural, plumbing,electrical,mechanical building,

-Architectural, etc.

Need costs and responsibilities for all phases of retrofit and reconstruction

In addition remember all governmental agencies that will be involved and their costs

Contractors, monitors, inspectors documents

costs for bankruptcy and demolition

Who Pays? City, County, Fire department, Grants, Low cost loans, Insurance, GHOA, Individual homeowners.

Time and cost estimates for Planning, Removal, Retrofit, Repair, Rebuild, Bankruptcy, Demolition.

Individual Homeowner Costs. Preparing to move in and out. Packing and Unpacking down to the bare walls(carpeting, fixtures, appliances, window hangings). Living expenses while living out of building plus ongoing building costs, taxes, mortgages, insurance. Phone, utilities, transportation, caregiver, etc. Reverse the process for moving back into the 80 unit building. Moving office and building staff off the premises and all the costs of setting up new space and paying costs of space and salaries and benefits for employees.

City Services . Existing waterlines sufficient capacity? Street and Alley repairs. Litigation. Permits. Inspectors. Work with agencies and engineers to determine the building capacity need for water, electrical, auxiliary pump fuel, water tank capacity. Location of all newly needed and expanded equipment'

The Galaxy has 80 units(individual homes) plus storage and garage space. The building is 20 floors high with subterranean parking(already has sprinklers) The removal of asbestos would be in each unit ceiling, radiant heat and wallboard, insulation steel beams blue tiles on outer skin. The building is all electric and the radiant heating in each room on each unit would also have to be removed and replaced with some other form of heating.

We understand lead based paint would have to be removed at this time also. All that is removed must be replaced at owners expense. Due to the fire in March this means many of the residents would be paying all costs out of pocket. Many in this building have very limited discretionary income.

Included in above owner costs is everything previously listed.

To condense the above information. Sprinklers would make it necessary to install a new heating system redecorating, new electric and plumbing and paint (code) some kind of insulation, new dry wall in ceilings and other areas where removed in units.

The common areas which would also be paid for by unit owners would be sprinklers, storage tanks, pump systems, blue tiles on building skin, lead paint, drywall etc.

We have cooperated with the LBFD High Rise Inspector Jason Scott in all requests for fire prevention. He has an extensive list he can share with your committee. By the end of the month or sooner we will have completed all requests if the fire department suggested vendors completed their jobs. The building performed well during this fire. Caused by whatever they determined in the unit. We are four towers constructed in such a way to be as fire preventive as possible.

We are available to help your committee make the best decision at this time. We know what a dreadful impact enforced sprinkler retrofit would have on many of our residents, especially the elderly. Our understanding is that of the 70 plus high rise building involved in this situation that many of the residents are, retired, elderly and not wealthy.

Please share this very beginning rough draft with your other council members and related agencies, departments, and committees.

CC: GHOA Board, Building Manager, LBFD high rise inspector, LB Fire Chief. GHOA Attorney

Lester W. Miller
Unit 2030, The Galaxy Condominiums
2999 East Ocean Boulevard
Long Beach, CA 90803
Telephone 562-434-1204

April 6, 2008
Re: Hi-Rise Bldg. Fire Sprinkler
Retrofit

Councilmember Rae Grabelich
Chair, Economic Development Committee
Long Beach City Council
333 West Ocean Boulevard
Long Beach, CA.

Dear Ms. Gabelich:

My wife, Marian, and I are owners and reside in the Galaxy Towers and are very concerned by the Fire Department's recommendation that our building , along with others, be mandatory retrofitted with fire sprinklers.

The economic cost and the human cost need to be addressed very thoroughly before any decisions are made for the fire sprinkler retrofit. We have a substantial number of original owners including disabled and handicapped individuals and many on fixed income. The trauma of moving out of their residences and the economic cost of the fire sprinkler retrofit would have a huge negative impact on their lives.

The Galaxy construction was completed in 1965. The building has four towers of twenty units each for a total of eighty dwellings. The construction was steel beam and concrete with an asbestos material covering all of the structure supports. The unit interior ceilings have embedded electric wires in the ceiling drywall for heating with a layer of asbestos covering the electric wires and drywall. The building was constructed to be fire resistant with steel beams and concrete floors and ceilings and asbestos tile on the exterior of the building.

To install a fire sprinkler system in the units and the common areas would require that all residents move out of their unit for approximately one to two years to have the hazardous materials including asbestos and lead paint removed , the fire sprinkler work completed and the units restored including repainting, flooring replacement, window coverings replacement and then move their possessions and furniture back into their units. The furniture and possessions would have to be stored or moved to the temporary residence location. From our personal experience, it takes at least one week to pack possessions and two days to move the possessions and furniture out of each unit.

When the units are empty, the demolition of the ceiling drywall containing the asbestos and other hazardous material could start. The asbestos covering the steel structure supports would then have to be sealed before any work could resume. The fire sprinkler work could then proceed. The new heating system could then be completed and then the ceiling drywall could be installed. The units would then be painted, the flooring and the window coverings installed. After final inspections by all applicable governmental agencies, the residents could return to their units.

Cost estimates per unit (80 units):

Pack all possessions and move out	\$11,500
Store possessions and furniture (1 Year)	7,200
Remove ceilings and dispose of hazardous material	25,000
Seal asbestos on structural steel	5,000
Fire sprinkler construction in unit only	15,000
Replace heating	10,000
Repaint interior	5,000
Replace flooring	10,000
Replace window covering	10,000
Move back in unit	8,000
Rent similar space (1 year @ \$2,300 per month)	27,600
Property tax on unit	3,500
Common area assessment (1 Year @ 430 per month)	5,160
Mortgage payments (1year)	Variable
Unit insurance	<u>Variable</u>
Subtotal for each unit	<u>\$142,960</u>

Common area costs:

Architect and Engineering cost including Architect, Civil Engineer, Structural Engineer, Mechanical Engineer, Electrical Engineer and Fire Protection System personnel.

Review building construction, prepare plans and specifications, procure necessary building and plan approvals, prepare bid documents, evaluate bids for work, recommendations for selection of contractors, monitor construction and assist in completion of work. Numerous factors are unknown at this time including:

1. Adequacy of City water supply for additional requirements, 2. Requirements for auxiliary water supply storage , and if so, the location. 3. Requirements for emergency power system and whether natural gas or diesel engine driver and location of emergency power equipment, 4. Location and routing of standpipes for the towers ie, on exterior of building and how attached to building, 5. Integration of present sprinkler system in the new construction, 6. Location of pump to supply system, and 7. Adequacy of water and electrical supply.

\$1,200,000

Common floor area for each of 20 floors

Plan check, permits, inspections, agency fees	\$180,000
Remove ceiling to install fire sprinklers	200,000

Seal structural steel members	150,000
Install fire sprinkler system	250,000
Reinstall drywall	150,000
Repaint common areas	50,000
Reinstall flooring, lights, alarms, etc.	100,000
Pump system and connections	50,000
Emergency water tank	50,000
Emergency power generator	50,000
Standpipes for each tower	300,000
Common area	\$2, 730,000
Unit costs (80x\$142,960)	11,436,800
Subtotal	14,166,800
Contingency (10%)	1,416,680
Total estimated cost	\$15,583,480
Cost per unit (79 units share cost)	<u>\$197,259</u>

The cost of materials is increasing 6% to 10% per month and labor costs are increasing 4% to 8% per year.

As in all City residential buildings, we have many elderly owners of units. To move out of their units for a substantial period of time to perform the construction and then to move back in would have a negative effect on their well being not only economically but life threatening in the disruption of their lives.

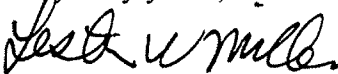
When the construction is completed, the cost of the construction will be added to the property value of each unit increasing the property tax bills of each unit.

There is a reasonable alternative:

Mandate smoke detectors and fire extinguishers in each unit along with mandatory training as recommended by the Fire Department. The cost for this option would be less than \$200 per unit.

Thanks for your consideration.

Very truly yours,



Lester W. Miller