

12-15-25

The Collection – Construction Defect & PEX Pipe Construction – FAQs

Q: Are we certain the settlement amount is sufficient to cover the cost of the PEX Pipe Replacement Project and other construction defects included in the claim?

A: The attorney advised that the funds are adequate for complete repair, and the Association has received proposals and/or bids for repairs which are in the range of anticipated costs.

Q: When will the settlement amount and information be announced to owners?

A: An announcement will be made once all settlement documents have been signed, all settlement funds have been received, and the lawsuit is dismissed. Owners will be able to review the settlement documents in the GM's office (by appointment) after signing an affidavit to preserve confidentiality. A Town Hall Meeting may be scheduled depending on the number of inquiries received from owners. As of this date, all parties to this case have signed the negotiated settlement documents and we are awaiting entry of an order of good faith settlement by the court, which should not be opposed.

Q: Will all the PEX pipes be replaced in the building? What about units that have already replaced their PEX pipes?

A: The Board may decide to replace all the PEX pipes, even those who have partially replaced their PEX pipes, to ensure the new pipes comply with current applicable standards and codes after the building was constructed. The Board has this discretion under the Bylaws Amendment recently approved by owners.

Q: What if my unit does not have any PEX leaks?

A: All units are expected to eventually experience PEX failure(s) as proven by lab tests conducted during the lawsuit. It's not IF but WHEN.

Q: What does the recently approved Bylaws Amendment do?

A: The Bylaws Amendment grants the Board discretion to use settlement funds paid to the Association for PEX Pipe Replacement in the individual units.

Q: What happens if a unit has a leak before the written consent passes?

A: All PEX leak damage claims should be reported to building management for consideration by the Board.

Q: Will the association reimburse the owners who had to pay for the PEX Pipe repairs/replacement out of pocket?

A: The settlement funds will first be used for the PEX Pipe Replacement project and then to address other construction defects. The Board will separately consider and determine out-of-pocket reimbursement for owners who repaired PEX pipe leaks at their own expense.

Q: What if there is money left over after the repairs are made? Will they use it for other common element repairs?

A: The Board has the authority to use the funds for other common element repair and improvement projects and/or to fund reserve accounts at its discretion.