

# CHFA Capital Needs Assessment and Replacement Reserve Analysis

Prepared for:

**Connecticut Housing Finance Authority**  
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and

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## Independence Village

CHFA # 85104D

Montville Housing Authority  
Uncasville, CT

May 10, 2013

*Final Report*

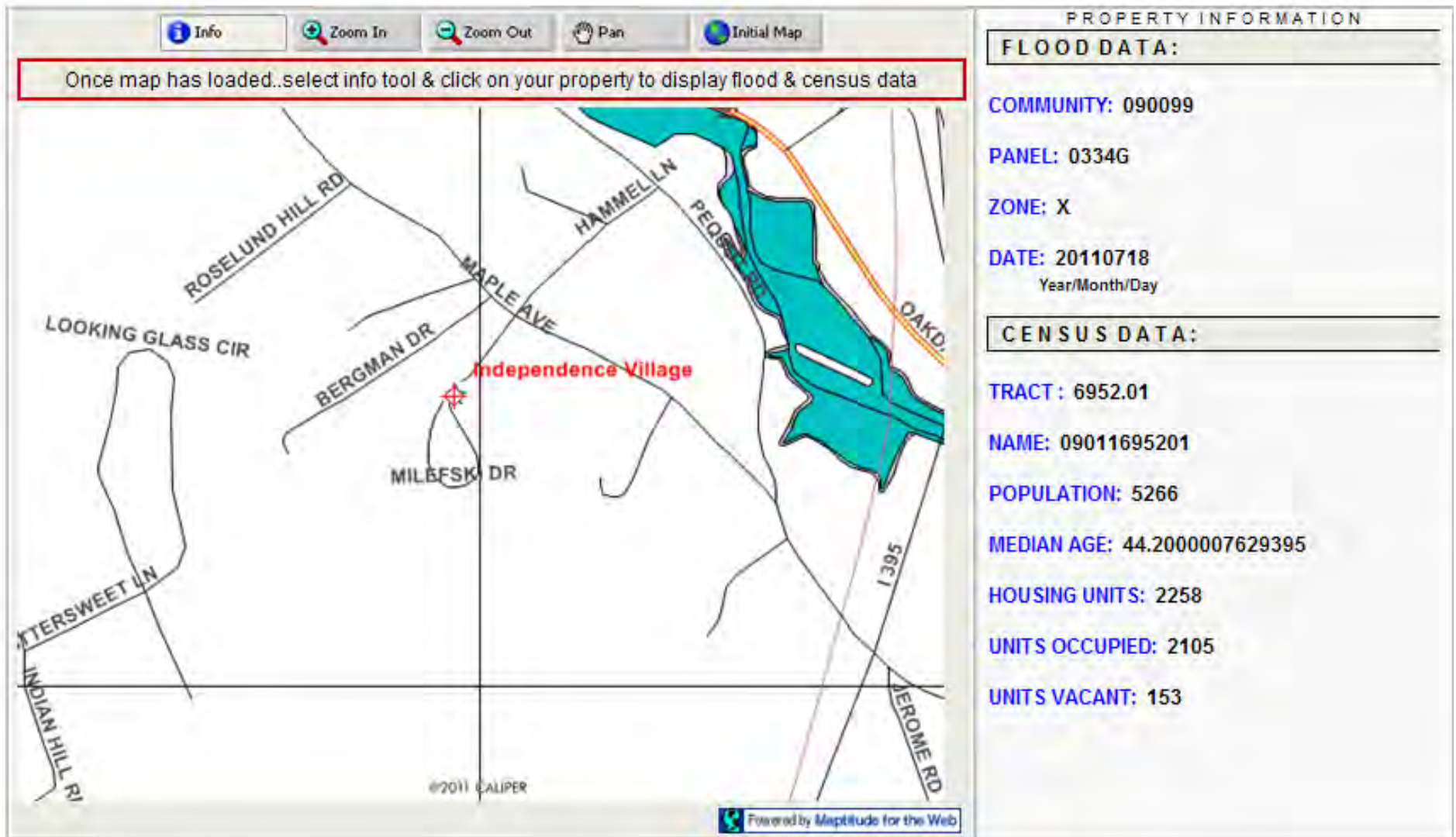




## Independence Village

41 Milefski Drive  
Uncasville, CT 06382





## Independence Village

41 Milefski Drive  
Uncasville, CT 06382

Zone X = Outside the 500-year floodplain and  
Outside the 1% and 0.2% annual chance floodplains

## Executive Summary

### Independence Village

Uncasville, CT

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**Independence Village** is a residential development for senior and disabled citizens that is located on ten acres and is comprised of ten residential buildings and one community building. The development includes 40 one-bedroom units, four of which are designated as limited mobility/handicap accessible apartments. Original construction of the development dates to 1979, and limited renovations have taken place on an as need basis since 1979.

Overall the development is in good condition. As shown on the attached capital needs worksheets, the development faces significant capital needs in the near term. Based on these projections and available information from the client regarding existing reserves and annual reserve deposits, the development is seen as requiring an adjustment to its current funding scenario and/or an infusion of additional capital.

Key findings identified as part of this assessment include the following:

- The asphalt roadways are maintained by the local township. The asphalt parking areas, which are the responsibility of the development, are in good condition and future resurfacing costs are shown in Year 20. Maintenance cycles for crack-filling, seal-coating, and striping are shown in Years 4, 9 14, and 19.
- According to management, replacement of pole mounted a building light fixtures (labor and material) is scheduled to be completed by Connecticut Light and Power within the next several months.
- In order to comply with site accessibility standards, the addition of four handicap parking signs is shown in Year 1 as a deferred cost.

- No problems related to the exterior vinyl siding wall surfaces, soffit, fascia, and trim components were noted. Replacement of the vinyl siding, soffit, and fascia is shown in Year 15. The original casement windows are in fair condition for the age of the components. An allowance for replacement of the windows is shown in Year 2.
- An allowance for replacement of the community building entrance doors is shown in Year 1. An allowance for replacement of the service doors throughout all the buildings is shown in Year 1. Unit entry doors are shown for replacement in Year 2, and unit storm doors are shown for replacement in Year 10.
- No problems related to the roof shingles were observed; replacement of the roof shingles is shown in Year 7. The aluminum gutters and downspouts are in good condition; replacement of these rain carrying components is shown in Year 15.
- All interior common area finishes, cabinetry, and appliances are in overall good condition; periodic allowances for painting, floor covering replacement, cabinet replacement, and appliance upgrades are shown beginning in Year 1, and continuing throughout the plan.
- Removal of the existing restroom grab bars and the correct installation of the grab bars to meet accessibility standards is shown in Year 1 as a deferred cost.
- The development water service is comprised of a well water system. No problems were observed or reported with regard to the well water system in-ground storage tank, above-ground storage tank, or the pressure tank. An allowance for replacement of the well water circulation pumps is shown in Year 4. The community building domestic hot water tank is shown for replacement in Year 7. An allowance for replacement of the zoned central smoke and fire control panel is shown in Year 3. Replacement of the community building split system heat pump is shown in Year 20. The property recently received a diesel powered emergency generator as a donation. Future maintenance for the emergency generator and fuel storage tanks is seen as manageable from operating accounts.
- The majority of the unit interior floor finishes, interior and closet doors, cabinets, countertops, and bathroom fixtures are original construction components. Allowances for unit renovations and upgrades are shown beginning in Year 1, and continuing throughout the plan. Replacement of the domestic hot water tanks is shown beginning in Year 10, over a five year period. An allowance for replacement of the split system heat pumps is shown in Year 20.
- With the exception of the parking area handicap signs and the community building restroom grab bars, accessibility throughout the site, community building, and handicap units were observed to be in compliance with standards.

Additional Notes:

1. The Physical Assessment of the property was conducted on April 18<sup>th</sup>, 2013. Additional information was provided to ON-SITE INSIGHT by site staff and others. OSI was represented on this assignment by Jerome Hagerty. We would like to thank Carol Lantrhop and Bob Spiess for their assistance.
2. Cost estimates used in this assessment are based on data from *RS Means Facilities and Construction Cost Data*. These cost estimates have been applied uniformly across the entire study portfolio to help ensure consistency of future projections. Actual owner and/or site pricing could vary significantly.
3. Unless required by fire, safety, or accessibility codes, items are typically shown being replaced in kind and do not include any planned upgrades or potential upgrade opportunities.
4. Regular updates of this plan are recommended to ensure careful monitoring of major building systems and to adjust the program to accommodate unanticipated circumstances surrounding the buildings, operations, and/or occupants.
5. This report is delivered subject to the conditions on Appendix A, *Statement of Delivery*.





1. Asphalt parking area



2. Pole mounted light fixture



3. Maintenance garage



4. Site sign





5. Community building



6. Typical dwelling building front elevation



7. Typical dwelling building rear elevation



8. Community room





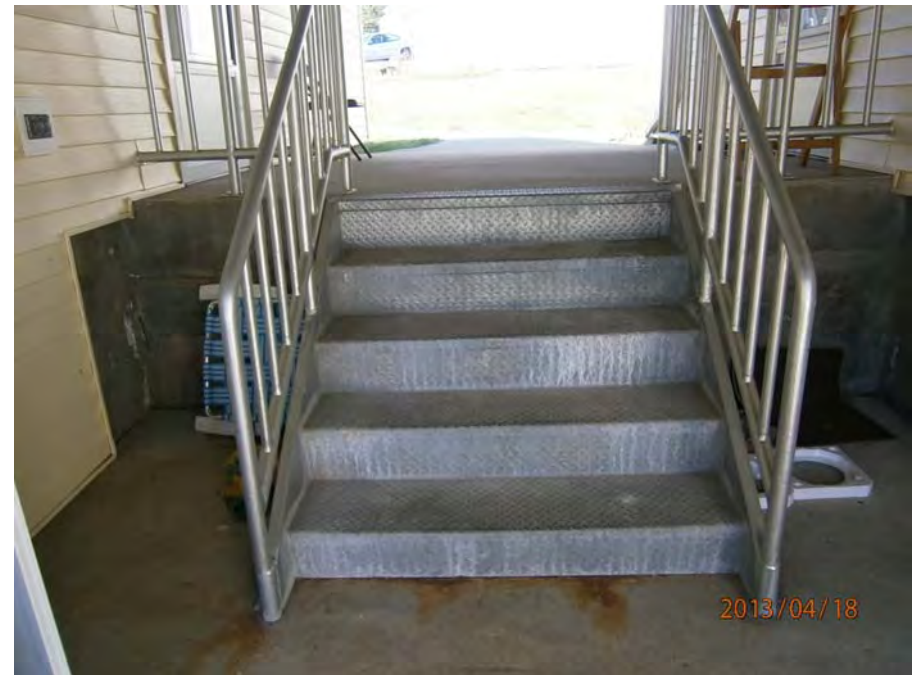
9. Community kitchen



10. Laundry room



11. Common area restroom - note grab bars



12. Typical dwelling building stairs





13. Community building AC unit



14. Well water storage tank



15. Emergency generator



16. Emergency generator fuel tanks





17. Typical unit kitchen



18. Unit electric range



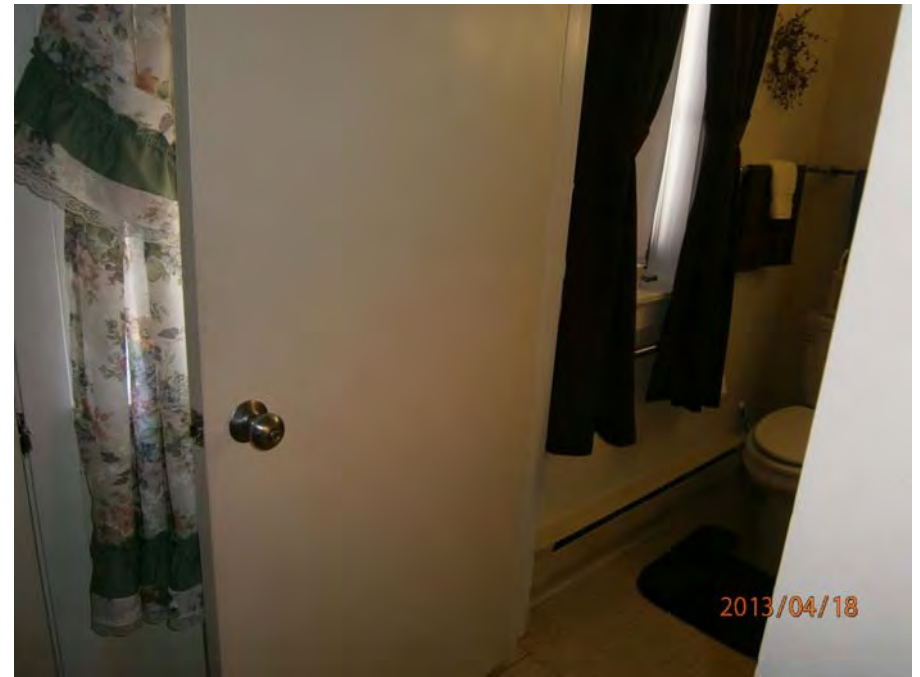
19. Unit refrigerator



20. Typical unit bathroom



21. Unit closet door



22. Unit interior door



23. Unit DHW tank



24. Unit split system heat pump



Comprehensive Capital Needs Assessment Schedule

Summary

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	April 30, 2013

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Beginning Replacement Reserve Balance:	\$198,502
Annual Replacement Reserve Contribution:	\$33,617
Additional Misc. Contribution:	

	Component	Total Planned Expenditures by Year																						Revitalization
		Emergency	Deferred	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
				2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
1	Site Improvements	0	400	0	0	0	3,805	0	0	0	0	4,411	0	0	0	713	5,113	0	0	0	42,478	5,928	36,632	0
2	Building Exterior	0	0	15,600	118,285	0	0	0	0	0	0	0	23,486	0	0	0	0	329,130	0	0	0	0	0	0
3	Roofing	0	0	0	0	0	0	0	0	0	0	0	0	0	200,991	0	0	25,048	0	0	0	0	0	0
4	Lobby - Mail Area	0	0	2,340	0	0	0	257	0	0	0	0	0	0	0	0	0	345	623	0	0	0	0	0
5	Community Room	0	0	6,245	0	0	0	1,303	0	0	0	0	0	585	0	0	0	1,752	5,874	0	0	0	0	0
6	Common Hallways	0	0	330	0	0	0	70	0	0	0	0	0	0	0	0	0	94	514	0	0	0	0	0
7	Common Stairways	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Common Laundry	0	0	405	0	0	0	258	0	0	0	0	0	0	0	0	0	346	631	0	0	0	0	0
9	Common Area Restrooms	0	350	350	0	0	0	316	0	0	0	0	0	0	0	0	0	425	545	0	0	0	0	0
10	Building Boilers	0	0	0	0	0	1,273	0	0	1,087	0	0	0	0	0	0	0	0	0	0	0	1,983	0	0
11	Building Mechanical	0	0	0	0	0	0	0	0	0	0	0	979	0	0	0	0	0	0	0	0	0	4,997	0
12	Building Electrical	0	0	0	0	39,784	0	0	0	0	0	0	3,262	0	0	0	0	0	0	0	0	0	0	0
13	Building Elevator	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Building Structural	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Unit Living	0	0	30,844	31,769	4,185	4,310	4,439	0	0	0	0	0	0	0	0	0	0	41,909	43,167	0	0	0	0
16	Unit Kitchens	0	0	71,400	73,542	0	0	0	0	0	0	0	11,352	11,692	0	0	0	0	27,109	27,922	0	0	0	0
17	Unit Bathrooms	0	0	22,100	22,763	0	0	0	11,593	11,940	0	0	0	0	0	0	0	0	3,895	4,012	0	0	0	0
18	Unit Electrical	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Unit Mechanical	0	0	0	0	0	0	0	0	0	0	0	8,872	9,139	9,413	9,695	9,986	0	0	0	0	0	150,802	0
20	Annual Planned Expenditures	0	750	149,614	246,359	43,969	9,388	6,643	11,593	13,027	0	4,411	47,950	21,416	210,404	10,408	15,099	357,141	81,100	75,101	42,478	7,911	192,432	0
21	Annual Provision (indexed at 3%)			33,617	34,626	35,664	36,734	37,836	38,971	40,140	41,345	42,585	43,863	45,178	46,534	47,930	49,368	50,849	52,374	53,945	55,564	57,231	58,948	
22	Outside Capital			565,000																				
23	Cumulative Reserve Balance	198,502	197,752	646,755	435,021	426,717	454,063	485,256	512,635	539,748	581,093	619,267	615,180	638,942	475,073	512,594	546,863	240,571	211,845	190,690	203,775	253,095	119,611	

## Site Improvements

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village PRELIM SS 5/10/2013



## Building Exterior

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
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Default Inflation Rate:	3.0%

	Component	Current Total Replacement Cost	Expected Annual Rate of Inflation	Current Age	Total Expected Useful Life	Initial Replacement Year	Planned Expenditures by Year																												
							Code	Emergency	Code	Deferred	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Revitalization				
											2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032					
1	Exterior Doors	1,300		34	30	2013				1,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
2	Glass Doors (Sliders)					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
3	Exterior Walls - Masonry					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
4	Exterior Walls - EIFS					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
5	Ext. Walls - Vinyl Siding	204,679		21	35	2027				0	0	0	0	0	0	0	0	0	0	0	0	0	0	309,595	0	0	0	0	0						
6	Ext. Walls - Wood Siding					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
7	Windows	59,640		34	35	2014				0	61,429	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
8	Exterior Soffits and Fascia	12,915		21	35	2027				0	0	0	0	0	0	0	0	0	0	0	0	0	0	19,535	0	0	0	0	0						
9	Caulking					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
10	Unit Balconies / Decks					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
11	Railings					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
12	Service Doors	14,300		34	30	2013				14,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
13	Unit Storm Doors	18,000		6	15	2022				0	0	0	0	0	0	0	0	23,486	0	0	0	0	0	0	0	0	0	0	0						
14	Unit Entry Doors	55,200		34	35	2014				0	56,856	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
15	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
16	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
17	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
18																																			
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21																																			
22																																			
23																																			
24																																			
25																																			
26																																			
27	Annual Planned Expenditures						0	0	15,600	118,285	0	0	0	0	0	0	0	23,486	0	0	0	0	329,130	0	0	0	0	0	0						
28	Cumulative Reserve Balance						198,502	197,752	646,755	435,021	426,717	454,063	485,256	512,635	539,748	581,093	619,267	615,180	638,942	475,073	512,594	546,863	240,571	211,845	190,690	203,775	253,095	119,611							

## Roofing

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	April 30, 2013

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village • Capital Needs Assessment • © On-Site Insight

## Lobby / Mail Area

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
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Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

[illegible]



## Community Room

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

[illegible]

## Common Hallways

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

[illegible]

## Common Stairways

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village PRELIM SS 5/10/2013



## Common Laundry

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

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## Common Area Restrooms

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

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Comprehensive Capital Needs Assessment Schedule

Building Boilers

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
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Total Square Feet:	18,630
Default Inflation Rate:	3.0%

	Component	Current Total Replacement Cost	Expected Annual Rate of Inflation	Current Age	Total Expected Useful Life	Initial Replacement Year	Planned Expenditures by Year																												
							Code	Emergency	Code	Deferred	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Revitalization				
											2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032					
1	Boilers / Warm Air Furnaces					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
2	Boiler Operating Controls					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
3	Pneumatic Systems Controls					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
4	Condensate & Feed Water					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
5	Fuel Oil Storage					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
6	Fuel Oil Transfer System					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
7	Fuel Exhaust					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
8	Combustion Air					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
9	Community Building-DHW Tank	910		9	15	2019				0	0	0	0	0	0	1,087	0	0	0	0	0	0	0	0	0	0	0	0	0						
10	Well Water Circulation Pumps	1,165		12	15	2016				0	0	0	1,273	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,983	0						
11	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
12	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
13	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
14	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
15	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
16	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
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24																																			
25																																			
26																																			
27	Annual Planned Expenditures							0		0	0	0	0	1,273	0	0	1,087	0	0	0	0	0	0	0	0	0	1,983	0	0						
28	Cumulative Reserve Balance							198,502		197,752	646,755	435,021	426,717	454,063	485,256	512,635	539,748	581,093	619,267	615,180	638,942	475,073	512,594	546,863	240,571	211,845	190,690	203,775	253,095	119,611					

## Building Mechanical

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village PRELIM SS 5/10/2013

## Building Electrical

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	April 30, 2013

Number of Units:	40
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## Building Elevator

Owner Sponsor Name:	Montville Housing Authority
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Report Date:	April 30, 2013

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## Building Structural

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village PRELIM SS 5/10/2013

## Unit Living

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village PRELIM SS 5/10/2013



## Unit Bathrooms

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
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Report Date:	April 30, 2013

Number of Units:	40
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Default Inflation Rate:	3.0%

Independence Village • Capital Needs Assessment • © On-Site Insight

## Unit Kitchens

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	April 30, 2013

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

[illegible]

## Unit Electrical

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

Independence Village PRELIM SS 5/10/2013



## Unit Mechanical

Owner Sponsor Name:	Montville Housing Authority
Project Name:	Independence Village
Project City / Town:	Uncasville, CT

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	April 30, 2013

Number of Units:	40
Total Square Feet:	18,630
Default Inflation Rate:	3.0%

[illegible]

## **Appendix A: Statement of Delivery**

Our Capital Needs Assessment (the "CNA" or the "Report") on the subject property is delivered subject to the following terms and conditions:

1. This report and analysis are based upon observations for the visible and apparent condition of the building and its major components on the date of the fieldwork. Although care has been taken in the performance of this assessment, ON-SITE INSIGHT, Inc. (and/or its representatives) makes no representations regarding latent or concealed defects that may exist and no warranty or guarantee is expressed or implied. This report is made only in the best exercise of our ability and judgment.
2. We have undertaken no formal evaluation of environmental concerns, including but not limited to asbestos containing materials (ACMs), lead-based paint, chlorofluorocarbons (CFCs), polychlorinated biphenyls (PCBs), and mildew/mold.
3. Conclusions in this report are based on estimates of the age and normal working life of various items of equipment and/or statistical comparisons. Actual conditions can alter the useful life of any item. When an item needs immediate replacement depends on many factors, including previous use/misuse, irregularity of servicing, faulty manufacture, unfavorable conditions, Acts of God and unforeseen circumstances. Certain components that may be working when we made our inspection might deteriorate or break in the future without notice.
4. To prepare this report, we used historic data on capital activities and costs, blueprints (when available), and current prices for capital actions. We have not independently verified this information, have assumed that it is reliable, but assume no responsibility for its accuracy.
5. Unless otherwise noted in the report, we assume that all building components meet code requirements in force when the property was built.
6. If accessibility issues are referenced in the report, the site elements, common areas, and dwelling units at the development were examined for compliance with the requirements of the Uniform Federal Accessibility Standards (UFAS), and for Massachusetts properties, the Massachusetts Architectural Accessibility Board (AAB). The methodology employed in undertaking this examination is adapted from a Technical Assistance Guide (TAG-88-11) titled "Supplemental Information About the Section 504 Transition Plan Requirements" published by the Coordination and Review section of the U.S. Department of Justice Civil Rights Division, and the AAB Rules and Regulations, 521 CMR effective July 10, 1987. The Guide also incorporates the requirements of UFAS, published April 1, 1988 by the General Services Administration, the Department of Defense, the Department of Housing and Urban Development, and the U.S. Postal Service. Changes in legislation and/or regulations may make some observations moot.
7. Response Actions and estimated costs of responses were developed by ON-SITE INSIGHT, Inc. If additional structural work is necessary, costs for some Response Actions may exceed estimates. Whenever the Response Action is to remove, reposition, or modify walls, a competent structural engineer should be retained before any work is done, because such investigation may disclose that a Response Action is either more costly than estimated, or is not possible.
8. Conclusions reached in this report assume current and continuing responsible ownership and competent property management.
9. Regular updates of this plan are recommended to ensure careful monitoring of major building systems and to adjust the program to accommodate unanticipated circumstances surrounding the buildings, operations, and/or occupants.