

Recap Board of Directors Workshop Notes:

03.13.19 at 10:00am EST

Circle Bay Attendees for Board of Directors Workshop

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|---------------------------|-----------------------------|--------------------------------|
| Todd (Property Manager) | | |
| Doris Brennan (President) | Toby Hohenstein (Secretary) | Bill Hines (Director) |
| Bernie Beauchemin (VP) | Chuck Davis (Director) | Audience: Property Owners (60) |
| Barry High (Treasurer) | Robert Croke (Director) | |

Venture Attendees for Board of Directors Workshop

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|-------------------|-----------------|-------------------------|
| Elizabeth Sinnott | | |
| John Carr | Bobby Ainsworth | Andrew Yusko (Campany) |
| Neysa Nordstrom | Todd Cavins | Kevin Johnson (Campany) |
| Conner Craft | Joseph Duoba | Tom Swell (Swell HVAC) |

Board and Team Introductions

Project Overview

- Roofs, Carport Roofs, Scuppers/Downs and Parking Lot Paving.
- Phases of construction.
- Safety and success are our top priorities as well as communication.
- Note: If residents want to communicate with Venture they can go through CB Todd who will review with Board then bring to Venture.

HVAC Concerns

- Presented by (Elizabeth, Andrew, & Tom Swell)
- Swell assess existing condition of all units and how it will affect our work on the units.
- Detail Review of the Detach & Reset protocol for various roof systems that CB currently has.
- All units are now properly marked/labeled (they were not before).
- Tonnage, physical condition, and age of each unit is inspected and documented. These inspections take place before we touch the units.
- Certain units/stands/pads were previously installed in violation of code, and conducted without permits. We are adjusting that as we cannot reset the units in the same way.
- Adding padding that doesn't meet current code, under the stands to decrease vibration noises is against code.
- We have researched to ensure that we are meeting all code requirements, and upgrading where approved upgrades can be made.
- HVAC Detach/Reset Warranty: 30 days after completion of Reset.
- Dryers on Liquid Line Protocol
- Tom explained protocol as being, if a dryer is currently on the line then it will be replaced with a new one if in poor condition, but if it does not currently have a drier, he will not be adding a new one

Coping Metal and Carport Addendum

- Currently have 3 different types of coping metal on various buildings. We are providing them with consistency of roof, coping metal, etc. across entire project.
- Stainless steel came with 5 year warranty whereas aluminum comes with 15 year warranty.

Carport Metal

- We are replacing with exactly as it was existing with the exception of we are going back with Kynar, as opposed to the carports needing to be painted after the fact.
- Warranty for the metal is 40 years.

Warranties

- Workmanship warranty for both Venture and Campany is 5 years.
- Mule Hide warranty is 20 years.
- Extreme Metal warranty is 40 years.
- Campany coping metal warranty is 15 years.

Engineer Reporting

- Reporting Process per Building/Section:
 - (1) Completed Building/Section inspected by Venture
 - (2) City of Stuart conducts Final Inspection and Final Approval
 - (3) Mule-Hide Inspection for proper product install
 - (4) 3rd Party Engineer inspection and sign-off on each building inspecting that the Roof System is installed per Manufacture Specs and to Current Florida Building Code
 - (5) Walkthroughs conducted and HOA Board Member and Property Manager Sign the Certificate of Completion (COC) for the Building/Section
 - (6) Venture will provide a copy of the City of Stuart Approval and Engineers Final Report
 - (6) Mule Hide Warranty will be applied for and provided, once received
- Once first Final Report is received, Circle Bay to Receive Copy

Jobsite Cleanliness

- We have end-of-day cleanup scheduled
- Open construction sites inevitably have items such as debris, tar, etc.
- We do our best to clean up at the end of the day but ask that people be mindful and understanding.
- Tire Punctures and Repairs, Elizabeth explained Owner responsibility for tire punctures and repairs to be their own expense

Unit Access

- We must do unit inspections prior to work to document any existing damages, etc.
- We need the unit owners to make sure that if they are out of town then to provide a working key to Circle Bay. Otherwise it slows us down to not have access and we may potentially need to shut down power to safely access.

Roof Access

- While Venture has an open permit on the roof, we are held liable for anybody that goes up on the roof. Therefore we need notification, in advance, in order to supervise.
- Roof access may also have an issue with warranty if a proper Roof Log is not kept.

Q & A WITH OWNERS:

QUESTIONS FROM BOARD MEMBERS:

- Board expressed that they are happy to have ES back to assist with communication, and are confident now moving forward

Does HVAC 30 day warranty apply to leaks only?

- It applies to welds only
- If there is a leak as a result of the above items, then the warranty would apply. Any other reason for a leak wouldn't be covered.
- As a courtesy, we have already fixed multiple issues that were not related to our work, as a courtesy (i.e. blown motor, dead batteries, dirty filters, etc.).

Were warranties made available to Circle Bay prior to contract signing?

- With any project we have, our contract states that our warranties will be provided at the end of the job. Sample warranties are available at the CB Office

QUESTIONS FROM RESIDENTS:

Upon observation of the coping metal, what is the application process for this item? HO noticed that a nailer was being used to apply it however a lot of nails are not compatible with aluminum, due to moisture.

- AY: We are using stainless steel screws.

*Follow-up Resident Response: Stainless steel is the worst metal to use with aluminum as it will cause it to corrode.

- AY: Stainless steel screws are standard protocol on the saltwater as galvanized screws will rust.

I have new AC unit, when roof was done 18 years ago, brand new AC unit was destroyed. HO checked with his manufacturer on current situation, they recommended new dryer and vacuuming of system for 45 minutes (15 minutes per ton and unit is 3 ton).

- TW: This installer specific on how to proceed. New dryers are not within our contract. It is doable and we can put together a cost for the upgrade.

- ES: If we offered this as an upgrade

They were using a nail gun for under the cleat for coping metal. What kind of nails were those?

- AY: Those are galvanized nails. Not stainless steel because those nails are not considered to be exposed to the weather conditions. They are covered by coping metal and roof membrane.

Why has no work been completed on Building #4 in over a week?

- ES: Coping metal and carport metal product information was being gathered for Circle Bay to make an educated decision. We could not move forward without CB signing the addendum for product selection. Delays were in getting the addendum back due to board review. We would not keep going with material that could be changed at a later time. Then, the crew went to another job so it takes time to resume the job and schedule the same crew to be on site. It actually only took us 2 days after the addendum was signed to resume (resumed with carports), which was less than the 2 week delay that is associated with this type of job shut-down.

- AY: We are asked to finish coping metal and carport metal 100% before starting Phase 2. We should resume roofing in 1-2 weeks. We have actually been working on Building #4 this whole time and the roof itself has already been completed. We hope to finish the coping metal today on building #4.

- CB Todd: They have actually been working on Building #4 the past 3 days.

- ES: Different crews are doing different trades so crews will be different sizes. (Coping metal crew is smaller so less noise). We will begin moving to Phase #2 once all inspections are 100%.

But when will the "trash" and "claw" be moved from the front of my building?

- AY: Once inspections are passed and we can move to next phase.....

- ES: Please keep in mind that all construction schedules are projections and can be changed at any time due to multiple different factors.

What CB counsel reviewed/approved contracts for this project?

- CB Todd: Jane Cornett, our counsel for 5 years, reviewed the contract before signing.

Do we have a payment and performance bond?

- AY: This was not requested and is not required. Typically they are used for projects that are non-insurance projects or when a community attempts to get the community members to pay for the project.

To the Board: Why was a performance bond not required?

- Board: We will get back to you on this.

HO cannot sleep with the vibration noise sound from the AC units.

- ES: Are you on 3rd floor? We will come and meet with you separately to review your unit.

Board Member: If someone gets a puncture in their tire from a roof fastener, will Venture warranty the tire?

- ES: From a safety and success standpoint, we wanted to block off Building #1 and #2 areas entirely (which would make clean-up easier and prevent potential screws on pavement) but we did not, so CB can have access to their units and parking, without walking. But because we need to be confined, we are open to more errors (such a clean-up). We ask that CB be understanding that this is an active construction site and we cannot guarantee that it will not happen. Short answer is No.

Rumor on why the construction stopped is due to an issue with the contract or the funding between Venture and the insurance company.

- ES: False. We have the capital support for this entire project before the project even starts.
- JC: Only issue was the addendum. No issue with insurance company on anything.

Concerned about the roofs, mainly due to lack of roof knowledge. The roof on his building is 18 years old with no repairs, to his knowledge. Metal flashings are copper and done beautifully. What is the expected life of this new roof? We need to know this reserve purposes. Is this new going to be as good as old roof?

- ES: We can bring you samples, warranties, etc. on all of the roof product information. Everyone has different opinions on which manufacturers (ex. Nikes vs. Adidas) are better but this warranty is 20 years, which is really good.
- AY: The system that is being installed is just as good as some of the current roof systems and better than some of the other systems (multiple systems on this property).

Have we had any tire puncture issues?

- Audience: Just one.

What determination led to roof replacement?

- JC: Damage assessment from 2015 hail storm. Insurance company agreed on such damage and approved replacement. Insurance company even used their own engineers.

NOTE: Tried to end on time at 11:30am and was asked by CB Todd for 10 more minutes for questions. 4 additional residents lined up at podium.

-Swell HVAC was excused by ES/JC to leave.

How long has Mule Hide been in existence and what is the longest time you have ever seen it last?

- ES: I recommend you review all of the MH product information that is provided in the office.
- AY: All systems being used on this project have either product approval or NOA where government has tested these products and approved for them to be used in FL.

Do the crews go to Mule Hide school for their certification?

- AY: No but have onsite trainings, field manuals, communication availability with manufacture rep.

What is the basic life expectancy of a flat roof in the state of FL?

- AY: That is a loaded question but Company flat roofs on average last 20 years. Longevity is determined by the person who is applying it and the maintenance of the roof. We also cannot guarantee future weather disasters that could affect the roof.

Are we re-doing these roofs with the knowledge that the current life expectancy is almost at its end anyways?

- ES: Yes, within 5-10 years, you would have needed to come out of pocket (reserves) to replace these roofs.
- Board: That's why we have reserves.
- Board Member: We had money set aside for the roof replacement already
- ES: Well I don't know about you, but I'll take free any day.

There are rumors of what the contract amount is for this job. What is it?

- Board: It is listed on line and it is \$16 million?

When are we addressing interior leak units in Building #1 and #2?

- TC: Two units in building #2 have appointments later this week to review the work as the unit owners have questions before any work is done. We have had issues trying to gain access inside the units with the unit owners.

Are the parking lots being fully re-paved and or just asphalt coated?

- Our Sub that is performing this work isn't here with us today, so we will like the opportunity to get back with you on the details with this Sub.

Will it be done in phases?

- ES: Yes, and it will take longer than it would otherwise if we were able to block off entire phases at a time, but we are accommodating unit access for the owners.

When giving me access to my parking space, you should be giving me assurance that the parking lot has been cleaned up for nails.

- ES: We cannot magnet under cars, or in ALL areas. Again, if it were up to us, we would have completely restricted Phase 1 for construction to ensure nails and debris from being close to public space. But due to unit owners wanting access to their buildings during construction, this is unfortunately, a side effect of that.