

The Privateer of Ft. Myers Beach, Inc.

Emergency Board of Directors Meeting #9

Date: November 14, 2022

Good afternoon / evening. Below is a quick update from our Emergency Board meeting this morning at 9:00 EST. We continue to meet one to two times per week with many conversations in between. There will be a Board and all owners meeting next week so be looking for an email regarding the date and the link to join.

Property Update

ServiceMaster is still on schedule to finish by Thanksgiving. All buildings will be boarded up where necessary and we are working to hire a security company to be onsite to protect the property.

Sedgwick (our insurance provider) will be onsite to do their next phase of engineering review. They will be digging around building footings with a shovel to do further analysis of the structures.

An owner in the E building hired their own engineering firm who came out to view building E. The results of their findings should be available this week. These findings will not change the status of E building. Only the findings of the FEMA structural engineer, will determine next steps of that building.

A plumbing contractor (Heartland Plumbing) and a concrete contractor (Bonness Paving) were onsite to do their evaluations of what's required for both plumbing and concrete restoration efforts. We are waiting on a written estimate based on their evaluations.

We are working with All Phase Electrical and Youngs Electrical and have asked them to evaluate and submit a proposal to bring power onto the property.

The Board is looking into leasing air conditioners, powered by a generator, for 2nd and 3rd floor units. The goal would be to control humidity in the units until such time we have electricity to buildings.

Insurance Update

The association will be receiving a pool of money from our insurance carrier for some of the damages of the storm. Unfortunately, we do not yet know how much. Roof replacements will be covered but how much of that pool of money will be left after that, we don't yet know. As you are aware, there are multiple parties involved in the process. Estimates from our insurance company and FEMA are not yet in.

We have been told that insurance premiums will be rising even higher than they did last year. Paying more for less coverage seems to be the theme right now. This is not anything we have to worry about immediately, but insurance carriers are in discussion with their customers, keeping us aware of market conditions.

Other Updates

The association will be paying Crowther (our roofing company) \$89K for work they have performed to date for roof repair. As a reminder, this was necessary (per our insurance carriers) in an effort to mitigate further damage to the buildings.

Additionally, we have an invoice from Crowther for \$64K for materials they purchased prior to hurricane IAN for our initial roof replacement project. These are goods that were purchased specifically for the Privateer. We are working with Crowther to discuss deferring this invoice for an extended period of time.

The Board has agreed to pay SM \$200,000 as an advance on a portion of the work they have done to date. The Board vote was 5 in favor and two abstained.

We are speaking with three General Contractors (GC) to get estimates for restoration. We expect that the GC selected will manage the complete project. One of our goals will be to have a step-by-step list of milestones for the restoration process and estimated costs for each milestone.

The Board will be contacting Consult Engineering requesting an estimate for shoring up the parking lot and buildings when the time is right to do so.

Thank you,

Scott Pelletier

Scott Pelletier, Secretary

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