

Antigua Condominium Association

Minutes of the Meeting of the Board of Directors

March 28, 2025

The meeting of the Board of Directors of the Antigua Condominium Association was called to order by Mike Keenan, vice president, on Friday, March 28, 2025, at 7:00 p.m. The meeting was held via conference call. The following directors were present: Mary Dischinger, Mike Falkner, Kat Ilkhani, Mike Keenan, Robert Mayer and Ellen Schweiger. Randy Ditch and Bonnie Medford arrived late. Sheri Miller was absent. A quorum was present.

The following unit owners were present: Cindy Frederick (901); Rosey Whittaker (302); Wanda Ditch (706); Patty Brann (301); Ingrid Miller (1302); and Mark Ricker (702).

Owner Comments and Concerns

Mike Keenan asked for any owner comments or concerns. There were none.

Coating Project

Robert reported on the coating contract. Ev-Air-Tight asked for three changes to the contract relating to price escalation, consequential damages and attorney's fees. The second, relating to waiving consequential damages, should be rejected and while the attorney's fees request can have both positive and negative impacts, Robert did not favor accepting it.

Ev-Air's principal concern is with price volatility because of the tariffs being discussed. While tariffs had been discussed in the last election, they were not causing the concern that has arisen in the last month. It is like a whirlwind that neither Ev-Air nor the Antigua started and that neither Ev-Air nor the Antigua can control or direct. We all have to deal with the uncertainty in the market as best we can. Ev-Air's approach is to address price changes for materials. They proposed there be an adjustment in the cost of materials if the price increases more than 5%. They will give us notice before they order materials if the price has increased more than 5%. We will have the option to terminate the contract if we are not in agreement with the proposed change.

Mike Keenan, Mary and Robert met with Tristan Keen, the vice president of Ev-Air, and the principal supervisors on the job and with Kirk Parsons of ETC for the pre-construction meeting. The requested changes were discussed. It appeared that the consequential damages and attorney's fees requests would be appreciated by Ev-Air but were not expected. The prime interest was the price escalation provision.

Robert asked what most concerned Ev-Air. Tristan said that the cost of the silicone coating was the one he was most interested in. Dow is the manufacturer and has factories

around the world. He estimated that the cost of the silicone coating would be about \$112,000. Kirk had previously estimated that the job was about 60% labor which is not subject to a tariff. After the meeting, Kirk thought that the spring work would account for about 15% of the total job. Mathematically, the cost of the silicone coating for the fall work would be about \$95,000. If there were a 10% price increase, Both Ev-Air and the Antigua would absorb about \$5,000 of it. The amounts are within the contingency built into our budget. There is no guarantee as to what a maximum price increase could be, but this gives us some guidance.

Workarounds to price increases were discussed at the pre-construction meeting and at the board meeting. One is to order all the materials today and avoid the issue of price increases. That is possible. We would be billed for them, less the 10% retainage, as part of the monthly billings. Parge material is very common and not likely to be a problem. There are different materials for the balcony floors and balcony ceilings. They could be subject to price increases. One workaround for them would be to switch manufacturers if another were lower. However, we would likely not want to switch after the work was started on the balcony floors or ceilings. We should have the same product throughout the condominium. Ev-Air usually gets advance notice before a price increase becomes effective. This provides an opportunity to purchase the material before any price change.

The possible tariffs were discussed. They could be worldwide at 25% effective on April 2, 2025. There was a news story the day before the meeting that the United States Trade Representative thought that would be too complicated to administer and that it should be limited to 15 of the United States' trading partners that would have the most effect. The bottom line is simply that we do not know what will happen or when. We do not know what impact it will have. Dow, for example, has plants worldwide and in the United States. The product made in America may have elements in it that are imported. We do not know what effect it will have on the pricing overall. We do not expect to see an invoice that has a line item for "tariff." It will be a single price based on their production costs.

The point was made that product already manufactured and, in the manufacturer's, warehouse would not be affected by a tariff. It was also suggested that we could order only product made in America. However, because the constituent parts may be imported, this may not be feasible.

Kat asked about the termination provision. If we are not willing to accept the price increase, we can terminate the contract. Robert did not think that it would be something we would use in light of the amounts involved that were discussed earlier. It is a useful tool to have in the tool shed, even if we do not use it. And, if the markets materially change, we might need to exercise it.

Kat wondered why we would include the termination provision when we did not let East Coast Contracting work on one tier so they could find out what their costs were. The reason we rejected the proposal she said, was that we did not want an incomplete job and need to find a

follow-on contractor to finish the work. That would be the same situation here if we terminated Ev-Air because of price increases. Robert replied that the reason the offer was refused was because East Coast did not have, and was unable to obtain, a bond. When they could not obtain a bond, they proposed to work without a bond on one tier. East Coast refused our request for their financial statements which would have permitted us to gauge their creditworthiness and our ability to be compensated if they became liable to us for non-performance or otherwise. Without a financial statement or bond, we were unwilling to allow East Coast Contracting to work on our building.

Kat thought that East Coast could have provided a bond. Their bonding company initially said that they would not issue a bond covering the five-year warranty period. They could have obtained a bond with two-year warranty coverage. We should, she thought, go back to East Coast and see if they would do this job with a bond that would only cover two years of their five-year warranty. Robert said that Kat was correct in that they first said that their bonding company would not cover a five-year warranty. Kirk Parsons, our engineer, said this was a standard response in the industry. It was acceptable to us. East Coast made further efforts to obtain such a bond. Their regular bonding company rejected their application and they tried other bonding companies. Kat said that she had never seen the rejection letter and that the board — which would include herself — had failed to do its due diligence in obtaining this. Robert said that the rejection letter was requested but East Coast refused to provide it. In any event, the proof of the pudding is in the eating: East Coast did not provide any bond.

Robert moved that the following escalation addendum submitted to the board before the meeting be accepted:

§ 3.6 Escalation.

In the event that the price of a particular construction material increases by more than 5% due to market conditions, the Contractor shall be entitled to an adjustment in the Contract Price over the 5% increase. The adjustment shall be based on the difference between the Contractor's price at the time of contract signing and the Contractor's price for the material. The Contractor shall provide evidence of the price increase through supplier quotations, invoices and market reports.

The Contractor shall provide written notice of any increases prior to the ordering of the material. Owner has the right to not approve the increase and terminate the contract.

Ellen seconded the motion. The motion passed with five in favor; one opposed; and three absent. The directors in favor were: Mary Dischinger, Mike Falkner, Mike Keenan, Robert Mayer and Ellen Schweiger. Kat Ilkhani voted against the motion. Randy Ditch, Bonnie Medford and Sheri Miller were absent.

Robert briefly discussed the other two requested changes, the limitation of consequential damages and the attorney's fees. He said that the limitation on consequential

damages was a non-starter. While there are benefits to an attorney's fees provision, he did not favor it. There were no questions or comments.

Robert moved and Mary seconded that the two proposals not be accepted. On a voice vote, the motion passed without opposition.

Rosey Whittaker (302) asked about balcony furniture and the use of the balconies during the spring. Robert reported that the work that Ev-Air will do in the spring will be on the west side of the building, the pool side. No swings will be hung over the units. All balconies will be available for use by owners during the spring and furniture can be put out. Ev-Air will work on the 01 and 08 walls and the ground-level walls in the spring. If time permits them to start and complete the walls opposite the 01 and 08 walls, that is, the walls with windows that are part of the corridors to the stairwells. The pool company can open the pool and fix the leak.

Ev-Air works four days a week, Monday through Thursday, weather permitting. They use Fridays and Saturdays for make-up work, if necessary. They work 10-hour days, from 7:00 a.m. to 5:30. They will begin mobilizing at 7:00 a.m. but not do any grinding before 8:00 a.m. They intend to have a separate panel for their electrical needs and will not use generators. East Coast used a generator when they were doing the grinding for the asbestos testing. It was placed near the interior of the rotunda and was very noisy.

Two installments of the special assessment will be due in the spring, each in the amount of \$1,500. They will be due on May 1 and June 1. Coupons will be sent. The fall assessments will be determined when we get a work schedule for the fall work. We will then be able to tell how many installments there will be. We should have that information in the next few weeks. Additional coupons will be sent at that time.

Raintree Contract

Robert presented the Raintree Services contract for the roof inspections. The contract was discussed at the March 19, 2025 meeting. Bonnie had moved that it be approved but questions were raised and it was put over to the next meeting.

The contract has pricing for both annual and bi-annual costs. Our warranty requires two inspections a year and we will use the bi-annual costs. One question from the last meeting were whether the bathroom roofs were included. They are. Another question was will there be an additional charge for work done in connection with the coating project. Randy reported that Raintree will not charge for short, additional inspections. They will be informal inspections and not full inspections. The purpose is to establish the condition of the roof before Ev-Air goes on it and after they leave so we can determine if Ev-Air damaged the roof. To the extent possible, they will be coordinated with the bi-annual inspections. If there is additional work, it will be \$75 an hour.

Robert moved and Mary seconded that the Raintree proposal be accepted. The motion passed on a voice vote with no opposition.

Office Furniture

Randy presented a proposal to purchase new furniture for the renovated office. It included a 24-compartment office mailbox; a 2-drawer lateral file cabinet; an L-shaped reception desk; and a 72-inch metal storage cabinet. The cost is \$567.89 before taxes. Randy felt that the furniture should be replaced because of the damage from the mouse excrement. The drawer on the two-drawer file cabinet does not stay closed. The metal storage cabinet is more useful than the existing four-drawer file cabinet.

The matter was discussed. Patty Brann (301) asked if the mailbox had enough compartments. It is about the same size as the current one. There are enough slots for each floor and each resident owner with a few extra.

Kat felt that the entire office renovation was unnecessary because it had been done two years ago; that this project was improperly handled because there were additional costs as the project progressed; that it was merely for aesthetics; and that the mouse issue was caused by poor performance by the cleaning crew.

Randy was appreciative of the time and effort that owners put into the office work two years ago, but it did not resolve the mouse problem. The mouse problem is a long standing problem and the prior work did not adequately address the issues. This time, the drywall was removed, all holes were filled to prevent mouse access, the area above the drop ceiling was addressed, the abandoned ductwork was removed, abandoned wires were removed, the concrete walls were disinfected, primed and sealed to eliminate the odors from the mice, the drop ceiling which was heavily used by and contaminated by mice is being replaced and the carpet and flooring is being replaced. In addition, the abandoned ductwork in the bathrooms and the trash room will be removed, the saunas and their related electrical equipment and the lockers are being removed. The additional costs arose as the project was underway and were not anticipated at the beginning.

Randy noted that the Antigua has almost no amenities. The lobby and the office are the first things owners, renters and guests see when they enter the building. They should look good. The reason the work is being done is because of the mouse infestation. Continued work will be necessary to control the mice.

Randy moved and Mike Keenan seconded that the furniture be purchased. The motion passed on a voice vote. Kat announced that she had voted against it.

Adjournment

There being no further business, Robert moved and Mike Keenan seconded that the meeting be adjourned. The motion was passed on a voice vote without objection. The meeting was adjourned at 8:10 p.m.

The next regular board meeting will be held on April 16, 2025, at 7:00 p.m.

Respectfully submitted,

/s/ Robert Mayer
Robert Mayer
Secretary