

INTERNATIONAL BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

d/b/a

Fountain Beach Resort

313 S. Atlantic Ave.

Daytona Beach, FL 32118

Board of Directors' Meeting Agenda

Tuesday, August 4, 2026

1:00 p.m.

(First Floor Meeting Room)

- I. CALL TO ORDER
- II. ROLL CALL - Establish Quorum and Verify Posting of Agenda
- III. PRESIDENTS REMARKS
- IV. MINUTES - Disposal of Minutes from July 13, 2026
- V. NEW BUSINESS
 - 1. Consideration and approval of Authorization to Proceed with Investigative Demolition and Additional Work
- VI. BOARD MEMBER REMARKS/OWNER COMMENTS
- VII. ADJOURNMENT

Go to the zoom website at www.zoom.us

Click on "join a meeting"

Enter the meeting ID: 3862557491

Call in phone number is (386) 347-5053

INTERNATIONAL BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

BOARD OF DIRECTORS' MEETING

July 13, 2026

President Randy Deavers called the meeting to order at 5:35 p.m. Board Members present in person were Randy Deavers, President, and Diane Baker, Director at Large. Steve Saker, Vice President and Pat Akerly, Secretary attended via Zoom. Tonda Meadows, Treasurer was unable to attend. Becky Lewis from Property Management with Distinction (PMD) was in attendance. Also in attendance were Rick Durgin of Lifestyle Equity Group and Rich Musgrove representing the LLC. Proof of notice that the meeting was posted at least 48 hours prior to the meeting was presented, and a quorum was established.

Diane Baker made a motion to approve the June 8, 2026 meeting minutes. The motion was seconded by Pat Akerly and unanimously approved.

Financial Reports

June 2026 financial report was not available and no action was taken.

Rental Program Occupancy/Volume/Revenue

Rich Musgrove reported that ADR & occupancy for June 2026 was down 26% from June 2025. The following projects were completed:

- Air Curtain reinstalled
- Wall around the pool was painted
- New pool signs installed

Consultant Update

Rich Durgin reported that the LLC is hiring a new CPA firm and a new bookkeeper. General Liability and Liquor Liability insurance has been purchased.

CAM Report

- Working on 12 active sales
- Received payoff on Unit 201/203 but payoff was less than owed due to Safe Harbour.
- Working with owner on ARB request
- Communicated with an owner regarding a reasonable accommodation request.
- Working with an owner on a water intrusion issue.
- Preconstruction meeting held for 16 stack project.
- Worked with contractor to get Notice of Commencement and Permit filed for 16 stack project
- Met with United Engineering regarding issues found in 201/203 and 301/303

New/Old Business

Update on Collections

Becky Lewis reported that total outstanding collections are \$213,201.56, with \$39,860.34 being Special Assessments due. We collected \$9,009.66 of delinquent special assessments in June. There is \$173,341.22 of delinquent maintenance fees, with \$3,103.28 being collected in June. PMD has collected \$246,724.26 since we began. Sent out letter of Intent to Lien and Rent Demand letter.

Forensic Audit Update

Lisa Latham is still working on the Reserve accounts.

FPL Doors

McDonald Painting ordered the FPL doors on May 11, 2026 with a 6-11 week lead time, so they should be arriving by the end of July or early August. Once they arrive, installation will be scheduled.

16- Stack Update

The preconstruction meeting was held with United Engineering and McDonald Painting and Quality Construction LLC to plan the logistics of the 16-stack project. Notice of Commencement has been filed and a permit has been granted. Work will begin July 20 and is expected to be completed by October 9, 2026.

Balcony Inspection Update

The required balcony inspection has been scheduled for July 22, 2026. United Engineering will be using the lift rented for the 16-stack project to inspect them from the exterior, which will save time, money and eliminate the need to enter each unit.

Seawall Update

Becky Lewis advised that the permit package was received on July 2, 2026 from United Engineering.

SIRS/Traditional Reserves

Becky Lewis presented proposals from Stone Building Solutions at a cost of \$8,915 and UES Milestone Inspections LLC at a cost of \$6,500 to complete both the Structural Integrity Reserves Study (SIRS) and the Traditional Reserve Study. Pat Akerly made a motion to accept the proposal from UES Milestone Inspections LLC. Diane Baker seconded the motion and the motion was approved unanimously.

Fire Safety Update

Becky Lewis reported that the current fire pump is very small, only 300 gallons per minute (GPM). Firetronics is working with the local fire officials to see if they can replace it with the same size or

if it will need to be replaced with a larger one to meet code. We expect to have a quote for the next scheduled Board meeting.

Update on First Floor Electrical Panels

Steve Saker made a motion to pay Ron Williams to rust coat the 9 new electrical panels on the first floor at a cost not to exceed \$2,000. Pat Akerly seconded the motion and the motion passed unanimously.

Consideration of LRG proposal for LLC

Randy Deavers presented a list of Frequently Asked Questions and answers regarding the governance and oversight of the LLC. Of particular note, the Association cannot legally own the LLC or its business operations.

A proposal for Executive Advisory, Responsible Party and Executive Management Services by Lifestyle Realty Group, Inc. was presented for consideration. The fee for Executive Responsibility is \$23,500 annually, and the fee for Executive Advisory and Operational Oversight is \$21,500 annually, for a total of \$45,000 annually. Steve Saker made a motion to accept the proposal, which was seconded by Pat Akerly and passed by a vote of 3 in favor, with Diane Baker opposing it. An agreement will be drafted to be reviewed by the attorneys for both the Association and the LLC before being submitted to the Board for signing.

Board Member/Owner Comments

There were no additional comments.

Randy Deavers made a motion to adjourn the meeting at 7:14 p.m. The motion was seconded by Steve Saker and passed unanimously.

McDonald Painting & Quality Construction, LLC
FOUNTAIN BEACH RESORT – 05 STACK
Project No. 25-1441



NOTICE OF ADDITIONAL FINDINGS

REQUEST FOR AUTHORIZATION TO PROCEED WITH ADDITIONAL WORK

Subject:

Authorization to Proceed with Additional Structural Repairs

McDonald Painting & Quality Construction, LLC is currently performing work under the **Fountain Beach Resort – 16 Stack Restoration Project**

As demolition and field investigations have progressed, additional structural conditions requiring repair have been identified within the 05 Stack. This notice is being issued to document the findings identified to date and to request the Association's authorization to proceed with the additional work described below so the Project may continue without unnecessary delay.

Because the full extent of the required repairs and associated repair quantities are still being evaluated, this authorization is requested solely to allow the Work to proceed. A detailed proposal identifying the final repair scope, any adjustment to the Contract Sum, and any required Contract Time adjustment will be submitted under a separate Change Order for the Association's review and approval following completion of the Engineer of Record's evaluation.

The additional findings identified to date are summarized below.

1. Units 205, 305, 405, 505, and 605 – Complete Balcony Removal and Reconstruction

The original Contract Scope **did not include** the complete removal and reconstruction of the balconies at **Units 205, 305, 405, 505, and 605**.

During demolition and field investigation, the following repair requirements were identified:

- **Unit 205** – Complete removal and reconstruction of the balcony is required.
- **Unit 305** – Complete removal and reconstruction of the balcony is required.
- **Unit 405** – Complete removal and reconstruction of the balcony is required.
- **Unit 505** – Complete removal and reconstruction of the balcony is required.
- **Unit 605** – Complete removal and reconstruction of the balcony is required.

Based on these findings and the direction of the Engineer of Record, McDonald Painting & Quality Construction, LLC respectfully requests the Association's authorization to proceed with the complete removal and reconstruction of the balconies at **Units 205, 305, 405, 505, and 605** so the Project may continue without unnecessary delay.

Because the full extent of the required repairs and associated repair quantities is still being evaluated, this authorization is requested solely to allow the Work to proceed. The final repair quantities will be determined upon completion of the Engineer of Record's evaluation. **To the extent applicable, work performed within the scope of the established unit price schedule will be billed using the unit rates contained in the original Contract.** Any work determined to be outside the original Contract Scope or not covered by the established unit prices will be submitted under a separate Change Order identifying the final repair scope, any adjustment to the Contract Sum, and any required Contract Time adjustment for the Association's review and approval.

2. Roof Eyebrow Above the Sixth-Floor Balcony – Additional Findings

Following removal of the exterior stucco from the roof eyebrow above the sixth-floor balcony, McDonald Painting & Quality Construction, LLC and the Engineer of Record completed a field evaluation of the exposed structural concrete.

The field investigation determined that complete removal and reconstruction of the roof eyebrow is **not required at this time**. However, localized concrete deterioration was identified along the slab edges requiring concrete repairs.

At this time, the full extent of the required repairs cannot be determined until the deteriorated concrete has been removed and the reinforcing steel has been fully exposed. Once the slab edges have been chipped back and the reinforcing steel has been evaluated, the Engineer of Record will determine whether the localized repairs are sufficient or whether additional removal and reconstruction will be required.

In order to safely perform the required edge concrete repairs, portions of the existing roofing system adjacent to the roof eyebrow will need to be temporarily removed and rolled back to provide access to the repair area. Upon completion of the concrete repairs, the roofing system will need to be restored and properly tied back into the existing roof assembly. **This roofing work is outside McDonald Painting & Quality Construction, LLC's Contract Scope and will be performed by a roofing contractor retained directly by the Association.**

McDonald Painting & Quality Construction, LLC respectfully requests the Association's authorization to proceed with the necessary demolition and concrete repairs to allow the Engineer of Record to complete the evaluation and determine the final repair scope.

Because the full extent of the required repairs and associated repair quantities is still being evaluated, this authorization is requested solely to allow the Work to proceed. The final repair quantities will be determined upon completion of the Engineer of Record's evaluation. **To the extent applicable, work performed within the scope of the established unit price schedule will**

be billed using the unit rates contained in the original Contract. Any work determined to be outside the original Contract Scope or not covered by the established unit prices will be submitted under a separate Change Order identifying the final repair scope, any adjustment to the Contract Sum, and any required Contract Time adjustment for the Association's review and approval.

OWNER AUTHORIZATION

The undersigned acknowledges receipt of this **Field Findings and Request for Authorization to Proceed with Additional Work** and authorizes **McDonald Painting & Quality Construction, LLC** to proceed with the additional work described herein so the Project may continue without unnecessary delay.

The Owner further acknowledges and agrees that:

- The full extent of the required repairs and associated repair quantities is still being evaluated as construction progresses.
 - Additional demolition, investigation, and/or repair work may be required to enable the Engineer of Record to determine the final repair scope.
 - This authorization is intended solely to allow the Work to proceed and does not establish or approve the final Contract Sum or any adjustment to the Contract Time.
 - McDonald Painting & Quality Construction, LLC will submit a separate proposal and/or Change Order for any work determined by the Engineer of Record to be outside the original Contract Scope.
 - Any adjustment to the Contract Sum or Contract Time shall be subject to the Association's review and approval in accordance with the Contract Documents.
-

Authorized Representative

Owner / Association: _____

Company: _____

By signing below, the Owner authorizes McDonald Painting & Quality Construction, LLC to proceed with the work described herein prior to execution of a formal Change Order, with the understanding that the final cost and any Contract Time adjustment will be submitted separately for review and approval.

Signature: _____ **Date:** _____

Engineer of Record

The concealed conditions described herein have been reviewed in the field.

Engineer: _____

Company: _____

Signature: _____ **Date:** _____

Contractor: _____

Company: _____

Signature: _____ **Date:** _____

Reservation of Rights

McDonald Painting & Quality Construction expressly reserves all rights under the Contract Documents with respect to concealed or differing site conditions. This authorization is requested solely to permit the investigation and continuation of the Work and shall not constitute an agreement as to the final repair scope, Contract Sum adjustment, or Contract Time adjustment. Any equitable adjustment resulting from concealed conditions will be submitted separately upon completion of the Engineer's evaluation.

Nothing contained herein shall be construed as a waiver of any rights or remedies available to the Contractor under the Contract Documents or applicable law.

McDonald Painting & Quality Construction, LLC
FOUNTAIN BEACH RESORT – 16 STACK
Project No. 25-1441



NOTICE OF ADDITIONAL FINDINGS

REQUEST FOR AUTHORIZATION TO PROCEED WITH INVESTIGATIVE DEMOLITION AND ADDITIONAL WORK

Subject:

Authorization to Proceed with Additional Structural Repairs and Investigative Demolition

McDonald Painting & Quality Construction, LLC is currently performing work under the Fountain Beach Resort – 16 Stack Restoration Project. The original Contract Scope included complete removal and reconstruction of the balcony slabs at **Units 316, 416, and 516** under **Fixed Cost #1 – Balcony Slab Replacement**.

As demolition and field investigations have progressed, additional conditions requiring evaluation and repair have been identified. This notice is being issued to document the findings to date and to request the Association's authorization to proceed with the work described below so the project may continue without unnecessary delay.

Any adjustments to the Contract Sum or Contract Time resulting from these findings will be submitted separately for review and approval after the Engineer of Record has completed the evaluation and established the final repair scope.

The additional findings identified to date are summarized below.

1. Balcony Slab Removal & Reconstruction – Additional Findings

The original Contract Scope included the complete removal and reconstruction of the balcony slabs at **Units 316, 416, and 516** under **Fixed Cost #1 – Balcony Slab Replacement** of the Contract Bid Schedule.

Although **Unit 216** is referenced elsewhere in the Contract Documents for other scope items, including knee wall replacement, balcony deck coating, painting, guardrail work, and PTAC-related work, complete balcony slab removal and reconstruction at **Unit 216** was **not** included under **Fixed Cost #1 – Balcony Slab Replacement** of the Contract Bid Schedule.

During performance of the Contract Work, McDonald Painting & Quality Construction, LLC removed the stucco, metal lath, and finish materials from the underside of the balcony slabs in accordance with the approved restoration procedures. Once these materials were removed and the structural concrete was exposed, McDonald Painting & Quality Construction, LLC and the

Engineer of Record performed a field investigation and identified **additional structural deterioration requiring repairs beyond the original Contract Scope.**

The observed conditions included:

- Heavy concrete spalling
- Extensive concrete fracturing
- Significant deterioration of the reinforcing steel

Based on these findings, the Engineer of Record determined that the balcony slabs at **Units 216 and 616** require complete removal and reconstruction in addition to the balcony slab reconstruction already included in the original Contract Scope.

The investigation further determined that the deteriorated conditions were concealed beneath multiple layers of stucco and metal lath and could not reasonably have been identified during the preconstruction investigation or bidding process. The full extent of the deterioration did not become apparent until the demolition required under the Contract exposed the structural concrete for inspection.

The repair requirements are summarized as follows:

1. **Unit 216** – Complete balcony slab removal and reconstruction is required. This work was not included under Fixed Cost #1 of the original Contract.
2. **Unit 316** – Complete balcony slab removal and reconstruction will be performed in accordance with the original Contract Scope.
3. **Unit 416** – Complete balcony slab removal and reconstruction will be performed in accordance with the original Contract Scope.
4. **Unit 516** – Complete balcony slab removal and reconstruction will be performed in accordance with the original Contract Scope.
5. **Unit 616** – Complete balcony slab removal and reconstruction is required. This work was not included under Fixed Cost #1 of the original Contract.

McDonald Painting & Quality Construction, LLC respectfully requests the Association's authorization to proceed with the complete removal and reconstruction of the additional balcony slabs identified above that were not included in the original Contract Scope, together with the balcony slab reconstruction already included under **Fixed Cost #1 – Balcony Slab Replacement**, so the Project may continue without unnecessary delay.

Because the full extent of the required repairs and associated repair quantities is still being evaluated, this authorization is requested solely to allow the Work to proceed. Final repair quantities will be determined upon completion of the Engineer of Record's evaluation. To the extent applicable, work performed within the scope of the established unit price schedule will be billed

using the unit rates contained in the original Contract. Any work determined to be outside the original Contract Scope or not covered by the established unit prices will be submitted under a separate Change Order identifying the final repair scope, any adjustment to the Contract Sum, and any required adjustment to the Contract Time for the Association's review and approval.

2. Roof Eyebrow Above the Sixth-Floor Balcony – Additional Findings

Following removal of the exterior stucco from the roof eyebrow above the sixth-floor balcony, McDonald Painting & Quality Construction, LLC and the Engineer of Record completed a field evaluation of the exposed structural concrete.

The field investigation determined that complete removal and reconstruction of the roof eyebrow is **not required at this time**. However, localized concrete deterioration was identified along the slab edges requiring concrete repairs.

At this time, the full extent of the required repairs cannot be determined until the deteriorated concrete has been removed and the reinforcing steel has been fully exposed. Once the slab edges have been chipped back and the reinforcing steel has been evaluated, the Engineer of Record will determine whether the localized repairs are sufficient or whether additional removal and reconstruction will be required.

In order to safely perform the required edge concrete repairs, portions of the existing roofing system adjacent to the roof eyebrow will need to be temporarily removed and rolled back to provide access to the repair area. Upon completion of the concrete repairs, the roofing system will need to be restored and properly tied back into the existing roof assembly. **This roofing work is outside McDonald Painting & Quality Construction, LLC's Contract Scope and will be performed by a roofing contractor retained directly by the Association.**

McDonald Painting & Quality Construction, LLC respectfully requests the Association's authorization to proceed with the necessary demolition and concrete repairs to allow the Engineer of Record to complete the evaluation and determine the final repair scope.

Because the full extent of the required repairs and associated repair quantities is still being evaluated, this authorization is requested solely to allow the Work to proceed. The final repair quantities will be determined upon completion of the Engineer of Record's evaluation. **To the extent applicable, work performed within the scope of the established unit price schedule will be billed using the unit rates contained in the original Contract.** Any work determined to be outside the original Contract Scope or not covered by the established unit prices will be submitted under a separate Change Order identifying the final repair scope, any adjustment to the Contract Sum, and any required Contract Time adjustment for the Association's review and approval.

OWNER AUTHORIZATION TO PROCEED

The undersigned acknowledges receipt of this **Field Findings and Request for Authorization to Proceed with Additional Work** and authorizes McDonald Painting & Quality Construction, LLC to proceed with the additional work described in this document so the project may continue without unnecessary delay.

The Owner further acknowledges that:

- The full extent of the required repairs and associated repair quantities is still being evaluated as construction progresses.
- Additional demolition, investigation, or repair work may be necessary to allow the Engineer of Record to determine the final repair scope.
- This authorization is intended solely to allow the work to proceed and does not establish the final Contract Sum or any Contract Time adjustment.
- McDonald Painting & Quality Construction, LLC will submit a separate proposal and/or Change Order for any work determined by the Engineer of Record to be outside the original Contract Scope.
- Any adjustment to the Contract Sum or Contract Time will be subject to the Association's review and approval in accordance with the Contract Documents.

Authorized Representative

Owner / Association: _____

Company: _____

By signing below, the Owner authorizes McDonald Painting & Quality Construction, LLC to proceed with the work described herein prior to execution of a formal Change Order, with the understanding that the final cost and any Contract Time adjustment will be submitted separately for review and approval.

Signature: _____ Date: _____

Engineer of Record

The concealed conditions described herein have been reviewed in the field.

Engineer: _____

Company: _____

Signature: _____ Date: _____

Contractor: _____

Company: _____

Signature: _____ **Date:** _____

Reservation of Rights

McDonald Painting & Quality Construction expressly reserves all rights under the Contract Documents with respect to concealed or differing site conditions. This authorization is requested solely to permit the investigation and continuation of the Work and shall not constitute an agreement as to the final repair scope, Contract Sum adjustment, or Contract Time adjustment. Any equitable adjustment resulting from concealed conditions will be submitted separately upon completion of the Engineer's evaluation.

Nothing contained herein shall be construed as a waiver of any rights or remedies available to the Contractor under the Contract Documents or applicable law.