

Surfside III
Homeowners Association
Project Newsletter II, March 2007
Report from the Project Manager
Stonemark Construction Management

Your project team is making methodical and careful progress through the Association's list of necessary repairs. Properly planned projects reduce expensive future change orders and cost overruns, limit liability for the Association and help to ensure success. We are writing to provide you with an update on our work.

786 Seawind. Contracts were awarded in early February for work to commence to repair this high priority townhome. Destructive testing as it relates to water infiltration from the exterior envelope - exterior wall, deck and roofing problems, was performed which will inform our recommendations on repairs to the exterior building envelopes of the other townhome style buildings. Work is proceeding on schedule and should be completed in about one month.

Elevators. During our inspections and destructive testing on the elevator shafts, we found that the stucco building envelope was not watertight, primarily due to original construction defects. Therefore the Board has approved, and we are in the process of obtaining bids, for proceeding with renovations and repair work of the stucco and roofing surrounding the elevators. This is a large unexpected component of the project, as the entire exterior of each elevator shaft will need to be replaced. We anticipate that this expense could add approximately \$500,000 to the project budget; however this is necessary in order to restore the waterproof integrity to the elevator shafts, and protect the new equipment being installed. Stonemark is coordinating this important work with the elevator vendor, as the two projects must be carefully integrated.

Expect the elevator work to begin in approximately 6-8 weeks. The elevator contractor has estimated that by progressing through the buildings one elevator at a time (approximately 3 weeks per building), work should be completed to all 8 elevators in about 6 months.

Prototype Repairs. Bids have been received and approved by the Board for the prototype cast iron pipe replacement in Buildings 2 and 7. These first 6 units in two stacks are: 620, 622 and 624 Sunfish and 920, 922, and 924 Lighthouse Way. The contracts are being generated and the work will be scheduled to begin as soon as possible. As we discussed in our previous newsletter, an evaluation of the cast iron drainage piping by careful documentation as well as laboratory analysis will be an important part of the work. We will coordinate the start up of this project with the residents in separate notices.

Hydrojetting and video camera inspections of Building 7 will proceed shortly. Hydrojetting is a process where the pipes are pressure cleaned, removing blockages preemptively so as to forestall any "middle of the night" back-ups or pipe breakages and floods. Results from video camera documentation will be incorporated into our piping analysis. During the hydrojetting, access to all units for Building 7 will be required. You will be given notice shortly of the dates for this process. As we mentioned in our first newsletter, it is possible that further hydrojetting work could be ordered for other buildings if this is found to be successful in preventing future flooding. We will keep you informed of the results and our recommendations.

We appreciate your patience and cooperation and plan to keep as homeowners informed as we move forward.