

Hurricane Helene & Hurricane Milton: Effects and Recovery at Veranda Beach Club

September 24-25, 2024: Evacuation and Preparation for Hurricane Helene

Ahead of Hurricane Helene's arrival, the Veranda Beach Club initiated evacuation protocols and prepared for significant impacts. The property was secured, and residents were instructed as to an evacuation order has been issued for their safety prior to the storm.

September 26, 2024: Hurricane Helene

Hurricane Helene struck with intense force, causing severe damage from a 4' to 7' storm surge. The following damage was reported:

- The parking lot was covered by more than 2' of sand, which also affected ground-level shelving, latticework, and various storage areas, including the maintenance and guard stations.
- Beach items, previously anchored, were swept inland, and the tiki structures were torn from their positions, blown across the beach, and scattered into the sea grapes.
- The storm destroyed many of the trees and vegetation on the property.
- The pool area was contaminated with sand and debris, requiring extensive cleaning.
- Some units experienced wind driven rain intrusions.

September 26-30, 2024: Water and Power Shutdowns

In the wake of the storm, the property suffered from power and water outages, complicating immediate recovery efforts. Additionally, Longboat Key was closed to the public, further restricting access and hindering recovery work.

September 27-28, 2024: Engaging Response and Recovery Teams

To begin the recovery process, management and the board president interviewed experienced response and recovery companies. These discussions led to the selection of Strategic Response Partners (SRP) partnering with All Clear for the restoration of Veranda Beach Club.

September 29, 2024: Restoration Access and Strategic Response Partners (SRP)

By September 29, residents, cleanup crews, and resort management were permitted access to the property. SRP and All Clear was secured to handle the restoration, and the property was officially cleared for cleanup and recovery.

September 30, 2024: Crews Begin Damage Assessment and Cleanup

Restoration efforts began immediately. Crews assessed the extensive damage across the property and began cleanup procedures. Work continued throughout the month as they tackled sand removal, debris clearing, and repairs to affected structures.

October 4-8, 2024: Evacuation and Preparation for Hurricane Milton

As recovery from Helene was underway, preparations for Hurricane Milton started. The property-initiated evacuation measures and secured the property to protect against further damage.

October 9, 2024: Hurricane Milton

Hurricane Milton brought additional challenges, including powerful wind gusts reaching up to 120 mph. The damages included:

- Extensive roof damage: Over 40% of the roof was compromised, and all roof railings were destroyed.
- HVAC Units: More than half of the property's HVAC units were damaged, with many requiring complete replacement.
- Wind driven rain Intrusion: Many units experienced water infiltration through sliding glass doors and from roof damage, necessitating immediate mitigation measures to prevent further damage.
- No phone system or internet for 2 weeks.

October 9 – 15th No access to the island, water and power off.

Recovery Ongoing (October 2024 - Present)

Insurance adjusters have completed an extensive assessment of all units and areas of the property.

As of now, work continues to repair the property. Dehumidifiers were placed in all units due to address water intrusion and lack of AC. Roof replacement is being scheduled. AC repairs and replacement are being scheduled. Remediation in the units is underway. Most debris and sand have been removed. The pool has been cleared of sand but will require more attention and replacement of equipment. Much of the landscape has been destroyed. Continuous efforts are being made to restore Veranda Beach Club to its pre-storm condition. Both internal and external efforts are focused on returning the property to full functionality as soon as possible.

The recovery from both hurricanes is expected to be a lengthy process, but with the support of professional restoration teams and coordinated efforts, significant progress is being made.

While we have faced challenges from recent hurricane damage, our dedicated team has been working tirelessly to restore our beautiful paradise. As we continue to recover from the effects of Hurricane Helene and Hurricane Milton, the staff at the Veranda would like to express our heartfelt appreciation for your patience and understanding during this time. We value all our owners and renters and look forward to welcoming you back as soon as possible.

The tentative opening date for the Veranda Beach Club is **February 1, 2025**. This date will be reassessed on January 1, 2024, based on the progress of recovery and repairs.

Correspondence Sent out to owners

Letter 6 ; emailed January 5, 2025

Dear Veranda Beach Club Owner;

First and foremost, we want to thank all of you for your patience and understanding as we have worked through reconstruction required by Hurricanes Helene and Milton. We have received many kind notes and words of encouragement as we have worked through all of these issues and those are greatly appreciated.

AND NOW THE GOOD NEWS! The Veranda Beach Club will be open and available to owners starting on Saturday, February 1, 2025, Week 5 on the Time Share calendar.

Through the perseverance of our General Manager, Grace Denton, with back up of our Board President, Andy Owens, the various subcontractors working on the property have agreed to be completed in time to allow this February 1st opening. Much of the work has been completed. The roof work is fully completed and passed the inspection of the Town of Longboat Key, both significant hurdles. Most of the air conditioning units located on the roof have been re-installed or replaced as necessary and checked out for proper operation. The remediation work which was required in the individual units due to water intrusion will be completed by mid-January. The completion of the modernization of the east elevator is scheduled for mid-January. You will recall that that was an effort that was in progress prior to the hurricanes. Finally, the popcorn ceilings should be removed from all of the units by mid-January. Any remaining units will be completed during maintenance week 37, 2025.

Besides these specific subcontracted items, we can't emphasize enough how much work has been put in by the limited on-site Veranda staff, to do all of the cleanup and maintenance of everything on the property to prepare for our reopening. This includes repairing the beach and beach equipment; removing and cleaning the tremendous amount of sand and other debris left throughout the property; completely redoing the laundry area, which was virtually destroyed, etc. etc.

Unfortunately, on your next visit to Longboat Key you will see very many remnants of the destruction caused by these hurricanes. Throughout the island there are hundreds of trees which were lost and in addition, there are many homes and other properties which have not been re-constructed. All of these sights will make you even more appreciative of the efforts accomplished by the Veranda Team.

We will be holding the annual Owner's Meeting via a Webinar arrangement on Friday, February 28, at 10:30 am, eastern time. You will be receiving more information regarding the method of signing up and participating in the webinar. This will be the first time that we have been able to allow all owners to participate in the owner's meeting electronically. Be sure to follow the instructions carefully once you receive them.

Finally, and again, we can't emphasize enough how much we appreciate all of you being understanding during these times. We look forward to having you return to paradise.

Veranda Beach Club Board of Directors

Letter 5 ; emailed December 22, 2024

Dear Veranda Beach Club Owner;

We wanted to bring you an update regarding the progress of repairs, etc. at the Veranda. Thanks to some diligent work by our General Manager Grace Denton, she has discussed the status of work with each of the major sub-contractors involved at the Veranda. We will summarize for you what she has found out.

Roof replacement and Air Conditioning Repairs and Replacement.

We discuss these two together because their work is intertwined. The roofing contractor has to remove all of the debris and unusable materials. Then the new (replacement) a/c frames have to be installed following which the roof can be installed. Following the roof installation, the air conditioning units, either new or re-captured must be installed on the frames. Then the refrigerant tubing and electric must be re-connected to the units. While this work is progressing, you can understand that it is not a fast process. In addition to the air conditioning work on the roof, many of the air handling units must be replaced as well in order to be compatible with the refrigerant in the new condensing units. Unfortunately the design of the closets is such that the water heater must be removed in order to replace an air handling unit. A dozen of the air handlers and water heaters are in this category. Our plumbing contractor is prepared to replace the water heaters in a timely manner.

Several of the systems have had many of these steps completed. However, progress will be slowed by the upcoming Christmas Holiday as some companies are closing completely the week of Christmas.

All Clear Remediation

They are the company doing the remediation of the units. They are working from the fifth floor down and their work includes drywall and baseboard removal, replacement and then taping, priming and painting as well as carpet padding. They are down to the second floor but are unfortunately not working between now and January 2nd.

Drywall and More:

They have completed drywall repairs in many of the units where the remediation work has been completed by All Clear. The two companies have had to coordinate their efforts so as to efficiently complete the work. They have done most of their work down through the third floor. In addition, they have agreed to have people on the job over the weekend and during the next week.

The Beach

The staff has cleaned and prepared the chairs, umbrellas and cabanas for replacement on the beach when we are ready. The beach has been groomed by a local company. Grace is working to replace the sailboat for which parts are not available.

The Building and Common Areas

The staff has been working on the exterior, common areas and stairs in addition to assisting with removal of the roof debris. In addition they have been doing many repairs and clean-up work inside the units themselves. There is to put it simply, a tremendous amount of work to be done to clean and repair everything to bring it up to our desired standards.

Elevators

Delaware Elevator has completed the modernization of the west elevator and has about three weeks of work to complete the east elevator. They will work the Mondays and Tuesdays of both Holiday weeks but they don't work Fridays or weekends.

Unit Cleaning and Preparation for Opening.

Assuming the contractor work is completed within the units, Grace hopes to begin deep cleaning the units for occupancy around the middle of January. We all hope and are still striving to be able to open on February 1st.

Further Opening Announcements and Communications

Due to the two Holidays falling in the middle of two weeks, we are planning to re-assess the entire situation and make a determination on January 2nd with regard to whether or not we feel that a February 1st opening is possible. Our next communication will bring you an update regarding the decision that is made at that time.

Insurance Status

The insurance adjusters are working through all of the itemized invoices to insure that the charges are proper. They are also inspecting every unit in order to make sure that all of the correct and necessary repairs are being made. It will likely be some time before we have completed analysis and reports regarding the Insurance status. Since we know that we are dealing with the 5% deductible we are having contractors continue to do the work necessary.

THANKS

We want to thank you for your patience and understanding during these very difficult times. It has been very difficult for everyone involved. I believe this has been especially difficult because we at the Veranda have been so fortunate to have been spared from previous hurricanes. To suffer through two within two weeks is something we would not ever have imagined.

Again thanks to everyone for your patience. Your Board of Directors and staff are meeting regularly to make the necessary decisions and we assure you we are as eager as you are to return to the Veranda.

In the meantime, enjoy the Holiday season in the best way possible and we will all say our prayers for a hurricane free 2025.

Veranda Beach Club Board of Directors

Letter 4; emailed December 9, 2024

Dear Veranda Beach Club Owner;

We want to report that repairs and remediation are going on as scheduled at the Veranda. As always, we want to remind you of the severity of these two hurricanes and the extensive damage which occurred on Longboat Key. This obviously means that the availability of labor and materials is spread thin. In addition, with all of the re-construction work taking place up and down the island, ingress and egress as well as movement on Gulf of Mexico drive is like a permanent spring break period. While we still are hopeful for a Feb. 1st re-opening, we will provide more definite information prior to Jan. 1st.

Our Management team and Board President, Andy Owens have managed to find subcontractors who are committed to getting the Veranda completely repaired in the shortest amount of time possible. In addition, your Board of Directors has been meeting on a regular basis to monitor the progress and provide any suggestions necessary. Andy and Grace Denton, property manager, have also been in regular conversations with the insurance adjusters. As we have reported we have a high deductible which will be our responsibility, however the adjusters are reviewing the numbers to make sure that they truly represent the work being done.

In addition, the Board is in the process of reviewing all of the budget figures for the year 2025, which we will be finalizing and distributing to you in the next week or so. Within that packet you will also find information regarding how to run for election with the Board of Directors.

Our bylaws require there to be an owners' meeting which has typically been held in late January. Because of the extensive repairs and extended timelines, the date for that meeting has been pushed back. The exact date and format of that owners' meeting is yet to be determined. We will update you with more definitive information as soon as it becomes available.

We appreciate those of you who have sent in e-mails and notes of support. We are all in this together and we assure you that all of us are making every effort to return the Veranda to the beautiful place it has always been.

If you wish to follow progress, we urge you to go to the www.verandabeachclub.com website. Once there, you may click at the very top in the pink box for updates or open the Ownership link and go to the bottom where you will see a link to Hurricane updates.

We thank you for your patience and understanding and will keep you posted regarding developments.

Veranda Beach Club –Board of Directors

Letter 3; sent December 3, 2024

Dear Veranda Beach Club Owners;

We are still unable to provide you with a date when the VBC will be able to be occupied. Due to the extent of the work required to bring the Veranda up to safe livable conditions there is more remediation work required than was originally anticipated. Therefore, our original desired occupancy date of Jan. 1 is not possible. We have revised that to February 1 and are going to make every effort to meet that date. We will advise you regarding the progress at the Veranda and will provide an occupancy date as soon as we are confident that we can meet that date.

In the meantime, we wanted to give you a brief update regarding the work that is progressing there, based on the information we have received from management to date. One of the things we all must keep in mind is the severity of the storms and the amount of damage which has occurred throughout the area. This has made transportation of people and materials difficult.

The roofing replacement work is now underway. The roofer and the HVAC contractor will be working together to replace the roof and the air conditioning units. The roofer will be installing and making watertight the frames which hold the air conditioning units. As this is completed the HVAC contractor will be installing/re-installing the air conditioning units and making sure that they are operational. Because of the extent of this work to ensure we have operational air conditioning systems, several weeks are required to complete this process.

As we have indicated, there was some water intrusion into all of the units but to varying degrees. The remediation company has made repairs to several "typical" units so that they, and we, would have an idea regarding the extent of these repairs. There is a need for some carpet and drywall replacement, again on an individual basis depending upon the unit. Those repairs are underway.

There was a great deal of damage done on the first floor (parking garage level). Storage units were damaged as well as the laundry area. These areas are in the process of being repaired. The landscaping around the building, which was all underwater is requiring a great deal of repair work, which fortunately should not delay the occupancy of the building.

The insurance adjusters are still going through all the damage reports and repair figures and have not given us a final report. We do want to remind you of the 5% deductible which is part of our insurance coverage.

One very positive note. Our new front entry sign was installed prior to the two hurricanes and withstood the rain and wind and will be there to greet you on your return to the VBC.

Letter 2; sent November 4, 2024

VERANDA BEACH CLUB

FREQUENTLY ASKED QUESTIONS

HURRICANES HELENE AND MILTON

Dear Veranda Beach Club Owners,

This is a follow up to our previous message. We appreciate those of you who have responded with questions and suggestions. Your Board of Directors have reviewed all of the responses and have prepared the following answers to the frequently asked questions.

As of November 1, 2024

What damage did the Veranda Beach Club sustain from Hurricanes Helene and Milton?

The resort sustained damage in the following areas:

- Roof/railing damage- Over 40% of the roof is damaged; all existing railings are damaged.
- HVAC damage- More than half of the units are damaged and require replacement or some level of repair. Because of the HVAC damage, the apartments do not have access to AC.
- Unit moisture- Many units experienced some level of water intrusion that will require mitigation and repair that is still being assessed.
- Ground floor- Extensive damage occurred from water intrusion that affected Storage, Maintenance, Guard Office, Grounds, Landscaping, and other Infrastructure.
- Pool/grounds- Pool was filled with storm debris and sand; pool and spa heaters were damaged beyond repair; Tiki Hut and grill area damaged; fencing and latticework damaged; and extensive equipment/chair damage.

What is our insurance coverage? Didn't we pay extra for a good plan?

- As a review: Veranda's insurance premiums increased by over three times this year compared to the previous year due to the overall skyrocketing insurance market in Florida. *The additional cost of the insurance for this year was to accommodate that increase.* That additional cost was a result of factors out of control of the Veranda.
- Grace Denton and Board President Andy Owens worked diligently over the spring and summer to find different insurance going forward from the September 3, 2024, renewal date. Fortunately, they were able to negotiate significant savings with the new policy, which now has a 5% deductible rather than 10% and moved our renewal date to April 1, out of the hurricane season.

What is our current insurance going to pay?

- The 5% deductible is based on 5% of the total value of the Veranda Beach Club. The total value has been determined to be approximately \$25,000,000. Therefore, our deductible will be about \$1,250,000, which is the amount we will be responsible for paying before any excess claims are paid for by our insurance policy.

- Multiple Insurance Adjusters reports are still in process, which will determine what amounts, if any, above and beyond that deductible, will be covered by our policy.

What repairs are being done?

- New roof- The entire roof will be replaced using the best roofing materials (TPO) available that will allow us to be very insurable in the future and give the Veranda an approximate roof life of 20+ years because of the replacement.
- New AC units have been ordered and repairs to those units that are salvageable have been identified and scheduled.
- Moisture mitigation dehumidifiers have been put in place in each unit to mitigate any further water intrusion or damage and to obtain optimal humidity levels.
- The restoration company will engage in carpeting removal, drying, and sanitizing around doors and windows in almost every unit because of wind-driven water intrusion that will require extensive mitigation.
- Drywall will be removed and replaced as deemed necessary through a prototype analysis that is again being undertaken by the restoration company.

Why do we need a new roof? Why not just repair it?

- After analysis of the various approaches that could be taken regarding repair or replacement of the roof, our best approach is to replace the entire roof with the best available materials available.
- The existing roof is 40 years old and has been repaired along the way but has less than two years of useful life remaining.
- The new roof will allow us to be able to take advantage of the best insurer rates available in the future as well as broaden the number of potential insurers for us.

How long will these repairs take?

- There are several factors that will determine how long any individual repairs will take, most especially length of time required to obtain specific permits, availability of contractors, coordination with other vendors, and availability of replacement materials.
- All available contracting companies are working on many jobs currently, as the island destruction was massive.
- Michael Saunders in conjunction with the Board is working continuously to move up repair timelines and obtain replacement equipment. As an example, replacement air conditioning units have been secured, the roof replacement process schedule is impending, new spa and pool units are in place, and water intrusion mitigation efforts are underway.

How much will all this cost and won't insurance cover it?

- Total costs are still being determined currently as the insurance adjusters finish their analysis.
- To reiterate, regardless of the total final costs of the repairs, the Veranda Beach Club owners will be responsible for the initial \$1.25M deductible.

- It is unclear at this time whether the total costs incurred will exceed the deductible.
- Unlike Hurricane Milton, which was a wind event, Hurricane Helene was a flooding event, for which we do carry flood insurance. The policy is standard for all purchasers of flood insurance and has a \$25,000 deductible. It does not cover the pool, spa or heaters and other items that might have been affected. No insurance policy will cover a pool or spa, which is also the standard in the insurance industry.

Does this mean a special assessment?

- Unfortunately, the best way forward for the overall financial health of the Veranda will require a special assessment to cover the cost of our insurance deductible.
- While we do not have enough information at this point from the insurance companies to make an *exact* determination for a special assessment, the anticipated cost might be around \$650 per unit owner week.

Will I have to pay my annual maintenance fee if I am not using my unit?

- The short answer is yes. The annual maintenance fee which we all pay for each week owned is the money used to operate the Veranda for an entire year. While the Veranda is closed, we are still incurring operating expenses. The Veranda does not receive any other income than the annual maintenance fee. To keep the maintenance fee as reasonable as possible, there is not money included to cover uncontrollable disasters like these two hurricanes.
- Your original purchase documents outline these payment responsibilities.
- The budget for next year to determine the amount of the 2025 maintenance fee is still in the process of being determined.

How much money do we have in reserves? Won't our reserves cover it?

- The Veranda has \$2.2 million in reserves. Newly-implemented State of FL mandated structural reserve requirements specify that these reserves be held in specified amounts for almost 60 structural and capital categories.
- We are prohibited from shifting money in structural reserve categories to cover the large expenditures that will be required.

When will the Veranda Beach Club be open for occupancy?

- All efforts are being made to preserve, repair, and enhance the Veranda. Contracts are in place, and we will continue to push towards opening as soon and as safely as possible as the continued work allows. At this point, the resort is closed until Jan. 4, 2025. We plan to provide a more definite date around Dec. 1 as we will have a better idea as to the progress of the repairs.

Can I come to my unit while the repairs are being done? The units are not ready for occupancy and in the interest of the safety of all involved, we cannot allow occupancy in any units while repairs are being made. It will be necessary to adhere to Longboat Key regulations, so nearly all the repairs must be completed before we can allow occupancy.

Letter 1; sent October 25, 2024

Dear Veranda Beach Club Owners;

We want to apologize for the delay in communicating this information to you. As you are aware, none of us have experienced anything like the destruction caused by Hurricanes Helene and Milton. We are still going through the damage and determining what needs to be done to bring the Veranda back to its pristine condition. With this communique we will give you a brief update on the status of the building and commit to providing timely updates going forward. Keep in mind that our main priority is the safety of our owners, guests and staff.

First, a little background. Amazingly, after Helene struck Longboat, Andy Owens and Grace Denton managed to find a restoration company which was immediately on the scene. The damage caused by Helene was mostly caused by a significant storm surge. We can't properly describe it, but Andy and his wife were there and saw it first hand. The swimming pool filled with sand and 4 ft. of sand covered the parking lots and other first floor areas. All of the first floor storage locations, including laundry, raw storage, and the entry (George's) office all received considerable damage.

So that was where things stood, with a majority of the Helene damage being taken care of. And then along comes Milton. Unlike Helene, which was a wind, water, and storm surge disaster, Milton was a wind-oriented hurricane with winds over 100 miles per hour. Approximately 40% of the roof was pulled up. All of the building's air conditioning units were on the roof and were blown in all directions. Thanks to Grace's quick action, the contractor has provided us with a detailed list of necessary repairs and replacements. Unfortunately, as the A/C units were blown around, so were their frames, and that created additional roof damage. We are currently studying the viability of repairing or replacing the roof.

Obviously with all of the investigation taking place, we have found many areas where money needs to be spent for repairs/replacements. We are still getting more bids and estimates from contractors on these items. Once this information has been collected, we will be able to make decisions regarding the total financial impact and how it will affect the possible need for an assessment as well as the Maintenance Fees for 2025. Additionally, we will be working toward determining when we can return the building to occupancy.

While we feel terrible about the damage caused to the Veranda, you need to be aware that the overall damage to areas of Longboat Key is far greater. For example, there is a unimaginable amount of damage at the north end of Longboat Key to the extent that movement of vehicles on and off the island is extremely difficult as dump trucks cart off thousands of tons of debris.

I wish we had better news to report. We are committed to providing timely updates. To that end please be sure that we have the proper e-mail address for you. **If you have received this in the mail please forward an e-mail address to us so we may keep you informed.**

We thank you for your patience and understanding as we work through these unprecedented times.

Veranda Beach Club Board of Directors and Staff.

HELENE 2024



MILTON 2024





Oct 15, 2024 at 11:48:52 AM
27.364130° N 82.623680° W



Oct 16, 2024 at 10:15:22 AM
27.364040° N 82.623669° W



Oct 15, 2024 at 12:10:05 PM
27.364228° N 82.624049° W



Oct 16, 2024 at 10:03:09 AM
27.364058° N 82.623637° W

