

River Strand Property Management Committee

Meeting Minutes June 22, 2017

Opening

The June 22, 2017 meeting of the River Strand Property Management Committee was called to order at 3:00 p.m. on June 22, 2017 in the conference room at River Strand Country Club by Paul Martin Committee Chairperson.

Present

Paul Martin, Don Smith, Bill Capresecco, Tony Digiannantonio, by phone Eddie Hicks RS Board Liaison

Approval of Agenda

The agenda was unanimously approved as distributed.

Approval of Minutes

Minutes of the previous meeting were approved.

1. A discussion was led by Paul Martin about the scope of responsibility that was given to the Property Management Committee took place.

2. Lakes and Ponds: Lead by Don Smith

A discussion about previous Resolutions took place. Not having heard on either resolution it was decided that we would submit the resolutions again along with a written presentation as to the reasons for the resolution.

Resolution 17-3: To approve use of Pond Professional, LLC to review areas of potential financial exposure related to waterways. The objective is to become aware of and hold Lennar accountable for corrective expenses prior to transfer of responsibility. This would encompass:

Perform sample broad-spectrum water quality testing at six sites that would reflect the current health and condition. This would encompass lakes, ponds and preserve areas as well as inflow, outflow and standing water locations. *A quote of \$500 has been received from the vendor and is on file with the River Strand Association Manager.*

Scott brought up the request to have Ross Morton Ombudsman SWFWMD to Eddie to see if Ross can be invited to make a presentation to our committee. Eddie indicated that we can invite professionals in for presentation as long as they are not currently providing services to River Strand.

Discussion took place on the need to review all contracts with Lennar and Aquaterra see Article 1.1 of the Declaration of Covenants, conditions, and restriction for River Strand Golf and Country Club. See article 1.20 of same articles Irrigation Water Agreement shall mean that certain agreements between the Club, Aquaterra and the Developer.

Further Article 17.7 of the Covenants, Conditions and Restrictions need to be defined exactly as to whom or what is the Storm Water Management System. Is the Developer saying that we have to maintain the piping system they built for River Strand for irrigation so water can be caught and given to Aquaterra a company they won and call a Utility Co. so they can then charge River Strand for the water?

Resolution 17-5 Request that the Board of Directors secure from Lennar all contracts and agreements between Aquaterra and Lennar Inc. dealing with irrigation water and the use of effluents (see article 4.14).

3. Copier Contract discussion lead by Don Smith

Current state:

- Dissimilar copiers from various manufacturers resulting in no part or toner interchangeability that also causes storage inefficiencies.
- Lack of “need” vs. “want “ assessment or ability to control usage.
- Nearly 25% of equipment inoperable with no “loaner” back up contingency
- No comprehensive / customized MFP (multifunctional printer – copy / print / scan) plan to capitalize on:

Connectivity for on line meter read labor savings and downtime reducing automatic service alerts

Directory downloading to facilitate scan to e-mail rather than print & distribute

Across fleet management of cost saving defaults I.E. Duplex, B&W only and “sleep mode” for energy savings.

User ID system which could be used for tracking usage; control the release of confidential data and lower costly “color” copies.

No annual Preventative Maintenance program that replaces parts exceeding their yield

Contract Review:

Item #3 – The vendor should not determine “reasonable uptime”. It should be specified at 96% of the time or the unit replaced at the request of the customer. Additionally, a replacement loaner should be provided by the vendor for any unit down, for any reason, in excess of three business days.

A semi-annual meeting between the Sales Representative and Key Contact should be required so that performance matrix reporting (Equipment Uptime percentage, Service Response Time averages, Copy volumes by unit and preventative maintenance) may be discussed.

Note on overages: In any new contract B&W and Color overage quantities should be set at 15% over the last year’s actual volume levels. The old contract calculated this annually where the new contract indicates monthly. This is clearly in the vendor’s best interest. Also, if our actual color LY was 71,190 clicks why would we 1) accept a 60,000 click allowance going forward and 2) permit a 41% overage charge increase (.049 vs. .069)?

Recommendation: DO NOT be pressured by a “time sensitive offer” to lock us into another non-industry standard five year contract. Simply put, if they discontinue or cannot support their product they no longer have a contract. It may seem expedient but will exacerbate any improvement to the above situation.

Consider negotiating with this vendor and one National Company like Xerox or Ricoh. They should be provided all locations, volume levels, repair logs and costs. Our new contract should be a three year duration and cancelable with ninety day notice for non-performance. This would be inclusive of the entire fleet, with a target of at least 15% overall cost reduction. As existing desktop copiers fail, new replacement equipment would be added to the lease. This transition should motivate any vendor, enables us to use current performing equipment and proceeds with a partner in thoughtful and gradual

manner. Any vendor assessment would get us closer to knowing our actual Cost of Ownership and prospects for greater network connectivity.

Let's get away from any one-sided contract, install "best in class" equipment and reduce expenses.

This report had been given to Shaun Fitzer with Property Management and to Anita Tierney or the IT Committee.

4 **Landscaping - Bill Capresecco** presented the following:

We have two (2) Services Agreements covering landscaping within River Strand. These Agreements are significant in scope of work and expense.

- Both Agreements are with TruScapes Industries, Inc.
- Both Agreements expire in seven (7) months on February 1, 2018
- Both Agreements have identical renewal provisions. Renewals are subject to the same terms and conditions, but allow for the Contractor to increase billing based on one (1) of the following:
 1. Increase by the Consumer Price Index (CPI) during the previous twelve (12) month period or, at the option of the Contractor,
 2. By proportionate amount of increase in Contractors costs as a result of changes in local, state or federal rules, ordinances, regulations, taxes, fees or other governmental charges assessed against Contractor (other than income or real property taxes) applicable to Contractors performance of services. In such case Contractor shall provide documentation of any such proportional increase in Contractors costs in a form acceptable to the Owner.

The committee discussed the options of renewing the current Agreement or going out for competitive bids. Although competitive bidding will provide an opportunity to improve the terms and conditions and/or financials of the current Agreement, the competitive bidding process is a significant undertaking and we may be up against time constraints.

Following committee discussion it was agreed Bill would prepare a Proposal for the Board of Directors to review and provide direction.

Resolution 17-6: Proposal 17-6 for direction from Board of Direct

June 22, 2017

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Does the Board of Directors desire to go out for competitive bidding of these Services Agreements?

- Pros - Opportunity to improve the terms and conditions and/or financials of the current Agreement
- Cons
 - The competitive bidding process for an Agreement providing services to River Strand is a significant undertaking
 - We are seven months out from expiration our Service Agreements and would need to do the following:
 - Prepare Request for Proposal (RFP)
 - Identify potential bidders
 - Mail RFP
 - Invite bidders in for bid meeting presentation, Q and A and tour of River Strand to explain covered services
 - Receive, review and analyze bids
 - Select successful bidder
 - Notify all bidders of our decision
 - If TruScapes is not the successful bidder, we must plan for a transition to the new service provider

Or

Does the Board of Directors desire to renew these Services Agreements as provided in Paragraph 4 of the Services Agreements between River Strand Master Association and TruScapes Industries, Inc.?

6. **Bulk Cable: Tony Digiannattonio presented a review of Bulk Cable Contract in place.**
CONTRACT TERMS 5years then 1 year auto renew Start date of 1/23/2015 End date of 1/22/2020 Exit protocol is 90 days notice after 5 years

CONTRACT COSTS

- **RS annual bulk cable expense \$848,213**
- **RS will pay \$916,898.40 when we are built out with total homeowners of 1870 (\$490.32 X 1870)**
- **Homeowners monthly rate-\$33.99 plus taxes and fees-will increase up to 5% per year**
- **Homeowners currently paying \$40.86 per month (billed on quarterly RS statements)**
- **Homeowners currently paying \$490.32 per year (\$40.86 X 12)**

CONTRACT SERVICES

- **RS Clubhouse**
 - **6 digital cable TV accounts**
 - **2 high-speed data accounts**
 - **WiFi hotspots**
- **Homeowner**
 - **1 HD cable box (not DVR box)**
 - **Brighthouse PREMIER Package- includes 175-200 channels (all basic, standard and premier HD)**
 - **Does not include premium channels such as HBO, NFL and international channels**

Spectrum would call the package we have Digital Tier 1

7. AC Systems for kitchen and Office. John Caracciola was not present at the meeting. He reported in writing that Regarding AC for kitchen switch gear/IT room I recommend we go with the recommendation made by the current service contractor and add a supply from existing AC unit for kitchen

This is based on a meeting I had with Shaun and the service provider and I believe this is the most economical way to and will keep systems cool

Shaun has all the details

8. Future projects: Nothing new was given to the committee by the Board of Directors. It was noted that many of the contracts are being considered by other committees. The property management contract is under review and consideration by the Board. Copiers are under consideration by the IT committee and so forth. We will wait to hear from our Board liaison as to what other contracts need evaluation and basement.

New Business: None

Adjournment

Meeting was adjourned at 4:45 p.m. on May 22, 2017.

Minutes submitted by: Paul Martin

Approved by: [Name]