

PUNTA RASSA CONDOMINIUM ASSOCIATION

SEARCH COMMITTEE MEETING MINUTES

April 26, 2006

Matt Grogger, President called the meeting to order at 9:30 A.M. In attendance were Linda Deason, Fred Couch, Bud Neuhauser, Ted Johnson, and Herb Minkin.

Matt Grogger stated that Henry Harvey had withdrawn his job application because he wanted an annual salary of at least \$60,000.

Matt and Linda advised the committee about their interview with Rod Middleton, Suitor and Associates, Inc. Mr. Middleton stated that he would not provide a on-site manager. He discussed other properties that he managed in the area including Gulf Harbour and several on Fort Myers Beach and Sanibel Island. Mr. Middleton explained he would provide all required financial support to PRCA with his in-house financial and accounting staff. He explained that our current maintenance staff would stay in place and that he would supervise and inspect all work. He left information detailing his services including a Management Agreement for the committee's review. He would calculate the cost of managing PRCA and e-mail the association that amount.

Fred, Herb and Ted discussed their interview with Steve Mackesy, Managing Partner/President, Island Management Group. They advised six employees managed 80 properties. They were impressed with the presentation and expressed that Mr. Mackesy was extremely knowledgeable. Herb calculated that IMG would want \$45,300 annually. IMG would handle payroll at 20% of personnel's salary, which is the same cost we pay now to SCI. A manager would be on-site one day a week. If he started June 1, we could have a seven months trial period.

Fred provided a list of management companies recommended by our attorney. Matt said that P & M Management had stated they had submitted unsolicited proposals to manage PRCA when Garry Nees was manager and had received no response. It was noted that Suitor and Associates were on the list.

The committee reviewed and discussed the proposal presented by Property Keepers. Bud asks Linda and Matt's opinion because of our working relationship with the interim property manager. Matt said that Property Keepers would staff our office and in working with Debra Canty the owner, was extremely pleased with her performance. Linda said that although she had not worked closely with Debbie on the financial when she had requested information she was always very helpful and knowledgeable. Fred said that he had also worked with Debra in the office and found her helpful.

The board decided to interview Debra and Barbara Fallacara since both were working in the office. Barbara, a CAM licensed accountant does the financial data for Property Keepers clients. Barbara explained that she is not an employee of Property Keepers but an independent contractor that works with Debra providing financial services. Barbara felt she could have PRCA financial records in order by the end of May. She would work approximately eight hours per week and explained her duties. Debra said she had been a license CAM since 1989, had worked for IMG four years before opening her own Property Management Business. She currently manages six Associations and that PRCA would be her largest client. Debra stated that she would require \$46,560 annually for the services she had outlined.

It was decided that Herb would check references for Island Management and that Ted would check references for Property Keepers. The committee decided not to interview any other management company.

At 11:30 A.M. the search committee decided to recess until Thursday, May 27, 2006 at 9:30 A.M. The committee would interview Island Management Group and report back the results of the reference checks. Bud said he would not be able to attend.

THURSDAY, MAY 27, 2006, 9:30 A.M.

The members of the search committee present at the meeting were Matt Grogger, Fred Couch, Ted Johnson, Herb Minkin and Linda Deason.

Also in attendance was Steve Mackesy, Managing Partner/President of Island Management Group and his day manager Wayne and night manager Linda.

Steve said he would eventually turn over the management of PRCA to Wayne when all operations were running smoothly. We could have a six months contract and if no one was happy dissolve the contract. He said that Wayne handles the owners and he handles the long range problems with board. They would set-up maintenance reports and weekly task reports.

An independent project manager would be needed for large projects like windows, roof and elevators. They would work closely with Project Managers.

Steve said that Wayne oversees nine small properties including a few homeowners. The property they manage most like PRCA is south tower at Sanibel Harbour Resort.

Steve advised the committee about financial reports generated and the bookkeeping system. He had a notebook available with examples.

He advised that our current maintenance, cleaning and landscaping personnel could stay and that the maintenance staff would become his employees.

He explained his insurance coverage with the committee members.

The owner and staff from Island Management Group left the meeting and the committee members discussed the presentation.

Herb said that he had contacted the references listed and that everyone had given excellent recommendations. That IMG was responsive to both owners and board members. Herb had not been able to get in touch with South Tower but would continue the effort.

Ted said that he had talked with references supplied by Property Keepers and that everyone contacted were extremely please with the service they received.

Matt said he had reviewed the contract provided by Island Management Group and he had some questions that he wanted to review with legal counsel. Matt stated that he preferred Property Keepers because he was very pleased with Debra's performance and the fact she could provide on-site manager. He believed that PRCA could interface easier with Debra's organization.

Linda, Ted, Herb and Fred similarly expressed that IMG's organization might better serve our needs. They also agreed that Property Keepers was already in place and it would be an easy transition.

Matt said he would have legal counsel review the contract provided by Island Management Group and have Debra provide her contract.

Herb said he would contact South Tower concerning IMG.

The meeting adjourned at 11:30 A.M.