

**PUNTA RASSA CONDOMINIUM ASSOCIATION REGULAR BOARD
MEETING**

October 24, 2007 @ 9:30 A.M.

1. Call to Order-Linda Deason called the meeting to order at 9:30 a.m.
2. Roll Call of Directors-Linda Deason, Marylin Hansen, Bud Neuhauser, Jerry Dehm, Herb Minkin and Chuck Cutter. Reid Potter was present via teleconference. Jeff Roberts, CAM was also present.
3. Approval of Minutes- September 19, 2007 and September 27, 2007
Mr. Minkin moved to approve the minutes. Bud Neuhauser seconded the motion.
Approved unanimously
4. Management Report- Mr. Roberts gave the board an update of the 2007 Capital Projects. Stanton Door Company was on the property finishing the installation of fire doors. Mr. Roberts informed the board that the association owed approximately \$15,000.00 to Kone Elevators. He had withheld some payments because of a dispute concerning their performance of the maintenance agreement. Mr. Roberts advised that he had spoken with Kent Security and that if the Yacht Club and Punta Rassa joined together it would possibly save about \$25,000.00 annually for each property.

At 10:00 A.M. Lee Rigby, President of Vertical Assessment Associates who has been hired as the elevator consultant for Punta Rassa joined the meeting via teleconference. The board had received bid tabulations and elevator repair proposals from Mr. Rigby. The bid results were as follows: **ThyssenKrupp \$527,925.00; Kone \$242,462.00; Taylor \$255,254.00.**

The monthly maintenance for ThyssenKrupp was \$2960.00 monthly, one month included at no charge; Kone monthly maintenance \$2100.00, six months included at no charge; Taylor monthly maintenance \$1,333.00.

Mr. Rigby's stated "that any of the three bidding firms are capable of performing the work according to the scope in a profession manner."

He also believed that with proper oversight, that any of these firms would be able to provide very good preventative maintenance and callback services.

He discussed value provided for the cost. Mr. Rigby advised that Taylor's bid included all new sill angles where the others are just replacing those few that were identified as needing replacement. Taylor didn't include pre-maintenance items other than required by the scope and would accept such items as is, and repair or replace under the maintenance contract as needed.

ThyssenKrupp's bid was higher than Kone or Taylor but he believed mainly because they want to start maintenance on pristine equipment and are therefore requiring extensive pre-maintenance work. He said that much of this is not really necessary but would make the elevators ride much nicer and would be a noticeable improvement. Their prices are also higher for the line items other work as well.

Kone is the lowest bidder, and he believes this is because they do not want to lose the maintenance contract and are willing to obtain less or no profit on the modernization in order to keep it.

Mr. Rigby's also stated that it was his belief that Kone and Taylor were cutting their pricing to the bone to keep the maintenance, because that is an elevator firm's "bread and butter."

Mr. Rigby realized that there had been issues with Kone, but much of their failure has been directly related to the water issues in the elevator hoistways that they had no control over. He also felt that Kone would need more hand holding on the project.

Mr. Rigby said that ThyssenKrupp would have been his first recommendation as I have had good experience with them, however, their prices, even after obtaining some concessions, are still very high compared with the other bids received. He also stated that he has no bad experiences with Taylor or Kone.

Mr. Neuhauser asks Mr. Rigby why more consideration was not given to Taylor and he answered that they did not have much presence in this area and therefore service calls might be a problem.

Mr. Rigby's recommended in writing, awarding this project to Kone as they have the lowest and best bid for the work specified. He also advised that Punta Rassa had 4 years remaining on a 5 year contract and canceling could prove to be problematic/costly.

Mr. Jim Baldwin felt that ThyssenKrupp would perform the work to a better standard. That we had our troubles with Kone in the past and felt like that probably would not change.

Mr. Dehm made a motion to proceed with negotiations with ThyssenKrupp company with the intent of entering into a contract with them for the proposed elevator work. Mrs. Hansen seconded the motion. Mr. Roberts advised that the bid had been negotiated to the bare bones and that Mr. Baldwin had been working right up to the start of the meeting to get the bid quote reduced. Mr. Minkin, Mr. Cutter, Mrs. Hansen and

Mr. Dehm voted in favor of accepting the ThyssenKrupp contract. Mr. Neuhauser, Mrs. Deason and Mr. Potter voted against. The motion carried.

5. Treasurer Report- There was no discussion of the September Financial Statement. Mrs. Deason advised that the letters distributed before the meeting from our attorney to decide whether to file a foreclosure complaint against the following properties; Kevin and Christine Watts, Unit 4-703; Gary and Michelle Griffith, Unit 4-205; Gary and Michelle Griffith, Unit 4-601; Old Trail Partners, LLC, Unit 4-105; Old Trail Partners, LLC, Unit 4-502; Old Trail Partners, LLC, Unit 4-505. That a Resolution of the Board of Directors would be signed by Mrs. Deason with Mr. Potter attesting. This would be delivered to our attorney this afternoon.

6. Committee Report- Landscaping-Mrs. Hansen discussed that an owner in Building 2 was concerned that large palm trees was blocking the water view. Mrs. Hansen distributed pictures that she had taken of the damage done by semi trucks delivering boats to the sidewalk and curbs. There were concerns of semi parking in front of Building 1 over night and running engines. She would make a presentation the next day at the Yacht Club Meeting and would report back to the board. Mrs. Hansen would call a landscape meeting next week.

Building and Grounds Committee-No discussion

7. Old Business- A new elevator contract was approved in favor of ThyssenKrupp.

Annual Meeting- Mr. Potter reminded the board that the two candidates receiving the highest number of votes will be elected for a three year term. The candidate receiving the third highest number of votes will be elected for a two year term. The staggering assures that at least one (1) Director will be elected at each annual meeting.

8. Adjournment- Mr. Minkin made a motion to adjourn the meeting at 12:30 p.m. Mrs. Hansen seconded. The motion passed.

Respectively Submitted,
Jeff Roberts, CAM