



Management Services Agreement

Prepared by:

Alliant Property Management, LLC

13831 Vector Ave

Fort Myers, FL 33907

Prepared for:

ROYAL PELICAN ASSOCIATION, INC.

Renewal
MANAGEMENT SERVICES AGREEMENT

This **MANAGEMENT AGREEMENT** made and entered into on _____, by and between, ROYAL PELICAN ASSOCIATION, INC. , a not-for-profit Florida Corporation, (hereinafter called "ASSOCIATION"), located in Lee County, Florida, and Alliant Property Management, LLC, a/k/a Alliant Association Management, whose main office is located in Fort Myers, Florida (hereinafter called "MANAGEMENT FIRM"). In consideration of the terms, conditions, and covenants herein contained, the parties mutually agree as follows:

1. **Parties to This Agreement.** The Association, in order to properly conduct its business, hereby exclusively appoints the Management Firm, and Management Firm accepts exclusive management duties. The Management Firm and its Community Association Managers are duly licensed pursuant to the laws of the State of Florida and engaged in the business of providing community association management services and assistance to the Association.

2. **Services to be provided.** The role of the Management Firm is to implement the decisions and the policies established by the Board of Directors of the Association. The Board of Directors of the Association has a fiduciary responsibility for the administration of programs, and services, and maintenance of the common areas as established in the governing documents as clarified by resolution of the corporation. During the term of this Agreement, the Management Firm shall serve the Association and perform Association Management services in connection with the Association's business as detailed in the Management Proposal Exhibit "A" hereto and made part of this Agreement.

3. **Payments to Management Firm.** The Association agrees to pay Management Firm for services at the following rate: an annual management fee of \$25,500.80 payable monthly at a rate of \$1,958.40, plus any support services agreed upon as outlined in Exhibit "A". Fees are due on or before the first each month. The Association shall be responsible to reimburse Management Firm monthly for processing fees/costs related to all postage/mail service, administrative/office supplies and other costs used on behalf of the Association as outlined in Exhibit "B."

4. **Term of Agreement.** The term of this agreement shall be for 24 months commencing on 07/01/2018 through 06/30/2020, unless terminated earlier according to the procedures provided in Paragraph five (5) below. At the end of its Initial Term, this Agreement shall automatically renew each year thereafter, and may be reviewed annually during the budget process, and fees may increase up to 3% on January 1 of year following the initial term.

5. **Termination of this Agreement.** This agreement may be terminated by either party with or without cause

by written thirty (30) day notice to the other party. All such notices shall be by certified mail, Federal Express, or delivered personally. Upon termination, obligations hereunder shall cease except liabilities or claims which accrued or arose prior to such termination.

6. **Termination Procedure.** In the event of termination by either party Management Firm shall fully cooperate with the Association Board of Directors and any new management company assigned or employed by the Association Board of Directors in causing an orderly transition, and shall turn over all funds, general records, financial records, and property of the Association to the new manager, if any, at the direction of the Board.

7. **Entire Agreement.** This Agreement expresses the entire agreement between the Association and the management firm and as stated in the management proposal regarding this matter. This Agreement can only be modified with another written agreement signed by both the Association and the Management Firm. This Agreement shall be binding upon the Association and the Management Firm, and their respective heirs, legal representatives and successors in interest.

8. **Association Insurance.** The Association shall maintain in full force and name the Management Firm on the Association's Directors and Officers Policy, General Liabilities Policy, and Fidelity Bond Coverage. The Association shall in such amount as deemed necessary to comply with the insurance requirements of Florida Law on a primary basis to the Association covering acts of the Association (and its officers, directors, agents and employees) and the Management Firm (and its officers and employees).

9. **The Association agrees** to indemnify, defend and hold harmless the Management Firm, and its officers, and employees, from all claims brought or actions filed, liability, loss, damage cost or expense not caused by the Management Firm's own negligence or willful misconduct including without limitation, reasonable attorney's fees and expenses arising from or relating to the functions for which the Management Firm has been hired. The Association's duty to defend the Management Firm shall extend to all liability, loss, damage, cost or expense arising from any action taking place during the term of this agreement regardless of whether or not the Management Firm is employed by the Association at the time action is brought. The Association's duty to indemnify the Management Firm shall be binding on all successors and assigns of the Association. The Association further agrees that the Management Firm shall not be liable, responsible or accountable for damage to the Association for acts performed in good faith, and without negligence. Nothing contained herein shall require the Management Firm to employ counsel to represent the Association in any such proceeding or suit.

10. **Management Firm Agrees** to mutually indemnify defend and hold harmless the Association and its members, officers, directors, agents and employees from and against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from breach of this Agreement by Management

Firm. Such indemnification shall include liability asserted against the Association as a result of being alleged to be or determined to be a "joint employer" with Management Firm under the laws of the State of Florida and/or Federal Labor Laws.

11. **Management Firm Insurance.** Management Firm shall provide at its own expense Workers Compensation Insurance in compliance with Florida and Federal Law, and General Liability Insurance with minimum limits of \$1,000,000/\$2,000,000: Auto Liability Insurance with minimum limits of \$1,000,000, Fidelity Bonding, crime coverage, fraud, theft or embezzlement or similar coverage which shall provide protection to the Association.

12. **Legal.** No service herein anticipated or provided shall be deemed nor intended to be legal advice. No part of any fee paid by the Association to the Management Firm shall in any way be considered compensation for legal services. This does not preclude the Association from appointing Management as representative of the Association in legal proceedings, including, but not limited, to arbitration, mediation, small claims actions or expert witness testimony for which the Association may compensate Management. Neither the Management Firm nor any of its employees are attorneys and no advice, or suggestions offered, by way of anecdotal or personal experience in any situation is meant to substitute for advice or opinion from Association's legal counsel.

13. **Governing Law.** This agreement shall be interpreted according to the laws of the State of Florida.

14. **Independent Contractors.** Both the Management Firm and the Association agree that the relationship created by this agreement is that of independent contractor and not that of employee or employer. The Management Firm is responsible for the payment of any taxes, including without limitation, all Federal, State, and local personal and business income taxes, sales tax, and use tax, other business taxes and license fees arising out of the activities of the Management Firm.

15. **Promotional Information.** The Association agrees that Management Firm may identify the Association as a client for purposes of its promotional presentations, brochures, website, and advertising.

16. **Applicable Law, Attorney's Fees and Venue.** This Management Agreement shall be construed under the laws of the State of Florida. In the event there is a suit brought hereon, such suit shall be filed in the Court of Lee County, Florida; the prevailing party in such action shall be entitled to attorneys' fees.

Exhibit A

Management Services

Article I

Administrative Service

1. Management Firm shall implement, guide and assist the Board of Directors of the Association in the performance of their obligations following the requirements of Florida Statutes, other applicable laws, and the Association Governing Documents. The Board of Directors of the Association hereby appoints the Management Firm as the Agent, and Management Firm hereby accepts appointment, on the terms and conditions hereinafter provided, as managerial agent of the Association. The Association shall benefit from the services of the assigned licensed Manager (CAM), and the Alliant Team providing support to the Board of Directors of the Association. Management Firm is not required to engage in any act or omission contrary to this agreement which is either illegal or, at the discretion of the Management Firm, is clearly against the best interests of the Association.

2. Management Firm shall implement the policies of the Association concerning the Governing Documents, Covenants, Rules and Regulations, By-Laws and Resolution of the Corporation.

3. Management Firm shall maintain, update, and keep all necessary official records of the Association, and provide inspection of the records as required by law. All such printed records shall be the property of the Association.

4. Management Firm, its employees and agents, shall be deemed to be independent contractors and not employees of the Association. Management Firm shall provide representation as registered agent for the Association on behalf of the Board of Directors.

5. Management Firm shall assist and guide the Board of Directors in the evaluation, purchasing and/or renewal of all insurance coverage required by law, Association documents or industry standards.

6. Management Firm shall maintain on a continuous basis current and updated register of Owners, Officers and Directors to include name, address, telephone number and email address, and such other records as may be required by the Association documents and Florida Statutes.

7. Management Firm shall process and mail Florida Statutory mailings to include: Budget, 1st & 2nd Notice of Annual Meeting, and process all necessary correspondence for such mailings.

8. Management Firm shall assist in resolving individual owner requests as they pertain to the administration

of the Association, its Common Elements, its Limited Common Elements, its Common Property, and Governing Rules and Regulations.

9. Management Firm shall have representative present at meetings of the Board up to 12 meetings, to include one annual meeting of the owners, budget workshop, and budget meeting. Board meeting attendance shall be limited to no more than 2 hours during business days Monday through Thursday starting no later than 7:00 p.m. Friday meeting attendance not to start later than 3 p.m. No meeting attendance at weekend meetings or Holiday meetings including Black Friday, the day after Thanksgiving. Meetings lasting more than 2 hours may be subject to additional fees. Additional meetings will be billed at \$200 per meeting subject to 2 hour maximum.

10. Management Firm shall organize the annual meeting of the owners, and meetings of the Board of Directors, including the preparation and posting of notices, agendas and other necessary documents.

11. Management Firm shall respond to violations of the Association Governing Documents of the Association when submitted by owners in writing to the attention of the Board Directors, and upon Management Firm inspection of the community. Management Firm shall send the appropriate response letter to the violating owner.

12. Minutes of the Board of Directors meetings, Budget meetings, and Owners Annual meetings shall be taken by Management Firm, transcribed, and distributed to the Board within twelve (12) business days of the meeting. Annual meeting minutes within 30 days.

13. Management Firm shall be available to the Board Directors on a daily basis to provide assistance and respond to the affairs of the Association. Daily is generally meant to mean Monday through Friday, 9:00 a.m. to 4:30 p.m. Management Firm will be available at all times for emergency situations. Board Directors shall have direct access via cell phone or email to the assigned licensed manager (CAM).

14. Management Firm shall provide an after-business hours telephone number for emergency purposes so all owners may have access to Management Firm for emergency purposes. Management Firm will be available 24 hours a day, 7 days a week, including weekends and holidays.

15. Management Firm shall not be required to perform any act or duty involving the expenditure of money unless Management Firm shall have in its possession sufficient funds of the project available.

16. Management Firm/Alliant recognizes the following legal holidays as "non work days" for its employees: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Black Friday (day after Thanksgiving) & Christmas Day. The Alliant offices will be closed on these days.

Article II

Financial Services

1. Annual Budget: Management Firm shall provide experienced accounting staff to prepare a recommended proposed budget for each ensuing year, and facilitate the meeting to approve said budget. Management Firm shall provide guidance to the Board Directors regarding all budget decisions.

2. Assessment Fees: Management Firm shall collect and account for all monthly/quarterly Maintenance Assessment Fees as prescribed by the Association, and other charges such as late fees due by owners.

3. Operating Bank Account: Deposits for the Association's operating account (checking) shall be processed at BB&T Bank, a federally insured banking institution in the State of Florida, using this Bank's Lockbox method of payment via coupon, and/or automatic deposit (ACH).

4. Banking-General: Management Firm shall maintain all other Association bank accounts including savings, reserve accounts, Certificates of Deposit (CDs), and other income accounts of the Association with a federally operated and insured Florida institution chosen by the Board Directors. All bank accounts to be in the name of the Association.

5. Banking Authorization: Two officers of the Management Firm who will serve as agents for the Association shall be authorized signers on bank accounts for the Association in addition to the Board Directors, who may be the President and Treasurer, and any additional Board Directors up to a total of four (4). No payment shall be released from the Association's accounts without Board knowledge or approval.

6. Delinquent Accounts: If applicable, Management Firm shall mail a system generated first and second notice of delinquency to any owner in arrears and take such reasonable action for the collection of the delinquent assessments as administrative action in accordance with the governing documents and adopted policies and procedures.

7. Foreclosures/Liens: By authorization of the Board of Directors, when applicable, Management Firm shall produce, coordinate and send the "Notice of Lien" letter for severely delinquent accounts for use in attorney collections process. Each notice will be mailed to the delinquent homeowner via US Mail, & Certified Return Receipt. Such letter shall be prepared and processed at additional administrative cost and charged to the delinquent homeowner's account for repayment to the Association.

8. Disbursement Authorization: Management Firm shall disburse all funds from the maintenance assessment fees collected for normal recurring expenditures as provided in the budget. Expenditures not budgeted shall

be made only with the prior approval of the Board Directors. The Bills Payable Report or Check Register shall be emailed to the treasurer for review and approval. The treasurer or authorized bank account signer, may choose to approve payment via email and Management Firm will process and mail authorized payments, or the Board member may personally come to the Alliant office to review and sign checks. The exception of pre-budgeted utility expenses such as cable, electric, telephone, and trash collection shall automatically be paid to avoid late fees or shut-off. Disbursements are processed on a weekly basis in the Alliant accounting department.

9. Foreclosures/Liens: If applicable, and with Board approval, Management Firm shall forward severely delinquent owner accounts to the Association's Attorney for Lien or Foreclosure process.

10. Payroll Disbursement: Management Firm shall coordinate the disbursement of payroll for association employees, if and when applicable. Payroll is based on a 26 week cycle with funds debited from the Association's operating account directly to the payroll leasing company.

11. Financial Statement: Management Firm shall prepare and furnish to each Director a copy of the Monthly Financial report prepared on an Accrual Basis. The Board of Directors, as a group, may choose to receive this report as one of two options: via US Mail to each Board Member, or emailed to all Board Members. The monthly report shall include the following: Balance Sheet, Operating Income and Expense report reflecting Actuals versus Budget - monthly and year-to-date, Reserve Statement, Check Disbursement report, and Delinquencies in maintenance fund collections report. The monthly financial report will be distributed each month to the Board of Directors on or before the 25th day of the month in order that we have reasonable time to receive and reconcile all monthly bank statements of the Association, and that all expenses are captured and included in the report.

12. Treasurer's Report: Management Firm shall provide a General Ledger report each month to the Treasurer or other person(s) authorized by the Board of Directors. All accounting is handled in-house by a staff of experienced accountants and bookkeepers.

13. Fees/Licenses/Permits/Filings: Management Firm shall file the Annual State Corporation report, and disburse payment of all required fees, permits, and licenses of the Association.

14. Tax Returns: Management Firm shall coordinate and assist the Association's Certified Public Accountant (CPA) in preparing all required tax returns for the Association.

15. Audits: Management Firm shall coordinate and cooperate with the Association's CPA regarding financial audits or other appropriate financial statements.

16. Set-Up Fee: Management shall charge a one time only audit and initial set-up fee to cover the integration of your Association's records into our accounting and operations systems. Management will input all owner data, all financial and accounting data including the Association budget, banking information, vendor information, insurance information, and any other information pertaining to this Association. Management shall be responsible for obtaining all files, documents, and stored file boxes, and set up new files in the Alliant accounting and operations departments.

Article III Special Projects

1. Management Firm services, coordination, and/or overseeing of Special Projects, and/or Hurricane Special Projects/Repairs which are not routine projects, and are not within the scope of regular maintenance of the Association, and in excess of \$20,000 are not included in the management fee, and are subject to additional hourly fees. Management Firm shall provide a proposal upon request for any such project(s).

Article IV On Site Personnel/Physical Maintenance/Site Evaluation

1. On-Site Personnel (Association Employee): When the Association has a need for an employee to work on the property, Management Firm shall supervise, and monitor the direct performance of all on-site employees employed on behalf of the Association necessary to properly maintain the Association's Property identified as Common Areas in the Declaration of Covenants, Conditions, and Easements recorded in the official record books. The assigned licensed Manager's responsibility shall include supervision, and the hiring and firing of all such personnel with Board approval.

2. Personnel Wages/Payroll (Association Employee): When applicable, salaries/wages, tax burden, benefits, worker's compensation insurance, administrative costs, health insurance benefits, and other expenses payable on account of such employees of the Association are not included in the management fee, and shall be the responsibility of the Association. All employee time sheets and payroll checks shall be processed bi-weekly and billed separately to the association by an outside professional employment organization (PEO). Payment shall be made directly from the Association's operating bank account.

3. Employee(s) Administrative Fee (Association Employee): Management Firm shall maintain, and manage Association's employees to include all administrative processing such as payroll processing, health benefits compliance and processing, time and attendance tracking, and employee relations. Such services are subject to an additional fee.

4. Equipment/Tools: All equipment and/or tools to perform duties of the Association's employees shall be

provided and owned by the Association. The Association shall be responsible for all costs related to such equipment and/or tools.

5. Work Order Requests: Management Firm shall coordinate protection, and initiate work orders for repairs, replacement and maintenance to/of the Association Property as provided by Statute and defined in the Association's Governing Documents.

6. Emergency Repairs: Management Firm shall notify/contact an Association Board Director to discuss emergency repairs. All such purchases shall be made in the name of the Association and subject to the consent of a Board Director.

7. Maintenance Projects: Management Firm shall develop specifications, negotiate, acquire bids and execute contracts for routine maintenance projects on behalf of the Association, for such services the Board of Directors may deem necessary. All requests of contractors shall be channeled through the manager for evaluation and presented to the board for approval.

8. Site Inspection/Visitation: Management Firm shall perform a site inspection of the community on a weekly basis to oversee the condition and maintenance of the common areas and equipment.

9. Vendors: Management Firm shall ensure that all contractors and/or vendors shall be properly licensed and insured prior to contracting services and payments. Management firm shall ensure that vendors and contractors are meeting the terms and conditions of their service agreements.

10. Management Duties: It shall be the duty of the Management Firm at all times during the term of this Agreement to operate and maintain Association property according to the appropriate standards consistent with the Association's budget, and confined to the common elements and limited to the common elements of the Association's property as defined in the Association's Governing Documents together with all amendments thereto. The Management Firm shall be expected to perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under this Agreement. It is understood and agreed by all parties that the Board will not unreasonably interfere with the Manager's performance of responsibilities by dealing directly with those persons or organizations performing services under the supervision of Management Firm.

Article V
Management Compensation
ROYAL PELICAN ASSOCIATION, INC.

1. The Management Services contained in this proposal shall be provided to the Association for a monthly fee, and shall be billed monthly, due on the first day of each month, with optional service fees scheduled on or about the 15th business day of the month. The management fee and optional service fees in this proposal/agreement shall be guaranteed through 06/30/2020.

2. The Executed Management Agreement shall authorize Management Firm to Debit (ACH) the Association's operating checking account for all management fees as specified in the contract, and as approved in the Association's budget. The authorization for this method of payment shall remain in effect for the duration of the Management Agreement.

	Initial Setup Fee	Price Per Unit or Hour	Unit or Hours	Recurring Monthly Fee
MANAGEMENT SERVICES				
Management Fee 2018-2020		\$13.60	144	\$1,958.40
SUPPORT SERVICES				
Homeowner Web Portals <small>Powered by Pitera</small>	\$150	\$0.00	1	\$0.00
Docuware <small>Invoice Management System</small>	\$500	\$50.00	0	\$0.00
Total				\$1,958.40

Special Assessments: Management Firm shall implement, collect and process special assessments adopted by the board and levied against unit owners. This service is not included in the monthly management fee, and shall be billed separately at \$3.50 per door/unit, per assessment, per unit.

Administrative Costs: The Association shall be responsible to reimburse Management Firm for all administrative and office supplies, postage and items requested by the board of directors and used on behalf of the association as outlined in Exhibit "B" of this agreement. Management Firm shall provide a monthly invoice to the Association for such services.

Notice of Lien: A fee of \$65.00 shall be charged for each Notice of Lien prepared on behalf of the Association to each severely delinquent owner as outlined in Article II paragraph 7.

Exhibit B
Office Expenses and Administration Services
ROYAL PELICAN ASSOCIATION, INC.

OFFICE EXPENSES	
Copies: Black and White/ Color	\$0.18/\$0.30 per sheet
Mail Service and Supplies: In-House Fulfillment	
Regular Envelope	\$0.75 per mailing unit
Large and Over-sized Envelope	\$1.00 per mailing unit
Mail Service Administration: Third-Party Fulfillment	\$0.25 per mailing unit
Postage	USPS mailing rates apply
Special Delivery: FedEx, UPS, USPS	Carrier rates apply
Record and Document Storage	\$3.00 per box, per month
Boxes Supplied	\$3.00 per box
Homeowner Portal- Text Messaging and Auto Calls	\$0.10 per text and/or auto call
Coupon Book from BBT Association Services	At provider cost
Re-Order Coupon Book	\$5.00 per coupon book
Conference Calling Service	\$25.00
Accounts Payable- Check Processing Fee	\$0.30 per check
ADMINISTRATION SERVICES	
Meetings- Additional Meetings	\$250.00 per meeting
Rental Tracking	\$25.00 per letter
Managing Insurance Claims	\$100.00 per claim
Loan Administration	\$250.00 per loan or credit line
Special Accounting Services	\$75.00 per hour
Gate and Access Control Database Management	\$5.00 per record update \$10.00 per month for software
Clubhouse Reservation Management	\$10.00 per reservation
1099 Preparation	\$10.00 per 1099

The prices listed above may be subject to change

Exhibit C
Sales and Rental Fees
ROYAL PELICAN ASSOCIATION, INC.

Sales Application and Estoppel

Management will charge all sales application and estoppel fees to the buyer/seller.

- Estoppel Fees are \$250.
- Condominium Questionnaire Fee is \$200
- Administrative Transfer Fee is \$100

Rental Applications

Management will charge the fees for processing rental applications and related services to owner/tenant. The fee schedule for rentals is as follows and is subject to change:

- Application Fee: \$100.00
- Domestic Background: \$40.00 per person
- International Background: \$45 per application/person
- Criminal background and credit check: \$66 per applicant

* These fees are subject to change