



Community Development District

Board of Supervisors

Regular Meeting

October 15, 2025 at 8:30 AM

505 Whiskey Creek Drive, Marco Island, FL 34145

Anyone who wishes to listen and participate in the meeting can do so by calling
1-888-468-1195, Participant Pin 636522.

Additionally, participants are encouraged to submit questions and comments to the District Manager in advance to facilitate the Board's consideration of such questions and comments during the meeting.

The agenda is as follows:

1. Call to Order/Roll Call
2. Approval of Agenda
3. Public Comments
4. Approval of Minutes
 - a. June 18, 2025 – Public Budget Hearing and Regular Meeting Minutes
5. Old Business
6. New Business
 - a. Completion of Asphalt Patching and Review of Updated Estimate for Striping
 - b. Review and Acceptance of Annual Catch Basin/Culvert Cleaning Estimate
 - c. Review and Acceptance of Reserve Study Estimate
 - d. Review of Pricing Proposal for Gatehouse Flood Barrier System
 - e. Review of Pricing Proposal for Gatehouse Curb Repair
7. Attorney Report
8. Engineer Report
9. Supervisors' Requests
10. District Manager's Report
 - a. Update on Kiosk Implementation Performance
 - b. Request for Consideration – Painting Improvements for Guardhouse Facility
 - c. Acceptance of Unaudited Financial Statements Ending August 31, 2025
 - d. Ethics Training Reminder
11. Public Comments
12. Adjournment

**Key Marco Community Development District
Public Budget Hearing & Regular Meeting
June 18, 2025
NOT APPROVED**

Appearances

Mary Beth Schewitz, Chair
Luanne Kerins, Co-Chair
Jennifer Sprague
Terri Stanton-Clement

Also Present

Joshua Carter, District Manager
Greg Urbancic, District Counsel (Via Speakerphone)

CALL TO ORDER/ROLL CALL

The meeting was called to order by the Chair at 8:30 AM, and it was noted that four supervisors were in attendance constituting a quorum with one supervisor absent.

APPROVAL OF AGENDA

On a voice vote by Ms. Schewitz and a second by Ms. Kerins, the agenda was approved 4-0.

Public Comments

No Public Comments were made.

Public Hearing on Adopting Final Fiscal Year 2025-2026 Budget

a. Open Public Hearing on Final Fiscal Year 2025-2026 Budget

On a voice vote by Ms. Schewitz and a second by Ms. Kerins, the Public Hearing for Adoption of Final Fiscal Year 2025-2026 Budget was opened as approved 4-0.

b. Staff Presentations

Mr. Carter presented the final draft budget for fiscal year 2025-2026 to the Board of Supervisors. Mr. Carter noted that the proposed final budget remained unchanged other than the item changes from the Preliminary Budget Review in April, setting the engineering fees at \$10,000, Gatehouse Paver & Curb Repair Line capital improvement item at \$10,000 and Irrigation Pump Upgrade at \$9,000. Mr. Carter noted that the resulting assessment would remain at \$1,700 per unit to a total annual revenue of \$227,800. Mr. Carter asked if there be any questions or revisions to the final draft budget prior to adoption. No questions were posed by the Supervisors and the staff presentation was concluded.

44 c. **Public Comments**

45 Mr. Carter opened the floor to the attending public for any comments regarding the
46 proposed 2025-2026 budget. No public comments were received at this time.

47
48 d. **Consideration of Resolution 2025-05, Adopting a Fiscal Year 2026 Final Budget**

49 Mr. Carter presented a copy of Resolution 2025-05 on adopting a fiscal year 2026 final
50 budget to the board of supervisors.

51
52 On a voice vote by Ms. Schewitz and a second by Ms. Sprague, Resolution 2025-05 on Adopting
53 a Fiscal Year 2026 Final Budget was approved 4-0.

54
55 e. **Close Public Hearing on Fiscal Year 2026 Final Budget**

56 Following the approval of Resolution 2025-05, the public hearing on adoption of the
57 final budget for Fiscal Year 2026 was closed by a voice vote.

58
59 On a voice vote by Ms. Schewitz and a second by Ms. Sprague, the public hearing on Adopting a
60 Fiscal Year 2026 Final Budget was closed as approved 4-0.

61
62 **Public Hearing on Levying O&M Assessments**

63 a. **Open Public Hearing on Levying O&M Assessments**

64
65 On a voice vote by Ms. Schewitz and a second by Ms. Kerins, the Public Hearing for Adoption of
66 Final Fiscal Year 2025-2026 Budget was opened as approved 4-0.

67
68 b. **Staff Presentations**

69 Mr. Carter presented the draft assessment roll to the board of supervisors. The roll
70 included individual property assessments of \$1,700 per property to a total of \$227,800
71 encompassing all units within the district.

72
73 c. **Public Comments**

74 No Public Comments were received at this time.

75
76 d. **Consideration of Resolution 2025-06, Levying and Imposing Non-Ad Valorem
77 Maintenance Special Assessments.**

78 Mr. Carter presented resolution 2025-06 on levying and imposing non-ad valorem
79 maintenance special assessments to the board of supervisors.

80
81 On a voice vote by Ms. Schewitz and a second by Ms. Kerins, Resolution 2025-06 on levying and
82 imposing non ad-valorem maintenance special assessments was approved 4-0.

83
84 e. **Close Public Hearing on Levying O&M Assessments**

85 Following the approval of Resolution 2025-05, the public hearing on adoption of the
86 final budget for Fiscal Year 2026 was closed by a voice vote.

On a voice vote by Ms. Schewitz and a second by Ms. Sprague, the public hearing on levying O&M assessments was closed as approved 4-0.

Approval of Minutes

a. April 16, 2025 – Regular Meeting Minutes

Ms. Kerins noted that a typo existed on lines 141 and 251. Mr. Carter noted that he would correct the draft minutes for both typos identified.

On a voice vote by Ms. Schewitz and a second by Ms. Sprague, the April 16, 2025 Regular Meeting Minutes were approved 4-0.

Old Business

No Old Business Was Discussed at this time.

New Business

a. Update on Gatehouse Kiosk Replacement Project and Review of Options

Mr. Carter noted that following the April 2025 meeting of the board of supervisors, he worked alongside the vendor LiftMaster MyQ on implementation of the approved gatehouse kiosk system. Mr. Carter noted that during the process, the vendor identified a conflict in the District's access control procedure and their system limitations. Mr. Carter noted that LiftMaster MyQ's suite did not include a visitor management system designed for use by an in-person guardhouse security officer and was intended to fully replace guardhouse personnel as an automated system. Mr. Carter noted that he worked directly with Liftmaster personnel to determine if there be any workaround for the security staff to utilize to check in guests and manage access control while working on-site within the guardhouse, but the system was limited in this regard and identified as a bad fit for the community. Mr. Carter noted that LiftMaster and Keys Security Services would refund any deposit funds paid for the product upgrade and attempted to identify other providers for the service level required by Key Marco. Mr. Carter noted that following up on remaining solutions in the space for the community, had developed a shortlist of products that fell either within or closer to budget for the project. Mr. Carter noted that the most well-aligned solution may be to stick with the current provider, Checkpoint Access. Mr. Carter noted that the Checkpoint team made an offer to include their cloud server upgrade at no charge to Key Marco if a new kiosk system was purchased. The new kiosk included deeper functionality and a solution to the issue currently experienced with malfunction of after-hours visitors not being able to open the gate. Mr. Carter noted that the new kiosk offered deeper functionality, including sharing of QR access passes to guests via text message and included integrated camera functionality, if the community sought to add this feature later on. Mr. Carter presented the estimate submitted by Checkpoint to the amount of \$6,025 for this service, which

130 included the \$3,500 server upgrade at no charge. A proposal prepared by TekWave
131 Solutions as a competing product was included as well, to a cost of \$20,643. Ms.
132 Schewitz noted that it would make the most sense to move forward with the Checkpoint
133 solution, if there could be any warranty given should the product fail to deliver solving
134 the after-hours access issues currently experienced. Mr. Carter noted that the server
135 upgrade is intended to solve this problem, allowing for constant connection to the
136 database for instant patches and remote restarting directly from the data center. Mr.
137 Carter noted further that the product warranty included accounts for system-based
138 issues that may arise and would leverage the warranty should any further issues be
139 experienced. Ms. Schewitz asked that Mr. Carter negotiate the warranty to include
140 consideration for a refund if the issue not resolved and move forward on the project. A
141 motion was made for acceptance of the estimate under this condition.
142

143 On a voice vote by Ms. Schewitz and a second by Ms. Sprague, the gatehouse kiosk and server
144 upgrade estimate submitted by the vendor Handsfree Security and Checkpoint to the amount
145 of \$6,025 was approved 4-0. Mr. Carter was authorized to negotiate on warranty protections
146 pending any issues with the system functionality.

147
148
149 b. Review of Updated Roadway Repair & Asphalt Striping Estimates

150 Mr. Carter noted that following the April meeting, updated estimates were submitted by
151 the vendor Bonness for both asphalt patching and striping of the Key Marco Roadways.
152 Mr. Carter submitted the asphalt patching to the board, totaling \$21,279, which
153 included accompanying photos of each repair area encompassed in the estimate. Ms.
154 Kerins noted that she had identified a handful of additional areas in need of patching
155 not originally included in the estimate. Mr. Carter noted that if Ms. Kerins found
156 appropriate, he would ask that she meet with Bonness alongside him to have an
157 estimate for these areas included. Mr. Carter noted that for the asphalt striping, the
158 total cost proposed was \$47,612. This price included the installation of raised pavement
159 markers. Ms. Schewitz noted that in past years, the outer stripe alongside the paved
160 shoulder was not to be restriped and should be removed from the estimate. It was
161 noted that in order to complete patching prior to the close of fiscal year 2025, a motion
162 for acceptance of the asphalt patching estimate to the amount of \$21,279 plus the
163 additional areas identified by Ms. Kerins be approved not to exceed the budget amount
164 of \$40,000. The revised striping to be reviewed and completed in the October meeting
165 of the CDD.
166

167 On a voice vote by Ms. Schewitz and a second by Ms. Sprague, the asphalt patching estimate
168 submitted by Bonness to the amount of \$21,279 was approved and to be updated to include
169 the areas identified by Ms. Kerins to an amount not to exceed \$40,000 in total. The motion was
170 approved by a vote of 4-0.

173
174 c. Bridge Navigation Light Installation Update
175

176 Mr. Carter noted that following the April Meeting, the solar bridge navigation lights had
177 been installed. Mr. Carter noted that one of the modules had been having issues turning
178 on once dusk set on but was corrected by reconnecting the module and were
179 functioning correctly since. Mr. Carter noted that the lights appeared to be a great
180 solution but could not be mounted low enough to be kept from sight by those passing
181 over the bridge due to the pitch of the bridge structure and height of railway bars.
182

183 d. Consideration of Resolution 2025-07, Setting Fiscal Year 2025-2026 Meeting Calendar
184

185 Mr. Carter presented the board of supervisors with a copy of resolution 2025-07, which
186 included the calendar of meetings for the upcoming fiscal year. Mr. Carter noted that
187 the calendar proposed followed the existing cadence of meetings as in prior fiscal years,
188 with meetings on the third Wednesday of each month at 8:30 AM during the months of
189 October, November, December, February, April and June. Mr. Carter asked if there were
190 any questions or concerns to the calendar as presented. No comments were received,
191 and a motion was made to accept the resolution.
192

193 On a voice vote by Ms. Schewitz and a second by Ms. Kerins, Resolution 2025-07 on setting an
194 annual meeting calendar for Fiscal Year 2025-2026 was approved by a vote of 4-0.
195

196 **ATTORNEY'S REPORT**
197

198 Mr. Urbancic noted that Form 1s were due by July 1 through the state's system. Mr.
199 Carter noted that he would assist any supervisors that had not yet completed their form
200 with submission prior to the deadline. Mr. Urbancic noted further that ethics training
201 would be due by the end of the calendar year and would share resources with the
202 supervisors for acceptable courses. Mr. Urbancic noted that the legislative bills affecting
203 Special Districts were no longer being pursued.
204

205 **ENGINEER'S REPORT**
206

207 No engineer's report was made at this time.
208

209 **SUPERVISORS' REQUESTS**
210

211 Ms. Schewitz made a request that the District consider completing a reserve study for the
212 District assets and property as the Community Association is doing. Mr. Carter noted that he
213 would bring a reserve study estimate to the October meeting.

214 Ms. Schewitz made an additional request that research be conducted into floodwall technology
215 that could be deployed at the guardhouse facility in the event of a storm to protect the District

property within the guardhouse. Mr. Carter noted that he would look into vendors offering this technology and follow up in the October meeting on the viability and any costs.

DISTRICT MANAGER'S REPORT

a. Acceptance of Fiscal Year 2023-2024 Annual Financial Report

Mr. Carter presented the completed 2023-2024 Annual Financial Report prepared by Grau and Associates. Mr. Carter noted that the report provided a strong financial picture for the District and no findings were reported by the auditor.

On a voice vote by Ms. Schewitz and a second by Ms. Sprague, a motion to accept the 2023-2024 Annual Financial Report prepared by Grau and Associates was approved 4-0.

b. Acceptance of Unaudited Financials Ending April 30, 2025

Mr. Carter presented the unaudited financial statements ending April 30, 2025 to the board of supervisors. Beginning with the balance sheet, Mr. Carter highlighted the total asset balance of \$1,064,148.84

On the Profit and Loss, Mr. Carter noted that the only item of interest would be the contingency reserve spend of \$5,840 in April 2025 for the payment of the gatehouse system from MyQ, which would be refunded to the District following the implementation issues discussed during New Business.

On a voice vote by Ms. Schewitz and a second by Ms. Kerins, a motion to accept the 2025 unaudited financial statements ending April 30, 2025 was approved 4-0.

PUBLIC COMMENT

No Public Comments were made at this time.

NEXT MEETING

The next regular meeting will be held on October 15, 2025.

ADJOURNMENT

The meeting was then adjourned at 10:15 AM on a Motion by Ms. Schewitz and a second by Ms. Kerins. The motion was passed 4-0.



1900 Seward Avenue
Naples, FL 34109

TEL (239) 597-6221
FAX (239) 597-7416

www.BonnessInc.com
info@BonnessInc.com

FL# CUC1224797
FL# CBC059904

Date: 7/9/2025

Proposal

Submitted To: Key Marco

Estimate Number: 229822025

Address: 505 Whiskey Creek Drive
Marco Island, FL 34145

Project: Key Marco - Restripe Roadways

Contact: Josh Carter

Project Location: Key Marco

Phone: (239) 396-4346

Project City, State: Marco Island, FL

Email: josh@managerkeymarco.org

Engineer/Architect: N/A

Thank You for Considering Bonness Inc.

Line #	Item Description
--------	------------------

Restriping Roadways

- | | |
|---|---|
| 1 | Re-Paint Roadway:
Markings Crosswalks - 150 LF
Dash Centerline - 5,000 LF
Stop Bars - 2 Each
Parking Stalls - 6 Each
Perimeter Lines 37,000 LF |
| 2 | Furnish & Install Raised Pavement Markers (RPMs) Up To 450 RPMs
Whiskey Creek Drive - Blue - Fire Hydrant Reflector - 5
Whiskey Creek - Yellow - 155
Blue Hill Creek - East - Yellow - 49
Blue Hill Creek - West - Blue - Fire Hydrant Reflector - 4
Blue Hill Creek - West - Yellow - 115 |

Total Price for above Restriping Roadways Items: **\$36,122.29**

Total Bid Price: **\$36,122.29**

Notes:

- This proposal is good for 30 days and for listed items only.
- Any deviation of contracted work will require an executed change order prior to commencement of work.
- Pavement markings and signage includes one coat of paint for final lift of asphalt.
- **Material Escalation:** If, during the course of construction there is a significant increase in the cost of materials, an equitable adjustment will be made to the contract amount. Contractor shall not be held liable for costs associated with material delays and/or shortages.
- **Warranty:** Bonness will warranty all work performed, and all materials furnished, in connection with the project to be free from all defects in material and workmanship for a period of one year from substantial completion date and agrees to remedy all defects arising within that period at no additional costs to the client. The term \"defects\" shall not be construed as embracing damage arising from misuse, negligence, acts of God, normal wear and tear, or failure to follow cleaning and operating instruction.
- Bonness Inc. is not responsible for damages caused by others.
- **Utilities**
 - Temporary water meter provided by Bonness Inc. exclusively for potable water / fire testing only.
 - Temporary Fire Protection, if required, can be provided at an additional cost.
 - Connection to Utilities is based on connection point at 4' depth or less.
 - All plumbing, water and sewer utilities installed to within 5' of building.
 - Water meters, conduits & tamper switches by others.
 - If additional dewatering is required, due to increased water levels, additional charges will apply.

- Asphalt trucking tire residue on roadway is common with this scope of work and will dissipate over time. The cost of cleaning is not included in the proposal.
- New asphalt will scar with wheel steering, this scarring is an industry wide occurrence and is normal. This will dissipate with the curing process.
- Asphalt placed by hand will have a different texture than asphalt that is mechanically laid.
- Due to existing grades and conditions Bonness Inc. cannot guarantee 100% drainage of surface water following paving.

Payment Terms: Payment due within 30 days of date of invoice, regardless of when payment is made by Owner. Credit Card payments are not accepted.

ACCEPTED:

The above prices, specifications and conditions are satisfactory and hereby accepted.

Buyer _____

Signature: _____

Date of Acceptance: _____

CONFIRMED:

Bonness Inc.

Authorized Signature: _____

Estimator: Ruben Avila



Serv. Site: Key Marco Community
Address: 505 Whiskey Creek Drive
Marco Island, FL US

Req. By: Joshua Carter **On:**
Phone: 239.394.4346

Customer: Key Marco Community Development Di
Address: 505 Whiskey Creek Drive
Marco Island, FL 34145 US

Contact: Joshua Carter
Phone: 239.394.4346

Description:

Vacuum truck desilting will be used to clean storm drain pipes per plan supplied by customer, estimating +/- 4,300 LF of storm drain pipe. Jetter hose will use high pressure water to clean pipe and direct dirt to catch basins where the silt will be vacuumed out and removed from system. Water used for cleaning will be decanted on site into storm drain system. Silt removed from system will be disposed of at location designated by customer, if on-site area is unavailable than silt will be disposed of at off-site location.

Vacuum truck billed time and material, portal to portal, with a 4 hour minimum per trip. If on-site dumping is unavailable, off-site dumping hours will be included in portal to portal billing. Additional time billed at stated T&M rate.

SERVICE	RATE	UNIT	UM	TOTAL
Vacuum Desilting Per Hour	250.00	40.00	HR	10,000.00

ESTIMATE: 10,000.00

Disclaimer

Locating underground utilities is not an exact science. Therefore, Earth View, LLC ("EV") expresses no guarantees that using one of any of the available technologies for identifying utilities/structures will identify all utilities/structures and/or meet the objective of each individual project. By authorizing, it is understood that limitations within the available technology, the complexity of site conditions and circumstances beyond the control of EV may limit the performance/results of the EV services. The services provided by EV shall be performed in accordance with generally accepted professional practices as related to nature of services performed. EV cannot guarantee that all utilities within any given survey area will be identified as a result of inherent limitations with the technology and existing site conditions. The Project Owner and any of its subcontractors shall hold harmless and indemnify EV against any and all losses as a result of inability to locate or mislocate due to limitations within the available technology, the complexity of site conditions and circumstances beyond its control. Hand digging is required in all situations when excavating within 24" of Earth View, LLC markings.

Customer Name (Print)

Customer Signature

Date

AJ Gonzalez

EV Name (Print)

EV Signature

10/3/25

DatePage 10

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Mid-Atlantic	Texas
Midwest	Washington

September 29, 2025

Proposal #57847-0

**Key Marco CDD, Inc.
c/o Josh Carter
Association Manager
505 Whiskey Creek Drive
Marco Island, FL 34145**

Subject: Reserve Study Proposal

Dear Josh,

Thank you for requesting a Reserve Study proposal from Association Reserves. It would be our privilege to serve as your Reserves planning partner! We recognize that you have a choice of Reserve Study providers and want to make sure you understand the many benefits of working with our company. To that end, we have prepared this proposal document which clearly defines the process and scope of work of our Reserve Studies, provides background about our firm and key employees, and even includes answers to many Frequently Asked Questions.

We have also enclosed the Standard Terms and Conditions which sets forth the terms of the services that Association Reserves-Florida, LLC ("Association Reserves", "us", "our" or "we") will provide to **Key Marco CDD, Inc.** ("Client", "you" or "your").

When you're ready for the next step, simply follow the instructions listed in the last section, "Schedule, Terms and Fees." Our office will then contact you regarding the next steps in the process, such as scheduling the site inspection, obtaining required background information, etc. Please don't hesitate to contact us if you have any questions or concerns or would like any additional information. We hope to hear from you soon!

Sincerely,

Will Simons, RS
President
Florida/Southeast Regional Office



Introduction to Reserve Studies

What's a Reserve Study?

A Reserve Study is a document used by community associations (or any other type of common interest real estate development) to help determine the relative strength of its existing financial Reserve funds, and to provide forecasts and recommended funding plans for major repair, replacement, or restoration projects over a long period of time.



Are Reserve Studies really that important?

Absolutely. It's fairly easy to plan and prepare for recurring costs like management fees, insurance premiums, landscaping contracts, and utilities, but what about the projects and expenses that DON'T happen every year? That's our specialty...identifying and forecasting those projects that are *certain* to occur, but are often overlooked or underestimated. There's no question that setting aside Reserve funds over a long period of time is the simplest, most cost-effective, and most responsible way to plan for major projects.

The work will need to be done; it's up to the property and its representatives to plan accordingly. Without adequate Reserves, properties will have to make a tough decision: take out costly loans? Push for recurring special assessments? Or worst, accept a drop in property values due to deteriorating conditions and deferred maintenance? A current, reliable Reserve Study is the first step toward long-term financial strength for every property. Without one, property owners and stakeholders will be misinformed, underprepared, and left exposed to serious financial consequences. A current, reliable Reserve Study is a hallmark of well-managed properties, and an important part of a Board of Directors' fiduciary duty to act in the best interest of their ownership.

What components are included in a Reserve Study?

[Reserve Study Standards](#) as published by the Community Associations Institute specify the following criteria for inclusion in a Reserve Study:

1. The association has the obligation to maintain or replace the existing element.
2. The need and schedule for this project can be reasonably anticipated.
3. The total cost for the project is material to the association, can be reasonably estimated, and includes all direct and related costs

Our studies typically include funding for projects such as: roof replacement, painting/waterproofing, pavement sealing and resurfacing, elevator modernization, balcony and deck sealing and restoration, major mechanical systems (HVAC, fire alarm, hot water, etc.), major pool and spa expenses, interior/amenity area remodeling, and many more. The bottom line is that every property is different, and will require a thorough inspection to determine what belongs in your study. State requirements vary on what types of projects should be addressed through Reserves (and therefore included in a Reserve Study). Our studies will always meet and usually exceed these requirements, ensuring that our clients are acting in accordance with legal requirements and sound fiduciary responsibility.

The Reserve Study Process

Our Reserve Studies are prepared in accordance with [Reserve Study Standards](#), originally established in 1998 by the Community Associations Institute. Per these standards, a Reserve Study engagement generally consists of the following:

1. Component Inventory & Condition Assessment

The component inventory is the task of selecting and quantifying Reserve components. This task can be accomplished through on-site visual observations, review of property design and organizational documents, a review of established precedents, and discussion with appropriate representative(s) of the Client. The condition assessment is “the task of evaluating the current condition of the component based on observed or reported characteristics.” As part of our inspection, we review any available building documents including site plans, building plans, fire alarm inspection records, equipment schedules and any other data that may be informative regarding component details, project history or expectations for upcoming work. We then measure/quantify, inspect and document all areas or components to be included.

→ For Update, With Site Visit (Level 2) Reserve Studies, the component inventory is for verification purposes only, using previously-established component quantities from a prior Reserve Study. However, the condition assessment is re-established based on current conditions. For Update, No Site Visit (Level 3) Reserve Studies, there is no physical inspection of the property. We review the component inventory and condition assessments from the most recent study, communicate with the Client about any relevant project history and updated financial information, then proceed with the Life and Valuation Estimates and Financial Analysis.



2. Life & Valuation Estimates

Our team begins by organizing and interpreting the raw data gathered during the site inspection, reviewing all measurements, notes and photographs for key details and insights. Next, we establish the component list structure, and determine the life and cost estimates for each Reserve component. Our standard procedure is to use any historical information provided to us by the Client (such as when certain projects were done, and what they cost), and to review any bids or estimates for upcoming work. We review our findings with your current vendors for their insights, and also check their input against information we've gathered working with other comparable properties in the area. We constantly consult our own internal databases, comprised of data collected from over 45,000 Reserve Studies. As a supplement, we also make use of various guidebooks, publications and manufacturer's recommendations to supplement our knowledge base. The end result is a complete, thorough set of estimates that are accurate, current, Client-specific, and generated by a qualified, independent third party.

3. Financial Analysis, Report Preparation & Delivery

Once the component list is established and we've reviewed your current annual budget and Reserve fund balance(s), we will make a determination of relative current Reserve fund strength and created a recommended funding plan covering the next 30 fiscal years, including a schedule of projected annual income and expenses.

Why should we choose Association Reserves?

Association Reserves was established in 1986 as a professional consulting firm serving community associations and other clients throughout the United States and abroad. To date, our firm has completed over **80,000** Reserve Studies and Capital Plans for properties of all types, including condominium and homeowners associations, community development districts, timeshare and resort properties, commercial facilities, worship facilities, schools and more. Over the years, our firm has been instrumental in defining and advocating the National Reserve Study Standards endorsed by the Community Associations Institute (CAI).

Each Reserve Study we provide is conducted with special consideration for the unique characteristics of the Client property, especially age, regional weather patterns, local pricing factors, and input from the Client's representatives. Our time-tested approach involves research of key factors, especially project history, projected useful life and cost data, and aesthetic standards in the local area. Our staff members earn and maintain the Reserve Specialist credential administered by the Community Associations Institute (CAI), the international authority on all aspects of community association living.

We don't take a one-size-fits-all approach to our work, because we know that every property is different, and we take the time and care to ensure our results will help you to make wise decisions regarding the long-term care of your physical and financial assets. From our first phone call to final delivery of your study, we hold ourselves to the highest standards of professionalism. We pride ourselves on delivering a first-rate product, because we know you're putting your trust in our hands.



*We're proud to announce that for **12 years in a row (2013-2024)** we have been selected as a Reader's Choice Award winner by the readers of the Florida Community Association Journal. We attribute this achievement to a combination of hard work, attention to detail and an unwavering commitment to serving our clients.*

Qualifications and Key Staff Members

All of our project staff members have college degrees and many come from construction, engineering, architecture and related backgrounds. We do not use sub-contractors to conduct our inspections—all staff members inspecting your property are company employees trained specifically in the field of preparing Reserve Studies. As of 2024, 10 staff members on our Florida team have earned the prestigious Reserve Specialist credential.

Please [click this link](#) to learn more about our Florida team!



Robert M. Nordlund, PE, RS, EBP is the founder, owner and CEO of Association Reserves. Robert is a Professional Engineer, Reserve Specialist, and former board president of his own homeowners association. In addition, he is a past Chairman of CAI's Reserve Professionals Committee, past Chairman of the Association of Professional Reserve Analysts, past President of CAI's Greater Los Angeles Chapter, and a frequent speaker in industry-sponsored seminars and presentations throughout the United States. He obtained his Bachelor's degree from the University of Washington in Mechanical Engineering, and is a member of the prestigious engineering honors society Tau Beta Pi.



Will Simons, RS, EBP is the President of our Florida regional office. Will has completed and overseen more than 3,000 Reserve Studies for property types including residential developments, schools, historic buildings, commercial developments, country clubs, worship facilities, marinas and more. Will has earned the Reserve Specialist designation (#190) and is also a frequent author and speaker in the industry. He is a licensed Continuing Education Provider (#0005433) for Florida Community Association Managers, having designed and taught coursework related to Reserve funds and Reserve Studies. He served as the Vice President and Treasurer of his own homeowners association in South Florida, serving a community of over 600 homes and helping to oversee an annual budget of over \$1 million. Will earned a Bachelor's degree in Business administration from the University of Southern California.

What can I expect to see in my Reserve Study?

Simple, concise summary of recommendations, with a clear, organized listing of Reserve components.

3-Minute Executive Summary

Association: Location: Report Period:	Sample Reserve Study Condo - High-Rise Anywhere, FL January 1, 2019 through December 31, 2019	Assoc. #: 99995-0 # of Units: 100
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Findings/Recommendations as-of: January 1, 2019

Projected Starting Reserve Balance	\$1,523,587
Projected "Fully Funded" (Ideal) Reserve Balance	\$2,244,472
Average Reserve Deficit (Surplus) Per Owner	\$7,258
Percent Funded	67.5%
Recommended 2019 "Full Funding" Contributions	\$317,800
Recommended 2019 Special Assessments for Reserves	\$0
Most Recent Reserve Contribution Rate	\$294.568

Reserves % Funded: 67.5%

High
Medium
Low

Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00%
Annual Inflation Rate	3.00%

This document is a "Full" Reserve Study (original, created "from scratch"), based on our site inspection on 2/7/2018.

This Reserve Study was prepared or overseen by a credentialed Reserve Specialist (RS) whose assets appropriate for Reserve development were excluded. As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 67.5% Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently Medium. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where clients enjoy a low risk of such Reserve cash flow problems.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions in the upcoming fiscal year. Going forward, the contribution rate recommended here should be increased as illustrated on the 30-yr Summary Table.

Reserve Funding Goals and Methodology:

This Reserve Study has been prepared using the "pooled" method of Reserve funding (also known as the cash flow method). The terms "full funding" and/or "fully funded" as used in this Reserve Study are based on the National Reserve Study Standards definition of full funding "setting a Reserve funding goal to attain and maintain Reserves at or near 100 percent funded." (The definition and means of calculating percent-funded are

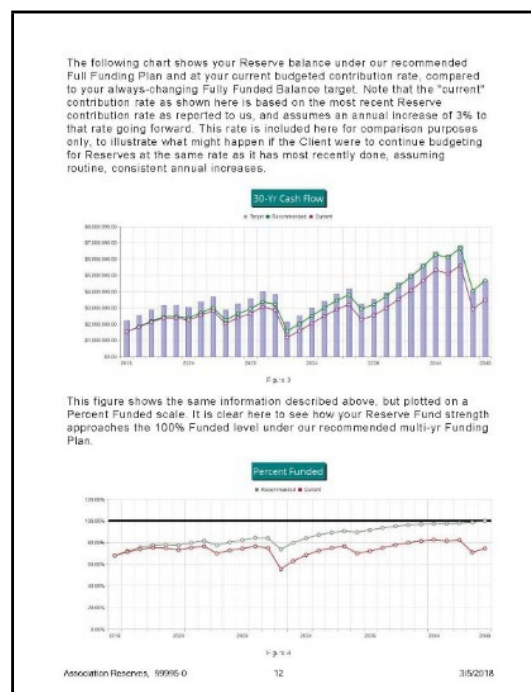
Association Reserves, 50995-0

1

3/5/2018

[illegible]

Large, color-coded charts and tables to illustrate long-term implications



Comp #: 2343 Building Exteriors - Seal/Paint

Quantity: Approx 156,000 GSF

Location: Building exteriors

Funded?: Yes.

History: Per records provided, exterior building was painted in 2015 for \$250,000

Evaluation: Approximately 23,400 LF of sealants. Overall condition noted to be fair: Painted exterior surfaces determined to be in fair condition typically exhibit some minor to moderate signs of wear and age such as chalking, peeling, blistering, etc. Problems tend to develop in more exposed areas first. Hairline cracks may be present at this stage. Overall appearance is satisfactory. There are two important reasons for painting and waterproofing a building: to protect the structure from damage caused by exposure to the elements, and to restore or maintain good aesthetic standards for curb appeal. As routine maintenance, we recommend that regular inspections, spot repairs and touch-up painting be included in the operating budget. Typical paint cycles can vary greatly depending upon many factors including: type of material painted, surface preparations, quality of material, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. Proper sealant/caulking at window and door perimeters and other "gaps" in the building structure are critical to preventing water intrusion and resulting damage. The general rule of thumb is that sealant/caulking should be in place wherever two dissimilar building surfaces meet, such as window frame to concrete structure junctions. For best results, the client may want to consult with a paint company representative, building envelope specialist and/or structural engineer to specify the types of materials to be used and define complete scope of work before bidding. In our experience, cost estimates for painting and waterproofing can vary widely, even when based on the same prescribed scope of work. Estimates shown here should be updated and revised as needed based on actual bids obtained or project cost history during future Reserve Study updates.

Useful Life:
7 years

Remaining Life:
4 years

Easy-to-find details

Descriptive,
thorough
observations

Full-color
photographs

Best Case: \$ 320,000

Worst Case: \$ 400,000

Lower estimate to seal/repaint

Higher estimate

Cost Source: AR Cost Database/Client Cost History

Association Reserves, 99995-0

42

3/5/2018

Page 17

Upon completion of the Reserve Study, the Client will receive the following:



Electronic copy: A digital version of the entire Reserve Study document is delivered by email in PDF form. We also post the completed study to a complimentary, private (password-protected) account on the Client Center of our website, where Client representatives can view and download all relevant documents.



Free Software: Enjoy a complimentary subscription to “uPlanIt,” our online Reserve Study software. (Subscription will be active upon completion of your Reserve Study and terminates 90 days after the start of the initial fiscal year included in the financial analysis.) uPlanIt allows Clients to consider a variety of conditions throughout the reserve budget process, forecast the potential impact on the funding plan, and test and validate their budget decisions. Whether you want to change the contribution level, adjust replacement costs, or postpone certain projects, you’ll be able to foresee the outcome. Results are delivered in an assortment of insightful charts & tables. With uPlanIt, the power to control your property’s physical & financial future is entirely in your hands! (More information on following page.)



Virtual Meetings/Presentations: we will gladly host a virtual meeting via Zoom to help explain the process, outcomes, and other key details found within a Reserve Study. The Reserve Study document is shown on-screen, and our staff will walk you through the document, explaining key terminology, reviewing the component list and explaining how we formulate our recommendations in a study. **Note: unless approved in advance, Zoom meetings will be limited to a maximum of 60 minutes.**

Other Benefits:

Complimentary hard copy: Upon the Client’s request to us, one printed and bound full-color copy is available upon request upon completion of the Reserve Study at no cost. Additional copies may be requested but will be billed in addition to the Reserve Study fee at \$150.00 each.

Complimentary revision: In the event there is a material error or discrepancy identified within the Reserve Study, upon the Client’s written request to us, we will gladly revise the study at no charge to the Client for a period of up to 60 days following our initial delivery of the completed study. The foregoing is limited to one revision of the initial completed study. Other requests for changes, or requests made greater than 60 days following our initial delivery of the study may be approved by us in our sole discretion and potentially at an additional cost of \$200/hour.

On-Site Meeting attendance: In lieu of a virtual meeting, our staff may be available to attend meetings at the Client property. Due to our volume of requests, meeting attendance requests must be made at least 30 days prior to the actual meeting date and are subject to staff availability. Attendance fees will be billed based on actual meeting time plus “door to door” travel time for our staff at a rate of \$200.00/hour, with a one hour minimum. For properties located greater than 200 miles from our Fort Lauderdale, FL office address, additional travel costs for flight, hotel, rental car and per-diem allowances may apply. If interested in meeting attendance, please contact us directly for more specific options and costs for your property.

Enjoy Free Access to our Online Software!

(Click [here](#) for an online demo of uPlanIt)



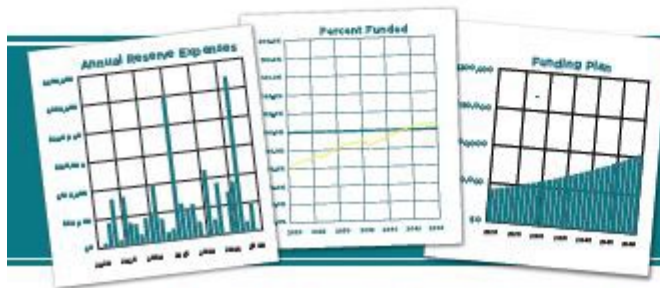
MORE ANSWERS, LESS HEADACHES



uPlanIt is a powerful interactive online tool that allows our Clients to run faster, jump higher, and leap tall buildings in a single bound!

Okay, maybe we're exaggerating a bit, but in the always stressful and often divisive Reserve budget process, uPlanIt can facilitate collaboration, build consensus and eliminate guesswork for Managers and Boardmembers.

Designed by experts and available FREE to our Clients with every professional Reserve Study engagement, uPlanIt gives instant answers to all your "what-if" Reserve funding scenarios. Whether you face "pushback" to funding Reserves, objections about the life expectancies or costs of certain projects, or outrage for a proposed special assessment, you'll be able to instantly foresee the outcome of alternative budget strategies.



Results are delivered in an assortment of insightful charts & tables. With uPlanIt, you can validate budget decisions, respond quickly and confidently to uncertainties, and prevent misunderstandings.

- Free for our professional Reserve Study clients during their budget season
- Year-to-Year (and Board-to-Board) continuity with one centralized data bank
- 24-7 access to play with the numbers during budget meetings!

References and Testimonials

You don't get to be in business for 30 years and counting without building a great reputation. Here's what some of our clients have had to say about us recently:

- *"As the owner of a fairly large property management company, I have been using Association Reserves since the firm was founded. Excellent staff, timely responses, easy to understand reports, and changing reports has never been problematic! I cannot recommend Association Reserves highly enough."*
- *"Association Reserves provides incredible service, knowledge and professionalism."*
- *"Until now, I had yet to see a Reserve Study whose overview so "user" friendly. Any novice may pick it up and understand the concepts behind a Reserve Study. Very impressive. To add to that, our Project Manager could not be more responsive in answering any of our questions and bending over backwards to work with us."*
- *"I have been in this business since 1998 and not everyone understands how HOAs and Boards work. Association Reserves employees do, which makes my job easier."*
- *"Our Board could not be more pleased with the report we have received and the manner in which the study was conducted. We highly recommend Association Reserves to prepare your Reserve Study."*
- *"We have worked with Association Reserves for several years. This is a process which can be very cumbersome to say the least, but Association Reserves has streamlined the process and with their help it has been painless and very successful."*
- *"Association Reserves far exceeded my expectations in terms of ease of access to our Reserve Study report on the internet, and quality of service."*
- *"The Association Reserves representatives have been very friendly and professional and have been very responsive to our needs."*



ASSOCIATION
RESERVES™

Planning For The Inevitable™

Standard Terms and Conditions

The following terms and conditions, and the summary of included benefits ("What's Included?", page 8) "Scope of Work," (page 15) "Schedule & Fees" (page 16), (collectively, "Agreement") set forth the terms of the services that Association Reserves-Florida, LLC ("Association Reserves", "us", "our" or "we") will provide to **Key Marco CDD, Inc.** ("Client", "you" or "your"). By accepting this Agreement, Client hereby agrees to all of the terms and conditions set forth below.

1. Professional Services

William G. Simons, RS is the President of Association Reserves-Florida, LLC and is a credentialed Reserve Specialist (#190). All work done by Association Reserves-Florida, LLC is performed under Mr. Simons' Responsible Charge and is performed in accordance with CAI Reserve Study Standards (RSS) and statutory requirements. Association Reserves will provide oversight and assume responsibility for all work performed. The scope of work for this Agreement includes visual inspection of accessible areas and components and does not include any destructive or other means of testing. We do not inspect or investigate for construction defects, hazardous materials, code-compliance or other latent issues. Information provided to us about historical or upcoming projects, including information provided by the Client's vendors and suppliers, will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Our opinions of component useful life, remaining useful life, and cost estimates assume proper original installation/construction, adherence to recommended preventive maintenance guidelines and best practices, a stable economic environment, and do not consider the frequency or severity of natural disasters. Our opinions of component useful life, remaining useful life and current and future cost estimates are not a warranty or guarantee of the actual costs and timing of any component repairs or replacements. The actual or projected total reserve account balance(s) presented in the Reserve Study will be based upon information provided and such information is not audited by Association Reserves. Because the physical condition of the Client's components, the Client's reserve balance, the economic environment, and the legislative environment are subject to change, the Reserve Study is limited by such outside influences and changes. Accordingly, Association Reserves expects that after the completion of the Reserve Study, a number of adjustments may be necessary to the cost and timing of our expense projections and the funding necessary to prepare for those estimated expenses. Because Association Reserves has no control over future events or outside influences, we do not expect that all the events we anticipate for purposes of the Reserve Study will occur exactly as planned.

2. Cooperation and Information

In connection with our work, Client agrees to cooperate with us and to promptly provide, to the extent reasonably possible, all relevant information as requested. Client agrees to notify us in writing if Client learns that any information provided to us is inaccurate or incomplete in any material respect. Client also agrees to continuously advise us of any material developments or facts that occur or come to its attention which might reasonably be considered to affect our work.

3. Professional Fees

Our fees and expenses are in no way contingent upon the results of our analysis, the content or conclusions in our report, the consummation of an event or transaction, or your acceptance or rejection of our opinions, reports or conclusions. Any undisputed invoice remaining unpaid for 30 days shall bear interest at the rate of 1% per month or the maximum rate permitted by law. We reserve the right to defer rendering further services until payment is received on undisputed past due invoices.

4. Limitation on Warranties

Association Reserves warrants that it will perform services under the Agreement in good faith, with qualified personnel in a competent and workmanlike manner in accordance with applicable industry standards. Association Reserves disclaims all other warranties, either express or implied, including, without limitation, warranties of merchantability and fitness for a particular purpose. Association Reserves does not warrant or predict results or final developments in this matter.

5. Undue Influence / Right to Withdraw

If the Client directs us to act in a manner inconsistent with professional standards or legal requirements, Association Reserves reserves the right to withdraw.

6. Confidentiality

Except as required in the performance of our services and work under this Agreement, we agree to keep confidential all information provided to us by you unless such information (a) is already known to us before disclosure by you, (b) is subsequently disclosed to us by a third party not known by us to be violating a duty of confidentiality to you, (c) becomes publicly available through no fault of ours or (d) is required by law, court order or regulatory authority or agency to be disclosed. We may also disclose information to our officers, members, employees, agents, contractors and advisors for purposes of providing our services. This Agreement may be disclosed to any court in connection with any attempt by us to enforce the terms of this Agreement, including seeking payment for services rendered to Client. Client gives Association Reserves the right to discuss this matter with attorneys, accountants, representatives, and other agents for the Client. This extends to other parties that we may designate as well as other individuals designated by Association Reserves including any colleagues of Association Reserves from whom professional information or services are sought.

7. Association Reserves' Reliance

In performing our work, we will be relying on the accuracy, reliability, and completeness of the information Client or its agents provide, including contracts, financial, and non-financial information. We will attempt to obtain and compile the data used in this engagement from reliable sources but cannot guarantee the accuracy or completeness of third party information. In accordance with National Reserve Study Standards, information provided by Client or its agents regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable for use in preparing the Reserve Study and is not intended to be used for the purpose of performing any type of audit, quality/forensic analysis, or background checks of historical records. For "Full" Reserve Study levels of service, we attempt to establish measurements and component quantities within 5% accuracy through a combination of on-site measurements and observations, review of any available building plans or drawings, and/or any other reliable means. For "Update, With Site Visit" and "Update, No Site Visit" Reserve Study levels of service, the Client is considered to have deemed previously developed component quantities as accurate and reliable, including quantities that may have been established by other individuals or firms.

8. Client's Reliance

Our engagement is not intended to and cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations that may exist. Client understands that we will not audit, review, or compile any financial statements, forecasts or other information, and we will not express an opinion or any form of assurance on them.

9. Limitations on Use of Our Work

Any documents and work product (regardless of form) generated by Association Reserves pursuant to this engagement are the sole and exclusive property of Association Reserves. Such documents and work product are not intended for general circulation or publication, but may be shared with the Client's ownership/membership at its discretion without obtaining permission from Association Reserves. Client is granted a non-exclusive license to use, reproduce, modify and incorporate the contents of the Reserve Study for internal planning and budgeting purposes.

10. Document/Evidence Retention

It is not our practice to retain working papers, notes, or data files that have been updated or superseded. If you wish us to follow a different retention practice, please indicate your specific request(s) in writing when returning a copy of this Agreement. The working papers and other materials created by us during this engagement are our property. Association Reserves shall have no duty to retain any copies of documents provided to us for more than 90 days after the termination of this Agreement, or 90 days after the date the final Reserve Study is submitted to you, whichever is earlier. At the Client's expense, we will return original materials and documents supplied to us by the Client if a written request to do so is received by Association Reserves within the 90 days after the termination of this Agreement, or 90 days after the date the final Reserve Study is submitted to you, whichever is earlier.

11. Termination

Our engagement is terminable at any time upon written notice by you or by Association Reserves. Additionally, we will refuse to perform any requested act that we deem a violation of law, public policy, or our professional ethical standards, and may, as a result withdraw from the engagement without penalty. If we withdraw from this engagement, or the Client terminates our services for any reason or for no reason, the Client shall immediately pay Association Reserves for all services performed, and all expenses incurred by Association Reserves. If we are unable to complete the engagement for any reason caused by the Client, the Client shall immediately pay Association Reserves for all services performed, and all expenses incurred by Association Reserves. If this Agreement is terminated prior to the commencement of any site inspection or the performance of substantial services by Association Reserves, any unused portion of the initial deposit shall be refunded to the Client within ten (10) business days of termination.

12. Limitation on Damages; Contribution and Limitation on Actions

- a) Association Reserves will not be liable to the Client for any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under the Agreement for an aggregate amount in excess of the fees paid or owing to Association Reserves for services rendered by Association Reserves under the Agreement. In no event will Association Reserves be liable to the Client for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). The provisions of this Section will apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort or otherwise.
- b) In circumstances where all or any portion of the foregoing provisions of this Section are finally judicially determined to be unavailable, Association Reserves' aggregate liability for any actions, damages, claims, liabilities, costs, expenses or losses arising out of or relating to the services performed under the Agreement will not exceed an amount that is proportional to the relative fault that Association Reserves' conduct bears to all other conduct giving rise to such actions, damages, claims, liabilities, costs, expenses or losses.
- c) No action, regardless of form, arising out of or relating to this Agreement, may be brought by the Client against Association Reserves more than one year after the cause of action has accrued.
- d) To the fullest extent of the law, each party shall indemnify and hold harmless the other from losses arising out of its own negligence or willful misconduct.
- e) You agree to pay our attorneys' fees and costs incurred in the event we have to retain an attorney and/or initiate litigation to collect any unpaid balance for our services.
- f) In the event that Association Reserves is requested pursuant to subpoena, or other legal process, to provide testimony or produce its documents relating to this engagement in judicial or administrative proceedings to which Association Reserves is not a party, Client shall reimburse us at standard billing rates for our professional time and expenses, including reasonable and necessary attorney's fees and costs incurred by Association Reserves responding, resisting, and/or complying with such request(s). We reserve the right to engage our own counsel to respond, resist, and/or comply with such request(s), and Client shall reimburse Association Reserves for such attorney's fees and costs incurred by Association Reserves responding, resisting, and/or complying with such request(s).

13. Force Majeure.

Association Reserves will not be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

14. Governing law.

The laws of the State of Florida shall govern the construction, interpretation and enforcement of this Agreement. You agree that venue and jurisdiction for any suit arising under this Agreement shall be exclusively in the state courts located in Broward County, Florida, to the exclusion of all other courts, federal or otherwise.

15. Waiver of Jury Trial.

To the fullest extent permitted by law, the parties knowingly, voluntarily, and irrevocably waive their right to a trial by jury in any legal proceeding arising out of or relating to this Agreement or the services provided. However, either party may opt to resolve disputes through alternative dispute resolution methods (such as mediation or arbitration), if mutually agreed upon in writing.

16. Non-Waiver.

There is to be no change or waiver of any provisions of this Agreement unless the change is in writing and signed by all parties to this Agreement.

17. Miscellaneous.

- (a) Communications. Association Reserves may communicate with the Client by electronic mail or otherwise transmit documents in electronic form during the course of this engagement. The Client accepts the inherent risks of these forms of communication, including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices.
- (b) A facsimile or electronic copy hereof shall be considered binding and legally sufficient for all purposes. The terms of this Agreement are subject to change if not executed and returned to us within 180 days of the date of this Agreement.
- (c) Independent Contractor. It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is or will be considered an agent, distributor or representative of the other. Neither party will act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create

any obligation on behalf of, or in the name of, the other.

(d) Entire Agreement. This Agreement constitutes the entire agreement between Association Reserves and the Client with respect to this engagement and supersedes all other oral and written representations, understandings or agreements concerning the subject matter hereof.

(e) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

18. Revision policy

In the event there is a material error or discrepancy identified within the Reserve Study, upon the Client's written request to us, we will gladly revise the study at no charge to the Client for a period of up to 60 days following our initial delivery of the completed study. The foregoing is limited to one revision of the initial completed study. Other requests for changes, or requests made greater than 60 days following our initial delivery of the study may be approved by us in our sole discretion and at an additional cost to the Client. If approved, revisions will be billed at the rate of \$200.00/hour with a one-hour minimum.

19. Proposal expiration date

Pricing shown here is valid for up to 90 days after the date of this proposal. After that date, Association Reserves may at its discretion honor the proposal, or reserves the right to offer a new proposal to the Client.

Scope of Work, Schedule & Fees

Option A: Full Reserve Study

Full Reserve Study: **\$2,480**



A Full Reserve Study is required when the Client has no prior Reserve Study, or wishes to start “from scratch” with a completely new study. This level of service is defined by National Reserve Study Standards as an engagement during which the following five Reserve Study tasks are performed for the first time: Component Inventory, Condition Assessment (based upon on-site visual observations), Life and Valuation Estimates, Fund Status and Funding Plan.

- **Note:** If your property has had a prior Reserve Study (even if conducted by another provider) that you wish to have updated, please contact our office for Reserve Study Update pricing options. A complete copy of the prior study must be available for our review prior to submitting a new proposal.

Option B: Full Reserve Study with Loyalty Update Plan (3-year Agreement)

Year 1: Full Reserve Study: **\$2,232 (includes 10% discount!)**

Year 2: Update, No-Site-Visit Reserve Study: **\$800**

Year 3: Update, No-Site-Visit Reserve Study: **\$800**



Updating your Reserve Study on a regular basis helps your property stay on track financially. This option helps you do that! Take advantage of a discounted fee on your initial Reserve Study, plus save money by locking in the price of your future updates!

This option is a three-year plan, including your initial Full Reserve Study (see Full Reserve Study description above), plus two No-Site-Visit updates performed over the following two consecutive fiscal years. Each No-Site-Visit update consists of the same general process and resulting report as a Full Reserve Study, except that in lieu of re-visiting the property, we will review all recent project history and financial information with the Client in order to properly update the component list and create an updated Financial Analysis.

Scope of Work, Schedule & Fees

Proposal Date: September 29, 2025

Client Name: Key Marco CDD, Inc.

Proposal Number: 57847-0

Scope of Work:

A Full Reserve Study is required when the Client has no prior Reserve Study, or wishes to start “from scratch” with a completely new study. This level of service is defined by National Reserve Study Standards as an engagement during which the following five Reserve Study tasks are performed for the first time: Component Inventory, Condition Assessment (based upon on-site visual observations), Life and Valuation Estimates, Fund Status and Funding Plan.

Schedule & Next Steps:

Once we receive your signed proposal, our office will provide you with a deposit invoice and Reserve Study Information Forms for you to complete. Inspections will be scheduled in the order in which payment and Information Forms are received by our office. Delivery of the completed Reserve Study would be within six weeks of completion of the site inspection. Please contact our office for more specific information regarding potential dates and timelines for completion.

Payment Terms:

Payment is required in two installments: 50% of the fee will be invoiced upon acceptance of this proposal. The remaining 50% balance will be invoiced following initial delivery of the Reserve Study.

Choose One Option:

Full Reserve Study

☐ **\$2,480**

Full Reserve Study (w/ Loyalty Update Plan)*

☐ **\$2,232** *Cost of subsequent updates to be billed in second and third years of the Plan.

By signing below, the person signing this agreement on behalf of Client represents and warrants that he/she has the authority to do so, and agrees to the Standard Terms and Conditions attached hereto. Signed proposals can be emailed to wsimons@reservestudy.com, or faxed to (954) 210-7926.

Approved, Accepted and Agreed to on behalf of Key Marco CDD, Inc.:

Print Name:

Title:

Signature:

Date:



1900 Seward Avenue
Naples, FL 34109

TEL (239) 597-6221
FAX (239) 597-7416

www.BonnessInc.com
info@BonnessInc.com

FL# CUC1224797
FL# CBC059904

Date: 6/10/2025

Proposal

Submitted To: Key Marco

Estimate Number: 228852025

Address: 505 Whiskey Creek Drive
Marco Island, FL 34145

Project: Key Marco - Curb Repair

Contact: Josh Carter

Project Location: Key Marco

Phone: (239) 592-9115

Project City, State: Marco Island

Email: josh@managerkeymarco.org

Engineer/Architect: N/A

Thank You for Considering Bonness Inc.

Line #	Item Description
--------	------------------

Curb & Paver Repair

- | | |
|---|--|
| 1 | Removal Of Curb To Allow For Excavation (Approx. 60 LF) - Excavation Of Soil & Roots |
| 2 | Removal Of Brick Pavers To Accommodate Repairs (180 SF) |
| 3 | Furnish & Install Curb |
| 4 | Furnish & Reset Brick Pavers To Meet Curb |

Total Bid Price: **\$11,032.81**

Notes:

- This proposal is good for 30 days and for listed items only.
- Any deviation of contracted work will require an executed change order prior to commencement of work.
- Asphalt and concrete removals are based on Florida Industry Standards 1-1/2" (asphalt) and 4" (concrete) thicknesses. Any additional removals will require an approved change order.
- **Material Escalation:** If, during the course of construction there is a significant increase in the cost of materials, an equitable adjustment will be made to the contract amount. Contractor shall not be held liable for costs associated with material delays and/or shortages.
- **Warranty:** Bonness will warranty all work performed, and all materials furnished, in connection with the project to be free from all defects in material and workmanship for a period of one year from substantial completion date and agrees to remedy all defects arising within that period at no additional costs to the client. The term "defects" shall not be construed as embracing damage arising from misuse, negligence, acts of God, normal wear and tear, or failure to follow cleaning and operating instruction.
- Bonness Inc. is not responsible for damages caused by others.
- **Force Majeure.** No party shall be liable for, nor shall such party be considered in breach of this Agreement due to, any failure to perform its obligations under this Agreement as a result of a cause beyond its control, including any act of God or a public enemy or terrorist, act of any military, civil or regulatory authority, change in any law or regulation, fire, flood, earthquake, storm or other like event, disruption or outage of communications, power or other utility, labor problem, unavailability of supplies, unexpected shutdown of site equipment due to weather event (i.e. thunder, lightning, heavy rain) or any other cause, whether similar or dissimilar to any of the foregoing, which could not have been prevented by such party with reasonable care (each, a "Force Majeure Event"). If such event occurs, the time for performance required of the affected party shall be extended by the period of such delay provided the party is exercising diligent efforts to overcome the cause of such delay. Furthermore, if Subcontractor has direct cost impacts due to an unexpected stoppage of work, Subcontractor shall provide Contractor with a change order detailing cost impacts along with backup documents through invoices, and receipts. In addition, the affected party shall provide to the other party within seven (7) days of determining the cause of the Force Majeure Event a written explanation concerning the circumstances that caused the Force Majeure Event.

Payment Terms: Payment due within 30 days of date of invoice, regardless of when payment is made by Owner. Credit Card payments are not accepted.

ACCEPTED:

The above prices, specifications and conditions are satisfactory and hereby accepted.

Buyer _____

Signature: _____

Date of Acceptance: _____

CONFIRMED:

Bonness Inc.

Authorized Signature: _____

Estimator: Ruben Avila

Key Marco Community Development District

Balance Sheet

As of August 31, 2025

	Aug 31, 25
ASSETS	
Current Assets	
Checking/Savings	
1000 · Fifth Third Public Fund	338,917.56
1001 · Fifth Third Money Market	246,544.34
1002 · First Horizon Money Market	246,106.44
1003 · Seacoast Bank Money Market	243,623.74
Total Checking/Savings	1,075,192.08
Other Current Assets	
1800 · Prepaid Expenses	-3,705.95
Total Other Current Assets	-3,705.95
Total Current Assets	1,071,486.13
TOTAL ASSETS	1,071,486.13
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	319.66
Total Accounts Payable	319.66
Other Current Liabilities	
2500 · Deposits and Prepaid Items	-3,705.95
Total Other Current Liabilities	-3,705.95
Total Current Liabilities	-3,386.29
Total Liabilities	-3,386.29
Equity	
30000 · Opening Balance Equity	2,341.71
3100 · Unassigned Fund Balance	899.11
32000 · Retained Earnings	939,788.03
9000 · Supspense Account	4,425.48
Net Income	127,418.09
Total Equity	1,074,872.42
TOTAL LIABILITIES & EQUITY	1,071,486.13

10/09/25

Key Marco Community Development District
Profit & Loss Budget Performance
August 2025

	<u>Aug 25</u>	<u>Budget</u>	<u>Oct '24 - Aug...</u>	<u>YTD Budget</u>	<u>Annual Budg...</u>
Income					
4000 · Maintenance Assesements (4%)	0	0	-7,106	-9,100	-9,100
4001 · Maintenance Assessments - Levy	0	0	227,800	227,800	227,800
4002 · Miscellaneous Income	0	0	153	0	0
4003 · Interest Income	1,487	833	18,761	9,167	10,000
4004 · Road Use Fee Revenue	139	417	4,667	4,583	5,000
4005 · FEMA Proceeds	0		0	0	0
Total Income	<u>1,626</u>	<u>1,250</u>	<u>244,276</u>	<u>232,450</u>	<u>233,700</u>
Gross Profit	1,626	1,250	244,276	232,450	233,700
Expense					
6000 · ACCESS CONTROL					
R&M Gatehouse	0		0	0	0
6001 · Contractural Services	0		0	0	0
6002 · Operating Supplies	0		0	0	0
6003 · Utilities	0		0	0	0
6004 · R&M Gates	0		0	0	0
Total 6000 · ACCESS CONTROL	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>
6100 · ADMINISTRATION					
6101 · Accounting Services	100		100	0	0
6102 · Assessment Rolls	0	0	0	0	500
6103 · Attorney Fees	158	583	8,585	6,417	7,000
6104 · Audit Fees	0	0	4,900	5,000	5,000
6105 · Bank Fees	13	0	13	0	0
6106 · Computer- Website Support	160	50	820	550	600
6107 · Dues, Licenses, Subscriptions	0	0	185	175	175
6108 · Engineering Fees	0	1,000	1,525	11,000	12,000
6109 · FICA Taxes	0	0	0	0	0
6110 · Insurances	0	0	50,553	55,000	55,000
6111 · Legal Advertising	0	292	1,043	3,208	3,500
6112 · Management Fees	0		0	10	10
6113 · Office Supplies	0	0	0	200	200

	Aug 25	Budget	Oct '24 - Aug...	YTD Budget	Annual Budg...
6114 · Postage	0		18	20	20
6115 · Property Appraiser	0	0	706	830	830
6116 · Property Tax Collector (2%)	0	0	2,057	4,300	4,300
6117 · Rentals & Leases	0	0	0	0	0
6118 · Road Use Fee Study	0	0	0	0	0
6119 · Supervisor Expenses	0	0	4,400	5,000	5,000
6120 · Trascription Costs	0	0	0	0	0
Total 6100 · ADMINISTRATION	431	1,925	74,904	91,710	94,135
6200 · CAPITAL EXPENDITURES & PROJECTS					
Bridge Sidewalk/Curb Painting	0	0	14,800	18,000	18,000
Hurricane Contingency	0	0	2,840	0	40,000
6201 · Bridge Inspection Reserves	0	0	8,910	5,000	5,000
6202 · Bridge Painting	0	0	0	0	0
6203 · Bridge Reserves	0	0	0	18,000	18,000
6204 · Contigency Reserves	0	0	6,025	0	8,565
6205 · Gate Access Control	0		0	0	0
6206 · Gate Operator Replacement	0	0	0	0	0
6207 · Gatehouse Gates	0		0	0	0
6208 · Landscape Improvements	0	0	0	0	0
6209 · Landscape Lighting	0	0	0	0	0
6210 · Roads	0	0	0	40,000	40,000
6211 · Roads - Root Barrier	0	0	0	0	0
6212 · Solar Streetlighting	0	0	2,878	0	0
6213 · Street Lighting	0	0	0	0	0
Total 6200 · CAPITAL EXPENDITURES & PROJ...	0	0	35,453	81,000	129,565
6300 · STREET LIGHTING					
6301 · Holiday Decor	0	0	0	0	0
6302 · R&M - General	0	0	0	0	0
6303 · Utilities - Electric	0	0	0	0	0
Total 6300 · STREET LIGHTING	0	0	0	0	0

	<u>Aug 25</u>	<u>Budget</u>	<u>Oct '24 - Aug...</u>	<u>YTD Budget</u>	<u>Annual Budg...</u>
6400 · ROADWAY SERVICES					
6401 · Repairs & Maintenance	<u>0</u>	<u>0</u>	<u>6,500</u>	<u>10,000</u>	<u>10,000</u>
Total 6400 · ROADWAY SERVICES	0	0	6,500	10,000	10,000
6500 · Hurricane Ian Expenses					
6501 · Hurricane Ian Debris Cleanup	0	0	0	0	0
6502 · Hurricane Ian Gatehouse Repair	0	0	0	0	0
6503 · Hurricane Ian Irrigation Repair	0	0	0	0	0
6500 · Hurricane Ian Expenses - Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total 6500 · Hurricane Ian Expenses	0	0	0	0	0
6600 · Irrigation Services	0	0	0	0	0
6700 · MAINTENANCE AND LANDSCAPING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expense	<u>431</u>	<u>1,925</u>	<u>116,858</u>	<u>182,710</u>	<u>233,700</u>
Net Income	<u><u>1,195</u></u>	<u><u>-675</u></u>	<u><u>127,418</u></u>	<u><u>49,740</u></u>	<u><u>0</u></u>

Key Marco Community Development District
Reconciliation Detail
1000 · Fifth Third Public Fund, Period Ending 08/31/2025

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						342,666.07
Cleared Transactions						
Checks and Payments - 3 items						
Bill Pmt -Check	07/28/2025	1405	Hands Free Security	X	-3,012.50	-3,012.50
Bill Pmt -Check	07/28/2025	1404	Coleman, Yovanovic...	X	-691.25	-3,703.75
Check	08/31/2025			X	-12.50	-3,716.25
Total Checks and Payments					-3,716.25	-3,716.25
Deposits and Credits - 2 items						
Deposit	08/31/2025			X	28.91	28.91
Deposit	08/31/2025			X	138.83	167.74
Total Deposits and Credits					167.74	167.74
Total Cleared Transactions					-3,548.51	-3,548.51
Cleared Balance					-3,548.51	339,117.56
Uncleared Transactions						
Checks and Payments - 1 item						
Bill Pmt -Check	04/20/2023	1410	John Esposito		-200.00	-200.00
Total Checks and Payments					-200.00	-200.00
Total Uncleared Transactions					-200.00	-200.00
Register Balance as of 08/31/2025					-3,748.51	338,917.56
New Transactions						
Checks and Payments - 4 items						
Bill Pmt -Check	09/03/2025	1407	Exploritech, Inc.		-160.00	-160.00
Bill Pmt -Check	09/03/2025	1406	Coleman, Yovanovic...		-158.00	-318.00
Bill Pmt -Check	09/03/2025	1408	Juliana M. Kierstein,...		-100.00	-418.00
Bill Pmt -Check	09/04/2025	1409	Preferred Governme...		-306.66	-724.66
Total Checks and Payments					-724.66	-724.66
Total New Transactions					-724.66	-724.66
Ending Balance					-4,473.17	338,192.90