

Management Agreement

This Agreement is made and entered into as of January 1, 2021, by and between IZATYS TOWNHOUSE ASSOCIATION, a Minnesota nonprofit corporation (“Association”) and NARVESON MANAGEMENT, INC, a Minnesota corporation (“Manager”).

WITNESSETH:

- A. The By-Laws of the Association provide that the Board of Directors of the Association shall have the responsibility for managing the property of the Association and the Board of Directors of the Association deems it in the best interest of the Association to hire Manager to manage the property of the Association (“Property”) and perform other services on the Association’s behalf.
- B. Manager has agreed to perform such services for the Association.

NOW, THEREFORE, in consideration of the terms, conditions and covenants hereinafter set forth, the parties hereto mutually agree as follows:

1. Exclusive Right to Manage

Association hereby engages Manager and Manager hereby accepts the engagement to solely and exclusively manage, operate, repair and maintain the Property and to do and perform any and all things in the management of the Property customarily performed by managers of similar properties, subject to the terms and conditions contained in this Agreement.

2. Term

Unless canceled pursuant to paragraphs A, B or C of this Section 2, this Agreement shall be in effect for a term of 36 months beginning 01/01/2021 (“Effective Date”) and ending 12/31/2023.

- A. This Agreement may be terminated by either party with cause immediately by giving written notice to the other party in the manner set forth in Section 7 hereof. “Cause” shall be defined as a material breach of this Agreement, or willful misconduct or gross negligence. A non-material, technical breach of this Agreement shall not constitute cause.
- B. If a petition in bankruptcy is filed by or against Manager, or if Manager shall make an assignment for the benefit of creditors or take advantage of any insolvency act, the Association may terminate this Agreement, and such termination shall be effective by giving written notice in the manner set forth in Section 7 hereof.

- C. The Association may terminate this Agreement if Izatys Resort is sold effective at the end of the then current calendar year by giving not less than ninety (90) days notice to Manager.
- D. Upon termination and within thirty (30) days after termination of this Agreement, (unless extensions of time are agreed upon by both parties in writing), the parties shall account to each other with respect to all outstanding items as of the date of the termination, including, but not limited to, the payment of all fees and return of all Association books, records and financial documents.

3. Scope of Employment

Manager agrees to perform the following services on behalf of the Association, and the Association hereby gives Manager the authority and power required to perform the following services:

A. Administrative Management

- (i) Manager and the Board of Directors of the Association shall approve the management designees listed on Attachment A, one of which shall attend all regularly scheduled meetings of the Association and of the Board of Directors of the Association as well as all special meetings as requested. Manager shall be reimbursed for expenses incurred in attending non-scheduled special meetings. Manager shall take and promptly distribute accurate minutes of each Association and Board of Directors regularly scheduled meetings.
- (ii) Manager shall be the custodian of the official records and files of the Board of Directors and the Association and shall provide access to the records at the office of Manager at any time during normal business hours to any member of the Association upon appointment. Manager shall promptly post minutes, budgets, policies and such other matters as the Board of Directors requires on the Association's website. The Association shall pay the cost of maintaining the Association's website. Additionally, Manager shall provide resale disclosure documents and other information requested from Association members, prospective town home purchasers, realtors, appraisers, mortgage lenders, etc. and to subscribe to and review the official county newspaper and advise the Association's Board of Directors of issues pertinent to the Association.
- (iii) Manager shall assist the Board of Directors and the Association in calling and conducting special and annual meetings of the members of the Association and a representative of Manager shall

attend two such meetings annually. Costs incurred by Manager in preparing materials for the meeting(s) shall be reimbursed by the Association. Manager shall maintain and periodically update the mailing list of Association members, such list to include members' names, addresses, telephone and email contact information.

- (iv) Manager, at the direction of the Board of Directors, shall cause to be placed and kept in force all forms of insurance needed to adequately protect the Association, its members and mortgagees holding mortgages covering dwelling units in the Association, as their respective interests appear, as required by the Association's Declaration, or as required by law, including, but not limited to, property, general liability, automobile liability, worker's compensation insurance, employee dishonesty, and any other forms of insurance requested by the Association. All such insurance shall be placed with companies licensed to do business in the State of Minnesota and rated at least A+ by Best's Insurance Guide and Manager shall provide evidence of the insurance and will provide the Association with a Certificate of Insurance detailing the insurance coverage and naming the Association as an additional insured. Manager shall promptly investigate and make a full written report of all accidents or claims for damage relating to the management, operation and maintenance of the property and its common areas and facilities, including any damage to or destruction of the same, and the estimated cost of repair.
- (v) Manager shall update the Association's Policy Manual on a regular basis or as may be requested by the Board of Directors. Manager shall maintain a Master Copy of the Association's Policy Manual at the offices of the Manager and post updates from time to time on the Association's website.
- (vi) Manager shall develop a new owner information packet and prepare and present a new owner orientation session during the weekend of the Association's Annual Meeting which shall, among other things, discuss the Association's budget and financial statements, administrative policies and other matters that the Board of Directors may require.
- (vii) Manager shall maintain and regularly update the Association's website.

B. Financial Management

- (i) Manager shall designate one of its employees as a Financial Liaison with the Association, subject to the approval of the Board of Directors of the Association, who shall be primarily responsible

for Manager's responsibilities under this paragraph. The initial Financial Liaison is designated on Attachment A attached hereto.

- (ii) Manager shall maintain the Association's records, files and books of account and shall be directly responsible for maintaining the Association general ledger, bill paying, payroll and financial reporting and analysis.
- (iii) Manager shall oversee the billing and collection of all assessments and other charges and receipts due the Association. The Association hereby authorizes Manager to request, demand, collect, receive, and receipt for all such assessments which may at any time be or become due the Association by way of legal process or otherwise may be required for the collection of same.
- (iv) Pursuant to Association policies regarding delinquent accounts, the Manager will provide Association's counsel with necessary information for collection, but it is not responsible for the legal action. The Association shall assume all costs of collections, which include, but are not limited to, attorney's fees, court fees and all related expenses incurred in the collection of same.
- (v) Manager shall cause all assessments and other charges and receipts to be collected and deposited in the Association's operating account and shall cause such receipts to be disbursed regularly and punctually in the order specified below unless specifically authorized by the Board of Directors of the Association.
 - (a) Taxes, both real estate, payroll and all other;
 - (b) Salaries and other compensation due and payable;
 - (c) Insurance premiums; and
 - (d) Sums otherwise due and payable by the Association as operating expenses authorized to be incurred under the budget adopted by the Association or as specifically authorized, provided, however, Manager shall not be obligated to make or advance to or for the account of the Association, nor shall Manager be obliged to incur any liability or obligation for the account of the Association.
- (vi) After disbursement, any balance remaining in the operating account shall be transferred to other accounts from time to time, in

accordance with the policies set forth by the Board of Directors of the Association.

- (vii) The records, books and accounts of the Association shall be subject to examination by agents authorized by the Association during reasonable business hours. Manager shall submit to the Board of Directors of the Association a financial statement indicating account balances and budget figures and such other reports as are mutually agreed upon, including but not limited to a monthly delinquent assessment and a cash disbursements ledger with explanation of non-routine or non-budgeted payments. Additionally, Manager will provide a monthly balance sheet and operating statements for both the Beach Villas and the Lakeside Townhomes and combined statements with budget and year-to-date comparisons.
- (viii) Manager shall monitor the Association's checking and savings accounts and oversee the account reconciliation each month.
- (ix) The use of funds held in special accounts (such as reserve accounts) or the use of Association credit lines shall require prior approval of the Association Board of Directors.
- (x) Manager shall annually prepare and submit to the Board of Directors of the Association a preliminary budget for the next fiscal year showing anticipated income and expenditures for such year at least 10 days prior to the October Board of Directors meeting or at least 75 days prior to the year-end.
- (xi) Manager shall initially develop, maintain and update a reserves and capital expenditure plan covering the Association's anticipated expenses for roads, driveways and sidewalks, roofs and siding, doors and windows, trees, shrubs and landscaping, wells and water system components, equipment and such other categories as may be directed by the Board of Directors. All costs of outside consultants or entities utilized to assist in the development and maintenance of said reserve and capital expenditure plan shall be pre-approved by the Board of Directors and shall be borne by the Association. Manager shall not be held liable for inaccuracies that may occur in the reserve and capital expenditure plan.
- (xii) Manager shall cause the books and accounts of the Association to be closed after the end of each calendar year. Manager shall coordinate the annual audit of the Association and supply such financial and other information as may be required by the Association's auditor. The annual audit and any required tax filing required by the Association shall be prepared at the expense of the

Association by accountants selected by the Board of Directors of the Association.

- (xiii) Manager shall maintain separate bank accounts for the Association, as directed by the Board of Directors, which initially shall include separate reserve accounts for the beach villas and lakeside townhome/cottage colony units.

C. Personnel Management

- (i) All personnel performing administrative, financial, maintenance or other duties for the benefit of the Association shall either be employees of Manager or third party contractors and not employees of the Association. Outside service expenses contracted by Manager on behalf of the Association will be passed-through to the Association at Manager's cost, without mark-up.
- (ii) Manager shall hire, pay and negotiate agreements with and supervise any personnel required for the efficient discharge of the duties of Manager hereunder. Such actions shall be within the confines of the budget approved by the Board of Directors and shall adhere to all agreed upon personnel policies.

D. Facilities Management

- (i) The intent of the Association is to maintain standards of excellence and continuity over all grounds and buildings of the Association. This is to be accomplished by prudent oversight of ongoing preventative maintenance programs, continuous review of activities to insure approaches to maintenance are cost effective, and that the tools and resources needed to accomplish tasks budgeted or specifically authorized by the Board of Directors of the Association are provided for. Manager shall maintain hourly time records of routine work and maintenance activities performed and distribute a monthly recap to the Board of Directors.
- (ii) Manager shall oversee all maintenance and improvements of the real and personal properties owned and/or leased by the Association, including the administration of warranty and insurance claims. All expenses related to maintenance or improvements are intended to be within the guidelines established in the approved budget.

- (iii) Specific issues of repair and replacement are likely to occur that are not explicitly defined within the budget. For these items and occurrences, the expense incurred shall not exceed \$1,000 without specific authorization by the Board of Directors of the Association; provided, however that emergency repairs, involving significant danger to life or property, or immediately necessary for the preservation or safety of the owners/guests, or required to avoid the suspension of any necessary service of the Association or to its common areas and facilities, may be initiated by Manager without obligations to restrictions imposed earlier in this section. Any actions taken under emergency repairs clause above will be reported to at least one member of the Board of Directors within 24 hours of the occurrence and will be formally reported to the Board of Directors, via commentary, in the financial reports to the Board. An officer of the Association must countersign all checks, regardless of purpose and budget, in excess of \$5,000.
 - (iv) Manager shall negotiate and present to the Board of Directors all contracts with third parties for maintenance and other necessary services, which are deemed necessary and prudent in carrying out budgeted projects or those specifically requested by the Board of Directors of the Association. All such contracts shall be made in the name of the Association, and shall be terminable upon 30 days written notice unless otherwise specifically agreed to by the Association and shall be subject to limitations set forth in Section 3.D.(iii) above.
 - (v) Manager shall facilitate the relationship with the owner of Izatys Resort. Manager, with the assistance of a committee appointed by the Association, shall act as the liaison for the Association to oversee the Association's interest and use of the resort amenities and future development.
- E. Building Maintenance. Manager shall perform or cause to be performed building maintenance for the Association's one hundred thirty (130) Townhomes (Units 101-128, 201-204, 215-248, 301-346, 401-414 and 605-608) located on the Association's property in accordance with the Building Maintenance Specifications set forth on Attachment B to this Agreement. Manager's responsibility shall include performing all routine maintenance, whether or not the same is listed on the Building Maintenance Schedule attached to Attachment B.
- F. Lawn Care and Snow Removal. Manager shall provide lawn, shrub and tree care and snow removal for the Association Property, such work to be performed in accordance with the Lawn Care and Snow Removal

Specifications set forth on Attachment C including the Snow Removal General Guidelines attached thereto.

- G. Security. Manager shall provide the security services for the Association's properties in accordance with the Security Specifications attached to this Agreement as Attachment D and the Courtesy Patrol Duties and Responsibilities attached thereto.

4. Manager's Compensation and Expense Reimbursement

- A. Association shall pay Manager the fees listed on Attachment E attached hereto, to be payable on the first day of each month for the term of this Agreement.
- B. Association shall reimburse Manager for all out of pocket expenses within the scope of this Agreement expended on behalf of the Association.

5. Association Responsibilities

The Association agrees to the following conditions and responsibilities, which shall become effective on the date of execution of this Agreement.

- A. The Association, in performing and acting under this Agreement, shall act through its Board of Directors or its Executive Committee (which consists of 2 or more Board Members so designated by the Board of Directors). Manager, and its officers and employees, may and can rely on the directions and authorization given by the Board of Directors or the Executive Committee of the Association, and Manager, in relying and acting on direction and authorization given by the Board of Directors or the Executive Committee of the Association, shall not be obligated or required to inquire into the authority of the Board of Directors or the Executive Committee; provided, however, that Manager and its officers and employees shall not rely or act on any direction or authority which is contrary to the terms and conditions of this Agreement as the same may be amended from time to time as herein provided.
- B. The President of the Association shall be the primary liaison and any other member of the Executive Committee shall be secondary liaison between the Board of Directors and Manager. Manager, its officers and employees shall rely and act on directions and authorization given by such individuals and shall not be obligated or required to inquire into the authority of such individuals. It shall be the responsibility of the Association to terminate by written resolution the liaison responsibilities of such individuals and to advise Manager accordingly.

6. Additional Services

Manager shall have no obligation to perform or render any services beyond, or in addition to, those required of it hereunder. Any additional services shall be performed or rendered by Manager only pursuant to a separate written agreement and for additional compensation to be agreed upon and set out in such an agreement.

7. Notice

Any notice to be given to either party to this Agreement may be served by U.S. registered or certified mail, return receipt requested or by a generally recognized overnight courier, as follows:

To the Manager: Narveson Management, Inc.
Neal Narveson
President & CEO
PO Box 285
Pequot Lakes, MN 56472

To the Association: President
Izatys Townhouse Association
[at the President's address shown in
Association records]
6216 Eagle Lake Drive
Maple Grove, MN 55369

With a copy to: Thomas P. Stoltman, Esq.
Larkin Hoffman Daly & Lindgren, Ltd.
8300 Norman Center Drive
Suite 1000
Bloomington, MN 55437

Either party may change or update notice addresses by giving written notice to the other party in the manner set forth in this Section 7.

8. Assignment

Manager shall not assign its interest under this Agreement without prior consent of the Board of Directors of the Association.

9. Entire Agreement

This Agreement and any attachments shall constitute the entire agreement between the parties hereto and no variance or modification hereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement. This Agreement shall inure to the benefit of and

constituting a binding obligation upon the parties hereto, their respective successors and permitted assigns.

10. Attachments

This Agreement includes the following Attachments which are incorporated herein by reference:

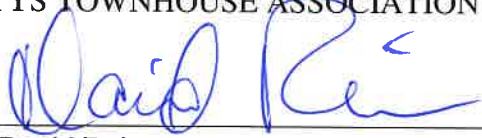
- Attachment A – Liaisons and On-Site Manager
- Attachment B – Building Maintenance Specifications
- Attachment C – Lawn Care and Snow Removal Specifications
- Attachment D – Security Specifications
- Attachment E – Manager’s Compensation

IN WITNESS WHEREOF, the parties hereunder have executed this Agreement the date and year first above written.

MANAGER:
NARVESON MANAGEMENT, INC.

By: 
Neal Narveson
Its: President & Chief Executive Officer

ASSOCIATION:
IZATYS TOWNHOUSE ASSOCIATION

By: 
David Reimer
Its: President

Attachment A

Liaisons and On-Site Manager

Board of Directors Liaisons: Neal Narveson

Accounting: Cindy Stonacek

On-Site Managers: Rob Wilsey
 Amy Parkin

Attachment B

IZATYS TOWNHOUSE ASSOCIATION

Building Maintenance Specifications

2021 - 2023

1. Manager shall facilitate the Association's responsibility to maintain standards of excellence and continuity over all grounds and buildings of the Association as referenced in the Management Agreement. Manager shall perform the work listed on the attached Building Maintenance Schedule.
2. All maintenance requests for work not included on the Building Maintenance Schedule are the financial responsibility of the Association and are deemed non-routine maintenance repairs. Work shall be billed in 15 minute increments with a minimum of 30 minutes. If the cost of such work exceeds \$500.00, the same shall be pre-approved by the Executive Committee and billed to the Association at the rate of \$41.00 per hour in 2021 - 2023. Manager may proceed with emergency repairs in accordance with Section 3.D.(iii) of the Management Agreement, without prior approval from the Executive Committee and if such work occurs after 5:00 pm and weekends, the Association shall be billed at time and one-half (\$61.50).
3. Manager shall provide the Association with a monthly summary of hours for informational purposes only by category as designated on the Building Maintenance Schedule for work performed on Association routine items.
4. Manager shall obtain, at the Association's expense, supplies and materials needed to complete the attached outlined duties. In addition, the Manager shall obtain, at Manager's expense, all tools, equipment, and fuel necessary to complete attached outlined duties.
5. Manager shall contract, as approved by the Board of Directors and at the Association's expense, outside contractors as deemed necessary to complete specific jobs beyond the scope of this agreement, i.e. plumbing contractor, roofing contractor, blacktopping contractor, etc.
6. Manager must strive to minimize inconvenience and disturbance to Townhome occupants and guests and to insure safety when performing its obligations.
7. Manager shall, on the Association's behalf, ensure that any relevant and necessary state, county, and local permits relating to construction, and building maintenance are obtained. All fees for the above mentioned permits are the responsibility of the Association, except for any fees for any contractor's license or permit that Manger is required to obtain.
8. Manager shall hold the Association harmless relating to any claims for damages that directly result from negligent work performed under contract. All claims relating to non-contract work shall be the sole responsibility of the Association.

Izatys Townhouse Association
Building Maintenance Schedule
2021-2023

Routine/Non-Seasonal

- Inspect and replace light post bulbs, porch light bulbs, patio light bulbs and photo cells as necessary
- Monitor water softeners daily and replenish salt as necessary
- Empty ash cans as needed
- Check roofs after storms for damage - take appropriate action
- Inspect all grounds and clear of trash, litter and debris – at least twice per week
- Inspect and maintain all exterior doors and locks – monthly or as notified
- Inspect and maintain all exterior windows and locks – monthly or as notified
- Paint trim, soffits, steel posts, front service doors as necessary
- Inspect and schedule fire extinguisher maintenance as required
- Repair, as necessary, front screens/storm doors – locks, closers and safety chains
- Inspect and maintain standard construction windows including sliding doors for adjustment, weather stripping and screens
- Sample well water as required
- Ensure proper operation of cable TV distribution system and coordinate necessary repairs through cable company, as appropriate
- Perform minor building repairs as needed not to exceed 3 hours
- Read and maintain log of water meters annually – monitor Beach Villa & # 400s water flow daily.

Spring

- Remove and stow snow fences
- Sweep and blow all blacktop parking areas, sidewalks, boardwalks and decks – note and coordinate needed repairs
- Shut off and secure all heaters, heat tapes and other temporary winter devices
- Remove spider webs, bird nests, bee/wasp nests from exterior of buildings
- Wash exteriors of all windows
- Detailed inspections of all building exteriors, including roofs, foundations, siding and trim, doors, windows, screens and building accessories – list and coordinate needed repairs or replacements
- Inspect fireplaces and chimneys for signs of deterioration or other safety hazards and coordinate necessary repairs and cleaning and provide a report of any work performed to the Board of Directors
- Turn on outside faucets and repair or replace as needed
- Remove storm windows on screen doors
- Chlorinate all wells and flush lines
- Inspect and clean gutters

Summer

- Blow bugs from sidewalks and patios – weekly or as needed
- Inspect all wood siding and trim – note and coordinate repairs
- Inspect for problem insects/pests and perform insect control/ants, bee nests – (exterior only) coordinate with vendor
- Sweep and/or blow off all blacktop parking areas, building exteriors, sidewalks, boardwalks - as needed
- Install A/C fuses

Fall

- Inspect and clean gutters
- Inspect and repair as needed front doors and garage side doors weather stripping
- Wash all exterior windows
- Install snow fences at strategic locations throughout property to reduce drifting on roadways and sidewalks
- Prepare buildings and grounds for winter – lock all windows, close storm windows on Beach Villas
- Install storm windows on front screen doors
- Install and insure that all heaters and heat tapes, etc. are in operating order
- Inspect fireplaces and vents for signs of deterioration or other safety hazards
- Turn off all outside faucets
- Clean all outside light fixtures
- Install temp sensors and batteries

Winter

- Remove A/C fuses for the season
- Flush toilets and fill drains in unoccupied units
- Inspect all interior toilets, faucets, etc. for drips and leaks
- Salt or sand sidewalks as needed to minimize pedestrian accidents
- Take action to prevent freeze-ups
- Thaw frozen water lines as necessary and complete or coordinate repairs resulting from the freeze-up
- Perform heat checks in units and pump rooms daily during freezing weather (monitor temperature lights daily and perform physical checks of all units on Mondays and daily during extreme temperatures below zero degrees)

Attachment C

IZATYS TOWNHOUSE ASSOCIATION

LAWN CARE AND SNOW REMOVAL SPECIFICATIONS 2021-2023

1. **Spring Clean up.** Complete raking or vacuuming of all lawn areas to remove leaves and debris and prepare lawns for growing season. Shrub and rock flowerbeds are to be cleaned of all leaves and other debris. Parking areas and sidewalks are to be thoroughly swept to remove sand and other loose matter. Lawns damaged by winter snowplowing shall be repaired as needed at Association cost.
2. **Lawn Mowing.** All lawns are to be mowed beginning mid-April and continuing through October as needed to maintain a well-manicured appearance at an average height of two and three-quarters to four inches. This allows for once per week mowing during the primary growing season and twice per week during periods of heavy growth due to weather conditions. Mowing shall not occur prior to 8:00 am Mondays or after 12 noon Fridays. Thirty-five (35) complete cuttings are included; additional cuttings (if authorized by the Association) to be charged at the rate of \$1,000 each.
3. **Trimming.** After mowing, all obstacles and hard to reach areas such as, but not limited to, the areas around trees, buildings, edged plantings and edged shrub beds shall be trimmed with a power trimmer. Any herbicides used shall be carefully applied so as not to affect plants, shrubs, trees and flowers. Trim grass and weeds from the lakeshore once each month during the months of June, July and August.
4. **Clean Up.** Debris will be removed from the lawns prior to mowing. Grass clippings and other debris shall be swept or blown off sidewalks, front-entry doors and walls, patios and parking lots after the mowing and trimming is completed. Dead fish and other debris shall be picked up from lakeshore each Thursday as needed and disposed of.
5. **Edging.** Sidewalks shall be edged as needed and at least twice per season.
6. **Shrub Pruning & Trimming.** All shrubs shall be trimmed in the spring after new growth appears and once in fall along with light trimming during the summer to keep a well maintained appearance. Refer to Gardening Activities for limitations.
7. **Weeding.** All non-mulched shrub beds and non-mulched flowerbeds, sidewalk cracks, curb lines are to be maintained weed free.
8. **Lawn Treatment.** All lawn areas shall be fertilized and treated at Association cost to control crabgrass, weeds, fungus and other conditions and to insure healthy lawn growth. Contractor shall supervise and coordinate treatment with costs not to exceed budget or property manager's authorization.

9. **Watering; Irrigation.** Contractor agrees to operate and maintain the Association's lawn irrigation system including seasonal start-up and shut down. Coordinate repairs as necessary at Association expense.
10. **Trees.** Trees must be inspected, fertilized and treated as necessary for fungus and insect infestation. Dead and hazardous branches must be removed in a timely manner. Trees up to 12 feet in height are to be cared for as needed including, pruning, staking, wrapping, etc. Manager shall coordinate removal of dead and hazardous branches, dead or fallen trees and other storm damage and replacement trees. Cost of fertilizer, removing large tree limbs and removal and replanting of trees are not included.
11. **Gardening Activities.** All gardening activities of non-rock garden areas are the responsibility of the Association. Gardening activities include, but are not limited to Spring and Fall cleanup activities, pruning plants, shrub pruning and trimming, mulching and watering. The Association may hire an outside landscape and garden vendor to maintain these areas. Manager will not be responsible for general maintenance, weeding, plant pruning, mulch maintenance and other activities relating to Beach Villa unit entry garden areas and butterfly waystations contained within the south area of the Beach Villas.
12. **Formal Fire Pit Areas.** Contractor is not responsible for stocking or cleaning of formal fire pit areas. All maintenance of formal fire pit areas agreed upon by Contractor shall be subject to additional hand labor rates. All gardening activities requested and, if agreed upon by Manager, shall be subject to additional hand labor rates and will be billed on a monthly basis. In addition, all maintenance of fire pit areas agreed upon by Manager shall be subject to additional hand labor rates.
13. **Fall Cleanup.** Collection of leaves and debris from lawns and planting beds shall be completed prior to October 31st or as weather dictates.
14. **Other Lawn Care.** Shrub replacement and other landscape alterations and other clean up and maintenance work requested by Manager, or as recommended by the contractor, and approved by Manager, shall be an extra cost and not included in this contact amount.
15. **Snow Removal.** Contractor shall perform snowplowing and snow removal in accordance with the Snow Removal Guidelines attached hereto. Sufficient planning shall be instituted to insure that weekend snowfalls are promptly cleared to promote safety and enjoyment.
16. **License and Permits.** The Manager on the Association's behalf shall provide and obtain all relevant and necessary state, county, and local permits relating to and including lakeshore usage, sprinklers and construction. All fees for the above mentioned permits are the responsibility of the Association.
17. **Hold Harmless.** Manager shall hold the Association harmless relating to any claims for damages that directly result from negligent work performed under contract. All claims relating to non-contract work shall be the sole responsibility of the Association.

IZATYS TOWNHOUSE ASSOCIATION 2021-2023 SNOW REMOVAL GUIDELINES

Snow Removal General Guidelines

Snow will be removed from the following areas listed in priority:

(Due to safety concerns and upon completion of snowfall/wind drifting and the plowing of roadways and parking areas, priority will be given to owner/guest occupied units for the removal of snow from walkways and front steps.)

- ❑ Association Roadways
- ❑ Association Parking Lots
- ❑ Townhome Driveways
- ❑ Townhome Walkways and Front Steps

(All work to be performed in a manner to minimize damage to grass, plantings, roadways and sidewalks.)

Snow Fall Plowing Parameters

2"-4" – All snowfalls greater than 2" will be plowed. Snow removal will commence within a reasonable amount of time when substantial accumulation and wind drifting has ceased.

4"-9" – Single storms that are forecasted to produce accumulations of 4"-9" will be plowed to allow for safe travel in and out of parking areas during the first service. Snowfall will be monitored and trucks will be dispatched during travel periods when snowfall reaches approximately 4". Final plowing and clean-up will commence within a reasonable amount of time when substantial accumulation and wind drifting has ceased.

9+" – Single storms that are forecasted to produce above 9" of snowfall will be serviced during travel periods throughout accumulation to allow for flow of traffic in and out of parking areas, driveways and Association roads. Final plowing and clean-up will commence within a reasonable amount of time when substantial accumulation and wind drifting has ceased.

Wind Drifting – Association roadways, parking areas and driveways will be monitored for snow accumulation due to wind drifting. Wind drifting will be handled on an as-needed basis when drifts pose a safety hazard and do not allow for the flow of traffic.

Ice – Association roadways, parking areas, driveways and walkways will be monitored for ice build-up. Appropriate salting will be utilized to minimize potential safety hazards. Salt and sand product will be at Association expense.

Dispatch and Service Times

Dispatch and services times are subject to the rate of snowfall and the time any snowfall begins and ends. Upon completion of any snowfall, it is the intent of the contractor to complete snow removal operations within 24 hours and not more than 48 hours after snowfall ceases. It is also recognized that this is a resort community, and has such; priority will be given to the guests and owners currently occupying Association units at the resort.

Attachment D

IZATYS TOWNHOUSE ASSOCIATION

Security Specifications 2021 - 2023

Manager's security staff shall strive to maintain a safe and secure environment for all guests and strive to minimize inconvenience and disturbance to Townhome occupants and guests and to insure safety.

1. Security staff will be on patrol 7 days a week from 6 p.m. to 2 a.m. to aid in safety and security for all guests staying in Association townhomes. Security is equipped with a cellular phone for communication with Townhome owners and guests. Manager shall not charge the Association (and the monthly fee shall be credited) for any night on which security service is not provided. Additionally, Security staff is equipped with cellular phones so 911 can be notified if emergency services are deemed necessary. Manager shall maintain a copy of nightly security reports at the Association offices for a period of two (2) years and shall make such reports available for review by the Board of Directors.
2. Security staff will assist emergency personnel and/or law enforcement officials as deemed necessary for situations arising on Association property. Manager maintains open communication with area law enforcement and emergency agencies. These agencies are updated on an as needed basis – a minimum of annually – of any additions or changes that may affect their ability to respond to any emergency situation at Izatys.
3. Nightly functions of the Security staff will include checking all doors (front doors, garage doors, lakeside patio doors) of unoccupied units. Additionally, they watch for open windows in unoccupied units. This is a routine check that is usually done starting at approximately 8:00 PM. At the same time, units are monitored to assure that heating is functioning or air conditioning units are not running if the unit is unoccupied. On nightly rounds, outside lighting and temperature lights will be monitored. Security Staff shall communicate to Maintenance Staff by phone, which can avoid costly on-call maintenance calls. Additionally, Security staff will perform the Courtesy Patrol Duties and Responsibilities listed on the attachment to these specifications.
4. Security staff will monitor all Association common areas to assure compliance with all Association rules, regulations and policies. In the event a violation is observed, Security staff will inform the offending party of the violation and request compliance on behalf of the Association. If offending party fails to comply, Security staff will contact local authorities. All violations will be documented and will be forwarded to the Board of Directors within 48 hours.
5. Manager's security staff is equipped with one Manager-owned truck or van which shall be used for nightly rounds. In addition, a golf cart identified with "SECURITY" signage and an emergency light will be provided during the summer season for periodic grounds patrol.

6. Manager shall provide and obtain any relevant and necessary state, county, and local permits relating to security. All fees for the above mentioned permits are the responsibility of Manager.
7. Manager shall hold the Association harmless relating to any claims for damages that directly result from negligent work performed under contract. All claims relating to non-contract work shall be the sole responsibility of the Association.

Courtesy Patrol Duties and Responsibilities
(2021-2023)

- **Obtain daily occupancy list of all occupied Townhomes and Timeshare Units**
 - Verify actual occupancy to daily occupancy list when available and provided. Document all discrepancies on daily log.
 - Verify all discrepancies with Izatys Front Desk or subsequent assignees and document explanation and resolution.

- **Nightly Patrol Responsibilities**
 - Check and secure all doors on every unoccupied Townhome and Timeshare Unit to include entry doors, garage doors, patio doors, utility room doors and service doors.
 - Check and secure all doors on all out-buildings including Resort Office, ITA garage, pump houses, Marina Building and supply buildings.
 - Check for open windows in unoccupied units and close if possible. Make note of unit and location of window.
 - A complete round should be made approximately every 1-2 hours. The route of each round should be varied to avoid establishing a set routine.
 - Maintain HIGH VISIBILITY at all times and always wear Security Vest/ Jacket and/or Security Hat.
 - DO NOT engage or pursue anyone involved in criminal activity. Call 911 immediately.

- **Common Area Patrol & Enforcement of Association Rules & Regulations**
 - Monitor all Association common areas to assure compliance of Association Rules & Regulations.
 - Respond immediately to all complaints of violations. All violators should be approached in a courteous manner, informed of the violation and asked to comply with Associations Rules & Regulations.
 - If violator fails to comply, call 911 and file the complaint.
 - Document all violations in daily log.
 - Comply with other duties as may be assigned

- **Additional Responsibilities**

- Monitor lift stations throughout the resort property. If a lift station light is found on, call Jason Nieken and inform him of the situation.
- Monitor heat safety light in all ITA Townhome units. In the event that a unit is found without heat, utilize our small electric heaters in the unit to keep it warm.
- All emergency maintenance issues that arise, you are to assess the situation and then call Rob Wilsey. At any time you are not sure of what to do, call Rob Wilsey for assistance.
- All daily logs will be kept on file for a period of 2 years and available to Board of Directors upon request.

Attachment E

Manager's Compensation (2021-2023)

1. Management Fee. Association shall pay Manager a management fee of \$4,290.00 per month (\$33.00 per townhome unit per month) during the term of this Agreement, which shall be payable monthly on the first day of each month during the Term.
2. Building Maintenance. Association shall pay Manager \$7,570.00 per month for building maintenance during the term of this Agreement. Monthly installments will be charged at the rate of \$2,679.80 (35.4%) to the Beach Villas and \$4,890.20 (64.6%) to the Lakeside Townhomes and Cottage Colony.
3. Lawn Care and Snow Removal. Association shall pay Manager \$7055.00 per month for lawn care and snow removal work. Monthly installments will be charged at the rate of \$2,497.40 (35.4%) to the Beach Villas and \$4,557.60 (64.6%) to the Lakeside Townhomes and Cottage Colony.
4. Lawn Care and Snow Removal – Beach Villa Tuxedo Road Berm Area. Additional hand lawn mowing and trimming of Beach Villa Tuxedo Road berm area incurred will be billed an additional weekly fee of \$123.00.
5. Security. Association shall pay Manager \$2,880.00 per month for security services. Monthly installments will be charged at the rate of \$1019.50 (35.4%) to the Beach Villas and \$1,860.50 (64.6%) to the Lakeside Townhomes and Cottage Colony.
6. Non-Contracted Services. The following hourly rates shall apply for additional services:
 - Additional Hand Labor - \$41.00 per hour
 - Bobcat Work (including one worker) - \$95.00 per hour