

Neighbors

There are a few things I would like to update you on that your Board is doing for the community. This will be a bit long so recharge your coffee prior to going through these topics!

Virtual Gate System. The Board voted to reattempt a special assessment of the Virtual Gate system. We strongly feel this is not only the best way to stop our primary problem, tailgating, but also the most financially sound decision we can make for the community both short and long term. This year we budgeted \$27,000 for gate repair and to date we have spent \$36,566 to keep the gate systems working. Most of this has been on the West Gate. Attached in the mailing is a fact sheet for your review.

At the August 24<sup>th</sup> Board Meeting, a conversation was held regarding competitive bids on the project and had we followed the law regarding competitive bidding. To be clear, the statute requires bids on any project exceeding 10% of our budget plus reserves. Although the amounts did not exceed the 10% cutoff, we did a comprehensive, phased search and received bids from Everite and Envera.

Prior to getting bids, we reviewed several companies and capabilities, some of which we discussed in February, March and in April at our monthly Board Meetings. A quick review:

- We reviewed VGLV, based in Las Vegas, NV but they only service car lots.
- We examined three Virtual guard companies:
  - \* TechPro
  - \* Virtual Guard IGS
  - \* Pro-Vigil

Of these three, none would work with physical guards, and two of the three did not offer gate entry systems. They did not pass the first round of the evaluation process.

Other companies we investigated: EyeMax, Butterfly Max, and CellGate (which is a video access system), but they would only replace the call boxes. No gates or virtual guards would be provided. They did not pass the second round.

The committee reviewed several companies, got pricing on parts of systems, and finally solicited a bid from Everite even though they did not offer a virtual system, and solicited a bid from Envera. Everite sent us a proposal which we reviewed in April at the board meeting:

- \$99,132 for new gates with RFID (not including costs for permits)
- \$17,550 for new LED gate arms (but no sensor system to detect vehicles)
- \$88,035 for new cameras, License plate readers, new phone system
- \$204,717 total one-time, non-recurring cost, but without a virtual guard system capability

The Envera proposal included all the capabilities we desired, including virtual guards. The installation first came in at \$178,459.84. After the second round of discussions with Envera they lowered their installation cost to \$139,013.86 (in May we instead selected license plate readers, which are slightly more expensive, for a total of \$141,404.)

The Board reviewed this financial information in April and voted, unanimously, to go with Envera. At our recent Board Meeting a resident encouraged us to go back and try to negotiate a lower installation cost. Those who attended or viewed the Zoom video will recall the reason for reconsidering the special assessment was a new financial deal from Envera for the recurring (yearly) costs. We did as our resident asked and managed to get the cost of installation reduced once again. For the record, the first cost Envera quoted us in March was \$178,459.84, the next cost was \$141,404, and now we have received their best and final offer of \$114,224.32 or \$120 per owner for the installation...a 36% reduction.

In short, we obtained competitive bids and as it turned out went with the lowest cost and best capability. Given this updated financial information the plan is to move forward with a special assessment vote for installation of the Envera Virtual Gate system.

Other items:

Insurance: We recently concluded a two-month long effort to review and recomplete our insurance needs and providers. Last year we paid over \$54,000 for insurance and this year we budgeted \$57,000 for insurance needs. Three of our policies were due for renewal in February, limiting our ability to find a better deal. Our intent this year was to shop for a better insurance package, and we have found a local company who can provide for the same coverages (or better in one case) for substantially lower costs. This effort has saved our HOA over \$37,000 and we have made the renewal dates for ALL policies September 1<sup>st</sup> so that future boards will have time to shop for the best deal for the community.

Yard Maintenance:- When you or your lawn service cuts the lawn, please blow the cuttings back into your yard. Do not let them wash down the gutters and into the sewer system. These lawn cuttings collect and block our drainage system, causing significant damage and expense to open them. We ask all homeowners keep the roadway curb and gutters along your property lines clear of debris and weeds. During some of the recent storms we noticed drains backing up and creating small lakes in roadways in parts of the community. We will continue work to keep the drains clear, but you can help by not leaving cuttings in the street or in the gutters. We are also seeing some yards that need to be attended. We are working with individual owners to try and help them understand the need to keep a consistent standard of appearance.

New Security Guard Company: We have received a lot of positive feedback on the new security company. We have also adjusted the hours at our gates to better use the available hours when we have physical guards. Some of the feedback has pointed out issues that are not uncommon in a transition period and we have acted on those items.

We urge you to vote for the special assessment so we can eliminate tailgating and move to a more sustainable financial posture on security.

Michael Snodgrass  
President BOD

FACT	IMPLICATION
<p><b>Our Primary Problem is Tailgating: Vendors and unauthorized individuals gain access to the community by tailgating.</b></p>	<p><b>There is no way to stop tailgating with the current gate system.</b></p>
<p><b>The ENVERA fast gate system can virtually eliminate tailgating</b></p>	<ol style="list-style-type: none"> <li><b>1. The systems sensors detect a vehicle, and the RFID system reads the RFID tag in your car.</b></li> <li><b>2. The gate arm quickly moves up allowing you to pass</b></li> <li><b>3. If the next vehicle has an RFID tag, the arm stays up. The system continues to sense subsequent vehicles.</b></li> <li><b>4. If the next vehicle does NOT have an RFID tag, the gate closes about 1.3 seconds after the first vehicle enters.</b></li> </ol>
<p><b>Visitors and Vendors will be able to use the visitor's gates to efficiently enter Golden Eagle</b></p>	<ol style="list-style-type: none"> <li><b>1. You can put visitors on your list and select when and how long they can enter. Options run from one time entry to permanent authorization</b></li> <li><b>2. Physical or virtual guards will contact you if someone wants to visit that is not on your approved list. If you authorize, they will be allowed to enter</b></li> <li><b>3. The first time they enter, the system will record their license plate tag. After that, if you have authorized them, the system will read their license plate and allow access.</b></li> <li><b>4. Vendors will have the option of requesting an RFID tag for servicing multiple residents on a continuing basis.</b></li> </ol>
<p><b>Secondary Problem: The current system is becoming extremely difficult and expensive to maintain</b></p>	<ol style="list-style-type: none"> <li><b>1. To date in 2022 we have spent over \$36,500 (\$27,000 budgeted) for gate repairs, most on the west gate alone</b></li> <li><b>2. TV cameras are old technology, and video recording equipment is not maintainable due to age</b></li> <li><b>3. The Call Box system is failing and will soon need replacement. Options range from as low as \$20,000 to as high as \$70,000</b></li> </ol>
<p><b><u>The Virtual system is the best financial decision.</u></b></p>	<ol style="list-style-type: none"> <li><b>1. Envera has offered a new contract for 5 years, reducing near term annual costs</b></li> <li><b>2. The first cost Envera quoted us in March was \$178,459.84, the next cost was \$141,404, and now we have received their best and final offer of \$114,224.32 or \$120 per owner for the</b></li> </ol>

<ul style="list-style-type: none"> <li>• ENVERA system cost includes a complete maintenance plan for all gates, sensors, cameras, and Kiosks.</li> </ul>	<p>installation...a <u>36% reduction</u></p> <ol style="list-style-type: none"> <li>3. Financial implications of keeping our current gate system maintained have not been estimated. Our projections keep approximately the same level of spending on gate repair for the next several years.</li> <li>4. If we install the virtual system, we'll keep current gates, but only close them during periods of extended low traffic. This will prolong their life and reduce costs long term.</li> <li>5. We will stop using our antiquated cameras, call boxes and recording systems. Envera will install new systems.</li> </ol>
<p>The funding proposal is a hybrid: both physical and virtual guards for 2023</p>	<p>After a successful transition, and some experience with Envera, the community and board can decide next year if they wish to keep the hybrid system <u>or</u> move to a virtual only guard system</p>
<p>Problem: Rising costs will require a dues' increase to keep physical guards long term</p>	<ol style="list-style-type: none"> <li>1. The board will have to raise dues 5% for 2023 <u>regardless</u> of the decision on virtual guard RFID</li> <li>2. Without the RFID system, given anticipated cost increases, we will have to raise dues between 2% and 5% a year <u>for the next few years</u> to afford physical guards at some of the gates (the status we have today).</li> </ol>
<p>If the ENVERA system assessment passes, the community can decide on keeping physical guards after 2023</p>	<p>The board will recommend a survey next summer asking residents if they want to keep physical guards or adopt a completely virtual security system. Assuming all other costs rise between 5% and 8% per year for the next few years:</p> <ol style="list-style-type: none"> <li>1. If a virtual only system is preferred, no additional dues increases will be necessary <i>for security</i> after 2023. Net income can repay the roads and drainage fund over time.</li> <li>2. If the community is more comfortable keeping a hybrid system of physical and virtual guards, a 5% per year dues increase will be required through 2026.</li> </ol>
<p>Golden Eagle has some of the lowest dues for a community of our size and configuration in the state</p>	<ol style="list-style-type: none"> <li>1. US average = \$3000 per year. See <a href="https://ipropertymanagement.com/research/hoa-statistics#florida">https://ipropertymanagement.com/research/hoa-statistics#florida</a></li> <li>2. Villages ~ \$9684 per year with all fees included</li> <li>3. Dover FL = \$1000 per year</li> </ol>