



Paul Ash HOA Management, LLC Cobblestone Homeowners Association, Inc. Access Control & Patrol Services Agreement

This Access Control & Patrol Services Contract is made and entered into as of this 1st day of May 2022, by and between Paul Ash HOA Management, LLC (PAMCO) and Cobblestone Homeowners Association, Inc. (the Association). The initial contract term will expire in 12-months. Either party may at any time, with or without cause terminate this contract with 30 day written notice to the other party.

Unless otherwise terminated, this Agreement will be automatically renewed for continuous twelve, (12) month periods, unless either party gives notice to the other party of its election to terminate or to renegotiate the terms of the contact at least thirty (30) days before the termination of this Agreement.

I. MANAGEMENT

- a. Maintain gate staffing levels at 24-hours per day, 7-days per week, 365-days per year of the Gatehouse and Patrol Services for the Association.
- b. Gatehouse and Patrol Services staff shall be overseen by a Gatehouse Supervisor 40-hours per week. The Gatehouse Supervisor shall report directly to the Association Manager.
- c. Monitor and document all patrol runs from 11:00pm to 5:00am.
- d. Create and maintain incident reports.
- e. At the direction of and in conjunction with the Board of Directors develop a comprehensive manual and protocols for all Gatehouse and Patrol Service staff members.
- f. PAMCO shall provide uniform shirts to all staff and cost will be billed back to the Association.
- g. PAMCO shall offer all eligible employees a benefits package including but not limited to 401k, medical, dental and vision insurance options, and vacation and sick time.
- h. PAMCO shall be responsible for oversight and management of all Gatehouse and Patrol Service staff members including hiring and termination. Decisions made related to assigned staff members will be in conjunction with the Board of Directors, except for any issue that requires an immediate termination due to egregious non-compliance with PAMCO employee policies.

II. MEMBER & ADMINISTRATIVE SERVICES

- a. Maintain a current roster of all members including secondary addresses, and other contact related information. This roster shall include tenant and/or occupant contact information.
- b. Create and maintain an approved visitors list for the gatehouse staff as provided by the homeowner, registered tenant or occupant.
- c. Provide reports to the Board of Directors with the monthly management reports including any and all significant activities or incidents as related to Gatehouse and/or Patrol Services.

III. FINANCIAL/SERVICE FEE

- a. As for the fee portion of the Agreement, PAMCO will invoice the Association every two weeks in conjunction with pay period end as follows:
 - i. Base salaries and payroll burden as a direct pass through at cost.
 - ii. Insurance burden will be as a direct pass through at cost.
 - iii. PAMCO will charge 8% of i. and ii. above.
- b. PAMCO will invoice the Association as a direct pass through the cost for uniform shirts.
- c. Association reimbursement to PAMCO for expenses such as reasonable out-of-pocket petty cash, Board authorized expenditures, emergency costs, etc. will be provided. These expenses will be documented on a monthly basis.
- d. Any/all vehicle service fees such as mileage or gas shall be invoiced to the Association as a direct pass through.
 - i. Mileage reimbursements shall be at the current IRS stated rate.

IV. INDEMNIFICATION / APPLICABLE LAW

- a. The Association shall indemnify, defend and hold PAMCO harmless from and against all claims, costs (including reasonable attorneys' fees), expenses, actions, suits, proceedings, losses, damages, and liabilities to the extent arising out of matters relating to: (i) personal injury or property damage in or on the Common Areas, (ii) nonpayment by parties that have entered into contracts with the Association, (iii) willful misconduct or grossly negligent acts by the Board of Directors or the Association, but, in each case, excluding any claim or liability which arises as a direct result of actions from VII-b in this Agreement. The Association shall name PAMCO as an additional insured on all Association insurance contracts excluding casualty insurance.
- b. PAMCO shall indemnify, defend, and hold the Board, the Association, and its members harmless from and against all claims, costs (including reasonable attorneys' fees), expenses, actions, suits, proceedings, losses, damages, and liabilities to the extent arising out of matters relating to: (i) PAMCO's performance or failure to perform its obligations under this Agreement, whether resulting from internal disputes of PAMCO or disputes with third parties and/or (ii) willful misconduct or grossly negligent acts by PAMCO, but, in each case, excluding any claim or liability which arises as a direct result of actions from VII-a in this Agreement.
- c. PAMCO shall maintain a fidelity bond or insurance coverage indemnifying the Association against loss, theft, embezzlement or other fraudulent acts, including depositor's forgery, on the part of PAMCO or its employees. PAMCO shall, at its expense, procure and maintain in full force and effect at all times general liability in an amount not less than \$1,000,000, worker's compensation, property and casualty insurance, and errors and omissions insurance. The insurance shall be taken out with a responsible insurance carrier authorized under the laws of the State of Arizona, satisfactory and acceptable to the Association. PAMCO shall pay all premiums for PAMCO employees related to performance under this contract. However, insurance premiums for all

site personnel other than PAMCO employees will be covered directly by the Association. Upon request, PAMCO will provide certificates evidencing coverage.

- d. All exculpation and indemnity provisions contained herein shall survive any termination of this Agreement. This Agreement shall be construed in accordance with the laws of the State of Arizona. In the event that any provision hereof is found to be void or unenforceable, all of the remaining provisions of this Agreement shall be fully effective and shall not be affected by the void or unenforceable provisions or provisions.

V. TERMINATION

- a. Either party may terminate this Agreement without cause and on 30-days written notice. On termination, PAMCO must provide the Association with all of its records including electronic records, regardless whether PAMCO contends the Association is in a payment, or other default under this Agreement.

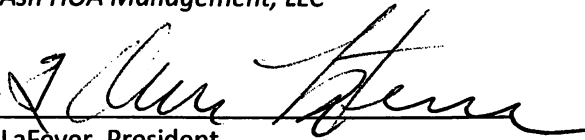
ACCEPTANCE

The undersigned, as proper authorities for Paul Ash HOA Management, LLC and the Cobblestone Homeowners Association, Inc. approve this Agreement in its entirety and detail. In the event a dispute arises between the parties, both agree to negotiate a solution in good faith.



Bruce Ash, Chief Executive Officer
Paul Ash HOA Management, LLC

3/15/2022
Date



Alan LaFever, President
Cobblestone Homeowners Association, Inc.

3/15/2022
Date



Gordon Lackenbauer, Vice President
Cobblestone Homeowners Association, Inc.

3/15/2022
Date



Paul Ash HOA Management, LLC Cobblestone Homeowners Association, Inc. Management Agreement

This Association Management Agreement is made and entered into this 1st day of May, 2022 by and between Paul Ash HOA Management, LLC (“PAMCO”) and the Cobblestone Homeowners Association, Inc. (“the Association”). The initial Agreement will expire after twelve (12) months, unless otherwise terminated by either party with or without cause with thirty (30) days advance written notice to the other party. This Agreement will automatically be renewed for a one (1) year term each time the then existing term of this Agreement expires unless one of the Parties notifies the other Party in writing that they are terminating or renegotiating this Agreement at the end of the current term. To be effective such notice shall be given at least thirty (30) days prior to the end of the then existing term and shall be delivered by written notice to the opposite Party. Modifications of this Agreement require the mutual written consent of both parties.

The Association has the authority and responsibilities affected by the Declaration of Covenants, Conditions, & Restrictions, Articles of Incorporation, Association By-Laws for the Association known as the Cobblestone Homeowners Association, Inc. PAMCO will provide association management services to include those responsibilities established by the Association Board of Directors through this management agreement. These services include:

I. MANAGEMENT

- a. Act on behalf of, and in conjunction with, the Association Board of Directors to ensure duties of the Board of Directors are accomplished.
- b. PAMCO will staff the onsite office 20-hours per week Monday through Friday with posted office hours as agreed to by the Board of Directors and PAMCO leadership which may change from time to time based on client need. PAMCO will supply management staff coverage in the case of vacation, sick or other paid time off. All changes shall be agreed to by the Parties in advance.

PAMCO will not staff the onsite office on national or company recognized holidays which include, but are not limited to, New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, and Christmas.

- c. Coordinate and attend up to twelve (12) meetings per year (maximum of two hours per meeting) of the Board of Directors, provide information packages for the meeting as well as minutes from each meeting, and execute decisions made at such meetings. Additional meetings of the Board beyond the terms of this agreement and meetings over two (2) hours are billed per Appendix A of this Agreement except if they fall within the twenty (20) hours weekly manager’s schedule.
- d. Log incoming Architectural Submittals and forward them to the Architectural Control Committee for review and prepare correspondence to execute decisions made by the Architectural Control Committee.

- e. Work with the Board of Directors, the ACC and all other Board appointed Committees to enforce the CC&R's and all other governing documents. Provide ongoing education and new member orientation for all members of the Board and Committees.
- f. Coordinate and attend the Annual Meeting of homeowners and/or members as required by the Board of Directors and Governing Documents, provide information packages for the meeting as well as minutes from the meeting, and execute the decisions made at such meeting.
- g. Assist in the acquisition of insurance for the Association as directed by the Board of Directors and/or the governing documents.
- h. PAMCO will provide 24-hours per day, 7 days per week call center to assist or refer emergencies in the Common Areas/Common Elements of the Association.
- i. Assist in acquisition, management and replacement of contract services such as landscape maintenance, janitorial, etc., as directed by the Board of Directors.
- j. PAMCO to coordinate any technology integration modules that may provide a more efficient method and/or support current technology systems.
- k. Subject to the availability of Association funds, coordinate Association responsibilities per the directive of the Board of Directors. For any one item of repair or replacement, the expenses incurred shall not exceed \$500.00, unless specifically authorized by the President or Treasurer, or a Director if the President and Treasurer are absent, excepting however, that emergency repairs involving manifest danger to life or property, or immediately necessary for the preservation and safety of the property or occupants, or to avoid the suspension of any necessary service, may be authorized by PAMCO after reasonable attempts to contact the President or Vice President by email and phone.
- l. If PAMCO is to be involved in supervising or coordinating projects including the addition of new amenities, extensive remodeling, rebuilding, or renovation of the common elements of \$15,000.00 or more, PAMCO may be additionally compensated by the Association as mutually agreed to for this service.

In the event of an extraordinary loss of \$15,000.00 or more which involves a claim under insurance, PAMCO shall receive from the Association a separate and additional fee of any insurance claim settlement received by the insured at an hourly rate per Appendix A and as mutually agreed to by the Parties in advance; provided, however, that such additional fee shall be due and payable only to the extent that funds from the claim settlement remain for same after claim repairs are substantially completed and payment for such has been made. Said separate fee shall be for that time involved

in discussion and negotiation between PAMCO and the appropriate insurance carriers, adjusters, and contractors in reaching a Proof of Loss Statement acceptable to those parties having an insurable interest, and for PAMCO's coordination and supervision over related activities with the designated general contractor or construction manager for the project which originated from the loss.

II. MEMBER SERVICES

- a. Provide each new member with a form of welcome letter approved by the Board or its designee. Actual cost of printing and postage shall be invoiced to the Association per Appendix A.
- b. Comply with applicable resale disclosure and notice requirements applicable to the Association under the Arizona Planned Communities Act (A.R.S. Sections § 33-1801 et seq.), including without limitation the disclosure requirements of A.R.S. Section § 33-1806 or the Arizona Condominium Act (A.R.S. Sections § 33-1201 et seq.) including without limitation the disclosure requirements of A.R.S. Section § 33-33-1260.

PAMCO will provide all Legal Governing Documents, Community Guidelines, Design Guidelines, Collection policies, etc. for new resident welcome packets delivered in an electronic manner including but not limited to email, thumb drive, CD or other form of similar deliver; and update the information when applicable.

- c. Respond to questions and concerns of the homeowner membership, through mail, email, telephone and/or in person to ensure their specific questions and concerns are being addressed. Emergency situations will be handled in a timely manner including after-hours accessibility.
- d. PAMCO Community Association Manager shall conduct a minimum of two (2) site visits per month of the community to review common areas and facilities and enable CC&R compliance and address any site-specific member concerns.
- e. Log and coordinate all incoming work orders or maintenance requests and follow through to completion and prepare board reports.

III. ADMINISTRATIVE

- a. Create and maintain a comprehensive filing system for the Association including lot specific and complete correspondence files. These files will be available for inspection and reproduction to the membership as requested by the Board of Directors and/or required by the Association governing documents. Files of the Association are the property of the Association.
- b. Review and advise completion and filing of required U.S. Government, State of Arizona, Pima County tax reports, etc., by the Association Board of Directors.

- c. Provide the Board of Directors with a monthly recap of significant Association/PAMCO activities.
- d. PAMCO will ensure the annual budget is delivered to the membership by web posting, email, or another method that is agreed upon in advance and as per the governing documents. The budget draft will be subject to final approval by the Board of Directors and the Board shall retain full responsibility for the data contained in the budget.

IV. FINANCIAL

- a. Establish and maintain a checking account (General Fund), in the name of the Association to be used for all Association related banking transactions. Such accounts will be fully insured at a banking institution that is FDIC insured.
- b. Implement collection procedures for all Annual Assessments, Special Assessments, Maintenance Assessments, interest and all other monies due the Association.
- c. Establish legal and general reserve accounts, separate from the Association operating account, as directed by the Board of Directors.
- d. Develop and maintain an accounts receivable and accounts payable system to include all revenue and expense related transactions. Execute the payments and collections of monies as directed by the Board, or the Board's financial representative.
- e. Prepare a monthly financial package for the Board of Directors which will include financial statements and appropriate supporting documentation no later than ten (10) business days following the month end.
- f. Create an annual budget for the Association including short, mid and long-range reserve goals as stated by the Board of Directors.
- g. Two (2) PAMCO representatives shall become authorized signer(s) on the Association's General Fund account and will be authorized to draft checks, issue receipts for cash or handle funds belonging to the Association as approved by the Board in writing, by a recorded motion or for approved budgeted and recurring expenses.

V. AGREEMENT EXCLUSIONS

- a. This Agreement does not establish any managerial, financial or corporate relationship between the corporate parties, implied or specific, other than the specifics in this agreement.
- b. Professional services, such as financial auditing and legal representation are not provided to the Association through this Agreement.

- c. Expenses related to certified and/or registered mailings, notices to the membership, registration fees and other Association related legal and administrative costs will be billed to the Association by PAMCO in accordance with the schedule of fees indicated on Appendix A attached hereto.
- d. PAMCO will not have direct fiduciary responsibility for Association account receivables and has no direct responsibility for Association financial, legal, or other obligations. PAMCO involvement in these matters is limited to the administrative procedures, not financial obligation for monies owed to the Association or legal matters related to the Association.

VI. MANAGEMENT AGREEMENT FEE

- a. As for the management fee portion of the Agreement, PAMCO will invoice the Association \$ 3,450.00 per month.
- b. In addition to the monthly management fee, PAMCO will collect and retain as a portion of the compensation package resale disclosure fees per the current PAMCO fee schedule. These fees are not an expense of the Association and are paid by either the property Seller or Buyer through the escrow process.

PAMCO will provide the appropriate resale disclosure statements and resale packages as required by Arizona State Statutes for the fees detailed in Appendix A.

- c. Association reimbursement to PAMCO for expenses such as reasonable out-of-pocket petty cash, Board authorized expenditures, emergency costs, etc. will be provided. These expenses will be documented on a monthly basis.
- d. Any/all services provided by PAMCO outside the scope of this Agreement will be invoiced to the Association and approved by the Board of Directors prior to performance of service(s). PAMCO will submit a specific scope of work and additional compensation expected for any services not included in this management agreement to the Board of Directors prior to performing said service.
- e. Additional fees and services are reflected in Appendix A. These fees would be applicable only as charges and services are utilized by the Association. Fees structure of Appendix A is subject to change with prior notice to and approval from the Association.

VII. INDEMNIFICATION / APPLICABLE LAW

- a. The Association shall indemnify, defend and hold PAMCO harmless from and against all claims, costs (including reasonable attorneys' fees), expenses, actions, suits, proceedings, losses, damages, and liabilities to the extent arising out of matters relating

to: (i) personal injury or property damage in or on the Common Areas, (ii) nonpayment by parties that have entered into contracts with the Association, (iii) willful misconduct or grossly negligent acts by the Board of Directors or the Association, but, in each case, excluding any claim or liability which arises as a direct result of actions from VII-b in this Agreement. The Association shall name PAMCO as an additional insured on all Association insurance contracts excluding casualty insurance.

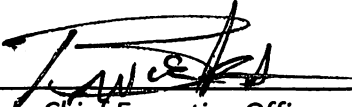
- b. PAMCO shall indemnify, defend, and hold the Board, the Association, and its members harmless from and against all claims, costs (including reasonable attorneys' fees), expenses, actions, suits, proceedings, losses, damages, and liabilities to the extent arising out of matters relating to: (i) PAMCO's performance or failure to perform its obligations under this Agreement, whether resulting from internal disputes of PAMCO or disputes with third parties and/or (ii) willful misconduct or grossly negligent acts by PAMCO, but, in each case, excluding any claim or liability which arises as a direct result of actions from VII-a in this Agreement.
- c. PAMCO shall maintain a fidelity bond in the amount of three (3) times the operating expenses plus reserves or insurance coverage indemnifying the Association against loss, theft, embezzlement or other fraudulent acts, including depositor's forgery, on the part of PAMCO or its employees. PAMCO shall, at its expense, procure and maintain in full force and effect at all times general liability in an amount not less than \$1,000,000, worker's compensation, property and casualty insurance, and errors and omissions insurance. The insurance shall be taken out with a responsible insurance carrier authorized under the laws of the State of Arizona, satisfactory and acceptable to the Association. PAMCO shall pay all premiums for PAMCO employees related to performance under this contract. However, insurance premiums for all site personnel other than PAMCO employees will be covered directly by the Association. Upon request, PAMCO will provide certificates evidencing coverage.
- d. All exculpation and indemnity provisions contained herein shall survive any termination of this Agreement. This Agreement shall be construed in accordance with the laws of the State of Arizona. In the event that any provision hereof is found to be void or unenforceable, all of the remaining provisions of this Agreement shall be fully effective and shall not be affected by the void or unenforceable provisions or provisions.

VIII. TERMINATION

- a. Either party may terminate this Agreement without cause and on 30-days written notice. On termination, PAMCO must provide the Association with all of its money and records, including electronic records within 10-days after termination, regardless whether PAMCO contends the Association is in a payment, or other default under this Agreement.

ACCEPTANCE

The undersigned, as proper authorities for Paul Ash HOA Management, LLC and the Cobblestone Homeowners Association, Inc. approve this Agreement in its entirety and detail. In the event a dispute arises between the parties, both agree to negotiate a solution in good faith.




Bruce Ash, Chief Executive Officer
Paul Ash HOA Management, LLC

3/15/2022
Date



Alan LaFever, President
Cobblestone Homeowners Association, Inc.

3/15/2022
Date



Gordon Lackenbauer, Vice President
Cobblestone Homeowners Association, Inc.

3/15/2022
Date

Appendix A:

Scheduled of Charges

Mailings	Postal rate
Copies	\$0.10 per copy
Printing	At Cost
Office Supplies (envelopes, labels, and other materials)	At Cost
Caliber Portal	\$10.00 per month
Tenant Management	\$25.00 each
Extra Board Meeting (beyond contract terms)	\$65.00 per hour
Additional site tours visits (beyond contract terms)	\$55.00 per hour
Participation at depositions, court cases	\$55.00 per hour
*Resale Disclosure Fee	\$300.00

*The monthly management fee excludes the processing of property transactions. Under Arizona State Statues property transactions require proper disclosure and imposes additional work on the management agent. This fee is charged at the time of the transaction and only affects the buyer and seller. The association does not incur any charges for this service. This fee may be increased without the need for approval by the Board of Directors by a maximum of 20% per year until the fee reaches \$400, which is the maximum permitted pursuant to ARS 33-1806.