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## REPORT

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**DATE:** May 18, 2009

**SUBJECT:** Reserve Study Contract Status Report

**SPONSOR:** Director of Contracts

**BACKGROUND INFORMATION:**

1. This contract covers the Virginia Property Owners Association Act requirement to have a qualified third party physically inspect LMOA's assets and financially update our Replacement Reserve Assets Report for the fiscal year 2010.
2. Four qualified and reputable firms were solicited to satisfy this requirement.
3. A thorough analysis of how each bidder would perform this function was conducted.
4. The company, Reserves Advisors, who was selected on a best value basis, \$9,900.00, to perform this study, has conducted studies for LMOA in 1992, 1997, and 2005 to LMOA's satisfaction.
5. The contractor will provide a comprehensive Precision 20/20 Reserve Study upgrade which will include an on-site physical inspection, an independent analysis, and a complete narrative.
6. Contract completion date: The contractor will contact LMOA within the next 2 weeks to set up an onsite inspection date. The preliminary report will be available for LMOA review with in 4 - 6 weeks. After LMOA reviews and comments on the preliminary report, the final report will be delivered within 2 weeks.

**STAFF RECOMMENDATION:** See above status report

**FINANCIAL IMPACT:** \$9,900.00

**SOURCE OF FUNDING:** 2009 Budget, Section 4, Major Repair and Replacement Reserves Budget Item 3, \$11,500

**STRATEGIC PLAN REFERENCE:**

4.1 Prudently manage the Association's finances and reserves

**POSSIBLE MOTION:** N/A

**PERSON RESPONSIBLE FOR FOLLOW-UP:** Director of Contracts