

GHCA BOARD MONTHLY NEWSLETTER – JANUARY 2021

PRESIDENT'S REPORT:

This is the first of what we expect will be monthly communications to all 1,100+ residents of Grand Harbor and Oak Harbor on the activities of GHCA. It is fully intentional that the format of this newsletter resembles the monthly HOA Presidents' Information Sheets that were issued throughout 2019 and 2020 by the Transition, LLC Board. That Board's final communication to you was distributed a few days after the December 4, 2020 transition of GHCA from developer control to resident control. Three members of the LLC Board: Roger Andrus, Lance Hall and Jeff Caso were elected to become the resident directors and officers of the GHCA Board. The two Developer Directors on the Board are Chris Card and Danica Bahadur. GHCA is your association, and we want all of you to be fully informed on what has been done, is being done, and soon will be done.

Good communication is always two-way though, so we invite your questions. If you have a question about the condition of any of the assets that GHCA owns and/or maintains, please address those questions directly to our Association Manager, Alan Romano, at: alan@archoice.com. All general questions about GHCA should be directed to the GHCA Board through my email address: jtcaso@gmail.com.

Inviting your GHCA questions appears simple to accomplish, but only on the surface, because we know for a fact that most residents, and especially those who are members of the Grand Harbor Golf and Beach Club, easily confuse GHCA assets and issues with those of the club. Just ask new General Manager, Michael Gibson, about the number of GHCA questions he is asked during his weekly Club webinars to members!

With that confusion in mind, our first objective in this first newsletter is to try once again to define for everyone the assets that GHCA owns and/or maintains. Here we go.

GHCA MAINTENANCE RESPONSIBILITIES

1. All community bridges and tunnels, most main roads in the community, and the main GH fountain.
2. Three Guard Houses: GH main, OH main and the Barcode/Security House at the entry to The Falls.
3. Security equipment including the gates, monitoring devices, and oversight of the Security Company.

4. Most of the ponds in the community as well as their interconnecting network of pipes/culverts, and the conservation estuary including its mangroves.
5. The storm water management system that controls the flow of rainwater throughout the community.
6. The main road curbs, gutters, guardrails, lighting, sidewalks and signs.
7. Landscaping in all GHCA common areas and along the main roads.
8. Some irrigation pumps and controllers, but only the actual irrigation of GHCA common areas.
9. Fences and walls around the perimeter of Grand Harbor and Oak Harbor.

That is not intended to be an exhaustive list, but it covers all the major assets that GHCA maintains. Chances are if one thinks of any other asset, its maintenance will be the responsibility of either the Grand Harbor Golf and Beach Club, the Oak Harbor Club or one of the 45 individual neighborhood HOAs.

There is a Security Committee report later in this newsletter, but we want to be very clear about what residents should do in case of a possible security problem. You should call the front gate security ONLY if you see or hear something suspicious. A security car will be sent to the area to investigate. However, if you witness a crime or are the victim of a crime you should call 911 immediately. Our security personnel cannot call the police on your behalf. You must call the police yourself to ask for urgent help or to report a crime, and 911 is the fastest way to do it.

As you might imagine, this period since the transition has been pretty hectic. Our LLC Board had the objective of planning for transition of control of the GHCA Board in all of its aspects. Those of us now on the GHCA Board are fast learning the seemingly endless whack-a-mole job of dealing with the myriad problems that can and do arise. Adding in the security breaches we experienced over the Holidays brought us a full-in-the-face lesson that the buck stops here. We promise to listen to you, to answer your questions, and to do our best to balance the long list of fixes that are needed against the limited financial resources that we currently have to fix them. Thanks in advance for your understanding and support.

AR CHOICE MANAGEMENT REPORT:

Bank Accounts: Two new accounts have been established for GHCA at CenterState Bank, one for the operating account and one for reserves.

Financial Status: On December 18, 2020 the Developer transferred \$37,530 to our new operating account. It was the balance after they had their final check run. The Developer has since reconciled the December bank statement and has cut a check for the balance in the account of \$3,459.

Also, on December 18, 2020 the Developer transferred \$168,575 which was the balance in one of their reserve accounts. As of the November financial closing there was a balance of \$489,269 in their other account. On January 12, 2021 that wire transfer was also completed to our account.

We are getting bills paid that are coming in and are getting mailing addresses changed. Statements have been sent to those HOAs that have a balance due on their account to try to get those cleared up.

We still have not yet received the final financials nor the additional reports that we have requested from the Developer.

Incidents: To date we have had four incidents where residents have tripped and fallen over uneven brick pavers or concrete sidewalk slabs. The pavers in question have all been lifted and reset along with many other areas that could be accidents waiting to happen. The concrete sidewalk replacement is pending. Two bids have been received and two more are coming.

Contractors and Vendors: We double verify work performed before any payments get processed. Below is a small list of current contractors and vendors.

Creative Landscaping
Creative Pest Control
AAA Irrigation
Island Arbor
Aquatic Consulting
Oak Harbor Maintenance
Guard House cleaning
Securitas

Barker AC: We have started Barker AC on a service agreement for the three Guard Houses, and we also had drywall ceiling in a closet removed at the Barcode office that was full of black mold. Barker replaced a duct suspected of causing the problem. As of January 15th, preventative services have been performed on the three AC units.

Main Fountain: A new pump motor has been installed along with a replacement for a failed contactor. However, because the lake is so low, we had to shut the pump back down as it was sucking mud from the lake. We are evaluating how best to proceed and Oak Harbor Maintenance is handling this.

Bulkhead at Fountain Pumphouse: In the engineers' report the south bulkhead retaining wall needed to be replaced as well as the top cap of the north bulkhead. This has been completed by in-house staff.

Sidewalk Repairs: Two bids have been received and two more are coming. Grinding only buys you a short amount of time. The cause for sidewalk movement is the oak tree roots in most cases. The sections must be removed, the roots ground or removed and a new sidewalk slab should be installed.

Asphalt Repairs: We have toured the entire property along with an asphalt contractor. There are many areas of the roads where the asphalt will need patching. A proposal is coming soon.

Aquatic Services: Everyone is aware of the problems we are having with the lakes. We are convinced that Aquatic Consulting's performance has not satisfied our needs. Included in their contract is removal of unwanted plant species. This has not been done. They have been spraying rather than removing. Although removing is more expensive the end results will be much better. We have suspended the services of Aquatic Consulting until we can better evaluate the needs of our lakes.

Irrigation Repairs: AAA Irrigation is making repairs to main lines on South Harbor Village Drive which require the rental of a backhoe. They have requested permission to add an atmospheric pressure breaker (APB), which is a fancy word for an air release valve. When the golf course pumps are shut down for repairs, the system gets air in the lines and creates a hammering situation causing these breaks. The cost was only \$375 for the valve and it has been installed. While touring the roadways we discovered yet another mainline break in the irrigation near River Village. We suspect this occurred at the same time as the other two but was not so obvious to spot.

Securitas: The Security Committee, headed by Barry Garcia, has been spearheading reviewing the contract, policies, actions and performances of the access control we have in place. This is a large undertaking and we are thankful to have an owner take this much interest in the community. It is a work in progress. We may be able to change policies within the existing Securitas contract, but major changes obviously would require a new contract.

Tree and Mangrove Trimming: Island Arbor is complete with palm tree trimming for 2020. Oak tree trimming is on schedule for February, 2021. Mangrove trimming for 2020 was behind schedule, but now they have caught up.

TREASURER'S REPORT:

We have received the reserve account fund, the Comcast Rebate Fund (that is not a reserve), and the operating funds from the Developer. We have budgeted to begin accumulating a capital reserve that will not be statutory as we begin collecting fees in 2021, and we are waiting for the Developer to send us the supporting information so we can close the books for December 2020 and for the full year 2020.

FINANCE COMMITTEE:

The Finance Committee has interviewed three potential accounting firms to prepare the audit reports for GHCA. The committee is evaluating the three proposals that the firms recently submitted and will need further clarification of the terms of the scope of the work that will be conducted with respect to the audits. The committee will be prepared to recommend a candidate to the Board in the very near future.

INSURANCE UPDATE:

After transition the entity GHCA Inc. became official in December of last year and our insurance contracts for general liability, property, inland marine, crime, excess liability and directors and officer's liability all have been put in place. We are in the process of having all of the policies reviewed since several of the contracts and their values were carryovers from Icahn Enterprises policies and we need to make sure that our coverages and premiums are appropriate and necessary. This review should be completed in the first quarter of 2021. We are hopeful that a savings can be attained.

SECURITY COMMITTEE:

The community unfortunately had several cars rummaged through during the Holidays and one car was stolen. One house was entered illegally. The cars were all left outside and unlocked. Within the past three months two vehicles have been stolen and both were subsequently recovered. In both instances the keys were left in the vehicle. We have been working with the Sheriff's Office to identify the guilty parties. We need your help to prevent these occurrences. Please lock all vehicles and remove the keys. Please call security with any suspicious activity you may observe. Immediately call 911 if you witness or are the victim of any criminal activity.

The Security Committee has begun evaluating the security assets that the community owns. These include the perimeter fences, walls and gates as well as the video surveillance equipment. Unfortunately, some of this equipment is in need of repairs or updating. We are also evaluating the standing "Post Orders" that the guards follow and Property Management has been repairing the street lighting that is essential to our security.

We have also begun looking into the Barcode system. Barcodes are issued to residents, contractors and marina tenants. We need to purge the system of those barcodes that are no longer appropriate. All of these evaluations of our security equipment and procedures will be part of a strategic overview of community security that we are conducting and will present to the Board.

The Reserve gate and the 53rd street gate had problems recently. They lost power and the proper supplies had to be ordered. Newly issued barcodes were unable to be programmed into the system. This resulted in the inability to enter from the North until the proper repairs were completed. We apologize for this problem but it was beyond the control of Security and Property Management.

Lastly, you will notice increased Sheriff's Office patrols throughout the community. We have had conversations with Sheriff Flowers and his representatives. They are willing to help our community.

BRIDGE UPDATE:

In the summer of 2019 Kimley-Horn inspectors looked at the two bridges leading to Harbor Pointe as part of our LLC due diligence for the transition of GHCA from developer control to resident control. The second bridge (bridge #2) was found to be structurally unsafe. The east side of the bridge has been closed ever since, and only the west half of the bridge has been in use for autos and vehicles weighing 10,000 pounds or less (excepting emergency vehicles if needed). At that time the Developer committed to repair the bridge and estimated it would take 12 months to complete. It has now been 18 months from the discovery of the failed bridge and no repairs have yet commenced.

However, there had been preparatory work done during that period. The Developer has given us two engineering design proposals to evaluate and choose from. One contemplates replacing all 5 of the beams spanning the canal. It is the most fully developed of the two. The second proposal is to replace only the two failed beams on the eastern side of the bridge. That proposal needs more work to make it ready for full consideration and possible implementation. Both proposals have been done by very experienced engineering firms.

We have initiated a plan to get the bridge repaired as soon as possible, but there is considerable work to do before the repair can commence. We have assembled a small team of

residents with engineering experience to evaluate the two proposals. In addition, we are hiring a structural engineer to assist the team with any technical issues. We will be interviewing the two firms that proposed repair solutions in order to understand the pros and cons of each. As you might imagine, there is a considerable cost difference between the partial and full replacement options.

Regardless of the path chosen, there is significant work to do to get bridge #2 repaired and back into full service. The full replacement option needs to be refreshed given the time that has elapsed, and the more recent partial repair option needs to be taken forward to the bidding and construction phase. Along the way we will need to: decide the preliminary source of funding for the chosen path; get any necessary permits, and hire both a construction company and project manager to make sure the bridge gets rebuilt correctly. We will keep you informed with updates as we move to get this critical project done.

FINAL NOTE:

While most of the issues that made last year an exceptional upheaval in all our lives are still with us in 2021, let's enter this new year with the realization that 2020 is behind us, and with the reassurance that the light we now see at the end of the tunnel is indeed not that of an oncoming train, but the full sunshine of a new day dawning.

Let's stay safe, stay healthy, and always try to be kind to each other. Happy 2021.

Jeff Caso
GHCA President, on behalf of the Board