

GHCA MONTHLY NEWSLETTER – MAY 2021

PRESIDENT'S REPORT:

Many residents have asked about our plans for the recently removed 53rd St. gate. In a nutshell, recent experience has shown us that with the Reserve gate now fully operable on barcode entry 24/7, our traffic security coming into the community is being maintained without double gating.

What is at risk, however, is contact between vehicles and golf carts at a point where a forced near stop was previously in place. Observation has shown us that vehicle drivers exiting the property are now well aware that the old yellow arm is gone at that exit and the normal slowing down to a crawl is gradually being replaced by higher exit speeds. At the same time, golf cart drivers reaching that intersection are often too engaged discussing the events on hole #3 to realize they are entering a possible danger zone. Action is needed.

First of all, safety has to be secured, starting with changes we need to make at GHCA. We will be attacking the issue on multiple fronts. First of all we have to increase visibility for all drivers, whether in carts or vehicles, whether entering or leaving the community, whether crossing to the #4 tee or in a maintenance vehicle crossing back from the #4 tee. The old guard shed, which is dilapidated, will be removed. Next, many hedges, bushes and low hanging tree limbs will be removed on both sides of the crossing. Old signs will be removed and replaced by new ones that make more sense now. Security cameras will be relocated as needed and new speed bumps will be installed. All this is under study and yet to be finalized and approved, but it will happen soon.

In the meantime, we ask everyone to be fully aware of the potential for a bad event at that intersection, whether you are in a golf cart or a car or a maintenance vehicle.

Another aspect where improvement is coming to that same intersection is appearance. Unneeded former gate stands and related equipment will be removed and some new landscaping will be done including fresh sod where the shed used to be and some low ornamental plantings that will not interfere with visibility.

The crown jewel that has been waiting in the wings is courtesy of our Audubon team who have a special memorial tree to plant on the first island you see after entering the property. All I will say at this point is that it will be beautiful and meaningful.

FINANCE AND TREASURER'S REPORT:

In a slight change of reporting, we have decided to issue one overall finance report each month for this newsletter that will cover issues that have occupied the Finance Committee, and, in combination, report the financial performance of GHCA for the month, which was previously done by a separate Treasurer's Report.

Offutt, Barton, Schlitt's audit of GHCA's books for 2020 was completed last week, providing us with a solid starting point for GHCA's interim statements and ongoing financial reporting.

Considerable time and effort has been put into unraveling the Oak Harbor lot billing and in determining the correct unit count for the special litigation assessment recently approved by the voting members. All relevant plats were reviewed, field counts were made, prior billing documents were cross-checked and we have provided A R Choice with the corrected unit counts by neighborhood. Additionally, documentation for each neighborhood was prepared to explain properly the billing changes to be made. The next step will be to work with OH management to collect the funds that are still outstanding.

The latest bridge repair estimates show significant material cost increases, and the availability of people to do the work is also a challenge. In spite of the increased costs the Finance Committee is well-positioned to arrange financing to complete the project. This will probably require GHCA to request a \$1.6 million loan. A separate \$500,000 general line of credit for working capital will also be sought when the committee approaches the banks next month. Documents are being prepared for that effort.

Both the month of April and the year-to-date budgets for GHCA at the end of April were projected to break even, but both showed a surplus: \$4,800 for the month and \$114,400 year-to-date. The surplus cash was used to reduce accounts payable and to fund reserve accounts. In discussion with A R Choice regarding the expenses, reasonable explanations were given for variances from budgets, with one exception – insurance, as already reported in previous monthly newsletters.

At this time A R Choice is confident that they will be able to meet budgeted forecasts. Nevertheless, we are very low on operating cash mostly due to the big payments that were made at the end of 2020. In addition, the Developer's operating deficit obligation was recently determined as part of the 2020 audit and has not yet been collected. Secondly, we will need to be very careful for the remainder of this year to keep our expenses under control since some of our to-date operating surplus will be needed to service the debt required for the bridge repair.

A R CHOICE MANAGEMENT REPORT:

Sidewalks: The various sidewalk replacement projects have for the most part been completed. There will be some clean-up, as well as irrigation and street light repairs to be finished. Unfortunately, in many places the irrigation and street light wiring was right beneath the sidewalks and quickly became the victim of the stump grinder. We now will concentrate on the 2,200 feet of asphalt cart part on Via Marbella. The existing asphalt will soon be removed. We will then grind stumps and begin to prep and form a new concrete sidewalk to replace the asphalt.

Asphalt Repairs: On May 25th we began making the repairs to the roadways in areas that were previously marked out. These road repairs should take about a week to complete. However, there are some areas where we are also working to fix minor drainage problems and these areas will take a little longer. Please drive more slowly when you see workers making these repairs or cones marking the work zone.

Lake Levels and Appearance: Some of our lakes are now at record low levels as we are currently in severe drought conditions. Irrigation has for some time now been reduced to two days per week and we may have to go down to one day per week if we do not get significant rain soon. Our main fountain has even been shut down due to this drought to conserve water. The lakes look bad now mostly because of the low water levels, but the new Aquatic Contractor has been making good improvements to the health of all our lakes. Anyone with a good eye for aquatic plants will notice that the undesirable plants have either been killed or removed, and only the desirable plants remain. Biozyme Generators have been installed and they will help with water clarity and to remove over time the muck on the bottom of the ponds. Treatment for the algae has also begun. The current shallow depth of some lakes is so low that it promotes algae growth. This too will be under control soon. Please join us in a rain dance.

FACILITIES REPORT:

Bridge #2: We have been able to contact all of the contractors who were working on replacing the superstructure for Bridge #2 that was halted last year. The work requires us to relocate all of the utilities that use the current bridge on a temporary crossing while the superstructure is rebuilt and then relocate them back to the new bridge in a permanent place provided for in the design. There is already an engineering plan for the relocation that was permitted (to be renewed) and all contractors and utility companies previously involved in that part of the project have been advised that we are now ready to do the temporary relocations.

The bridge construction company is working on revised estimates as well, and if their revisions are reasonable, we plan to enter into a contract with them to replace the bridge.

Unfortunately, the cost of construction has increased markedly in the past year. Concrete, wood and steel are up significantly and labor costs are also higher. We are expecting this repair to be more costly than if it had been done last summer.

There will be considerable disruption during the construction and the site is very, very small. We will need to find some staging areas for materials and equipment, and a place for workers to park. A R Choice does not have construction project management resources for a project of this size or complexity, so we will be hiring a project manager to coordinate all of the work. We will present the final estimate of the total project cost to the Board at the June 1st Directors Meeting. We will also seek approval to begin construction, to sign the needed contracts when they are ready and to apply for the needed loans to execute the project, as described in the financial report above.

Water Consumption: Mother Nature has blessed us with some great weather lately: sunny and warm with a nice breeze. Unfortunately, no rain. The last measurable rain even was on May 12th, when normally this is the beginning of the rainy season. The golf courses use both surface water and reclaimed water for irrigation. The Harbor Course uses reclaimed water, the River Course and the Oak Harbor Course use surface water. All other areas use surface water stored in our ponds for irrigation. River Club homes and the North Harbor Village area have individual systems pulling water from adjacent lakes. The Falls has their own pump from the lakes that are nearby. For the most part, the remainder of the community is serviced by the River Course pumping system or the Oak Harbor (OH) pumping system.

The River Course takes water from pond 19 (behind the GH Clubhouse and stretching into OH). The OH pumps draw from pond 21 in OH. The water for pond 21 flows through pond 19. The source for pond 19 is the big aqua driving range pond (pond 16) that goes all the way to the main fountain. All these ponds are very low. We also have two wells that feed into ponds 19 and 21 to supplement the surface water. These wells have been open for many weeks now, and have been open off and on over this entire dry season. We get about 500,000 gallons per day from these wells. Our use of well water is only allowed up to a maximum of 73 million gallons per year. We have already used over 47 million gallons this year.

On average, the River and OH systems pump 1.5 million gallons per day. Without normal rainfall the current water in ponds 19 and 21, plus any additional well water we add is unable to sustain consumption at normal usage rates. The ponds are as low as they are for this simple reason.

We are working with the GH Golf Club to add additional water to the south side of the community. Indian River County supplies reclaimed water for the Harbor Course. The club has begun to pump some of the reclaimed water into the pond between Victoria and St. David's (pond 11) that will eventually flow to pond 19. That source will depend upon the county keeping up with our higher reclaimed water usage, which will be limited. There are some other

possible sources to move water the River Club and Reserve ponds but the pumping capacity is small.

At the end of the day we must begin to reduce the rate of water consumption. We need to slow the usage of well water to keep reserves in case of a really prolonged drought. To start, we are asking that all irrigation rates across the community be reduced by 10%. We will be monitoring reclaimed water supply and the result of our call to conserve. If we still cannot maintain a reasonable level of water in ponds 19 and 21, we will we'd to call for additional conservation measures. As mentioned in the A R Choice Report, a few rain dances might help!

SECURITY REPORT:

We are examining all barcode policies and practices. This includes a review of all non-resident barcodes. We are also working on an equitable solution for The Reserve residents' guests. In addition, we continue to work with Securitas to improve hospitality at the Grand Harbor Main Gate and at the Barcode office. These are two areas that have introductory encounters with our new and prospective residents and club members.

CABLE COMMITTEE:

The Cable Committee received more than 600 responses to the Cable Survey. This is helpful information. Proposals have been received from two bulk service providers and the committee is meeting with both to improve terms. A final recommendation will be made to the GHCA Board after negotiations have been completed.

FINAL NOTE:

Our theme this month is clearly water related, so I'll close this newsletter by simply asking that if any of our 1,200+ residents have connections in high places, please get us a big, long splash of rain as soon as possible. Thanks.

Jeff Caso, President

