

GHCA BOARD MONTHLY NEWSLETTER – OCTOBER 2021

PRESIDENT'S REPORT:

Last Tuesday, October 26th, the GHCA Annual Meeting for 2021 was held virtually with approximately 125 Voting Members and other residents in attendance. During the meeting the election of two new Resident Directors was announced by Bob Garrison of the Nominating Committee. He and Alan Romano of A R Choice jointly opened the ballot envelopes, counted the votes for each of the four final candidates, and then Bob reported that the winners were Michael Clarke and David Phillips. They replaced Chris Card and Danica Bahadur, Developer-appointed Directors whose terms expired at the conclusion of the Annual Meeting.

Shortly after the adjournment of the Annual Meeting a virtual Organizational Meeting of the GHCA Board of Directors was held. For the first time ever, the Board was then comprised of 5 Resident Directors with no Developer-appointed Directors. This completed the evolution of Board control that began late last year when 3 Resident Directors were elected to the Board and assumed majority control.

At the Organizational Meeting the Directors agreed that the officers for the coming year would be as follows.

President: Jeff Caso
Vice-President: Roger Andrus
Treasurer: Michael Clarke
Secretary: David Phillips

Lance Hall, who held the joint positions of Secretary/Treasurer last year, decided to relinquish his role as an officer to allow him to focus more fully on the major asset-related projects that need to be carried out, and most especially the rebuilding of Bridge #2.

At a previous Special Meeting of the Board on September 23, 2021 a revised schedule of Board Meetings was presented and approved. The next meeting, which probably also will be virtual, will be on Tuesday, November 23rd. No meeting will be held in December, and regular monthly meetings from January through June will be held at 3pm on the last Tuesday of each month. A decision will be made as to when and where these meetings can resume being held live rather than virtually.

There remains, and probably always will remain, a fair amount of confusion about the assets that are the responsibility of GHCA. Routinely, assets that are owned and maintained by either the Grand Harbor Golf & Beach Club or the Oak Harbor Club are confused with assets that GHCA owns or for which we have assumed maintenance responsibility. As residents move in

and out of the community, this confusion spreads naturally. So here is a reprint of a section from our first Newsletter almost a year ago. This list is not exhaustive, but it covers the main assets for which GHCA has maintenance responsibility.

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.

A final rule of thumb: If it is a body of water, GHCA probably maintains it; if you can eat in it or play a sport on it, we probably don't.

FINANCE/TREASURER'S REPORT:

The third quarter results and Annual Meeting presentations are attached to this newsletter. Our operating cash has improved. We still have some old receivables to collect. The Developer did not pay any assessments and instead needs to pay the difference between assessment income and actual expenses, as was his right and obligation under the Covenants. That "deficit" was calculated when the 2020 financials were audited and an invoice for the "deficit" was sent to the Developer. We will continue to move along the normal collection process to have the Developer pay what is contractually owed to GHCA from 2020.

Our estimated 2021 Income and Expenses project a small surplus with both revenue and expenses up from 2020. We need to manage our spending closely though between now and the end of December. We have not yet committed to any of the \$150,000 of capital funds in our budget as we have waited for the funds to accumulate monthly. GHCA inherited a failing Recycled Water Reservoir that needs to be fixed. It is likely that all of the \$150,000 will need to be used for that required repair.

The 2022 GHCA Budget was developed and presented to the Board for approval at our organizational meeting on October 26, 2021, immediately following the Annual Meeting. That proposed budget was approved, and the details will be sent to residents shortly. When you read about the 2022 Budget, you will see that the significant increase in the annual assessment is almost entirely due to the new Comcast agreement that is adding to every residential unit both high speed internet and an upgraded television package, both of which will be offset by a decrease in unit owner's direct payment for these services to Comcast or another service provider.

In addition, the financial claims for our lawsuit were updated and revised, and we continue to work with Oak Harbor management to collect funds owed from 2020.

A R CHOICE MANAGEMENT/FACILITIES REPORT:

Harbor Bridge #2: A very long double steel beam was successfully placed across the flushing channel last week. The 60+ foot beam was lifted in place by a crane and will be used to hold the temporary utility lines feeding Harbor Pointe. There were no problems with the tractor trailer transporting the beam (and the future new bridge beams) through the various curves in our roads, which bodes well for the delivery of the bridge beams. There will be no activity at the bridge until materials arrive to re-route the water and sewer lines, electric lines, phone lines, cable lines and irrigation pipes. The precast sections for the new bridge have been ordered and should be ready in early December.

Lampposts: We have had four new lampposts on order since January to replace ones that either been knocked over by a vehicle or pushed over by heavy winds. Two of the four have arrived and will soon be installed. The supply chain issues being reported are effecting the arrival of the remaining two. In addition to the new lampposts, we are painting several others, checking the bolts, fastening them down, and making necessary repairs.

Lakes: As we get closer to cooler weather we should see less of the algae blooms that have been popping up throughout the summer. Recent rains have helped us with irrigation shortfalls, but have only added a few inches to the water levels in our lakes. Most of our lakes have experienced significant bank erosion over the years that end up as large, very shallow shelves.

This reduces the pond volumes and creates ugly areas when water levels naturally fall as we use the water for irrigation. A small drop of six inches in water level can expose 20 to 30 feet of those shelves as the waterline recedes. We intend to do some small restoration projects in the coming year if funds are available.

Roads: Traffic line painting has started on the roads maintained by GHCA. Weather and contractor availability issues will make this a sporadic process. Please be on the lookout for the painting crews during the next few weeks as this work is done. Please drive safely around when approaching them.

Reclaimed Water Reservoir: A section of the reclaimed water reservoir collapsed in July 2020. GHCA is responsible for the maintenance of the “irrigation pond”. The Developer did some work to identify a fix for the collapsed section but never authorized the repair itself. The reservoir is really a tank with sheet pile walls and a wood fascia. The sheet pile is aluminum and there are “tiebacks” all around the perimeter to help keep the walls from folding inward due to the weight of the soil around the wall. There is another section in the process of collapsing, and all around the wall there are signs that the tiebacks have failed and the tops of the walls are leaning in.

We are planning on doing some testing that will help us know the condition of the wall system to confirm our suspicions that the whole wall needs repair, and to show us what repairs might be best. We are also identifying several contractors to provide options for us to consider. This is a wall that is about 1,230 linear feet long and is surrounded by the Harbor golf course. It is an important part of our infrastructure that needs to be fixed.

GHCA 2022 Budget: The GHCA Budget for 2022 was approved at a Board Meeting on October 26th. Management will have distributed a copy to all residents prior to November 2, 2021.

LEGAL REPORT:

No new activity to report this month.

INSURANCE REPORT:

Applications have been completed for the insurance programs for next year, and we are waiting for renewal information to come in. Once all is received the Board will review and make the proper selections.

CABLE COMMITTEE REPORT:

The second Cable Committee Report to Residents was issued on October 19th and is attached to this newsletter.

SECURITY REPORT:

We are in the process of reviewing some potential security updates for upcoming fiscal year.

FINAL NOTE:

All 46 HOA Presidents, representing all 36 Grand Harbor neighborhoods and all 10 in Oak Harbor, participated in the election held this past week that brought two new Resident Directors to the GHCA Board. Our thanks go out to these Voting Members. We also want to thank all ten residents who submitted applications for the election, and especially those who were among the final four candidates. We hope that those who were not elected will apply again in next year's election.

I also want to thank my colleagues on the Nominating Committee: Bob Garrison, Megs Phipps and Mike Skehan for all the time and caring they brought to the election process.

Lastly, let's all recognize that a milestone has just been passed. It is another of the many milestones we have all witnessed during the last 2 years or so. With the two Developer-appointed Directors having stepped down from the Board, and with newly-elected Michael Clarke and David Phillips having joined the GHCA Board, this organization is now, and for the first time, fully in the hands of elected Resident Directors.

Our only mission is to do the best we can to serve all of the 1,300 residential homes of Grand Harbor and Oak Harbor. Thank you for your confidence in us and for your support.

Jeff Caso

GHCA President, on behalf of the Board