

GHCA BOARD MONTHLY NEWSLETTER – MARCH 2022

PRESIDENT'S REPORT

As you may have heard, the Developer recently sold the remaining lots in both The Falls and Laguna Village. In addition to bringing new residents into our community as these lots have homes built on them and are then sold, there is a direct impact for the GHCA Board.

Historically, the Developer has had full control over the New Construction Committee (NCC) which has responsibility for determining the size, style and overall appearance of new homes, and through its former control of GHCA, the Developer also set the parameters for the process of building and selling new homes.

Now that the Developer has sold the remaining homesites in these two neighborhoods, in accordance with Declaration of Covenants, responsibility for the oversight of new construction on these lots has passed to GHCA, and we have therefore created our NCC. Three Board Directors, Roger Andrus, Dave Phillips and I are joined on the NCC by resident and career architect, Bob Joy. In addition, due to Bob's extensive experience in architecture, we have asked him to lead the committee.

The NCC has already had several meetings and discussions with GHO, the new builder of the remaining lots in The Falls, and we expect to meet with the management of the group that has recently purchased the rest of Laguna Village. We welcome these new builders and we look forward to working with them for the mutual benefit of our community as a whole, and for these two neighborhoods specifically.

Another new committee was recently formed to coordinate overall relations with the Marina. This Marina Committee, which coincidentally has the same three GHCA Directors as the NCC, has brought together a team of three very knowledgeable residents - Tim Dolman, Dennis Makielski and Alan Polackwich - to work with the committee and our GHCA counsel on the many important Marina-related issues.

A first virtual meeting took place last week between the management and counsel of ELS, the company that now owns the Marina, and the GHCA Marina Committee, our counsel and our resident representatives. ELS presented their plans for increased parking and for the approval of 40 liveaboard slips, which are specifically intended for boaters who choose to remain on their boats (live aboard them) for very extended periods of time. Liveaboards are not legally permitted in this marina even though many liveaboards have routinely been renting slips there.

The only progress that was made in this first meeting is that we are even more aware of what ELS intends to do, and ELS management is now fully aware of the scope and intensity of our

resistance to much of what they want to do and have already been doing. We will keep you posted as this important negotiation takes shape and progresses.

On another subject, we are frequently asked by residents how the GHCA litigation with the Developer is proceeding. As we have communicated previously, there is a court schedule in place, with both mediation and trial dates assigned by the Indian River County Circuit Court for the first quarter of next year. Roger Andrus provides more information on where we are now in that schedule in this newsletter's Legal Report.

We would also like to inform you regarding where we are in funding for the litigation. You will recall that last spring we recommended, and residents approved through their HOA Presidents (GHCA's Voting Members), a \$200 assessment per residential unit. Those funds were collected in July 2021 and amounted to approximately \$260,000. As you will read in the Legal Report, activities are starting to pick up and we are beginning to consider when we will need to request additional funding. Happily, our Treasurer, Mike Clarke, has told us that as of March 1st about two thirds of the funds from the initial litigation assessment remain in our account. We will keep you advised as to when additional litigation funding may be required and whether it will be by special assessment and/or built into next year's annual budget.

FINANCE/TREASURER'S REPORT

Last month we announced that our assessments would be collected quarterly beginning in April. Subsequently, we reversed that proposed policy and decided to continue with monthly payments. The impact of quarterly payments on payers was more significant than the benefit for GHCA. Our apologies for the change of policy and any confusion that it has caused.

Our audit process is proceeding on schedule and should be completed in time for the April report. As for 2022, with two months behind us, we are operating within our budgeted expenses.

A R CHOICE MANAGEMENT REPORT

Harbor Bridge #2. All utilities except sewer have been moved after many delays. Our bridge contractor is mobilizing for the construction of the new bridge. The temporary sewer line is in place but the county was unable to get a complete shutoff on the original line that crosses on the west side of the bridge. Indian River County will replace the malfunctioning valve. That does not prevent the demolition of the east side of the bridge. The contractor is installing

concrete barriers, signage and automatic gate arms to control traffic while the east side of the bridge is removed and replaced.

You will see a number of construction signs approaching Bridge #2. We are requesting that all casual foot, bicycle and vehicle traffic not travel past Bridge #1. We need to restrict access during construction hours to residents of River Front and Harbor Pointe as well as any service or deliveries to those neighborhoods. This is going to be a heavy construction zone and there will be many dangers...no railings, single lane traffic, cranes lifting heavy objects and very tight quarters. There is very little room for our contractor to work and to park vehicles so the roads will be congested past Bridge #1. For the safety of everyone please stay away while work is being done.

Harbor Bridge #1. Repairs to this bridge are basically completed. We are considering the application of a special sealer to retard corrosion and prolong the life of the bridge. We await our contractor's proposal for this additional item.

Lampposts. The lamppost project for 2022 has been completed. One lamppost was accidentally missed and the contractor will come back when he can to take care of it. Overall, they look much better. We will continue to make minor repairs to signage and posts going forward.

Reclaimed Water Pond Bulkhead. An engineering proposal has been received and will be discussed at the upcoming GHCA Board meeting.

Ponds. We have authorized stocking of a number of ponds with fish that will eat mosquito and midge larva. Hopefully these fish will help reduce these pests around our community this spring and summer as they reproduce and spread.

Pond # 27, south of the green on River #14, is one of the ponds on the top of the list of remediation priorities. There is flooding outside the pond and there is extensive silting to fix. This is also the most complicated of the ponds on the list because its storm water management controls were not built per the design drawings for some reason. We need to investigate and design a system appropriate for this pond and location. It now requires surveys and engineering design, and we have hired an engineering firm to create a detailed mitigation plan and have authorized the first part of the project. This will enable us to decide the scope of work needed to fix this pond properly.

Speeding. Both GHCA and A R Choice continue to receive complaints from residents who have witnessed speeding throughout the community. Although this subject has been mentioned in these newsletters many times, we kindly ask again that when you and your guests drive through the gates you remember that the HIGHEST speed you should ever reach is 25 MPH. Some areas are even slower. So, please relax that accelerator pedal and safely enjoy this paradise.

LEGAL REPORT

Our litigation against the Developer has moved into a fact-finding stage during which written responses to questions will be exchanged, documents will be supplied by each side in support of their respective positions, and representatives of each side will submit to depositions producing testimony given under oath prior to trial.

In order to support the technical and financial claims we are making, we are in the process of retaining experts in a number of areas, including the obligations of developers under declarations of covenants, water related claims and the maintenance and operation of physical assets, including the reclaimed water retention pond and the bridge adjacent to Harbor Pointe. As expected, the defendants have continued to be unwilling to engage in substantive discussions regarding a potential resolution.

SECURITY COMMITTEE REPORT

The committee has completed its search for a qualified security consultant to assist in developing an overall security plan for the community. This would include updating security policies and procedures, an overall Scope of Work and specific list of responsibilities to be provided by on-site security teams, and updating access control systems and monitoring. Updates being considered include an improved resident interface, possibly a web-based system for guest entry. Another aspect of the review will be to focus on the concierge/community relations side. This would include how members and guests are greeted, and a relationship with outside operations of the Grand Harbor Club amenities.

An extensive search was conducted to find qualified consultants. Two proposals were received. One was from MCH Consulting and one from Invictus Security. Members of the committee interviewed representatives from both companies. References were also canvassed. The consulting fee for both companies for the initial services were about the same at around \$7,100. Both consultants were very knowledgeable and capable of the work.

Based upon a review of the proposals, discussions with references for each, we determined that:

1. The availability of the consultant after the initial report to assist in implementation, follow-up and future assistance is very important.
2. It is recommended that we do a Community Expectations survey first.
3. We need to have the consultant available to assist in the preparation of the Request For Proposal and with bidding and bid evaluation for security services and systems selection.

Based upon our interviews and the interaction with Mark Hall from MCH Consulting during the interview process, the committee is recommending the choice of MCH Consulting to perform these services. We hope to move forward with the initial phase of the security evaluation in April.

FINAL NOTE

In this final note I often plant little reminders of how lucky we are to be living here in Grand Harbor and Oak Harbor. This time I would like to broaden the focus. I just returned from a short trip to Europe which brought me about 4,000 miles closer to Ukraine. It was more than idle curiosity that prompted me to look up the distance from where I was to the war Russia has started. To put it in terms we can all understand, the distance from Kyiv, Ukraine to where I was in Switzerland is about the same as the distance between Boston and Chicago. That's how big our country is, and one reason why many Europeans are so nervous right now. The other reasons are historical.

In modern times we have had two occasions, Pearl Harbor and 9/11, when foreign aggressors attacked American soil. Europe has had generations and centuries of internal wars. One of the reasons why Switzerland created and has held to its policy of neutrality is because it is a small country surrounded by bigger, stronger neighbors who have had a long standing habit of trying to conquer each other.

Yes, it's really good to be able to live in this wonderful community here in Vero Beach. However, watching the news this past week on Swiss, French and British tv, and learning how much this crazy war in Ukraine is affecting many of them, makes me realize in another way how grateful we also should be right now that we are living in the United States.

Jeff Caso
GHCA President, on behalf of the Board