

GHCA BOARD MONTHLY NEWSLETTER - JULY 2022

PRESIDENT'S REPORT:

Irrigation problems continue to be at the forefront of issues. The latest was not the result of broken pipes or inadvertently cut pipes or badly needed pump replacement. This time the pump that provides irrigation to most of Oak Harbor broke down and a custom-made replacement part has to be manufactured by our supplier, as described in the Management Report below. If you live in an area of the community that has not lost irrigation water for an extended period of time this spring and summer season, you are very lucky. We can only hope that the start of the "rainy season" which usually kicks off in late May has actually now begun with the rains of the past ten days or so.

We also hope that with the activation of the new River Course pump, also described below, the installation of the new part for the Oak Harbor pump, and a continuation of normal summer rains, these irrigation problems will soon finally be in the past. We thank all residents for their patience and understanding throughout this unusual period.

On a completely different subject, there have now been at least three serious recent incidents of dogs biting pedestrians on sidewalks inside the community. While every owner has a perfect right to walk his or her dog, and the sidewalks in the community are probably the best place to do so, what can we do to prevent more incidents from occurring?

The first is to be certain that everyone knows about the leash law here. All dogs must always be on a leash when outside the home. This has not been the problem though, since all of the recent incidents involved dogs on a leash. So what can dog owners do to help prevent future biting incidents?

1. If you have a retractable leash, when approaching other pedestrians with or without pets, please keep the leash as short as possible.
2. Do not allow your dog to jump on other pedestrians.
3. Do not assume all other people that you encounter are also pet lovers.
4. Unrelated to preventing biting, but very importantly, always pick up after your pet.

Now what can residents do to prevent biting incidents when approaching dogs on a leash?

1. Be conscious that there are dogs on a leash that may be uncomfortable in a new place.
2. Be especially conscious when approaching a dog on an extended leash.
3. Try not to make any sudden moves or gestures when near a dog on a leash. Thank you.

Switching subjects again, in last month's newsletter we announced a new policy the Board approved to address delinquent assessment payments. The policy has only been in effect since July 1, 2022, and is restated in the Finance/Treasurer's Report below. However, we have become aware that for some HOAs that use coupon books for dues payments, the stated time period for payment of dues goes past the 15th of the month. During this period of transition to the new policy we will allow some leniency in those cases.

FINANCE/TREASURER'S REPORT:

Our financial results through the first 6 months of 2022 are somewhat worse than budgeted in some areas. Revenues are as budgeted, but expenses are over budget in some areas. Our general legal expenses are more than we had budgeted due to some unanticipated additional expenses. While better than budget for the month, security expenses are higher than budget for the year to date, primarily due to security gate repairs. Landscape expenses are pretty much as budgeted except for irrigation repairs which are higher than expected due to some significant repairs that have been necessary. Utilities are on budget through June. Repair and Maintenance expenses have also been worse than budget, primarily due to the lamppost painting project in the spring.

Spending on the Bridge #2 project was \$96K in June, bringing the total year to date spending up to \$840K. Our loan balance for this project is \$922K through June. We have also begun spending on the Reclaimed Water Tank (near Harbor Course #15 and #16) for evaluation and engineering to repair the walls of the tank. Our 2022 litigation expenses are \$125K to date, and are separate from our general legal expenses.

Assessments Receivable are very high at \$106K. Almost half of the amount due is from the undeveloped properties in The Reserve. As a reminder, we implemented a new policy of late fees (5%) for assessments that are not paid within the first 15 days of the month they are due. Additionally, any outstanding balances as of the end of July will incur interest charges (18% per year) on the balance due. We have \$152K in our operating bank accounts and \$1.061M in our reserve bank accounts.

A R CHOICE MANAGEMENT REPORT:

Harbor Bridge #2: The last of the new beams have now been set on the second half of the bridge. Rebar has been placed and has been inspected by Atlas Engineering. Concrete was poured on the second half of the bridge deck on Monday, July 25th.

We again ask that all casual foot, bicycle and vehicle traffic not go beyond the #1 Bridge.

This is a construction zone and there is a narrow one lane road servicing two-way traffic. There are people working on the site and there is heavy machinery in use. It is dangerous. Please do not walk or ride your bike through this area until the bridge is completed and fully reopened.

Reclaimed Water Pond Bulkhead: The Engineer has completed "permit ping-pong" with all regulatory agencies and has concluded that we are indeed exempt from needing a permit to replace the retention pond wall. The Engineer is finishing up his analysis and will soon be sending us some options to consider before we send out a request for proposal.

Pond #27: We are still waiting for this project's written permit exemption that is needed in order to commence the work we described in last month's newsletter. However, we will be pushing to begin the project in about three weeks once the contractor is available.

Security: Security has asked that we remind residents to call in their anticipated guests. Apparently many guests are arriving at the gates with no previous notice. Please also see the Security Committee Report below for an update on steps to be taken in this area as a result of the security survey and our consultant's recommendations.

Irrigation: We have finally started to get the rain that is anticipated in the rainy season. Nevertheless, we continue to have irrigation issues in the community. Renovations are being made to the River Course irrigation pumping station. In the meantime, neighborhoods that depend on that pumping station have been temporarily hooked up to the Harbor Course pumping station which uses reclaimed water. As a result, we are now using more water per day than is allocated to us by the County. Grand Harbor Golf Maintenance will be shutting the interconnection valves down after heavy rains to conserve reclaimed water levels. They will turn them back on if we receive no new rain for two days. The Oak Harbor residential pump is still down awaiting a critical part to be manufactured. The repaired pump will be installed as soon as the pump is reassembled.

LEGAL REPORT:

Counsel continues to try to get defendants to comply with negotiated discovery deadlines and is working with the Board's Litigation Committee and our experts to execute the designed scope of the additional investigations to support our claims. We have completed expert review of the failed bridge beams and are preparing to remove them from The Falls, subject to a short hold to allow defendants an additional examination period. The Board appreciates the patience of The Falls homeowners and new developer. The Litigation Committee has established regular scheduled meetings with counsel to monitor the case.

NEW CONSTRUCTION COMMITTEE REPORT:

The New Construction Committee has approved designs for a new home in St. Andrews and for the next phases of development in The Falls. The committee has also given preliminary approval to several new design proposals for homes in Laguna Village.

SECURITY COMMITTEE REPORT:

The GHCA Security Committee, with assistance from MCH Security Consulting, has completed the first steps in our revamping of the security systems within the Grand Harbor/Oak Harbor community. Based upon a detailed analysis of the current security situation, together with input from the GHCA resident community through the recent security survey, the committee has prepared a detailed Request for Proposals (RFP) for a security services provider. Securitas has been the security provider under the same contract with GHCA that was first put in place in 2015. The goal of the RFP is to enter into a new contract with a reputable and experienced security provider able to provide an elevated level of service to GHCA.

The committee expects the selected security provider to meet the following service expectations and to improve the level of service in the following areas:

1. Guard Duty Requirements:

- * officer appearance
- * officer proficiency
- * officer retention
- * officer accountability
- * pro-active patrols
- * vigilance
- * training and certifications
- * preparedness and response
- * overall customer service, supervision and leadership (on-site and corporate)

2. Access Controls:

- * Update and improve access controls and monitoring
- * Minimize issuance of barcodes, perform regular barcode audits and improve barcode tracking
- * Allow guest entry registration electronically
- * Develop an alternative system of vendor and provider access in lieu of barcodes
- * Develop an alternative system of access for non-resident users in lieu of barcodes
- * Develop a strategy for manning gates to allow a high level of security while allowing smooth and rapid access
- * Improve monitoring and access controls to all unmanned gates

3. Video Surveillance:

- * Improve and augment video surveillance at all entry points and at critical areas throughout the property
- * Integrate video surveillance at unmanned gates with remote gate access systems
- * Utilize video surveillance to reduce the need for manned remote access points
- * Improve guard video monitoring of egress and ingress at all gates

This elevation of services should be acquired with a focus on transparency, operational efficiency and effectiveness as well as on cost effectiveness. All aspects of the security operation are expected to be professional, to offer a high degree of access security and monitoring, and to offer both residents and guests of the community unparalleled customer service and support.

The RFP will soon be sent to selected security providers, with all bids due back to GHCA no later than by August 19th.

FINAL NOTE:

July is always a very warm month pretty much everywhere in the Northern Hemisphere, but give me a break! We are all getting tired of this record breaking hot weather no matter where we live in the summer. Our summer home is at 4,000 feet altitude, in a location where air conditioning has never been considered by anyone...until now. Going down the mountain for shopping used to be fun. Not now. Those extra ten degrees of temperature and the higher

humidity used to be clearly felt, but lately it's like a furnace down there. I suspect all of you have had some of the same feelings this month, wherever you are.

So what are we to do? We can't change the weather. There is no magic wand to wave. First, we have to accept that the populations most affected by extremely high temperatures are the youngest and the oldest. We are definitely not the youngest. Stay inside as much as possible, in air conditioning if you have it. Bring out fans if you do not have AC, and move them around to where you need them. Drink lots of fluids, especially water. Avoid the afternoon sun. And lastly, keep an eye on each other...like that friend who suddenly looks a little wobbly on the golf course. As I have said here about other dramas the past four years... this too shall pass.

Jeff Caso
GHCA President, on behalf of the Board