

**White Bluff Property Owners Association
Town Hall Meeting
White Bluff Conference Center
February 27, 2021**

1. **Call to Order** – The town hall meeting was called to order at 9:00 AM by Leonard Critcher, Board President.

Board Members Present – Leonard Critcher, John Bass, Jim Fletcher, Jeff Williams, Marshall Snyder, Joe Manders, Mark Hepworth, and Gerry Mayer.

Leonard Critcher, President of the Board, opened the meeting with responses to emailed questions received by the Board.

**Town Hall Comments
By Leonard Critcher**

Good Morning. Welcome to your Town Hall Meeting. In order to expedite our discussions, we will follow the same procedure as we have in previous meetings. We greatly value this time for your Board to hear your concerns, entertain your questions and have a productive dialogue about the issues of concern to you.

I hasten to point out that contrary to a handful of posts on ***Next Door***, this Board has maintained a position of absolute transparency. In addition, we totally adhere to our governing documents and all state statutes regarding the operations of property owner associations. We do not make our own rules.

The first thing we did 5 ½ years ago was to have an open meeting and dialogue with then General Manager, Fred Molsen. In this meeting held in the Lighthouse Restaurant, Fred responded to a long list of questions about operational procedures and answered every additional verbal question posed to him. Property owners had an infinitely better understanding of operations and how White Bluff functioned. An email blast was sent out following the meeting so that all property owners would have access to this information.

The second thing I implemented was the Open Forum agenda item in open board meetings. Previously, property owners could only address meeting agenda items. If an issue was not on the agenda, there was no venue for a property owner to bring that issue up to the Board. For 5 ½ years we have consistently allowed any property owner to ask the Board any question, bring up any issue and receive an answer.

Additionally, we have kept property owners consistently and constantly informed via email blasts. These began with the transition from Double Diamond management of our money to First Service Residential. It continued with constant updates on the numerous legal battles with the developer and the concerted effort of your Board to fight the transformation of our POA-controlled association into what would have been a

disastrous country club operation totally controlled by the developer. With the exception of confidential litigation matters, you were totally informed of the acquisition process as we carefully maneuvered our way to independence. After the acquisition, our property owners were a part of the well-planned and executed renovations.

Today's Town Hall Meeting is part of the continuing commitment to transparency and real dialogue. Your Board is charged with a daunting, but welcomed task. We must plan and make decisions with the full knowledge of doing what is best for ALL property owners. Sometimes these decisions are counter to isolated, individual concerns. I've said it many times, but we do not operate in a vacuum. We must look at the **cause and effect** of everything we do.

This does not mean that we should not have verbal and written interaction on individual concerns. This interchange is the core of a Town Hall Meeting and is why we are here today.

Today we will follow the same format as we have done previously. I had two email blasts sent out requesting issues you wish addressed. I received ten issues and/or questions, then mid-week received seven additional ones from one property owner. I will address each issue and question and then will go back over the list of topics and open the floor for you to address the Board about each of the issues one at a time. After each of the ten topics and the seven additional ones have been fully discussed, I will open the floor for you to bring up anything else of concern to you.

When everyone has had the opportunity to discuss all topics, we will take a short recess and then begin the Open Board Meeting. You will have the opportunity to address any AGENDA item and then will once again be given the opportunity to ask any question in the Open Forum.

The first topic sent to me was the **status of the old Ranch House**, or as it is sometimes referred to- the Rattlesnake House. This structure was part of the purchase of the developer's remaining inventory of some 721 lots. Along with the lots, Conlon and Company also acquired 6 of the Range Condos and the Trailwood Condos. I have spoken with the Flatiron people on several occasions about the Ranch House. One of two things will ultimately happen. They will sell the structure and land or they will offer it to the POA. The Board has not discussed the latter as it has not been put on the table. If and when this happens, we will address that with full attention to the ramifications of doing so.

The second topic was the ***\$200 fee the Board approved for realtors wishing to have their contact information posted on our new website, www.whitebluffresort.com***. If you haven't yet taken a look at this website, I encourage you to do so. The site will be greatly enhanced once we get COVID behind us and can post people shots throughout the site. The site has already been responsible for several new people discovering the resort, people who have bought homes or lots on which they will build. The Board has taken great steps in restricting access to the resort, and this limited access must also

include what will be great numbers wanting to see and experience what we have to offer. The website will soon have a link, **Schedule a Visit**. When someone clicks on this link, they will be taken to a page of Q&A information as well as contact information for participating realtors. If someone wishes to visit the resort, they must make an appointment with one of these realtors who will give them a tour and also show them available properties.

The next topic was the **roads**. As you are aware, we have 62 miles of roads, many of which desperately need attention. Under the leadership of past POA President, Milt Bergman, we authorized an in-depth professional engineering study of the roads. I hasten to point out that this study was completed prior to the acquisition of the amenities. At that time, it was estimated that to replace all of the roads in stages would cost somewhere between \$12 to \$13 million. The Board will be addressing road repairs in the Open Board Meeting. When this topic was sent to me, it was specifically asked about new striping of the roads. The Board will be happy to consider this, but in the context of the whether the cost of striping could be better spent in repairs.

The fourth topic was the **status of the burned house on Ash Drive**. Joe, will you give us an update on that?

Joe Manders – The lawsuit regarding the cleanup of the burned house on Ash Drive is on appeal. The ruling should be rendered by the Court of Appeals sometime this year.

The next topic was the **status of the hotel**. I can tell you that the status of the hotel is infinitely different today than what it was prior to extensive flooding as a result of the freeze. GM Bill Finney met with adjusters on Saturday and has been in consistent contact with both the adjuster and our agent.

The water to the hotel was off at the time of the recent storm. However, flooding was caused by the fire sprinkler system freezing and rupturing. The insurance company required the fire sprinkler system to remain operational at all times to insure the facility.

The next topic was the **RV Parks**. Bill, please give us an update on these facilities.

Bill Finney – POA personnel are continuing to work on water line replacements in Bear Creek Campground. More sites will be opened as work is completed. The entire electrical system in Quail Run RV Park must be replaced, and that work has not been scheduled. The park will remain closed until that replacement has been completed.

The 7th topic was in regards to the **lease of the Lighthouse Pub**. The group that has leased this facility has made tremendous strides in getting it ready to open. You will be pleased to know that both restrooms have been gutted and completely renovated along with other much needed renovations and repairs. The group leasing the Pub have replaced the HVAC system in the pub and restrooms, and the new A/C and heat system will easily accommodate their efforts in literally doubling the size of the indoor bar. I established an oversight committee of Board members, Joe Manders, Mark Hepworth

and Gerry Myer to work closely with the group to assure the work being done would be a long-term enhancement of this property that we still own. We have had a phenomenally positive relationship with the group, both during the contract negotiations and the construction. You will absolutely love the results of what they are doing and the plans they have for the Pub. The contract itself stipulated the POA would have no expense in regards to the renovations and repairs, and that we would have absolute authority over approving anything proposed to be done to the facility or adjacent POA property. The POA has granted a lease abatement to the group in an amount equal to the aggregate, Board-approved capital expenditures. The monthly lease payment is \$1,000 increasing with the CPI Index. Our lease agreement stipulates that if we sell the property after three years, the agreement is terminated and we will compensate the group as per an agreed-to formula.

The next topic was the ***Impact Fee on construction***. This is something addressed by the Architectural Control Committee, not the Board. The second part of the fee question was whether the Impact Fee is placed in a segregated account. The answer is, no. The fees received are part of the aggregate revenue used by the Board when it determines the annual budget allocations inclusive of roads. Said another way, we look at what we anticipate to receive from the fees, compare this to anticipated needs, and supplement this amount as needed from other revenue sources.

Some lot owners want to know ***why the Maintenance Fees for lot owners are the same as the Maintenance Fees for homeowners***. They are not. Lot owners pay Maintenance Fees in the amount of \$525 each six months. Homeowners pay \$525 plus an Occupancy Fee of \$150 plus a Volunteer Fire Department Capital Expense Fee of \$50 each six months. That totals \$725 as compared to the \$525 paid by those who do not own homes. Said another way, lot owners pay 72% of what homeowners pay. Additionally, lot owners have been assessed \$150 each six months for the next three years. Homeowners have been assessed \$500 each six months for the next three years. That means the lot owner assessment is 30% of the assessment for homeowners.

The last item on the original list was a two-fold question. The first part was, ***“What do Maintenance Fees pay for?”*** This information is detailed in the financial reports and budget posted on the POA website. The second part of the question was ***what the assessment will pay for***. The answer is very simple. We will use the bulk of the anticipated revenue to liquidate the amenities acquisition debt we have with Double Diamond. This will be discussed in detail in the Open Board Meeting.

I'll now move on to the seven additional questions.

The first additional question was, ***“Why does the POA donate to the White Bluff Volunteer Fire Department?”*** This one shocked me, but I will answer. The simple answer is the VFD provides an invaluable service to this community, both from fire protection and from being first responders. The POA has donated to their budgetary needs from Day One. We ask enough of these wonderful volunteers who not only

perform their duties without compensation, but also put untold numbers of hours into fund raising activities.

The second additional question is, ***“How many employees does the POA have?”*** Bill?

Bill Finney – The POA currently has 77 employees. This number will increase to 85 as the workload increases this spring.

The third question is, ***“Why are bonuses being considered instead of using that money to pay off Double Diamond?”*** The simple answer is we value our employees and the work they do for the Association. Bonuses are paid in order to reward exemplary service and performance, and to retain valuable employees.

The fourth additional question was, ***“Why do we have to pay Associa to send out assessment letters when we have three employees in the POA office?”*** The answer is that one of the duties Associa was contracted to do was sending out billings along with collecting the funds from the billings and determining who has paid what. This requires a very sophisticated software system that is in turn linked to the system used by Arcis to provide us our financial information and address delinquencies. On an additional note, our three POA office staff have full plates and could not possibly take on the additional duties of preparing statements by hand, licking envelopes, posting payments when they come in, manually preparing spreadsheet reports, then forwarding them to Associa for account reconciliation.

Number five additional question was, ***“Why we are spending \$1,500 on plants at the Fitness Center and Conference Center and how much upkeep will they require?”*** The plants will be drought tolerant, require little maintenance and will aesthetically enhance these facilities.

Number six additional question was, ***“Why can’t the playground surface materials be updated?”*** I assume she is asking about the grounds. Bill?

Bill Finney – The POA has replaced about 1/3 of the playground fall material at a cost of \$2,000 last spring. Another 1/3 will be replaced this spring.

The last question was, ***“Why aren’t the Rules and Covenants being enforced?”*** We are presently seeking qualified candidates to fill the budgeted position of Compliance Officer. We need a fulltime person who addresses only compliance and who also adheres to state statutes in enforcement of our rules.

Now, let’s go back over the ten issues and questions and see if anyone wishes to address anything we have covered. If you wish to speak, you must be a property owner and you must give your name and White Bluff address.

1. Ranch House – No questions.

2. \$200 Realtor Fee - No questions.
3. Roads - No questions.
4. Burned house on Ash Drive - No questions.
5. Status of hotel – Hotel repairs will be considered by the Board after the POA receives the insurance adjustment for the water damage.
6. RV parks - No questions.
7. The Pub lease agreement – The Lighthouse Pub should be open for business in two weeks.
8. Impact Fees - No questions.
9. Maintenance Fees for homeowners as compared to lot owners - No questions.
10. What Maintenance Fees are used for- No questions.
11. POA donations to the VFD - No questions.
12. Number of POA employees - No questions.
13. Employee Bonuses - No questions.
14. Using Associa to send out assessment billings - No questions.
15. Landscaping at the Fitness Center and Conference Center - No questions.
16. Playground surface materials - No questions.
17. Compliance - No questions.

Now, are there any additional questions or issues that you wish to address to the Board?

Open Forum

A property owner asked about **restrooms for the White Bluff Marina**. Mr. Critcher stated the two restrooms at the rear of the Marina Market are open for people to use.

Suggestions were offered regarding how the Board could better communicate with property owners. These included:

1. Use of Survey Monkey to solicit property owner input on topics.
2. Inform property owners how to get on the POA's email list.
3. Prepare a welcome packet from the POA for new residents and include a checklist of important information these property owners need to know.

A property owner asked about water levels in the north and south lakes, particularly during the summer months. Mr. Critcher stated the levels will be much better controlled when the new lake pump and well system are completed. This system will increase water pumping capacity as well as resolve the problems experienced with the existing pumping system.

The meeting was adjourned at 10:54 AM.