

DIRECT LINE SUBMISSIONS

Friday June 10, 2022

After reviewing the Agenda for the Board Meeting and learning owners will not be able to ask any questions of the Board of Directors, we have a great concern of the lack of marketing for our resort in the last six (6) months or more. We are no longer receiving email blasts from our marketing company. We have asked other owners just to make sure we had not been accidentally left out of an email blast listing for owners. It appears that no one is receiving marketing emails from our resort any longer. Has something changed with our marketing firm, we have not been made aware of in the recent past? This is a critical time for our resorts marketing in that we have a brand new resort just off island which is receiving a great deal of marketing e-blasts, the slowing of the economy, the potential DEF shortage, and of course, the skyrocketing diesel fuel prices all of which are giving coach owners pause about traveling long distances. The time for our marketing of our resort for the summer months was at least three months ago. Now we are finding ourselves in dire straights--our resort is DEAD! Other than during the beginning months of COVID have we seen our rentals this low. The clubhouse loop, the lake and our loop 4 are some of the busiest areas for rentals and there is almost no one here. We just did a search on Staylist for potential reservations for several weeks in the future for a Class A, 34 ft. For the week of June 11 - 49 lots available; week of June 18 - 51 lots available; week of June 25 - 55 lots available; week of July 2 - 59 lots available. We then skipped to week of August 6 - 123 lots available! We have received some emails from other resorts where they are offering promotions such as stay 5 nights for the price of 4 nights. With all of the negative impacts on our industry and resort right now, maybe we should be marketing more aggressively and possibly even offering some type of weekly discount during the summer months such as stay 7 nights for the price of 5. We are not as familiar with our budgeted dollars for rental income this year; but from the way the resort appears right now, we may not be reaching our budgeted rental dollars. We look forward to hearing from the Board in the meeting tomorrow regarding marketing plans and hope we have an aggressive one in the works.

Answer:

In the couple of years that my wife and I have been owners, we have never seen a marketing e-blast. We had a Marketing and Communications committee meeting yesterday so I took the opportunity to ask the committee, some of whom have been around the resort a lot longer than us.

Janet Kierdorf was aware of the previous email marketing blasts, she said they were sent out by the previous marketing company we used before Ed Herbert (SEPI), SEPI took over in early 2020. She was on the marketing committee at the time and did say that was a benefit to the old company, but that was the only benefit, hence why they changed to SEPI, however, knowing they would lose the e-blast service.

With the formation of the new Marketing and Communications committee, one of our main missions is to work on marketing our resort much more effectively. Clearly to do an email blast you need a database of email addresses which it doesn't appear anyone has been capturing from renters etc. This is certainly something we need to work on and build up for the future. I will also check with Ed to see if they are capturing email address from people that do a pass through on our current website.

I appreciate your suggestions of adding some special incentives and will talk to the board about those, with that being said, it may be something that needs taking to the owners as we will effectively be taking away revenue from some that rent their lots on a very continuous basis (even in a down market). I for one would welcome the change as a 100% of nothing is still nothing, so attracting more renters even if I might lose a nights revenue per week would be more than acceptable to me.

Thank you again for your DL

DIRECT LINE SUBMISSIONS

Saturday June 11, 2022

The Resort reads our water meters every quarter and then bills owners for any overages incurred during the reporting period. As an example, under the current policy, an owner in residence during the second quarter and using irrigation could exceed the set limits thus incurring a fee. The owner leaves for the summer and only uses irrigation, therefore uses much less than the set limit for the third quarter, thus under utilizing their water allotment. The owner returns for the fall and uses their allotment for the fourth quarter. On a yearly basis the owner exceeded one quarterly allotment but for the year they under utilized the yearly allotment. I feel that a more equitable approach could be implemented given that most owners are only in residence on a partial year basis. I feel that quarterly readings are important if nothing else but to show an owner that they might have a leak but water overage fees should be calculated on a yearly basis. This would eliminate what I feel is an unfair practice by the Resort. I would like for the Board to consider a change in the water overage policy. Thank you.

Answer:

You raise a good point and merits discussion by the board. I will add it to the agenda for a future board meeting.

Thank you for using the direct line.

Great comments on the meeting. Those of us who play cards at the clubhouse discuss the need for much more lighting at night around the pool area. Extremely dark. Uplighting is very reasonable and would make the area very pretty. Timer could be set to shut off at 10:15pm after pool and clubhouse locked up.

Answer:

Thank you for your direct line. The lights that are currently on the awning of the clubhouse and fans are not in working order. We have an electrician that will be out on Tuesday to repairs all of this. Once they are working again, we will visit the pool and if there is still a concern we will investigate some additional lighting

Sunday June 12, 2022:

As I listened to the Board meeting today, questions arose around the discussions on the insurance issues. Specifically, the issue of our valets and directing coaches. For clarification, we are going to require guests to sign a "Hold Harmless" agreement that says they cannot hold the Resort or the valets responsible for any damages resulting from following the valet's directions while we are requiring guest to follow the valet's directions? As a guest I would never follow somebody's directions that had no skin in the game. I would follow my partner's directions instead. If that is the case I guess we should just reduce the number of valets and allow our guest to park themselves, otherwise I can imagine our rentals will drop more than they already have this year. The valet just leads them to their site, points to it as they drive past. Or the Resort could actually get down to the root cause of the increase number of claims resulting from the valets directing guests into things. Is the root cause a lack of proper training? Is the root cause the lack of guests following the valet's directions? Is the Resort putting in trivial claims such as minor incidents or broken umbrellas rather than just covering costs? In the past, valets were given training by an experienced large coach driver before they were sent out to park coaches. If the valet was not competent at parking coaches he or she was let go. Are we keeping valets on staff after they have allowed an accident to occur?

If I am an owner, do I need to worry about a valet backing a guest into my car, or my coach while they direct a guest to adjacent site. What about my pedestal or my furniture, is the Resort not responsible for damages? My pedestal is \$5K, would the Resort go after the guest? I have personally witnessed a valet leading a coach past another coach that was sitting in the hookup area adjacent to the tennis court area,

DIRECT LINE SUBMISSIONS

way too tight for such actions. I have seen a coach sideswipe another coach in that area. I didn't feel it was my responsibility to correct the valet but obviously they were not trained properly.

I suspect the guest would tell the Resort to go pound sand if you hit them with a large charge while they were following our valets' directions. You talked about guest blocking much smaller charges applied to their credit cards for damages. Do you think the guest will step up and cover a \$5K-25K charge? I think we all know the answer to that question. Our guests and owners require a better solution. Let's pay the increased liability cost and find out the root cause and correct the issue instead of implementing a work-around that serves neither the guests nor owners.

Answer:

Regarding the General Liability renewal

First, please let me clarify that there is currently **ONLY ONE** carrier that is willing to provide coverage for the Resort's General Liability.

That carrier's renewal quote came with a premium of \$35,000 **AND** includes a **"Valet Parking Services" exclusion**. (see page 4 of the quote attached)

In other words, we don't have choices. The only available General Liability Insurance quote, forces the Resort to become **SELF-INSURED**, assuming **UNLIMITED RISK LIABILITY**.

The Board in consultation with our attorney and insurance agent, is looking for ways to **PROTECT THE RESORT** from said liability. One of those options is the Hold Harmless Waiver Agreement. Your concerns regarding the side effects from the implementation of the HHW are valid and also shared by the Board, however, even though the HHW is not the Board's most favorite option, it may prove to be the most effective.

In my personal opinion, the renters that will choose a different resort **because of the HHW**, are precisely the ones we want to protect the Resort from!

Please keep in mind that **NO MEASURE** taken by the Resort today, will have an effect (positive or negative) on the premiums or the terms of the policy, because the renewal is strictly based on our recent record. The Board's objective is to take steps towards reducing the number of claims and improve the Resort's marketability for future renewals.

Regarding the valets.

Please allow me to offer some background information. The time period in which the 21 valets related claims occurred was 8/20/2018 - 5/4/2022. (See attached loss-run). In the same time period, there were an estimated 50,000 arrivals and departures. Understandably, the Insurance co. has a different point of view, but you would probably agree with me in saying that 21 minor accidents in 50,000 attempts is not a bad record.

It is also fair to say that considering our valets are "leading" or "directing," with no control over steering, or gas and brake pedals, they should not be blamed 100% of the time. While they may not be perfect, they are very good in what they do.

The Board agrees with you that we need to better understand the root cause and take measures to correct it, which is what the Manager and the Board are working on.

Both issues are currently being evaluated, no final decisions have been made and owners will be informed as things progress. Hopefully I've addressed your concerns to the extent possible. Let us know if you have any further questions or concerns.

Hi there!

This may already be in the process of being addressed, so if this is old news, I apologize.

Tonight my wife and I were down at the pool. There were several adults and several kids there, until one point when basically all the adults had left, and one boy, who looked to be about 10, was there by himself. I'm not sure if he had been alone the whole time, or if his family left, leaving him to remain. He hung around for a while, used the restroom, and then left.

I looked at the rules posted on the fence, expecting to see something about kids being there without parents, and was surprised how this really went unaddressed. There is a large, clear sign that says kids

DIRECT LINE SUBMISSIONS

under 13 can't be in the jacuzzi, but the only other mention is lost amongst all the other pool rules, and says something like 'Kids should not be left unattended'.

Considering the liability that could be created by unattended kids, I would think maybe we want to make this bigger, and more direct. The rules the renters sign say that kids under 16 shouldn't be anywhere in the resort without supervision, but its fairly obvious by the number of kids zooming around on bikes and such, that this is either not noticed, or just ignored. I think maybe a sign around the same size and such as the under 13 in the jacuzzi sign should be put up, saying kids under ____ age are not allowed in the pool area without adult supervision...just a thought

And it's absolutely possible that such a sign already exists, and I just missed it. In which case, feel free to ignore my ramblings...

Answer:

Thank you for your direct line. I have gone to the pool and inspected our Pool Rules. It does have a line that states: All children must be accompanied by an adult. This does not state an age. However, I will look to see if I can have signs made and posted on the entrance gates next to our Pet/Glass rules. Thank you again for bringing this to my attention. If you should encounter this again, you are able to contact our Valet after hours on their phone. They will come out and handle the situation.

Monday June 13, 2022:

It has come to my attention that those owners who are in arrears on there quarterly fees are still being allowed to cast there votes in any and all matters requiring a vote. The amount of the current monies that are owed is in the area of \$70,000.

Several years ago the actions of the Board when this type past due monies accumulated was to not give the owners there voting rights till it was brought up to date.

Speaking of the same scenario who is charged with trying to collect on this money, it used to be that the manager would make such calls and mail notices?

Answer:

In response to your direct line:

1. Although the issue of owners whose POA dues were past due being able to vote was brought up, it was never voted on to reverse it. Therefore, since the bylaws do not restrict it, even those who are in arrears are allowed to vote. I agree it is an issue that should be resolved and I will add it to the list for a future board meeting.
2. With regard to your question of who is charged with collecting the past due fees, as Spiros announced in Saturday's board meeting, Ben, the new finance manager is in charge of this.

Tuesday June 14, 2022

Regarding the use of Leaf Blowers: **Anonymous Submission, Share Publicly**

New rules are that leaf blowers are permitted on M-Sat from 9-5, No Sundays. I do not understand the exception to Sunday as we are a 7 day a week resort. The hour implementation is understandable to deter the early and late noise, since it is a topic on reviews. Does this mean that the Valets are not permitted to use blowers for rental check in site cleanup for a Sunday arrival? If they can use them, so should everyone. And what if we have a big storm on Saturday nights (which does happen) and clean up starts on Sunday. The Greenery comes through and does a resort wide brush pick up on Mondays, so now we should do our site clean up on Saturday, because Sunday we can't use the blowers. During Autumn months, we have so many leaves that fall that we need to clean our site sometimes twice a day to stay on top of the droppings. Don't place unnecessary restrictions on us trying to keep our site clean

DIRECT LINE SUBMISSIONS

and thus the overall appearance of the park from looking good. Additionally the policing of this could be a headache.

Answer:

You are correct that we are a 7 day a week resort, which also means that the noise issue throughout the resort up until now has been 7 days a week. One of the biggest complaints we hear from owners and renters, and posted on the Upscale RV Resort Facebook site, is the constant noise in the resort, not only at all hours throughout the day and evening, but also that it occurs even on Sundays. The feedback is that at least one day of peace is desired to every extent possible. Some owners have even requested that leaf blowers be banned altogether! There's nothing like sitting outside having a nice Sunday meal, listening to the sounds of nature, when suddenly the whirring of a leaf blower strikes up or an owner is sawing pavers or making a racket of some other type.

With this policy, of course we have to use common sense and allow for exceptions when deemed appropriate. A good example is the one you cite pertaining to a storm hitting on Saturday nights. Certainly if a bad storm comes through, we have to allow clean up. I don't think this should be considered on the same level as a lot that has had leaves fall from Saturday night to Sunday. Certainly that cleanup can wait until Monday or a broom could be used if need be. With regard to Sunday arrivals, valets will be allowed to clean off the lot because we feel if they don't, it could impact the resort's reputation. It's my understanding the number of Sunday arrivals is minimal.

The intent of this board vote is to at least mitigate the constant noise to some degree so that we can all enjoy at least one day of peace to every extent possible.

Regarding the Issue of Resort Liability Insurance Issue: **Anonymous Submission, Share Publicly**

It was mentioned in the Board Meeting that the resort plans to have Renters and Owners sign a "Hold Harmless" release. Our concern is that the resort is now pushing the responsibility of valet mishaps onto the owner who is renting their site. IF something happens to a coach at the time of site arrival, and the resort is removed from responsibility then, the renter may come after the site owner for damages. We carry appropriate rental liability insurance, but the resort needs to cover the valets and back in process. Does this Hold Harmless agreement only remove the resort from responsibility and now pushes it on to the site owner? We would consider taking our site out of the rental pool because of this concern.

Answer:

Before addressing your concerns and answer your questions, I would like to reiterate that at this time, the implementation of a Hold Harmless Waiver is under consideration and that NO FINAL DECISION has been made yet. I should also mention that if and when implemented, the HHW will apply to both Renters and Owners.

Background:

- In the time period from 8/20/18 through 5/4/2022, the Resort filed 24 claims for an estimated cost of \$148,000. Of the 24 claims, 21 occurred when coaches were arriving or departing while they were guided by our "valets". (See attached loss-run)
- In the same time period there were approximately 50,000 arrivals and departures combined. One would think that 21 incidents in 50,000 attempts is not a bad record, however, our most recent claim history shows that the resort had 12 claims in 2021 and 5 claims through April of 2022. That equates to an average of ONE CLAIM PER MONTH for 16 rolling months, or a loss ratio of over 600%.
- Because of our record, the Resort was dropped by the insurance company. Our policy expired on June 1st, but our agent was able to secure a two-month extension.

DIRECT LINE SUBMISSIONS

- Requests were sent to ALL known insurance carriers, but NONE is willing to insure the Resort.
- Our Agent then reached out to “Specialty” insurance carriers. Basically, companies that insure the “uninsurable”. Three of the four available specialty carriers declined.
- The good news is that the fourth carrier is willing to insure the Resort, the bad news is that the quote (1) comes with a premium of \$35,000 (up from \$20,000 last year) and (2) comes with a “VALET PARKING SERVICES” and “AUTO” EXCLUSIONS. (See page 4 of attached quote.)
- Consequently, the Resort becomes SELF-INSURED, and will be EXPOSED TO UNLIMITED LIABILITY.
- In consulting with our attorney and our insurance agency, it was recommended that to PROTECT THE RESORT AND THE OWNERS from said liability, a “Hold Harmless agreement” be implemented. Even though it is not the Board’s preferred option, it is likely the most effective.
- The 2-month insurance policy extension expires on July 30th.

With all that in mind, let me now respond to your specific questions and concerns:

1. “the resort plans to have Renters and Owners sign a 'Hold Harmless' release”. The Board did not plan for it but is considering it as the most viable option to protect the Resort and the Owners from unlimited liability.
2. “the resort is now pushing the responsibility of valet mishaps onto the owner who is renting their site” a). Considering that valets “lead” and “direct” but are NOT in control of the steering or the gas and brake pedals, it is unfair to claim that all accidents are “valet mishaps.” b) The proposed waiver under consideration, holds both the Resort AND the Owners harmless. By signing the agreement, the driver assumes the responsibility, becomes liable, and in the event of an accident he/she files a claim with his/her auto insurance.
3. “the renter may come after the site owner for damages” Yes they can! but again, the HHW in combination with the private liability insurance will provide the best defense.
4. “the resort needs to cover the valets and back in process” As mentioned above, at this time there is no option for the Resort to purchase an insurance policy that will provide coverage for the valet spotting.
5. “Does this Hold Harmless agreement only remove the resort from responsibility and now pushes it on to the site owner?” The agreement holds both Resort AND Owners harmless and places the responsibility on the Driver.

As a personal note, our lot is also on the rental program. Let me know if you have any additional questions

Every resort we have been at 30 days or more you pay electric, why are we not doing that. They go to the sites right the number down and again when you leave. This is not every renter but the times that it happens, the owner can receive compensation. I also want E bikes and electric cars to be addressed. Recently seen a car getting charged on a lot. By the time the owner pays POA, property tax, water overages, electric, maintenance and insurance we get about 15.00 a day if that. I know it is a choice to be on rental program but it is not worth it to be on rental program. It is costing us more money, bigger coaches more electric items.

Answer:

You raise valid points regarding the electricity costs that an owner pays for rental guests, and this issue has been discussed for several years.

With regard to e-bikes and electric cars, in my research, the cost to charge an e-bike battery is only about 5-8 cents. For an electric car, the cost is about \$6 to fully charge it, so depending on how often the guest has to charge the vehicle, it certainly could add up. One idea that has been

DIRECT LINE SUBMISSIONS

suggested is to install one or two electric charging stations in the parking lot that users would pay to use.

With regard to charging the renter who stays longer than 30 days, while that sounds logical, I'm curious about the scenario of a lot that is booked say for 3 months in a row, but by several renters, none of which is longer than 30 days. In that case, none of the electricity cost would be borne by the renter. What this shows is there are nuances to every idea that need to be considered.

Thank you for your feedback on this issue. I agree that this topic deserves serious discussion and I will add it to the agenda for a future board meeting.

Can we see about getting a pine straw delivery for the owners. Maybe twice a month have a trailer come, or maybe put a request on by the owners and have that amount brought in and possible extra for those who decided after order was submitted.

Answer:

Thank you for your direct line. We are not able to honor this request. The pine straw that is provided by The Greenery is specifically for our common areas and included in our yearly contract. If we were to offer a program of such, a precedent would be set that the resort would offer other types of landscaping material. The Lack of storage space and manpower are also factors that prohibit us from providing this.

I am requesting that the greenery workers blow toward the street and workcampers. If they don't blow our beds then STOP blowing stuff in them. This is said time after time! They start blowing as soon as they walk on the pad, they should start from the back and blow forward.

Also the container for landscaping material got put to far away from wall. You can hardly get your bag up there to dump. Also it looks disgusting back there. Trash bags on the ground, and the black containers from the green space need to be taken by the greenery or tossed.

Answer:

Thank you for the direct line. I have been working with Woody, our Account Supervisor with the Greenery, on expectations of the resort crew. Our onsite supervisor was promoted and we are working through the training of new employees. I appreciate your concern and will this on to Woody. Our contract only requires them to blow the pads off and mow the grass on each lot, they are not responsible for the beds. I have explained this to our workcampers and expressed the importance of ensuring we are not adding to beds as well.

Mark has contacted the waste company to replace our trash dumps, due to the condition of our existing ones. The landscaping bin area was a mess, Mark cleaned it out today. Sometimes we can overlook things and it is appreciated when owners point them out to us.

Wednesday June 15, 2022

We have to say after the release of the financial statements for year end last year, we were so surprised to hear we paid \$95,000 in taxes last year at the previous Board meeting (we believe first time ever since we have owned) when we had so many items in our resort which needed repairs, i.e., upstairs air conditioning (which had not worked since May or June) and the heating/cooling pumps for the pool (which stopped working in November before the pool was shut down). And we are sure there were many other items where that money could have been spent to upgrade our resort rather than us paying POA fees and then us having to spend that money to pay taxes.

DIRECT LINE SUBMISSIONS

So to get to more to the point of this Direct Line, we were more horrified to hear our insurance company has dropped our General Liability coverage because of the number of claims we have filed. (Again, I believe the first time in history, our insurance company has dropped us.) To start with let me say the internet connection for Marylis and Spiros was constantly freezing. At times we would only hear about every 4th word, so maybe we did not hear what we thought we heard. We were here in the resort using our private WiFi and all other Board members who were present on the call were clear.

Our understanding is we filed so many general liability claims for over \$150K that our insurer has cancelled our policy. There is only one other company who will insure us and it is going to cost \$15k more a year for this policy. It sounded like the Board was proposing a waiver for rental guests to sign that states the rental guest will not hold the resort or the valet (which by the way, we require) responsible for any damages incurred when a valet backs them into something. Who in their right mind would sign such an agreement? We would refuse valet assistance in that case because everywhere else in the country we have traveled, Sharon parks the coach while I instruct her into our site. If we were to refuse to sign the waiver and refuse the assistance of the valet, would we be allowed to stay in this resort? If a rental guest is naive enough, agrees to sign the waiver, and the valet backs them into my pedestal (because I am on the rental program) which causes my lot unusable for weeks for rental guests or for myself until the pedestal can be replaced at an expense of \$5k, who is going to pay for my pedestal? A lot of this discussion was regarding claims against valet practices in parking rental guests. Are they not properly trained? Would it not be a better solution -- to train them more thoroughly, have 2 valets parking rental guests, and/or dismiss the valets who cannot perform their duties? This is the way it has happened in the past. We had a valet back a brand new Dutchstar on its maiden trip over a fire hydrant. The owner had to cut the front fascia of the coach out and away from the fire hydrant so he could continue to back in his rental site. Put yourself in this rental guest's place. Can you imagine telling that renter he signed this waiver; therefore, you are on your own to repair your coach! That valet was released that day.

Some of our questions and concerns are how many claims did we file? How many claims were valet related? What was the dollar amount of each claim? How many claims were for damages to an owner's site by a rental guest? What was dollar amount for each of those claims? How many claims were perceived negligence claims (tripping hazards, dangerous situations, snake bites, etc.)? What was the dollar amount for each of those claims? How many claims for vandalism or any other similar claim? What was the dollar amounts for each of those claims? Did we turn in an insurance claim for the damage to an owner's umbrella? If so, would we not have been smarter to pay for the umbrella and write it off as part of having a rental business? If we have a personal claim for \$2k accident and we have \$1k deductible, we would pay the difference and forego turning in an insurance claim. We certainly hope in the future there is a better way to manage these claims.

We look forward to your response.

Answer:

INCOME TAX.

I agree with your point, and I too believe that we could have done a better job in taking advantage of the unexpected growth of our rental income. I can't speak for the prior Board, but my understanding is that because of our high turnover and the periodic absence of Management, the Board was forced to get involved in Managerial responsibilities, instead of conducting its Directors' business. Unfortunately, the Resort has been on a reactive mode for quite some time now, and there are signs of it in several areas.

Learning from past experiences, the current Board recognizes the importance of focusing on its proactive planning role, and understands that stability in the Resort's Management is imperative. I am pleased to say that in that regard, great progress has been made, and that the Board is committed to promote, support and maintain Management stability, in order to move the Resort's business forward.

DIRECT LINE SUBMISSIONS

INSURANCE.

Once again, because of our Management Staffing issues, the Resort finds itself in a reactive mode. The high frequency in valet related incidents was brought to both Kathy's and Ron's attention but unfortunately it fell through the cracks during the turbulent times of constant management changes. Please keep in mind that the proposed Hold Harmless Waiver agreement is still under consideration and that NO FINAL DECISION has been made. If and when implemented the HHW will apply to both Owners and Renters

Background:

- In the time period from 8/20/18 through 5/4/2022, the Resort filed 24 claims for an estimated cost of \$148,000. Of the 24 claims, 21 occurred when coaches were arriving or departing while they were guided by our "valets". (see attached loss-run)
- In the same time period there were approximately 50,000 arrivals and departures combined. One would think that 21 incidents in 50,000 attempts is not a bad record, however, our most recent claim history shows that the resort had 12 claims in 2021 and 5 claims through April of 2022. That equates to an average of ONE CLAIM PER MONTH for 16 rolling months, or a loss ratio of over 600%.
- Because of our record, the Resort was dropped by the insurance company. Our policy expired on June 1st, but our agent was able to secure a two-month extension.
- Requests were sent to ALL known insurance carriers, but NONE is willing to insure the Resort.
- Our Agent then reached out to "Specialty" insurance carriers. Basically, companies that insure the "uninsurable". Three of the four available specialty carriers declined.
- The good news is that the fourth carrier is willing to insure the Resort, the bad news is that the quote (1) comes with a premium of \$35,000 (up from \$20,000 last year) and (2) comes with a "VALET PARKING SERVICES" and "AUTO" EXCLUSIONS. (See page 4 of attached quote)
- Consequently, the Resort becomes SELF-INSURED, and will be EXPOSED TO UNLIMITED LIABILITY.
- In consulting with our attorney and our insurance agency, it was recommended that to PROTECT THE RESORT AND THE OWNERS from said liability, a "Hold Harmless agreement" be implemented. Even though it is not the Board's preferred option, it is likely the most effective.
- The 2-month insurance policy extension expires on July 30th.

One more note: Valets may be "leading" and "directing" but they have NO CONTROL over steering or gas and brake pedals. It is unfair, to say the least, to assign 100% of the blame on the valets. They are not perfect, but they are pretty good at what they do.

To your questions and concerns: Again, please remember that this is work in progress and none of it is finalized yet...

- Workcampers should continue to (1) escort to the site, (2) witness parking or departure and document potential damages, and (3) assist with set-up.
- The HHW under consideration, holds the Resort, its Employees and Owners harmless. All parties get equal protection.
- During parking and departing the driver and the passenger are on their own, witnessed by our workcampers.
- By signing the agreement, the driver assumes responsibility, becomes liable, and in the event of an accident he/she files a claim with his/her auto insurance.
- Beyond the driver's auto insurance, the HHW in combination with the owner's private insurance policy provides the most protection.

DIRECT LINE SUBMISSIONS

- Proper training is very important, but as you know, every lot is unique in its own way as to which direction and what angle should be approached from. The continuous rotation of workcamper makes it almost impossible to ensure that every workcamper is trained for every one of the 400 lots which is one more reason why parking and departing should be left for the driver and passenger.
- In the meantime, Wendy is instituting a 'team of two' policy for all coach movements. One on the driver's side front end and one on the back end of the passenger's side.
- Your next 11 questions I believe will be answered by the attached loss run report, and
- In terms of 3rd party liability, there is no deductible. If the claim is 2K our insurance will pay the claimant 2K. I can't speak to what criteria were used to determine whether or not to file claims in the past, but to your point, yes, the Board and the Manager are on the same page and very mindful of the claims filing process.

Sorry about the internet issues during the Board meeting

Thursday June 16, 2022

I applaud the initiative of the Board to gather data on changes in the Resort that owners might like in the future. Just FYI, this is not the first time a Board has tried making changes. The repurposing of the tennis court into green space was long hard-fought battle with a much greater vision that was shot down by majority of owners. A motion to expand the upstairs clubhouse with added amenities; this too was shot down by the majority of owners. Could this time be different?

The survey that we were just asked to answer did not go far enough to gain a clear and concise answer. For example, one could agree to relocate the playground to the new green space but not expand the pool. We were not given that option. Please ask for one view per available answer. The survey was so focused on a new pool that not much else came through. BTW, did you think about a new pool in the green space and then rebuild the old pool. The Resort's rental program will crater if the existing pool and deck area is closed for the extended time it would take to rebuild the existing pool. What about just resurfacing the pool, that was not an option. A kiddie pool or family pool idea, maybe.

The idea of a fire pit with seating and allowing owners to bring their dogs was not an option given for the existing green space. When you asked about adding seating in the green space, you failed to add the ability of owners to bring their pets. As you know the existing green space is underutilized because of the posted signs against dogs. A pavilion was in the plans given by the architect's design previously proposed but not in your survey. Where does that design come into your plans? We the owners paid for that proposal too and now we are going to discard. Apparently so.

BTW, asking for a respondents' site number does not keep the survey anonymous.

Answer:

Thanks for submitting a Direct Line. As with all Direct Lines, I have copied the other board members.

Yes, the owners did shoot down the expanded green space by a small margin, but still rejected. Will they support something more this time? We will see. We hope that by having a comprehensive plan and a lot of involvement from owners over the next few months that they might. We will see.

Please keep in mind this is the first of several surveys. Next week we will be sending out a dedicated email address for submitting ideas to the committee and those ideas will be subjects of a future survey. This will be an iterative process.

Clearly we did not include all possible options and I appreciate options you have added. Again, doing multiple surveys will allow us to drill down further. You are correct we should have had other options for moving the playground. Good point and we will do a better job next time.

DIRECT LINE SUBMISSIONS

We realize the “no pet” policy for the greenspace is a disincentive for some owners to use the space. Other owners have communicated they would not use the green space if it was used by pets as another “bathroom area.” We have a dog park, some have suggested it is also fair to have a “people park” where pets are not allowed. When movies have been shown in that space, some people choose to sit on the ground and they do not want to sit in an area used by pets. As you know, it is hard—no impossible—to please everyone. Right now we are dealing with what owners might want developed in the space. So, pets in the green space can be a discussion for another day, not this first survey. We did not include the fire pit and sitting area in this survey as one already exists and is slotted for updating. As you know, it is in horrible shape. But, perhaps it was a mistake not to include it and we can do so on the final survey for the central activities area.

Finally, on the anonymous issue, I trust you noticed we provided a generic email address owners could use instead of their own and we made the lot number optional. So, anonymity is easy. If an owner does both we have no way at all to know who they are—short of digital forensic work which we have neither the budget nor the interest in.

06/17/22