

May 29, 2020

TO: White Bluff Property Owners

FROM: Your Board of Directors

Leonard Critcher, President

John Bass, Vice President

Jim Fletcher, Secretary

Jeff Williams, Treasurer

Jay Elder

Mike Ellis

Mark Hepworth

Joe Manders

Marshall Snyder

RE: Updates

Annual Meeting

We are still waiting on Governor Abbott to give us guidelines. We expect this type of situation to be addressed in the very near future, and as soon as we are able to properly and safely structure the meeting, we will do so immediately. The agenda has been prepared and the meeting notification will be sent out as dictated by the required 30-day notification.

Request for Proposal (RFP)

The volunteer committee, chaired by Steve Hunt, completed their work and has submitted the final draft. Unfortunately, the Board received this just as the world changed because of Covid-19. The Board felt it should defer sending this out until some positive degree of normalcy existed. At this point the final presentation material is being addressed and will be sent out in the near future.

Our objective is to find a commercial partner that will develop these amenities to our mutual benefit.

As a reminder, the Board authorized a commercial appraisal on the following properties:

Lighthouse Restaurant, Bar & Deck

Fitness Center, Spa & Salon

Conference Center

Hotel

The appraiser felt these would be better marketed as a package.

Alternative Plans for Amenities

The Board has structured a contingency plan for addressing needed repairs of the above amenities if there is not sufficient and mutually beneficial interest from entities receiving the RFP. We realize that there is a need to address needed repairs and preservation of these amenities but at this point think it advisable to ascertain

interest from an outside partner before spending POA funds. Once again, this relatively short delay does not preclude the necessity of having a well thought-out contingency plan.

Lighthouse Restaurant, Bar & Deck

Extensive renovation and repairs have already been done to the deck. Needed repairs to previous work on the infrastructure of the deck were completed so that it was no longer a safety hazard. All railings were replaced, brought up to code, and a separate bandstand was installed. Preservation of this work will be addressed immediately.

Board member, Mark Hepworth, has organized a volunteer committee that will stain the deck and railings. Yesterday, the Board authorized the expense for the materials.

Extensive repairs to the cupola were completed several months ago. We had a significant leaking problem, and the cupola was totally replaced, sealed and painted along with the damaged sheetrock inside the restaurant. This work was done at half the cost other bidding contractors gave us.

We are aware of the need to replace and repair much of the exterior of the structure. The Board has already secured an acceptable bid for this work and will proceed when it is advisable.

Conference Center

We have also secured bids for addressing the exterior needs as well as needed A/C work. Our main objective at this time is to get the Conference Center functional for meetings and property owner events.

Fitness Center, Spa & Salon

Because of the efforts of the committee headed by Ed Bercier, we have a detailed plan for addressing what needs to be done with this facility.

Hotel

Even though we have a real need for additional lodging, this amenity is in surprisingly decent condition. There are retention wall needs, the cost of which is significant. Each of the 28 rooms need total renovations, and a reception area needs to be constructed. The integrity of the interior seems to be good. There are no visible cracks and all the doors open and close well, indicating that there has been little if any settling. Bottom Line is this has low priority relative to the above amenities. Even though the overall integrity is better than we hoped, there would be significant expenditures required to bring this facility up to the standards we would want. A new retaining wall alone would cost over \$150,000 and the renovations to the rooms would easily cost \$6-700,000.

The Board has a back-up plan for expanding lodging facilities, the timing of which will be announced as events unfold.

Marina

The Marina Committee was made a standing committee because of the importance of this amenity to our property owners. The Chairman of this committee, Mike Bell, and the dedicated committee members have developed a detailed 3-year plan for this facility. This plan, its details, what the Board has in progress and future intentions will be detailed in a separate communication.

Sale of Double Diamond Utilities

At the time this communication is being written, the sale of DDU to Midway is scheduled for closing on June 1st.

Even though the POA is not involved in this transaction, we did take action to financially protect our property owners as well as the association. The POA led the fight against the proposed DDU rate increases. This long and tedious process resulted in a substantial rate decrease and rebates for over charges.

Fiscal responsibility guides every action the Board takes. One example of this is the request from DDU to transfer a small easement near the sewage facility from the POA to DDU. This transfer was vital to getting the deal completed. The Board agreed to transfer the easement subject to legal assurance that the rates would be decreased (they were), the rebates would be guaranteed (they are guaranteed by Midway), and the POA would incur no legal expenses of any kind (we didn't).

Marketing White Bluff

The Board fully realizes that we cannot only deal with immediate needs but also look ahead to the future with a vision. The first major step in that direction was the authorization by the Board to contract with a premier website development company to create a marketing website designed to attract people in the Metroplex to White Bluff. A professional photographer/videographer was going to be on-property Tuesday and Wednesday of this week, but the inclement weather pushed that forward a couple of weeks. Once the drone footage and still shots are taken, the creation of the website will begin.

The future of White Bluff can only be realized by attracting large numbers of people to the resort who have money to spend and who will happily do so. We know that once they have experienced what we have to offer, many of them will buy and build here.

Visual Enhancements to the Entrance

You will notice significant additions to the landscaping at the entrance to White Bluff. Colorful shrubs (drought tolerant) have been added, and many of the old worn out and misplaced plants have been removed. This effort will continue right

up to the time the pictures and videos are made. We want visitors and property owners alike to be greeted with visual perception of quality and joy enhanced then by our friendly Security staff as they welcome them to our wonderful and unique venue.

Where We've Come From

It may seem like an eternity ago when 4-foot high thistles were growing in the fairways and sand traps, the amenities were shut down and the only thing our property owners had was their trust in the Board to execute a plan that would begin the process of Making White Bluff Great Again.

Stage One of this plan was to address that which we could control. After taking over our finances from Double Diamond, we immediately started addressing the deferred maintenance issues on the properties we owned. These included-

- Repairs, new landscaping , and staining of all pergolas at 4 swimming pools
- Refurbishing and painting of the Mail Centers
- Refurbishing the physical facilities at the RV parks
- A complete refurbishing and makeover, inside and out, of the Admin Building
- Complete renovation of The Lone Star Room
- And, the complete makeover of the Wooden Bridge

Stage Two literally began on the day we finalized the acquisition of the amenities from Double Diamond. This day was October 1, 2018, slightly more than one and a half years ago!

Extensive and detailed planning had been on-going during the acquisition process because we knew the importance of bringing the vision, the hopes and the dreams of our property owners to fruition as quickly as possible.

Money was transferred to Double Diamond from the POA on the morning of October 1st, 2018, and that afternoon the complete renovation of the Bluff Point Condos began.

Addressing the pressing needs of rapidly deteriorating golf courses had already begun through the execution of an interim operating agreement between the POA and Double Diamond. As soon as we acquired ownership of the golf courses a contract was signed to completely re-do all 36 playing greens, the sand traps and the practice putting greens while POA maintenance staff was addressing bringing back the fairways. White Bluff is a golf resort, and we are proud to say that we now have two of the finest golf facilities anywhere in the state of Texas.

Property owners took great satisfaction at the rapid succession of renovations due to the planning that was done:

Renovation of the three Log Cabins

Renovation of the Old Course Pro Shop
Renovation of the New Course Pro Shop
Addition of incredible sitting areas at the New Course venue
“Professional” re- landscaping at both golf course complexes, done by dozens of amateur volunteers
Complete renovation of the Old Course Pavilion and its formal dedication to the memory of Danny Morrow

And then Mulligan’s, a state of the art St. Andrews themed restaurant, offering an enticing menu and unparalleled views of the New Course from the inside of the totally re-done interior, but also the patio and pavilion. Not only was the restaurant given a whole new and quality look, but the kitchen was gutted, re-designed and all new equipment was brought in to a venue that for once was safe, secure and up to code. Electrical needs were addressed for the safety of patrons and staff as were long deferred plumbing needs. And, even the restrooms were re-done with wooden toilet stalls that coincided with the St. Andrews theme of the restaurant.

The Future

The future is very, very bright. We have come such a long way in such a short time for two simple reasons. Comprehensive detailed planning and complete fiscal responsibility by the Board is the first reason. The second reason is the tangible and intangible support of our property owners. Dozens and dozens of volunteers gave blood, sweat and tears to an incredible number of tasks that saved our association countless thousands of dollars. This spirit of community permeated the tasks that we faced. Those who could gave; those who could not gave support.

The Board thought it was very important to not only let you know what is being done but also what will be done as we go forward. There are a few who look only at how certain actions, timetables and priorities affect them. That is their prerogative. The Board does not have that luxury. We are charged with leading this wonderful community of over 6,000 property owners with a vision that applies to the benefit and welfare of all. This dictates unemotional, rational, well thought-out, and fiscally responsible decisions. With the continued support and positive involvement of our property owners, we can all realize the vision of a White Bluff that is **EVEN BETTER THAN BEFORE.**