

Summary of the WBPOA Town Hall Meeting Conference Center, White Bluff Resort July 20, 2019

Leonard Critcher, WBPOA Board President, called the meeting to order at 10:15 AM.

President's Opening Comments

President Critcher provided the following opening comments on topics that were to be discussed during the meeting.

I sent out an email blast asking for topics or issues that property owners wished to discuss in today's meeting. I received numerous emails, many of which duplicated the same topics.

We have a list of 27 topics, and we will give all attendees to address any of these. The Board will respond with the exception of something that may be confidential in nature. I do request a couple of things.

First, a topic will be presented, and I ask that you stay on that topic.

Second, please be as thorough as you wish, but also as brief as you can. We have limited time, and please be respectful of other property owners and their desires to address issues.

Third, if someone has already expressed your views on a topic please refrain from reiterating the same thoughts.

Before we get started, I want to stress that this Board has an absolute commitment to total transparency. Also, this Board is unequivocally committed to making decisions for the benefit of all property owners, not just homeowners and not just lot owners. Lastly, you may not agree with decisions we make, and we respect your right to disagree. But I do ask that you be respectful of process and the simple fact that these men were elected to represent you and the other 6,500 property owners. We seek your input and trust that criticisms or disagreements can be done in a mutually respectful manner. In other words, we can disagree without being disagreeable.

Nextdoor. You probably have noticed that there is very little response to the rantings that sometime find their way onto this form of social media. I have asked our Board to consider refraining from weighing in on rantings. You will find some Board members will post informational items, but very seldom

will you see a post in response to some on-going controversy. The reason is very simple- nothing is ever resolved on Nextdoor.

Which brings up another issue. If anyone has a problem that can actually be resolved by someone who can actually resolve it, please go the source of the solution. I can absolutely assure you that someone on Nextdoor who reads and maybe responds to complaints about food, service or prices will not resolve your issue. Go to the source of the solution and understand that ranting about resolvable issues does nothing but harm the amenities. This is an unfair response to what so many have done to bring back our resort to greatness. Build with positives; don't damage with negatives.

Before we get started on the list of items, I want to hit on a few of them in hopes that it will conserve some time and allow those who wish to speak the opportunity to do so.

Opening the Lighthouse Restaurant and Bar

This is a frequently asked question, and I have often asked a question in response- how often did you eat there? The responses have been from never, to on special occasions, to we used to years ago when the quality of food and service was better. The truth of the matter is that the bar was typically full on Friday nights with property owners taking advantage of socializing with each other while enjoying Happy Hour prices on drinks. In bar food service were available very little food was ordered. When the cut-off time of 7:00 rolled around and half price drinks were no longer available, the crowd would begin to thin.

The Lighthouse needs a lot of work. The Board has had the deck completely redone along with adding a bandstand. This was done for safety reasons. We just spent \$25,000 addressing the leaks and resulting damage from the cupola on top of the restaurant. There are many other items that need to be addressed.

The reality of opening a restaurant involves staffing, food costs, numerous elements of overhead and the replacement of furniture and furnishings that mysteriously disappeared during the time of resort closure. From an economic perspective, we simply cannot justify at this time a massive expenditure of limited funds to open a facility that would basically be patronized one night a week with the majority of revenue being break-even Happy Hour drinks.

Does this mean that we will not open the Lighthouse? Absolutely not. We have instructed ARCIS to deliver us a plan for the order and extent and cost of renovating the amenities. The Lighthouse will be in that plan. And please keep in mind that Mulligan's is open, doing well and has some great views and magnificent opportunities for socializing.

Golf

The Board is committed to the reinstatement of the 36 rounds of comped golf. As soon as the New Course is open, you will have 36 rounds for the balance of the year. The Board will assess the issue for 2020, but it is guaranteed that the 36 rounds will be the minimum available.

The golf courses will continue to be open to the public. We need the traffic, the revenue, the utilization of Mulligan's and the visual exposure of our beautiful resort.

The Board has received a comprehensive plan from ARCIS regarding the opening of each course. This plan includes recommended pricing for golf carts, green fees, and dates of operations. We have not yet had time to address the plan but will do so in the very near future and communicate that to you as soon as possible.

Roads

There are two major issues that are being addressed. A culvert on Stonewood has the bottom rusted out and desperately needs to be replaced. Bids on having that work done are being solicited by our Association Manager, Bill Finney. There is also a significant section of Golf Drive where it intersects with Bluebonnet that needs to be replaced.

Our maintenance staff under the direction of Jimmy T will continue its efforts of addressing potholes and other dangerous situations. The resurfacing of the roads is on hold while we complete the renovations on the physical amenities we acquired.

Remaining DD Property

All remaining property owned by Double Diamond is under contract and is in the latter stages of due diligence. I have been in constant contact with the purchaser, who has asked to remain anonymous. We have had numerous conversations about their working with the POA to advance the marketability of all properties and re-establish White Bluff as the premier resort destination in north Texas.

Reduction of POA Maintenance Fees for Non-Homeowners

Most lot owners are not aware that they pay approximately 70% of the maintenance fees paid by homeowners. In our annual budgeting process, we carefully assess all maintenance fees and the level at which they should be. These fees MUST support the obligations of the association. It should be noted that maintenance fees for lot owners have remained level for many years, and the fees for homeowners were only recently increased by \$50 per billing cycle for establishing a capital expenditures fund for our VFD.

Revenue from the Amenities

The POA receives all revenue from the amenities including Mulligan's, the 3 log cabins, the four condos and the golf courses.

I hope what I have just gone thru will help move along our meeting. Before I start on our list, I will ask if anyone has a question or observation on the items just addressed? I will ask about each item separately:

- Opening of the Lighthouse Restaurant and Bar
- Golf Rounds and Prices
- Roads
- Remaining DD Property
- Reduction of Maintenance Fees for Lot Owners
- Revenue from the Amenities

Update on the Golf Courses – Greg Fjelland

All sprigs have been down on the Old Course for seven days, and sprigging has been completed for 50 days at the New Course. The New Course will be opened between mid-August and Labor Day, depending on the growth of the newly sprigged greens. The Old Course should open in late September or early October.

The lake pumps could not be used for much of the season due to high lake levels. A diesel pump is currently being used to fill the upper and lower lakes to irrigate the golf courses.

Agenda Items

1. Relocation of pumps when lake levels are high.
Plans are to relocate the lake pumps above the top flood level of Lake Whitney.

Practice driving ranges are available for use, and users must pick up their own balls. A new sand trap has been installed.

Property owners should email the POA when unauthorized vehicles are spotted on either of the golf courses.

2. Schedule for opening the Lighthouse Restaurant and Bar.
(See President Critcher's opening remarks.)
3. Status of 36 rounds of golf, private/semi-private courses, dates of operation, cart rental fees.
(See President Critcher's opening remarks.)
4. Fitness Center status.

The Fitness Center is on the Board's list of facilities to be renovated, but given the current budget, it is not at the top of the list.

5. Resurfacing the roads. Construction traffic.
(See President Critcher's opening remarks.)
6. Reduction of POA Maintenance Fees for lot owners.
(See President Critcher's opening remarks.)
7. Closing of golf courses and banning all traffic from courses and paths. Current plans are to continue the ban until the courses reopen. The Board's intentions are to possibly remove the ban after golfing hours when the courses reopen. However, this decision will be based on Greg Fjelland's recommendation.
8. Specifics of how ARCIS will operate the golf courses. ARCIS has 500 thousand email addresses to promote our golf courses. All revenue for unsold t-times will come to the POA.

A property owner recommended the POA open up the courses for the local school teams.

9. Marina repairs and improvements. (Roy Miller)
The POA is still waiting for the U.S. Army, Corps of Engineers to transfer the marina lease from Double Diamond to the WBPOA. Costs for prepping fuel tanks and preparing the marina for fuel service total about \$110,000. The POA is not spending money on major repairs and improvements until the marina lease is transferred to the POA.
10. Handrails at Cascade Pool.
Bill Finney, POA General Manager, will seek bids for handrails and report back to the Board of Directors.
11. Remaining DD property
About 650 Double Diamond lots, the company's condos, the old ranch house, and the sales office are under contract for sale to another company. The sale may possibly close next month (August).
12. Predictable negatives and how will they be addressed.
POA committees are working with the Board on addressing these.
13. POA purchasing lots and building cabins and/or buying DD condos.
Double Diamond's condos and remaining lots are under contract for sale. If the POA purchases other lots and/or constructs cabins, funds must be available. An assessment would likely be required to generate those funds.

14. Expand storage facilities with enclosed storage and covered spaces.
This topic will be discussed at the next Board meeting.
15. Ash tennis court repairs.
Bill Finney, POA General Manager, will assess the needed repairs and report to the Board.
16. Wild hogs on property.
Deer corn and deer feeders attract hogs. Property owners were asked to stop feeding the deer and to remove their deer feeders.

Bill Finney talked with local trappers regarding the hogs. The cost for their services will be \$400 to \$500 per month. The Board will discuss options for addressing the hog problem during the next Board workshop.
17. ARCIS contract- duration and cost
The ARCIS contract is for three years at a cost of \$15,000 per month.
18. Board proxies
Austin Sterling said the declarancy should be top priority. President Critcher and Vice-President Bass emphasized the Board's commitment to continuing the proxy campaign to reach the two-thirds threshold required to vote for establishing the Board as declarant.
19. Suggestions for Security
Austin Sterling suggested we currently have the best and most courteous security officers in recent years. He recommended a redesign of the speed bumps.
20. Unleashed dogs
Unleashed dogs are prohibited in White Bluff. If a dog is on the owner's property, it must be within a humane enclosure. Security will enforce this rule. Electronic fences as a humane and effective enclosure that meets the humane enclosure requirement will be reviewed by the ACC.
21. Allowing a 2-hour limit on courtesy slips for wave runners.
This issue was referred to the Marina Committee for consideration.
22. Posting of CC&Rs
The CC&Rs are posted on Town Square. Property owners need to sign up on Town Square to obtain access. The CC&Rs will also be posted on the WBPOA website.

A recommendation was made to update signage regarding age restrictions at Rustic Pool.

23. Posting of Financials

Clark Willingham asked when property owners would receive the 2018 annual audit for the POA. Jeff Williams said the audit is due and will follow up with the CPA regarding its status.

24. Is the POA receiving all revenue from golf courses, restaurant, etc.

The POA is receiving all revenue from the golf courses, restaurant, and other revenue generating amenities including the RV parks, condos, and log cabins.

25. No Fishing signs on bridges

This issue will be discussed by the Board during the next work session.

26. Repair of potholes

(See President Critcher's opening comments.)

27. Repair of Stonewood at creek crossing

(See President Critcher's opening comments.)

28. Water and Sewer Rate Case – John Bass

On July 18, 2019 I spoke with John Paul Irvin, who is the Chief of Staff of the PUC of Texas. Mr. Irvin assured me that the Water/Sewer Rate Case would be on the next the agenda for the next open meeting of the PUC Commissioners on August 8th, 2019. To view this meeting live go to www.puc.texas.gov and then click on the link to "Open Meeting Broadcasts". Meeting starts at 9:00 AM.

29. Update for Burned House on Ash Drive – Joe Manders

The POA made a settlement offer to the attorney for the owners and received no response. A three-party lawsuit regarding this property is underway. The POA's legal team is taking depositions beginning on August 13th. The POA is taking the case to trial.

The owners of the recently burned home on White Bluff Drive are working with Bill Finney, POA General Manager, regarding cleanup.

30. Violations and Follow-up

Enforcement procedures and fines for violations have been approved and are in effect. Enforcement has begun. Security checks for violations. Homeowners can also report violations to the POA office.

31. Friendly night skies at White Bluff

Parking lot lights stay on all night. The ACC could ask Hilco Electric to install shielded security lights. Individual homeowners can also request shielded security lights.

32. Menu pricing at Mulligan's

Menu prices are based on comparable prices with other restaurants. The children's menu came on line this week. Adjustments to prices and menu items will be made as we progress.

33. Saltwater pools

This issue will be discussed at the next board workshop.

34. Paper directory for White Bluff

Trish Shelton stated that many residents would like to have a paper directory for White Bluff and offered to volunteer to work with Associa to produce one.

The meeting was adjourned by President Critcher at 12:35 PM.