



Vision 2025

Silver Sands Homeowners Association Infrastructure Plan

Homeowner Feedback #2

Thank you to everyone who has submitted feedback. Following are the homeowner comments received via email since the last publication, including the date received. Many of the concerns expressed have since been addressed through the town hall presentations and provision of additional information. Please note that factual information cited in homeowner emails has not been verified. All personal information has been removed.

Homeowner Feedback (February 26)

1. Timeline for pool renovation.
 - A. Is this a multi-year project or done within one year?
 - B. How would the order of the pools be picked?
 2. Pool products
 - A. Agree with fence color and tile color
 - B. Dislike color on the bottom/inside pool. Products may be better now but I have seen many that have faded and not evenly. Turned white anyway. If it adds \$ to do color vs just white, I would suggest the white
 - C. Agree with blue umbrellas. Would not like bistro table. Rather have regular chairs to sit in and enjoy each other's company. High bistro table and chairs odd at a pool
 3. Verde Way wall
I would like to see something that keeps it open/ see through. It's lovely walking every day around that area and seeing the golf course, greenery, etc. A total brick wall would give it a much different feel while walking or for those living on that stretch of Silver Sands. It's very joyous walking and seeing the golfers and all the grass from it.
 4. Assessment.
Would prefer more equal payments over the 5 years with option to pay it all upfront for potential discount.
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#2 Homeowner Feedback (February 26)

We moved to Palm Desert in May of 2020. I want the complex to be the best it can be, however, a large assessment would be quite an issue for us. I hope suggestions will be forthcoming before any decision is made, so I can try to see what the future holds. Thanks so much. Before we actually bought, we did ask the HOA and the owner if any large assessments were in the future and was told not at this time. Am wondering if any other owners have similar situations.

#3 Homeowner Feedback (February 27)

Thanks for all your work on this project. A few comments...

- 1) the Fountain. This is a very nice feature in SS and rather than get rid of it all together it might be nice just to minimize the size of it by doing some sort of waterfall "wall" - water trickles down the wall.
- 2) the main entrance - I didn't really see a lot in the plan about updating the main entrance (sorry if I missed it). In my opinion this entrance is extremely outdated - this includes the silver sands sign and guard house and gates. I would rather

focus money on this area which is what people see when they drive by and the first thing people see when they enter. We were at the New Del Webb site and their guard gate is a great example of something we could do.

3) wall along Verde - it's really nice when you are walking along Verde and can see the golf course. Please don't raise the height of the wall so that you can't see it. We don't want to feel like we are closed in.

Thanks.

#4 Homeowner Feedback (February 28)

Based on the information provided we could not possibly vote in favor of such a huge assessment. We need much more information. Specifically, we homeowners were told at the special board meeting that all these projects were multiple sourced to vendors so there is no doubt specific financial information available for each component of the Vision 2025 proposal.

Pools

How much will it cost to re-gunite the 15 pools and 14 spas? The spa at pool 2 was done recently. The current reserve study shows we have accumulated \$342,000 in reserves for pool work and will be contributing out of our monthly dues \$600,000 over the next 5 years. That is \$900,000 available over the next 5 years. In addition, another \$600,000 will be contributed in years 6 to 10, which can easily be used for skimmers, ladders, and other items that need attention in the long run. So, our question is what is the difference between the bid to gunite the 15 pools and 14 spas and the \$900,000 available for that purpose over the next five years. That shortfall is what we should be assessing.

We would also like to know what is the cost difference on the bids for the aluminum vs steel fencing. The existing steel fencing lasted for between 35 and 40 years.

Clubhouse Exterior

The current paint cycle calls for the gate house and fountain to be repainted in 2024, and the clubhouse and tennis court walls to be repainted in 2025. We are already planning for and reserving for these future expenditures. Nothing is needed for those items. We would like to know what are the bids for the lighting, fire pit, lounging furniture etc. It will be a tough sell to get buy in from the owners when right now only three out of four people in your foursome can sit and talk after pickle ball or tennis under the existing rules of our Board of Directors. People also feel that we need to keep the patio area uncluttered so we can put out tables and chairs and accommodate owners at parties and events.

Perimeter Wall and Fencing

What specifically does the Board plan on doing to the fences on Verde and what are the specific bids for that work? If you are requesting an assessment tell us what you plan on doing and how much it is going to cost. Also since the Verde fence is part of the overall design of Silver Sands, should a significant change to that fence/wall be done without a vote of the homeowners?

Also, it has been the long-standing position at Silver Sands not to reserve for the perimeter wall since no one knows how long it will last. Rather we have lived with the idea that if the wall was partially or totally destroyed, most likely by an earthquake, we would assess for that cost at that time. What changes that philosophy?

Irrigation

We currently have \$53,000 in reserves for Irrigation and plan on adding \$190,000 over the next 10 years to reserves. Why can't we use that \$240,000 to tackle these irrigation issues over time as we have been doing. Properly maintaining the roads also will go a long way towards lengthening the life of our streets.

Entryway and Fountain

There is currently \$71,000 in reserve funds available to fix the fountain. What is the bid to fix the leak? How much are the bids to do the rest of the planned expenditures at the front entrance? What is the front entrance going to look like if the owners agree to spend the money?

There have also been proposals to reduce or eliminate the guards at the gate house and replace them with security cameras. Is this decision going to be made without a vote of the homeowners?

Final Observations

For most Silver Sands homeowners this is a second home or an investment property. The average fair market value is approximately \$350,000 - \$50,000 below the average selling price of homes in Palm Desert according to a recent article in the Desert Sun. Do we really need to make the place look like Big Horn? Also, who is going to monitor and manage the projects? We have seen what can happen when no one is on top of the contractors or the work sites – the pickle ball viewing area and the clubhouse remodel come to mind.

#5 Homeowner Feedback (March 1)

The documents provided to the homeowners indicate that the plan is to spend \$90,000 on the front entrance and \$25,500 to fix the fountain.

In addition, the pool re-plaster and bistro chairs will cost \$150,000. Then there is a plan to do \$225,000 of landscaping around the pools. This comprehensive landscaping was voted down by the homeowners a number of years ago. But here it is back again as an essential need even though the owners have already voted no once.

That brings the total to approximately \$490,000 and excludes any bids you have for the decking, the pool fences and the Verde fence.

If we use the estimates to replace these items according to our Reserve Study consultant, we need \$147,000 for the pool fences, 19,000 for the Verde fences, and \$105,000 for deck coating the pools.

This brings the total to \$761,000 a far cry from the \$2,000,000 that the Board is asking for as an assessment. What does the board plan on doing with the other \$1,200,000?

Keep in mind there are funds in the reserves to pay for part of each of these projects, which have been ignored in the estimates provided to the home owners.

#6 Homeowner Feedback (March 1)

As an owner at Silver Sands, we realize the importance to doing a proper job of fixing our infrastructure. We think we have "band-aided" things for too long and we think an assessment is justified to cover such things. But "beautifying" the pool landscaping for example is NOT NECESSARY and should not be included in this assessment. Any contractor that works on the pools and/or decking should be responsible for NOT destroying what landscape is there - or replace at his/her own expense if they do damage it.

We are also NOT in favor of changing the fountain in front. We just spent money "beautifying" it a few years ago!

Because all these "extras" are included in the total assessment, we would vote NO on the package if it's presented this way. We're not sure that it's legal to use our Reserve Funds for "extraordinary landscaping".

Why haven't other expenses been looked at to offset this assessment - such as removing the guard at the front gate? Many communities have gates with codes for guests to enter that are personalized for each owner. Having a gate guard is a false sense of security at best and a waste of part of our HOA dues.

#7 Homeowner Feedback (March 2)

Thank you to all who've dedicated time and energy toward this work. My comments are as follows:

Pools and Spas – a must do. Has there been any discussion about decreasing the number of pools/spas? Fifteen for a community our size is generous. Might we work to eliminate two or three?

Entranceway & Fountain – we need to be wise with our consumption of water and a fountain feature like we have today simply is out of step on so many levels. I support the move toward a miniature botanical garden and sitting area with art.

Clubhouse Exterior – good plans as stated.

Perimeter Walls – let's move away from iron and move toward additional rows of block with exposed views.

Irrigation – whatever it takes we need to reduce the runoff.

Staffed Gatehouse – the time has come to move away from the costly expense of staffing and utilize technology to achieve the same outcome.

HOA Fees – we need to keep them as low as possible. If the savings from staffing the Gatehouse could be used to reduce currently fees to get them under \$600 I believe homeowners would be more inclined to support the interim assessment. High HOAs and an aging community are real concerns among new buyers as they shop communities. We need to keep this community competitive in the down real estate market which will return.

Special Assessment Options – I prefer Option 4.

#8 Homeowner Feedback (March 2)

Listened to today's town hall meeting. Thanks Greg for leading the discussion and keeping it moving.
I have a couple of follow up questions

1) Doug mentioned in his pool presentation that we are having an issue of water getting under the decking. I see the plan is to resurface decks. Will this work if there is ground erosion under the decks? If so, what would it cost to remove and replace the deck? Just concerned that this could be a significant cost overrun.

2) Lee mentioned the "leaning wall of Portola" where 160 feet of the wall needs to be replaced as it wasn't built properly. Are insufficient footings a potential issue elsewhere?

#9 Homeowner Feedback (March 2)

I have the following comments to make regarding the Vision 2025 proposal and the Town Hall presentation of March 2.

I strongly believe that the work identified in the Vision statement is well considered and absolutely necessary. While I might disagree with or question individual elements of the plan (for example, the proposal to expand pool areas by adding landscaping enhancements), taken as a whole the project deserves our support.

Project Scope

The complexity of the project will make getting the requisite agreement among owners more difficult. There are really 4 separate projects: pool renovation, exterior fencing, entrance enhancements and the clubhouse repairs. One of the risks of lumping these projects together in a single approval is that someone who objects to a single element in one of the components (say the repair of the entrance fountain or the enlargement of the pool enclosures) might be tempted to vote against the entire project. As framed the project lumps the critically necessary with the "nice to do" components. I see the value in funding the whole thing at once, with one assessment and one approval, but you must be prepared to manage individual objections so that they don't sink the entire project.

Special Assessment vs. Reserves

There is a certain amount of confusion about the relationship between the funding of the project by special assessment and the reserve fund. Although in a perfect world the repair component of the project would be fully funded by reserves and the enhancements by assessment or HOA fee increases, that is not the hand you've been dealt. At the same time we come to grips with the fact that our reserves are, by most measures, badly underfunded either because of the poor condition of the underlying assets and the timing of repairs, or the cost of repairs, was inadequately assessed, or because our HOA fees have been too low for a long time, or some combination of the two, we are forced to undertake extensive repairs on a more or less urgent basis. It doesn't really matter why this work is needed, or why reserves are insufficient, the question is how do we solve this problem? My suggestion is that the collection of the assessment be separated from the project approval. I am assuming that the Board has the authority to decide how an approved assessment is to be collected. For example, the Board may choose to advise owners that if the project is approved, the assessment will be payable in one of three ways: by a single payment up front, with an appropriate discount, by 5 equal annual payments due on a specific date each year, and by 60 monthly payments collected with HOA fees, with a small fee for the administration and extension of credit implicit in this option. If the Board wishes to make hardship exceptions for

individual owners with demonstrated need, that can be done provided carrying costs are considered and provided that if the unit is sold, the unpaid balance is immediately due.

There were several questions at the Town Hall meeting today that made it clear that people don't understand how the funding of this project is related to the reserves. The special assessment is not an assessment to replenish reserves - it is to fund specific identified work. I believe that this is where a homeowner was mistaken - we are not adding this money to reserves and then taking it out. As I understand it, the assessment and reserves are not connected, and the 3.64% increase in reserve contributions has nothing to do with the project - the current reserve fund study refers to the project as being separately funding by 5 annual assessments of \$400,000, and it has assumed that assessment will happen and the project completed. It also does not contemplate the use of \$300,000 from reserves towards the project. As one commentator said at the Town Hall, it would be a really bad idea, where reserves are already underfunded, to pull an extra \$300,000 out. That would ensure that future HOA fees would have to be increased to cover that withdrawal.

Getting Approval

Here is a non-exhaustive list of the factors that will make approval of the project difficult:

Broad project scope creates opportunities for relatively small objections to galvanize opposition;

The seasonal absence of some owners and the COVID limitations make it difficult to have face-to-face discussions with opponents to change minds;

The variety of types of owners from retirees with primary homes elsewhere to full time retiree residents to full time working (or unemployed) residents means that there are large differences in the impact the special assessment will have on owners

The baggage, sacred cows and axes of some owners relating to other issues like the future of the guarded front gate, the history of the reserve fund contribution and use of reserve funds make it difficult to focus on the critical aspects of the project

The resistance to a certain actual expense when compared to an uncertain benefit: I know what the assessment will be but I don't know what the effect of the project will be on my satisfaction with my home or community on the value or saleability of my home.

That portion of the owner group who measures only monthly HOA fees, and believes they should be as low as absolutely possible without regard to responsibility for replacement of depreciating or falling down assets.

My suggestions are as follows:

Once your consultation process is completed, a single clear, detailed, description of the project and the funding options to be offered by the Board if the project is approved should be circulated. The reasons for the hundreds of decisions implicit in the final project can be available if owners want that information, but the result should be concise and descriptive.

Once the question for the owners has been finalized ("Do you approve of the project as described in [the Project Description Document] to be funded by Special Assessment of \$XX.XX per home"), there should be a two-pronged strategy that is managed by the Project Approval Team (an ad hoc committee if ever there was one). The first element is to describe to people as explicitly, as objectively and thoroughly as possible what happens if the project is not approved. This will range from forced closure of individual pools by health or safety officers, loss of use for unspecified periods resulting from failures of systems, certain increase in HOA fees to fund unscheduled operational expenses and inadequate reserves, and loss of home value and saleability as a result of poor reserve performance, poor maintenance strategies and loss of use of key assets. This is not an exhaustive list, it is just a few of the things that come to mind. The objective is not to scare people into approving the project, it is to graphically demonstrate that the choice is not between the status quo and the project - it is between uncontrolled and chaotic decision making, resulting in increased overall costs that follow from deferred maintenance consequences.

The second element would be to have the Project Approval Team develop and implement strategies to obtain owner support and to communicate the payment options that will be available to pay the assessment. Telephone canvassing, influencer outreach, project rollouts and announcements and mock-ups, etc. The marketing and communication specialists on the Project Approval Team will undoubtedly have many great ideas.

I would add my voice to the many who thanked the committee members who volunteered their time and talents to help make Silver Sands a better place. We are grateful for your efforts.

#10 Homeowner Feedback (March 4)

I look forward to the enhancements to our community, and admire the effort that has gone into it.

Since this is our chance to express our views, I thought that I would. I am not comfortable with the slightly off white color with dark brown trim selected for the gatehouse. I feel it doesn't suit the community's residential colour palate. I also question the proposed new wall colour for the same reason. I don't believe our walls are "pink" now and I do believe they blend well with our homes. I think the proposed change will make our Silver Sands community appear patchy, rather than harmonious. There, I have expressed my views. Thanks for the opportunity.

#11 Homeowner Feedback (March 4)

I am the person who asked the question yesterday, at the town hall meeting, about the pool equipment "housing" sitting right on the pool decks.

But first let me thank you for all the work involved in the design and research to prepare improvement options for the SSRC community. We were SO encouraged by it all. It looks lovely. We love the fountain at the front and really hope that it will remain at the entrance with the necessary and attractive improvements. The options for entrance improvements were wonderful also. And the pool areas are in such need of physical, but also aesthetic, improvements. We were very happy to see the ideas and hear about this all. We will definitely vote for the assessment. These funds look after our community, but also contribute to our enjoyment and our property values.

We live just above a pool where the pool equipment and its "housing" sit right on the pool deck, just feet from the pool. Because that housing stucco is painted the same white/cream color as the fence it stands out like a great big block. Pool #1, which was shown in your presentation, has the same situation. We fully recognize that the equipment at these few pools cannot be moved elsewhere, so we are hoping that the committee will then provide some attractive solutions for this particular issue as part of their list of needed pool aesthetic improvements. If you were to take a walk and look at some of these pools you would be able to see how this placement is so unattractive. It does nothing to enhance the enjoyment of the pool area.

Anyway, I first just wanted to thank you very much for all your hard and detailed work, and to encourage you to check on the location of housing for pool equipment and how it might be improved as part of the pool aesthetic planning.

We are grateful.

**If you have any other questions or comments, please send them via direct email.
If your preference is to talk to someone, this can also be requested
by including a phone number.**

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