

Board of Directors decision to deny the Aquatics Swim Team Proposal

Summary

The SRMA Board of Directors considered a great deal of information and multiple opinions in connection with the Aquatics Swim Team ("Aquatics") proposal to have exclusive use and control of the Bella Mar pool for a term of 5 years during the seven month winter swimming season, in exchange for Aquatics installing a pool heater and paying for the related natural gas and pool maintenance expenses during this seven month winter swim season. In addition, the Board consulted with its legal counsel, insurance agent and other professionals. Ultimately the proposal was not approved, but it was not for lack of effort or understanding on the Board's part. To the Board's surprise, the recent survey of Steiner Ranch residents revealed significant opposition to the proposal. This weighed heavily in the Board's decision not to accept the proposal.

Survey Pros

The pros focused primarily on the benefit for the swim team kids. There were a few comments about the benefits to adult fitness. The Board members understand the positive benefits and they understand the uniqueness a heated pool would bring to the community. What they were not prepared for was the number and variety of opposing comments from residents.

Survey Cons

The Board heard comments that the heated pool benefited a small percentage of the community. In general, the Board bases its decisions on the greater good of all residents.

The Board was also faced with the first proposal in its history which would deny access by Steiner Ranch residents to an HOA-owned facility, even though the facility is available for use. In this case, in order to keep the pool maintenance and heating costs of Aquatics down to a level the proponent was able to bear, the proposal stipulated that the pool be restricted against residents' use during the portion of each year when the pool is heated, except for 2 lanes which would be made available on a "first come, first served" basis from 4:00-7:00 pm, Monday through Friday. The rest of the time the facility must be closed. Many residents objected to this and the Board felt very uncomfortable with the proposed access restrictions, particularly since they would have been in place for seven months out of each calendar year for a period of 5 years.

Residents, as well as the Association's consultants, voiced concerns over the creation of an "attractive nuisance," where unauthorized users (i.e. "fence-jumpers") could potentially drown underneath the floating pool covers. Some residents were very concerned with the potential liability exposure, and the rising

insurance rates for the Association. These residents also mentioned the concern of potential lawsuits.

In addition, there were residents who felt strongly that because they were already paying for the majority of the existing pool maintenance and reserve expenses through their HOA assessments, they should be able to use the heated pool anytime it was available – just like the other HOA-owned assets. In order for the heated pool to be made generally available to the residents (outside of Aquatics Swim Team hours), the Association would have to pay a large portion of the pool heating and additional maintenance expenses. These additional expenses would require the annual assessments to Steiner Ranch residents to increase by approximately \$50.00 per year, per household.

Explanation of Resident Input (Survey)

The recent request for resident input was a survey, not a vote. It was simply a request by the Board asking for input from residents.

The timing of the requested input was not completely dictated by the Board. The Board was given information stating that Aquatics was talking to a coach who was under a deadline to decide between coaching at Steiner Ranch or elsewhere. In order to meet the time frame stipulated by the proposing party, the Board scheduled a special meeting. During the meeting one Board member stated a desire to hear input from the residents to check the pulse of the community as a whole before committing to a project of this magnitude. The other Board members agreed, so the decision was made to request the residents' input. Since the Board had about one week to decide on the proposal, the survey had to be created quickly and then closed with enough time for the Board to review the data and make its decision before the swim team coach's deadline.

The Decision

After careful consideration of the input from consultants, the responses of the residents, and all other available facts, the Board voted unanimously to deny the request. Under the SRMA governing documents, only the Board has the authority to make decisions affecting the Association and/or its common areas. In some cases, the decisions are difficult to make because of the passionate interest of the particular groups. Those cases (of which this is one) require an open mind, a willingness to hear all sides of the issue, an ability to weigh the potential risks to the community and prudence. Sometimes the final decision is not readily understood or easy to accept by the proponents of the particular issue. This makes the Board's decision an agonizing one, but ultimately a decision must be made. The Board appreciates the offer Aquatics made, but has respectfully declined due to the considerations outlined above.