

Board of Directors' Meeting
Gatlinburg Golf and Racquet Club, Inc. and Ridge Management Ltd. Inc.
August 22, 2008

The Board of Directors' meeting was held at Pine Top Lodge. President, Luther Parker, called the meeting to order at 8:08AM. Present were Luther Parker, President; Tom Reise, Vice President; Larry Ohm, Treasurer; David Barone, Secretary; Marge Duncan, Director; Joe Thomas, General Manager.

The Board decided to dispense with the reading of the minutes from the April 24, 2009 Board of Directors' meeting. A motion was made by Tom Reise to approve the minutes as written. Seconded by Marge Duncan. Motion carried unanimously.

GG&RC Financials. Larry Ohm reviewed GG&RC financial statements as of June 30, 2009. GG&RC is in good shape and on or close to budget. A significant difference in maintenance/repairs was mainly attributed to balcony repairs of \$8514, which were not budgeted in 2008. A motion was made by Marge Duncan to approve the Treasurer's report. Seconded by David Barone. Motion passed unanimously.

GG&RC Old Business.

Ordinance or Law Coverage. Following the Cobbly Nob fire in May, Joe Thomas was advised by our insurance representative, Richard Davis, in regard to "Ordinance or Law Coverage". This insurance would cover the property in case of total loss where an ordinance or law has changed between the time the property was built and today. This insurance is meant to cover the increased costs of rebuilding to meet current codes, laws, requirements, etc. The premium for \$1,000,000 of coverage is \$5609 per year. The Board and General Manager discussed the possible need for this additional coverage and its related cost. Tom Reise made a motion to authorize the purchase of ordinance and law coverage for the remainder of 2009 at an approximate cost of \$2000. Seconded by Larry Ohm. Motion passed 3-2.

Larry Ohm made a motion requesting the Insurance committee evaluate the ordinance or law coverage and report back to the Board. Seconded by Marge Duncan. Motion passed unanimously.

Jim Hinchee, Building and Grounds Committee Chairman, joined the meeting at 8:40AM.

Update on Balcony Repair. 47 balconies needed repairs; 2 remain to be done. See Building and Grounds Committee report for more detail.

Update on parcel of land owned by University of Tennessee. There was nothing to report since April 24, 2009 Board meeting.

Update on Michelle Collins, E103. Ms. Collins, as of 8/17/09, owes \$13,340 in past due HOA fees and \$6,600 in utility costs. After falling behind again, she now has begun to make payments

in accordance with the November 2008 agreement. There is no action against her at this time; however, liens are in place until terms of agreement are met.

Update on George Gonzalez, C307. C307 sold for \$60,000. GG&RC/RML recovered all monies due, about \$4200, covering HOA fees, utility costs and attorney fees. Additionally, this unit is back on the rental program.

Update on Carlos Valdes, D201. Joe reported to the Board via email on 5/24/09 that this unit was in foreclosure. A Trustee sale was to take place at the Sevier County Courthouse steps on 6/16/09. This sale has been postponed with no new sale date announced. Additionally, Joe reported that Valdes has not returned any phone calls; however, the unit still remains on the rental program and proceeds are being used to cover HOA fees and utility costs. Luther Parker advised Joe to continue this approach and keep the Board apprised.

Update on Past HOA Fees. Bookkeeping service is sending out letters on accounts over 30 days past due and is researching the items appearing on the report over 90 days past due.

Digital Recording of Board Meetings. Larry Ohm and Marge Duncan both stated they felt the minutes of the Board meetings are being recorded well. The Board decided it is at its discretion as to how the minutes of the meetings are recorded. At this time the current methods of recording have been deemed sufficient.

Todd Novak, A304, Proposals. The Board decided there is no space and/or funding. There will be no further consideration of his proposals.

Update on Maintenance Storage Building. To date, the two rusting tin buildings on the south side of the building have been replaced with a new addition for \$2048. The Building and Grounds report provides further details.

Establishment of Capital Reserve Fund. This topic was tabled until the November 2009 Board and Budget meetings.

The Board adjourned for a break at 10:16AM and reconvened at 10:31AM.

GG&RC New Business.

At this time, Joe Thomas introduced Greg Podeszwa of Skyline GCS Corp. Greg thanked the Board and General Manager for the invitation to speak to the Board. He stated his company is a general contractor offering various services including painting. His company handled the painting project in 2002. 50 minutes of presentation, questions, answers and discussions ensued. A good portion of the time involved a handout presented to the Board, Joe Thomas and Jim Hinchee. This handout responded to the painting specifications written by Building and Grounds and sent to Skyline in June. Skyline's handout clarified where their original estimate was in agreement with Building and Ground's specs and where there were notations or differences. The notations and differences follow:

Section B – B&G specs state customer’s designated representative(s) in the plural. Contractor requested Joe Thomas be customer’s designated representative.

Section C – Time frame for work. B&G spec indicates a specific time frame window. Contractor requests and approximate time frame window and the reasons for it.

Section D – Preparation

3. Contractor wants to use the primers they specify.
4. A Building Stucco – if trowel repair is wanted it can be done by Skyline at additional cost; otherwise, estimate only provides for cracks to be caulked.
5. Bolt connection post and beam construction. B&G specs indicate corroded components, bolts, nuts, washers be replaced. Any loosened hardware needs to be tightened. Skyline, due to legal and safety reasons, will not comply; however, Skyline has mechanical crews that can perform this work at additional cost.
7. Skyline suggests use of different caulk than B&G specs.
8. B&G specs indicate masking. Skyline, because of time considerations, asks to use alternate method of shield and clean.
10. Removal of locks, knobs on exterior metal doors, etc. Discussed by Skyline, but not specified in writing.
11. Steel I-beam rust, etc. Not addressed by Skyline (although perhaps included in #3).

Bid Submission – B&G specs require a standard materials and workmanship warranty. Skyline will comply but notes longest material warranty a company provides is 5 years.

The Board thanked Greg and he left the meeting. The Board discussed the issue with no motion or decision being made.

At 11:35AM Luther Parker asked Jim Hinchee to give the B&G committee report. Jim Hinchee handed out the committee report, which the Board read. Luther Parker asked the Secretary to insure the report is mailed out with the minutes.

The outline of the report follows:

Committee-monitored works in progress

- a. Water heaters
- b. Maintenance building addition
- c. Maintenance building power feed
- d. Walkway lights
- e. WiFi – High Speed Wireless Internet
- f. Freezing pipes
- g. Balcony repairs
- h. Rope lights
- i. New De-Icing agent trial

- j. Fire inspection
- k. Walk around inspection results
- l. Recommendations

In the discussion that followed the report, Jim spoke of the recent lightning strike and recommended extra surge protectors to ensure better surge suppression

Jim recommended paying the extra Skyline (or other contractor) costs to check, tighten or replace loose or corroding nuts, bolts and washers in relation to the building's post and beam construction.

Jim discussed the situation with the walkway lights. If one light goes out, the entire ramp can go out. Also, there was an instance of a live wire in E-building was found near a walkway light. This tripped the recently installed breaker causing the ramp lights to go out and probably prevented a fire such as we had in A-building in June 2008. The burned wire was shown to the Board. A recommendation was made to Joe to have the front desk staff member on evening/night duty check the walkway lights before closing. This check will be put into place.

The Board asked Jim Hinchee to write up specifications on lightning surge protection and thanked him for the B&G report and his service.

Proposed Walkway Railing Replacement and Lighting. The walkway railing is nearing the end of its useful life. Some of the current railing is rotting and warping. The wiring for the walkway lighting has been susceptible to corrosion, particularly from salt and water. Additionally possible problems with wiring remain unseen.

The Board adjourned for lunch at 12:30PM and reconvened at 12:50PM.

Although the GG&RC portion of the meeting was not complete, Luther Parker opened the floor to Sandee Spence, Front Desk/Group Sales Manager, who was invited to speak about group sales; current happenings; and what we can look forward to in 2010. Thus far in 2009, per Sandee's report, group sales has generated 844 rental nights, grossing \$99,412.89 – an average of \$117.78 per room, per night.

2010 is looking good also - groups booked include:

NCR Golf Group	4/30 – 5/3	45 golfers	\$12,099.30
Lewis Family Reunion	6/1 – 6/3	50-60 people	\$4,462.50
Bolton Family Reunion	6/11 – 6/13	60 people	\$4,936.14
Chawalik Family Reunion	6/25 – 6/26	65-80 people	\$5,633.93
Gammons Family Reunion	7/22 – 7/30	50 people	\$7,593.03

Sandee's report also highlighted that the pavilion and sun deck are being rented for group gatherings. Charges are \$150.00 for the Pavilion and \$100 for the sun deck per day. In 2009, the Pavilion was rented 17 days and the Sundeck 4 days. Other efforts being made per report:

1. Emailing churches in the Knoxville, Chattanooga and Nashville areas.
2. Placing additional focus on military reunions, corporations, car clubs, class reunions golf groups.
3. Promoting corporate value card to interested corporations promoting a 20% discount to its employees.
4. Emailing past guests and groups.

After Sandee's report, a general discussion led by Joe ensued. Highlights follow:

- Using groups to promote individual stays and individuals to promote group stays.
- Convert Expedia, Hotwire, Hotel bookings to Deer Ridge bookings.
- Promotion of new packages such as couples golf, widows package (includes golf at various local courses and Dollywood tickets), and an in-room (Swedish) massage.
- Bookings for Labor Day are at 40%. People are still waiting until the last minute.
- Tom Reise will contact Military Living to set up a Deer Ridge link.
- Luther Parker asked what the Board can do to help. Joe and Sandee mentioned the Expedia Insider award Deer Ridge received. The award states and guests judged that Deer Ridge exceeded expectations in value, service and friendly staff. Log onto Expedia.com Gatlinburg Insider Award. Joe and Sandee thought this award something all of us could promote.
- Joe and Sandee also stated one other important fact, all emails and calls received are answered. Guests have mentioned others don't return emails or calls and have given our resort business for this reason.

The Board thanked Sandee for her time and exceptional efforts on the behalf of Deer Ridge. Sandee thanked the Board for meeting with her.

At 1:20PM, the Board returned to the GG&RC portion of the meeting and resumed with committee reports.

David Barone mentioned he had been in contact with Ed Palmer, Steering Committee Chairman via email. Ed stated he would not be able to attend the meeting but suggested two items for the agenda. Both were regarding a flyer sent with a recent Sevier county electric bill. The first is Marathon water heaters that come with a lifetime warranty and a \$120.00 rebate. Overall Marathon costs about \$200.00 more than the RML installs. Jim Hinchee said this option was researched but the Marathon water heaters simply didn't fit into the closet spaces.

The second item was that SCES provides a free in home energy evaluation. The Board considered this, but thought there may be a question as to commercial or residential if the request were made as a whole by management. The Board, however, was thankful for the recommendation and thought if individual DR owners want the evaluation, they could contact SCES.

Other Business

Luther Parker stated he was happy with the B&G, Steering, Insurance and new Legal Advisory committees, and the benefits to GG&RC/RML. Luther further stated he would like to see more

owner involvement – perhaps four members per committee, strong Chairpersons and new committees formed based on owner interest and expertise. Luther and Joe will work on this.

Fire Inspector Report

As part of preparing Deer Ridge’s Emergency Action Plan and in response to the May Cobbly Nob fire, Jeff Nichols, the new Pittman Center Fire Chief, and Joe Galentine, a Gatlinburg Fireman and Certified Fire Inspector, State of Tennessee, performed a Deer Ridge fire safety review. Joe Galentine sent a letter to Joe Thomas with a list of concerns and recommendations.

The list is being addressed by staff, management and B&G committee item by item. Some items are already in compliance. Items involving significant cost will be addressed at the November Board and Budget meetings. Additionally, the chief acknowledges the list of recommendations is lengthy, involving multiple areas of fire protection. He recommended these improvements could be implemented in phases over a 5 year period.

Painting Project

The Board at this time decided to revisit the painting project. A vigorous discussion regarding the assessment and its fairness ensued. After reviewing the 2001 painting assessment which was based on percent of ownership, this Board’s consensus was that this was unfair. Other options considered: flat (such as the walkway assessment), a proportion based on common charges, or a proportion based on square footage. Square footage was chosen; and the painting assessment will be based proportionately on 1BR, 560 sq. ft.; 1 BRL, 698 sq. ft.; 2BR, 750 sq. ft.; and 2BRL, 908 sq. ft.

The Board discussed the deteriorating walkway railing, hidden wiring and the potential fire hazards. The Board reviewed several proposals to replace walkway railing with open low maintenance aluminum railing and at the same time replace the walkway lighting. Open railing would make for better and safer lighting installation, easier snow removal and perhaps the use of less ice melt. Delaying the painting project to 2011 was discussed to mitigate the payment process. Additionally, the Board deliberated over hiring a mechanical crew as recommended by B&G and Skyline to check, tighten loose or replace corroded nuts, washers and bolts that hold the building together. Years of wind, swaying and, in some spots, salt corrosion have made this a necessity rather than a nice to have done.

The estimated costs are as follows:

A. Painting	146,361
B. Wood replacement	40,000
C. Mechanical (Nuts, Bolts, Washers)	50,000
D. Walkway Lighting, landings, stairs	32,000
E. Walkway Railing (Aluminum square)	43,230
a. Old Railing removal	5,600
F. Contingency	<u>36,309</u>
	353,500

This special assessment of \$353,500 will be calculated by unit type and its associated square footage; and it will be payable over a 2 year period as detailed below:

<u>Unit Type</u>	<u>Sq. Footage</u>	<u>Per Year</u>	<u>Total Assessment</u>	<u># Units</u>	<u>Total</u>
1BR	560	1700	3400	30	102,000
1BRL	698	2100	4200	15	63,000
2BR	750	2250	4500	26	117,000
2BRL	908	2750	5500	<u>13</u>	<u>71,500</u>
				84	353,500

Larry Ohm made a motion that we have a special assessment for walkway lighting replacement, walkway railing replacement, painting, estimated wood replacement, anticipated tightening of loose or replacement of structural nuts, bolts, washers and contingency. The total project's estimated cost is \$353,500. The estimate is to be allocated on unit type and associated square footage; and it will be payable over a two year period with the first half due on or before March 1, 2010 and the remaining half due on or before February 1, 2011. The motion was seconded by Tom Reise. Motion passed unanimously.

At 4:15PM the RML portion of the meeting began.

RML Financials. Larry Ohm gave the Treasurer's report. We are at or near budget in most areas. Advertising through June 2009 is \$4,176 under budget. The credit line has been paid down to \$16,500 and will be paid off completely in October. Occupancy fees collected as a separate line item on a guest's bill will be discontinued. However, in an effort not to lose this revenue, \$12 will be added to the current reservation / maid fee now in effect. Tom Reise made a motion to accept the RML Treasurer's report. Seconded by David Barone. Motion passed unanimously.

Forecasting Aug-Dec 2009 Income and Expenses. Joe Thomas reported he is making every effort to stay within budget. For example, lawn mowing has been scaled back to being done every three weeks instead of every two weeks. Joe was asked about the MOBI website. He stated that to stay within budget, the site has not yet been established.

Regarding Income. Last minute reservations are looking for discounts of 20% or a free night. Many find Deer Ridge on the internet, then call. We now have Leisurelink exposure on Travelocity and Orbitz. A benefit of Leisurelink is they settle with us weekly rather than monthly and by direct deposit.

RML Old Business.

Water Heater Replacement. 26 water heaters that were over 15 years old have been replaced. Additionally, 20 more water heaters that were over 10 years old have been replaced. 9 installs remain and will be done as time permits. A potential for more problems existed had not this work been completed.

Current Deluxe, Standard Unit Program. Joe Thomas reported the standard/deluxe classification has not worked out as expected. Joe also explained other cabin rental companies have different rate structures based on amenities. Luther Parker suggested scrapping the classification. Marge Duncan, owner of a deluxe unit did not like the use of the word standard. There is nothing standard about our view. A consensus was reached to merge the standard/deluxe on Deer Ridge's website from 8 classifications to 4 based only on room type. However, because of the upgrades the deluxe units have undergone a \$10.00 differential in price for deluxe units will remain.

RML New Business.

Room rate increase. Joe Thomas asked the Board to approve a \$10 across the board increase on all unit types due to the deep discounting necessary to get rentals. This would help to offset the discounting. The Board agreed and requested Joe to put the increase in place.

Small Item Maintenance, Linen, Deep Cleaning, Carpet Cleaning. David Barone, via email, requested a discussion of these items. Results of the discussion:

1. Small Item Maintenance Fee. Joe Thomas reported a maintenance ticket is generated for every maintenance visit to a room – from replacing light bulbs, smoke detector batteries to repairing a clogged disposal etc. Joe reported this doesn't appear on the RML monthly statements. Although this involves extra work, Joe volunteered to include the no charge maintenance visits on the RML monthly statement. The hope is that RML participants will see value in the small item maintenance fee.
2. Linen Fee. The fee will remain as is. Linens wear out and need to be replaced.
3. Carpet Cleaning. Joe reported this is a necessary and valuable service. As manager of the rental program he thought it should be left up to him. There was no objection.
4. Deep Cleaning. Joe reported this service is mainly done in the winter months. During the busier time, housekeeping and contract cleaners are under time constraints and have a multitude of tasks to make the room ready for the next guest. Thus there is a need for a more thorough service during less busy times. Again, there was no objection.

Cobby Nob Fees. Cobby Nob fees will increase to \$668 per year from \$648. The monthly deduction on the RML statement will increase from \$54 per month to \$55.67.

Future of Deer Ridge. Currently there are 67 units on the RML rental program, 7 permanent residents, and 2 long term rentals. The remaining units are rented through an outside rental company, rented by the owners themselves or are vacation homes. Luther Parker would like to send a letter to all owners explaining the benefits of the RML program. Joe Thomas stated although there are many units on the rental program, more units are needed during high demand times such as July 4 where sometimes not enough units are available.

Luther Parker opined owners were well represented by our Board members; they have very diverse backgrounds, all come from different states and own various unit types. He also appreciated the management and staff in dealing with tough issues, complaints, etc. Luther also

spoke of the assessment. No one, including Board members who are owners as well, want assessments – especially in difficult economic times. However, we must do what is necessary to keep people safe and our structures sound.

At 6:02PM, Marge Duncan made a motion to adjourn. Seconded by Larry Ohm. Motion passed unanimously.

Respectfully submitted,
David Barone
Secretary



September 1, 2009

Owners of Gatlinburg Golf and Racquet Club Condominiums:

On August 22, 2009 the Board held its annual summer meeting. The minutes of that meeting are included in your packet. Although the minutes give a clear report of the activity of the meeting, I want to focus on two of the major points of the meeting: assessment for capital improvements and the rental program under the operation of RML.

Needless to say that much of life is devoted to maintenance. This is true for Deer Ridge as well.

Safety concerns, the protection of investments and the preservation and up-grading of the complex are all necessary issues. Unfortunately, the owners (including those members of the Board) have no choice but to address these needs. I have no desire to spend money during this economic downturn. This is no doubt your position also. Our only hope is that we will realize a positive change in the economy. I simply want you to know that the assessments are not something that I want to face.

One of the ways to off-set this assessment as well as some other expenses is to participate in the RML program. The current program offers a split of the income 60 percent for the owner and 40 percent for the management company. This is the best percentage ever given to the owners. Additionally, the management group just received one of the most prestigious awards from Expedia for its performance. This past season more and more groups (family reunions, golf groups and church groups) have booked gatherings at Deer Ridge. The manager is being very creative not only in utilizing various on-line booking services but also offering promotional packages. These efforts by the manager should produce an increased number of reservations for the Fall season. I trust that you will seriously consider joining our rental program if you are not currently a participant. You may contact our manager to complete the necessary details.

As we move forward let us be supportive of each other. It is imperative that we protect our investment, and work to enhance its value.

I appreciate your support.

Sincerely,

Luther Parker

President



September 1, 2009

Re: Notice of Assessment for 2010-2011 Capital Projects

To: All Gatlinburg Golf and Racquet Club Condominium Owners

From: Luther Parker, President

OFFICIAL NOTICE OF SPECIAL ASSESSMENT

This letter is the official notice of assessment to all members of the Gatlinburg Golf and Racquet Club Home Owners Association. The assessment was authorized by unanimous vote of the Board of Directors of the Association at the August 22, 2009 Board of Directors Meeting. The funds will be used to replace walkway lights, walkway hand railing, exterior wood replacement and exterior painting.

THE ASSESSMENT DUE DATES ARE MARCH 1, 2010 & FEBRUARY 1, 2011

DUE MARCH 1, 2010.....1BR \$1700, 1BL \$2100, 2BR \$2250, 2 BL \$2750

DUE FEBRUARY 1, 2011..... 1BR \$1700, 1BL \$2100, 2BR \$2250, 2BL \$2750

To avoid penalties and interest fees, please pay your assessment on time.

Please make checks payable to Gatlinburg Golf and Racquet Club.

Thank you for your attention regarding this matter. If not paid by March 1, 2010 and February 1, 2011, a 10% late fees and interest penalties will be applied to your balance.

return this coupon with first installment payment

Make check payable to Gatlinburg Golf and Racquet Club Unit # _____

Owners Name _____

DUE MARCH 1, 2010.....1BR \$1700, 1BL \$2100, 2BR \$2250, 2 BL \$2750

Date Received _____ Received By _____ Check # _____

**Building & Grounds Committee
Report to the Board
August 22, 2009**

Committee Monitored Works in Progress

- Water heater replacement project
- Maintenance Building Addition, repairs and power feed
- Building painting project advisory (including walkway lighting, walkway railing, covering the walkways to limit salt applications and liability issues)
- Emergency Action Plan / Disaster preparedness
- Wi-Fi system
- Safety changes to Balconies
- Playground drainage issue from Moonshine Ridge
- Parking lot lighting improvements and changeover to Sodium bulbs

Current details:

Water Heaters

All 26 water heaters that were on the Stage One list (over 15 years old) have been replaced. About 20 of the Stage Two (over ten years old) have been replaced, and the remaining 9 are in house and are scheduled for replacement as time permits. Eight of these are 50 gallon units. The current SCES (Sevier County Electric System) water heater with lifetime warranty unfortunately will not fit in the closet space available. Tank-less models, though more efficient, would require an average of \$1200 - \$1500 worth of additional electrical work to install 120 Amp service wiring.

Maintenance Building Addition

The 288 square foot addition to the maintenance building is now complete. Tom and Jeff, assisted by Justin, our former maintenance department summer helper from last year, completed the addition in July. This project replaced the two rusting tin buildings on the south side at a cost of approximately \$2048. The Lowe's ready built shed of the same size for comparison would have been over \$4000. Temporary lighting is in. Full wiring will be completed when the electrical panel is installed.

This addition is currently holding water heaters, dishwashers, balcony brackets and other items awaiting installation for owners. When these items are installed, it will then provide room for the paint and materials currently stored in the rotting 15' by 20' "shed" portion of the building, when that section is rehabilitated. This work will be scheduled during a low occupancy period. Cost estimate is about \$2400 in materials and will be a maintenance budget item for 2010.

Maintenance Building Power Feed

The current 30 Amp power feed from E Building's House Panel to the maintenance building is too small for the current load and needs to be replaced. Estimated materials plus labor is about \$850. We should replace the two existing breaker boxes in the Maintenance Building with one of the three Square D panels removed during the second upgrade to rain tight electrical boxes. This will be a requested maintenance item for 2010.

Walkway Lights

Installation of new house panels and breakers last fall, have protected our ramp wiring from fire several times in the last year. Faults in the walkway lights or wiring have tripped a breaker, causing loss of power to all lights on the ramp until repairs are made. These walkway lights were initially installed when the walkways were built 25 years ago. Age problems are compounded by maintenance issues and corrosion from sodium chloride ice melter.

The cost of a replacement walkway light fixture is about \$80 each. Mr. Joe Thomas will be requesting a wholesale change-out of these fixtures with a reduced cost for quantity. New walkway railings/walls may further reduce cost and improve safety.

WiFi - High Speed Wireless Internet

There were approximately 18 Access Points (AP's) in Deer Ridge at the start of 2009. Mr. Thomas was supplied a list of problems in November 08, and most faulty/weak access points had been replaced or moved for better coverage. Then along came the lightning storm in July which damaged or destroyed many equipment elements in the system due to power line surges. These elements (AP's, Switches, etc.) have been replaced at a cost of about \$6500, and the system is again functional at acceptable levels. All 8 current AP's were tested with a report to Joe Thomas on August 19.

Freezing of water supply and drain pipes

Maintenance supervisor Tom Kessinger plans on weatherproofing all piping as much as possible. Access points cut during repairs will be fiberglass insulated and covered. Water dripping will again be used as freeze prevention. The alternative of enclosing building understructure is preferred but costly.

Balcony Repairs

All but two balconies on the "must fix" list have been upgraded. All remaining balconies will have reinforcing brackets installed. Anchoring the railings to the structure wall will be completed, prior to the next busy season about April 1, 2010

Rope Lights

Incandescent Rope lights, running down both sides of the tennis court stairs, have been replaced with LED ropes. Longer life and reduced current will save money over time. Post lights on the big deck have

replaced the old defective light string running around the railing. These lights are now photocell controlled, coming on at dusk and off at dawn.

New De-icing Agent trial for Fall

The Maintenance Department will have a 200 pound free sample of Thaw-Master de icing agent for use as a trial delivered in early October. This will be a chance to see if it is non-slippery and effective for ice melting, in addition to its non-corrosive properties. The manufacturer, EC Grow Co. has a distribution point in Kentucky. Mr. Roy Smith, 859-743-1414 \$8.68 Per 50 pound bag, 49 bags per pallet, FOB Florence, KY.

The first step in de-icing is early removal of excess snow and ice, followed by application of the minimal required ice melting agent to do the job. We would like to hear Tom's ideas for covering the walkways and listing design, methods and costs.

Fire Inspection

Mr. Joe Galentine, State of Tennessee Certified Fire Inspector, was on the property August 3rd. He evaluated our resort and provided a list of areas of concern and 18 recommendations. While we are NOT in violation of any fire codes, several of his recommendations, listed below, point out easily recognizable concerns and should be implemented soon.

1. Add the Rec/Office building to the fire alarm system. Add wireless heads in the game room, dressing rooms, office area, guest coin laundry, resort laundry and storage areas. These areas are currently unmanned from 11:00 PM to 7:00 AM. The maintenance building attic, storeroom and workshop areas should also be monitored.
2. Install additional 15 pound ABC extinguishers installed on first and third floor landings, buildings A-E. This will total 28 additional extinguishers and housings. Rough estimate about \$250-\$300 each
- 3&4. Covered in Emergency plan.
10. Current practice per Janice
11. Fire door on slanted bar that automatically closes on power failure or fire alarm in laundry.
12. Install 8' galvanized pole with reflective tape at paving edge, adjacent to fire hydrant location. Two of the five existing 5 hydrants should be relocated to more visible locations.
16. Move the existing wireless detector heads closer to the sleeper sofa in units requiring it.

Mr. Thomas will have additional insight on his conversation with Mr. Galentine

Walk around inspection results:

Playground.

Rainwater from gutter down spouts, parking drainage and normal runoff coming down the hill to the Deer Ridge playground (from the large cabin up on Moonshine Ridge) continues to be a problem. The white sand we buy washes out from under the swings and play set and down the hill. At the same time, red clay soil is being deposited on the east side of our playground. In B&G's opinion, we need to draft a letter to the cabin owner or local agent requesting a permanent solution be found, promptly. The area shows signs of standing water and appears to be breeding mosquitoes.

Picnic Area behind sundeck

Two new Danger signs are needed as replacement for the existing, rotted wood signs. The chain link fence preventing falls down to the tennis court needs the top rail painted, and the entire fence fabric re-attached with new aluminum wire.

Big Sun Deck

A new batch of rusty nail heads have risen from the old boards. New replacement boards have been screwed down and are fine. When a protruding nail is removed, it should be replaced with a screw. Bare feet and rusty nails are a bad combination.

Backup Light Source

Two or three portable emergency floodlights should be purchased and available to stand in if the walkway lights go out due to a wiring problem. They could also be used as temporary or maintenance lights. Estimated cost \$10 each at Lowe's. Power available on adjacent ramp outlets.

Commercial Power Concerns

Sevier County Electrical System (SCES) should receive a letter from Deer Ridge requesting that tree limbs be removed from the three phase power line running from Deer Path Lane at Getta Way, down the road to the riser pole at Weber Rd and Moonshine Ridge Way. Additionally, as the July lightning storm damage was so severe, request the primary lightning arresters and MGN pole grounds be checked along this route. The SCES folks may also be able to help us with Transient Voltage Surge Suppressor (TVSS) engineering and installation of additional suppressors as required.

QUOTE: If you think prevention is expensive, check the cost of the treatment and the cure.

Conclusions and Recommendations:

1. On any major project, a set of written specifications as to exactly what is wanted should be included with the Request For Proposal. Reference to it should be made in any contract. Requirements for the contractor to clean up behind himself should be **included and enforced**. Acceptance tests or inspections should be performed by a member of staff prior to final payment of invoices or statements.
2. All projects should be looked at from the point of view: "Will it last at least five years?"
3. If applicable to the project, documentation should be provided by the vendor or contractor that provides the following information:
 - Operator instructions
 - Manufacturers documentation

- Wiring Layout and burial route if inter-building (to prevent cable cuts)
- In the case of telephone or ethernet installations, a system block diagram, showing all unit designations
- A list of the physical location of all equipment, such as Alarm units, Dialers, Access Points, Routers, Switches, Modems, repeaters, etc.
- A list of all port or IP addresses, cable pair assignments. (Prevents one vendor job security)

Thank you to the Board for allowing me to serve and putting up with my idiosyncrasies!

Jim Hinchee

Revision 1.4 of August 21, 2009