

Good morning. The major subject to be addressed at this meeting is the contract for the construction of a pickleball complex. It marks the accumulation of years of hard work by a lot of people and it is coming down to the wire.

As much as I had hoped it to be a joyous occasion, it also comes with a lot of frustration and disappointment.

The Board did not receive the final information until last Friday evening. It would be an understatement to say I was disappointed. We spend a couple hours on Monday afternoon in an executive session understanding the details of the contract and how we got to where we wound up. The final truth is that everyone was working the numbers up to Friday afternoon which is when it was firmed up. It would have been very beneficial had this happened a couple of weeks earlier. But it is what it is.

Furthermore while all of this is going on, the Board was flooded with emails encouraging the approval of the pickleball complex. Most, if not all, directors read each email. While the members certainly have a right to do this, in this particular instance, it was at minimum an unnecessary distraction and certainly did not help their case.

No one is getting everything they want in this contract. The pickleball players are only getting 8 courts. The costs has increased by 30% since January such that it puts the Board in a tight position to avoid violating the bylaws. However, we have two expert legal opinions that gives us grounds to proceed.

The truth is that we are in a very bad environment to be building anything and it does not look to be getting any better in the future. Any changes or delays at this point will only cost more and we run a real risk of companies who have bid to stop responding.

If we wait for the economy to tank, then construction costs may be less but then home sales will drop off significantly. The appetite to do any construction in that environment will be zero.

Consequently, it is now or never.

On the brighter side, there are a lot other things on which we are making great progress. Based on a legal opinion, we are eliminating the director confidentiality agreement which has discouraged some highly qualified members from running for the Board. The Fiscal Affairs Committee has found they can get the work done for 80% less that what the Board approved at our last meeting. And we will finally vote on accepting a grant from the Foundation to provide over \$50,000 towards the construction of restrooms at the new pickleball complex which some of us have been working on this for over a year.