

Highlands of Russell Park Residents,

The decision by the Board of Directors, not to open the pool until all restrictions are lifted by the State/Governor was not taken lightly. There are several items that the Board took into consideration as part of this decision. Below are just a few of these items:

The Association, by current government restrictions, must maintain an occupancy not to exceed 50% of the pool capacity preset by the State of Texas/Governor Abbott. To ensure that the Association does not exceed the State required capacity, would require the Association to hire two pool monitors to be at the pool during all hours the pool is open. This is to ensure that the occupancy limit is not exceeded. The cost associated with this addition would be \$30,000.00 with restricted hours. A penalty under the order for not maintaining capacity, could carry a fine to the Association up to \$1000.00 per occurrence. Without the provision of the hired pool monitors, this puts the HOA at an extreme liability risk if/when someone would bring up a legal suit against the association regarding contracting COVID-19 at the pool. A legal suit demonstrating the Board of Directors acted with negligence in accordance with the pandemic state guidelines, has the potential to bankrupt the association and negatively impact every single homeowner that lives in our community. *Please note, that self-monitoring for capacity is not an option because the responsibility to meet the requirement falls on the Association and not the Individual Owners.*

The Association would need to hire a full-time cleaning staff to disinfect all surfaces per the CDC guidelines, each time these surfaces are touched (pool gate handle, restrooms, water fountain, etc.). *Please note; that signing a waiver of liability by Homeowners for the cleaning requirement and/or occupancy expectations is a large legal expense (creating the document for the Association). That cost was not projected or included in the 2020 budget. However, going forward with budgeting and pool usage/operations; more community guidelines will be going into place to ensure everyone's safety and security while visiting our neighborhood pool (once the pool opens without occupancy restrictions).*

The Board also considered the liability insurance coverage for the Association. Should someone bring a lawsuit against the Association, stating that they caught COVID at the pool, whether they can prove damages or not, the Association/Homeowners would have no insurance coverage for legal expenses to defend the claim. The HOA, including

Board Members, would have to pay an Attorney to defend the suit out of HOA (your assessment) funds.

In Summary, the quote to open our community pool with the current State of Texas/Governor COVID-19 restrictions in place would cost our association \$45,000.00 in additional costs that were not projected or budgeted for.

As was mentioned, all the resulting costs for items noted above would fall back onto the Homeowners to pay, thus, raising your assessments over and above any increases for the routine operation of the property. The Board is taking their fiduciary duty to the Association very seriously and strives to be good stewards of Association funds.

*We would also like to note that the cost for maintaining the pool is a year-round expense that does not change. Considering the information that the Association costs remain the same whether the pool is open or not.*

In addition, after taking the pulse of the community regarding refunding dues at \$18 per residence for a total of \$10,000.00; the Board of Directors has made the decision to allocate that money back to the pool area (once occupancy restrictions have been lifted) to increase cleaning standards per state guidelines, creating professional pool signage for rules/expectations/risk, adding legal waivers, and other unforeseen costs directly associated with the pandemic.

We are all anxious to return to regular operation and to have the pool opened as soon as it is financially responsible for the Association to do so.

We hope that you found this information to be helpful for a better understanding of just some of the items that were considered when making the decision.

Sincerely,

The Community Association  
HRP Board of Directors