



**Mayacama Residence Association
Minutes of the Annual Mayacama Residence Club Meeting
Wednesday, August 23rd, 2017 at 10am**

The annual Mayacama Residence Association meeting was held on Wednesday, September 28th 2016 at 10am PST within the Boardroom of Mayacama Golf Club, in Santa Rosa, California.

Board of Directors Present:

Jonathan Wilhelm – President
Greg Brown – Treasurer
Danny Hildebrand – Secretary

Conference Call:

Stuart Singer – Member Representative

1. Welcome

Jonathan Wilhelm called the meeting to order at 10:02. He introduced all of the Mayacama representatives in the room and acknowledged the Residence Club Members attending in person as well and thanked all for coming. Jonathan acknowledged that agenda as well as the minutes from 2016’s meeting had been distributed to all of the Residence Members and attendees. Jonathan noted that we would go straight away into the use patterns and availability as presented by Danny Hildebrand. Jonathan lastly made clear that questions were welcome at any time and the representative would do their best to answer them.

Greg Brown chimed in to remind attendees about hold music and messaging from office phone. In the event someone has to step away from the call, it is best to use the “mute” feature.

2. Residence Club Use Patterns and Availability

Danny thanked Jonathan, Greg Brown and Brian Hill for their efforts towards a positive Residence Club experience. Looking at patterns through the Residence Club always starts with the weekends. The past year reflected high occupancy on the weekends which only echoes what we have seen over the past 3 years and it is expected to continue. The mid-week occupancy in the summer months is also high. There are many changes that happen both mid-week and weekend due to youth schedules, late arrivals and other unforeseen circumstances. The frequency of cancellations seems to increase in the Summer and Fall times, not to say it happens weekly, but the occurrence does go up. Constant and open communication is always encouraged between the Residence Club members and operations team. Asking for empathy in the vein that this is a club, communicating and planning effectively are two important tools for members and their families to be able to secure the times and residences requested.

Relative to reciprocity it has been an overall slower year for reciprocal actions. As of mid-August there has been 15 fewer deposits than there were last year at this point.

Danny issued a reminder that Elite Alliance had recently introduced 3 and 4 day withdraws and encouraged members that use reciprocity to explore that option. There is also the opportunity to secure time at Mayacama through reciprocity as well. If there are certain times that a reservation is not available, Mayacama members can use credits with withdraw additional time to stay at Mayacama.

Danny also touched on having larger overnight events, corporate or otherwise. The Residence Club offers members a unique way to host these events and there has been success with the lodging when thoughtful planning has gone into the request while staying within the scope of the residence club rules.

Jonathan noted that we had a problem with cancellations in years past and with the late cancellations we receive - it does not always help, primarily because other plans had to be made. In the past we have not had to implement cancellation fees, however it may need to be explored. More than anything, Johnathan encouraged more and prompt communication at the earliest sign that one needs to cancel their stay.

Dr. Ralph Cohen posed a question as to if the golf course renovations had made a noticeable change in the use patterns.

Danny: Surprising the green situation did not seemingly have an effect on usage. Members still wanted to come out and play the 9 holes that were open. Jonathan noted the most noticeable effect was with the prospects in that we had many who were slated to come up to see the property and for the most part, the elected to punt to a later stay.

3. Construction Update and Whole Ownership

The next phase of Villa construction has started (4 Villas) – directly in front of 409/410 right next to the 4th tee and 3rd green. The next 4 residences will be very similar to unit 409/410 with enclosed Harvest Rooms. The plan with these, weather dependent would be to deliver some of these around May of 2018 and subsequent units delivered approximately 1 month after per residence. Jonathan is in the process of submitting for a grading plan for the next phase which would be on the opposite side of the 4th tee and hoping to have the ball rolling on that “next spring.” The decision has not been made as to what or how many of these units are going to be sold individually. There will still be more market research as to what the demand is for us to put some of the residences or for sale while some of them will be kept by the Club for its inventory to rent to members and /or Residence Club use. Mayacama is building the four and will decide how many of these to release to the whole ownership program and how many we keep in the club’s inventory. There is a high level of excitement and the plan at this point is to keep construction going until we are built out and not have any more pauses in it. Jonathan reviewed the plan that we have brought in crews from Southern California due to the massive cost of using local builders.

A clarification question was posed as to how many units were in the next phase.

Jonathan: 4 are being constructed now and in the next phase (left of the 4th tee box when standing facing the 4th fairway) there will be 6 more with a Residence Club pool that will be specific to people staying in the residences.

All said and done there are 14 more units to be built (including the ones under construction). Of the 13 Villas, how many are sold individually and how many are kept - Jonathan noted there is not an exact answer at this time, but a best guess would be 50/50, maybe a little more get sold and this decision will be based on the market and what is best for the club.

A clarification question was posed as to parking for the new residences.

Jonathan: there will be parking close to the residences in the phase of 6. He noted that for the 4 residences that are being built by the 3rd green and 4th tee box, those are strictly golf cart access at this time, however an effort would be made to carve out a couple of parking spots.

Lastly, Jonathan noted Mayacama has hired some designers to implement a furniture package upgrade for the clubhouse as well as some structural changes in an effort to open up the feel for the clubhouse. If everything goes to plan – ideally this is done in January, February and March of 2018. This process has just begun.

The golf course renovations have been completed all bunkers and greens. The last part of the puzzle is replacing some of the tees on the front nine. We are constantly doing routine improvements to irrigation etc. The rebuild bunkers and greens is an intensive process and the golf course may feel a bit wet as a result of some of the work that is being done, however that is due to the specific renovations being executed.

Jonathan expressed his gratitude to the membership for their patience and understanding during this time.

4. General Club and Membership Update

The year started off slow from a sales standpoint – weather being a driving factor, however we have virtually caught up to the yearly projections after the slow spring – almost right on track for the 14-15 Residence Club memberships that were projected. Golf memberships, Social and otherwise we are actually almost full on social membership and we are close to having our first waitlist for any membership category. We have 75 Social memberships available and there are only about 5 or 6 remaining. Occupancy has been over 90% this summer and general club usage has been strong.

Greg added that the 2 areas that are down are golf course revenue and greens fees mostly due to the wet weather. Mayacama budgeted for approximately 19,000 rounds of golf and we are closer to be on pace for about 16,000 – 17,000 rounds. The remainder of the year looks strong.

The spa is an area that usage has not been strong, however with a new manager in place and rebuilding the team, there is a strong outlook. Due to some new guidelines in Sonoma County, spa providers now need 500 hours of spa training vs the 100 hours that used to be required. This in combination with new properties opening up has created some challenges in securing consistent reliable providers.

Jonathan noted the spa is a breakeven proposition at best. It is a true membership amenity akin to a driving range. He also noted we added the tipping component in an effort to retain some of the qualified and quality staff as the mentality of spa providers for many years has been it is a tip driven industry and there is an inherent need to see that component in the billing. Jonathan expressed his gratitude for Levi, his work and his fresh ideas he has brought to the position.

Jonathan noted some of the upgrades that had been made to the casitas. All of the beds in the casitas have been changed and we have added furniture pieces here and there. We would like to truly look at the casitas holistically at this point. With the designers that are looking at the clubhouse, they are also exploring redoing some other touches in the casitas. Again after redoing many of the roofs and replacing the beds, the focus now turns to the interiors and seeing what changes we can make to those.

A question was posed relative to residential membership sales and how close to capacity is the Residence Club.

Jonathan: We have approximately 25-30 more memberships to sell in the Residence Club should we not add any more units and we have about 8-10 more memberships on the resigned list. The last unit built (409/410) was purchased by Mr. Hoffee and that has basically be 100% dedicated to the Residence Club as Mr. Hoffee really only uses 1 – 2 weeks a year. He is happy to put that into Residence Club or rental inventory, but we have virtually dedicated it to the Residence Club to create that “flexibility” for Residence Members. There is an element that makes the Residence Club more valuable rather than just adding another unit – in which we would add 10 more memberships per unit – to rather have a balance of in saying this inventory belongs to the Residence Club, which will allow for the price to go up because there are a finite amount of units. Our goal is to make sure the flexibility of the Residence Club for those that participate, wherever the cap may be, creates a program that continues to benefit the Residence Club members and make it more valuable. While we can put members in there on a nightly basis at a rate, which is a need the club is excited to address, there is also the opportunity to put Residence Club members in there on Short Notice or Space Available and that flexibility makes the Residence Club more valuable. An example of the flexibility was during the last Selection Process and the way it was executed with 409/410 – we were able to accommodate 75% of the first choice selections for the Residence Club – which is a great number. As it continues to sell out, this number will go down, but the flexibility will remain with the program built the way it is. The Whole Ownership really helps balance the value of the Residence Club.

A question was posed relative to golf membership sales and capacity

We have approximately 500 active dues paying members in all categories and with Charter Membership having the largest resign list. While the Residence Club resigned list sits around 9 or 10, we have noticed that a handful of the most recent ones have come from members who have decided to move up to the area thus, no longer needing the Residence Club membership.

A question was posed relative to access to the Residences, specifically who else has access to the residences besides Residence Club Members

The Reciprocity that we engaged with started with Timbers and then we brought in Elite Alliance in a couple years ago for a variety of reasons – mostly dues to the volume of properties and the flexibility they offer. They also offered the opportunity to deposit one bedroom residence which added a new opportunity for our members. Elite Alliance last year did an internal deal with Exclusive Resorts. Elite Alliance selected a handful of ER properties and did a swap to so those members could travel to Elite Alliance properties and a handful of Exclusive Resorts properties were made available through Elite Alliance. To be clear, Exclusive Resorts did a deal with Elite Alliance, not with Mayacama and the only way an Exclusive Resorts member can travel to Mayacama is through Elite Alliance. Also to clarify, Mayacama did not “seed” any weeks to either reciprocity program. Some developers do this to stir up interest, but that is not something we have done this year.

A question was posed relative to how the Reciprocal programs affect the golf course.

You are only as busy as you are occupied. Out of the 17,000 to 16,000 rounds that were played here, approximately 150 of them were reciprocal players. It shows that even though there is a fair amount of reciprocal activity, they mostly don't come to play 6 or 7 days of golf, but rather to explore the area – wine country and supplement it with a round or two.(12:50)

5. Residence Club Survey

We will be issuing a brief survey to the active Residence Club Members to solicit some focused feedback questions ranging from degree of agreement to short answer format. We are doing this in an effort to better connect to the Residence Club Members. While the belief is there has always been an open dialogue with our Residence Club Members, this will be an opportunity to be sure everyone's voice can be heard. The end goal of this is not only to understand what we do well, but also gain an understanding of what challenges face out team in the Residence Club and how we can improve. We are looking forward to hearing that feedback. Jonathan also noted there will be a general Club survey that will be issued as well. The goal is to learn what we need to do to improve the member experience.

6. Open Forum

A question was posed relative to cell reception.

Greg Brown explained Mayacama signed a deal with Comcast in late December as we have a vendor who is now willing to bring high-speed internet by way of fiber. It's a pretty expensive endeavor, but Mayacama negotiated a nice package. That now expands not just to the clubhouse, but branches off to the pool, maintenance building and now the casitas and Villas. This will allow for a stronger and more reliable option of Wi-Fi calling. The exact date of completion is a moving target due to some of the equipment challenges and labor, but once completed Wi-Fi enabled calling will solve many of the communication issues relative to cellular coverage. This will not solve the issue of reception on the golf course. That would require a strong mesh network across the course and is something we would like to do from a long term prospective. It would aid our golf course super intendent as well as there are a variety of tasks that he could perform through the irrigation system, which would be a huge help for him as well. That being said, it is a "one step at a time" approach. Having addressed the hurdle of finding a vendor to execute this fiber run, it's a step in the right direction. AT&T pulled their idea of erecting a cell tower – there was one ideal area for it, however the homeowners were not thrilled about it and AT&T walked from it.

Jonathan closed by pointing out Brian Hill has joined the team and has been with Mayacama for almost a decade. He started out in Outside Services and has really stepped up to become a huge part of the team. There has been strong positive feedback about his performance and communication and Mayacama is lucky to have him in the role. At any request, Jonathan is happy to take anyone down to the new construction site to show the progress and share any plans going forward. Thank you for attending the call.

Jonathan Wilhelm closed the meeting at 10:55am and thanked everyone for attending the meeting and those dialing in.

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