



PEBBLE BEACH
COMPANY

April 27, 2011

Re: Del Monte Forest Road Maintenance/Entry Gate Procedures

Dear Neighbors:

Earlier this year, the Del Monte Forest Property Owners organization (the DMFPO) approached Pebble Beach Company with a request that we work with them on two ways to improve our community: 1) improving the condition of our roadways; and 2) enhancing security in the Forest, particularly the operation of our gate system. After several meetings with the DMFPO, and with the unanimous support of their Board, the Company agreed to implement the following road maintenance and gate entry programs this year:

Road Maintenance Program

While other jurisdictions are cutting back their budgets, Pebble Beach Company agreed to double our road maintenance budget in 2011, to approximately \$1 million. In addition to a number of repaving projects that have been or will be completed in 2011, the Company is in the process of completely re-striping all roads in the Forest to enhance their safety and functionality. We will continue to work with the DMFPO to identify and correct problems with our roadways in a timely and cost-effective manner.

Gate Entry Procedures

The DMFPO asked us to look at ways to improve the operation of our five entry gates, including putting in place stronger controls on gate access to enhance overall security in the Forest. As a result of this review, the Company will be implementing the following procedures:

Gate Arm Project

As you may know, Pebble Beach Company already has security cameras installed at each of our gates. The cameras record the license plate numbers of all vehicles entering the forest.

To complement our security camera system, the Company is installing gate arms in at least one lane at each of the five entry gates. These gate arms will primarily be used at night so that the gate officer can properly identify each vehicle entering the Del Monte Forest and allow entry only if they have the appropriate gate pass, gate clearance, or other authorization. We hope that by adding this feature to each of our gates, we will be able to enhance the security of the Forest for all residents. Our goal is to have the new gate arms in place by mid-May.

Resident Access

- Residents are entitled to one (1) Del Monte Forest emblem for each car they own, up to a maximum of four (4) per year, upon payment of their annual road fee to our Road Fees Department.
- For calendar year 2011, all residents should now have received their new emblems from our Road Fees Department (provided they have paid their annual road fees on time).

ROAD FEE DEPARTMENT

Post Office Box 1589, Pebble Beach, California 93953 831-625-8426 telephone

- Prior to June 1, residents displaying outdated emblems (or failing to display any emblem at all) will be stopped at the gates and advised to display their new emblems. If for some reason they have not received their new emblems, they will be asked to contact our Road Fees Department for assistance (831-625-8426).
- After June 1, residents displaying outdated emblems will be stopped at the gates, their emblem and vehicle license plate numbers will be recorded, and this information forwarded to our Road Fees Department for further follow-up. Our Roads Fee Department will call the resident to inform them that they need to display their new emblems immediately.
- When gate officers see emblems that a resident has reported stolen, or that are in the possession of someone other than the resident to whom they were issued, they will take all reasonable steps to confiscate the emblem. If they cannot confiscate the emblem, they will try to record the license plate and/or model number of the car, so the owner of the vehicle can be traced and contacted.

Guests of Residents

Guests of residents are welcome to enter the Del Monte Forest to visit, and we would like to make their entry process as easy as possible for you. Here are the new rules for guests of residents:

- Residents may request up to four (4) free annual gate passes per year for members of their family (e.g., parents, siblings, adult children, etc). They will be required to provide the name, family relationship, and vehicle information for any free pass requests on their application form.
- Additional gate passes beyond four (4) may be requested for family, but will be charged an administrative fee of \$25/pass.
- For other guests, residents should call our gate clearance number (624-6669) and our Company's Security Dispatcher will enter their names in our computer system for admittance on their arrival. If a resident has guests staying with them or visiting in the area for an extended period of time, they may clear the guest for admittance for up to thirty (30) days at a time.
- Without proper clearance, guests will be charged the gate fee or turned away. Guests will still be allowed to use the phone at the gate house to call the resident they are visiting to secure clearance, but please keep in mind that your guests and others waiting at the gate will be inconvenienced if they have to call.

Employees/Contractors Working for Residents

One of the most frequent concerns we hear about from residents and the DMFPO is that residential contractors and employees, such as gardeners, housekeepers, and construction workers, are able to access the Del Monte Forest without necessarily having a valid gate pass or proper gate clearance. In an effort to address this concern, the Company is going to be stricter in requiring contractors and employees either to have a current annual gate pass or to be cleared for entry by the resident with the Company's Security Dispatcher in the same manner as for guests. Otherwise, there is no way that our gate officers can tell if a presumed contractor, gardener, housekeeper, or other person is legitimately working for a resident.

Accordingly, the following guidelines for contractors and employees will be put into effect as of June 1:

- Residents must obtain for their regular contractors or employees (or have them obtain on their own) an annual business gate pass from our road fees department. The administrative fee for an annual pass is \$25.
- For one-time or temporary contractors or employees without an annual business gate pass, residents should call our gate clearance number (624-6669) so that the Company's Security Dispatcher can enter their names in our computer system for admittance on their arrival.
- Employees of delivery and utility companies (FedEx, UPS, Cal-Am, PG&E, etc.) who are driving official vehicles will continue to be allowed access.

Gate Etiquette

The number one concern expressed by our gate officers is the speed at which many vehicles enter the Del Monte Forest. Not only do speeding vehicles pose a safety risk to the officers, but they also make it very difficult for the officers to check to make sure the person is authorized to come into the Del Monte Forest. To address this issue, we ask all residents to please follow the following "gate etiquette rules":

- Display your emblem in a clearly visible location. The best locations are on your front grill, on your driver's side dashboard, or affixed to your driver's side window.
- Slow down as you approach the gate to no more than 5 mph or preferably stop briefly.
- Make sure the officer sees your emblem or gate pass – just as you would want to make sure that the officer checks the credentials of others.
- At night, be even more careful, as the oncoming lights can temporarily blind the gate officer. As a courtesy, dim your headlights if safe to do so as you approach the gate house.

We ask that you please be patient with us as we work to implement these new operating procedures and features at our gates. As we move forward, we welcome your feedback, including suggestions for ways to improve our gate operations. Please address any ideas to me, with a copy to Don Eastman, President, DMFPO, 3101 Forest Lake Rd, Pebble Beach, CA 93953.

Thank you for your assistance in making our community an even better and safer place to live.

Sincerely,

PEBBLE BEACH COMPANY



Mark Stilwell
Executive Vice-President
and General Counsel

C: Don Eastman, President, DMFPO
Bill Perocchi, CEO, PBC
Steve Aitchison, Senior VP, PBC
Don Tkachenko, Director of Security, PBC