

President Welch called the meeting to order at 6:30 p.m. Roll call was taken, and 8 of 9 board members represented a quorum (absent: Hermansky). Andy Simpson (lawyer) was also present. Hermansky provided his proxy to Schreier. The board approved the minutes from the 11 July 2017 board meeting.

Old Business:

Seawall update. Mercier provided an update on seawall repairs that have been authorized thus far. The contractor (Ron Hansen) has continued to improve his product and tailor his work to each lot. Innovations include the use of turnbuckles, use of longer beams (3"x3"x10') with a specially designed 8" augur-bit end, adjustment to beam spacing (supports with tie backs every 6' behind the seawall and every 7' in the front), and upgrades to the method for attaching tie-backs to the seawalls. Other preventative measures include grading level with the top of the seawall (to encourage excess water runoff) and placing dredged soil in front of the seawall to reinforce areas with too little soil support. As Hansen improves his methods he modifies his costs to reflect time-saving procedures, greater efficiency, and bulk purchase of supplies.

Mercier wants to keep the contractor engaged so we continue to repair walls and we don't run the risk of losing Hansen or his equipment. The point was made that once a wall begins to fail, if we defer action, the costs of repair escalate. Mercier contacted the homeowners with the worst seawalls (Lot 172), and the three adjacent properties (Lots 173 – 175). This was in accordance with our "worst to first" approach of fixing seawalls while considering repairs to adjacent lots to provide stability to the entire section. Mercier discussed a "cost sharing" approach to seawall repairs. Cost sharing would require agreeable homeowners to pay 50% of the cost of seawall repair, while the association (seawall owners) would provide the remaining 50%. The owners of all four identified lots have agreed to the proposal. Estimated total costs per Lot are:

Lot 172 - \$10,200	Lot 173 - \$5178	Lot 174 - \$4175	Lot 175 - \$3321
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Andy Simpson had previously forwarded the contractors seawall repair plans to our engineering firm for analysis and comment. He and Franks presented the findings to the Board. The engineers were generally impressed with the innovation and stability of the original plan. While they still favored vertical beams of 20' in length and "wings" on the buried beams (to prevent dislocation), the more recent innovations (i.e. augured beam ends and closer spacing) would do much to allay these concerns.

Note: At 6:53 Stangl departed and provided Hoy held his voting proxy.

Seawall financing. Discussion opened on the advantages and disadvantages of the various financing proposals. The previous proposal for a "Linear foot" calculation (owners with longer seawalls pay more) did not always reflect the actual costs associated with the repair of each individual seawall section. Each Lot has very specific characteristics (primarily degree of slope) which would not reflect the actual cost of repairs if assessing merely by seawall length. Since each Lot has unique repair requirements, it was proposed that each wall be individually assessed. Cost sharing would further spread out the cost of repairs among owners of seawall lots (the specific Lot owner and the Seawall property owners). Additionally, without such a cost share proposal we would only be able to address

half of the affected seawalls and would run out of funding in mid-2018. The goal is to repair or reinforce all Association seawalls, using a “Worst First” approach by the end of 2019.

Discussion then turned to those properties done as a “Test case.” Should those properties be financially assessed in accordance with the newly proposed “50% cost sharing” formula? Discussion centered around the element of fairness. Firstly, it was suggested that those properties could not be assessed after the fact, when there was no commitment previously mentioned (this practice is in accordance with past repairs on the seawall dating back over 10 years). Also, several of the homeowners had already provided funds out of pocket to finance modifications and hardware needs during the work (Mercier @ \$3000, Giolando @ \$1000, Waldhauser @\$500). Most compelling was the argument that this work was truly a “Test Case,” and the repair solutions have steadily improved (and the cost decreased) as work has continued. The First repairs took longer and are not as sturdy as the more recent products.

For comparison purposes, the Board analyzed the cost of repair of the recent work. The most degraded and difficult properties were repaired at a cost of @\$47 p/linear foot. This compares favorably with estimates from a decade ago when the cost was @49 p/linear foot to repair and over \$100 to replace. Furthermore, considering the recent innovations and cost efficiencies, and assuming most of remaining properties are in far better shape than those already repaired, the cost of future repairs could well decline to the @\$28 p/linear foot range.

Note: Mark Ernst departed the meeting at 9:00. He is available by phone for voting, as needed.

We discussed and agreed upon the immediate need to provide the results of these discussions to the entire Association membership so that we may; describe our Seawall problem in detail, review our past efforts, assess the various courses of action considered, explain our proposed solutions, and garner Lot owner feedback. We would than follow up with an official written vote to gain approval from our members.

Motions.

1. **Cost Sharing.** Schreier motioned that we modify last week’s proposal to replace the “Linear Foot” method of assessment with a “Cost Sharing” method, with home owners paying 50% of actual costs and the Association (using funds from seawall-side annual dues) funding the remaining 50%. Mercier seconded the motion and it passed unanimously.
2. **Homeowner agreement.** Schreier motioned that Simpson draft an agreement addressed to each of the four homeowners (those identified for the next iteration of repairs) to gain their written concurrence with the 50% Cost share measure. The Lot owner’s written acknowledgement, and the receipt of their personal checks, will authorized the board to begin the next phase of work. Franks seconded and the motion was passed with 8 affirmative votes.
3. **Lake Lot Owners special meeting.** Schreier motioned that we schedule a special Lakewood Villages Lake Lot Association (LVLA) Homeowners meeting to explain the following proposals:
 - a. Discuss the Seawall problem and detail our proposed engineering solution.
 - b. Discuss the proposal to split the Homeowner Association dues into three pots; General Funds, Seawall Funds, Natural Funds. Annual dues (currently \$500) would

be split in half with 50% funding the general fund and 50% funding the fund corresponding to where the Homeowner lives (seawall or natural).

- c. Outline the plan for the Cost-Sharing measure.
- d. Discuss the vote to authorize levy of a special assessment for those who are non-compliant with seawall repairs.
- e. Discuss the conduct of the written ballot.

Welch seconded the proposal and the motion passed with 8 votes.

4. **Out-lot modifications.** Mercier motioned to authorize expenditures of \$2783 to reinforce the Out-lot adjacent to Lot 167 with 19 additional posts so the contractor can complete the work. Ellison seconded the measure and the motion passed with 8 votes.

New Business:

Special Homeowner's Meeting. Scheduled for Tuesday, 29 August at 7pm, with Board members arriving 15 minutes early. Mercier will coordinate a location while Welch will secure a projector. Welch will hand deliver written invitations to each residence.

Contractor insurance. Simpson discussed the wisdom of a contract, a warranty, bonding and indemnification insurance. Mercier was tasked with verifying contractor insurance. (later confirmed that Hansen has \$2,000,000 in indemnity insurance).

Seawall resin. Mercier discussed a resin product that can be injected into the ground behind a seawall. Once in contact with water the resin hardens, protecting against ground water undercutting the seawall. He volunteered to gather more information about the cost, reviews, environmental impact, etc.

Web Site. The LVLA Association web site <http://www.lvlakelots.com/> is operational and becoming more robust. Contact Mark Schreier to post information. Currently it has information regarding LVLA points of contact, minutes of past Board meetings, and other important documents (Covenants, By Laws, and Rules).

Authorized Lake Access. The President received an inquiry from a neighbor (not a Lake Lot member) who had questions about his right to fish on the lake. While there has been a long-standing policy about lake access, the official HOA rules had not been updated to reflect that policy.

Welch proposed a motion that access to LVLA property (i.e. for fishing, boating, winter sports) is for the express use of Lake Lot residents (defined as those who physically reside in a home on a LVLA Lot). Visitors are authorized access if they are physically accompanied by a LVLA resident. This policy extends to Out Lots, docks, dams, and the lake itself. Hoy seconded and the motion passed with 8 votes.

Hoy will draft the amendment for review, update the official LVLA HOA Rules, and arrange to have the new version posted to the web site.

Dam reports. Request that Ernst/Stangl forward Dam reports to President Welch for review and historical archiving. Request that A&E evaluate overgrowth on the dam. Determine whether we should obtain an estimate from an arborist or address the matter with a volunteer clean-up activity.

Dock approval. Franks brought up the issue of lake access for Lot 180 (Hoy). Due to an ongoing legal dispute between the Association and the owners of Lot 181, the community dock is unavailable to the

residents of Lot 180. To resolve this issue Franks motioned that the Board authorize an expenditure of up to \$2000 toward the purchase of a dock of similar construction as those already existing. The homeowner would pay the labor cost for installation. The dock would remain the property of the Association, accessible to all residents. The matter was left to the discretion of the homeowners, if they wish to pursue this matter.

Downed Trees. Ellison discussed the matter of trees downed in recent storms. Several Board members walked the wooded Out-lots in response to requests for assistance. If trees are on residential property, the homeowner is responsible for the removal. If the downed trees grew on Association property, and fell into a resident's yard, the Association will pay the costs of removal. Trees downed solely on Association will be assessed by the Board; those posing a safety hazard will be removed, while others will be considered for removal. The board approved removal, by the owner, of a tree behind Lot 184 that fell into the homeowner's yard. The Association will pay the bill.

Future requests can be handled by the homeowner by requesting a commercial estimate and submitting it to the A&E committee for approval. Once approved, the homeowner can then authorize the work and the association will pay the bill.

NP Dodge. Hoy suggested, now that we have an engineering study and proposed costs of repair, that the Board re-approach NP Dodge about sharing repair costs of the faulty seawalls. Frank assumed responsibility for approaching the firm.

Adjournment:

The meeting was adjourned at 9:45 pm (motion made by Schreier, seconded by Hoy, and unanimously approved).

Respectfully,

James Hoy, Association Secretary