

## LAKWOOD VILLAGES LAKE LOT OWNERS ASSOCIATION BOARD MEETING

January 23, 2017

President Welch called the meeting to order at 7:00 p.m. Roll call was taken, and 6 of the 9 board members were present (absent were Frill, Stangl, and Hermansky). Frill arrived at 7:10. Also in attendance were attorney Andy Simpson of Farnham and Simpson, and engineers Jim Olmsted and Greg Perry of Olmsted & Perry Consulting Engineering.

### REPORTS:

1. Jim Olmsted summarized the current status of the seawall engineering work. He reminded us that, at the last meeting, they stated that they needed a map of the lakes' depths as the last piece of geotechnical info needed to land on appropriate lengths of the sheet piles for the replacement seawall.
2. Greg Perry then summarized the results of the lake depth survey (from mapping completed in November), which had taken measurements using a 30 foot grid pattern with more detailed info gathered in the coves since that was more relevant for seawall replacement purposes. The upper lake depths varied from 4-6 feet in the coves to a maximum depth of 16 feet in the center of the lake near the dam. The lower lake depths varied from 3-5 feet in the coves with a maximum depth of 11 feet near the dam. The board members in attendance noted that earlier studies and/or conversations among homeowners and realtors had indicated depths in excess of 20 feet in both lakes.
3. Once Olmsted & Perry received the depth map, they went back to the geotechnical firm (Thiele) to see if the initial estimate of 20 foot sheet pile lengths was still reasonable. And, Thiele verified that the lake depth survey didn't change their recommendation. Therefore, (in spite of the possibility for some variance in sheet pile lengths...perhaps longer on peninsulas and shorter in coves) cost estimates were based on the assumption of 20 foot lengths. The cost of the entire replacement project was then estimated at \$2.16 million. This figure included all expected costs (engineering, legal, construction, etc.) Jim further noted that local construction firms were interested in the project.

### DISCUSSION:

1. Initial discussion centered on whether the board wanted to go forward with the seawall replacement, or not. The consensus of the board was that we weren't ready to proceed yet. There were other possibilities to discuss and concerns about how to pay for the replacement, should that be the path we followed.
2. Andy Simpson noted that it was possible to attempt to turn the seawall back over to the affected homeowners through an amendment to the covenants (75% approval needed). Under this option, it was highly likely that the lake shoreline would be a hodge-podge, since the HOA would have effectively ceded all control over the shoreline to the homeowner. The board surmised that, under this possibility, some seawalls would be replaced (consistency?), and some would not be replaced. The consensus of the board was that this possibility wasn't to be pursued, at least at this time.

3. Andy Simpson reported on a possible idea for handling the funding, should we proceed with seawall replacement. Previously, we had discussed the possibility of the HOA pursuing a bank loan, or levying special assessments until we had enough funds to begin the work. His new suggestion was that we approach the SID about getting the replacement done under the auspices of the SID, in which case it could be bonded and done all at once (with a payback over a maximum of 10 years). As with the other suggestions, there would still be liens on the affected properties until the total funds required from each affected homeowner were collected. He noted that the bonding would be preferable for contractors, as payback would be more certain. Furthermore, the SID would probably be able to borrow on more favorable terms.
4. Another item of discussion was to pursue repairs to the walls most in need, as such needs arose. The idea was to address the worst walls by straightening the failing walls (pull and re-drive the pilings?), install tie-backs, and then vertically drive a long I-beam just outside the wall every 6-8 feet to hold the wall in place. This was deemed to be a reasonable possibility.
5. Finally, a discussion of the possibility of legal action against the developer was discussed. While generally we may have been precluded due to passage of time to pursue such an action based on faulty real estate improvement, a different theory of legal liability was put forward. This theory, known as “a continuing nuisance”, was based on the HOA having to continually put up with failings, repair expenses, etc.

#### ACTIONS:

1. Mercier moved, and Schreier seconded, that we file suit against the developer under the continuing nuisance theory, and approve spending up to \$5,000 initially. The motion was unanimously approved.
2. Schreier moved, and Hoy seconded, having Olmsted & Perry look into the repair item discussed above. Olmsted & Perry were to contact some local contractors to get their input on the feasibility and cost of such an approach. Costs of up to \$2,000 were approved.
3. The board also approved having Andy Simpson approach the SID about the funding idea discussed above.

#### NEW BUSINESS

1. Secretary/Treasurer Mark Schreier reported that the website update was nearly finalized, and that a “go live” date would be set soon. Hardebeck agreed to verify that we had the most up-to-date lake rules on the site. Appropriate information would be disseminated when the new site was in place.
2. Welch noted that someone was operating a drone over the lakes, and she wondered whether we could restrict such. Hoy agreed to research the issue.
3. Welch noted that the annual meeting needed to be scheduled, and she suggested shooting for a meeting in April. Mercier agreed to look into acquiring a local meeting hall at no cost.
4. Welch noted that another meeting would be set in late February or early March.

Respectfully submitted,  
Mark Schreier, Secretary/Treasurer

