

Lake Ramsey Entrance update 8-25-20

Projected Timeline of Board

August 26, 2020: Bid deadline for road entrance repairs and gatehouse.

Please read the minutes of pre-bid meetings for the scope of work.

August 27, 2020: HOA meeting

Review current bids and determine what additional bid information is needed for selection of contractors and repair method(s) in order to calculate the amount of special assessment.

August 28, 2020: Board nominations will be posted on the www.lakeramsey.com website with a 10-day period for resident nominations to the Board.

September 7, 2020: Board position nominations closed.

September 17, 2020 (or within 1-2 days thereafter): GNO mailout of October 17, 2020, notices for the annual meeting and separate special assessment meeting to include:

- Notice of Annual Meeting (Oct. 17, 2020, at 10:00 a.m.) and Notice of Special Assessment Meeting (October 17, 2020, at 11:00 a.m.) Location this year: The Vintage Court
- Proposed Amended Bylaws to be voted on by residents.
- Ballot on election of new Board members and Bylaw amendments.
- Projected cost report for front entrance repairs used to calculate special assessment.
- Separate Ballot for approval of Special Assessment.

There are 403 property owners. 51% will require approval by 206 owners.

Per the Covenants: If the special assessment is favored by a majority of the votes cast at the special assessment meeting, but is less than the requisite 51% of the membership, those members who were not present in person or by proxy may give their assent in writing provided the assent is obtained by the officers of the Association not later than 30 days from the date of the special assessment meeting

November 16, 2020: Deadline for obtaining requisite votes for special assessment if annual meeting criteria is met.

If the special assessment is approved, the bank loan process will begin to fund necessary repairs.

Upon receipt of funding, a schedule can be established with contractors to begin repairs.

Funding will dictate how soon repairs can begin.

The Board received the engineer's report and the bid process was announced for repair of the gatehouse (aka guardhouse) and entrance road.

Pre-bid meetings were held for at the entrance road project site on Tuesday, August 18, 2020 at 9:00 am. and at the gatehouse on Tuesday, August 18, 2020, at 10:30 am.

Minutes of these bid meetings are posted on www.lakeramsey.com

Bids are due August 26, 2020.

Gatehouse and housed electrical and surveillance equipment:

Flood insurance originally proposed a coverage amount of \$8,714.52, less deductible for a net of \$7,714.52.

The Board employed the services of a private insurance adjuster to review the policy and claim.

Upon receipt of the adjuster's analysis, an additional claim was submitted to the insurer.

The insurance company then provided an amended coverage proposal of \$12,685.69, less deductible for a net of \$11,685.69.

It is the Board's intention to repair the gatehouse and to hold the cost as close as possible to the amount received from the insurance company resulting in the least possible expense to the Homeowners. Bids are currently being obtained.

Entrance road, gate, and weir:

Repairs to the entrance road, subsurface drainage, upstream and downstream weir shoulders, and the downstream drain near the metal gates will be performed under a contract separate from the gatehouse.

We plan to repave the existing asphalt roadbed from the gates to the west past the steel plates.

Because the weir was mandated by the Corp Of Engineers (COE) as a flood control structure, we can only perform repairs without obtaining another permit from the COE. No insurance money is available for this work, as these are not insurable items.

Additionally, this damage is not eligible for FEMA funds.

The entrance gate repairs are not a covered loss. The gates and surveillance system will be repaired by the current vendors at an estimated cost to the HOA of \$18,135 for the entrance gates and approximately \$1,790 to repair the existing surveillance system. A portion of the surveillance system cost for the equipment that was located inside the gatehouse will be covered by the flood insurance. Due to the age of the system, the Board is investigating the cost of an upgraded surveillance system which will provide added security. The cost of an upgraded system is not yet known, but we are trying to obtain that information for the 8/27 Board meeting.

Tree removal and Landscaping:

Every effort will be made to save the oak trees lining the entrance road but several of them are growing directly above the damaged culvert areas. Tree removal will be performed only where necessary to accommodate road and culvert repairs. All landscaping costs must be paid by the HOA since it is not a covered loss. The Board intends to spend only what is necessary to refurbish existing flowerbeds and address the boulevard areas in front of the Gatehouse.

Funding:

Year after year numerous homeowners fail to pay their annual assessments (dues) which is the only source of HOA income. The nominal amount of the annual dues, along with the consistent failure of some homeowners to pay, will continue to result in an inability to accumulate excess funds sufficient to meet the costs associated with a major loss such as we are now facing. Typically, homeowners who complain about the costs of legal fees and collection costs are the same homeowners who choose to not pay their dues. Understandably, these homeowners discourage HOA steps to pursue payment. The Board is mindful of the expense of taking legal action; however, the current Board is working with HOA attorneys to collect unpaid assessments, fines, and late charges which could result in the placing of liens on property, judgments, and the use of other collection methods.

A bank loan and special assessment to homeowners will be needed to cover the cost of the entrance flood damage repairs.

Property owners will receive a notice of a Special Assessment meeting, as prescribed by the Covenants, to be held on October 17, 2020, the date of the Annual Meeting, and a vote of 51% of property owners is needed to pass the assessment.

The amount of the assessment will be based on the total cost of the repair project.

If the special assessment fails to pass, the Board will have to continue to patch the remaining lane using annual subdivision road repair funds. This would also mean that street repairs will be stopped or dramatically reduced due to lack of funding. For perspective, per the GNO financials the cost of street repairs for the 5-year period from 2015 to 2019 was \$162,305. The entrance repairs will be substantially more than this 5-year period expense.