

**FOREST LAKE PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
August 12, 2023**

I. CALL TO ORDER

Daniel LeFevre/President called the meeting of the Forest Lake Property Owners Association ("FLPOA") Directors to order at 9:04 a.m.

II. PLEDGE OF ALLEGIANCE

Daniel LeFevre led the assembly in the Pledge of Allegiance.

III. ROLL CALL

Board Members Present: Daniel LeFevre ("LeFevre"), James Kelly ("Kelly"), Ron Swagman ("Swagman"), Debra Wojie ("Wojie"), Gene Ross ("Ross"), Pat Gordon ("Gordon"), Matthew Winberg ("Winberg").

Excused: Vito Manzella ("Manzella"), Tracy Reitzloff ("Reitzloff"),

IV. DIRECTOR REPORTS

A. Dam Safety (LeFevre) – Forest Lake Level Association Board ("FLLAB") Easement drafted, use restrictions, some trees along the dam road may have to be removed to protect infrastructure, the twenty-five (25) docks/plus walkway added and allowed to be maintained as is. Kelly asks increasing the USDA, requirement for 25% contribution, where does this amount come from. Response, EGLE. Kelly asks as to a future special assessment; will it be Forest Lake or FLLAB. Response, FLLAB will likely borrow money and pay via grants. Looking to place grant requirements on paper. The \$800,000.00 Stamos grant funds expire 12/31/2023. A permit has been submitted for spillway demolition and \$800,000.00 should cover those costs if performed by year's end. Swagman asks if we have to spend money before receiving money? Where is the \$800,000.00? Response, grants are generally reimbursed after expense(s) have been incurred. Kelly asks who will be responsible for maintaining the easement area grass, dock maintenance, etc. once the agreement is approved. Response is that FLLAB will assume responsibility other than dock/walkway maintenance which will likely be Forest Lake's responsibility.

B. Legal, Lake Ecology, Fish Stocking, Insurance (Swagman) – Holding cell in the Highlands completed to the extent it can be, need dredging piping in the future. Equipment will be moved off the site shortly. Seder inlet, access road, completed to sediment pond/dams. The 2020 storm severely damaged sediment pond/dams and they need to be relocated/repared. Working with contractors to handle weeds/brush growing in the lake where sediment accumulates, may need heavy equipment to clean up prior to dredging.

C. Parks and Recreation (Reitzloff)

D. Campground, Office, Activities (Kelly)

E. Maintenance (Ross) – Turtle Park culvert damage/erosion needs to be addressed and we are seeking a DNR permit to begin work on same. Trying to figure out a way to cut weeds in/along the lake, some homeowners are doing it themselves. FLPOA brush hog is not proving effective. Hammertime has agreed to assist us with the weed/brush removal, the issue being equipment. Have been informed that the trees along the dam road are likely going to have to be removed.

F. Security, Communications (Manzella)

G. Refuse, Merchandise (Wojie) – See report attached hereto. Welcomes Winberg and thanks Gordon for accepting the nomination. Thanks everyone for their help at the Ox Roast.

H. Liens & Foreclosures (Winberg) - Contacting top ten (10) delinquencies and requesting that they sign over the property to FLPOA. Otherwise, we will seek further legal remedy.

I. Clubhouse, Storage Area (Gordon) – Contacted Janet Wallace, introduction and discussed a possible substitute. Gordon thanks Wojie for her review/revisions to the clubhouse contracts which the Board will review.

V. PUBLIC COMMENT

Property Owner is concerned about any tree removal along dam, removal could contribute to erosion.

Property Owner asks if there are current financial report(s) available to be copied. Response, March is the fiscal year end. Year-end financial reports are always available in the office upon request.

Property Owner asks as to FLPOA dues increase. Response, a plan is being discussed and needs to be put into place. Property Owner states one (1) amount will pass, not tiered. Response, a public meeting will be held regarding dues increase, obtain feedback. The Bylaws/Covenants will be reviewed.

Property Owner states there is a sign in front of the dump stating “residents/property owners only”.

Property Owner asks why delinquent property owners are not being pursued. Response, as stated above, we are contacting property owners, trying to avoid costly court costs/attorney fees and we are attempting to have them turn over property, if that does not work, liens/foreclosures, all legal remedies available to FLPOA will be considered.

Property Owner asks if there are any homes on the top ten (10) delinquent list. Response, two (2).

Property Owner states there is so much going on, overwhelming and not a lot of money coming in, concern as to where the money is going to come from to pay the contractors, etc. Lapham is willing to negotiate the amount due and owing them, as they were unable to obtain a permit. Property Owner states the Easement Agreement, Fund Share Agreement and Maintenance Agreement need to be worked out. Response, a Maintenance Agreement has not yet been drafted. The other two (2) Agreements have been sent to the FLPOA Board for discussion. Property Owner states other bids may be necessary. Engineers think the demolition project may attract interest from other contractors. Response, concern is that contractors may turn down jobs/projects due to heavy workloads. Kelly is concerned that if bids are separated will there be conflicts? Property Owner states credentials should be reviewed prior to viewing bids, eliminating the unqualified. Swagman states there will be demolition specifics, adhered to during construction. LeFevre asks what level of involvement county

commissioners have in the process to select/approve contractor(s)? Property Owner states they have the final say as to any future assessments. LeFevre states we must determine how grants will be stacked together, totaling upwards of \$9 million. LeFevre states focus must shift to job completion. Swagman asks if it would be possible to add another Forest Lake member to FLLAB and drop a commissioner? Response, adding another Forest Lake member may not be a plus, the overall FLLAB concern is to keep tax bills down.

Property Owner states the new blue swings at the main playground and the painting of the rocking animals look great. Thanks Maintenance, for their work/efforts.

Property Owner asks if there could be a Forest Lake office established coordinating dam/spillway business. Response, once a permit is received there should only be a six (6) month construction time frame, we will investigate the schematics of such a position. The FLLAB would have to approve any such office/position.

VI. NEW BUSINESS

A. Easement – Forest Lake Level Authority Board (FLLAB).

Moved by LeFevre, seconded by Ross, motion carried to approve the attached written easement, subject to the inclusion of a provision stating FLLAB would accept the responsibility of the costs associated with dam and road maintenance and of mowing the grass on the dam.

Voting Yes: LeFevre, Kelly, Ross, Wojie, Gordon, Winberg, Swagman

Voting No: None

A. Grant and Funding Cooperation Agreement – FLPOA and FLLAB.

Moved by Ross, seconded by Wojie, motion carried to approve the attached written agreement conditioned upon a provision to return up to \$655,000.00 to FLPOA of any spillway funding not utilized in the current spillway project.

Voting Yes: LeFevre, Ross, Wojie, Gordon, Winberg, Swagman

Voting No: Kelly

Emphasis and discussion as to the urgency of a FLPOA dues increase and beginning the process.

VII. ADJOURNMENT

Adjourned at 11:05 a.m.


Tracy Reitzloff, Secretary
Approved: September 30, 2023

Forest Lake Spillway Report
August 11, 2023
By: Dan LeFevre

- **Design Status:** GEI Consulting, Spicer Group, EGLE, USDA-NRCS met on August 10th to review the 60% Design Basis Report, and to conduct a potential failure modes analysis. The outcome of the meeting was favorable. The current engineering estimate for construction costs is \$6,777,256, which is up from the previous estimate of \$6,662,602 due to a filter blanket needed to address some seepage at the south side of the dam. The estimated cost of the filter blanket is \$700,000, which was funded in part by the increase in the total, and the balance by lowering the contingency line item from 30% to 25%. The cost estimates will be clarified when the design is far enough along to seek a construction contract, which is currently anticipated to occur in September/October of this year.

- **Grants:**
 - **USDA-NRCS Technical Assistance Grant:** The project has been awarded \$376,395 of technical assistance monies to fund engineering costs associated with the spillway repair. We have a request in process to seek additional funding of ~\$700,000 for a \$1.08 million allocation. Not all of our engineering costs will be eligible for funding from this program, such as design work to alter the existing dam and engineering associated with establishing a special assessment district. We are working with USDA-NRCS to identify non-eligible engineering costs and allocate them to other funding sources.
 - **USDA-NRCS Financial Assistance Grant:** The project has been awarded \$2.82 million to fund 75% of the Lapham designed spillway project. NRCS has agreed to allocate the existing grant to the new GEI/Spicer designed project, and they have been supportive of a request for an increase. We anticipate requesting an additional \$1.76 million, for a total of \$4.6 million. Not all of the ~\$5.6 million in estimated construction costs will be eligible for restoration funding under the NRCS program and some construction costs will need to be allocated to other funding sources.
 - **EGLE – Dam Safety Grant:** FLPOA was awarded a \$2.32 million grant to assist with our spillway replacement and dam upgrades. We have been asked to assemble information required to draft a grant agreement, and legal and accounting considerations are being reviewed in light of the establishment of the FLLAB. Specific details and funding constraints will be made available to us after we have received a draft grant agreement.
 - **MEDC:** FLPOA was awarded an \$800,000 Michigan Enhancement Grant that is being administered by the Michigan Economic Development Corporation (MEDC). The grant funding agreement signed in February of 2023 identified four funding uses that were identified to *replace* the \$654,946 FLPOA allocation administered by Arenac County since June of 2021. We have been advised that the first \$400,000 installment is in process.
 - **Michigan Disaster Relief Grant:** FLPOA was awarded a \$286,042 grant early in the project which are allocated to reimburse FLPOA for funded construction costs.
 - **Chippewa Indian Tribe Grant:** FLPOA was awarded a \$50,000 grant to be utilized toward the purchase of replacement stop logs in the dam inlet structure.
 - **FLPOA Matching Funds:** The FLPOA BOD voted to allocate \$654,946 to

- **Grant and Funding Cooperation Agreement:** A grant and funding cooperation agreement has been drafted by the Fahey Schultz Burzych Rhodes law firm to provide a mechanism for FLPOA and FLLAB to work together to fund the project. The agreement is under review by the FLPOA BOD.
- **Lake Level Easement:** An easement has been drafted by the Fahey Schultz Burzych Rhodes law firm to provide a mechanism for FLPOA and FLLAB to work together by providing scope of access and use for the dam property. A few excerpts from the draft easement are copied below. The agreement is under review by the FLPOA BOD.
 - This conveyance shall be deemed a sufficient conveyance to vest in the County an easement over the Easement Area with such rights of entry upon, passage over, storing of equipment and materials including excavated earth as necessary for construction, and erecting fences, infrastructure, and signage, as may be necessary or useful for the establishment, construction, access to, operation, maintenance, improvement, and control of lake level infrastructure and other related activities utilized to maintain the legal lake levels of Forest Lake.
 - The Landowner, its agents, employees, or contractors shall not construct any additional non-movable or permanent structures within the specific limits of the Easement Area without the prior written consent of the County. The Landowner may complete routine repairs and maintenance of the existing docks located within the Easement Area. This conveyance shall also be deemed sufficient to vest in the County an easement over the Easement Area for the clearing and/or grading of the Easement Area and the spreading and/or removal of spoils and excavated materials that originated from the Easement Area.
 - The County shall not use the Easement Area as a County, public, or municipal park or for any similar use that allows members of the general public to access Forest Lake or to sunbathe, launch boats, or use the Easement Area for recreational activities.

Forest Lake -Board Report
8-12-23
D. Wojie

Refuse:

We will continue to have 12 dumpsters in use until the end of October. At which time we will go down to 8 dumpsters in the storage area.

There have been questions about who is allowed to use the trash area. I have been overseeing the trash area for approximately 5 years. During this time, I have never directed anyone working at the trash area to check for Forest Lake window stickers. Trash is a service that is provided for our Forest Lake members. It is a self-supporting service and does NOT rely on Forest Lake dues. The trash brings in a small profit for the homeowner's association. For the past 5 years and probably longer, we have allowed nonresidents to dump their trash. We pay a flat fee along with environmental fees to empty each dumpster. We pay this fee whether the dumpster is empty or full, the extra funds we take in from nonresidents help to offset what it costs Forest Lake monthly.

Merchandise:

The Forest Lake online store will be opened once again. This time we will NOT be having free delivery to Forest Lake available. Free delivery was offered in the past when Forest Lake was putting in a large order to sell in the office. We currently have a lot of long sleeve winter merchandise and will not be ordering anything new.

I will be asking for volunteers to work the merchandise table at the fall craft show over the memorial weekend on Friday and Saturday.