

Lake Shannon HOA Email Update

www.lake-shannon.com

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The board would like to address the lack of civility and disrespect for the board and membership by a small group creating a chaotic and unstable environment at the closure of the October 5th General Membership Meeting. The actions of the group rushing the podium and disrupting the meeting shouting false accusations, talking over the board and other members was very disrespectful to those that volunteer substantial time to serve and to those members that respect the process and their fellow neighbors. These disruptive actions of some make it difficult for the board to conduct business and may deter fellow neighbors from joining the board or attending meetings. Deerfield Township is also upset with actions of a few members who entered private areas of the building removing chairs from personal workspaces. We would not be surprised if the Township denies the Association use of the meeting room in the future.

At this time, we would like to address some questions and rumors the board is hearing from the membership. It is very challenging for the board as people spread rumors and false information instead of seeking the truth from the board. We encourage any member to contact the board with questions instead of listening to the rumors that are dividing our neighborhood.

1. Glen Fallis Facts:

- On September 14, 2022, Glen Fallis voluntarily resigned from the Board. Please see the attached resignation letter. *(sections of the letter have been redacted regarding links and passwords, for security purposes)*
The letter Glen received from the association attorney (John Fifarek) did not remove him from the board.

2. Dredging Committee Facts:

- Theresa Rago, Vice President of LSA, volunteered to manage the Dredging Committee, as Mary Sutton had resigned from the committee due to her commitment as President of LSA. Theresa is looking for additional volunteers to join the committee and with the support of previous volunteers, we are looking to move this project forward to maintain the health of our lake. Please contact Theresa Rago at (313) 580-9022 or lsa.vp@lake-shannon.com
- The expenses spent on dredging currently total \$88.5k (k represents thousand)
These expenses include approximately:
\$24k in legal fees: contract and permit review and permission to access to the bottom of the lake, which is not owned by the Association.
\$24k in surveys, testing and consulting.
\$40k for engineering design and other contractual fees.

- The contract required an initial deposit of \$15k, of which \$10k would be refunded if the project did not receive EGLE permit approval. We have received the permit from EGLE, so the initial deposit has been applied to the overall project contract.
- The total dredging budget approved at the October 28, 2020, Membership Meeting was \$445k. There is \$356k unspent funds remaining. The funds for this budget came from LSA savings \$264k and \$181k from special assessment.
- Various divisions within EGLE required additional testing. This testing was necessary in order to determine the areas that could be safely dredged as well as determine if the sediment could be stored in the basin without impacting the ground water. Small areas of the lake were found to have high arsenic, so those areas were not approved for dredging.
- Permission was never granted by the owner of the farm property on Dean Road on the southside between Driftwood and Green Road for the project, as the owner had a future use for the property. This rumor has been spreading and it is untrue.
- The committee, through the Request for Proposal (RFP) process, explored various methods of dredging as well as options of sediment storage before the committee determined that the LSA property on Dean Road across from the farm property was the only viable option. This property was identified very early in the project with access from Dean Road and Driftwood near Turtle Island, also known as Brandon Cove.
- The project was stopped as various members of the association wrote letters in opposition to the project and made appearances at the Deerfield Township Board Meeting opposing the project. The township made the decision to deny the association an ordinance that would allow residential properties to be used for non-residential use through the application of a land use permit.
- Due to the project stopping the potential loss to the Association is approximately \$40k as non-recoverable for work completed. Various steps associated with the project will change, resulting in additional legal fees, surveys, and redesign of the sediment basin. The new committee will need to find an alternative property for the spoils.
- A generous offer has been made by another Lake Shannon resident to use their property to hold the sediment, however the property is in Deerfield Township, and they have declined to reconsider the ordinance. Adjacent Townships Hartland and Tyrone have land balancing ordinances to allow for dredging.

3. Swim Park - Members are still seeking clarification on the swim park expenses from the 2019 summer storm. This issue has been discussed several times with a recent FOIA request. The facts are as follows:
 - A miscommunication between a board member, who managed the project at that time, and the fence company, resulted in additional unauthorized fencing material. This was resolved and discussed at the Spring 2022 meeting.
 - The Association did not pay for neighboring property owners' tree removal after the storm of 2019.
 - This project is funded by insurance proceeds of \$15,495 and the remaining balance funded by capital approved at the general membership meeting in the Fall of 2021 \$18,800.
 - A contract signed on August 3, 2022, totaled \$32,455 including a recent repair to the gate that was damaged by a motorcycle.
 - This project should be completed before the end of October, as materials are expected shortly and one half of the gate will need to be reshaped and repaired, leaving the area open for a time period.

4. The responsibility of the board is to make sure the bylaws are adhered to. If homeowners are not abiding by the bylaws or infringing on association property, the board will send out letters regarding the violation. At times the board does need to contact legal counsel to address the situation. It's a normal course of action in managing the business of the HOA and has occurred under previous boards. Individuals who are motivated by their own self-interest and violate bylaws have cost the association thousands of dollars due to their actions. The association property belongs to all members of the association to enjoy, and neighboring homeowners should not infringe on association property. Think about it, would you want your neighbor infringing on your property?

5. [John Fifarek](#) has been the association attorney since the 80's and is not associated with Frank Mancuso's law firm. It is unclear where this rumor originated, but it is untrue.

6. The Bylaw Review Committee was formed in 2021 in an effort to provide clarity to the bylaws and apply what has become the neighborhood norm. Since its formation only one bylaw change passed, Article VIII, Section 2.1 to protect interest of the neighborhood by requiring landscape activities not impact the flow of water or sediment into the lake. The two bylaw changes at the October 5th meeting did not pass. The Board will discuss the future of this committee at our November meeting. Members have expressed concerns regarding expenses associated with the committee. These expenses fall under the general budget expenses that are approved each year. No, the board did not misappropriate funds. Prior Boards formed committees without special budgets and have operated those committees through the general budget.

7. Some members have a misconception that the board is mismanaging the funds of the Association. Any member of the Association can request to review the financials by contacting our Treasury Payable Trustee, Jeff Schram. The board is transparent and complies with the Freedom of Information Act (FOIA). Jeff will gladly assist with your request. Providing financial information without an explanation can lead to misinterpretation of the financials and false rumors.

8. Homeowners with questions or concerns regarding the Association can utilize the contact us page on the “official” Lake Shannon website at www.lake-shannon.com. Your questions will be directed and answered by the appropriate board member. Members can also contact a board member directly by phone or email, to assist with any concerns they may have. Board Members' contact information is also located on the website under Lake Shannon Board.

We would like to thank those members, past presidents and board members that assisted with the meeting during check in, voting and cleanup of the township hall.

Best Regards
Lake Shannon Association Board

Theresa Rago
Vice President of Lake Shannon Association
7485 Ore Knob Court
Fenton, MI 48430

Theresa,

I am resigning from my position as Lake Shannon Association Trustee and my officer position of Corresponding Secretary effective September 14, 2022.

You have an email with these links containing all the information regarding my position. Attached is a copy of the passwords that was emailed to you yesterday.

2022 Fall Newsletter:

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How To's:

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QuickBooks export with tab of HOA emails:

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Weebly, Domain, Google Workspace, and Zoom Account info:

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Some of the technical accounts will be billed to my credit card in the next week or so. The board can reimburse me and change the cards before the end of the year if you choose to do so.

Regards,



..Glen Fallis