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President's Letter - Lake Village Homeowners Association
November 20, 2017

Lake Village Homeowners,

Our third regularly scheduled Board of Directors Meeting for the 2017 - 2018 year was held in the Lake Village Clubhouse on November 18, 2017. All seven directors were present. The meeting was attended by more than 30 homeowners. As customary, this letter is a brief recounting of key items from the meeting ... official minutes will be published within the next several weeks.

A review of financial reports covering the first seven months of our business year was conducted. While there are minor variances from budget, both plus and minus, our financial condition overall continues to be very strong.

Our General Manager, Art Warrell, indicated that Unit Checklists for winter preparation have been sent to all owners, but only 135 have been completed and returned. Owners are urged to complete these as soon as possible since winter is already here with nearly two feet of snow on our mountaintops.

Concrete stair and walkway repair is over for this season. We were unable to accomplish all that had been planned due to delay in owner approval of some work. We will resume this project in the spring. BMP recertification has been completed on an additional 12 buildings, less than we hoped to accomplish due to our maintenance staff working with the fire district to remove Manzanita and other understory growth. Recertification efforts will resume in the spring.

The Kingsbury Middle School sale to Lake Parkway, LLC has fallen through. Douglas County School District has indicated they will put the property back on the market. As of this time no changes have been made in the Area Plan or zoning provisions affecting the site. Both the Association and a small group of owners have been closely following actions at the County and TRPA level. Several persons have advised that they feel the Association should attempt to purchase the site, but there are many complications including funding and the fact that we are a non-profit organization.

NV Energy has advised they are planning to accomplish a major project in Lake Village next summer. They anticipate replacing over five miles of power cable and replacing 24 transformers. This will certainly upgrade our 40 year old infrastructure making our electric service more reliable, but unfortunately will occur in our busiest time of year. They have indicated they will work with us to minimize impacts, but obviously some roadway and power service disruption will occur.

Art Warrell, concluded his report by providing a brief review of NRS116.3103 and NAC 116.405 which detail the duties and responsibilities of the members of the Board. NRS 116.3103 notes that "members of the executive board are fiduciaries and shall act on an informed basis, in good faith and in the honest belief that their actions are in the best interest of the association." It further provides that members are "subject to the business-judgment rule" and "conflict of interest rules Of the law of this state." NAC 116.405 reminds that members shall not "act outside the scope of their authority", act for "reasons of self interest, gain, prejudice, or revenge" , or "commit an act or omission which amounts to incompetence, negligence, or gross negligence."

Art indicated that a petition seeking the recall of Owen Carter, President and Bob Drabant , Vice President had been received in the office on Wednesday, November 15. The petition has currently been sent to Association Counsel Gayle Kern for review. The Association will proceed with actions as required by state law.

The Architectural Committee reported nine requests for improvements by owners had been received and reviewed. Eight are being forwarded to the Board recommending approval, while additional information is required on one application. The Board approved all recommendations.

The C, C, & R Committee reported that a surveyor has been engaged through Association Counsel's Office to review plot descriptions to individual lots and common areas to ensure their accuracy. Review of other provisions recommended by Counsel continues. The recommendations incorporate updates needed by changes to NRS 116, and best business practices as suggested by "case law".

The Finance Committee reports that an initial meeting has been held to commence work on the 2018-19 Budget. Further sessions will be held in December, and a budget recommended to the Board for consideration at the January meeting.

Association Counsel has advised that members should be advised of any lawsuits involving the association at least once every 90 days. With our two month Board meeting schedule, this will require an update at every meeting. The Association currently has two actions pending. In the first of these the Owners of unit #118 A & B filed a quiet title action in 2009 seeking to take possession of a portion of common area on which their upper deck support posts rest. The Association filed a counter claim, and A.J. Villalobos filed as an intervener. With the Villalobos bankruptcy the suit went dormant until the Association recently sought the advice of Counsel to attempt to obtain a settlement. In the second action, the association and other parties are being jointly sued as a result of a non-judicial foreclosure sale of a unit to obtain funds to meet a lien held by the Association. Since our Counsel is a party also being sued, we have obtained other Counsel to represent the Association.

In another matter presented by the Legal Committee, the Board was presented with a suggested revision of Policy L33 - Collection Policy. This revision incorporates special provisions for dealing with military service members as required by changes in NRS 116. The Board approved the revised Policy as recommended by Counsel.

In the area of "unfinished business", the Board at its September meeting had requested the Short Term Rental (STR) Committee attempt to put together a proposed policy on STRs for Board review. The Committee presented a recommended non-unanimous (5-2) draft of a proposed policy to the Board. The Board conducted a lengthy review of the draft, line by line, with frequent and sometimes vigorous discussion from the owners in attendance. Following a lengthy discussion, the Board voted to instruct Staff to compile a revision of the draft policy incorporating Board changes for review by Counsel. If Counsel deems the Policy to be sufficient and not requiring a change to Association C, C, & Rs, it is intended to be sent to membership for comment. The Board vote on this issue was 5 to 2, with members Lahey and McKeown dissenting.

Under new business, the Board opened and acted on bids for our 2018 Paint Contract, and 2018 Asphalt Seal Coat projects. The 2018 Audit bid was tabled for later consideration due to the possibility the Auditor could bid a lower sum for an audit involving greater Lake Village staff work.

In "For the Record" Art read a letter from owner Xavier AVAT, suggesting that LVHOA should organize efforts to purchase the Kingsbury Middle School site. He sees the current situation as both a risk to Lake Village, and an opportunity to gain control of whatever the ultimate use of the site might be. He advocates having a discussion on possible ways to actively purchase or influence the purchase and use of the KMS site.

At the final "Member's Forum", Kristi Kandel, a Lake Village owner since February 2017, introduced herself to the Board and members present. She indicated she was the author of the recall petition, and stated she felt the petition was the only way to bring attention to actions of the Board she considered objectionable. Bob Drabant stated that as a target of the petition, he felt that there were inaccuracies being conveyed. He further asked if Kristi could point to any improper action he had taken. Kristi indicated she felt no personal animus toward Bob, but that in his position as one of the two primary officers of the association he was more appropriate to be recalled than other officers, and again stated she felt this was the best way to bring attention to inappropriate actions of the Board.

Debbie Jorgenson relayed a comment as requested by long time owner Andy Nielson (who needed to leave early) that he feels the current Board is doing a good job and strongly supports them.

The next Board meeting is scheduled for January 20, 2018 at 9 AM in the Clubhouse. Have a

HAPPY HOLIDAY SEASON !

Owen Carter

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