

NSEA Annual Membership Meeting

July 12, 2014

(minutes subject to approval)

The NSEA Annual Membership Meeting was called to order at 10:00 a.m. at the Ferrysburg City Hall by NSEA Board Secretary, Peter Herkner. Board members were introduced to the membership.

Present: Board members B. Cooper, P. Herkner, J. Hoexum, B. Landman, H. Davidson.

Gordon Gallagher representing Spring Lake Township.
Approximately 50 NSEA members.

I. SECRETARY'S REPORT

The minutes of the July 13, 2013 Annual Membership Meeting were available for review and were approved as submitted.

II. TREASURER'S REPORT

Treasurer's Report was available for review and was placed on file for audit.

III. OLD BUSINESS

A. Inappropriate Use of NSEA Property at 18501 NSEA Road.

This property has been used repeatedly for commercial purposes involving large numbers of people and creating traffic, parking, and safety problems on the road.

An agreement was established between the NSEA Board and the owner, Mr. Tyler Smith, including the NSEA Bylaws stipulation that any property be used by a single family only. The agreement further stated that gatherings were to be limited to 25 people, and parking was to be limited to off-road only.

In spite of the agreement, the property has been used a few times this season in a commercial way.

Even though the overall situation has improved over time, the problem persists. The Board will continue to monitor the situation.

B. ROAD PROJECT

Our road continues to deteriorate.

Secretary Herkner gave a detailed summary of the history of the Road Project to date, including the involvement of Spring Lake Township (SLT.) He mentioned multiple NSEA Board letters to members with positive response, ballots to members by SLT with positive response, the 2 open hearings held by SLT (Necessity and the Establishment of a Special Assessment District), and finally the Bidding process.

It was expected that bids would be in line with previous engineering estimates.

Only two bids were received, and both were significantly higher than anticipated. (Jackson Merkey--\$796,727 and Asphalt Paving--\$840,383)
Per lot assessment at this cost level would have been \$6752.

There were several reasons offered for the level of the bids:

1. Project more complex than originally thought with many cost issues
2. Bids included interface of the road with each driveway and reconstruction with original materials (concrete, pavers, asphalt, crushed stone.)
3. Road/driveway interface of approximately 10 feet
4. Dead-end road. Asphalt trucks may need to back down the road during construction
5. Problems with storage and transport of equipment and materials
6. Increased cost of materials since original engineering work
7. Change in economic environment, with contractors much busier now than a few years ago
8. Problems with parking/transport for workers

Board members met with the preferred contractor, Jackson Merkey, in an attempt to find ways to reduce costs. Negotiations also included Gordon Gallagher (SLT) and Prein & Newhof.

Suggestions from this meeting:

1. Decrease the extent of road/driveway interface to include only the amount needed to establish grade. \$75,000 savings
2. Reconstruct road/drive interface with asphalt.
3. Reconstruct 2-3 foot road/right-of-way interface with crushed stone
4. Modify drywells proposed for water management. \$60,000 savings
5. The Board agreed to increase their contribution from \$100,000 to \$140,000
6. There is a \$35,000 contingency which may result in decreased costs/assessments if not needed by the end of the project.

Making these adjustments would mean an assessment of \$5300 per lot, which the board accepted and approved.

Additional issues include documented water runoff from the driveway to the road on 42 properties. Every NSEA owner is responsible to contain the water that comes from his property. Water that is allowed to flow onto the road could impact the

integrity of the road, as has been the case over the years. Containing this water and keeping it off the road is a major goal of this project. As part of the project, installation of drainage trenches + drywells as appropriate will be needed on these 42 properties. The need for this work will be determined on a case-by-case basis. Charges as estimated by John Tiles for a 10-foot trench + drywell are \$2600 per driveway and would be the responsibility of the owner. This amount would be added to an owner's special assessment amount.

If an owner desires reconstruction of road/driveway interface in any material other than asphalt (concrete, pavers, etc.) it will be at the owner's cost.

DISCUSSION

There were several questions from Association members. Highlights/answers follow:

Gordon Gallagher, Spring Lake Township.

1. Ferrysburg has authorized engineering to be done for their portion of the road
2. Ferrysburg residents (South NSEA Road) have approved the project, with bids to follow
3. Johnson Merkey's original bid included the Ferrysburg section of the road.
4. It is estimated that work could begin right after Labor Day and would last approximately 2 months
5. SLT terms for payment of assessment: 3 years @ 8%. It is possible that a longer term at 8% may be offered by SLT.
6. 10 fire hydrants will be replace before project begins
7. Assessments will be billed to all owners with tax billings. This may begin with either the December 2014 billing or the July 2015 billing, depending upon the date of completion and final costs. If the project needs to last through the winter to complete finishing details, final costs may not be known until the spring.
8. Water and Gas service have already been updated and will not be impacted by road work

Bob Landman, NSEA Board Road Commissioner.

1. Bob will visit every driveway with the contractor by August 27. Cut lines for interface will be marked. If an owner has questions, he can contact Bob.
2. "Water is our greatest problem"
3. As a general rule, a 25-foot wide driveway will be cut back just enough to establish grade with the road. Interface will be replaced with asphalt unless an owner chooses another material at his own cost.
4. Width and footprint of the road will be unchanged from what is current.
5. It is anticipated that there will be no destruction to side of road, e.g. mailboxes, plantings.
Personal concerns will be addressed individually.
6. Water main, other utilities will not be affected

Ken Hoexum suggested that there be a temporary exception granted to the bylaws that will allow current board members who have experience with the Road Project

and whose terms are expiring (Peter Herkner, David Baines) to remain on the NSEA Board as consultants until the Road Project is completed.

Peter Herkner will continue on as a consultant for the road project and as Webmaster for NSEA.

David Baines has declined further involvement with the Board.

IV. NEW BUSINESS

1. NSEA Members are reminded of the SLT Board meeting on Monday, July 14, 2014, 7:00 P.M. where there will be further discussion of the NSEA Road Project.
2. Election of Board Members.
Mike Damstra and Norman Dodds were elected as new board members for 2-year terms.
Janice Hoexum and Suzanne Velarde were re-elected for 2-year terms

Meeting adjourned at 11:00 a.m.

Respectfully submitted,
Peter Herkner, Secretary