

Lake A/C Update
July 25, 2010

The board would like to thank the members who have been patient with this process. We would like our neighbors to know that when there are FACTS available to provide we will share all information with you. Please visit the Lake, Financials and Minutes tabs for the latest updates.

The next update will be provided AFTER a contractor is hired (contract signed) and we have a start work date.

This project involves many facets. Listed below are milestones that have to be reached prior to beginning of construction:

- 1) Request for proposal had to be sent to engineering companies – Done
- 2) Bid packages had to be received from engineering companies – Done
- 3) Advisory committee reviewed bid packages and narrowed down to three to present to the board – Done
- 4) Board holds special meeting to review three proposals with Advisory committee and hears the reasons for their selections. Bid envelopes are opened. Board selects engineer they would like to begin working with. – Done
- 5) Contract is drawn up and given to selected engineering company for review – Done
- 6) Board and Advisory committee members hold meeting with selected engineer to try to negotiate lower price – Done
- 7) Board receives contract changes from engineer – Done
- 8) Board holds meeting to review and vote on changes – Done
- 9) Engineer makes agreed upon revisions to contract and signs – Done
- 10) Board reviews and accepts changes. Contract is signed – Done
- 11) Contract returned to Tetra Tech Engineering on Friday 7/23/2010.
- 12) Engineer given until 9/30/2010 to complete their work. Please review uploaded contract for detail of what they will be providing. The 9/30/2010 deadline is contingent upon timely response from government agencies responsible for awarding permits for proposed solution.
- 13) Once proposed solution is approved by government agencies request for proposals will be submitted to contractors.
- 14) Contractors will be given sufficient time to submit professional and accurate bids.
- 15) Contractor bids will be reviewed by the Advisory committee along with Tetra Tech. Three bids will be submitted to the board for review and selection.
- 16) Tetra Tech along with board and advisory committee will conduct a meeting to open bids and make a selection.
- 17) If deemed necessary by the board meetings will be held with contractors to discuss detail before final selection is made.
- 18) Board will also be seeking to hire an individual qualified to supervise the work site during construction. This individual will need to be well versed in civil

engineering, government requirements, interpretation of construction blueprints and construction processes.

- 19) Once contractor is selected by the board contract negotiations will be completed prior to contract being signed.
- 20) Once contract is signed the contractor will need to do preparation prior to work beginning.

The above is a very broad synopsis of what needs to occur prior to the beginning of construction. Hopefully you deemed from this synopsis that this is a very long process. It is impossible for the board to provide an accurate timeline this early into the project.

During the above process the President along with the assistance of CLPM have been working with Small Business Association (SBA) to secure government assistance with paying for this project. As everyone knows Shelby County was declared a disaster from the storms that occurred 4/30/2010 thru 5/2/2010. On 7/23/2010 the President was notified by SBA that they have determined that CWL qualifies for the following financing:

\$246,500 loan
3% interest
10 year term
\$2276 monthly payment

The HOA currently has enough money in the bank to satisfy the engineering aspect of this project but not enough money to hire the contractor to construct the spillway. It is ANTICIPATED that we will receive closing papers for the loan within the next 10 business days. These funds will secure our ability to hire a contractor to complete work.

If grant money from the government becomes available the first place agencies look for grant awards is SBA. CWLHOA is in the SBA system so we have completed a very large portion that is required to receive grant money if it is available. The board will stay on top of this to the best of our ability. If there is a homeowner in our community who is familiar with this process please step up to volunteer to help.

The insurance claim will be submitted by the adjuster once we have bid information from the contractor. After lengthy review of CWL's policy and discussions with our agent it is ANTICIPATED that we will NOT receive any insurance settlement because the spillways were NOT covered in our policy. The board with the assistance of CLPM will be discussing future cost for coverage of the spillways on the policy.

At this time the board has no intention of addressing the weeds in Lake A/C. Based on the synopsis presented in this update it is anticipated that the weeds will be dead before there is water in the lake. The board does not want to waste your money on killing weeds vs. paying an engineer to get this project going. If you are interested in taking care of your own weeds the following information may be useful.

“ Dry Lake Bed weed control: The University of Tennessee Extension Pond Management specialist, Ron Blair, recommends a certain product for the weed control in the dry lake beds and around the lake beds which still contain water. Homeowners need to buy the “Aquatic glyphosate and aquatic surfactant” so all animals, fish and wildlife will be fine. It is, however, a non selective herbicide and will kill anything green with which it comes into contact. So be sure to just spray the target plants. This product is available at most garden-supply stores.”

As a reminder the dues you pay are for repair and maintenance of Common Areas. As you can surmise from this update the Board of Directors is doing just that.

On July 28th Tetra Tech notified us that their subcontractor T.H.Y. would begin surveying in the spillway area the first week of August for approximately 2 weeks. The survey crew will most likely be working during the hours of 7 a.m. and 3 p.m.

The updates provided are not intended to be discussion tools. The board is providing facts that have already occurred. The synopsis is a courtesy provided so our neighbors have some idea of how long this process will take, since it is impossible to provide the much sought after timeline.

Board