

LOCKWOOD FOLLY PROPERTY OWNERS ASSOCIATION
QUESTIONS & ANSWERS (paraphrased as best as possible) FROM COMMUNITY CENTER INFORMATION MEETINGS
April 7-9, 2014

Some of the same questions arose at each of the 4 meetings and are so noted.

Q: Gail Treglia, Tom Humenay = What is the time frame for receiving the septic permit?

A: It's really up to the State.

Q: Gail Treglia = Are the bank "term papers" solid?

A: Yes, we believe their rates will hold thru the summer.

Q: Jim Cummins = Shouldn't we be contacting the State to urge them to move the septic permit along?

A: That has been discussed, but our contacts at both the County and Engineering firm report that that can actually be counter-productive in the long run. The State is in control of this time schedule.

Q: Al Liland = What do you anticipate the cost of furnishings to be?

A: approximately \$150 K

Q: Gail Treglia = Will we be purchasing all new gym equipment?

A: The plan is to use the equipment we presently have and replace over future years as needed.

Q: Tom Treglia, David Mills = Have you taken in account in the Strategic Plan the additional insurance premiums, increased operation costs, etc. associated with the new building?

A: Yes, that plus additional utility and maintenance costs are in the Strategic Plan.

Q: Fran Fuchs = What will happen to the Lockwood Grill?

A: The food service will be moved to the temporary facility during construction and will probably be scaled back because of limited space and cost constraints.

Q: Terry Davis = Have you pursued a fixed rate for the loan?

A: Lenders do not offer fixed rates for commercial loans.

Q: Mary Ward = What is the alleged cause of action for the rumored lawsuit initiative, and who are the litigants? If they are attempting to block progress on building the community center I/we may wish to pursue action against them for infringing on my/our rights.

A: At this point we are not sure because nothing official has been received. We've just heard rumors of a possible lawsuit to stop the Association from moving forward with construction of the community center.

Q: Linda Issitt = Who all would be enjoined in the lawsuit? Just this Board or, as I would assume, all previous Board members also?

A: Again, we are not sure but we will be consulting our attorney as/if any actions are forthcoming.

Q: Fred Buchholz = Why is the State involved in the septic permitting?

A: We're sure part of the reason is that the permit does include CAMA permitting.

Q: Laura Botto = What is the capacity for the septic permit? I've heard rumors that the reason the State sent it back initially was because of capacity concerns?

A: We don't have that exact number here at this meeting, but the County, architects and engineers are reconciling all the issues the State may have.

Q: Lorraine Keppel = What will happen to the present Clubhouse?

A: The present Clubhouse will remain and specific uses for it will be worked out in the future. There are many possibilities to be considered.

Q: Charlie Roland = I don't have a question, I just want to commend and compliment the Board on how thoroughly and thoughtfully they have been working on these issues.

A: Thank you..... it's been a multi-year project for sure.

Q: Rich Modrowski = Is it correct that when counting ballots the Board President can vote the unreturned ballots in the same proportion as the returned ballots?

A: Yes, the By-Laws required this method.

Q: Rich Modrowski = If the financing vote is defeated, are there plans to change the By-Laws to give the Board President more flexibility in casting votes for unreturned ballots?

A: No

Q: Cheryl Washburn = Who will be paying for the POA's attorney's to fight the rumored lawsuit?

A: The POA does have insurance coverage, however we don't believe there is anything to litigate. We believe this Board and previous Boards have conducted business properly and in good faith, with no fraud, no collusion or with any other impropriety.

Q: Rocky Atkinson = When do you anticipate we will be able to walk into the new community center?

A: Once we get the septic permit we anticipate the following: contractor bidding – 4 weeks; selection of winning contractor – 2 weeks; presentations to property owners in preparation of voting – 2 weeks; voting – 4 weeks. So, approximately 12 weeks (3 months) to start construction and 9-12 months for the actual construction.

Q: Flo Presant = What happens to the community assessment payments we've made if the financing vote doesn't pass?

A: We've said from the beginning, and it's still true today, if the community center isn't built the assessments will be returned.

Q: John Carroll = Will the driving range be closed due to a new septic system?

A: No

Q: Steve Kohler = Was there 100 response from residents for the votes?

A: Voting on anything rarely, if ever, get 100% ballots returned. Our By-Laws provide that unreturned ballots must be cast in the same proportion as the proportion of the turned ballots.

Q: Catherine Holmes = On one of your slides you said there was a 2/3 majority, 177 for and 94 against. According to my math that isn't 2/3.

A: The slide listing the 177 and 94 counts referred to an informal opinion survey conducted online by the webmaster, not a formal vote process. The slide count was incorrect, it should have been 177 Yes and 88 No. It has been corrected.

Q: Catherine Holmes = Is it possible that when the people voted for the purchase of the golf course land they did it just to keep the golf course and not for the Community Center?

A: The purchase of the land did not require a community vote because it didn't not require securing a loan. The voting was to eliminate the 50 Class B share for the amenity owner and replace them with 1 Class A vote and reduce their annual (dues) from 50 x house rate to 1 house rate. However, we can't speculate about voter motives.