

Lake Manuka Association, Inc.
PO Box 891
Gaylord, MI 49734

July 31, 2005

Dear Lake Manuka Community Resident,

At Lake Manuka Association's Annual Membership Meeting on May 28, 2005, the members voted to have the Association's Board of Directors continue their efforts to hire an engineering firm to study the lake, petition the Hayes Township Board of Trustees to form a Lake Improvement Board and provide an Association Website. The Association Board has worked on all three projects. This letter is being sent to you to inform you the Board has chosen an engineering firm to hire, has petitioned the Township, is announcing the date the website will be opened, and is asking for your contribution to fund the engineering study.

The Board reported it has identified four key issues, which negatively affect the quality of the Lake, and therefore the property and recreational values of lake residents and those who use the lake. They are: Low Water Levels, Too Much Weed Growth, Accumulation of Muck, and Sand Bar Formation. While the Board believes it has properly identified these issues and would like to suggest remedies to you, it realizes it does not have the specialized expertise to do so.

We believe those living in the Lake Manuka Community will support employing a qualified engineering firm to conduct a study of the lake, which will provide us with a plan and the costs involved to improve the four key issues. At its most recent meeting, the Board voted to recommend to you that we obtain the services of Progressive AE of Grand Rapids to conduct the necessary study.

The Board has asked the Hayes Township Trustees to pass a resolution to form the Lake Improvement Board. This Improvement Board would decide upon the improvements to be done, would hire the firms to do the work and would set up an Assessment Taxation District allowing us to pay for the work. The Trustees noted that while the proposed lake improvements were needed, and they were supportive of our efforts, they were reluctant to pass such a resolution. Instead they requested the Lake Improvement Board be formed by a petition drive, and the petition would need to be signed by a significant majority of the property owners in the area.

They also informed us the petition needed to specifically address the costs to improve and/or resolve the lake quality issues. Without a study from a qualified engineering firm we could only guess at these costs. The Board would never ask you to sign a petition based on only its estimate.

The engineering study will cost \$16,000. The Board voted to fund the costs of the engineering study with voluntary contributions. It set \$250 as the amount it would like you to contribute to the engineering study. Enclosed with this mailing is an explanation sheet that explains more about contributing. Also enclosed is a copy of the Request For Quote that details what Progressive Engineering will do during the study.

A date of September 12, 2005, has been agreed upon as the final date for this fund drive. If enough money is received by that date, you will be notified, and the study will begin. If the necessary funds are not received by that date, the Association will return your check.

When the study is completed and we have the engineer's recommendations, and the costs involved, we will prepare the petition to form the Lake Improvement Board. You will be asked to sign the petition.

Once formed, the Lake Improvement Board will hire the firms to do the work, and form the special assessment district. We will all be taxed for the improvements. The engineering study's cost will become part of the entire project, and so, will be shared with all who reside in the assessment district. At that time you will receive reimbursement for your contribution.

I know some of you are eager to proceed with improving Lake Manuka. I know others are wary of doing so. The Association will host an Open Forum to be held September 2, 2005, at 7:00 P.M. It will be held at the Hayes Township Meeting Hall located on Hayes Tower Road and M-32. We have asked Tony Groves, from Progress AE to attend to aid us in answering your questions. At the time of this writing Tony is away on a family vacation and cannot confirm his participation. For this reason we are asking you to visit the website at www.lakemanukaassociation.com. It will be open for you to view on August 15th. The Forum's agenda will be highlighted.

For those of your who are the eager ones, please don't hesitate to send in your contributions right away. If it will be easier for you to schedule payments, a way to do so has been provided on the contribution form. The Board of Directors is convinced voluntary funding is the best way fund this study. The sooner the study begins the quicker we will all receive the recommendations for improvements for our Lake.

Feel free to contact any Board members if you have immediate questions. You will be able to find contact information on the website.

Sincerely,

**Chuck Winger
President Lake Manuka Association, Inc.**

Chuck, these are suggested answers to your CONTRIBUTION INFORMATION.

5- The Board plans to not only fund the engineering study project but other project related costs, such as this mailing.

6- Once you have signed the petition to the Lake Improvement Board, you have also agreed to pay for the selected project(s) as the LIB would set up a Special Assessment District to pay for the lake improvement. Your contribution would be credited at that time, the Association would receive a check from the township, and then we would write a check returning your contribution to you. 5- The Board plans to not only fund the engineering study project but other project related costs, such as this mailing.