

*Tahoe Swiss Village Homeowners Association
P. O. Box 326
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Newsletter December 2009*

The past year, 2009, has been a challenging year for Tahoe Swiss Village Homeowners. Two major additional challenges have been the lawsuit filed by the TSV Utility to take a large part of the beach for its proposed water processing plant and the adoption of the Shorezone requirements by TRPA that affects the buoy field.

Financial Status as of December 2009

TSVHA has three regular accounts (i.e. Operating Fund; Reserve Fund; and Buoy Fund). In October of 2009, the Association Members approved an assessment and set up a fourth account for the purposes of meeting the requirements of TRPA's new Shorezone Buoy Field permits and to defend the Homeowner's in the suit filed by the Utility.

We are especially grateful for the response and support of the Members. As of this report, all Members, except one, have paid the July 1, 2009 Annual Assessment and are in good standing. Seventy-one of the Members (Nine still outstanding) have paid the October Special Assessment and four have paid the Special Assessment ahead of the approved February 2010 Special Assessment (\$500). Current balances are as follows:

Current cash balance in the Reserve Fund	\$22,174
Current cash balance in the Buoy Fund	\$16,539
Current cash balance in the Operating/Special Funds	\$20,794

However, we have important payments that will need to be made in January 2010 and most of these will be due by mid-January:

- \$6,700 from Buoy Fund for 2/3 of Marina Operator Insurance Premium.
- \$3,267 from Operating Fund for 1/3 Marina Operator Premium.
- \$4,000 estimate of cost to complete Scenic Assessment for TRPA.
- \$11,000 application fees for 39 additional buoy permits.
- \$5,000 for general liability, umbrella liability and property insurance premiums.

These are specific expenses that we know of as of 12/30/09. Based on past experience, we believe the Buoy Fund will have enough funds to cover the inspection and maintenance cost of the buoy field and buoys in April/May. However, just the expenses listed above will require us to borrow \$2,473 from the Reserve Fund to cover Operating/Special Fund expenses.

Status of Newly Required TRPA Application for "New" Buoy Permits

We submitted our application for the new TRPA buoy permits and paid the "registration fees" required by the new TRPA Shorezone Ordinance for all 70 buoys on October 2, 2009. As previously reported, TRPA has said we are eligible to receive permits for our 70 buoys because our California State Lands Lease covers 70 buoys. However, we only had original permits back to 1980 for 31 buoys. As a result, the new process requires TSVHA to submit a Scenic Assessment and pay application fees to obtain the new permits for the additional 39 buoys (31 original + 39 new = 70 buoys). The TSVHA Scenic Assessment has been underway since October. It is a very technical and difficult process. The technical expert helping with this process has advised us that TRPA, after many complaints from the professional people who are working on Scenic Assessments for buoy fields around the lake, has made the process a little easier effective November 23, 2009.

We paid the registration fees on October 2, 2009 from the first segment (\$600 per property) of the Special Assessment money that was received in September and October. The total of all fees and professional services will likely be about \$40,000. Please note that the application fee to cover 39 additional buoys is a one time expense. The registration fees of \$175 per buoy is payable for two years at a time, every two years. Therefore, the registration fees we paid on October 2, 2009 covers 2009 and 2010. This amount will be due again in late 2010 for 2011 and 2012. TRPA is obviously building a large fund that they will use to enforce their new regulations.

The Scenic Assessment and application for the 39 additional buoys should be submitted in mid-January 2010. We are told that it takes TRPA four to five months to process the scenic and filing information and issue the permits. Of course, they can always raise other unexpected issues in the midst of this process. At this point, we are not aware of any other issues. However, surprises seem to be the norm when it comes to new regulatory processes.

These new TRPA fees are a burden to everyone. On the other hand, we are told that early in 2010 TRPA plans to eliminate about 15% of the buoys on the lake, which means that once approved, Tahoe Swiss Village will have an approved and legal buoy field to satisfy TSV homeowners needs for now and the future. Whether or not the TSVHA property owners have a boat and use the buoy field, the piers, and two beach parcels, these amenities add to the value of owning property in Tahoe Swiss Village. Access to the lake and the availability to the shore is becoming more limited. These amenities and privileges add to the value of each property.

Very special thanks and appreciation go to Gordon Gaddy who has given so much time and effort into shepherding TSVHA through this unbelievably bureaucratic process. We are well ahead of the game due to Gordon's efforts.

Status of the Suit against the TSVHA by the Utility

Our Association, which has long advocated a cooperative problem solving approach, finally is engaged in a mediation process. The Association and Utility are in the mediation process with a Court appointed Mediator. This past fall there were thousands of pages of documents exchanged and depositions of Mr. Hagberg and Mr. Glazer were taken. The depositions have not yet been completed but are in abeyance pending the outcome of mediation. All of this litigation has been expensive and we are seeking a prompt and just resolution of the issues.

At issue is the taking of a large area of the Tahoe Swiss Village Shore zone for the enrichment of the Utility. Also, even if the proposed project is constructed, the water supply to the Tahoe Swiss Village Homeowners may not be improved. By the estimate of the Utility, it would cost \$1,900,000 to improve the system to Code for Tahoe Swiss Village alone. To improve the system for all four subdivisions, which the Utility serves, the Utility has provided an estimated cost of \$10,000,000. There are, according to the Utility, no funds available now or on the horizon to upgrade the system to serve all of its existing customers leaving the financial burden to the Homeowners. If the Homeowners of Tahoe Swiss Village were required to provide the funds for the improvements, the cost is estimated to be around \$23,750 per parcel.

It is important to note that State Grant Funds are an expense of taxpayers and those funds are required to be paid back to lenders with interest. Ongoing maintenance and repairs would be an expense to customers.

The Association is providing alternative options for consideration that are far less intrusive than the proposed plan project. It is our hope to resolve this issue in an amicable manner and a positive outcome for the Homeowners of Tahoe Swiss Village.

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