

1991-92 part 2

THE GILMAN BROTHERS COMPANY

Gilman, Conn. 06336

203-889-8444

Established 1897

July 2, 1991

Mr. Richard Bauwens
First Selectman
Town of Lebanon
P.O. Box 167
Lebanon, CT 06249

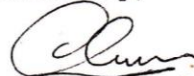
Dick
Dear Mr. ~~Bauwens~~:

This is pursuant to our phone conversation yesterday concerning Lake Williams. We wish to make it perfectly clear that our previously negotiated price for the company's interests in Lake Williams remains at \$600,000.

In addition, I have taken the liberty of enclosing a letter from our attorneys which is self explanatory. Since there is less than 3 months left to consummate the sale, time is of the essence.

Please let us know if we can be of further assistance.

Sincerely,



Charles M. Gilman
President

CMG:cmc

Enclosure

State authorizes money for Lake Williams repairs

By JENNIFER HELDT
Norwich Bulletin

LEBANON — The state set aside its share of money to fix the Lake Williams dam last week leaving only a lease agreement and town approval standing in the way of an end to a 14-year controversy.

"The money had been authorized by the legislature, but we never got to a point where we were close enough to solving the problem to go before the bond commission," said Chuck Berger, assistant director of the Department of Environmental Protection inland water resources division.

The DEP ordered the dam owners, Gilman Brothers Co., to repair the dam several years ago.

The state and town wanted to buy the dam to make repairs, but local voters wouldn't approve money for the project. A breakthrough came when the state made a proposal to lease the dam instead.

Department of Environmen-

tal Protection officials said they hope to start repairs next spring. The town must first reach a lease agreement with the dam owners and voters must approve the agreement.

The state bond commission approved \$225,000 for the DEP's share of the project and a \$250,000 grant for the town's share.

The project will cost an estimated \$675,000 for leasing, buying land, designing and making the repairs.

The 124 Lebanon residents who live near the lake will pay the balance of \$200,000 through a local tax assessment.

"For many years the DEP has been seeking to make this dam safe while preserving the 272-acre lake and its significant recreation and open water habitat values," said Timothy R. E. Keeney, DEP commissioner. "I'm pleased that we have finally negotiated a solution which accommodates area residents, the owners of the dam and the town."

CHRONICLE July 18 1991 THURSDAY

Waterfront residents say they'll buy lake

By CHRISTINE L. KOTRBA
Special to the Chronicle

LEBANON — When voters defeated a plan in May that would have earmarked town money to help save Lake Williams from destruction, the future looked bleak for one of the best bass-fishing spots in Connecticut.

But now, waterfront property owners, determined not to let the lake drain and turn into a swamp, have come up with a new proposal that may finally signal an end to the 13-year controversy.

The Lake Williams Beach

Association has decided that, since townspeople have twice refused to spend local money to help the state buy the aging Lake Williams dam from its private owners, the association has no other choice but to foot the bill itself.

Last month, the homeowners group voted 45-10 to increase its annual association tax from \$45 to \$345 per family a year for the next five years. Through the 666 percent tax increase and outside donations, the association hopes to

(Lake Williams, Page 7)

(Continued from Page 1)

raise \$150,000, which would be combined with state money to buy the dam and water rights for \$600,000 from the Gilman Brothers Co. of Bozrah.

Gilbert A. Koss, president of the Lake Williams Beach Association, said although some opposition to the new taxing plan has surfaced, most lake residents view it as a last-ditch effort to save the lake that is home to a burgeoning bass population and Canada geese.

"Nobody's crazy about paying out money, especially for taxes," Koss said, noting the community around the 247-acre lake is comprised mostly of middle- and lower-middle-class families.

"There is no other option that we can find at this point," he said. "It's boiled down to that the only option is digging into our own pockets and pulling out the money."

Formed in 1952, the association is governed by a charter that allows it to levy a fee or tax on lake homeowners. The annual fee must be voted in by a majority of the members.

With each of the 107 families paying an additional \$300 per year, the group expects to raise an extra \$32,100 in taxes annually. The association has already received \$19,000 in private donations from residents, businesses around the lake, and even campers from the nearby Lake Williams Campground who don't want to see the lake drained.

"It's a beautiful lake when it's full," campground owner Lee Rider said, explaining the campers' willingness to contribute to the cause. "It's 247 acres and the fishing is fantastic."

The Gilman Brothers Co. will be asked to hold a promissory note in lieu of the portion of the \$150,000 that is not raised this year, Koss said.

Failure to move swiftly toward a local solution could prompt the state to pull out the grant money it had pledged, according to Koss.

The most recent cost-sharing plan between the state and town, defeated at the polls in May, was a \$1.16 million package that called for buying and repairing the dam, and purchasing 11 acres of waterfront property that would have been turned into a public recreation

area and boat launch. Lebanon's share of the cost would have been \$480,000.

"We kind of felt that if we didn't do something immediately," Koss said, "the state, in its financial turmoil that it's in, would very well pull the money back and use it elsewhere. We felt that we had to do something immediately."

Since the early 1980s, the Gilman Brothers firm, a plastics manufacturer, has opted to drain the lake or destroy the dam instead of making the costly repairs that have been ordered by the state. The plan has been opposed by the state Department of Environmental Protection, town officials and by homeowners who live at the lake and fear the effects draining would have on their property values.

The company has maintained its proposal to take down the dam or leave open the floodgates complies with the DEP order to either repair or remove the dam. Over the past decade, the matter has been tied up in the courts, and efforts to reach a solution that would satisfy the Gilmans' business interests and save the lake have been unsuccessful.

Wesley Marsh, supervising environmental analyst with the DEP's Dam Safety Office, said the company had recently submitted another application to destroy the dam, and later filed suit seeking a decision on the permit. That has been placed on hold, though, Marsh said, until the outcome of the most recent round of talks is determined.

The details of the association's proposed deal with the dam owner remain to be worked out, including the matter of public access to the waterfront.

First Selectman Richard R. Bauwens said that before the state will spend money at Lake Williams, it will want a guarantee of public access. But given the ailing fiscal situation this year, he said it's doubtful officials would want to build a new state park.

That's why the town approached Rider of the Lake Williams Campground about negotiating with the state over use of the campground's existing boat launch. Bauwens said it's possible the state could obtain a permanent easement or pay Rider a rental fee to per-

mit public use of the boat launch.

Despite the lingering questions, the lake association's plan looks like it just might hold water. Lake residents aren't thrilled about the idea of higher taxes, but they say if it means the lake will remain full all year, the cost will be worth it.

"I think it's a good deal if we get the lake back," said Lake Shore Drive homeowner Frank E. Talar. "It's the only way I think anything is going to get done."

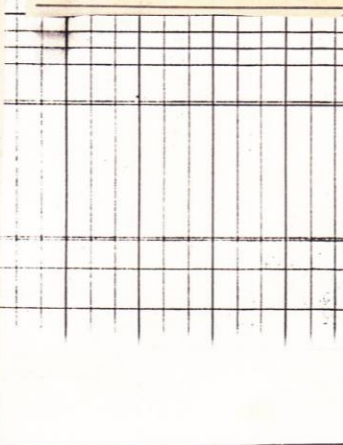
"We've tried many solutions and none of them have flown," said Dorothy Kitchell-Cassidy of New Rochelle, N.Y., who spends her summer vacations at the lake. "This seems most equitable and most possible. This is really the last gasp."

Charles Gilman, president of the Gilman Brothers Co., would not comment on the matter.

The state grant money is still available to the town and DEP is receptive to the solution proposed by the association, according to Charles Berger, assistant director of the DEP's Inland Water Resources Division. "We are pleased at any progress being made toward that dam repair," he said.

More importantly, Bauwens said, it appears negotiations between Gilman and the association are becoming more fruitful because old grudges are being cast aside.

"The good news," he said, "is that for the first time in history, the people at the lake have a different attitude and that they are also now able to communicate with Gilman through a representative."



Opinion

the Chronicle

Lucy B. Crosbie
Co-Publisher

Kevin Crosbie
Co-Publisher

George L. Geers
Editor

Editorial

Saving Lake Williams

In these troubled money times, this appears to be the best idea yet:

Members of Lebanon's Lake Williams Beach Assn. have voted to increase their membership fee from \$45 to \$345 a year, for the next five years, in order to save the lake and their property values.

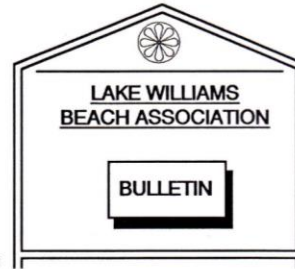
Earlier this year, Lebanon voters rejected plans to buy the lake and dam from the Gilman Brothers Co. of Bozrah. The state would have contributed the lion's share of funding. But this is 1991, and there isn't enough money to go around — even if the cause is a good one.

The Gilmans own the lake but are under state order to repair the dam. They would rather drain the 247-acre lake than invest in the dam. Obviously, the best solution is the purchase of the lake property and repair of the dam by those who most appreciate its value.

Under the new Lake Williams plan, the association will raise \$150,000 which, combined with \$450,000 from the state, would allow it to buy the dam and water rights from the Gilman Brothers. (The association's charter allows it to levy a fee or tax on lake homeowners and to place a lien on those who don't pay.)

The details are still being worked out — including a hitch with state funds that requires public access to the waters of Lake Williams — but this latest plan from lake property owners is one that should be encouraged.

NOTICE OF SPECIAL MEETING



Saturday August 24th, 1991

1:30PM at the Acre

Purpose:

- 1.... Update & Discuss the status of the "Save the Lake" program,
- 2.... Discussion of the present fund raising program - taking this situation to a probable, successful solution,
- 3.... Properly appropriate and allocate funds to complete this project, and
- 4.... Discuss the plans to expand the LWBA to encompass the entire lake.

Financial Statement
 Lake Williams Beach Association
 As of August 24, 1991

	Approved 1991/92 Budget	Actual 1991/92 Expenses	Proposed 1992/93 Budget
Liability Insurance	3,000.00	3,075.00	3,000.00
Lebanon Town Tax	500.00	454.96	500.00
Tax Notices (newspaper)	60.00		60.00
Secretary's Fee	25.00		25.00
Treasurer's Fee	25.00		25.00
Tax Collector's Fee	200.00		200.00
Auditor's Fee	25.00	25.00	25.00
Bonding Insurance	530.00	270.00	530.00
Tax Collector' Expenses	50.00		50.00
Postage & Stationary	200.00	291.16	200.00
Board of Director's Expenses	200.00		200.00
Miscellaneous Expenses	250.00		250.00
Picnic	200.00	200.00	200.00
Legal Expenses	1,000.00	670.00	1,000.00
Reserve-Beach Maintenance	2,000.00		2,000.00
Reserve-Nxt Yrs Liab Ins	3,500.00		3,500.00
Contibution of \$150,000 to be paid over 5 years to resolve Lake problem	30,000.00		30,000.00
Total Budget/Expenses	41,765.00	4,986.12	41,765.00
Checking Account Balance as of 5/19/91			6,660.48
Tax Collections			
Prepayment	15 @ 1200	18,000.00	
1 @ 900		900.00	
1 @ 600		600.00	
Current Year	83 @ 300	24,900.00	
91 @ 45		4,095.00	
1 @ 75		75.00	
Prior Year	12 @ 45	540.00	
Liens Fees and Interest		145.67	49,255.67
Miscellaneous Income			
Proceeds from Picnic		273.77	
Bank Credit for Deposit Slips		28.16	
Dividends Received - Shelby Ins Co		37.50	339.43
Contributions			
West Side of Lake		17,050.00	
Lake Williams Campground		2,290.00	
Lake Williams Beach Assoc		2,600.00	
Others		0.00	21,940.00
			78,195.58
Less Transfer of Contributions to Contrbs Savings Acct			21,940.00
Less Transfer of Tax Prepayments to Tax Savings Account			13,200.00
Less Transfer of \$300 Tax Assessment to Tax Savings Acct			24,600.00
Less Transfer of \$6,500 to Regular Savings Acct			6,500.00
Less Total 1991/92 Expenses			4,986.12
			6,969.46
Equals Check Book Balance as of 8/24/91			6,969.46
Contibutions Special Account	21,940.00		
Less Service Charge	(6.67)		
Accrued Interest	60.11		21,993.44
Tax Assessment Special Account	37,800.00		
Less Service Charge	(6.67)		
Accrued Interest	2.17		37,795.50
Savings Account Balance as of 5/19/91	458.22		
Funds Transferred In	6,500.00		
Accrued Interest	6.49	6,964.71	
Savings Account Balances as of 8/24/91			66,753.65
Cash on Hand as of 8/24/91			73,723.11

The Governmental District of:
LAKE WILLIAMS BEACH ASSOCIATION
Established 1953

August 27, 1991

FROM: Gilbert A. Koss
President
Lake Williams Beach Association, Inc.
P.O. Box 52
Lebanon, Ct 06249

TO: Representative Frederick A. Gelsi
58th District
Chairman, Bonding Subcommittee
63 Roosevelt Boulevard
Enfield, Connecticut 06082

Dear Sir:

It has come to my attention that a letter dated June 12, 1991 regarding the funding of the Lake Williams project, was sent to the Board of Selectmen of the Town of Lebanon. This letter, signed by you, has caused a certain amount of anxiety among Lake Williams area residents and members of The Lake Williams Beach Association. As this letter indicates that you may be in possession of possibly erroneous or biased information concerning the present situation, I feel compelled to provide clarification of several points made and also to request your explanation of others.

a) STATED: " ... as a result of a presentation given by Selectman Bauwens, to the members of the Lake Williams Beach Association at their recently held annual meeting, impressing upon them the urgency of the matter since options were running out members are to be taxed an additional \$300 per year for five years to be turned over to the town as a contribution and put in the general fund in the event that another deal on the purchase can be struck with the state. In the event that such a agreement falls through said contributions would be returned to the contributors."

ACTUAL: As President of the LWBA and Chairman of the Annual LWBA Meeting, a question was posed to me as to the status of state funding available. As you may imagine, the lake situation is of deep concern to most members of the LWBA. In an effort to provide the best possible answer to the query, I felt that Mr. Bauwens, having more background in the matter, would be the most qualified to answer. I asked him to relate his perception of the matter. He spoke only briefly and related that he believed that all funding was still in place but was unsure as to any time constraints involved with it. I then asked him whether the Town of Lebanon would accept a donation of \$150,000 to complete the agreement with the state. He responded that he could not speak officially as an officer of the town, but that he had no recollection of the Town of Lebanon ever refusing a donation. This was the total extent of his comments. As to the matter of a \$300 per year assessment for 5 years on the LWBA, this was NOT initiated or even

suggested by Mr. Bauwens, but was a completely voluntary action of members of the LWBA, approved through a vast majority vote of the association. This assessment would allow the LWBA to donate the needed funds under certain contingency, and would allow the deal between the State and Town to be completed. The LWBA, through a State Charter given in 1953, allows for assessment of taxes on it's members through majority approval and for the benefit of it's members.

b) STATED: *"Still further, I would urge you, as the chief elected officials involved in this matter, to investigate whether individual members of the same special group (which the AG's Office ruled could not be made into a special taxing district) can now be forced to pay taxes which in turn will be turned over to the town under the guise of a contribution - in order to resurrect a project that has been turned down by voters in order to sweeten the pie should it come back for another referendum."*

ACTUAL: The Lake Williams Beach Association is already a Special Taxing District and has been for 38 years. The reference to the ruling by the AG's Office was about another proposal, now defunct, to form a NEW Special Taxing District. It seems that apples and oranges were being mixed here. As to another referendum, none has been planned or even proposed.

c) STATED: *"The amount paid by the town of Lebanon to the state shall, if it is raised by any tax imposed by or through said town, shall be raised by property taxes imposed on all property on the net grand list of said town."*

ACTUAL: The operating word here seems to be "if". In reality, the amount of money being raised IS NOT by a tax imposed by or through the Town of Lebanon. If indeed the State is insisting that the money be raised by burdening the town with an additional tax and will not accept a voluntary contribution from a concerned group of citizens in lieu of this tax, then I am requesting a formal statement to this effect. If, on the other hand, the state recognizes the concern of a group of it's citizens and WILL accept a contribution from a recognized organization, a statement indicating this is also requested.

In your letter you mentioned Bonding Package S.A. 90-34 and S.A. 86-53 (sSB327) from which you have directly quoted. This indicates to me that you have direct access to these documents. I am also requesting copies of each document mentioned.

I would also appreciate it if you would provide me with copies of any future correspondence relating to the Lake Williams situation.

I await your response.

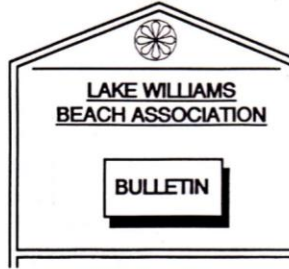
Sincerely yours,

Gilbert A. Koss
President, LWBA

LWBA SPECIAL MEETING

Sunday September 8th, 1991
at 1:30PM

AT THE ACRE.



1. Discussion of Present Situation
2. Discussion of a Projected New Tax District
3. Vote on the Resolution to Authorize the Board of Directors to Accept and Disperse Assessments, Donations, and other Funds.
4. Other New Business

We've come to a fork in the road on the way to our goal of saving Lake Williams. There may be advantages to entertaining the prospect of a separate Special Taxing District to complete the finalization of this deal. By meeting time, we should be able to have all the necessary info to make an intelligent decision.

COMMENTARY

Well, we're almost there! There are still a few small hills to climb and some technical and procedural problems to handle, but if this was going to be easy... it wouldn't have taken 14 years to get to where we are now. The Board of Directors is making every attempt to do this right. If we make a few mistakes or slight someone along the way, please forgive us. I like to think that the only people that don't make mistakes are the people that don't do anything! With that thought in mind, I'd like to personally apologize to the LWBA for not informing you in more detail of the Board's decision to expand the LWBA to encompass the whole lake. I was personally approached by several property owners on the Westside to include them in the LWBA. After much deliberation, I looked up in the State Statutes the procedure for expansion and related my findings to the Board. We then discussed the benefits of having the whole lake speak with one voice.

We understood that the Board of Directors could initiate a procedure which called for a 2/3 majority vote by the property owners who wanted to join, after which confirmation by the LWBA would be appropriate. We posted a notice in the Chronicle, (we generally don't use newspapers to announce things but State Statute required it), posted a notice in the appropriate places, and proceeded to set up a meeting and to take a vote from the people directly involved.

Well, to make a long story short, it seems that there is a question as to our ability to initiate such an expansion. So, instead of a vote that was conclusive, we took an informational, non-binding vote on the 25th. The result was that of 34 property owners (non-LWBA) that voted only 16 were seriously interested in joining. However, discussion was held about joining together through another method. Either a separate Special Taxing District or a Fraternal Organization might be more acceptable to all of us. We'll try to put together more info on these ideas and discuss it at a future date. As far as expanding the LWBA.... the subject is closed for now. As for the way this was handled. As President and Chairman of the Board of Directors I apologize for not informing you. I'll try not to let it happen again.

On a slightly different subject, the production of these newsletters and notices is really a time consuming project. It takes several days and many hands to produce each communication to each of our members. I'd like to take this opportunity to thank one of the key individuals involved, our Communications Committee Chairman, Dave Schulze. Without Dave's skills with his computers, the job of keeping you updated would be a lot more difficult and less sophisticated than it is. Thanks Dave!

Explanation of the Proposed Resolution to Borrow and Repay Loans

As I stated before, we're very close to completing this project of raising and donating the necessary funds to the town. Through assessments, donations and prepaid taxes we've accumulated over \$60,000 in cash. Members and other concerned neighbors have generously offered to loan us a substantial amount more and, while we haven't yet reached our goal of \$150,000, it is in sight! If donations and prepaid taxes keep on coming in the way they have, we'll get there soon.

One of the key elements in this fund raising is loans offered to the LWBA on an interest free basis. These loans will probably provide about 1/2 of the total we acquire. It's important to remember that these are loans and must be repaid! Repayment will be made out of the 5 year, \$300 assessment that we agreed to for this purpose. Initially we had hoped that the Gilman Bros. would pick up the note for whatever we couldn't raise in cash, however, as that doesn't seem possible at this time, we will be accepting loans in smaller amounts from our neighbors. While our intentions are good and we expect to act with the greatest amount of integrity, we feel it necessary to provide the greatest amount of protection for these generous people, soon to be creditors of the LWBA.

To this end we have engaged the services of Attorney Thomas Manning, to protect both the interests of the LWBA and the interests of our "creditors to be". Attorney Manning has provided us with a resolution that, if passed by the LWBA, will allow the Board of Directors to both borrow and guarantee repayment of any loans made to the LWBA.

The resolution, while self-explanatory, may not be clear to everyone because of the need for several legal terms in it. Please understand that these terms are necessary to provide the maximum amount of protection for all concerned.

The resolution is enclosed with this letter and I will attempt to explain certain parts that you may have questions on. Please be advised that I have checked with Attorney Manning and he agrees that my explanation is correct.

OK... Here it is....please refer to the page titled "*Borrowing & Repayment Resolution...*"

1. The Board of Directors is authorized to borrow up to \$85,000 from one or more parties, and to issue each party a Note that will guarantee repayment of each loan. Why \$85,000? We shouldn't need that much but it puts a cap on the maximum we can borrow. We can't determine at this time how much that will be, but we know it won't be more than this amount.

2. These Notes that are issued will be interest free for the 1st five years. However, if through some unforeseen circumstance they are not repaid within 5 years, they will start bearing interest of no more than 12% annually. A quick estimate of the time required to repay indicates that we should have no problem meeting this deadline if we only repay out of our annual budget. In actuality, we will probably be able to repay them well before, due to money we expect to raise through other means.

The line about collection procedures is legal terminology which is found in most notes of this type, and protects both parties.

3. This part explains how the amount of money available each year will be determined. Simply put, we will take out of the money received each year through assessments, donations, and fund raising, enough to cover the expenses of operating the LWBA. The rest can be used to pay off our debts. Not only that, but if there is a surplus from the previous year, it also can be used. We'd like every opportunity to pay these debts as quickly as possible!

The repayment plan will consist of all the money we collect each year, (minus our necessary expenses,) divided up among each party that we owe money to. This will be done on a pro-rata basis. This means that if we owe \$10,000 to one party and \$5000 to another, the one that is owed \$10,000 will receive twice as much in repayment that year. The "small-balance notes" are notes that have been reduced to \$100 or less through repayment. These we will be allowed to completely pay off before payments are made on any other debts.

The actual note that will be used to guarantee the LWBA's repayment of each debt, has been drawn up and is available for examination. The note contains essentially the same terms as stated in the resolution. Copies will be available free-of-charge-to-anyone-that-has-pledged-a-loan, and at a small fee of \$1.00 each to cover reproduction and postage (our printing and postage fund is nearly depleted), to any LWBA member who requests one.

If you have any questions that I haven't answered here, please feel free to contact me. If I can't answer your question myself, I probably can get the answer in a reasonable period of time.

LAKE WILLIAMS BEACH ASSOCIATION BORROWING and REPAYMENT RESOLUTION

1. The Board of Directors of the Lake Williams Beach Association, Inc., (LWBA) is hereby authorized to borrow a sum not more than eighty five thousand dollars (\$85,000.00) for a term not to extend beyond September 30, 1996 for the purpose of completing the payment of \$150,000 to the Town of Lebanon for the purchase of Lake Williams, as voted by the membership of said LWBA on June 2, 1991. The Board of Directors is further authorized to issue one or more notes, signed by the President and Treasurer of the LWBA, as evidence of such indebtedness.

2. Such notes are to bear no interest until September 30, 1996 and, if not repaid on or before such date, shall bear interest not more than 12% per year after September 30, 1996 until repaid. Early repayment of such notes may be made without penalty to LWBA. Costs of collection and a reasonable attorney's fee may be paid to any holder of a note issued hereunder only if full repayment of such note is not made on or before September 30, 1996, 10 days written notice of such failure to repay has been given to the LWBA, and such note holder has then begun lawful collection proceedings.

3. Beginning with calendar year 1992 and continuing until such time as all notes issued hereunder (known collectively as "the Notes") are fully repaid, the Board of Directors shall, after July 1 but on or before September 30 of each year, compute the current income and retained prior-year surplus then available then available to pay the debts and expenses of the LWBA. The Board of Directors shall then set aside from such available monies such amount as is needed to fund the budget of the LWBA adopted for the fiscal year beginning on July 1 of such year. The Board of Directors may then, at its option, set aside a further amount necessary to pay off entirely any or all of the Notes for which the total amount remaining due under each such Note is one hundred dollars (\$100.00) or less (known as "small-balance Notes). Any available monies remaining after subtracting the amount needed to fund the budget and the optional payoff of small-balance Notes shall be applied to the remaining Notes on a pro-rata basis, with each holder of one or more of the Notes receiving that portion of remaining available monies as such holder's total Note debt bears to the entire outstanding debt then owed by the LWBA under all of the unpaid Notes. Such annual payments on debt shall be sent out on or before September 30 of each year. For this purpose, "available remaining monies" shall include not only taxes and assessments made by the Board of Directors, but also donated or contributed funds received by the Board of Directors which were donated or contributed (1) specifically to pay off the LWBA's debt, or (2) toward the Lake Williams rescue program as voted by the LWBA on June 2, 1991, and not used as part of the \$150,000 payment to the Town of Lebanon called for under such vote. No guarantee shall be made as to any specific or minimum amount which will be paid to any Note holder as part of these annual payments.

By-Laws governing voting procedures

In response to requests for information on proxy voting, please review the following excerpt from our By-Laws:

From page 4:

[c] any owner of land within the limits of the association, qualified to vote, who is unable to attend any meeting, may appoint, by written proxy, a duly qualified person to cast his vote at any meeting. [Sec. 9, page 4, lines 16-20].

From page 20:

[4] PROXY VOTING - Anyone designated to act as a proxy for a voting member must present to the secretary prior to the beginning of the meeting [or upon arrival] a signed statement designating the name of the individual for whom he/she is voting. [It shall be signed by BOTH the proxy and the voting member. This proxy shall further state the items to be voted upon or whether the individual has been given full proxy.

I sincerely thank everyone giving financial support to this cause. Whether through payment of your annual assessment, prepayment of your taxes, donations or loans, your generosity and concern will mean that Lake Williams will be saved!

THE NEXT STEP IS TO PASS THIS RESOLUTION AT THE NEXT MEETING WHICH IS SCHEDULED FOR 1:30PM on SUNDAY, SEPTEMBER 8TH, 1991. I look forward to seeing you then.

Gilbert A. Koss

President

LAKE WILLIAMS BEACH ASSOCIATION
P.O. Box 52
Lebanon, Conn 06249

The Governmental District of:
LAKE WILLIAMS BEACH ASSOCIATION

Established 1953

October 7, 1991

FROM: Gilbert A. Koss, President
Lake Williams Beach Association
P.O. Box 52
Lebanon, Connecticut 06249

TO: Mr. Richard Bauwens
1st Selectman
Town of Lebanon
P.O. Box 167
Lebanon, Ct 06249

Dear Mr. Bauwens:

This is to provide you with official notice that the Lake Williams Beach Association has authorized it's Board of Directors to provide financial assistance to the Town of Lebanon in the matter of completing transfer of the ownership of the Gilman Dam located at Lake Williams. This assistance will be in the form of a payment not to exceed \$150,000.00, and will be available to the Town of Lebanon upon notice to this organization (LWBA) that agreement has been reached between all concerned parties for the transfer of ownership of the dam and water rights.

Please be advised that I, as President of the LWBA and Chairman of the Board of Directors, am authorized to make this commitment and will personally expedite the transfer of these funds upon notification that conclusion of this agreement is imminent.

Sincerely yours,

Gilbert A. Koss
President
Lake Williams Beach Association

cc: Atty. Ann McClure
Mr. Charles Gilman

Questions and Answers About Lake Williams Preservation District

- 1) What is the reason to create the Lake Williams Preservation District?

The main purpose of the LWPDP is to save Lake Williams. The idea is to raise the \$150,000 needed for the town's share of monies to purchase the dam and water rights. These will be raised by taxing properties within the district with the tax based on the grand list value of each property. It is believed by many to be the fairest way to raise the money.

A secondary purpose is for the district to serve as a unified voice in suggesting regulations to be placed on the lake by the Department of Environmental Protection. The DEP will be more inclined to listen to a group that represents all of the "lake people".

- 2) Will the district taxes be in addition to the LWBA taxes?

The normal Lake Williams Beach Association taxes (currently \$45 a year) will have to be paid besides the LWPDP taxes if the district is created. The special lake preservation taxes (\$300 a year for five years) will be removed and all monies paid to this tax fund will be returned when the LWPDP is operational. Until that time the monies collected by the LWBA serves as a backup plan. It is still possible that the purchase could be completed with those funds although it is more probable that it will be completed with LWPDP funds.

- 3) Will the LWPDP replace the LWBA?

No. They will exist for two different purposes. One very important reason for the existence of LWBA is to provide beach rights to its members. The main purpose of LWPDP is to save the lake. The LWPDP will have a limited life (5 years) - just long enough to fulfill its purpose.

- 4) Will a vote for the creation of the LWPDP be a vote against the LWBA and all the work that they have done in an attempt to save the lake?

Absolutely not! All that work was done for the purpose of saving the lake. If it would be accomplished through the creation of this new district then that would make it much easier for the LWBA by relieving it of that responsibility.

The advantage of using the new district is that the owners of single lots will be taxed more reasonably. Basing the tax on the town's grand list should be a more equitable method of taxation than the fixed per property tax that the LWBA must charge.

- 5) Who will own the lake if it is purchased?

The DEP would own the dam and the water rights. This is good news in that they would be taking on repairs of the dam. Also they would have the liability for all activity on the water. They will also own some land for the purpose of providing public access to the lake.

- 6) Will a public boat launch open up our lake so that we will be crowded off our own lake?

That is doubtful. Lake Williams is a small lake and not very deep. It does not and will not appeal to many people. It will not support large boats. The lake will probably continue to attract the people that it currently attracts. The property on Route 207 has provided public access for many years - it is convenient to use that one little patch of land as a small boat launch and beach and it has been used that way. The main difference will be that now a patch of land will exist legally for that purpose.

- 7) Would the LWBA members lose their privacy?

All LWBA property - the three beaches and the acre - is private property belonging to the LWBA. Usage of this property will remain limited to LWBA members and their guests.

- 8) Who would be in the LWPDP?

Boundaries were drawn up on a map that accompanies the ordinance to create the LWPDP. These boundaries were chosen to include properties on all sides of the lake. The intention is to tax everyone that will benefit from the lake. This naturally includes all of LWBA members because they all have access to the lake.

- 9) What will the tax be under the new taxing district?

The tax will be based on the value of each property. There will be more people in the district so more people will be sharing the burden. The time frame for collection is the same as the one used by the LWBA. Obviously a LWBA member that owns a single lot with no buildings on it will be paying a lot less than \$300 a year. Someone who owns a large lake front year-round home will probably be paying more. The Lake Williams Camp Grounds is one of the properties that would be paying considerably more under this plan.

- 10) How important is my vote?

Very important! The criteria to create a district of this kind is difficult to meet. Over half the eligible voters in the district must vote YES (this means that an extremely high percentage of the voters must vote). In addition, the combined value of the property owned by all the people voting YES must be greater than half the total value of all property in the district. If you want to help to save the lake and to preserve your property value, then do cast your vote. In this case abstaining from voting is like casting a NO vote - lots of YES votes are needed to ratify the district.