Joe Sties <cvrups@aol.com> To: Joe Dzikiewicz Re: Chesapeake Shores HOA board meeting of January 14

Joe: I have been in discussions recently with U S Fish and Wildlife regarding the beach ownership and breakwater issues. Tylan Dean has asked if I would be willing to work with that agency to develop a solution that might meet everyone's needs. I will be meeting with Tylan this coming week to continue those discussions. After doing so, there may be a way to quickly resolve the issues by involving the Association. If we work quickly enough, in a spirit of compromise, we may be able to facilitate an early resolution. Maybe construction permits could be issued in time for early fall construction activity. As I understand it from Luck Stone and Fish & Wildlife, there is no legal agreement in place at this time for Luck Stone to provide any stone for the project and there is also no guarantee that sand will be available from any source at an affordable price. Then there is the matter as to whether Bavon Beach and the "Plus 4" can raise the necessary funds to begin construction at all. Nevertheless, I believe Association ownership of the <u>pericipate in any</u> joint activity if any of the "Plus 4" are involved in any way. Do you yet have an attorney who can address legal issues for the board? I believe using Jones, Blechman would be counterproductive considering the current adversarial relationship between me and that firm and a possible conflict of interest for the firm. I'm excited about the possibilities. Let me know if the board might be interested. I would also require a confidentiality agreement, Let me know what you think. Joe

-----Original Message-----From: Joe Dzikiewicz <joe@dzikiewicz.com> To: Joe Sties <cvrups@aol.com> Sent: Sun, Feb 5, 2012 10:14 pm Subject: Re: Chesapeake Shores HOA board meeting of January 14

Hi Joe,

I agree: we should keep the channels open.

I'm not going to try to speak for the +4 households about their position in all this. But I do believe that all parties want to make sure that there is a beach for everyone to enjoy.

I think it's a great pity that the breakwaters will probably not be in place for the next hurricane season: my concern is that it seems quite possible that one good hurricane could eliminate the southern beach, especially now that the revetments are in place. I hope that will not happen, and that there will still be a beach to protect by next winter. We shall all have to hope for the best, I suppose.

As to the position of the HOA: while individual board members certainly have their own opinions, the board itself has tried to keep the HOA itself out of the dispute. We really did not think it our position to intervene. Perhaps that was a mistake, but things are as they are.

While we intend to involve ourselves in the litigation, it is not in order to support the suit of the +4 households. Instead, we will be going back to the original plan and try to have the HOA take ownership of the beachfront. It is my hope that this will provide a way through the thicket, and can form the basis of the equitable solution that you discuss.

Do you think that could form the basis of a reasonable solution?

Joe

On Feb 5, 2012, at 7:32 PM, Joe Sties wrote:

Joe: If you will access online the Code of Virginia, Section 13.1-747 you will see reference as to how a Circuit Court can liquidate the assets of a corporation anytime <u>AFTER</u> the termination of its corporate existence. That is an affirmation of the ability of a corporation to own assets after its dissolution. Basically, corporations never die with respect to its assets. The resolution before summer is problematic due to the current case pending in Mathews County Circuit C ourt. That case was originally filed in Newport News Circuit Court, but as you probably know, I opposed that case and petitioned the court for a change of venue back to Mathews County Circuit Court where the cause of action originated. The Newport News judge ruled in my favor and so now it will be tried in Mathes, if it must be decided by a court. I have made several compromise offers designed to protect my property rights, but none has been accepted. As you probably know, the opposition, among other approaches, has basically asked the courts to appoint a receiver to give them the back fronting their properties in fee simple - that would provide them complete and total control of the beach. Without specific conditions that insure that new plats and deeds contain acceptable wording to protect my deeded rights, my future property values and insure no unearned financial gain by the opposition, I find myself in the unenviable position of having to oppose my neighbors in court. For better or worse, my cottage is my retirement fund and anything that has the potential to reduce that value to someone else's benefit is objectionable. It is truly a shame that the Association has elected to side with that group now (WHY WE NEED A HOMEOWNERS ASSOCIATION DOCUMENT) despite the originally stated main reason for forming an association - obtaining ownership of the beach. The notes of the last membership as the opposition has found to date. I have now opposed them twice - first in Mathews and then in Newport News. Now its back to Mathews. Keep the channels op

-----Original Message-----From: Joe Dzikiewicz <joe@dzikiewicz.com> To: Joe Sties <<u>ovrups@aol.com</u>> Sent: Sun, Feb 5, 2012 5:45 pm Subject: Re: Chesapeake Shores HOA board meeting of January 14 Hi Joe,

I'm still a little confused. It was my understanding that while the Chesapeake Shores Corpration is the owner of record of the land in question, since the corporation is defunct it cannot currently own anything. But I'll admit that I know nothing about what happens to the assets of a defunct corporation, and how ownership is resolved in such a case. But your explanation on the taxes makes sense to me.

I'm glad to hear that you are not opposed to the breakwater project. Seeing the current state of the southern beach, and seeing the various projects underway down there to preserve the houses at the possible cost of the beach, worries me. I'm a big fan of walking down the beach, and I'd hate to have no beach to walk on. I can only hope that all of the issues get resolved soon, hopefully amicably, and that work can start on the breakwaters before the summer causes another construction delay.

Joe

On Feb 5, 2012, at 12:28 PM, Joe Sties wrote:

Joe: Sorry to be slow in responding. The tax rolls of Mathews County show that the beach fronting the lower section of Chesapeake Shores is indeed owned by Chesapeake Shores, Inc. In two conversations with Ray Hundley, former Commissioner of Revenue for Mathews, he advised that that land is currently taxed proportionally to the property owners in that subdivision as part of the land tax part of their real estate taxes. You can confirm the accuracy of this with the county. So whoever misinformed you has probably misinformed others who might appreciate learning the truth. Unfortunately, there have been a number of misstatements during this process that I believe would change peoples minds about what is reasonable and appropriate. The beach is owned by Chesapeake Shores, Inc. and all property owners are the beneficiaries of the easement rights conferred by the original plat, in my opinion, through their deeds. There has been an attempt to change the easement wording that might allow limitations on usage rights. It remains to be seen whether that attempt will succeed. I have been attempting to prevent any ownership or wording changes that might threaten any rights of existing property owners, especially non-beachfront owners. I am not opposed, nor have I ever been, to the breakwater project, only to the methods used to accomplish that end. If I could be assured, not through <u>unenforcable</u> "intentions" or "proposals", but via legally binding means, that my property rights will be preserved and that no one will benefit financially from proposed transfer methods, I could happily discontinue my opposition. Hope this is helpful. Joe

-----Original Message-----

From: Joe Dzikiewicz <joe@dzikiewicz.com> To: Joe & Tina Sties <<u>ovrups@aol.com</u>> Sent: Sun, Jan 29, 2012 3:37 pm Subject: Re: Chesapeake Shores HOA board meeting of January 14

Hi Joe,

It was my understanding that the Chesapeake Shores Corporation was defunct, and that therefore the land is currently owned by no one. Is that incorrect?

Thanks,

Joe

On Jan 29, 2012, at 11:13 AM, Joe & Tina Sties wrote:

Joe: Thank you for your report. For the benefit of your readers, I want to point out an error in your information. You stated that the beach is owned by no one. That is incorrect. The beach is owned by Chesapeake Shores, Inc. and is shown on the Mathews tax rolls as being owned by that entity. Our former Commissioner of recenue, Ray Hundley, also advised that the beach land is currently taxed proportionally among all lot owners within Chesapeake Shores. This information may be verified by contacting the county.

-----Original Message-----

From: Joe Dzikiewicz <joe@dzikiewicz.com>

To: Peyton Carr <peytoncarr@verizon.net>; AI and Joyce Lewis <palsjoy@aol.com>; Bill and Edith Powell <wapowellir@gmail.com>; Mike and Barbara Brownley <michaelbrownley@gmail.com>; Nick Lessinger-Bely <nlessingerbely@verizon.net>; Norma Opel
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Louise Caldwell <<u>loujackc@hotmail.com</u>>; Jim and Sarah Renner <<u>jorenner@inna.net</u>>; Joe and Janice Bricker <<u>jandjbricker@yahoo.com</u>>; Joe and Tina Sties <<u>cvrups@aol.com</u>>; Joe Healey <<u>jhealey@cnu.edu</u>>; John and Linda Foxwell <<u>jhfoxwell@verizon.net</u>>; Jon Ferguson <<u>Planeman117@aol.com</u>>; Kevin and Janet Perlowski <<u>janet.perlowski@aol.com</u>>; Larry Moran <<u>larrymoran1946@hotmail.com</u>>; Louis & Virlinda Heindl <<u>brammie95@aol.com</u>>; Marie Gunderman <<u>sjgmag@cox.net</u>>; Meryl Lessinger-Bely <<u>mlessinger@verizon.net</u>>; Michael and Rachel Baskette <<u>elvisliberace@gmail.com</u>>; Ron Suttle <<u>rsuttle1@cox.net</u>>; Joe Dzikiewicz <<u>joe@dzikiewicz.com</u>>; Julie Dzikiewicz <<u>juliedz@aol.com</u>>; Worth Kirkman <<u>kirkman@mitre.org</u>>; Tommy and Cathy Wilson <<u>rivahlv@yahoo.com</u>>; Pat Healey <<u>pat2tchu@aol.com</u>> Sent: Sun, Jan 29, 2012 9:25 am

Subject: Chesapeake Shores HOA board meeting of January 14

The minutes for the HOA board meeting of January 14 are here:

http://chesapeakeshoreshoa.com/index.php?title=Board meeting of January 14, 2012

Joe