

From: Egtvedt, Gregory W

To: J. Steve Santacruz

Cc: longhenryc@mwt.net ; Johnson, Darrin M ; Clark, Douglas B. ; Meinz, Thomas P; Harpole, David W

Sent: Thursday, October 30, 2008 9:09 AM

Subject: RE: Half Moon bay: Restoration plan

Mr. Santacruz:

On October 17, 2008, Wisconsin River Power Company (WRPCo) visited the shoreline area adjacent to the Half Moon Bay Association (the Association) property and found that illegal activities have not yet stopped in the Shorelines Commons Area (SCA). Accordingly, the Half Moon Bay Association (Association) members remain ineligible for the placement of docks and/or other adjoining landowner uses of the SCA, e.g. access trails, view sheds.

Your Association members continue to blatantly disregard WRPCo property rights and Association obligations under the SCA easements. We are not being "unnecessarily harsh and not very neighborly". Based upon the new violations we observed earlier this month, it is evident that the Association members do not understand the severity of these problems, even if you do. WRPCo cannot ignore these ongoing violations and WRPCo's Federal Energy Regulatory Commission issued hydropower license requires that WRPCo take action to protect the integrity of the SCA. Notwithstanding what you say in your correspondence, and as evidenced by the continuing encroachments and the attitude displayed by several members of the Association during WRPCo's September 21 meeting with the Association, the Association is not "committed to resolving these matters and remain committed to this effort."

WRPCo intends to terminate the SCA easement with the Association and attached to this letter is the Affidavit and Declaration of Termination of that easement. When this Affidavit is executed and recorded Association members will be forbidden to use any WRPCo owned SCA's except to the same extent that the general public is allowed to use the SCA, i.e. the placement of docks and/or other adjoining landowner uses of the WRPCo shoreline areas will be illegal trespassing.

WRPCo will execute and file this termination unless the Association :

- 1) Develops a recovery plan that includes components that address both previously identified and new encroachments and provides the Plan to WRPCo for review and approval before December 1, 2008.
- 2) Develops an SCA education program for current and future Association members that includes Association self monitoring and enforcement and submits this Program to WRPCo for review and approval before December 1, 2008.
- 3) Implements the Plan to the satisfaction of WRPCo by September 1, 2009.
- 4) Reimburses WRPCo's internal and external costs of enforcing the terms of the SCA easement.

Finally, given the hostility expressed towards WRPCo by some Association members, we insist that all future communications from the Association shall be in writing and shall be sent to our legal counsel, Douglas Clark, Foley & Lardner, LLP. P.O. Box 1497, Madison, Wisconsin 53701. Please be aware that the SCA easement requires the Association to compensate WRPCo for its attorney's fees enforcing the easement. Furthermore, WRPCo will not entertain any negotiations with Association members regarding individual encroachment cures. The rights of the Association can only be restored if all Association violations are cured to WRPCo's satisfaction.

Finally, the Association should note that WRPCo remains willing to exercise its right to prosecute the Association, their elected leadership, and its members, for all unauthorized uses and damages to WRPCO property as authorized by Wis. Stat. §§ 26.03 - 26.06 and § 943.13, unless the Association takes immediate steps to comply with the steps outlined above.

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