

LMPC Annual Membership Meeting

June 9, 2018

Cherry Gardens Community Club

Board Members Present: Jason Battles, President; Dave Irion, Treasurer; Barbara Garnish, Secretary; Joe Connell, Julie Heimbigner, Kelly Russell

Board Members Not Present: Jackson Beard, Vice President

Employees Present: Sue Beauvais, Carl Mueller

Members present: Sue Beauvais and Tom Sinclair (194), Paula and Brian Pugh (161), Jan and Bill Swanson (66), Janice and Ron Asmus (45), Dawn Weatherman (123), Carl Mueller, Barbara Leischner (73), Ron and Christine Johnston-Rodriguez (112), Kurt and Jessica Watson (72), Schwartz (90), Martha Koniski (21), Brian Healy (91/92), Lubor Kollar (4), Greg Richardson (169), Doug Eals (136), Douglas Johnston (75), Bill Kreutzberg (187/188), Norm Yamasaki (63), Fawn Dunbar (197), David Irion (19), Kelly and Todd Russell (155), Julie Heimbigner (111), Jason Battles (62), Bjorn Nersest (11), Barbara Garnish (64), Nancy West (59), John Knapp and Kate Endicott (83), Sanford Mattson and Dan Langdon (6), Barb and Chuck Blodgett (37/38), Ray Gombiski (50), J Kirk Gremillion (Guest), Michael Prince (172).

Jason called the meeting to order at 10:10 AM

Board, staff introduced, and members introduced themselves.

We did not have a quorum to approve 2017 annual meeting minutes but asked members to review them.

Finance Dave reported.

- Reviewed the last year's budget. We spent 95.86% of budget.
 - Chuck Blodgett (37/38), commented that we seem to have a high level of accounts receivable. Dave responded we tend to have 6-9 people behind on water bills, but we have only had to shut off water once for non-payment.
- 2018-2019 financials and budget:
 - Asked the members to review the budget for this year.
 - Ray Gombiski (50) asked about \$3,600 repairs budget. Does that include funding for tank construction? Do we have capital put away for projects like the tank? Dave responded we have some capital funding on hand and we will talk about the capital plans more when we get to the water utility discussion.
 - Bill Swanson (66) – asked about the balance on the loans. David responded the principal amount has not gone down much but did not know exact amount. We will get the balance out in the next newsletter.

Vice President Jason Reported for Jackson

- Jackson is drafting a letter to owners of Airbnb on the lake (12). Asking for behavior rules for their guests.
- Jackson hired Sheriff's Deputy Sgt. Barton to do security patrols for swim lot this summer.
- Jackson will order sand for the swim lot this month.
- Questions from Members:
 - Sanford Mattson (6) asked, what are the Airbnb issues? Jason responded, complaints about excessive traffic and noise. Board is trying to start a dialog with the owner.
 - Doug Johnston (75), asked if the commercial aspects of Airbnb go against our covenants? Jason said there doesn't seem to be a clear distinction between renting homes and Airbnbs. Airbnb has been successful at fighting off legal actions from HOAs about running a business as compared to renting a house. Guests at the meeting commented that there are occupational limits on a place being rented. Kate Endicott (83). Loves

- Airbnb. Believes the owner can be worked with to try and accommodate.
- Kurt Watson (72). Has concerns about the fishing lot, 71. There is a hole in one of the pieces of decking. Jason responded, we will address the decking right away. The board has considered putting cedar hog fuel on the path down to the lake. Dawn Weatherman (123) asked if we can we move the trail on lot 71 so it is not so close to lot 72's yard. Jason agreed we need distinction between lot 72 and lot 71. Kurt Watson (72) said they prefer the start of the path look like lawn because it seems to keep people outside the community from coming onto the lot inappropriately. Jason suggested we add a note in the newsletter to remind members where the path is, and they are welcome to use it.
- Ray Gombiski (50). Posting minutes on the website. Working to get the final minutes on the site.
- Ron Johnston-Rodriguez (112). Said he appreciates the community board at the entry to the lake.

Water Utility Systems Joe Reported

- Joe presented a slide deck. Questions during and after the presentation are below:
- Ron Johnston-Rodriguez (112), asked what is the pH of water coming out of lake? Joe responded 6.8.
- Dawn Weatherman (123), asked how many lots are over a safe limit? Joe responded, anyone with lead solder in their pipes (houses built before 1987 when the solder still contained lead). Copper would have shown up in test results of anyone with copper pipes. In the most recent tests, there were no high copper test results. 4 of 8 houses showed actionable lead levels. Joe reminded the community, lead and copper does not come from the system. We do not have any lead or copper plumbing in the water treatment or distribution system. Lead and copper would leach out of homeowners' pipes because of the low pH identified in late 2016.
- Ron Asmus (45), said they have had their home tested. How do they request testing? Jason will get them a test kit. Joe explained how to flush out water in the pipes according to DoH recommendations.
- Dawn Weatherman (123), reminded members that ice makers should be shutoff in homes with issues and asked that the reminder be added to the newsletter. Joe said flushing the refrigerator lines regularly will help ice makers but not alleviate all issues.
- Sanford Mattson (6), asked if the problem is lead in pipes or lead in solder? Joe responded he believe it is lead solder in pipes before 1987. To the best of his knowledge, we don't have any houses with lead pipes. Sanford asked if summer-only residents need to do anything differently. Joe recommended flushing pipes longer when you arrive.
- Norm Yamasaki (63), asked if soda ash is cheaper than calcite? Joe responded it is not cheaper than limestone (aka calcite) but you can only use so much calcite and it makes the water harder. Using the roughing filters for contact with the calcite is labor intensive to maintain.
- Sanford Mattson (6), asked how much soda ash are we using? Joe responded we have been running the Soda Ash system for 5 weeks and are using far less than 10# week. We buy Soda Ash by the 50# bag. The expectation of the Soda Ash system is to make the pH easier to maintain.
- Ron Johnston-Rodriguez (112), asked why do we use Ozone? Joe responded, we draw raw water from the lake. We then have to filter out solids and biologics. We use slow sand filtration to get particulates out. Barbara G added, Ozone kills the biologics and then we use UV to destroy the Ozone.
- Ron Johnston-Rodriguez (112), commented that we only buy 2 years for \$48,000 with the tank repair option.
- Sanford Mattson (6), commented that the assessment won't bring money in fast enough to replace tank right away. Joe agreed that a temporary tank or repairing the existing tank would be necessary. We are looking at using a temporary tank but that would come with cost to disassemble and reassembled. A portable temp tank is approximately \$6,000/month.
- Paula Pugh (161), asked if a portable tank would be big enough. Jason said it would be but is costly.
- Brian Healy, asked about a temporary tank? Could acquire one or rent to own one? Could we

- acquire a temporary tank and use it for the same or less than the cost to repair the existing tank?
- Kollar Labor (4) said we should look more closely at our water costs. We compared our costs to Issaquah, but their payment covers sewage too. He sees our costs going up and up and up. He said his Redmond house pays much less for water. Kollar asked if we have considered connecting to another water system? Jason said the board investigated tying into water system 119 several years ago and the cost was \$1 million. If we connected to District 119 we would still have to pay our existing loans against water system.
- Ray Gombiski (50) suggested we take a loan to replace the water tank and save repair costs.
- Ron Johnston-Rodriguez (112), asked why we should use funds on existing tank repair? He also asked if the plan is to use cash to buy the tank?
- Barbara Leischner (73), asked if the Board considered getting a loan from a group of homeowners? She suggested some homeowners might be happy to do it if we offer an interest rate better than savings. Joe said the engineer had recommended getting a loan from community members.
- Dawn Weatherman (123), said she feels we don't have enough information to make a decision. We need a total cost analysis on the options. We also need to do an annual quality check of the system. Joe said we have hired an engineer to start on Small System Water Plan which includes a long-term capital plan. Barbara G. agreed the board is working towards a long-term capital plan.
- Barbara Leischner (73), said people don't know the system has limped along since 1995. She said we are moving our way out of a cabin in the wilderness with our water system. She has seen the tone of the board has shifted to having a full-time solid water system with some of the best water in the area if not in the country.
- Sanford Mattson (6), said we should petition the members to raise the money we need to borrow and offer a reasonable rate. The \$48,000 repair is a waste of money. Julie said we are starting to raise the money now for the repair and the loan. The amount to be raised at \$38.31/month is \$200,000 in 3 years.
- Dawn Weatherman (123), asked that we get 3 bids for the tank replacement. Joe said only Baker Silo has bid for the tank so far and he is having difficulty finding other companies to bid on the project.
- Norm Yamasaki (63), asked where we plan to locate the new tank. Joe showed a slide that indicated the engineer's recommendation for the new tank behind the existing treatment plant.
- Jason summarized the 4 paths he heard the members recommending:
 - 1) Raise money with rate increase, repair the existing tank and build the new tank in 3 years
 - 2) Get a temporary tank and then build another tank
 - 3) Get a loan from the community asap and build the new tank
 - 4) Look at connecting to Water District 119
- Doug Johnston (75), asked the interest rates for a USDA loan. Dave said we don't want to go to USDA if we don't have to. The bureaucracy of a government loan is not cost effective for small loan. Joe mentioned we would have to do an archeological survey if we did a USDA loan and it would slide the schedule.
- Paula Pugh (161), asked if the Board considered generating revenue by extending our water to lots off the plat? Jason said properties would need to be willing to pay the costs to join the plat to extend our water service. The board is not willing to distribute water without adding the lot to the plat because those lots would not be bound to pay the loans. Paula suggested those lots would pay the cost to connect to our service. If they were to drill a well for their back lot, Paula estimates it would cost \$25,000-\$40,000. Kelly said we could not bill lots off the plat for debt service. The loans are to the LMCPC and houses off the plat are not liable and therefore cannot be charged for the debt on the plat. The new house on 197th wanted to use our water but they were unwilling to join the plat. Paula mentioned their well is only providing 10 gal/min, so they might be willing to reconsider that decision. Doug Johnston (75), said if we start selling water outside the plat we cannot restrict anyone from wanting to connect to our water service.
- John Knapp (83), asked if a concrete tank is the best choice for us long term? Joe responded that our current tank is 40 years old and that's not a very long life. The engineer expects a new concrete tank to last 70-75 years. But Baker Silo will only warrant a new tank for 25 years. John

asked if the temporary tank available is a steel tank? Would it last longer? Joe responded that the camp wants to sell it to us for \$1 but there is cost to tear down, ship, rebuild, and engineer.

- Jason summarized the 5 options the membership wants the board to consider:
 - 1) Get a temp tank and build a new tank
 - 2) Get a loan from the community and move straight to the new tank
 - 3) Repair the existing tank and then build the new tank in 3 years
 - 4) Connect to Water District 119
 - 5) Get a temporary tank and a loan to start on the new tank right away

Additional item for the board to analyze: Analysis of concrete vs steel tank.

- Brian Healy (91/92), asked if there are different maintenance costs to having a steel tank. He understood that steel tanks require more draining and cleaning, so we would still have to have a redundant tank.
- Chuck Blodgett (37/38), asked if the new tank would improve our fire rating? Jason said right now we have hydrants, but we believe we really need a 120,000 gallon tank to operate the hydrants per fire flow. Julie confirmed we would get official determination of fire flow requirements before we commenced the tank replacement. Chuck said if we can bring our fire rating from 9 down to 5 he could save \$400/year in homeowner's insurance which would help offset the cost of the tank.
- Doug Johnston (75), suggested we consider building 2 tanks that equate to fire flow and create some redundancy.
- Norm Yamasaki (63), recommended we make sure our rate increase covers the tank replacement and interest on any loans we get to do the work.

Elections:

Jason received 35 votes and is reelected to the board

Announcements:

- Sanford Mattson (6), asked how members get water treatment plant tours. Joe offered to do one right after the annual meeting or at a time during the week if it was more convenient.
- Chuck Blodgett (37/38), said the bond issue for new fire station failed. He asked if we should work with Fire District 45 to see if there are other alternatives like upgrading the existing station. He has seen us loose neighbors because of the distance to medical services. Ray Gombiski (50) said the plan is to rerun the bond measure in the November election. The measure lost by 19 votes. Kelly said we will need to pass the bond measure outside Duvall city limits--everyone inside city limits will vote no.
- Kate Endicott (83) asked if people would come to an annual picnic at the swim lot. Most of the people at the annual meeting raised a hand to say they would come.
- Kollar Labor (4) thanked Sue for the new directory. Sue said she will collect changes to the director for the next printing.
- Barbara Blodgett (37/38), asked what we can do about the condition of our roads. Barbara Garnish suggested we each take a picture of the road in front of our house and send it to the county roads department. Paula said we need to be the squeaky wheel, call 1-800-KCRoads.
- Kate Endicott (83) asked if dogs in the lake scare the fish away. The general answer was no.
- Kurt Watson (72) asked if anyone else noticed drones over the lake about 50' high at dusk.
- Someone asked about Slender Water Nymph in the lake. Jason said it is a native and the best time to pull it is in February. When taking it out, make sure you get all the fragments because they can drift and reroot. The plant reproduces by seed and by rerooting. Brian Healy suggested drawing down the lake to clear out the Slender Water Nymph. Barbara G. said we have not done that since the lake became our water source and there may be other factors now. Julie said we would need an easement from DoH to draw down lake.
- Kollar Labor (4) asked if there are still beavers in lake still? Yes.

Announcements:

- Sue Beauvais (194) thanked the volunteers at our work parties. If you are going to volunteer, please try to let Sue know day before so she can get enough food. We now have a company that clears the dam face twice a year, so the volunteer projects are easier and work parties tend to last about 3 hours.
- Sue said today's presentation will go on website within a month.
- Sue brought extra directories for anyone who needs one.
- Sue will work with Kate Endicott on an annual picnic.
- Jason acknowledge Carl Mueller as our Water Manager.
- Jason gave thanks and acknowledgement to Dave Irion who is leaving the board and will be moving to Walla Walla.

Meeting Adjourned at 12:00 PM

Jason called a Board Meeting at 12:05 PM

- Kelly was elected to the treasurer position.
- All other board members retain their existing positions.
- Next board meeting later in June, Jason will send out a poll to decide the date.

Board meeting adjourned at 12:10 PM

Respectfully submitted by Barbara Garnish (64), Secretary.