

LAKE MARGARET COMMUNITY
PURPOSES CLUB
ANNUAL MEETING
JUNE 14, 2025
10:00 AM PACIFIC TIME
MINUTES

Directors Present: President, Jason Battles; Water Chair, Joe Connell; Secretary, Sam Shipley; Ron Asmus, Treasurer. Trustees: Caroline Corcoran, Sue Beauvais

Directors Absent: Barbara Garnish

Staff Present: Gary Price, Recording Secretary, Carl Mueller, Water Manager

Staff Absent: Paul Rush, Assistant Water Manager, Raven Battles, Water Meter Reader

Members Present: See List in Appendix

Motions:

1. Motion 2025-1: Deborah (lot 192) moved, and Rob (lot 164) seconded to install a draft hydrant this year on community property (fish lot of swim lot). The motion passed unanimously.
2. Motion 2025-2: Misty (lot 164) moved, and Barbara (lot) 180) seconded to approve the Annual Meeting minutes of June 8th, 2024. The motion passed unanimously.
3. Motion 2025-3: Misty (lot 164) moved, and Diane (lot 84) seconded the motion to adjourn the meeting. The motion passed unanimously.

Meeting Introductions

- Jason Battles introduced himself as the President of the Board, called the meeting to order at 10:15 AM and explained that the meeting will be recorded.
- Jason outlined the order of introductions: board members first, then employees. Introduction as follows:
 - Jason Battles, President the board, lot 62; Sue Beauvais, lot 194; Sam Shipley, lot 172; Caroline Corcoran, lot 162; Ron Asmus, lot 45; Joe Connell, lot 98; Gary Price, lot 84, Recording Secretary; Carl Mueller, Water System Manager.
- Jason mentioned board members Barbara Garnish and Assistant Water Manager Paul Rush and Water Meter Reader Raven Battles, were not present.

Board Member Reports

Treasurer - Ron Asmus

- Ron Asmus presented the financial report, comparing actual results from April 1, 2024, to March 31, 2025, with projected budgets for the next year. Ron mentioned that the breakeven point for our club is \$79,000 (e.g. income and expense breakeven at \$79,000)
- Ron explained the income sources: water usage, maintenance dues, bank account interest, and the increase in total income projected for the next year.
- Ron detailed water system expenditures, including salaries, permits, and projected increases due to raises and retirement.
- Ron discussed lake system expenditures, including the dam tower and community lots security, and the need for higher expenses on water maintenance.

- Ron explained the administrative expenses, including a recording secretary, bookkeeping, insurance, and payroll taxes, and the projected increase in these costs.

Rate Increase and Financial Projections

- Ron explained the projected total operating expenses for the next year, including a fixed asset audit involving a CPA.
 - Ron discussed the financial loss of \$14,000 for the year and the need for a rate increase to break even.
- Ron detailed the water filtration system costs and the reduction in the bill due to the reserve loan being met.
- Ron explained the capital expenditure projects, including the manganese removal system, and the excess cash from the previous year, as the manganese removal system had yet to be implemented.
- Ron projected a break-even financial status for the next year and discussed the possibility of a refund if the reserves are not used.

Rate Change and Water Usage

- Ron explained the rate change notice and the error in not including the increase in the last bill.
 - Mike (lot 51) asked what caused the need for a rate change to increase. Ron answered that we need to do short term increases from time to time for capital expenses and to offset increases in expenses (salaries, supplies, etc.) Joe mentioned that this was the first increase since 2018.
- Sam Shipley discussed the strategy behind the rate increase, focusing on those who use more water.
- Ron provided the average lot usage and the monthly average water cost, including the increase in the base rate and the system filtration system cost.

- Ron explained the HOA dues per lot and the overall increase in the monthly average cost.
- Ron and Sam discussed the history of rate increases and the trend of adjusting rates based on capital improvements.

Delinquent Accounts and Financial Systems

- Ron provided an update on delinquent accounts, including total receivables and delinquent balances.
 - Denise (lot 136) asked about the progress in reducing delinquent accounts. Ron answered that there were really only 2 accounts that were far in arrears, and these owners have agreed to a payment plan. The rest are on a payment plan to bring them up to compliance within the next few months.
 - Rob (lot 8) asked what happens to delinquent account holders when they sell. Sam stated that the past due amounts are paid out of escrow when the lots are sold to new owners.
- Ron explained the payment plans for delinquent accounts and the progress made in reducing delinquencies.
- Diane (lot 84) and Sam Shipley discussed the need for better bookkeeping and systems to manage delinquent accounts.
 - Denise (lot 136) asked about a former delinquent account that was in arrears due to a bookkeeping error. Diane (lot 84) explained not receiving a bill as it had been sent to the wrong address for a few years without someone attempting to correct the error. Once notified, the lot owner paid the bill immediately and had the address corrected. Sam stated that he was looking into this with the bookkeeper to make sure it didn't happen again.
 - Brian (lot 91/92) asked if the billing information could be put in the welcome packet. This was discussed but it was pointed out that welcome packets typically go to a lot owners and several

delinquent accounts have occurred due to owner/tenant miscommunications. Sam said that he would investigate how to better handle this communication with the owner and the tenant.

- Ron and Sam discussed the importance of having mechanisms in place to handle delinquent accounts and the role of escrow agents.
- Ron provided a summary of financial status and the need for ongoing monitoring and management of delinquent accounts.

Community Resources - Sue Beauvais

Community Resources and Volunteer Efforts

- Sue Beauvais thanked volunteers who helped with community resources and mentioned the need for more volunteers for work parties.
- Sue and others discussed the importance of having systems in place to manage community resources and volunteer efforts.
- Sue mentioned the availability of COVID tests and the need for volunteers to help with food preparation.
- Sue and others discussed the importance of community engagement and the need for better communication and systems.
- Sue and others discussed the need for a more robust website and digital communication to improve engagement and information sharing.

Water Utility System - Joe Connell

Water System Report: Joe Connell with Carl Mueller

- Joe Connell discussed the smooth operation of the water system and the delays in Department of Health approvals for upgrades.
- Joe explained the testing for PFAs and VOCs in the water and the non-detectable results for all chemicals.

- Caroline (lot 162) questioned whether we were sampling the lake water or the well water or both. Carl stated that all of the samples were from the well water so far.
- Brian (lot 91/92) questioned why we were focused on testing PFAs as we can't filter them out anyway. Joe stated that it was a DOH mandate to test for and understand PFA levels. So far, all our testing shows we don't have an issue with PFAs.
- Victor (lot 4) asked if we drink more water from the lake or from the well supply. Carl answered that we use about 15,000 gallons/day in the winter and it is all from the lake. During the summer, we use about 50,000 gallons per day, and it is a mix of lake water and water supplied from the well.
- Joe and Carl discussed the importance of keeping the lake clean to reduce the risk of VOCs and other contaminants. Joe and Carl discussed the potential sources of VOCs, including wildfires and industrial areas, and the need for proactive measures. Joe and Carl discussed the use of artificial turf and other sources of PFAs and the need to avoid these materials.
 - Ron (lot 112) asked if there was any action we can consider as a community to reduce the number of VOCs in our water. Actions stated by Joe and others were:
 - Keep the lake clean
 - Work on getting (and keeping) items away from the lake that create VOCs (and PFAs)
 - The proactive steps mentioned were:
 - Ron (lot 112) said to encourage owners not to install artificial turf anywhere around the lake

- Alex (lot 118) suggested hiring a street sweeper on a regular basis to clean the road around the lake (removes heavy metals),
- Caroline (lot 162) suggested installing a catch basin (long hay roll) around the lake to prevent open flow into the lake,
- Mike (lot 51) stated that paved driveways should be discouraged as the runoff goes straight into the lake. (this was identified as a King County issue, not an LMCPD issue). It was stated, though, that we could encourage those with a paved driveway to add some filtering before runoff goes into the lake.
- Ron (lot 112) stated that polystyrene (aka Styrofoam) on older docks is very insidious and continue to break down over time. Sam suggested that we could provide a list of alternatives for floating docks and encourage homeowners to move to other options.
- Karen (lot 89) stated that railroad ties and pressure treated wood on docks are also a problem
- Kate (lot 83) said that she has an older dock and would like some guidance on what to do to help with the problem. The Board agreed that providing a good plan on how homeowners can help resolve dock issues would be a good first step. (Joe agreed to meet with Kate after the meeting to discuss it further)
- Rob (lot 8) asked about lawn fertilizer and pest spray to see if they were part of the problem. Yes, this was also identified as a potential contaminant, and we need to educate the community about what fertilizers

are acceptable (if any). This was suggested to be in the welcome packet as well.

- Diane (lot 84) stated that once we identify a good list of sources of VOCs (and PFAs), the Board should communicate the list to homeowners and maintain the list as new items are identified. Having data from our lake testing will also give the Board a chance to take a hard look at the results and communicate that information to homeowners as well. She also noted that having a communication tool outside of the bi-monthly billing cycle (current newsletter) would be helpful. She suggested an email tool such as Constant Contact so that we can see who is receiving our messages and who is reading them too. While this costs some money, it would greatly improve our ability to reach members. She also encouraged moving to an online billing/payment for the same reason. Sam Shipley stated that options were coming but did not commit to a solid plan or solution.

Manganese Removal System Update

- Joe provided an update on the implementation of a manganese removal system for our water.
 - Northwest Water Systems design has been going back and forth with DOH for the last 10 months or so. We are at ~99.5% agreement on the original proposal. Once approved, a pilot study to make sure that the design works is the next step.
 - Once the system is installed, our biggest lake water problem – manganese – will be resolved.

- Mike (lot 51) asked who we can sell the manganese to once it is removed. The board will ask that question of DOH (and Northwest Water Systems for some ideas.
- Rob (lot 8) stated that manganese is naturally occurring element in the lake.
- Sam (lot 172) stated that once the manganese is removed, the roughing filters can also be removed. He stated that this will improve the throughput of our whole water system.

Arsenic Removal System Requirement

- Joe next stated that although our well water is very clean, it does have a small amount of arsenic present. While this has not been a problem in the past, the DOH has reduced the allowable levels of arsenic in the water by 90%.
- Joe stated that about 15% of our water supply comes from the well source. He stated that a new arsenic removal system will be needed to meet the allowable levels. This will also require a design and a pilot study to be conducted. The good news is that once we have both the manganese removal system and the arsenic removal system, we can have full redundancy between our two water supplies – the lake and the well.
- Both pilot studies are targeted for this year.
- Sam Shipley encouraged Joe and Carl to again hold an open house at the water treatment plant so that all residents can see our system and become more familiar with its operation.

Firefighting Capabilities and System Upgrades

- Joe discussed the firefighting capabilities of the water system and the need for additional draft hydrants.

- Joe explained the current fire flow capacity and the recovery time needed to refill the water tank.
- Joe and others discussed the potential locations for draft hydrants and the need for agreements with property owners.
 - Rob (lot 8) stated that a draft hydrant was already in place (on dam) though not known to be working. Joe mentioned that a draft hydrant needs to be located next to deep water to have the right amount of pressure to fill up a fire truck.

Fire Safety and Arborvitae Concerns

- Joe and others discussed the importance of having full system redundancy and the potential benefits of adding draft hydrants.
- Joe and others discussed the need for ongoing monitoring and management of the water system and firefighting capabilities.
 - Rob (lot 8) shared a personal experience about a fire caused by arborvitae plants, emphasizing the need to remove such plants for safety.
 - Jason (lot 62) mentioned other plants around the lake that might pose similar fire risks and suggests further investigation.
- Diane Price and Gary Price discussed the Firewise program, which promotes fire safety measures like removing flammable materials.
- Sue Beauvais shared her experience with replacing bark with rock to prevent fire hazards. Chris (lot 27) mentioned that windstorm debris was also a fire hazard and needs to be addressed by all in the community.
- Deborah (lot 192) moved, and Rob (lot 164) seconded installing a draft hydrant this year on community property (fish lot of swim lot). The motion passed unanimously.

- Brian (lot 91/92) raised a question about a specialty hydrant for pulling water from the lake, which led to a discussion on the cost and feasibility of such a project. Ron (lot 45) said that we could buy the pump as a community expense.
- Jason Battles discussed the potential benefits and challenges of installing draft hydrants on community property.

Fire Preparedness and Community Efforts

- Sam Shipley discussed the importance of fire safety and keeping lake water clean, mentioning past community efforts like woodchipper drives.
- Sue Beauvais highlighted the lack of community funds for grants but suggests self-organized community efforts for better fire preparation.
- Jason Battles and Rob (lot 164) discussed the need for better community communication and the potential of using Facebook for community announcements.
- Sam Shipley explained the dual purpose of the Margaret Community Facebook page, which serves both official business and community help.

Dam Seepage and Monitoring

- Carl Mueller explained the need to monitor lake seepage through the dam due to a requirement from the Department of Ecology.
 - The delay in implementing the seepage monitoring system is attributed to disagreements over initial sizing and the unsafe conditions during the rainy season.
- Carl stated that he hoped to complete this project by September, 2025

Sam Shipley, Secretary

Water Pressure Increase and Homeowner Concerns

- Mike (lot 51) and Sam Shipley discussed the proposal to increase water pressure from 55 psi to 63 psi, citing benefits for fire hydrants and insurance rates.
 - The board agreed to provide pressure reducers to homeowners concerned about their plumbing's ability to handle the increased pressure.
- Sam Shipley suggested creating a pamphlet to inform homeowners about the potential increase in water pressure and how to prepare their homes.
- Chris (lot 27) and Sam Shipley discussed the need for a formal plan of engagement to ensure homeowners are informed and prepared for the pressure increase. Chuck (lot 87) mentioned that fire sprinkler systems tend to have a 70-psi minimum at the sprinkler heads and this should be investigated as part of the plan.

Jason Battle, President

Annual Meeting Minutes and Board Elections

- Jason Battles called for a motion to approve the 2024 annual meeting minutes, which were approved unanimously after a second.
- The board discussed the dates and times of future meetings, confirming the fourth Monday of each month except for June.
- Jason Battles announced the re-election of Sue, Sam and Ron to the board, with no new nominations from the floor.
- The board discussed the possibility of appointing new members through a recess appointment at the next meeting.

New Business

Community Announcements and Proposals

- Jason Battles proposed a climate change vulnerability assessment for the community to develop goals and strategies for the next 20 years.
 - He shared his qualifications in wildfire risk reduction and suggested supporting the community in this area.
- Jason Battles proposed a ban on debris burning in the community, citing the impact of forest fires and the availability of waste management services.
- Jason Battles discussed the need to address the state of Washington's ownership of lots one and two, which are in violation of community restrictions.

Trespassing and Community Access

- Jason Battles raised concerns about consistent trespassing at the beach lot and suggested implementing a lock or gate code to restrict access. The board has discussed the need for better enforcement of community rules and the impact of outside visitors on community resources.
 - Rob (lot 164) suggested that addressing the state's ownership of lots one and two could help mitigate trespassing and improve community access. Rob stated that he had heard of a 99-year lease that the state has on the lots and they don't own them outright and that this should be investigated. He also stated that folks that come to the state-owned lots often paddle board over to the swim lot and this accounts for a lot of the trespassing.
 - Brian (lots 91/92) also mentioned the potential contamination coming from boats accessing through the state owned (or leased) lots.

- The board agreed to start addressing these issues now to have a plan in place for the next year.

Recreational Fires and Burning Debris

- Jason Battles discussed the need for a ban on debris burning and the impact of nuisance fires on community members. He noted that the board has discussed the difference between recreational fires and debris burning, emphasizing the importance of following King County burn bans.
 - Victor (lot 4) stated that either fire type is a nuisance for other homeowners as the smoke hangs in the air either way.
 - Alex (lot 118) stated that a cold fire burning black smoke is always illegal. Clear, grey smoke goes straight up, and all fires should have that.
 - Diane (lot 84) stated that homeowners should have charged hoses nearby to manage fires effectively and this should be a mandate from the board.
- The board agreed to consider looking into these suggestions and perhaps adding new requirements to the community bylaws.

Airbnb Usage and Community Directories

- Barbara (lot 180) stated that we need better management of Airbnb guests that are using the lake while renting. Sue Beauvais clarified the rules for Airbnb guests using the community swimming lot, emphasizing the need for a resident to be present.
- Jason Battles explained the cost-effectiveness of self-enforcement compared to hiring a sheriff for patrols.
- Sue Beauvais mentioned the availability of 2024 directories with Covenants and Restrictions, which are useful for new owners and residents.

Final Acknowledgements

- The board acknowledged the efforts of current board members and thanked them for their dedication to the community.
- Misty (lot 164) moved, and Diane (lot 84) seconded the motion to adjourn the meeting. The motion passed unanimously.
- The meeting was adjourned at 12:28 PM.

Respectfully Submitted,

Gary Price, LMCPD Recording Secretary

Action Items Prior to Next Annual Meeting

- ☐ Investigate the cost of installing draft hydrants on community property for fire suppression and have one installed on community property .
- ☐ Address the state's ownership (or 99-year lease) of lots 1 and 2 and their potential violation of community restrictions.
- ☐ Explore options to address the consistent trespassing and unauthorized use of the beach lot.
- ☐ Provide homeowners with information on water pressure changes and the potential need for pressure reducers.
- ☐ Propose a ban on debris burning in the community to be voted on at the next annual meeting.
- ☐ Propose a climate change vulnerability assessment for the community with a 20-year horizon.
- ☐ Make better use of digital resources to inform the community and provide an electronic payment system to better accommodate members.

2025 Annual Meeting Attendees

Owner Name	Lot Number
Jason Battles	62
Brian & Cindy Healy	91/92
Tom Sinclair & Sue Beauvais	194
Joe Connell	98
Gary & Diane Price	84
Ron & Janice Asmus	45
Doug Eals	136
Brian Pugh	161
Caroline Corcoran	162
Ron & Christie Johnston-Rodriguez	112
Chuck Blodgett	37/38
Julie Schafer	121/122
Gary Leschner	73
Deborah Lawrence	192
Lauren Ornstein	191
Melissa Spangler	43
Severina Soul	131
Erik Youngdahl	81
Sam Shipley	172
Rob Mathis	8
Richie Rivera-Booth	116
Misty Wheeler	164
Mike Anderson	51
Victor Kohler	4
Alex Van Sickle	118
Karen Coult	89
Chris Lewicki	27/28
Barbara Hagstrom	180
Kate Endicott	83
Sara Kuntz	171
Chris Straub	12
Monica LaPorta	39
Michael Prince	65

