

Minutes

Lake Marcel Board Meeting-Virtual Meeting via MS Team Chats Audio/Video

October 11, 2022, 7:00 PM

Directors Present: **John (JW) Gorman (President), Paul Gibian (Vice President), George Petrov (Treasurer), Karen Giluck**

Directors Absent: **None**

Office Manager: **Open position**

LMCC Members Present: **Peter Templin, Dale Keltner, Carol Luft, Laurell Ramirez, Abram Jackson**

1. **Meeting was called to Order at 7:10 PM by JW Gorman, President.**
2. Rules of Order **THE CHAIR PRESENTS RULES OF ORDER FOR THE MEETING—OR ALL AGREE THE RULES ARE KNOWN AND UNDERSTOOD. JW G. shared that we are going to limit the amount of time we spend covering each section of the agenda to control the meeting length.**
3. Approve September 13, 2022, Board Meeting Minutes. **We do not have an office manager or executive secretary, so the draft minutes have not been completed. No discussion occurred. JW apologized as this is a challenging time but assured members the minutes will be shared once completed.**
4. Community Member Comments – **None.**
THIS IS A PLACE HOLDER FOR MEMBER COMMENTS. WE WELCOME YOUR COMMENTS. NO MINUTES FOR THESE ITEMS WILL BE RECORDED. LMCC MEMBERS WHO WISH TO HAVE THEIR COMMENTS ON FILE WITH THE OFFICE, ARE INVITED TO SUBMIT A WRITTEN COPY OF THEIR COMMENTS TO BE KEPT ON FILE AT THE OFFICE.
5. Treasurer's Report - **George P. presented the current financial reports: Balance Sheet, Profit and Loss, Budget vs. Actuals Cash and Accrual, and Expenses by Vendor. Compared to last year, the Reserve has not increased by much, just a little additional interest. We have \$40,000 more this year in operating accounts this year than last year. Contributing factors: we did not have a July 4th fireworks production and we have been without an office manager for a couple of months, plus a few other factors. Profit and Loss – we have collected more for past dues and current dues and set up payment plans with members to get them current. We have recovered lien fees and member finance charges as well. Julie Braun and George Petrov have been working on this. Our expenses are mostly in line with what we had last year.**
6. Committee Reports-
Lake and Dam – **JW Gorman shared that we have had issues with toxic algae in the past month. Our numbers have improved but we are still advising members to avoid the water if possible. Regarding the logging operating that is occurring nearby, Shelly Adams wrote a letter that has gone out to the logging company and we have had good communication with them. We have concerns about the herbicides and land management that will continue to occur and how it will affect our watershed and lake. We have a working partnership with them. Peter Templin stated that the next cyanobacteria sample will go to the lab tomorrow. During the regular operation of the dam control gate, they check for seepage under the spillway. That was very high at the end of September. If it continued it would have been an issue to address but is has since gone down and that is not a concern at this point. Dale and Jeannine Keltner and Peter Templin are checking on untagged boats at the two beaches and will try to get them registered. They are identifying boats that are registered to**

people that no longer live here. They would like to contact those folks. During this process, they have identified two new rescue boats that have been cleaned up, have “RESCUE BOAT” letters on them, and are ready for use. JW G. approves reaching out to former residents to inquire the status of their boats that were left here. Rescue boat usage was discussed. Peter shared that there is also a new work boat and that it is conceivable to auction off the old two rescue boats during a membership meeting. JW G. said to please remind members seen using the rescue boats for personal use, that they are for rescue use only.

Community Relations –

- i. Emergency Preparedness - JW G. has been talking with a member about the **Community Emergency Preparedness Plan**. They are trying to gather information about members in the neighborhood that could help others, such as doctors, first responders, electricians, etcetera. They are compiling information about what is recommended for neighbors to have on hand in their homes, such as food and water, medications, etcetera. Carol Luft shared that she is helping with the Community Emergency Preparedness Plan. She recommended we design a section for our website and ask for community members to self-identify in areas they can help. Those potentially needing help could also self-identify. They need to think about where to store this sensitive information. Perhaps LMCC could host a “Prepare for an Emergency Day”. JW G. suggests that we work offline on documents to post on the website.
- ii. Complaints and Violations - JW G. stated that the board is tasked with making sure that community homes are kept up in a “park-like” manner. It was shared in the last newsletter that a community drive-through would occur. He understands there were complaints on the social media platform about how it was gone about. The board had no intention to invade anyone’s privacy. As a board, we are tasked to follow up with what is in our covenants and are trying to enforce that. Karen Giluck agreed with JW’s sentiment. It was decided to send a letter to members who have areas on their property which need some work. JW explained this is an FYI letter and members have 30 days to rectify the situation or they can contact the office, and we will work with them if we can. If the situation is not improved or worsens, a potential Notice of Violation letter is sent to that lot. Then they have 30 days from there before the board can take action as far as penalties. There is an anonymous neighbor complaint about the property at 31819 NE 102nd Place. The board is investigating, and are aware of it. Karen G. explained that all the properties on the list were looked at a second time, a few days later, to make sure the issues were not temporary. The board discussed the letter to go out and approved of the language and approach, understanding some neighbors may need help. JW G. stated that Karen G. may move forward with sending out the letter. Carol asked a question about what the physical process of board members and volunteers was for the community drive-through. JW G. explained it is driving through the community and seeing what the property looks like from street-view. In the future, we will work on explaining the process that will occur beforehand. Karen G. shared that Dan Giluck went with Rick DeBlock on the first drive, and she went with Rick D. on the second one and the float-by, which they decided not to use. They rarely got out of the car, only if they needed to take a photo that could not be taken from the car.
- iii. Safety and Security –**not discussed.**
- iv. Volunteer Recruiting – **not discussed.**

Community Events – Open chair position. **JW G. stated that we do not have anything planned for the rest of this year.**

Architectural Control Committee – **Paul Gibian reported there is no new construction or approvals to report. There were several conversations with community members that required some grading of their lots and tree removals. Paul G. explained that King County has a stakeholder in the work that lakefront lot owners decide to do. It is wise to keep that in mind. There are HOA jurisdictions but also governmental jurisdictions that need to be addressed. The tree removal form that the board approved in 2014 goes into more detail than the tree removal application form that is on our website. Paul G. is wondering if we can incorporate the 2014 form into the electronic form on our website. Paul G. explained the role of the Architectural Control Committee and raised questions for future discussion, such as how we respond to members who put up a structure without approval or owners who wish to do something that was done previously by a lot owner and we have no record of approval. JW G. agreed those are good points for future discussions.**

Governing Documents Committee – Open chair position **Rick DeBlock resigned from the board. There are resolutions that were approved by the board in the past few months, which will need to be updated because Rick D. is listed as a director. That will not happen during this meeting, but it will be happening shortly. We are in contact with a lawyer to redo our governing documents. We were going to attempt to do this ourselves, but we have decided it would be better to have a lawyer draft them up for us due to our board member volunteer time constraints. There will be some changes to committees and resolutions that have been passed recently but it is an ongoing process.**

- i. Community Relations Committee Resolution – **not discussed.**
- ii. Finance Committee Resolution – **not discussed.**
- iii. Governing Documents Committee - **not discussed.**

Facility and Grounds Maintenance – Open chair position **JW G. reported that the dock at Beach 1 is near completion. There are a few sections to finish but it has been difficult with the toxins in the water because volunteers need to get in the water. The privacy wall in front of the bathrooms has been taken down because the wood was rotten. It will be replaced shortly with leftover material from the docks within the next few weeks.**

JW G. is researching sand replacement at Beach 1 and 2. Peter T. reported that David Buchart is looking into sand replacement for next year and is looking at cost and alternatives, and wood chips as well.

7. Old Business:

- i. **Fay Road Logging Update JW G. reported that we have been in contact with the logging company and the herbicides they plan to use. The plastic on top of the slash piles is to keep the centers dry because they will eventually burn them. We have good communication with them and hope we can continue to have a good working relationship to protect our lake. George P. reported that the logging company will need to get a permit from Duvall Fire before burning the slash piles, and there are rules on how close the piles can be to other people's properties. JW G. added that they cannot burn during a burn ban.**
- ii. **Reserve Study – Peter Templin shared that the report from the Reserve Study based on the site visit was received on September 12th, 2022. A few technical amendments were covered and changed and some questions about the dam components were answered. Peter T. believes we can accept the report and then we will get the final report from Samdal & Associates. The report was shared on Teams for viewing. Peter explained what the report covers and went over the three funding options/plans. Peter's opinion is that the current funding plan we have is best. The**

current plan will influence next year's budget. It is a decision that should be revisited and made each year. Discussion ensued. Carol L. asked how the Reserve Fund would tie into a catastrophic event, such as earthquake damage. Peter responded that insurance coverage would be looked at first, and it is legally possible to use Reserve Fund money if needed as long as there is a plan to replace the funds. Peter would like the Reserve fund posted on the website. JW and George agree. We will stay with our current funding plan. JW G. thanked Peter for his hard work on the Reserve Study. We will work on getting this in the members-only area of the website and a Mailchimp announcement sent out to the community.

8. New Business:

- i. 2023 Budget Proposal – George P. shared the 2023 budget proposal on Teams for viewing and explained the 5-year comparison chart. Budget line items were discussed. Things to note:
 - a. George P. reported that we have a healthy financial situation in our operating accounts, and recommended we do not raise the dues. Discussion ensued if we should increase by \$12 considering inflation, additional potential costs, or a dues assessment based on a balanced budget. The topic will be revisited later after more of the budget is explained.
 - b. Reserve Study Fees – we have paid for the next 2 years. It will be back in the budget in 2025.
 - c. There is a nominal increase in insurance fees.
 - d. Recording fees amount has changed to reflect our LMCC Fee and Fine Structure change to being two times King County's recording fee when recording liens.
 - e. George asked for input on the Audit Fees and if this is a fair representation of future fees and if we will be having an annual audit. Discussion ensued. George stated we will have it as a budgeted item annually.
 - f. Governing Documents Ratification Fees were discussed and our proposed action to have an attorney look at our governing documents. It was decided to keep the number as-is. We are unsure of future costs.
 - g. Payroll expenses were increased slightly. Office Manager Training was added to the budget. Payroll Processing Fees was added to the budget – we incur these as a separate expense for getting our employees paid. We were not covering it before. Total payroll has a significant increase of \$12,506.
 - h. Landscaping budget will stay the same. JW G. commented that he is waiting to hear back from other vendors and is hoping for lower cost. For now, Landscaping budget will stay as-is.
 - i. Maintenance, Repairs, and Supplies will be increased by \$500.
 - j. Social Events: Fishing Derby and Easter events have increased. No budget for Halloween. July 4th Entertainment was increased to match what we spent this year. Fireworks Production was removed from the budget due to difficulty with vendors and other factors. Discussion ensued about fireworks. If community members make an outcry to the board, and step up to make a production plan happen, it could potentially be approved later as an operating expense.
 - k. Property Taxes – King County values have not gone out yet but an increase of \$1000 has been added to the budget because there will likely be an increase.
 - l. Reserve Fund expenses will continue with our current plan.

George P. completed the budget review. Discussion continued if dues should be increased by \$12 and comments about the fireworks production. Dale K. asked about actual amounts spent this year versus the budget. George P. will generate a report of actual amounts spent for 2020-2022 so we can compare expenditures to the budgeted amounts. Paul G. asked if rekeying the beaches is covered in

the budget. George P. stated it is part of the proposed \$8500 maintenance budget. Peter T. confirmed. George asked for feedback again on the dues to make a decision on the dues to keep the amount at \$313 or raise them to \$325. Board members discussed. Dues will not be increased. George P. made a motion to put it up to a vote to be approved by the board the 2023 budget as presented and discussed today. Karen G. seconded. Paul G. asked about the combination locks or keyed locks. JW G. clarified. Voted – passed unanimously. JW G. stated that we have an approved 2023 budget that we can present to the membership.

- ii. Date Selection for November Special Membership Meeting and Budget Ratification - **The date was set for Sunday, November 20th at 2:30 PM. JW G. will work on notification to the membership and getting the proposed budget out to members.**

9. Action Items:

- i. 576. Combine lots 1-96, 1-97, & 1-98 into Tract C, B, or A – need lead volunteer – **JW G. reported that we will not be able to get this done according to King County. Laurell R. confirmed – the rules have changed. This action item is closed.**
- ii. 585. Reserve Study – **Peter Templin – this action item gets closed. The funding for the Reserve Study has been decided in the budget.**
- iii. 610. LMCC Record Retention Policy – need lead volunteer – **Paul G. will take this action item. This action item remains opened.**
- iv. 612. Warped Dock Boards - **Butch Varga. Butch is absent but JW G. met with Butch recently. There are minor adjustments to do but this action item is closed.**
- v. 613. Dam Compliance – **Peter Templin –this should be marked as needing a lead volunteer. Keep opened.**
- vi. 614. Dues Payment Methods for 2023 – **George Petrov led the discussion. We should close the PayPal account. Zelle will be another electronic payment option that we can offer that is bank to bank transfer and is free. JW G. shared that we will notify the community that we can schedule some office appointment times to accept checks directly.**
- vii. 615. Audit – **Peter Templin asked if the documents that the firm requested have been sent to them. JW G. will follow up.**

10. Additional Member Comments – **None.**

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Paul G. made a motion to adjourn the meeting. George P. seconded. Voted - passed.

JW G. adjourned the meeting at 10:01 PM.

Next up: Monthly Board meeting is scheduled for Tuesday, November 8th, 2022, at 7:00 PM.