

2022 Annual Meeting – OCBG Minutes

Saturday, June 25, 11 am - Noon

Welcome and Attendance

Jim Farrell, Chris Farrell, Erika Aust, Jim Loder, Chuck Wardle, Sandy Sipe, Eric Campbell, Ingrid Phelps , DeeDee and Dan Benitez, Barb and Glenn Carlton, Kyle and Michelle Emtman, Tom Eide, Dennis and Kelly Frett, Roger Ewart, Curt Casey, Ron Erickson, Patrick Brockhaus, Laura Petrie, Christy Cowan and Joshua Beam.

President Jim Farrell welcomed the community members and reviewed the agenda for the day.

A call for nominations was made by the President for the 3-year term of Vice President. Erika Aust and Kyle Emtman were each nominated. No other nomination was made, and action was taken to close nominations.

The candidates spoke to the members about their interest and their qualifications for the position.

Secretary-Treasurer Loder described the process for voting, explaining members may cast one vote for each water connection they have. He noted all members of the community are in good standing and thus eligible to vote.

Votes were cast by paper ballot and those members who previously provided their Proxy to the board had their votes added accordingly. Vice President Aust was re-elected by a 13-12 count.

Secretary-Treasurer Loder noted his position will become vacant in June 2023 as he does not intend to seek re-election. President Farrell hinted he too may consider stepping down. Members were encouraged to get involved in the leadership of the community.

Treasury report – Financial Update

Secretary-Treasurer Loder reviewed the financials for the community (attached) and presented the board's recommendation to maintain the annual fee at \$500 for 2023. This is based on financial impacts due to the pandemic. He also pointed out that while the community is maintaining a reserve balance of about \$50,000 but keeping the annual fee at \$500 is not making significant progress toward building the reserve over time.

He reminded the community that the purpose of tracking members' water use is to meet the reporting expectations by the state.

Mr. Loder called attention to some expenses for the year that were beyond normal activity and noted that in the next 3-5 years the community may need to invest in a filtration system to protect the quality of its water from undesirable minerals such as manganese.

It was also noted that the community has one available connection that will be awarded, according to the bylaws, via a random drawing among those who have stated an interest.

There was spirited discussion focusing on the tiered approach to water management that was authorized by the membership in 2021. Proposals were offered from a variety of viewpoints including different base amounts for full time users vs part time users, and members debated the merits of personal choice versus a balanced system approach. The membership was reminded the goal of the

tiered approach is conserving a resource and not about driving income. The board also clarified that there is a requirement to demonstrate to the state our commitment to managing water use. The resulting motion/action was a recommendation to adjust the approach to tracking water use as follows:

- There will still be a base fee for maintaining the system – this fee will now allow for 0-4000 gals per month, per paid connection. The fee for 2022-23 will remain at \$500 per connection.
- The tier-based approach for extra water use will be adjusted to reflect the updated monthly maximum (4000 gals), meaning overage fees will apply only to water use above the annual allotment of 48,000 gallons. The motion passed 12-6. Overages will be calculated and billed each October according to the rate structure approved at the 2021 annual meeting.)

(Note: the changed monthly allotment for water usage will require a change to the bylaws – the board will address that this year).

At the request of the community, we will also share the aggregated results for water use over time. Vice President Aust noted that every member has access to track their use on www.obcg.org and community documents are also available on the website.

Infrastructure planning:

Secretary-Treasurer Loder also shared information regarding how the state of Washington requires OBCG to administer distribution of its authorized water connections:

Definition of Connection: Under WAC 246-291-010 (55) and (61), every “dwelling unit” is a service connection. "Dwelling unit" means a structure, or unit within a structure, with independent living facilities for one or more persons that includes permanent provisions for living, sleeping, eating, cooking, and sanitation. A dwelling unit includes, **but is not limited to:**

- (a) A single-family residence; or
- (b) Each unit of an apartment building or multifamily building.

A “mother-in-law” unit or accessory dwelling unit (ADU) that is a separate room but under the same roof as the principal residence is counted as one connection; an ADU that is detached from the principal residence, and is self-contained, is considered a separate service connection.

The board will continue to work on options around increasing capacity and report back to the community. A meeting will be held with Northwest Water Systems (the community’s water system management contractor) to discuss the process for expansion and costs.

Other Business:

President Farrell shared a few tips to help members protect their property, which is especially relevant for those who are not at their property full time. These included:

- Add a auto shutoff valve that turns off the water if a leak occurs.
- Shut off water at the connection when the property is unused, especially during the winter
- Ensure all taps, connections, and toilet are in good working order and consider low water use items.

- Plant native plants that do not require extra water in the summer months.
- Water in the morning hours to help reduce evaporation in the heat of the day.
- If you see water on the road or puddling when it hasn't been raining, report it – as your neighbor may have a leak, but is not home.

President Farrell reminded the members there will be a BBQ event around the fourth of July. Kyle Emtman and Kelly and Dennis Frett are organizing and will send out a separate announcement.

The meeting ended at 12:10 pm

Sidebar:

Selection of Open Connection by Drawing

Four requests for the available connection had been received and the board will send a call for interest per the bylaws to all property owners within the Madings Orchard Beach plat; that call added two additional property owners. The drawing participants are noted below.

- Zamzow
- Eide (1)
- Eide (2)
- Spaulding
- Phelps
- Mach

There is one additional interested party who will not participate in the drawing as they did not meet the deadline for being considered.

The random drawing for the available connection was held on August 29, 2022. Names were randomly drawn, and the interested members were placed on a list based on the order of drawing.

The member selected will have until 10/10/22 to pay the connection fee, and the current water fee due for the 2022-2023 billing cycle. The member will then have time to install the meter as appropriate to their project planning. If the member chooses to release the connection, it will be offered to the next member on the list created by the drawing, until the connection is accepted.

The board will also contact the interested parties not selected to discuss potential upgrades to the system to support up to 7 connections beyond the 39 now authorized by the state. This would allow each member to obtain a connection in the near future.

It is already apparent that supporting connections 40-46 will mean an increase in the connection fee. The board will look at what is a fair cost to help offset the costs of the upgrade without reducing the reserves built up by existing members. We acknowledge that some of the expense would fall to the community through regular maintenance of the pumps and reserve tanks. We anticipate the new connection fee will be \$5,000-7,000 per connection, plus the cost involved to install a meter.