



# NOTICE

to all members of Lummi Island Scenic Estates Community Club, Inc.

## Annual General Meeting

**The LISECC Annual General Meeting will be conducted with a Vote-By-Mail Election Process in accordance with current Covid-19 precautions.**

Voting will occur on electing two Board Members, the proposed 2022 Budget, how to proceed with the financial audit (as required by RCW 64.38.045), and whether to accept a low interest loan.

The first board meeting with announcement of the voting results is scheduled for Saturday, October 30, 2021 at 10:00am by video conference.

See [www.LISECC.com](http://www.LISECC.com) for meeting details.

### Vote-By-Mail Ballot Instructions

1. Place your completed ballot in the smaller blank envelope.
2. Place the smaller blank envelope inside the larger exterior envelope (self-addressed stamped envelope included).
3. Complete the back of the larger exterior envelope with your name, lot #, signature, and date and place of signature.
4. Ballots must be mailed to:

LISECC  
P.O. Box 131  
Lummi Island, WA 98262



**In order to be counted, your ballot must be received no later than Thursday, October 28, 2021**

#### LISECC Bylaw 4.3.3.1.(2)

A member may exercise his or her right to vote by absentee ballot. The absentee ballot shall be the same ballot voted on at the actual meeting and it shall be attached to the notice of the meeting. It shall be constructed to be mailed back in a 2-envelope system, so that the ballot fits confidentially into its own inner sealed envelope, with the outer envelope having the proper signature of the owner with the lot number included.

Upon receipt, the outer envelope information of the absentee ballot shall be logged onto the actual roster used for distributing ballots at the general member

meeting, and the inner envelope shall be placed, without any identifying marks, into a locked box. The inner envelope shall be opened and the contents counted only on the day of the general member meeting and only by the members appointed to count the votes of the attending members. To be valid, the absentee ballot must be received by the Board by the last weekday prior to the meeting for which the voting is to take place. Only one owner per lot (per Article 3.2.3.1.) may vote the ballot and sign the outer envelope. When voting by absentee ballot, the member can vote only on those issues listed on the absentee ballot, excepting write-ins for voting for board members.

# 2021 Annual General Meeting Ballot Information

In order to provide the membership the opportunity to vote, as required by LISECC bylaws, on measures of importance to the community, the 2021 LISECC Annual General Meeting (AGM) is, once again, being held via mail. This year's ballots will give membership the opportunity to fill two open board positions, and approve finalizing a DWSRF loan for the initial planning and pre-construction phase of the LISECC water treatment plant replacement.

This document provides background information for those votes including the DWSRF loan and the member bios for the two open positions.

## Approval of the Drinking Water State Revolving Fund (DWSRF) loan for the pre-construction phase of the LISECC water treatment plant replacement

### BACKGROUND

Over the past two years, planning for, and replacement of the water treatment plant has become the Board's primary focus. Over the course of the next three years, significant time and money will be expended on this project. Originally established in 1974, the current LISECC water treatment plant has performed well for decades. But seasonal changes in the source water in the reservoir have presented turbidity challenges that the plant was not designed for, nor has it been able to meet.

Water analysis is underway to determine the cause of our turbidity issues and establish a protocol for long term tracking. In spite of the expertise of staff, the input of consultants, and the advice of experts at the Washington State Department of Health, attempts to modify treatment procedures have failed to resolve the seasonal turbidity violations. Repeated water turbidity violations have led the Department of Health to require that LISECC enter into a Formal Compliance Agreement that specifies actions we must take to return to acceptable water quality. Those requirements culminate in the construction of a new treatment plant using membrane filtration, rather than the rapid sand filter system of the current plant.

The Board has retained Wilson Engineering to assist LISECC. Wilson has created a timeline and funding plan that begins with an assessment of water system capacity. While the necessity of building a new plant has been established in the Formal Compliance Agreement with the Department of Health, additional decisions

must be made regarding plant capacity, funding, potential distribution system upgrades, and the water rate cost structure. The Board will be looking to the community for help in making those decisions.

### THE FUNDING PLAN

Funding for the project is broken into two sections—the pre-construction planning phase and the actual equipment acquisition and construction of the new water treatment plant. The ballot measure under consideration for the 2021 LISECC AGM is to address the approval of the initial DWSRF loan funding the pre-construction phase only.

#### **Initial project funding through DWSRF program: engineering and permitting**

Wilson Engineering has advised that the initial planning phase is best suited to funding through a new loan from the Drinking Water State Revolving Fund (DWSRF). LISECC already has an existing DWSRF loan that was taken in 2009 to fund distribution system improvements in 2012; the new DWSRF loan would be separate from/in addition to the existing DWSRF loan. The new loan is to cover initial engineering support and permitting for the proposed new water treatment plant.

LISECC has been approved for the new DWSRF loan and requires a vote of the membership prior to official acceptance. The loan is for \$4,059,960, has a 10-year term, 0% interest, and a 2% origination fee. Like a construction loan, draws would be made to cover project expenses—and there is a chance LISECC would not utilize the entire amount available.

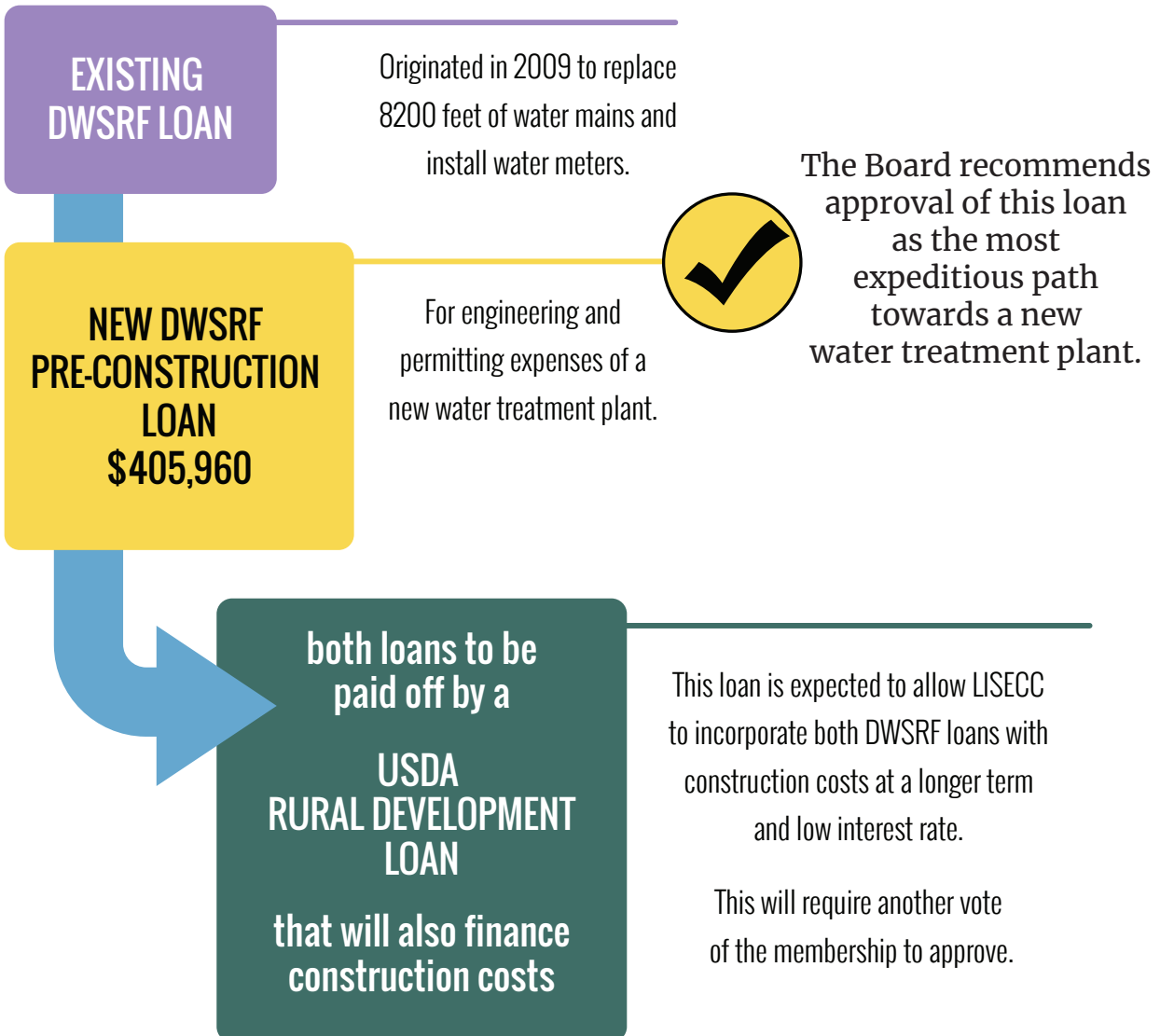
## The construction phase funding for the project

It is anticipated that the construction phase of the project, expected to total between \$861,000 and \$1,477,000, will be funded through a United States Department of Agriculture, Rural Development (USDA-RD) loan. This loan is expected to allow LISECC to incorporate both DWSRF loans with the construction loan with a low interest rate and longer term (USDA-RD loans are currently at 2.375% for a term of 40 years), and it will require a separate/future vote of the membership to approve.

Alternatives to approving the planned funding through DWSRF and USDA-RD loans aren't very attractive. LISECC is under obligation to the state to replace the water treatment plant.

If loan financing is not approved by a vote of the membership, there is only the option of a general assessment to each of the members to fund the project which would assess the full cost of a new plant over a 2-3 year period rather than 40 years.

**The combination of loans (DWSRF plus the USDA-RD) for funding the project is the least expensive long term solution to funding available to us. It is the best solution that allows LISECC to build a modern, upgradeable water treatment system capable of at least the same 50 year lifespan as the old plant it replaces.**



## Board candidate statements

### STEVEN BROWN

Greetings

I am Steven Brown and I want to serve on the Board of the LISECC. We bought our home on Lummi Island with the intent of making it our forever home. Everyday we thank the fates that we found and bought our last house here in the Scenic Estates.

My goal and task as a board member would be to work towards protecting what for most of us is our largest investment, as well as labor of love. We all work or worked hard to attain what we have, and I believe it should be protected and nurtured. I feel that a proactive and compassionate board should be the goal, staffed by folks who "have skin in the game". I believe that with a lot of listening and understanding we can together advance the goals of all, in a fair and patient but progressive manner.

I have many years of experience serving on the board of an agricultural advancement organization and on the Technical Advisement Committee for a Washington College system. I have also worked in a fundraising capacity for a myriad of non-profit organizations and have owned and managed several for-profit businesses. I further have the time, energy, health, and motivation to serve.

### TIMOTHY ROBISON

I am a recent arrival to this unique place. Some may have seen our new house above Cedar Ave or watched it's construction over the last year. Some may have seen our old former BC Mission Boat now renamed NOOTKA on its mooring off the LISE docks. They both tell much of me and my willingness to serve.

I am originally from Washington, but my career took me to Boston - first as Division Director and later as Boston Center Director for a federal agency. After 20 years in Boston I retired and we decided no more winter, so off to San Diego where lived aboard our 40 foot sailboat. Nice sailing, but no islands.

Visits to Washington led to NOOTKA and cruising in the San Juans while still enjoying the sun and sailing in San Diego most of the year. Sandra, who is from Argentina fell in love with it up here, loved the islands, and started looking...

Sandra wanted to be on an island, I wanted to build the house myself, which brought us to our almost unbuildable lot on Cedar Ave where I acted my own General Contractor. When we talked to a bank about a construction loan I was surprised that they were interested in my management background rather than my ability to build and do much of my own work.

LISE Marina gave us the possibility for a mooring. I applied for a permit from DNR, obtained Shoreline Exemption from Whatcom County, found a diver for the eelgrass survey, had an interesting time with the Corp of Engineers and waited to hear if the Lummi or Nooksack tribes would object. Then chased down approvals from several other agencies - and it worked.

As a new member of LISECC Board I will bring new set of eyes, along with management, budgeting, planning and problem solving experience. I have worked with all levels of state and local governments - experience that could be helpful. The water system is the priority. It may be worthwhile to engage in some long term planning for amenities, their maintenance and other issues.

We have already met some great people living here. Sandra and I are happy to be full time residents.

### SCOTT ELLIOT

My name is Scott Elliott, and I am running for one of the two open positions on the LISE Board of Directors. My wife Cathy and I have lived full time on Beach Ave for the past 8 years. We bought our property around 20 years ago and then a couple of years later, built our vacation home which we have since moved into.

I have been a practicing chiropractor for 35 years starting in Ferndale and then 33 years in Everson. During that time, I was also working in the Sports Medicine field, treating High School football and basketball players, and then for 17 years worked with the Pro Rodeo Cowboys Association here in the NW, finishing each year at the National Finals in Las Vegas. I also taught Anatomy Physiology and Biology at Whatcom Community College for 16 years and retired at the end of Spring Quarter 2020.

I have never served on a board before, however living here and owning our property, I do feel it is my obligation to serve. I know that I will be instructed and trained in the proper procedures which are required of a board member needed when running a community efficiently. To be, as much as I can be, non-partial and have an open mind with all of the affairs that come before our board.

At this time, I am asking for your vote, for a position on the LISE Board of Directors.

### JEFF SMITH

Having searched for a nice, quiet place to wind down after living and working for the past 35+ years in the greater Seattle area, my wife, Linda Nordstrom and I bought our home on Berry Way, next to Aiston Creek and moved full-time to Scenic Estates in July, 2015. We love it here on Lummi, and appreciate the welcoming community here in Scenic Estates.

Serving on the board for the last two cycles has been a learning experience. I readily admit to taking a while to learn the ropes and levers of how this community functions, and what makes it work. For the last cycle I hope I have put some of the experience gained from nearly forty years of small business ownership, communication design and copy writing to use as the Communication Chair and Secretary for the board of Scenic Estates. In my past working life I often translated technical and engineering concepts into language and visuals that made it accessible to the widest audience. I hope as Communication Chair I've been able to do that here as well. With the current challenge of replacing our aging water treatment plant my goal is to ensure that all members have clear, reliable information needed to make informed decisions on the issues facing our community.

I appreciate the opportunity to have served for the past few years. I look forward to continuing to participate in whatever function is needed to ensure the future of our part of Lummi Island.

**Members will vote to elect two Board Members  
for a two-year term.**