LADY CREEK WATER SYSTEM
WELCHES, OREGON

MINUTES OF THE ANNUAL MEMBERS' MEETING
VIA TELECONFERENCE
JUNE 2, 2026, 6:00 P.M.

With no objections noted, Board President Holly Robinson presided as Chair of the meeting. The participants consisted of:

BOARD MEMBERS:

Holly Robinson	President, Road 20 Lot 52
Geoff Carr	Vice President/Secretary, Road 27 Lot 24
Rob Haught	Treasurer, Road 20, lot 61
Doug Hartley	Director, Road 12
Mark Allred	Director, Road 12
Matt Dolan	Director, Road 30 Lot 58

GUESTS:

David Jacob	Water Master
Karl Low	Recording Secretary, Minutes Solutions Inc.

LCWS MEMBERS:

Elaine Smith-Koop	Road 28b Lot 13
Linda Greenman	Road 27 Lot 20
Griff Wilson	Road 28a Lot 12
Robin Smoot	Road 12 Lot 5
Brandon Wooters	Road 28 Lot 39
Tara Wooters	Road 28 Lot 39
Tena as proxy for Scott Schilling	Road 20 Lot 22

1. ANNOUNCEMENT OF QUORUM AND CALL TO ORDER

Holly Robinson called the annual meeting of members to order at 6:01 p.m. All Board members present introduced themselves, identified the location of their cabin, and highlighted their vocation and their tenure on the LCWS Board.

2. MINUTES OF THE LAST ANNUAL MEMBERS' MEETING

On a motion made by Rob Haught, Road 20, seconded by Mark Allred, Road 12, it was resolved to approve the minutes of the annual members' meeting held on May 20, 2024, as presented. Motion carried.

Holly Robinson spoke about the previous meeting, noting that proper noticing had not been provided for the 2025 AMM, and it was, therefore, held for information purposes only.

3. PRESIDENT'S REPORT

Holly Robinson presented the President's Report and began by reiterating Lady Creek Water System's mission statement. LCWS's accomplishments in 2025 were highlighted as follows:

1. Road 27 mainline replacement was completed.

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2. The Road 20 bridge mainline was replaced.
3. Progress on the fourth well continues.

Key operating statistics were presented. In 2025, the total gallons provided were approximately 7.5 million, up slightly from 2024, with the minimum water flow having increased from 4.1 to 7.17 gallons per minute. When David first joined us in 2008 we generated 22.2 million gallons of water largely due to system leaks, Holly Robinson noted that, aside from some cabins that were lacking water due to planned work, there were no cabins that suffered unplanned water shutoffs.

She noted higher expenses this year, with operating expenses being 17% over budget, and expenses being 20% higher than income due in part to higher costs for the work being done and the replacement of the Road 20 bridge. Our dues of $185 per year and our current capital assessments are $140 per year.

4. WATER MASTER'S REPORT

David Jacob presented the Water Master's Report and noted that the status of the system is satisfactory, with three wells producing water with sufficient capacity for the load with a fourth well being drilled starting next week. He presented background and context for the Road 27 re-pipe project.

He then presented background and explanation for the replacement of the water line under the Road 20 bridge.

He then presented background and explanation for the well head generator controller issues, noting that significant voltage spikes over the past year likely caused the capacitor failure.

David Jacob informed the meeting and the Board that the forestry service has called and indicated that they will create a new bridge on Road 30B. Our pipe is on this bridge and will need to be relocated.

A leak on the Road 28 area, lot 30 was fixed today.

Another big project to this year will be rebuilding the pressure reduction shack at road 20E.

The final cabin meter on route 26 lot 15 has been installed.

On enquiry, Holly Robinson explained the responsibility for leaks in the system, mainline leaks are the responsibility of LCWS with cabin service lines from the meter to the cabin being the responsibility of the cabin being serviced.

5. PRESENTATION OF FINANCIAL REPORT

On a motion made by Holly Robinson, Road 20 Lot 52, seconded by Brandon Wooters, Road 28 Lot 39, it was resolved to approve the financial report as presented. Motion carried.

Rob Haught presented the financial statements for end of year 2025, briefly explaining each section and highlighting:

- A current cash balance of approximately $227,000 vs $322,000 in the previous year.
- The change of banks to KeyBank, as it is more convenient and available to the people on the Board.
- He noted that the primary fixed asset additions were for the Road 27 main line replacements and the Road 20 bridge.

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- On the income statement the total operating spending was lower than the budget by approximately $2,000 due to transfer fees plus more interest income.
- Operating expenses were approximately $7,000 over budget due primarily to the Water Master's greater hourly charges and increases in telecommunication charges.
- Net income for the year 2025 was $3,200.
- The budget for this year is proposing an increase in membership dues of $10 per member or approximately $4,500 total, and including forecast increases in insurance and electricity charges, it is projected that net income will increase by $10,000.

No questions or comments were received from the floor regarding the financial report.

6. CAPITAL IMPROVEMENT PLAN UPDATE

On a motion made by Mark Allred, Road 12, seconded by Holly Robinson, Road 20 Lot 52, it was resolved to transfer $60,000 from the operating surplus to the restricted capital fund to fund additional capital improvements; it was further resolved to approve the capital plan as presented and to increase the annual capital assessment fee by $20 per member per year to $160, effective in 2027. Motion carried.

Mark Allred presented information of the background and context of the capital improvement plan, noting the increase from the expected costs due to the nature of the horizontal boring on road 27, and the less-than-expected costs of the road 20 bridge replacement with the total bringing the costs to approximately $6,000 over budget. He noted that additional money was required for the capital plan which includes digging a fourth well and bringing it into the system at an estimated cost of approximately $252,000 provided the water found by the well meets the expected location and quality. By transferring the requested $60,000 amount from the operating surplus, and approval of the $20 per member per year this will leave approximately $33, 000 remaining in the capital fund. There is also the issue of the need for a new water tank in the perhaps five years, which will be costly.

Elaine Smith-Koop:
Asked why a fourth well is needed, given the previous reporting that the current wells have sufficient capacity.
Mark Allred:
Responded that the amount of water being produced is declining, with two of them producing significantly less than they used to and much of the capacity reliant on a single well, which was deemed to be an unacceptable risk because if that single well fails, there would be no way to supply water to all of the community, even though the supply is currently sufficient.

Elaine Smith-Koop:
Asked how much water each well produces.
David Jacob:
Responded that well two produces 40 GPM, well one produces 15 GPM, and well three produces 20 GPM, and explained that wells one and two's production capacity had actually increased over the previous year due to tight controls being placed on their production, allowing their capacity to refill, but this also served to highlight the importance of well two and the risk if it should fail without a fourth well.

Brandon Wooters:
Asked if the fourth well will be outside the fence line.
David Jacob:
Responded that it would be, and the other three wells are within the fence.

7. NOMINATION/ELECTION OF CANDIDATES

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7.1. Nominations

Holly Robinson advised that there were six Board positions to elect for our board which is a nine member board, including two from the previous year which would last for only two years.

The following candidates had previously announced their intention to run for election for a three-year term:

1. Elaine Smith-Koop, Road 28b Lot 13
2. Jim Bryan, Road 35a Lot 68
3. Mark Allred, Road 12
4. Holly Robinson, Road 20 Lot 52

The following candidates had previously announced their intention to run for election for the remainder of their normal term, with two years left in each term:

1. Doug Hartley, Road 12
2. Matt Dolan, Road 30 Lot 58

Nominations were sought from the floor, but none were raised.

7.2. Results of Election

On a motion made by Brandon Wooters, Road 28 Lot 39, seconded by Tara Wooters, Road 28 Lot 39, it was resolved to approve the proposed slate of Directors. Motion carried.

The following candidates were acclaimed to the Board for three-year positions except as noted:

1. Elaine Smith-Koop, Road 28b Lot 13
2. Jim Bryan, Road 35a Lot 68
3. Mark Allred, Road 12
4. Holly Robinson, Road 20 Lot 52
5. Doug Hartley, Road 12 (for two years)
6. Matt Dolan, Road 30 Lot 58 (for two years)

During the first Board meeting following the annual members' meeting, the Board of Directors will appoint positions and owners will be notified.

8. QUESTION AND ANSWER SESSION

The floor was opened for new items of business and questions. There were none.

9. ADJOURNMENT

There being no further business to transact, the annual members' meeting was closed at 7:32 p.m.

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The above document should be used as a summary of the motions passed and issues discussed at the meeting. This document shall not be considered a verbatim copy of every word spoken at the meeting.

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