

Dear Association Members, 4-3-26

### *The Assessment Ask and Associated Costs*

The vast majority of this report was intended for the board to help with decision making and was written in November 2025. Its length was because it was intended to be comprehensive. There are a few recent edits as some issues have been addressed. Because of the relatively high demand for information regarding the Special Assessment vote for Capital Improvement, I have asked Vicky to post the report in its entirety to the RLFPOA.com website.

The feedback I heard most frequently from members regarding last summers failed assessment vote was the lack of “earmarked” funds or specifically what Assessment money was to be used for. I have tried to lay out, in excruciating detail, the following:

1. What the problem is
2. How we got here
3. The law and the need for the modernization of our facilities
4. Modernization Options and the Associated Costs considered by the board
5. The Boards Decision on the Gamma Park Well
6. The Modernization Timeline

### *1 The Well and Septic Problem*

Following the pump failure at the last summer, and as a result of the request by members to have the water tested, it has been determined that the current usage of the well has now exceeded the threshold set forth in the Clean Water Act of 1976 (MI Public Act 399).

Accordingly, the Osceola Health Department has made the determination that our Gamma Park well, is a Type 2 transient well. This designation requires us to obtain a Well Safety

Security Number (W.S.S.N #) and have our water tested for Nitrates once per year and for Bacteria quarterly. This designation also requires 2 consecutive “clean water” tests before opening the well for consumption in the spring AND after any modifications to the well have taken place. All water quality test results will then be uploaded to the database maintained by the State of Michigan for the purpose of ensuring that our water remains safe to drink. The water test at Gamma Park came back clean or unremarkable.

The well at Rambeau Park, the beach well, is currently used less frequently and the county health department has agreed to regard that well as a Type 3 well. A type 3 seasonal well designation requires 1 yearly test, for Nitrates and Bacteria, ideally in the spring before opening the well for consumption.

When tested in the fall of 2025 the beach well showed increased Nitrate levels of 2ppm but were within safe drinking water limits. It was advised to “monitor” this Nitrate test level so as to make sure it remained stable and not trending upward. Basic water tests cost approximately \$25 per test.

During the period when we were awaiting water well test results from both wells, a conversation took place with the Osceola health department. This conversation required an on-site inspection of our facilities to ensure they met the criteria for obtaining the required W.S.S.N #. A meeting on-site with an official from the Mid-Michigan / Osceola health Dept was scheduled at Gamma Park and took place Nov 19, 2025. During that meeting it was determined that our current water well, being a 2” diameter “pit-type well”, was obsolete as is, though it was sited far enough away from the septic facility to remain in use until off-season upgrades could be completed. (see the law and modernization below).

The septic facilities at both parks are “legally obsolete” but remain usable as is but are generally thought to be undersized for the increasing usage our growing membership places upon them. For now we are okay with the septic facilities but it was highly recommended that we maintain a more frequently scheduled tank pumping schedule and log the dates of pumping. The last time the tanks were pumped is unknown as the former septic hauler aged-out and kept no electronic or retrievable paper records.

*Recent update Note 4-6-26:* At our most recent board meeting we, as the board, have agreed to use Hutchinson Septic and Excavating from Lake City going forward until such time another board may see fit to have the contract re-bid. Hutchinson came in lower than Johnsons Septic from Sears MI and Rowleys Septic Service from Reed City. Going forward we agreed to pump Gamma yearly and Rambeau on a 2 year recurring schedule. Our tanks are to be inspected and pumped on Monday April 20,2026.

We have also avoided the additional cost of associated with the hauler having to excavate to find the lid. A riser had been added to the top of the tank at Gamma at some point in time. Therefore its location is easily identified. Typically, “risers” are added to the top of tanks when they sit more than a foot below grade. Our tank at Rambeau is in that range. Usually accurate records exist to help locate the lid. Septic haulers don’t spend hours digging and exploring for free. At Rambeau however, there was no easily useable record of specifically where the lids were located, from County Health Department or Association Records. I cut brush out of the way last week and dug around the last known land mark using helpful pictures from past board president Jerry Cornel which got us in the general area. I got help from recent board president Justin Hankins yesterday and we finally have located the exact location of the lids to the tanks. We have located the exact location of the “dry-well” in proximity to the tank and removed a large amount of tree brush from over the top of the “dry-well”. Root infiltration will eventually clog a dry-well if nothing is done about it. With Justins help I have created a map with actual coordinates for both our records and the haulers and no board officer will ever have to do this again. The “large rock” landmark we had attempted to use for reference for the tank lids had been inexplicably moved approximately 16’ from where it belonged. (End of 4-6-26 update)

## *2 The History of the Facilities at Rose Lake Forest- How we got here*

Gamma Park: The following is only intended to be a brief overview of our facilities. Available County well records only indicated “non-classified wells” existing at both Gamma and Rambeau Parks. Visual on-site inspection by the County Health Department verified

obsolete, non-conforming “pit-type” wells at both locations. The water well at Gamma Park was last inspected on 8-1-17. The water well at Gamma was installed in 1972. The Water well at Rambeau Park was inspected on 3-1-2017. The wells installation date is thought to be similar to the date of Gammas Installation. Therefore both wells are outdated and roughly 50 years old.

The Septic system at Gamma Park was installed on 5-18-1971 consisting of a 1000 gallon septic tank and an 800 gal dry-well. It was re-inspected on 8-1-17 and passed with notations suggesting a maintenance schedule. A map of this layout exists. Records were updated as a result of the diligent work done by the board in place at the time of the 2017 bathroom expansion at Gamma Park. Recommendations for pumping the tanks more frequently, in order to prolong the use of the existing “dry-well” systems, were issued. It was further noted that if the “dry-well’s” were to clog from a lack of maintenance, that new modern drain-fields would be required. An area for a new stone bed is noted on the 2017 inspection report. A modern drain-field estimate is in the 13,000-20,000\$ range

The septic system at Rambeau Park was inspected on 3-1-2017 passing with similar notations as those at Gamma Park. It included a simple sketch of the tank location but not the lids. Additionally, a location of a new proposed drain field exists on the 3-1-2017 inspection report for Rambeau Park in the event it was to become necessary in the future.

### *3 The Law and the Need for Modernization*

#### Wells:

In researching where we find ourselves, we have realized required testing has been inconsistent over the years at RLF and largely undocumented aside from that which can be seen most clearly on the application for the bathroom expansion from 2017 and received anecdotally from past Board members Shirley Westbrook. Some of the problems we are faced with are a lack of consistent water well testing records and septic facility maintenance records over our history and the keeping of records or logging of the results. Some lack of, or inaccuracy of records, lies with the prior governing units responsible for

that record keeping. Some boards previously had tests ran locally, some were sent to the state and some were sent to the Health department in Clare and not Osceola. In all these cases it is my view previous boards were always trying to do the right thing. However the result was that these records never meshed in to a continuous comprehensive record. The only real solution for that is solved permanently by the designation of a “Well Safety Security Number” (W.S.S.N)

Referring back to last Fall’s water test (10-27-25), the lab we used questioned us as to our wells having an existing W.S.S.N designation because if we did, the test results would be uploaded directly to the state without us having to do anything. Because we didn’t have one, the process for obtaining one was explained and that referred us back to the Mid-Mi/ Osceola Health Dept. It was then that the Health Dept notified us, that “due to reports they had received regarding usage at our Gamma Park Well location, that we exceeded the minimum criteria used for a type 2 transient well designation”. This usage level, having been previously reported to the Health Department by various association members (read as association members concerned about the health and safety of their fellow members), is similar to a small campground or a church for example.

This level of usage therefore requires us to adhere to the Federal Clean Water Act of 1976 and Michigan’s (**Safe Drinking Water Act (Act 399)**) and establishes the classification as described above. This is where we find ourselves today.

In order to comply with that law we either need to upgrade our “non-conforming pit-type wells” or dig new modern wells at both locations over time.

Further complicating our current well configurations and those inherent to all “pit-type wells” for that matter, is the frequently required “permit required confined space” (PRCS permit) which is often required to work within a dim cramped space of a well-pit where the oxygen level is unknown before entry and entry/ exit space is limited. Whereas this is a commonly overlooked and disregarded regulation, injury or fatality from methane infiltration or electrocution has taken place in other pit type wells which has often mandated the formal requirement for the permit. We continue to turn a blind eye to this

fact and expose ourselves to the potential liability expense of the association by our casual attitude toward, and continued use of our pit type wells.

Though the Health Dept would be within their right to mandate we drill a new modern 4" well, they have agreed to let us make a choice. Our choice comes down to modifying our 50 year old wells or drilling new ones. Our wells are obsolete.

#### Septic Systems:

Both the Gamma Park and Rambeau Park Septic Systems (by type) are obsolete by law but the Health Dept has allowed us to continue using them for now. As "dry wells", the effluent flowing out of our septic tanks is concentrated in a small area forming a plume which stays concentrated as it travels through the soil and therefore has the ability to enter an aquifer before microbes in the soil can digest it naturally. When this happens, nutrient rich water can enter the aquifer from which we are withdrawing our drinking water in the form of Nitrates. Nitrates typically come from 2 sources being improperly treated waste-water or Agricultural run-off (fertilizers etc.). Because there are no agricultural sources in the proximity of either of our wells, any increased Nitrate reading, such as those from the fall 2025 test at Rambeau Park, bears closer scrutiny.

It is important to note the level detected at Rambeau is currently within "safe" limits. We have been advised by the testing lab to monitor it closely to make sure it doesn't trend in the wrong direction. We intend to do that.

Whether by design or by luck, the geographic distance from our wells, to our septic tanks exceed the 75' minimum required distance criteria for Type 2 transient wells which is a VERY good thing. In order to maintain the current level of cooperation with the Health Dept regarding our septic situation, it was suggested and agreed to, that we would pump our tanks and have them inspected this year. It should be understood by us, as an association, that pumping our tanks will prolong the life of the dry-wells (in our case). If the "non-conforming" dry-wells continue to function properly, then the county is likely to allow

us to use them “as-is” going forward indefinitely. It has been suggested a minimum 2 year repeating schedule for pumping should be adapted but that has yet to be formalized. The long time sewage hauler for RLF “Franke Septic Services” has changed management. No electronic records were kept making research very difficult. As we move forward, it is suggested that we solicit bids for a new hauler with the stipulation that the hauler have a proven record in the business and more importantly that they maintain an electronic record keeping system. This offer obviously applies to Franke if the new management has adapted modern record keeping system.

If we fail to maintain our dry-well septic systems or if water well Nitrate levels rise toward levels that are known to be “not safe” it is very likely we will be “compelled” to upgrade one or both of the septic systems as well. We must understand that as an association. We must also be aware that even with regular pumping and maintenance; an obsolete “dry-well” septic system can contaminate a well by virtue of its outdated design.

#### *4 Modernization Options Presented and the Associated Costs*

Wells:

In a “pit type” well, like we currently have, the well and associated equipment (pressure tank, pump, valves and electrical connection etc.) are all contained in a concrete vault with covers that allow access. Sometime there is a lawn hydrant, such as ours at Gamma Park and Rambeau Park. In general, pit-type wells were being phased out in Michigan by the early 1970’s even as ours were being installed. In 1994 they were formally outlawed.

We now face 3 options for continuing water service at both our parks. Because Gamma has been determined to be a type 2 transient well and serving more people than the beach well, it takes precedence and we must deal with it now, this season. We have 3 options for Gamma Park now.

#### *Option 1 – Modifying our existing well and building a Well House on top of the existing vault*

Option one means modifying our existing, but obsolete, 2” pit-type well. We would need to extend the existing well casing and pump to a minimum of 2’ above ground. We would also

need to remove the pressure tank (which currently also needs to be replaced) and extend the electrical and the piping that is currently within the pit, to a point 2' above the existing vault lid before backfilling the existing vault with sand. Once backfilled and a suitable floor established, the pressure tank would need to be re-installed, plumbing connections to the bath house reconnected, electrical for the well, heat source and a lighting circuit would need to be established. This scenario would require the construction of the roof to allow it to be removed in the event the components of the well failed and a well drilling rig was required to extract the failed components.

The initial cost estimate for bringing this type of well (the well only) into compliance is approximately \$5500-\$6000. The well house construction would come in at an additional \$4500-\$7500. Another major assumption would be that the County building Dept would agree to let us use the existing well pit itself as a foundation. Though it is made of concrete, it does not meet the codes for a typical foundation. It

may or may not have been possible but due to the protracted “uphill” effort needed to find that out, coupled with the age of the well itself, we decided to move on from this option.

*To summarize option one, we have been advised by a local well driller who has worked extensively in the forest, that a 50 year old well such as ours, with its pressurized steel casing, one that has been buried in the earth for those 50+ years, is at best an uncertain bet. Even a tiny rust hole in the “pressurized” casing would quickly render the well unusable by losing pressure. The only thing that can be assured is that we could spend that money and get 10 days of service, 10 months or with luck maybe 10 years.*

*Option 2 Using a pit-less adapter and building a new stand-alone well house nearby*

In order to get the water to the required location it would be possible to use what is known as a “pit-less” adapter, which is a secure sanitary connector to our existing well that would divert the water from our existing well from a point underground, below the frost line, to the new and heated Well-House. The new Well House location would be 5 to 10' away maximum again with a “removable roof”, and the complication that that design entails necessary. In this scenario, the “pit-less adapter”, concentric piping, box elbow and

excavation costs would all factor in. The modification of the well and associated work would cost \$4000-\$6000. The cost estimate for the required Well-House space is between \$6500 - \$8500. Depending on the configuration of the necessary equipment, the estimate for Option 2 would be \$10,500-\$14,500 and *we would still have the 50 year old well with its unknown service life.*

*Option 3 Drilling a new 4" well and installing the pressure tank inside a heated closet in our Gamma Park bath house to house the well equipment*

Modern 4" wells in the forest are running at approximately \$10,500- \$13000 today. In addition, we would still need to provide a heated location for the pressure tank. In this scenario we would have a stand-alone well with a 5' deep underground water line which terminates inside the heated closet. In this scenario the water heater would be moved away from the outside wall and the pressure tank would take its place. Therefore, this arrangement (moving the pressure tank inside the bath house), minimizes construction costs for housing the well equipment, but it still requires disconnecting all water piping between HW heater and pressure tank and all supply lines. Once the components have been repositioned, all water lines would then be reconnected. In this option, the existing, non-compliant "agricultural" lawn hydrant we are familiar with would be eliminated and a frost free faucet off of a 3/4" water line would take its place providing efficient water service directly from the side wall of the bath house and be able to sustain service during periods of "moderately cold" weather. Within the "heated" closet inside, an "appropriately rated backflow prevention" device would also be installed on the line supplying water to the riser at the dump station. Currently there is no such device which is a major safety concern.

*Note on Winter Water Service Risk vs Reward:* Though the arrangement detail above saves on the construction costs of a stand -alone well house, it still doesn't guarantee damage can't occur in the event of an "un-noticed" power interruption caused by a tripped breaker or a temporary or prolonged

power outage during winter storm events. Therefore, a considerable risk versus reward scenario exists with this option in terms of winter water service. Given the lack of existing

building insulation, and the “on-slab” nature of the Bath-House building construction, these factors make year- around water use precarious at best. The “heated closet” approach inside a non-heated building, might handle an unexpected early season cold front beyond hunting season and through Thanksgiving to the end of November, but to rely on this system to prevent a “plumbing freeze event” beyond December 1st is highly risky. In the event of a power outage due to a wind or snow event, and given the frequency of this type of interruption in the past within RLF, coupled with the lack of any active monitoring (nobody lives there), and the overall building construction, we would be risking major plumbing damage from any sustained outage and that’s a chance not worth taking.

*The Boards decision on well options for Gamma Park*

After debating this issue and considering the reality of the age of the facility and the likelihood of well casing failure due to rust, the relative high cost of the other options for upgrading obsolete equipment and the desire to “put this situation behind us”, we have decided as a board, to make the decision to modernize our well instead of patching together the old one.

We accepted the lowest of the two bids and have awarded the contract to Roberston’s Well Drilling. Work is only to proceed pending a successful vote on a Special Assessment for Capital Improvement pursuant to the Declaration of Restrictive Covenants, Article V, Paragraphs 4 and 6 commencing with the first vote of those necessary to reach a quorum enabling the board to authorize the levying of the Special Assessment for Capital Improvement. The first such vote shall take place at 10 AM, April 29, 2026. The vote location shall be the Gamma Park Pavilion.

*5 Modernization Timeline pursuant to the Declaration of Restrictive Covenants, Article V, Paragraphs 4 and 6*

To get this done, members have to make a decision, if or when they vote in favor of the Special Assessment for Capital Improvement. They should realize they are not doing this “for the board” but rather for themselves, and for the betterment of the association in general.

The prioritization of modernizing wells stands on its own. In no way does it de-emphasize a myriad of important issues which has confronted previous boards efforts and it will not stop this board from acting on the issues before us.

We as a board clearly understand what it takes to get enough folks on the same page to get something done based on the burdensome nature of our Covenants. We understand they were written to promote scrutiny. We obviously understand that 60-66% of 430 some members won't be present or vote by proxy on a Wednesday morning on April 29th. It's also unlikely the necessary percentage will reach a quorum on successive monthly Special Assessment for Capitol Improvement votes either.

Eventually our hope is that our members are going to realize they are doing this Capital Improvement much the same as fixing a crumbling bridge- their crumbling bridge. Association members must realize they can just as well vote no – every time. Eventually, this will force the Health Departments hand which will simply result in the closing of the well and the inability to use the bathrooms – just like a collapsing bridge. It's a straight forward proposition.

My vote is to do the right thing and not look back.

Based on our bids received, we are at \$18,365 with the well bid, plumbing bid and permitting covered. We have \$1,365 left to cover the reconstruction of an insulated closet enclosure with an electric circuit allowing for heat.

Therefore the budget request is for \$20,000 dollars divided by an estimated 772 assessable lots. The cost per lot at these numbers is a 2026 one- time charge of \$26 per lot. Any overage shall be deposited in a new saving account titled "Capital Improvement Rambeau Park 2027" and not co-mingled with any current funds.

We have all heard the, "well I have a well, why should I have to pay for campers etc.?" My answer to that question is simply the wells and bath house made it possible for me to enjoy my time at RLF for the first 3-4 years I was here until I could build a place. We as a board voted unanimously for this proposal. Every board member except one also has their own

well. I can't turn around now and turn my back on the legitimate campers if they are residing legally within the RLF and depend on these facilities. I am for the assessment. I am also for water test records being maintained on the State of Michigan data base. I am for water test and septic service information also being required to be maintained on our website going forward. I am for prescribing this duty to a board office holder, yet to be determined, being responsible to upload the info to our website as it has real financial implications pertaining to the management of our existing facilities. I am for adding that duty as a bylaw as well.

It is suggested that this notice go out immediately once this board agrees on a well option. It is suggested further that the depletion of our cash reserves held in CD's is not the preferred method of financing these capital improvements as it would leave the board without emergency cash. The precarious nature of our existing, aged-out septic fields are just one clear, easily understood reason a property owners association should maintain an appropriate cash reserve.

This is especially true in light of the mechanism which we are executing now and which is specifically allowed for in the CCR's, for this very purpose. The PRTC had the foresight and vision to build these common facilities to begin with and provided for their future maintenance needs. Those needs are upon us now.

Respectfully,

James Smith

RLFPOA VP