

HIGHLAND'S ASSOCIATION MEETING JUNE 30, 2012

The Highlands Association Board president Judy Cook called the meeting to order. In addition to Highland's association board members -- Judy Cook, Connie Leurkens, Ron Claybourn, Denny Carter, Lee Goodwin, Bea Von TObel, Duffy King -- some three dozen property owners were in attendance, each of whom introduced themselves.

Judy asked for volunteers to review the minutes and selected Jens Kruse, David Turnoy, and Peter Bohr.

Judy explained that we have road snow-plowing arrangements with Norm Flint and noted that he didn't have to come very often this past winter. She also said that there were 29 association property owners that helped with the Spring Firewise Cleanup. To continue with our designation of a "Firewise Community" we need to continue holding a community cleanup day every year. She added that we did other fire mitigation work this past spring, such as clearing a "fuel break" to prevent a fire on the main road from jumping into homes on Tall Trees Trail. Debris was cleared, chipped and spread in the fire break.

Judy said that Accounts Receivable -- past-due money owed to the association by property owners -- had declined this year and that the board is continuing to make every effort to collect money owed.

BUDGET Denny presented the budget. He noted that the association had unplanned expenditures for water because of leaks in Association-maintained parts of the Highlands water system. He said the Association's ending balance for the fiscal year was nearly \$90,000. Property owner Brian Ehrmantrout asked if Denny had a projected end balance for next year and Denny said no, given the possibility of additional water leaks. It was moved and seconded that the budget be approved. The budget was approved on a voice vote of those in attendance.

ROADS Bea explained that the association is conducting a major roads project, paid for by a road fund within in the \$90,000 overall association budget. Previous years' projects included repaving much of Discovery Way and Tall Trees. This year, the association is in the process of reconstructing much of Highlands Drive and is creating diversions so that water drains to the sides and creating a crown in the center and one culvert along the road. This work was planned in coordination with work on Buck Mountain so we could avoid paying an additional fees to bring the equipment to the island. Future projects include repaving Discovery Way circle. A property owner mentioned that there is a big pothole on the circle. Judy said that Bea has a master plan to keep the roads in good shape.

WATER Judy said that our water system is a major board responsibility. Ron discussed the water system. Ron mentioned that some of the infrastructure is old, and that Carl Capedeville will be making suggestions for improvements. He mentioned the big leak that we had at the beginning of this year that cost almost \$20,000. This past February the new rate plan started that lowers the Association's cost of water. This new rate is more in keeping with the rest of the state. Ron said he has been doing some preliminary investigating of automatic meter reading devices that also can provide leak detection. One system also has an in-home display so a property owner can look at his/her own activity. Rosario is using them and Eastsound is committed to installing them. The first step would be to replace the heads. A property owner asked about the cost of the heads and Ron said about \$136 each. He said the cost of replacing the head and meter is about \$180. Lee mentioned that the existing meters are about 10 years old.

INCREASING RESERVES Judy related that the board had a the long discussion at the last board meeting regarding increasing reserves. Three years ago the board established a road fund. The board feels there is now a need to establish a reserve fund for the water system. The board recommended a \$20 increase in dues per property per quarter to build up this reserve. In coming up with this figure, Judy said the board had to weigh some property owners' ability to pay the extra fee against the need for increased reserves. The board felt that a higher fee could risk an increase in accounts receivable that would be difficult to collect. A property owner said the \$20 increase was inadequate. A property owner suggested that the increase be doubled. Several other property owners objected. A motion was made, seconded and

approved by a voice vote, with several dissensions, to increase the dues by \$40.

MAP Jim Hennessey talked about the association's map with association property owner phone numbers and email addresses and asked for corrections. He said the final map will be sent out in the September association mailing.

OTHER TOPICS Judy said that we've been given a fire hose and that it's kept down at the lower burn area, but that no one knows how to use a fire hose, so in September we'll have fire hose training for property owner. Brian Ehrmantrout talked about the Critical Areas Amendment and said the main elements are on the county website. The county update is due every seven years and was last done in 1991. All of the public testimony has been completed and it will next go to the County Counsel. The final amendment will be 80 to 90 pages long. Ron asked if it would impact the Highlands, and Brian said not for improved lots but it may impact new development.

A property owner asked if the board had considered installing locking mail boxes to avoid mail theft. Judy said that the board had investigated this and that it was too expensive. A property owner said that parking on Lindsay Way right of way has been a problem. Judy said that we do put a notice on the windshield of improperly parked cars. A member thanked the board for their hard work. Judy thank everyone in attendance for coming to the meeting. It was moved, seconded and approved by voice vote to adjourn the meeting.

Submitted by Duffy King, Secretary