

Minutes

BOARD OF DIRECTORS MEETING ORCAS HIGHLANDS ASSOCIATION

6 August 2015, 5PM PDT

MEETING CALL-IN INSTRUCTIONS: Dial: (641) 715-3287 Enter Access Code: 420417#

I. Roll Call: Dennie Carter, Ron Claybourn, Lee Goodwin, Gayle Benton, Roxy Marck, David Turnoy, Marcia West. Also attending were Bea vonTobel, Nathan Ahrens, and new owner Chris Graham.

II. Call to Order: Ron Claybourn called the meeting to order at 5:10pm.

III. Election of Officers

David Turnoy was nominated and elected as secretary. Dennie Carter was nominated and elected as treasurer.

Ron is considering stepping down as an officer or director due to his being gone each winter. This will be followed up at the October meeting.

Roxy asked if there is a procedure for bringing a new president on board. Not really a formal one. Previous president gave several boxes of Association records to Ron when he took over.

Lee says we have brought in new board members properly, but there hasn't been a formal procedure established. Roxy would like to see a procedure established. Roxy would like to nominate Marcia as president. Marcia would only consider being co-president as she has an upcoming levy campaign this winter.

Lee is willing to continue as vice president.

Nathan Ahrens introduced himself. Nathan is a lineman for OPALCO, and has experience with irrigation systems as well. He was nominated as a director and elected.

IV. Minutes of OHA BOD meeting dated 6/4/2015

One correction noted, minutes accepted. Question from the annual meeting minutes related to voting for officers. Ron recommends that a written ballot be prepared before the annual meeting containing the names of those nominated, people can also be nominated and added to the ballot at the meeting. Those unable to attend the meeting can have proxies. Roxy is willing to get it going, we shouldn't need to change the bylaws to do this, Roxy says she thinks it will put us in compliance with the bylaws. Hands in the air can be intimidating, better to have something written.

V. Officers Reports:

A. President's Report

1. Water meter upgrade project status

110 meters ordered, includes software and handheld device to collect the data. Ron has proposed to Washington Water (WW) that they would read the meters or put our route into their software, no commitment yet from Mike Ireland. The software is compatible with WW's. The software is \$1,750 and will service up to 2,500 meters. Training session would cost \$4,000; Ron is working to save

money on this. The meters will cost \$185 each, about \$20,000 total. Carl has proposed himself to do the work to replace the meters at about \$25 per meter, total about \$3,000. WW would also be able to do the job at about the same cost. The new meters could initially be read visually if we wanted. The new meters are better because as meters age, they tend to under-report; to be more accurate in reporting water used, we need new meters, they generally last 20 years. The body of the meter will be replaced first, and then the electronics can be added later (or put in at the same time if we are ready). Then we won't need a manual meter reader. A computer is required for installing the route-management software. The Association may need to purchase one for the software.

2. Carl Capdeville availability for OHA road maintenance

Carl is done with Eagle Lake at end of August, will provide us with evidence of a million dollar bond, has a backhoe, can find water leaks himself, can do patching of roads.

B. Treasurer's Report

1. Financial report (D. Carter) – Dennie wants to be removed from credit card user and signing checks. Only Dennie and Carl have cards, Dennie is the authorizer, Gayle Benton is going to replace Dennie Carter as the Key Bank credit card account manager, who is authorized to open and close individual cards, set credit limits on individual cards and handle all aspects of the account. The current authorized signers on the Key Bank accounts now are: Ronald Claybourn, Roxann Marck, David Turnoy and Marcia West. Roxy will be added as an authorized check signer.

2. Executive session: A/R aging summary 8/5/15 (R. Claybourn) – several members are delinquent, they are being contacted, liens will be filed if need be, ultimate is to turn off water. Lee agreed to contact the most egregious delinquent. Another resident had a big leak and will pay \$100 per month towards the outstanding debt.

3. OHA insurance policy renewal status (R. Claybourn, L. Goodwin) – Total of two insurance policies (liability on roads, infrastructure, etc. which could be called property and casualty; other is directors and officers liability [D&O Errors and Omissions]) - \$6,405 total.

C. Water System Maintenance and Operation

1. Maintenance report

i. Monthly meter reading comparisons – Carl did meter readings and survey for upgrade, generally we collect 10% less than what WW bills us, and this is a big improvement.

ii. Highlands Drive leak isolation proposal – Carl will address this.

iii. Ivy Lane leak and proposed repair – Carl will address this.

D. Roads Maintenance

1. Highlands roads tree project status (D. Turnoy) – Eventide has completed most of this, will finish when lift fixed, cost has exceeded bid, Ron and I gave Austen permission to do a thorough job. Question as to whether Joan Crinkley's drive is going to be cut, Roxy and David felt it would not be.

2. Youngren property fire road excavation estimate (D. Turnoy) – Excavation estimate of about \$12,000 by Island Excavating, Eric will pursue Orcas Excavation and a friend. Question as to whether Eric would

consider filing the easement, David can ask him, filing the easement could cost up to \$1,000. Roxy's focus is "Shelter in Place"; her committee is working on fire issues.

VI. Unfinished Business:

A. WWSC Management Agreement draft status – Membership support is lukewarm, most directors in favor, biggest issue is cost differential; that is, between what is billed by WWSC and what the Association collects from residential users. For WWSC to take over ownership, we would have to grant WWSC easements over water infrastructure. Or we could hire someone as a water manager and maintain our own ownership. Roxy says that we need to start finding out exactly where the water lines are so that we would know where they are when we file for easements in order to get at the lines for repairs. Perhaps we would only need easements on a few properties, as we think most lines are in the right of way.

B. RV policy membership comments and approval process – Comments have been distributed, board members have read them. Lee argues that these letters should be made available to the membership. We could ask each letter writer if they are OK with making their letters available with or without their names attached. It was suggested that we make up a survey on Survey Monkey to send to the members for their input on the RV policy. We would like to be inclusive and could possibly come up with a compromise that would be more agreeable to the largest part of the membership. The decision to accept or reject any proposal recommended by the Board ultimately needs to be made by the membership due to action at the annual meeting. Ron argued that the RV policy as sent out to the members was to be decided by the Board, yet the membership voted to take responsibility for this decision. Bea suggested that the Board not adopt the policy, let the CCRs speak for themselves, and any member who wants to sue another member can do so. Marcia moved for the board to vote to recommend to the members that the RV policy be adopted as written. Roxy seconded this motion. The Board voted 5 to 2 against recommending to the members that the RV policy be adopted as written. Ron suggested we contact the attorney to ask what we need as far as the number of respondents when the members vote on whether to adopt or overturn the Board decision. If we don't get a clear picture from the vote, we can then do a survey.

C. Road Sign Committee status report (M. West) – The proposed road signs have been installed. Marcia and Ed did a great job.

VII. New Business:

A. Mailbox rehabilitation/replacement status (G. Benton) – Gayle is looking into a drop box for outgoing mail. There is a problem with how the person who picks up the mail gets paid. John Kelly and his son did some repairs on the mailboxes. Roof needs replacing, painting is needed. Lee suggests we try to refurbish. Roxy would like to see it redone so there is room for everyone to have a mailbox. Gayle will find out at PO if we can have a second story of mailboxes. Maybe we could add another structure or extend what we have. Roxy would like to see a bulletin board to post things. If Olga PO is going to be closed, maybe we could pick up some new boxes.

B. 249 Switchback structure status (L. Goodwin) – Its mailbox is attached but is precarious. Property has a small structure on it (less than 500 square feet). The new owner is not interested in increasing the size

though it is much smaller than our current requirement of 1200 square feet. He claims he is grandfathered in; unless he has a waiver or variance, today's documents are controlling. He is currently installing insulation in the structure. Lee had invited the owner to come to our meeting. Great view but very difficult to build on this lot. Roxy suggests having the Architectural Committee talk with him, which includes Lee, Jim Hennessey, and Richard Jordan.

C. Marcia suggests establishing a folder on our website to contain the materials that are needed for real estate transactions. Ron will put this on after Marcia gets him the list.

D. Bea asked if we sought reimbursement from Richard Jordan for legal fees related to work on the RV policy. He had offered at the 2014 annual meeting. Roxy moved that we ask, but no second.

VII. Next Meeting scheduled: Thursday, October 1, 2015, 7:00PM

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:03pm.

Respectfully submitted for the record by David Turnoy, OHA Secretary.