

BOARD OF DIRECTORS MEETING ORCAS HIGHLANDS ASSOCIATION 5 January 2015

MEETING CALL-IN INSTRUCTIONS: Dial: (530) 881-1200 Enter Access Code: 420471#

PURPOSE: To conduct the regular business of the Association.

I. **Roll Call:** Dennie Carter, Ron Claybourn, Lee Goodwin, Roxy Marck, David Turnoy, Marcia West. Also Ed Wilson as a guest. Duffy King was ill.

II. **Call to Order:** Ron Claybourn called the meeting to order at 7:04.

III. **Minutes** of OHA BOD meeting dated 10/23/2014 approved.

IV. **Officers Reports:**

A. **President's Report**

1. **Key Equipment and Finance webinar**—Ron attended a webinar, was geared mostly toward municipalities, gist was that KeyBank has a program geared toward municipalities and HOAs for things like water investments, similar to a bond but without legal requirements, the installment purchase agreement (IPA) is like a line of credit, could also be used for fiber/broadband, interest portion can be tax-exempt if we have that designation, very competitive rates. Lee asked what collateral we have to leverage against such a loan.

2. **Island Network broadband deployment proposal for the Highlands**—Gerry Lawlor has created a spreadsheet of costs for the Highlands, and notes that the Highlands will need about 2.7 miles of trenching: 1st mile, or Backbone, is OPALCO infrastructure, middle mile is the stuff that would go down all the roads to each property, third mile is the connection from the road to the residence. They have a per-foot cost for each household. The more participants, the lower the cost for the participants. There is a critical mass for how many we need to make it doable. OPALCO is willing to provide a \$1,500 loan per household, would be paid back in monthly power bill. Three estimates on per-foot basis: low is \$10, medium is \$13, high is \$16 per foot, the price depends on how hard it is to do the work on each property. Ron suggests that they might use some of Mt. Baker Cable's infrastructure. Individual households would be billed as opposed to overall HOA, individuals would be responsible for their own bills, and the Association would not be responsible. Ron will share the numbers with us. Basic service would be 10 megabits, could pay for up to 100 Mbps, and would also include phone service.

B. **Treasurer's Report**

1. **Financial report** (D. Carter)—report is for November, question for Dennie as to whether there is a limit on the amount for which we can write a check in regard to the payment to Shaner Excavation for tree work. Consensus was to take the money from the road fund for the payment. Smith Barney account has been closed, money moved to checking account. Still need an investment plan for this.

2. **Aging A/R status 12/31/14** (R. Claybourn)—largest account already has water turned off, trustee sale occurring in March on this property. 1062 Discovery Way is in transition, owes a little, and should have a new owner soon.

3. **OHA Insurance indemnity and liability coverage** (D. Carter)—\$45,000 bond for our treasurer was renewed for a year at \$318 fee.

C. **Water System Maintenance and Operation**

1. **Water meter readings** (L. Goodwin)—loss between pump house and WWSC meter has improved.

2. **Maintenance report**— Carl will be installing some more meters, says Ron. We seem to be running a loss of about 13-17%. We had some meters that were misread this fall.

i. **Recent meter reading comparison for Highlands Drive**

ii. **Lindsay Way leak repair and payment liability** [O'Brien]—association has paid for this so far. Earthworks had to turn off a valve to flush, but it was buried, so there was extra cost for this. It cost about \$537 for Earthworks plus some money to Carl. Consensus is to assess the O'Briens a \$100 contribution to the water fund. We will include a caution in the next newsletter about digging on your property: check with Carl if in the middle of the property, check with OPALCO if near the roadway. We need Carl to examine the O'Brien property to see if the fence being built is over the water line and may require replacing the fence in the future should we need to dig into the water line. Roxy asked about easements related to utilities, OHA has roadside easements for utilities according to Lee. Lee says fence should not be erected on water line. Question as to whether there is an easement through O'Brien property for water spillage, whether there is a common area. Roxy looked into our documents, and the association apparently has no right to an easement. Roxy will contact the title company to see what exists and to see about getting easements on that property. Ron will look at the plat to see if anything identified, but the plat may be too old to show what we need.

D. Roads Maintenance

1. **Shaner Excavating tree removal and limb cutting status**—they have done a nice job, ran into weather problems and equipment issues. Question as to the limbing that was done along the county road, perhaps could have been done by county instead of being paid for by us, but the county may not have taken care of the limbing. There is a ditch below Dennie's property in roadway that needs work, Ron will see about getting this taken care of when county removes the large Alder on Lindsay Way.

2. **Highlands Drive job status** (R. Marck)—Roxy says there are still some piles of debris; she will call Bathan to make sure it will be finished. There is still some trimming to be done that Roxy mentioned. Ron will contact Bathan. We are still waiting to hear from the County on the large Alder on Lindsay needing removing, they will be soliciting bids.

V. Unfinished Business:

A. **Alternative evacuation route evaluation and recommendations**—Eric will get figures to David at some point, we will go from there, perhaps need a committee, perhaps talk about this at annual meeting.

B. **Shelter-in-Place recommendations and Firewise report posting on OHA website**—We need to see if we have properties that are suitable for this, then ask owners if willing to open their homes for this.

C. **WWSC Management Agreement draft status**—Mike Ireland is working on revisions to the management agreement, need cost to install electronic meter heads among other things.

D. **RV Policy Committee recommendation discussion and proposal to Leahy**—RV committee listed 7 steps to address the issue as suggested by Leahy. One of the steps was to communicate with the membership about this and is why Ron initiated the survey idea. Lee agrees we need to inform the membership of any policy proposal, but he doesn't think we are to that point. Lee thinks we need response from Leahy first with the history now included. Ed says the committee did take their cues from Leahy so as not to stray too far from RV policy, Ed thinks attorney input should come before contact with membership as well. Is the enforcement over the last 30 years relevant and controlling—let's ask the attorney. Ron argues that other members need to weigh in before seeking legal work. Ron suggests that we spend a little more time clarifying exactly what we want to have answered by the law firm. It was suggested that we start with Lee's letter, that everyone submit their suggestions to David, that David draft a letter with a limited number of questions and then send it to board members for

comment. Ed offered to help draft the letter. It was asked if boats should be treated like RVs. Lee suggested that boats up to 20 feet should not be a problem as they cannot be lived in. Small trailers for hauling things should be OK.

VI. **New Business:** Lee nominated Kristen Wilson to the Board, Roxy asked about having more representation for the lower part of the Highlands, David seconded, motion carried.

A. **Don Carlson request for carport plan approval** (L. Goodwin)—Lee says it is too close to the roadway, and has notified Don with suggestions for resolution.

B. **OHA invoices December 2014**—David and Geri will take care of, may get help from Marcia and Roxy.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:03.