

**BOARD OF DIRECTORS MEETING ORCAS HIGHLANDS ASSOCIATION**  
**Nov. 13, 2018**

PURPOSE: To conduct a regular session of business of the Association.

Roll Call: David Turnoy, Marcia West, Harvey Aldort, Dennie Carter, Lee Goodwin, Jens Kruse, Brian Ehrmantraut, Bob Wyatt. Guest: Ron Claybourn.

I. Call to Order at 6:35.

II. Financials

A. 2017 – 2018 Year End Summary and Audit Update

B. 2018 – 2019 Year to Date Reports

C. Water sale – federal tax update: REEF tax is being paid by Washington Water. Question as to whether we will owe tax on profit, system was originally bought by association from Geiser for \$1. Marcia would like to go to Redmond to meet with CPA to walk through the water deal, motion made to send Marcia (maybe Dennie also) and pay expenses. IRS has five years to come back and tax us, so need to get this cleared up. We are compensating Marcia an extra \$500 for her extra work on all this.

III. Water System Billing Close Out: We will have about \$5,000 left from the individuals' water fund after taking care of the items down at the burn pile, and we have about \$24,000 in the association's capital water fund. There is a lien on the one water account that hasn't been paid, which owes about \$1,000.

A. Refund of Water Capital Fund: Checks have been printed and signed.

B. Addition of new point of connection at pump house and billing account: We are waiting for a price from WW; Marcia will pursue this.

IV. Old Business

A. Fire Protection clearing contract

- Review proposed contract with Harvey Logging: Contract calls for \$10,896.48, we need to get his insurance binder and license. Work would be done Dec-Feb. We need to get Harvey Logging to put in the contract the cutting of a log on a fire exit trail. Harvey contract approved. Harvey Aldort suggests that we look to do similar fire mitigation on the circle next year.

- Committee to walk work area and oversee progress: Jens, Brian, and David will go on a walk with Harvey before he starts.

B. Update on nuisance dog report: No sighting of dog, no news.

- C. Mailbox Station: PO will let us stack boxes, which can solve the space issue. We have only 39 people getting their mail at the box all year round, but 73 have boxes there, so we have a number of boxes to get rid of unless these are people getting their mail there part of the year. There are five for sure that aren't used. Harvey has an outgoing box in Donna's office for the guy who puts on the locks.

- Additional space

- Outgoing mail

D. Burn Pile Equipment Needed and Cost: David has researched fire hoses and storage sheds. 50 foot hoses run \$85 or \$90, we would need three. Storage sheds vary depending on size. David looked at sheds between \$175 and \$700. David will look for a contractor's box that is long enough, put it on pallets, somehow attach it to the ground. Lee suggests we get approval from Roy Stanton. Hose connection will be outside on a standpipe. David will ask Roy about the hose too. Motion authorizing spending up to \$1,000 on this.

E. Approach for how to spend or invest the water system sales funds

- Committee chair
- Input from members
- Report on fiber costs: Ron Claybourn reported. People interested in being on committee are Ron Claybourn, Judy Winer, Bob Wyatt, Theo McMurray, Brian Ehrmantraut, Cindy Elliott, Susan Kunk. We first need to decide on what we are spending the money on, then if we decide to go with fiber, what is the best way to do it? Most folks at the annual meeting were in support of fiber, a couple people want RV parking by the water tank. We could put out a survey to get opinions of members on whether to do fiber. Ron has an estimate from Rock Island from June, the cost had been estimated at \$186,000-\$244,000, but they can give us a much closer estimate now. We need to give them our consent to go ahead with a new estimate. There is collaboration between OPALCO and Rock Island. Bob suggests we work through Rock Island, get a contract estimate from them to provide fiber through their proposed plan, moved and passed.

V. New Business

A. New Website and Hosting: [orcashighlands.com](http://orcashighlands.com) is the link to the new website. Cost will be \$200 per year. Marcia has made this happen.

B. Snow Plowing Contract for 2018-2019: David will contact Norm.

C. New QuickBooks accounting and merchant services – Now is at [quickbooksonline](http://quickbooksonline)

- Monthly billing for QB and merchant changes
- Added insurance coverage included with billing

D. Other Business

- Moran State Park acquiring 80 acres from Youngren. Lee says we need to write a letter to state parks telling them that our roads are not to be used for trails and hikers. Lee will draft a letter for us to look at before sending it on.
- Also, it would be a good idea to put a “No Public Parking” sign at our parking lot by the mailboxes.
- Do we want to renew our Firewise membership? It costs \$175, helps us to stay safe from fires, can get grant funding. We approved, Brian will put in the application.
- Harvey suggests 6 or 8 more 15 mph signs, can do signs back to back to save digging. Bob instead suggests a campaign of peer pressure by including it in the newsletter. Harvey suggests we think about the signs.

VI. Date and time for next Board of Director meeting: Dec. 11 if we have a fiber estimate.

ADJOURNMENT: There being no further business, the meeting was adjourned at 8:26.