

**HOLIDAY HIDEAWAY ASSOCIATION  
ANNUAL MEETING MINUTES – APRIL 16, 2016**

- President Sharon Schlittenhard called the meeting to order at 2:35 p.m.
- Sharon welcomed Members and guests and introduced the Board Members present:
  - Bill Rainwater, Matt Enos, Sharon Hughlitt, Gary Rainwater, and Pat Harrigan.
  - Board Member Wendell Phillips was absent.
- A required Quorum of 44 was confirmed, with 54 Members present or represented by proxy and a total of 108 possible votes.
- Motion to dispense with the reading of, and approve the Minutes from Annual Meeting April 18, 2015 was made, seconded, and passed.
- Treasurer Bill Rainwater gave the Treasurer's report:

<b>Bank balance as of 03/25/2015</b>	<b>\$12,513.46</b>
<b>Income:</b>	
Dues	\$7,408.99
Interest	13.15
Donation for picnic table	100.00
<b>Total</b>	<b>\$7,522.14</b>
<b>Expenses:</b>	
Bookkeeping (Darcy)	(1,818.75)
Management (Cas)	(1,054.08) - includes supplies/postage for Annual Meeting
Cook's Cove repair	(2,212.04)
State Farm Insurance	(1901.00) – two years
Shoreline Exemption Permit	(480.00)
Miscellaneous	(439.21)
<b>Total</b>	<b>(7905.08)</b>
<b>Bank balance as of 03/23/2016</b>	<b>\$12,130.52</b>

- Bill made a Request for Volunteers to Audit the Books before next year's meeting.
- Pat Harrigan gave an update on Cook's Cove, Deadman's Bay and Long Bay.
  - Snowy Mountain Construction was hired to improve the boat ramp & turn around areas at Cook's Cove.
  - The winter storms brought in more round rock and covered some of the new material as well as damaging the berm at Cook's Cove.
  - It was discussed that a longer term plan to help mitigate some of the impact from the winter storms was necessary.
  - We asked for volunteers with tractors to help with the removal of some of the round rock at Cook's Cove but there were no volunteers.
  - It was discussed that the Association would not spend any additional money at Cook's Cove until we could determine a plan that would have a more lasting impact.
  - Winter storms also caused damage to the trail access to the beach at Deadman's Bay.
  - Skagit County is doing drainage work to take the runoff water from upper Holiday Blvd and keep it off the trail at Long Bay.
  - Some work was done by board members to repair the washed out trail.
  - Bill Rainwater has repaired the stairs many times over the years.
  - We always need volunteers to assist with all of these projects.

- The Association will leverage “Volunteer Spot” on Line Time to find people willing to give of their time.
- Matt Enos announced that the new Quarterly Newsletter will be off-quarter, and the first one will be posted on-line in the early fall, since the Annual Water Quality Newsletter will be sent to everyone via regular mail or e-mail in June.
- Sharon Schlittenhard announced that she and Wendell Phillips 3-year terms had come to an end.
  - She asked for volunteers or nominations from the floor to fill these 2 vacancies.
  - She mentioned that all Board Members volunteer time on special projects according to their skills and abilities.
  - There being no volunteers or a nomination of others, a motion was made, seconded and passed to re-elect Sharon and Wendell to new 3-year terms that will expire in 2019.
- Sharon also asked for volunteers to do weed eating, mowing, and trimming at the “chicken foot” and around the wetlands.
- Business Manager and Back-up Certified Operator, Cas Hancock, gave the 2016 Water Company Report that included the 2015 Water Company Financial report; Water Use Efficiency; the long range financial plan; future replacements and expansion; and water share sales, (see presentation on pages following these minutes).
  - It was explained that we did not complete the Pressure Line Extension project until 2016 so the budgeted amount was not spent in 2015; and the Total Capital revenue was supplemented by the sale of two water shares, therefore the unexpected Net Revenue for the year.
  - Page 8 discusses the planned Tanks AT-1 and AT -2 Capital Improvements for 2016 and beyond. We requested a preliminary quote for the Tank projects and the result was far more than what we have been anticipating. Our original goal was to build everything with cash and not borrow again. That would delay construction until our Capital Improvement fund is twice as much as it is now. It would also leave us with no reserve funds if we had an expensive emergency repair. Discussion centered on possible grant money availability and borrowing part or all of the money to complete both tanks sooner than the cash method could make it happen.
  - Suggestions from the Membership included borrowing all of the construction money in order to maintain the reserves that we have now. The Board is considering that and all other possible scenarios before committing to construction.
- Question from the Membership:
  - “What contaminants do we test for and when?”
    - Answer: We test monthly for microbial contaminants (like total coliform bacteria, giardia, and cryptosporidium); annually for nitrates; and annually during the summer months for chlorides to ensure that we are not getting close to pulling in seawater. We test every three years for Inorganics; Volatile Organics; Synthetic Organics; Alpha and Beta particles; Radium 226 & 228; pesticides; herbicides, all from the wells; and Lead and Copper from five individual homes.
  - Question from the Membership: “How will sea level rise effect H2Water?”
    - Answer: We are not certain at this time but will explore the issue.
  - Question from the Membership: “Is it good to sell back your water share if you plan to sell your lot?”
    - Answer: You may do so, but if you have a water share, the sale value of your lot is up to three times as much than if you have no share.
- New Business from the Membership included asking again for volunteers to assist with the Cook’s

Cove improvements and cleanup of Deadman and Long Bays.

- Motion was made, seconded, and unanimously passed to adjourn at 3:58 p.m.

Matt Enos, Secretary

See following pages for Water Company Report details.