

**Holiday Hideaway Association Board Meeting  
Guemes Island Library  
Sunday, March 11, 2018**

**Call to Order 9:35**

Members Present: Matt Enos, Sharon Hughlitt, Sharon Schlittenhard, Dennis Barnes, and Bill Rainwater. Absent Pat Harrigan, Wendell Phillips, and Cas Hancock.

**Association Business**

Motion to approve February 11, 2018 Board Meeting Minutes as revised – Approved by all present.

**Treasurer's Report/Bank Balance**

Bank balance as of Jan 23, 2018	\$ 9,235.49
Deposits	\$ 2,475.66
Interest	\$ .81
Payments	\$ (347.03)
Bank balance as of Feb 22, 2018	\$ 11,364.47

**Old Business**

- Long-Term Financial and Maintenance Plans (Water & Association) – Dennis provided to the Board (1) a comparison of historical and future rate increases for the City of Anacortes and Skagit PUD showing rates increasing by over 8% annually for several years; (2) principal and interest payments of the state proposed loan and how the capital improvement surcharge cash balance and collections would be used to pay this (ending in 2026); (3) two alternative financial plans for the water company through 2026, one forecast assuming continuation of the capital surcharge and annual rate increases of +5% and the other forecast replacing the surcharge with additional increases; (4) two financial plans for the association, one assuming no rate increases and the other assuming an increase to \$12.00 in 2019 and to \$14.00 in 2022. The Board discussed the need for a comprehensive asset replacement plan for the water company to give members an idea of future rate increases. Matt will work with Cas to see if comprehensive information is available for the annual meeting. For the association financial plan the bookkeeping expense will remain in the plan and show a dues increase in 2019 to \$15.00.
- Annual Meeting Notice Update – Matt provided to the Board an updated meeting notice to be sent out March 15. The issue of five board members being up for election was discussed and the need to have differing length of terms. There will be open nominations for the five positions at the annual meeting.

**New Business**

- **Board Motion:** The Board approves the payment of \$1,410.00 for annual insurance premiums. (Motion Dennis Barnes, Seconded Sharon Schlittenhard) (Vote for: Unanimous).

**Water Company Business**

**Unfinished Business**

- Income Tax – Tabled until next meeting when Cas can provide report.

- Main Break Insurance – Tabled until next meeting when Cas can provide report. Matt provided a quick update on the new pipe break – The new pipe break is on a 4 inch line on Holiday between Hideaway and Woody. It is in the process of being fixed. It appears to have been caused by ground moving on the storm water pipe which was directly underneath the pipe.
- AT-1 Project – Matt presented a proposal from Coffman Engineering with a fixed fee bid of \$13,000 or a time and materials bid. The proposal includes all items we had requested to be added. After review of the document the Board noted that the proposal did not include a cap on expenses where Coffman would need to ask the Board for approval. The Board determined that they would like an amendment to the time and material proposal for a \$7,500 cap at which approval would be needed to go above.

**Board Motion:** The Board approves the Coffman Engineers time and materials contract with the cap amendment. (Motion Dennis Barnes, Seconded Sharon Schlittenhard) (Vote for: Unanimous)

- Trees on Water Company Land – Two trees by wells 1 & 2 are leaning badly and have been cut down.

### **New Business**

Bank Balances as of February 28, 2018

Checking:	\$ 3,544.71
Capital Improvement:	\$185,667.09
Operation & Maintenance:	\$102,947.15
Petty Cash:	\$ <u>336.43</u>
Total:	\$293,495.38

- Pump House Cleanup – With the addition of equipment for AT-1 the Board discussed the need to clean the surroundings and the exterior of Wells 1 & 2. Doug and Carol will be directed to perform this task.

### **Meeting Adjourned 10:32**

Next meeting date April 21, 2018 2:00.