

HIGHLANDS COUNCIL
BUILDING COMMUNITY AT ISSAQUAH HIGHLANDS

Board of Trustees
Meeting Minutes

Meeting Date: December 6, 2016

Meeting Time: 12 p.m. – 2 p.m.

Meeting Location: Blakely Hall

Board Members in Attendance

Larry Norton
Jody Turner
Phil Nored
Fred Nystrom
Patrick Byers
Ray Besharati
Ami Desai-Mehta

HC Staff Members in Attendance:

Christy Garrard
Michele McFarland
Nina Milligan
Vicki Grunewald
Frank Pineau (HFN)

Guests in Attendance:

Sarah Hoey – IHCA Executive Director

Consultants in Attendance:

Lisa Schaures, Legal Counsel

Meeting Minutes Taken By: Phil Nored

Call to Order:

Who: Larry Norton
Time: 12:08 p.m.

Approval of Minutes – 07/26/2016 Meeting:

Motion to approve – Fred Nystrom. 2nd – Ami Desai-Mehta. Motion carried.

Manager's Report:

1. **Staff.** Vyvian Luu left at end of September. Vicki Grunewald has been hired as the Graphic Design & Digital Marketing Coordinator for Highlands Council.
2. **Finances.** Review of 09/2016 quarterly financials (1st qtr fiscal year). Net income for the fiscal year is \$216,328.
3. **Facility.** Exterior of Blakely Hall was painted in September. City of Issaquah has approved a \$15,000 grant to help fund the improvement of the acoustics at Blakely Hall.
4. **Communications.** Discussion of upcoming months cover features for Connections newspaper. Review of advertising, ihwebsite, weekly E-letter, Facebook likes.
5. **Highland Youth Board.** This fall, HY Advisory Board hosted a Back to School Social and a Costume and Karaoke Halloween Party, as well as the 2nd Annual Parent's Night Out.
6. **Community Building** – Summary of meetings and events.
7. **Events and Activities.** Review of planned events and activities.

IHCA Update: Sarah Hoey provided a verbal update of IHCA activities.

HFN Update: Frank Pineau provided an update on financial status and operating activities of Highlands Fiber Network.

Old Business:

1. **HFN Update.** Lisa Schaures discussed the structure of ownership and relationship between Highlands Council, HFN, Inc. and Community Fiber Networks, LLC. Highlands Council will meet with HFN Board in January 2017.
2. **Governing Documents Amendments.** Lisa Schaures provided an update regarding her efforts in working with the Issaquah Highlands master developer to implement suggested changes to governing documents.
3. **Refinance of HFN Loan.** Discussion regarding potential refinance of HFN loan and review of financing terms. Highlands Council has rights to set rates, so is required, initially, as a guarantor on the loan documents. See Consent Calendar below.
4. **Record Retention and Accounting Policies & Procedures.** Draft policy and procedures were previously reviewed. See Consent Calendar below.

New Business:

1. **Amendment to the Development Agreement Proposal.** Discussion regarding the expiration of the Highlands development agreement. Review of status of new planned developments.
2. **HRnovations Acquired by Avitus Group.** Ongoing relationship is working. Will update at a future board meeting.
3. **D&O Insurance Update.** Review proposal to increase D&O and EPL coverage limits at a cost of \$349 per year. See Consent Calendar below.
4. **2017 Meeting Dates.** Review and preliminary approval of dates – 2/7, 5/16, 8/2, and 12/5.

Consent Calendar:

1. **Resolution: Motion to Approve the Refinance of HFN Loan with Highlands Council acting, initially, as Guarantor.** Motion to approve – Fred Nystrom. 2nd – Ami Desai-Mehta. Motion carried.
2. **Resolution – Approve Records Retention Policy. Approve Accounting Policies and Procedures.** Motion to approve – Fred Nystrom. 2nd – Patrick Byers. Motion carried.
3. **Resolution - Increase D&O and EPL Insurance Coverage Limits.** Motion to approve – Ami Desai-Mehta. 2nd – Patrick Byers. Motion carried.

Board meeting adjourned at: 2:04 p.m.

Respectfully Submitted: December 13, 2016
Philip Nored
Secretary – Highlands Council Board of Trustees