

HMC Management Board Meeting Minutes September 10, 2011

Call to Order: Mark Anderson called the meeting to order at 10:00 AM.

Roll Call: Mark Anderson, President; Gary Wanzong, Vice President/Asst. Treasurer; Dianne DeGood, Secretary; Judy Greinke, Treasurer; Pat Zazzo, Member at Large; Claudia Ellsworth, Island Manager.

Dianne announced she would be recording the meeting.

Previous Board Meeting Minutes: Mark Anderson moved to accept the August 13, 2011 meeting minutes. Motion carried.

A Member had questions about the minutes, noticing that we are posting what each member is saying. Mark explained that there are several ways to take minutes; one is to write everything down and another is to just summarize the meeting. We are trying to take our minutes somewhere in between. The Member stated that previously not every member that spoke was listed. Dianne explained that before she started, she had heard lots of comments about not having complete and accurate minutes. So because of this, she is attempting to write more accurate minutes. Mark Anderson asked if it would be more appropriate to state "a Member" rather than identify who made the comment? The Member agreed this would be better.

Correspondence: There were eight items of correspondence received during the month:

- Letter from Rush, Hannula, Harkins & Kyler regarding the Ferry Noise on the Mainland.
- Letter from Pierce County Public Notice regarding a Shoreline Permit.
- Letter from Davies Pearson regarding Title Opinion and Rights of Way
- Letter from the Department of Health regarding the Sanitary Survey Results
- Letter from Passenger Vessel Association regarding Membership and Services
- Email from Parametrix regarding an offer for services with the water system. They are in the area of managing projects like our water project.
- Email from a Member about missing items from his property
- Email from a member thanking the Island Manager and Board for helping with a recent neighborhood problem

Carolyn Anspach wanted to make sure that the Board received a letter from the Parks Department concerning the Rubber Mulch. Dianne verified that they had and Mark asked if we could discuss this when we got to the Parks report. He also explained that throughout the month the Board receives over 300 emails and we cannot list each one separately in correspondence, but can address the issue when it is appropriate during the meeting.

Finance:

- **Judy Greinke presented the bills to be paid. Mark moved to accept the bills as presented. Motion carried.**
- Washington Water's bill was higher because of the Sanitary Survey. They were concerned with the "cross connection control program". This deals with sprinklers, hot tubs and any facility that could create backflow into the system causing contamination. The State Department of Health has recommended this program be implemented soon..
- John Farris asked about refunds for encroachments listed in the bills to be paid. He noted that they haven't corrected the park at the North Beach. Carolyn Snyder explained that she adds those in as pending approval, so that when she gets a report that they are ready to be paid she can pay it right away. The owners haven't requested their refunds yet, but as soon as the road encroachment is completed, she will be able to pay without having to wait for approval at the next meeting. Dick Mowry explained the situation at the North Beach is a "give and take" situation and he will offer 5 hours of his time to help fix the park area.
- **Mark revised his motion to say that we accept the bills as presented knowing that the pending bills are subject to approval by the Island Manager. Motion carried.**
- Judy also explained that the Parks Department was concerned about having dangerous tree removal coming out of their budget. After taking a closer look at the budget, we do have a separate line item for tree removal under Administration. This month more expenses have come from the Parks Department because of the Mainland Parking lot and other expenses. The Finance Committee probably needs to take a closer look as to whether Parks is the appropriate budget for the Mainland Parking lot.
- Since we are in the last month of the fiscal year, committee members are looking very carefully at where they are in their budget. At this point Parks is not over, so there is enough there for them to complete their projects.

- Tracy Anspach commented that the Parks Department should have about \$2,400 left. He recommended that when the Finance Committee goes over the budget for next year, they need to be aware that there are “needed expenses” and there are “wish lists”. Sometimes everyone is in agreement to the amount budgeted and then something comes up that no one expected and it takes a big chunk out of the budget. An example is the Parks Department was not aware that the Mainland Parking lot was part of their budget and then got hit with the Survey expenses. Now that they know, they can budget for it.
- Another Member suggested that we have a new line item for both the Mainland and Island Parking Lots because they both need improvements.
- Judy Greinke explained that the Finance Committee gets a “Revenue and Expense Report” every month, showing how much has been spent out of each Department Budget. Carolyn Anspach suggested that the Chairpersons of each Department be notified of where they are on a regular basis. Judy thought the Finance Committee could take that under advisement and maybe provide this. Other than that, she stated that we are running very close to our budget and that they always add in a \$30,000 buffer. By the October meeting, we will know exactly where we are, because we will have the full year report. Another positive point was that the Ferry revenue was up this year.

Administration: See the Island Manager’s report for miscellaneous Administration issues not directly addressed here.

Volunteers: Thanks to Judy and Don Greinke and Mike Shettlesworth for their help with street signs.

State Aquatic Lands:

- The State Department of Natural Resources (DNR) visited on August 18. Two marine biologists looked for evidence of marine life at the Ferry Terminals and North Beach dock which we lease from the State. They found surprisingly little. The contract specialist met with the Island Manager to discuss the new draft contract which we should receive within a month. We will hear soon from them regarding the lease, and expect no change in the amount they bill us, a pleasant surprise from what we expected.
- Kathy Deuster asked about the correspondence concerning the Shoreline Permit. Was the permit for the Island or Individual? Dianne explained that it was for the Jensens who got a permit to repair their staircase down to the beach.

Derelicts and Nuisances: The popup trailer at 1012 East Herron has been removed. PC Responds has been very helpful with three properties in the past months. The problem properties are located at 1209 East Madrona (code violations); 117 East Madrona (vehicle), and 1012 East Herron (trailer). The owners of three other properties were asked to clean up their properties, and given thirty days to respond. Because they did not respond, we referred these properties to PC Responds. A significant number of mowers and other items have also been removed from 1301 and 1217 West Herron Blvd. PC Responds can be reached at (253) 798-INFO (4636), or through their website at www.co.pierce.wa.us .

Tree Removal: Jesse Saunders, of International Forestry Consultants, recently volunteered his services to conduct an assessment of two potentially dangerous trees on Fir Lane. His report was very professional and well documented. We want to thank him for his expertise and donation. The removal of these trees was funded by an account within the Administration Budget set aside for removal of dangerous trees on HMC property.

Water System Project:

- The Water Project Committee plans to meet later this month possibly on the 29th, to review the bid package with Jester Purtteman of Northwest Water Systems.
- We’ve spent considerable time gathering documentation to apply for interim financing from Columbia Bank to see if they can offer rates and terms that are better than those offered by Key Bank. Key Bank is very interested. Interim financing will become critical once a contractor has been selected.
- **Additional Requirements:** We have completed the “proof of title” requirement and sent these documents on to Northwest Water. Bruce Whittle, Area Specialist for USDA, will visit the Island September 27th with an American Disabilities Act compliance reviewer to determine if we are in compliance. Since this is a federally funded project, we have to be ADA compliant. One of these might be an ADA compliant parking space at the Community Building.
- **Island Survey:** Baseline Engineering was engaged to conduct a survey of Island roads for the Water project. This survey included four work items: first - three permanent survey control points have been established with permanent embedded monuments. These points are GPS accessible and are available as control points for other

surveys of properties on the Island and thus benefit all Members. Second - existing road edges will be located and mapped, then overlaid on the Island Plat Map. This map will then be available on the web site and may reveal where significant encroachments have occurred. Third - control points will be set to aid contractors with water system construction. Fourth - the HMC water parcels and North Beach will be surveyed and recorded to establish property boundaries. All of this work is within the USDA project budget.

- **Communications with Members:** Of our 395 assessable units, we have about 136 Member names on the HMC email list. We would like to get more Members on this list. If you are not on this list, we may not be able to timely notify you about service outages or other events during construction. Please contact Carolyn in the HMC Office, by email or in writing, to be added to this list.
- **Water Utility:** The IRS requires that the HMC Water Utility be established as a separate entity, with its own “Articles of Incorporation and Bylaws”. We will work with the Island Attorney to draft a simple set of Articles for approval by the Membership/Owners of the water system. “The Articles of Incorporation and Bylaws” must be approved by a vote of the Members since we are working on a tax exempt status from the IRS. These documents have to be filed by November 23rd.
- Judy Greinke explained that votes on Water Utility ballots will be cast by the number of water connections a Member has since the Water Utility will be billed by connection. One connection=one vote. She stated that last month we were looking at sending the Water Utility bill out at the same time as the Assessment bill in October. Since Members have to write two separate checks, we were afraid this may confuse Members and not work out as smoothly as we hoped. HMC Management and the Water Utility must be kept as separate entities. So the new plan is to have the Assessments billed in October and the Water billed in November for the following 6 months.
- Janet Podell wanted to clarify that the bill of \$1,575 for assessments would be billed in October and then the additional bill for water would be sent in November. The Island Manager explained that this will only be done the first year. When we actually start reading the meters, we will have to decide who will do the billing and how often the meters will be read.
- Carolyn Anspach asked if we could look at auto pay options, which will save members more time and make life simpler for Members. The Island Manager said that we are looking at auto pay options and what may save Members time and money paying the bill, could end up costing HMC more on the processing end. Mark stated that last month there was an article in the Beachcomber about online bill pay. This would remain an option for Members to set up themselves.
- **Water System Maintenance and Operation:** As the Island Manager reported, a sanitary survey was conducted last month by the Health Department. The report listed some strong positives: plenty of water, wells deep enough to avoid surface water contamination, plenty of storage capacity and good water quality monitoring. Areas requiring some improvement included reservoir cleaning (recommended every 5 years); valve exercising program (recommended every other year); implementation of a cross connection control program (*i.e.*, backflow prevention); simplification of the piping configuration in the pump house; and a simple update to the Coliform Monitoring Plan. We have asked Washington Water to give us recommendations on these items, so that they can be costed out and scheduled if needed. HMC also received acknowledgement of improvements from the previous sanitary survey: development of cross connection control plan; removal of toxic materials from the area of the wells; installation of check valves; routine operations & maintenance plan, and Coliform Monitoring Plan. The reservoir is 6 years old. As the new water system goes in you, as customers, may be required to sign a statement that you don’t have something that could cause backflow. Each Member will have to sign a certificate acknowledging their property is compliant. For the Coliform monitoring plan we will have to determine where to monitor the raw water if we should have a problem. Overall, we did pretty well. After we get a letter back from the Health Department, we will draft a letter to send out to the Members.

Fire Department Liaison: Nothing to report.

Land Use: No Committee Report.

Emergency Preparedness:

- We are looking for Members who would volunteer to chair this committee. Someone suggested that maybe if we ask two people to work together as Co-Chairmen, we might have better luck at finding someone.
- Steve Ohlsen has offered to give HMC a siren to be used in emergencies. We are currently without a committee to plan to install and oversee use of the siren. Mike Shettlesworth stated that this is the first viable piece of equipment that we have had an opportunity to get. While we are waiting for a committee we should still take it and store it until a determination is made. It is a 10 or 15 thousand dollar item that would be donated to us. Mark said that we don’t want to be a dumping ground for used equipment. If we take it we should make sure we use it

in the right manner. It could be a viable asset, but we need to develop a program for it. John Farris said that it won't be around forever, and if we don't take it now, we may lose the opportunity to get it. Kathy Deuster asked if it is something that stays out in the weather? It was verified that it installed outside. Tracy Anspach understood that it has to be hooked up to a 3 phase power system, which we have at the pump house. Some thought we could place it on top of water tank. Janet Podell asked if we needed a permit to have something like that. Beth Wanzong thought that it may be best to let the people on the mainland know about it, or they might panic if it went off.

Legal Liaison: Current delinquencies include Alonso, McNally, O'Neill and TGC Development. All have been referred to the island attorney for legal action; one owes less than \$100. The current delinquency rate is 1.0%.

Parks:

- The Committee would like to thank everyone for showing their support for our Parks by using them. It is rewarding to see so many people enjoying the parks, the docks, the beach, the playfield and using the playgrounds.
- At the August Board meeting a concern was voiced about the Parks having an \$80 reimbursement for food. The reimbursement was for two work parties. After the Boosters disbanded, the Parks Department budgeted \$40 for food for all work parties. Each work party has up to 40 volunteers who work on behalf of the Island Parks and Membership. They put in from 2 to 4 hours or 80 to 160 man hours doing this. The \$40 spent on food seems to be a bargain as we could be paying \$15 or more an hour to have this work done. Pat Zazzo, explained that we weren't attacking the Parks Department for spending the money, but felt that some volunteers could be recruited to provide food. Mark suggested that Parks keeps the \$40 line item for food when there isn't a volunteer.
- The final work party of the season will be Saturday, October 8 at 1:00 pm. The plan is to remove the small boat docks for winter storage plus do some additional projects that have come up over the summer. Due to the tide, we will be starting at 1:00 pm. Upon completion of the day's projects, food will be provided for volunteers. Dick Mowry asked about stacking the docks so that there might be room if the water project needs to bring equipment in by boat? The committee explained that there is a plan in place for that and that a Member has volunteered to Stencil the Docks after they come out of the water, so we plan to stack them in a way that this can be completed.
- After the work party there will be food provided by volunteers, however they are still looking for people to provide chips, and brownies or cookies. The Parks Dept will provide the drinks. Several members volunteered to help with the chips, brownies and cookies.
- We were told of some overuse of the docks. Members left boats on the docks without use over the 24 hour limit throughout the summer. Some were reported to depart the Island for several days by vehicle while leaving their boat tied to the dock. Additionally, boat trailers were parked at North Beach during the holiday weekend utilizing valuable parking. We will work to get the 24 hour maximum notice re-stenciled on the docks and get the no parking of boat trailers on holiday weekend banner renewed to help forestall these rules violations.
- The email address for the Parks Committee is: hmcparcs@herronisland.org.

North Beach Marina: We are awaiting action by the National Marine Fisheries Service and the Army Corps of Engineers, the last hurdles in the permitting process. But, we are on target for construction in January 2012.

Roads:

Ferry Road shows signs of tree root damage, plus a large pothole. Dick Mowry was asked to make the repairs while the weather is favorable. The tall trees will continue to damage the road, lifting the pavement. Dick said that there would be several choices to consider: 1) the trees can be removed; or 2) Ferry Road's curve could be moved a little to the north to avoid the trees. Since the trees provide shade to waiting passengers during the summer months, cutting them might be unpopular. The flip side is that the ferry crew's visibility of the ferry line and ability to manage traffic would be enhanced by removal of the trees. The consensus was that everyone liked the shade and didn't want the trees to be completely removed. John Farris suggested we wait until next spring to do a complete repair, because of the Water Project. It would probably be best to talk to Jester to find out what his plans are for the water lines along that road. However, if it is a safety issue, then make temporary repairs for now. Someone commented that there is also a big hole in the parking lot on the Island side. It is at the bottom of the hill next to Pugh's gate and where people park cars and golf carts. They suggested that this should be fixed soon to prevent someone from falling and getting hurt. Dick Mowry agreed to take a look at it.

Rules:

- The Rules Committee is in need of a Chairman and members. Revisions to the existing Rules are pending with the Board. There is a draft set of revisions that the Board will be reviewing. A Member asked about a vehicle that had

been parked on the Mainland side for several days. Mark Anderson explained that this did occur and the Member who left the vehicle called the Board and told us to call the Tow Company because a Board Member has to approve the towing of a vehicle from the Mainland and has to be present when the Tow Company arrives. You are allowed to park a vehicle no more than 72 hours on the Mainland side. And you are not allowed to dump personal property from your lot over on HMC property thinking it will go away. At the most, it is trespassing and whether it is permitted or not, it is just wrong to do this. Mark said that he had spoken with the Member and informed him about PC Responds which has been mentioned in the Beachcomber. This Member was not aware of the program and hadn't read it in the Beachcomber. But it comes down to a matter of respect for your neighbor and HMC. According to our rules this is a Class C violation.

- Someone commented that a trailer was parked over there twice as long and wondered whether we could improve on the time frame of getting things like this removed. Mark Anderson explained that as far as the response time involved, we want to do it as quickly as possible. But we call the Member first and try to resolve it with them. We would like to see the Members take responsibility for their own matters before we step in. After a certain time period it becomes a Health and Safety issue. But, we can all be happy that they are both gone and both were unique circumstances.
- Tracy Anspach asked who had authorization for removal of these vehicles? He suggested that the Ferry Crew should have the immediate ability to remove a vehicle. Mark has said that right now, only the Board has authorization and there has been discussion about expanding that authority, with approval of the Board. He also said the primary duties of the Ferry Crew are to operate the Ferry and be aware of the safety of everyone riding the Ferry. If it is an emergency of trying to get a vehicle off the Ferry, then let them take care of it. But if it is not an emergency, we don't want to add another responsibility for them.

Boosters:

- It was reported that the Boosters are going "great guns" and that they are having a meeting this evening after the Potluck. The event over Labor Day weekend was such a success, they weren't able to have a meeting because it was too much fun and people wouldn't have paid attention. The level of participation has been impressive and the Co-Officer scenario seems to be working well. They are going to continue to plan additional events for the fall and even next spring. Everyone is encourage to come tonight at 6:00 p.m.
- Mike Shettlesworth wanted to tell how proud he was of the group. People are getting better at cleaning up and putting the tables away after the events. He also thanked everyone for their efforts.

Beachcomber: All items are to be sent electronically to the Editor at beachcomber@herronisland.org no later than 5:00 p.m. on Wednesday, September 14, 2011, for the September/October issue. This will be the last printed copy mailed. If you do not have Internet service they will be available in the office, or you can pay an extra fee to have it mailed to you. By not mailing them to the Members, we will be saving \$4,100 a year. It was also suggested to put a notice on the white boards when it is available online each month.

Rumor Control/ Member Issues:

- John Farris said that last September he had asked about the Health Insurance status. At that time, Gary Wanzong made a motion to change the renewal date from October 1 to January 1, and that didn't seem to happen. So his question was; what type of procedure is taken by the Board to follow up on these motions and see that they are completed? Mark Anderson explained that after a motion is made, it is put on an Action List and either a Board Member or the Island Manager are assigned responsibility to see that it is completed. Sometimes things like Health Insurance Benefits get dovetailed into other Benefits being implemented.
- Another Member asked about a rumor that HMC was given the opportunity to acquire the Thor property and they turned it down. It was then advertised it on Craig's list. Was this rumor or was this true? Mark said that he understood that Natalie Thor asked HMC to take possession of the property. But it is not HMC's position to acquire property and lose an assessable unit. It is the individual property owner's responsibility to sell it. We aren't in the market to re-market property unless it is delinquent. When we were offered that opportunity, the property was not delinquent. The Member who was concerned about this said that she couldn't find any information in previous minutes about it, and wondered if the Board was making decisions without Membership knowledge. According to the Bylaws they are required to let the Membership know of any decisions they make. Janet Podell said that when this was emailed to the Board, it was not a tangible decision because HMC is not in the business of saving people from foreclosures or delinquencies. Since they didn't act on it, nothing was brought up at a Board meeting. If there had been a decision to acquire the property, then it would have had to be addressed at a Board meeting. It was not a decision that would affect the Membership, so it was dropped. The Member was

also concerned because this type of correspondence is not being disclosed at the meeting. Mark Anderson explained that the Board gets thousands of pages of emails a month. It is not in the best interest of the meeting to share all of this correspondence or we would have an all day meeting. The Board uses their discretion to tell Members what they think is important. Mark also stated that with the advent of email, we are getting more and more email correspondence.

- Sue Pottorff commented on how the Board had made a good decision in not acquiring this property, and something like that would not have to be shared with the Membership.
- Another Member asked if the Board would send a response to the Member who was concerned about the rubber mulch. Mark Anderson said that he thinks the rubber mulch is fine and we have not had any indication that it is harmful to plant or animal life. Tracy Anspach explained that the reason they got the material is because of the “bounce ratio” Children are less likely to hurt themselves when they fall and the wood bark is high maintenance. Mark said that he would make sure that we sent a response.
- Carolyn Snyder reported that Thursday night six tires were punctured. Mark said that there have been numerous reports of thefts. He suggested that as a community, we have to look out for each other. If we see something happening, make people aware of it, but don’t place yourself in danger. Let the person’s involved know that you saw them. He gave an example of seeing three teenage girls and two women opening the gate of the Ferry Ramp on the Mainland side and walking down the ramp. The three girls jumped off the Ferry ramp. He spoke to them to let them know they were trespassing.

A Member asked about the Action Item list, and why did the Board stop discussing it at the end of the meeting? Judy Greinke explained that we have always closed the Board meeting and then went into the Action list. We still do it, and any member is welcome to sit in while we go over it. We don’t want it to be part of the meeting, so Members can leave, without missing the meeting.

Sherri Anderson reported that over the Labor Day weekend her car was parked on the Mainland side and someone had messed with her gas cap. Someone asked about putting a camera out there. Gary Wanzong explained that there are several issues involved; such as where to place a camera, where to run the power and where the feed goes. He also stated that unless we spend a lot of money, it is not practical right now. Another Member suggested to place a camera right behind the Community Building where people have been disposing of their personal trash. It gets dumped and then the raccoons come by and leave a mess for someone to clean up. Janet Podell suggested we put something in the Beachcomber about people dumping personal trash.

Judy Greinke announced that the new Ferry Trip Ticket Plan will go into effect on October 1. Members should not request exceptions to the Ticket Policy from the crew, but be prepared to pay in cash or by check if they have no ticket. Those who have Senior/Disabled passes can pre-purchase their Trip Tickets starting September 15, 2011. They may use a credit-exchange for any un-punched squares on their current Senior/Disabled pass when purchasing their Trip Tickets. All other Members may purchase tickets at the new price on September 30th.

Unfinished business:

After last meeting we had a Special Membership Meeting to count ballots. **Mark moved that we approve the minutes of the Special Membership meeting, dated August 13, 2011. Motion carried.**

New Business: Janet Podell suggested that the approved minutes be posted online immediately following the meeting, because a lot of people go online to read them. Dianne said that she has been sending them to the Webmaster by 2:30 p.m. right after the meeting. The Webmaster is really good at getting them posted right away, but last month he wasn’t available when she sent them, so we had to wait until he could do it

The meeting was recessed for an Executive Session to discuss an Employment issue.

After the Executive Session there was no further business, so Mark Anderson moved that we adjourn the meeting. Motion carried.

Respectfully submitted,

Dianne DeGood, Recording Secretary