

**Island Manager Report
September 11, 2010**

Administration:

Island Security:

As directed by the Board, we hired the services of an off duty Pierce County Sheriff's Deputy to patrol the island one 12-hour shift during the long Labor Day weekend. By all accounts, the officer was well received and the weekend was calm. The cost to members of this service was \$720. Hopefully, this will send a message that officers will be present on other, historically more active, holiday weekends and discourage excessive partying and vandalism. The Board also informed one member and his renter that they may not have guests on the island until the Rules Complaint against them is resolved.

The Board also directed that HMC purchase a security camera for the mainland parking lot, to be mounted (hopefully) on the property of one of the mainland residents. We have also ordered signs warning of video surveillance, which may provide a deterrent. We've received informal reports of car prowls and break-ins in the mainland lot from the ferry crew.

The Pierce County Sheriff has been alerted as well that while the ferry is out of service, vandalism may increase. They have responded affirmatively to our request for additional parking lot surveillance.

Derelict Vehicles: Dick Mowry has been helping us to come up with a method to crush and remove these camper and boat trailers, when the ferry is back in service. Each of the owners has offered to pay for removal, but the costs of the first method were exorbitant. Our Code Enforcement Officer, Mark Luppino, has suggested the "trash 'em" method that should be lower cost. Stay tuned.

Water System Replacement/Upgrade:

Information gathered on behalf of the members will be in the Island Manager report, in the Beachcomber, or on www.herronisland.org, the community's official web site. If members have questions regarding the project or the work that we are doing, we urge them to contact the Board or Island Manager directly, rather than rely on unofficial sources.

Part I: The USDA Loan Application: USDA has informed us by letter that they are "out of money" for this budget period, but assured us by phone that we are indeed "in line" and that they will continue to review our application materials, as soon as they have the cultural/archaeological and wetlands reports. They have reviewed the Preliminary Engineering Report prepared by Northwest Water systems and have only a few comments, which we have not as yet received. The wetlands consultant paid two visits to the island this week to complete field work, and the cultural consultant report should be completed by the end of this month.

Below I have listed the estimated costs so far, to be funded from the Water Reserve. These are the steps authorized by the membership in the May 8, 2010 vote. The two items appearing this month for the first time are the \$1000 amendment to the NWS contract to assist with preparation of the Request for Information, and the full wetlands review contract.

| | |
|--|-----------|
| Northwest Water Systems: PER & ER (not to exceed contract) | \$ 14,500 |
|--|-----------|

| | |
|---|----------|
| C3 Habitat Company: preliminary wetlands review | 4,650 |
| Statistical Research, Inc.: background research | 8,500 |
| | |
| Total to Date | \$27,650 |

Part II: The “Retain or Transfer” Vote:

As noted above, Northwest Water is drafting a Request for Information intended to elicit from potential proposers some of the information that will inform members as to the advantages, disadvantages and potential consequences of 1) retaining ownership of the HMC Water System; or 2) transferring ownership of the system to an outside organization. An early 2011 date might be a good time for the ballot mail out to members, and allow enough time to communicate to members about the important decision.

Northwest Water Systems has reviewed the Water Systems Plan (WSP), and informally estimated a potential cost of \$2.4-2.6 million to build the system. The PER, which must be based on the WSP (prepared by Anchor Montgomery), projects a high figure of \$3.8 million, with two substantial contingency factors totaling \$1.4 million. The figures are based on different assumptions about the system, including design, materials, personnel, contingencies and logistics.

Using the high figure on a loan application assures that USDA commits enough funding. Once a bid is awarded, the loan can be reduced to the actual amount needed. There are no other valid estimates of a cost to build the system. The Pen Light proposal of 2007, prepared by an employee no longer with the company, cannot be considered credible in 2010, and Pen Light does not stand behind that proposal.

Water Maintenance and Operation: Members experiencing water problems should telephone WASHINGTON WATER SERVICE COMPANY at 253-851-4060. This is a 24 hour number.

Washington Water Foreman Shawn O’Dell came to the island on two occasions to make repairs in several spots. He was able to use the services of both Kramer’s Excavating and Scott Schultz. We have arranged with Washington Water that when they use outside resources, those resources (Kramer, Mowry and Schultz) will bill HMC, but Washington Water will audit the bill. This appears satisfactory to all.

We have forwarded all of our daily meter reading sheets, except for those that still need to be returned, to Washington Water. Within the scope of our contract with them, they will enter this data and generate reports at our request.

Emergency Preparedness: As to emergency medical or fire calls that might occur while the ferry is out of service, Fire District #16 is trying to 1) reach a standby agreement with Anderson Island fire department (this is not mutual aid, and if the Anderson Island boat is used, there may be expense to FD #16); and 2) reaching agreement with an FD #16 battalion chief to use his personal boat, moored at Joemma State Park.

Mike Davis and Mike Shettlesworth will coordinate with Captain Farris regarding carrying pagers during the ferry’s absence to respond to or send emergency alerts.

Fire Department Liaison: In addition to the above arrangements, Fire Chief Tom Lique and Deputy Chief Guy Allen are working hard to help us develop an emergency plan for ferry shipyard absences that we can use in the future. This plan may include the ability to temporarily add a dock on the mainland side, for use by the fire department. The real problem, however, is the lack of a boat big enough to transport a patient on a stretcher, with the boat driver and two fire fighters in full bunker gear.

Land Use: There have been no offers to purchase any HMC properties. The Committee is working on encroachment issues affecting HMC rights of way.

Legal Liaison: Currently, four delinquencies, three of which are with the attorney: Marcinko, Ruckstein and Tchochiev. The other is Meier. The Krebs property has been sold, and HMC reimbursed all of its outstanding assessments and attorney's fees, in the amount of \$4,454.46.

Parks: Committee Report

Roads: Committee Report

Rules: Committee report.

Transportation: Captain Farris and I interviewed two candidates for standby captain and deck hand; one of them is interested in both positions; the other in the captain position. Both of them have their 100 ton licenses, years of experience, and are local residents, all of which makes them excellent candidates. We hope to complete the full process in the next few days.

We will be setting a bimonthly meeting schedule for the Transportation Committee with the start of the new year.

I will be attending a one day conference in Seattle September 21st regarding emerging environmental concerns, regulations and technology in the passenger ferry business.

Marine Facility Survey:

We received a draft report from KPFF outlining options for repair or replacement of the North Beach Marina and ferry dolphins, and met with them on August 24th to discuss these. North Beach is of greatest concern, because of the deteriorating condition of the piles. We discussed the number of piles to be replaced, which we were able to lower from 29 to 22, eliminating the swim dock piles and double piles. Creosoted pilings are no longer allowed, of course, and so we looked at two possible materials: composite or steel. Steel piles represented the lowest cost alternative, and have an estimate life of 25-50 years.

KPFF also developed options for spot or full repainting of the ramps, per the survey conducted by Sargent Engineers during 2009. We have asked them to give us their best estimate for this work as well. Consolidating as many time-consuming permit applications as possible will save us time, money and headaches.

The next step will be to receive the final report from KPFF and determine how to proceed. The Request for Proposal issued last year discussed Phase 2 “Prepare a Design Report” as an option. Following identification of our top priorities for work, the design report would represent 30 percent level design of preferred alternative and include cost estimates, permit matrix and schedule. The third phase would include preparation of final plans, specifications and estimates, permit applications and any special studies. Following Board review of the alternatives next month, we may ask KPFF for an estimate for Phases 2 and 3 addressing the work in priority order.

Permitting for North Beach is expected to consume 5 to 10 months; ferry ramp painting - 3 to 6 months; and ferry dolphin replacement 5 to 20 months, although dolphins are not a high priority at this time. The previous report estimated dolphin life at 10-15 years.

HMC’s current reserves for docks and dolphins is at \$212,000, which should be more than sufficient for the most needed work at North Beach and ramp painting, and should provide a good foundation for the substantial reserves needed to replace the dolphins in the next decade.

Pierce County Wharf Easement: Kraig Shaner of Pierce County Public Works reports that the County has been unable to make the swap work, and will instead be forwarding a revised easement contract to us.

Technology: No report. Ticket and passenger log reconciliation continues to be a headache for all concerned.

Other:

I will be on the mainland while the ferry is out of service, but will check my webmail daily and will be in touch with Carolyn at the office. In addition, you will find me at the shipyard during Coast Guard inspection and the marine survey, as well as conferencing in Seattle. Looking forward to being back on the island at the end of the month!