

HMC Management Board Meeting Minutes (January 8, 2011)

Call to Order: Fred Fath called the meeting to order at 10:00 AM.

Roll Call: Fred Fath, President/Treasurer, Janet Podell, Secretary; Mark Anderson, Vice President, Judy Greinke, Member at Large, Claudia Ellsworth, Island Manager. Excused absence: Gary Wanzong.

Previous Board Meeting Minutes:

- **Mark Anderson made a motion to accept the December '10 meeting minutes. Motion carried.**

Correspondence:

- There were three items of correspondence received during the month. These were addressed if the subject matter came up during the course of the meeting.

Finance

- Fred Fath indicated that accounting reports indicate that we are operating in line with the budget plan. **Fred made a motion that we make our semi-annual deposit into Reserves in the amount of \$29,500. Motion carried.**
- **Fred then made a motion to pay the bills. Motion carried.**
- A Finance Committee meeting will be called for later this month.

Administration:

See the Island Manager's report for miscellaneous Administration issues not directly mentioned here.

- The Island Manager introduced Chris Rushmeier as the new back up office manager.
- Mainland mooring lines - . Each of the three members who has a mooring line installed on the mainland has now been identified. A formal Notice to Correct from Pierce County has been received advising us that we are in violation of a county rule that allows only one mooring line (or anchor buoy) per parcel. Additionally, county records do not reflect that a proper permit was ever obtained and they have given us until February 8, 2011 to correct the situation or face fines. The estimated cost for a permit would run a minimum of \$4000. Discussion followed among those present and it was decided that the Board will request the owners to remove their lines and then will notify the county accordingly.
- North Beach Marina – Allen Moren suggested that we should postpone repairs to the pilings. Fred advised the members that our insurance company has informed us that if we are aware of a failing piling and knowingly continue to use the Marina, we will not be covered by insurance. Discussion followed from some members in the audience who were concerned that they had not received enough information in advance of being asked to vote on the matter. The members were again reminded that the project has been underway since 2009 with regular status reports provided to members by way of the Island Manager's reports, the Board Meeting minutes, the Beachcomber and the HMC website.

Legal:

See the Island Manager's report for miscellaneous Legal issues not directly mentioned here.

- There are currently eleven member delinquencies; three of which are in the hands of the island collections attorney.

Land Use:

See the Island Manager's report for miscellaneous Land Use issues not directly mentioned here.

Transportation:

See the Island Manager's report for miscellaneous Transportation issues not directly mentioned here.

- Eric Helpenstell has been hired as the new standby captain.
- Terry Kraft will resume standby captain training later this month. He has already qualified as standby deck hand.

- The results of the recent marine survey for the ferry have been forwarded to our insurance carrier. We are hoping for a reduction in our insurance premium based on the depreciated value of the boat. The boat is in excellent condition, given its 22 year age.
- Fred Fath discussed the proposed change to the ferry schedule that was suggested by a member at the December Board meeting. It was noted that virtually all membership feedback opposed deleting the mid-day run on the weekends. Fred performed a cost analysis if we were to just add an additional morning weekend ferry run without changing anything else in the schedule, and determined that the labor costs would be \$5951/yr. Added to that would be fuel costs of approximately \$1417/yr. Total maximum cost to HMC would be \$7368/yr for adding the runs. The current budget does not contain these funds. Pat Zazzo and Frank VanRavenswaay spoke up about the importance of watching our costs. The issue is tabled until more information is available and members are given the opportunity to vote on the issue as part of a general budget vote.
- Linda Moren asked about the status of the IBU contract. It was reported that the contract has not yet been signed so we are still not able to discuss the issue. She also asked if any study has been performed about associated costs to HMC for allowing crew members to ride for free on other than a standby basis. Fred reported that for previous (non-union) crew negotiations detailed analyses were performed using available information from the state ferry system.
- Frank VanRavenswaay asked if any study is being performed about guests who won't bring their car onto the island to save the cost of the ferry fees. Fred indicated that no such study is being performed. But the issue was given serious consideration when the recent ferry increase decisions were determined.
- Doyle Parnell asked about the senior ferry passes being restricted to seniors at least 65 years of age. He would like to see it offered at a lower age.

Rules & Regulations:

- No Report

Emergency Preparedness:

See the Island Manager's report for miscellaneous Emergency Preparedness issues not directly mentioned here.

- Mike Davis reported there will be an emergency preparedness meeting on Tues. Jan. 11th at 9:30 am.
- Centurylink service issues - Mike stated that he has identified a manager at Centurylink who we should be forwarding complaints to. He suggested that members send him an email about any problems they are having with their Centurylink service and he would forward these to Centurylink.
- The Island Manager will be meeting with FD16 to discuss emergency response plans when ferry is out of service.

Water:

See the Island Manager's report for miscellaneous Water issues not directly mentioned here.

- Judy Greinke reported out on the last WPC meeting that included a Northwest Water Systems engineer. A thorough review of the recent RFI responses was conducted and reported out. The January Beachcomber will have information published with details. Judy went on to describe the proposed timeline that has been developed to hopefully bring us to a membership vote by March.
- Judy gave each board member a copy of a proposed letter to be sent to all contiguous lot owners giving them the option of requesting an additional water connection for any of their additional lots. The WPC will meet again in early February to finalize the ballot.

Discussion followed on the plan to set up a Water Utility (a secondary corporation wholly owned by HMC). **Mark Anderson made a motion to send the contiguous lots letter with some suggested modifications and request member response by March 12, 2011. Motion carried.**

It was further suggested that we publish the Engineer's summary of the RFI responses following clarification of a few issues. **Mark Anderson made a motion to publish this. Motion carried.** **Judy Greinke made a motion that we schedule a General Membership meeting on Feb 26th to address membership questions. Motion carried.** General discussion followed based on questions from the members concerning construction timeline, member costs, and options for repaying the loan. It was also explained that if ownership is retained, HMC will carry the obligation for the loan. If ownership is transferred each member will have a personal obligation for the loan to the new owners of the water system. At the present time we are marching towards a special membership meeting to count ballots on March 19st.

Parks:

- No report

Roads:

See the Island Manager's report for miscellaneous Road issues not directly mentioned here.

- It was reported that Dick Mowry is maintaining our roads well.

Technology:

- The Technology Committee chairman will be calling a meeting of the committee to further explore the electronic ferry ticketing option. Fred discussed some of the options he has been looking into to support the specification he developed.

Rumor Control/Member Issues:

- None

Old Business:

- To save electricity costs it was asked whether we should continue to light the outside of the Community Center. Jack Wells reported that the current outdoor lighting is actually a motion detector that automatically reduces the light output when it senses no movement.

New Business:

- A member reported that fireworks were released on New Year's Eve and she wanted to know if the ban on fireworks except at North Beach is restricted to July 4th. It was reported that the ban applies year round.

Beachcomber:

- The next Beachcomber will be the January/February issue. Inputs are required electronically no later than 5:00 PM on Wed. Jan. 12, 2011. The Beachcomber Editor is beachcomber@herronisland.org.

Adjournment: Mark Anderson made a motion to adjourn the meeting. Motion carried.

Respectfully submitted,

Janet Podell
Secretary