

HMC Management Board Meeting Minutes (December 8, 2007)

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

Roll Call: Fred Fath, President/Treasurer; Kathryn Deuster, Vice President, Janet Podell, Secretary; Mike Shettlesworth, Member at Large, John Dolan, Member at Large and Doug Allen, Island Manager.

Previous Board Meeting Minutes: Fred Fath made a motion to accept the November '07 meeting minutes. Motion carried.

Correspondence: Six pieces of correspondence were received during the month.

Finance:

- The Finance Committee met last month to discuss reconfiguration of the reserve accounts to accommodate budgeting for recurring and non-recurring events over a multi-year period. Also discussed was the process of funding emergent requirements out of the HMC surplus account instead of the appropriate reserve account. For better accounting purposes the Treasurer proposed always drawing funds from the appropriate Reserve accounts. Surplus funds will remain in the General fund until the end of the accounting year and then we will reimburse Reserve accounts to the level they were drawn down. At the end of the accounting year any remaining funds in the Surplus accounts will be used to reduce annual assessments. The Treasurer also discussed resetting the levels of the existing Reserve accounts to better handle future requirements. Lastly, Reserve balances will be reconciled at the end of the accounting year and payments into Reserves will be done in January of each year.
- Fred Fath made a motion to pay this month's bills as submitted. Motion carried.
- Doug Allen stated that Washington State may be following California's lead in requiring the replacement of diesel engines that do not meet environmental emission standards. At some point our Ferry Reserves will need to be funded to accommodate the possibility of this occurring.

See Island Manager's written report for additional details of the following areas.

Administration:

- At the request of the Island Manager, the Board went into Executive session to discuss issues relevant to HMC.
- Concerning the Tim Jones license issue, Mr. Jones has not responded to the letter we sent. Next step is to send another letter giving notice that he must remove his personal property from HMC's parcel by Dec. 31, 2007. Following that, any personal property still remaining on HMC's property will be removed and placed on his parcel. A fence will be built to separate

the parcels. Mike Shettlesworth made a motion to proceed with this plan. Motion carried. A member in the audience indicated that since Mr. Jones is aggressively marketing the sale of his parcel it is in our best interest to move swiftly on this issue.

- There was membership discussion concerning annual employee gift cards. Fred Fath made a motion to increase the gift value to \$50 this year in the form of a Fred Meyer card. Motion carried.

Legal: All legal issues for this month can be found in the Island Managers report.

Miscellaneous Information:

- At HMC's request, Pierce County has started an Engineering study of the speed limit on Herron Road along with a request for placement of a Stop sign at the mainland ferry intersection.
- Vandalism at North beach. One of the concrete benches near the fire pit was destroyed. Janet Podell mentioned that it could be off-island people since some off-island individuals were spotted using the fire pit a few months ago. Membership discussed the options for securing island property. A meeting will be scheduled in the early Spring to discuss general island security.
- There was some storm damage to North Beach that will require repair to the small boat dock walkway and spillway. Discussion followed about how to best make the repairs. Doug Allen also mentioned that the costs of these repairs should be taken out of the Roads budget.
- New window blinds were installed in the Community Building.

Land Use:

- No Report

Transportation:

- The Island Website has a notice about the Dec. 12th ferry outage for repair of one of the engines. (There is no cost to the island since the engine is still under warranty.)
- The Fire Dept. will be notified that the ferry will be out of service that day.
- On a motion from Mike Shettlesworth the Board voted to adopt an update to the Ferry Access Policy. The updated Policy will go into effect January 1, 2008. The main change is to require that a renter must be domiciled on Herron Island in order to be accorded member rates on the ferry.

Rules & Regulations:

- There was one complaint submitted this month concerning a permanently mounted satellite receiver dish owned by one member installed on another member's parcel. The owner of that property wants the satellite receiver removed. The Rules chairperson has a professional conflict with one of the parties and does not feel comfortable addressing the issue. The board authorized the Island Manager to send a letter to the respondent.

Emergency Preparedness:

- It was reported that the emergency heaters work very well.
- Emergency radios and the defibrillator are still held up waiting for government approval.
- The Committee will be meeting next Tuesday.

Water:

- Montgomery Water was asked to provide an updated cost estimate for a new HMC water system. In addition they advised that the State would consider a request for additional water connections if it can be substantiated that there are sufficient facilities and demand to accommodate added connections. A member asked if we should be competitively bidding out the cost estimate. Allen Moren described our history with Montgomery and the value of having them update the estimate they provided a few years ago. Extensive discussion followed on how many estimates we are seeking for comparison analysis on the options to present to the membership so informed decisions can be made. Fred Fath suggested that a status update be provided for the membership in January to clarify what we are doing, clear up any misconceptions, and identify next steps. At the same time a presentation will be made by the Water Committee on actions to date, open issues, preliminary estimates received, if any.
- A Road Survey proposal by Aspen Surveying came back at \$12500-\$15000. Though this is a separate issue it will have to be completed before installation of a new water system. Funding this expenditure would come from the Road Reserves and would be capped at \$9K (current reserve balance) for a time & materials contract to perform the survey. Fred Fath made a motion to proceed with this approach. Motion carried.
- With regard to the multiple lot issue concerning future water hookups, definitions still need to be established concerning number of stubs/hook ups to be installed during the initial installation of new water system. Various scenarios were discussed concerning how new hookups will be billed if a water hookup was requested that was not part of the original installation.

Parks:

- Next Parks meeting will be in January right before the Board meeting.
- A letter was received from a member concerning beach erosion. This will be referred to the Parks committee.

Roads:

- Salt water feeding to our water truck has been a problem that could be solved if we go to 4" pipe. More discussion will come later.
- Gravel delivery – We're still waiting for our barge delivery. Port Orchard Sand & Gravel has some gravel available in the event we are further delayed.
- Fir Lane update – Nothing will be done to improve the quality of the road until the construction trucks have completed their work.

Old Business: None

New Business: None

Boosters: No pot luck tonight.

Beachcomber:

- The next Beachcomber will be the January/February issue. Inputs are required electronically no later than 5:00 PM on Wed. Jan. 16, 2008. The Beachcomber Editor is beachcomber@herronisland.org.

Adjournment: Janet Podell made a motion to adjourn the meeting; motion carried.

Respectfully submitted,

Janet Podell
Secretary