

HMC Management Board Meeting Minutes

May 9, 2015

Call to Order: Gary Wanzong called the meeting to order at 10:00 AM.

Roll Call: Gary Wanzong, President Co-Treasurer; Janet Podell, Vice-President; Pat Zazzo, Co-Secretary; Dianne DeGood, Co-Secretary; Mike Graham Co-Treasurer; Claudia Ellsworth, Island Manager (IM).

Gary announced that Board members would be recording the meeting for the purpose of completing the minutes. A Member is recording the meeting as well.

Previous HMC Management Board Meeting Minutes: Gary moved to approve the April 2015 HMC Management Board Meeting minutes. Motion carried.

Correspondence:

- A Notice of Audit was received from the Employment Security Department.
- A Board Candidate Application was received from Gary Wanzong.
- A Member inquired about the assessment level of 2015/2016 Budget.
- A Member emailed with a question regarding employee conduct.
- A Member asked about the Water Billing presentation which they were unable to attend.
- A Member suggested raising the ferry fees.

Finance: Gary moved to pay the bills for the HMC Management General Fund and HMC Water Department as presented. An invoice needs further clarification and will be paid when clarified. With no further discussion motion carried.

Gary cautioned Members to be careful with photo deposits. An HMC check was deposited twice (once by photo and then mistakenly deposited at the bank by another person on the account). The duplicate deposit was not caught by the bank and is now causing a lot of office time to resolve.

The final 2014/2015 Audit is in. Gary reported that \$12,000 was carried over from previous budget. These funds were immediately transferred to reserve accounts. HMC tax return shows a loss of \$1,504. The Audit is posted on the HMC website.

The Special Members' Meeting Minutes of the April 11, 2015 meeting to inform the Membership that a USDA loan application was being filed, were approved by a Special Board Meeting on April 25, 2015 in order to expedite the process.

State agencies are looking for dollars so they are doing lots of audits. HMC is now being audited by the Employment Security Department.

Final budget proposal is in. Adjustments have been made for the reduction in insurance expenses and lower than expected engineering expenses. There is an increase of the assessment of \$350 in the 2015/2016 Budget. The budget will be posted on the website for the review of Members.

Administration: See the Island Manager's report for the full report of Administration issues.

Water Operations: Charles Smith reporting: There are 15 Members on the Leak List. If your meter registers 1 gal per minute per 24 hours consecutively or there is another significant increase in usage that is out of the ordinary. Members will be notified. Every effort to identify leaks on Members' property will be made before the tiered billing begins in October.

Be aware that if your drip irrigation runs continuously overnight, you could be flagged as having a leak.

Water use will be watched closely as usage rises due to increased summer demand.

Water Committee: No report.

Fire Department Liaison: First aid training is no longer given by Fire District 16. Claudia is exploring other options.

Emergency Preparedness: The Committee will host an event unveiling the Emergency Assembly Points next Saturday, May 16, 9:30 to 11:00 am. Emergency Assembly Point signs have been installed at these points. Fire District 16 has included these areas on their maps so that they will know where people will be gathered in the event of a wildfire or other emergency. Please know where all of these points are. The route to the point closest to you will be cut off if there is fire between you and that point. The Emergency Assembly Points are the N. Beach, S. Herron Blvd at E. Madrona, Goodpaster Park, and W. Herron Blvd north of Maple. Please come check them out, greet an Emergency Preparedness Committee Member, pick up some helpful information, and grab a cookie.

Mike Shettlesworth has been working with the Sheriff's office regarding mainland parking lot security. A deputy suggested that HMC install motion lights and provide security personnel during the dark hours. There was a good deal of discussion on this topic. Gary asked Claudia to get estimates for solar-powered 12-volt LED security lighting and temporary poles. Fencing will also be investigated.

- A Member has access to get permanent poles for lights installed as long as permits are secured.
- A Member suggested a volunteer effort for parking lot security.

Parks: Members are needed for this committee. Please contact Tracy Anspach 253-380-8261.

Roads: Jack Wells reporting: The gravel project is ongoing. Most of the roads have been graveled. There are a couple of areas to touch up. The grader will be out next week to smooth out areas that were not easily accessible with the truck. Steve Kramer reports that this is a huge job. Steve has put 200 miles on his dump truck so far on this project.

- A Member questioned the use of small gravel in areas where little gravel had previously been laid.
- Steve Kramer asked that everyone be patient and reserve judgement until the job is finished. Steve is confident that there is enough material to do the whole job.

Claudia stated that if Members still have questions after the entire pile of gravel is removed from the North Beach then there may be issues to work out. There will be extra gravel stored at the pump station.

Jack Well has requested a dewatering pump for the water truck. No one expressed any objection to this procurement.

Members were cautioned not to walk in front of the equipment that will be working next week. The grader, for example, is unable to stop quickly.

Rules: No outstanding complaints.

Ferry and Ramp Painting: Claudia reporting: Members may have noticed changes in the crew. Donnie has suffered an injury and has been out on sick leave. HMC wishes him a speedy recovery and return to work.

There are 28 low-tide ferry run cancellations May, June, July and August. The Board has approved 19 additional runs to off-set cancellations where possible. Please be aware of low tides affecting the Fourth of July weekend ferry schedule.

There was discussion of extending the Summer Ferry Schedule through the months of October and March.

Gary made a Motion to test an extension of the Summer Schedule through October. Motion carried.

Wednesday is the pre-proposal meeting for the ramp painting contractors. Though there has been much interest in this project, no contractors have signed up to come to the meeting to actually see the ramps before they put in their proposal. The bids will be opened May 22 at the engineer's office in Olympia. Claudia will be present for that event.

Claudia explained the need for contract oversight for the ramp painting project by the engineer. The engineer's bid for this is \$24,000. Gary explained that this oversight makes certain that the project is done correctly and protects HMC from legal, L&I, EPA and other regulatory agency problems.

Gary made a Motion to amend the contract to include the task of project oversight of construction to the engineer's contract for ramp painting. Motion carried.

Dolphin Replacement Project: Claudia reporting: Original expected cost of engineering for the Dolphin Replacement Project was in excess of \$150,000. Final price came in at \$64,094. This was a five month process for the Committee. Bidders were interviewed twice. The Committee had unanimous agreement in its recommendation. The work of the Committee has driven down the costs of this project significantly. When the initial options were examined the costs ranged from approximately 3.2 to 4 million dollars. With options explored further and the optimal design approach narrowed, the anticipated costs will be close to 1.5 million dollars. Capt. John found an alternate plan for bumpers for the new dolphins which is cheaper and requires less maintenance.

- A Member asked when the engineering reports would be completed. Claudia explained that they would be ready at the end of calendar year 2015. Member also questioned structure of a possible loan. Gary spoke in general terms about the various options that HMC has as to length and amount of a USDA loan.
- A Member asked what would be pledged as security for a loan. Claudia reported that our Marine structures and the ferry itself could be used. USDA has indicated that this collateral would be accepted.
- A Member questioned how much was in reserves for both the ramp painting and the dolphin projects. The total for the ramp painting is \$70,000. Dolphin reserves is \$207,000. Additional funds are going into those reserves from the second half 2014/2015 assessment and in the 2015/2016 budget.

Legal: Claudia reported that a sizeable delinquency has been paid.

- Several Members had questions about how delinquencies get resolved. A lengthy discussion ensued. Claudia explained the different approaches used depending on whether the property is in foreclosure, is bank owned, or is in the hands of the County. HMC attaches liens but due to financial and legal reasons avoids foreclosing on a property. Rarely, a debt will no longer be pursued if the expense isn't justified.
- A Member questioned the status of the old store property. Charles reported that the owner called about a possible water leak. The water turned out to be runoff from heavy rain. Another Member reported that the property is now zoned as commercial.
- Applications for Board Candidates were solicited. Two applications have been received. There are three positions open.

B.O.O.S.T.E.R.S: Booster's Potluck and meeting tonight at 6 pm. Planning for Memorial Day is on the agenda. Everyone is welcome.

Beachcomber: Must submit articles by Wednesday, 5 pm, May12, for the May issue.

Old Business/New Business/Rumor Control:

- A Member thanked the Board for their hard work in reducing the costs of the Dolphin project.
- A Member reported that the old store is posted on Zillow.
- A Member asked about a derelict property.

Executive Session: No executive session.

Since there was no further business, Gary moved that we adjourn the meeting. Motion carried.

Respectfully submitted,

Pat Zazzo, Recording Secretary

Special Board Meeting April 25, 2015 at 10 am.

In attendance: Gary Wanzong, Janet Podell, Mike Graham, Pat Zazzo, Claudia Ellsworth

In attendance by conference call: Dianne DeGood

Meeting purpose was to discuss and clarify the following subject matter. No action taken on these issues.

- Dolphin replacement
- 2015/2016 Budget
- Unsolicited Ferry Operations proposal
- Roads current project
- Ramp Inspection Schedule
- Ferry dry-dock schedule
- Reservoir cleaning and old reservoir
- Emergency Assembly Point signs installation
- Sale of old lawn mower
- Ramp Painting contract
- Ferry crew availability
- Distribution of dirt pile
- Parking lot security

- County abatement of derelict property
- Ferry high-tide cancellation
- Audit completion

In order to expedite the USDA loan application process, **Gary Wanzong made a motion to approve the Special Member's Meeting Minutes from the April 11, Special Members' Meeting to announce the intent to pursue the application for a USDA loan. Motion carried.**

Special Board Meeting May 10, 2015 at 2 pm

Meeting purpose was to discuss personnel matters. No action taken.