

## HMC Management Board Meeting Minutes (November 8, 2008)

**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; Judy Grienke, Assistant Treasurer, Eric Bergson, Member at Large, Doug Allen, Island Manager

**Previous Board Meeting Minutes:** **Judy Grienke made a motion to accept the October '08 meeting minutes. Motion carried.**

**Correspondence:** Two pieces of correspondence were received during the month. Both subjects were discussed as the topics arose during the meeting.

### **Finance:**

- This month's bills – It was noted that there is a large payment to Vanguard to fund the previously approved Reserve accounts. This is a lump sum payment representing one half of the total deposits into the Reserves. Following the second half assessment, we will fund the remainder of the Reserves. If we realize additional delinquencies during this time we may have to consider decreasing the contribution into the Reserve accounts to enable us to balance the budget.
- Fred Fath and Carolyn Snyder are going to work with the island accountant to reconcile an issue with logging transfers of funds between the reserve account and the general account.
- **Fred Fath made a motion to pay the bills. Motion carried.**

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

### **Administration:**

- Evergreen Water sent a notice to the office about the Identity Theft Prevention Program that public utilities are required to implement. Doug Allen stated that since our water system bills the Association owners as part of the annual assessment, these requirements do not apply to HMC.
- Road survey – A meeting still needs to be scheduled with Aspen. Participants will be Al Moren, Judy Greinke, Kathy Deuster, Eric Bergson, and Doug Allen.
- Fire District 16 Community Center issue – The original contract in place with FD 16 stated that HMC would be liable for all electricity bills. However, over the years FD16 has paid these costs of their own volition along with the building's insurance premiums. The Fire District is now looking for ways to reduce their monthly expenditures. In order to make a good faith gesture it was suggested that we offer to begin paying the electricity bills in exchange for their agreement to continue covering the insurance premiums for the building. (Monthly electrical costs for the Community Center building are usually under \$100/mo.) And since HMC owns the building and allows FD 16 to store two vehicles on the property, we propose to begin charging them rent (\$50/mo.) This strategy will still allow them to realize some annual savings. The Island Manager will notify FD 16 that we would like to meet with them. **Fred Fath made a motion that we go forward with this plan. Motion carried.**
- Ferry fueling costs – Standby issue. Extensive communication on this issue occurred between the IM and members of the Board over the past month to assess where we are in achieving a plan that would meet the requirements of the DOE for over-the water fueling spill protection. The least expensive cost to HMC would be to rewrite the Equivalent Compliance Plan.

One solution would be for us to contain the spill within the first hour (which avoids the pre-positioning of a boat and the respective costs associated with that expense). HMC owns absorbent material which is insufficient for DOE regulations. The DOE also requires that we have spill blocker if we decide to perform on-the-deck containment during fueling. (Plus access to an additional 500 feet of absorbent boom if a spill could not be contained on deck for 1 hour.) Judy Grienke will solicit information from Lummi Island in Whatcom County to see how they are managing the issue. Other considerations would be to install our own diesel storage tank on the island, but the capital costs for this solution would be high and we would still have all of the government and regulatory requirements to meet.

- The old Boosters storage container outside the Community Center was discussed. It has significant leaks and is rotting. Dick Mowry has offered to take it off our hands. **Kathy Deuster made a motion that we gift the container to Dick Mowry. Motion carried.**
- There are unfinished projects that need to be managed to completion. The storage shed at North Beach needs to have the roof finished. The lawn mower shed either needs a new roof and floor or replacement. A cover over the island side generator needs to be fabricated. New road signs still require assembly and installation. It was discussed that we may have to pay to have these projects completed since volunteers are not coming forward. We have purchased expensive equipment that has been left out in the weather. This is irresponsible and not in the community's best interest. Another consideration is a Rubbermaid shed to contain the lawn mower and yard department equipment.
- The old metal filing cabinets at the Community Center are available for purchase and members can bid on them up until 12/31/08. Janet Podell will prepare a notice for the website.
- Discussion followed concerning late payment fees – It was noted again that all fees are tied to the member-approved budget. HMC grants a grace period if the envelop is postmarked by the due date. It was again mentioned that the Board and Finance committee will consider developing a tiered fee schedule based on the value of the delinquency. But this cannot occur until next year's budget planning.
- Annual gift cards for HMC employees - Last year we approved \$50 Fred Meyer gift cards for each employee (including the part time ferry crew). **Kathy Deuster made a motion that we repeat this plan. Motion carried.**

#### **Legal:**

- The O'Neill account is again delinquent. The Board decided to initiate the established process in handling delinquencies and commence legal proceedings.
- Doug Allen mentioned that HMC is down to only three delinquencies thanks to the efforts of our island attorney. This is demonstrated evidence that our legal fees are worth paying. This is the lowest delinquency rate HMC has ever realized.
- The property formerly owned by Terry Rucks was discussed. There has been an inquiry to the office by Mr. Rucks who was referred to our attorney.
- Josh Baldwin property – The island attorney sent the office a notice that the member has not responded to their requests concerning his delinquency. The lawyer is recommending that we begin legal proceedings. The Board agreed.
- The new owner of the Overland property still owes HMC for six years of back assessments. He appears to be agreeable to meeting this obligation. HMC is considering a payment plan along with other complex issues associated with these transactions.

**Land Use:**

- No report.
- It was noted that Asplundh's trucks are still on the island working on the road trees. They will be here for a few more months.
- One of the electric wires at North Beach that was supposed to be removed by Pen Light is still there. Doug Allen will contact them for removal.

**Transportation:**

- Mike Shettlesworth reported that a window cover still needs to be fabricated for the employee shed on the mainland. He will check into some material (possibly lexan) from a marine source that he knows.
- The Ferry crew's contract is coming up for renewal. Mike Shettlesworth reminded the Board that we need to meet with the crew to plan for the next contract.
- A member in the audience inquired about the ferry supplies that are being stored outside and need to be returned to the ferry on the island side. Mike indicated that he completed the shelves on the ferry and the supplies could be moved there. The Board would like to thank Mike Shettlesworth for building and installing these shelves at no cost to the island.
- Doug Allen reported that there are two applicants that have applied for part time deckhand positions. He is processing the applications for consideration of future employment.
- The lights at the mainland ferry docks have been lowered to reduce the glare.
- It was reported that APP is willing to deliver our ferry oil for free when they come out, which will save the island the cost of mileage for an employee to go pick it up from the company's Tacoma facility.

**Rules & Regulations:**

- No Report

**Emergency Preparedness:**

- Mike Davis reported that he is the new committee chairman. He will be exploring available resources for further improvements to our EP program that are of low or no cost to implement.
- Mike indicated that there are others on the island who expressed interest in participating on this committee.
- We now have radios and batteries in the hands of EPP members around the island.

**Water:**

- The final draft of the Water System Plan has been completed and should be delivered next week. The Water committee will meet to review the document. The next step would be to approve the plan and file it with the State. Following the meeting with Aspen Surveying we will know how far we are away from having the roads surveyed which will allow us to solicit for the purchase of a "bid-ready design" for the new distribution system.
- Last month's meeting with Peninsula Light indicated they still have money they can draw from to upgrade our water system if the island decides to follow that path. An important new point to mention is they have now offered to manage our water system even if we choose to retain ownership. (Following this option would mean that it would be HMC's responsibility to fund the system upgrades.) This is a significant change from Peninsula Light's previous proposal.

**Parks:**

- No report
- The water pump at North Beach used for the watering truck needs to be moved to the shed along with the hardware for the small boat docks. There is also some refuse at North Beach that needs to be removed.

**Roads:**

- Dick Mowry reported that the culvert on Ferry Street has failed. He proposed some piping to repair it. Forty feet of 12" pipe is required. The Board approved the expense.
- Road signs still need to be installed. And the posts still need to be purchased. The installation work may need to be contracted out.
- Doug Allen gave a report out on the status of the roads and the options we have for repairing current road conditions.

**Old Business:** None

**New Business:**

- Replacement safe for the ferry. Mike Shettlesworth priced a new safe but could not find anything suitable for less than \$800. The current safe is defective and difficult to use (though it remains securely lockable).

**Beachcomber:**

- The next Beachcomber will be the November/December issue. Inputs are required electronically no later than 5:00 PM on Wed. November 12, 2008. The Beachcomber Editor is [beachcomber@herronisland.org](mailto:beachcomber@herronisland.org).

**Adjournment:** Kathy Deuster made a motion to adjourn the meeting. Motion carried.

Respectfully submitted,

Janet Podell  
Secretary