

HMC Board Meeting Minutes  
October 10, 2020

Call to Order & Welcome - Reed West, HMC Board President. There were 29 participants on today's Zoom call. Reed thanked the Board members, Jane, and Gary, for participating, and thanked the other HMC Members for participating on the call.

Introduction of Board Members/Roll Call: Reed West, Chet Latimer, Kathy Deuster, Merry Kogut, and Scott Young; Jane Wooster, Island Manager; Gary Wanzong, Maintenance

Motion was made and approved unanimously to suspend the traditional agenda and adopt one in which membership input would be made after the committee reports.

Treasurer's Report and Bills of the Association. Scott Young, Treasurer. Concern over one item, the bill for Stabbert Maritime. Kathy – we also have to acknowledge the payment of a Home Depot bill after the last minute. Scott acknowledged we paid the Home Depot \$36.99 for shipyard-related supplies in between Board meetings. Scott made a motion to pay the HMC bills, with the exception of the Stabbert Maritime shipyard estimate. Chet – no; Merry, Kathy, Scott, and Reed voted yes. Motion passed 4 to 1.

Reed discussed the shipyard bill. We did not approve payment of the shipyard bill because we have not received it yet. Our accounting system is an accrual, rather than cash, system. Bulk of work took place in September, which is the end of the fiscal year. We need to recognize our expenses and revenue in the time they accrue. We planned for \$150,000 and we know the bill will be over \$300,000. We have some money to do this. We received over \$100,000 from the Paycheck Protection Plan for salaries. Money started as loan and we have to ask for forgiveness and it may turn into a grant instead of a loan. The paperwork came through this week, and we will be doing everything we can to turn this into a grant. If the PPP turns into a grant, money budgeted for salaries could be used for the shipyard. We're also going to look for money in various accounts and reserve accounts. Overall, drydock costs were higher this year than anticipated. Reed read a statement from the 2002 Beachcomber, to note that we've been through this before and we will figure this out. Would like to discuss as community and Board how we can minimize this going forward.

Minutes from September 12, 2020, Board Meeting, Merry Kogut, Secretary. Will add link to Island Manager's Report. Board unanimously approved motion to accept minutes.

Communications/correspondence: Merry.

1. A Member contacted Member Input offering to volunteer with a technology committee.
2. A Member contacted a Board Member with concerns about problems with the ferry terminals.
3. A Member contacted Member Input stating he was writing an article for the Key Peninsula News about drydock and asking whether the Board would like to review it before he turns it in for publication.

4. A Member contacted Member Input and the Island Manager suggesting that regular email updates be sent out regarding the status of the work on the ferry in drydock, including photos, and posts on Facebook.
5. Several Members contacted the Island Manager about security and cameras in the mainland parking lot. These emails were shared with all Board Members.
6. Chief Dustin Morrow at KP Fire District 16 contacted the Island Manager about the possibility of improving fire and 911 service on the island.
7. A Member wrote to the Board stating that she heard a rumor that this year's drydock bill will be \$330,000 and asking for clarification at the upcoming Board meeting.
8. A Member wrote to the Island Manager thanking the Board and Island Manager for everything we have done with the ferry this year.

[Island Manager Report](#) – Jane Wooster went over the Island Manager's Report, which was published on the Herron Island website prior to the meeting.

Legal Liaison: There are 20 delinquencies; 10 are with our attorney for action; 10 in process, 8 of these 10 are under \$200.

#### Committee Reports:

- Maintenance (Gary Wanzong): Ramps – gentleman is working on control panel; they're in bad shape and a lot of parts are no longer available.
- Parks (Dale Miller): No report. Thank you to those that worked at Nature Park
- Policies (Mike Gage): No report.
- Roads (Dan Marten): No report
- Emergency Preparedness (Ken Higgins): No report.
- Water (Frank Harrison): No report.
- Small Boat Dock (Sherri Anderson): Docks are coming out October 20<sup>th</sup>. Don't park on the damaged one.
- Rules (Mike Fassio): One hearing scheduled.

#### Old Business - Reed:

- Ferry dry dock: Timing – we get questions periodically about why we go to drydock when we do. We try to wait until after the summer, but not too late because the weather may get too rough for people going across in small boats. Somewhat at the mercy of the shipyard's schedule. We were late getting in this year because the shipyard was behind. Jane – the Coast Guard tells us when the next exam will be, and they tell us two years out. In 2022 the Coast Guard deadline is 9/30/22, so the work in the shipyard must start prior to that date.
- Mainland loading process: Jane touched on this; we're in the process of looking at changing how we line up on the mainland. If you have ideas, please contact us through Member Input or directly to Reed; email address on website. We'd like to make this as straight-forward as possible. It's a work in progress. We're hearing from you on what to do to improve.
- CV-19 safety: People are doing a good job of mask-wearing. There is a resurgence of cases in Pierce County. The pandemic is on the increase nationally and locally; I encourage you to

wear your masks when interacting with the ferry crew and your neighbors. We need to be vigilant and continue that.

- Vote – Parks Policy update: We considered this last month and deferred to this month to make some changes to the wording. Motion to approve passed unanimously.
- Board discussions on audit, HR issues, and legal: Between last meeting and this meeting the Board met with the auditor; Reed met with Jane and attorney to talk about a couple of legal issues. Just wanted to note these so you know what Board members have been working on between meetings.

New Business:

Reed: We can't do what we do without volunteers.

- Certificate of Recognition for Beth Owen – Beth did an extraordinary job with the Rules Committee. If we were at the Community Building we'd have a framed certificate and we'd all smile and clap. Reed read the statement on the certificate. Beth: It's a committee effort, and she really appreciated having such great people with whom to work on the committee. Reed: Rules Committee is one of the more challenging committees. We're lucky to have people who volunteer.

Boosters Announcement (Robin Kelly, Boosters President): Not a lot going on; she's working to complete the Directory by the end of October; Mark Anderson is doing the calendar. This year Robin has put an extra emphasis on the advertisers' section. She's focusing on local businesses. Reed: great effort, great job – directory is great resource.

Beachcomber: No October issue: next deadline is November 18, 2020

Membership Input:

- Robin – on the parks policy, what changed? Kathy – one of the main things was to add the location of Nature Park. Nothing else of substance changed.
- Nancy B. – Regarding drydock she thought that the shipyard was closing and we had to be out by a certain date. Any concern about the work not being done? Jane – the shipyard was getting updates about the closing of the Ballard locks, the locks will close Oct 15 @ 5:30 a.m.. The windows had to be ordered; they'll be here later; don't have information about any other work that needs to be done.
- Sherri A – if the ferry is coming back early...any chance for people to bring their cars back Monday afternoon? Jane – probably not. It's a long voyage and the crew will probably be done for the day.
- Reed – information we had is one act of vandalism/theft – the catalytic converter stolen from their Prius. Target because of precious metals inside the converter itself. I have not heard of any other thefts of theft or vandalism.
- Nancy B – during drydock if we have a power outage, is there a utility vehicle on the island or are we out of luck if we lose our power? Reed – we don't have a utility truck or personnel; we're out of luck. We do have an automatic generator for the water system, so we'd still have our water. Power outages require both the equipment and a trained crew. Nancy – possibility to have a bucket truck over here, especially for longer drydock? We could pick up a crew. Jane – if something goes out on Herron Island, it's likely there's a

massive power outage, and it's unlikely they'd want to tie up an asset. Robin – suggest that full-time members invest in a generator. Good idea for both winter months and the ferry outage. Reed – can get a good generator for under \$700. Robin – it was a good investment and well worth it. Nancy – appreciate the thought, but a generator is not for everyone. Would appreciate the possibility of asking the light company if that is possible. Sherri – if there is a live line down, the fire department may come over. Gary W – heard that once a line came down during drydock – someone went and picked up a crew and the crew actually climbed the pole instead of using a bucket truck. Jane – thinks it's a good question and will look into it.

- Geri L – Drydock – anyone ever gave a thought for hiring a guard for drydock? Reed – knows it's been discussed? Gary – we considered it a few years ago and it was very expensive for 12 hours a day, and they'd want two people for safety. We also considered a fence with an automatic gate – also very expensive and that really doesn't stop anyone because they can cut the fence or climb over the top. A fence would reduce our parking by about a third. Kathy – in the past we have hired a security guard and we couldn't afford 24 hours. The thieves just waited for the guard to go off duty and then they did their damage. It's really cost-prohibitive. In some drydocks some members have stayed on the mainland. Nancy – that answers my question.
- Paula Trent – update about South Fir Road? Reed – can I give you the update offline? Paula – other thing I'd like to know – taken back with over twice what we budgeted for the shipyard. It's my understanding Art Anderson did a survey of our boat and our ramp. Last meeting the survey didn't really tell us anything other than what we already knew for the shipyard. Now we have unexpected costs of over \$200,000. I looked at the pictures – some of them looked like general maintenance; someone could have come along with a wire brush to prevent the damage. We have to get on top of this; we can't be scrambling a year later. Even with PPP it's going to be a hundred thousand dollars. Reed – I hear clearly what you're saying. I think we're all concerned. I read a statement from the Beachcomber from 2002; overruns at drydock is not a new issue. We need to get a handle on the ferry and all our costs. No one wants to be surprised by a bill. Paula – we had a survey; why are we surprised? We need to be on top of this. Reed – on the ramp electrical system, the report said it needs to be upgraded and we're in the process of doing that. Regarding the ferry – can't comment personally on the cost overruns. Jane – the largest cost is the gauging of the hull and extensive steel replacement and repairs. Those photos haven't been posted yet; will be posted soon. That was the largest piece of it. Jane read from the Art Anderson report. Recommends that ferry be improved to meet industry standards. We know that there will be a great deal of painting next time. Ongoing process of maintenance; the boat is getting older. It's important these things get upgraded. It's important that every time the boat goes in something gets done. Gary – when the boat was inspected, we knew some things had to be replaced, and we got a ballpark idea of the costs. Costs went skyrocketing in the last year or two. Coast Guard did sounding (gauging); found a lot more that had to be replaced than what the visual inspection showed. Paula – get together with people who have some experience, some of whom are on the island. We need to be on top of this. Reed – I think we all agree on that. It's a wakeup call to budget and plan better, so we can even some of these things out. We won't be able to eliminate maintenance and what the Coast Guard requires. We don't want to be hit with a large shipyard bill. Paula – bad memory when we were trying to outsource the ferry; offering us separate maintenance. We lost regular maintenance on the boat from former crew. We're not requiring the same thing from the crew.

- Dave H – as far as inspection for hull and deck plating – going forward do they do xrays or whatever so we can do some belt-tightening and plan for the future to assess future needs?  
Gary – yes, we should be getting a report from the sounding company that did the measurements. We'll know from them and shipyard some idea of what needs to be replaced and when. This year we knew we had to deal with the steel. We could not tell from visual inspection. We know that next time we'll have to do a complete sandblasting and repainting, which will be \$65,000. Yes, we should have a good idea of what we'll have to do, when, because of the sounding of the metal.

Reed – for those who don't know who Art Anderson is, they're a marine consulting firm. We value having an outside firm help us.

- Sherri – regarding maintenance done on the boat. If we can get help determining what maintenance is needed, what can we do outside of drydock? Is there some type of preventative maintenance? Jane – things get done along the way on the ferry. There's a whole list of things being done. A massive amount of electrical work has been done along the way with good intentions, but has caused problems down the road. It is important for HMC to use vetted contractors to do repairs such as electrical; they are licensed, bonded and insured, allowing recourse for poor work. Gary – yes, there is preventative maintenance being done between shipyards, such as oil tests; some things have been fixed in between, such as radio failure; crew replaced them and passed inspection. Some things like steel you can't tell and you can't replace it while the boat is in the water.

Reed – we're all disappointed regarding the cost. There are things we cannot control, but we can control keeping you informed. If there are people on the island who have experienced, I'd encourage them to contact us, in writing. We're all in this together. We're going to get this figured out. I'm confident we'll come out of this learning from the process.

Executive Session: None

Meeting adjourned at 11:16 a.m.