

**HMC**  
**Island Manager Report**  
**Board Meeting**  
**March 8, 2003**

**Summary**

**Administration**

- For Board action: filling the vacancy on the Board, per Article IV, Sections 2, 4 and 7.
- For Board approval: merit step increase for D/H Kevin Kircher and merit step increase for Captain Steve Wiggins.
- Update on Office Manager replacement; discussion on compensation and costs.

**Transportation**

- Update regarding the hiring a new fill-in deckhand and costs for same; search for a second part-time ferry captain; the possibility of a deckhand training as fill-in captain.

**Finance**

- The Pierce County Board of Equalization ruled favorably on our appeals on two HMC-owned properties. Reductions were from \$7500 each to \$800 and \$400, respectively.
- Marine insurance renewal. Our broker advises that the marine market in general is experiencing approximately 15% premium increases. Our premium increase of about 12% will put us over budget by about \$400 on the underlying Hull & Machinery/Protection & Indemnity policy, and the 45% increase on the Excess P & I policy (now split between two carriers) is over budget by \$3800.
- For Board discussion: increasing the deductibles on either H & M or P & I, or both. Savings can range from approximately \$500 to \$5000 per year, depending on the option chosen, but then HMC self-insures, in certain options, for a significantly greater amount.

**Legal Liaison**

- The attorney continues to work on the usual collections issues, but has not yet responded to several requests to move forward on certain foreclosures. He has also recently been asked to get us an updated Articles of Incorporation, and indicated on Thursday that he hopes to have them finished by the end of this weekend.
- For Board discussion: A delinquent owner, Terry Trew, has indicated that he will not pay his assessment and wishes to "donate" his lot to HMC.

**Land Use**

- Updated Travel Trailer/Motor Home Certification, HMC Form 13.

**Roads**

- The new island roads encroachment policy is completed, and a new Encroachment Permit, HMC Form 11, is ready for use.

**Water**

- Status of the SWSMP project: In conjunction with the engineer, the I. M. is currently working on drafting letters asking for cooperation from property owners within 100 feet of the wells in keeping the wellhead area free of any potential pollution, and on a draft cross-connection control program, as required by the Department of Health.