

**HMC Management  
Island Manager Report  
Board Meeting  
March 13, 2010**

**Administration**

- **Insurance:** Premium renewals have been coming in on our insurance policies, and it appears that the insurance market may be a little “soft”. Premiums have been coming in at about 5% below last year’s. Our marine package policy (hull and machinery, protection and indemnity) has declined from \$23,607 (plus \$409 membership in the Passenger Vessel Association) to \$22,050, a savings of \$1966, or 8%.
- **Facilities:** We continue to await repair of the driveway in front of the community building. Steve Kramer is assisting with this. Please watch your step!
- **Signage:** The ferry crew has requested signage that asks passengers to not use handheld devices while boarding or disembarking. We will be working on a sample sign for each side. Other facilities issues include future painting and repair of the employee sheds on the mainland and island side.
- **2010-2011 Budget Preparation:** The time has arrived to begin budget preparation for the next year, and I have contacted the committee chairs to work on projections.
- **Recycling:** In the category of “no good deed goes unpunished”, TruRecycle missed the ferry on Saturday, March 6, and so the community building was blessed with a conglomeration of trash items. Mike Davis is working to reschedule. Some items don’t fit the recycler’s profile, and may need to be hauled off by other means.

**Water Distribution System Replacement:**

- Bruce Whittle (USDA) paid a visit to the Island as planned on February 23<sup>rd</sup>. This site visit is a required part of the application process. Mike Davis, Judy Greinke, Kathy Deuster and I attended and accompanied him on his tour. Steve Chapin was unable to attend. Bruce noted that the current interest rate on USDA loans is down to 3.25% from 4.25%, and that in some cases, grant funds are available for a portion of the water systems. We don’t know if we qualify for this latter source of funds.

(Carolyn noted in an old Beachcomber (March 1998) that the island carried a long term commercial (KeyBank) debt for construction of new ferry docks (funded in 1995). The applicable interest rate at that time was 9.25%, which illustrates how low rates have fallen.)

We also contacted Mike Ireland of Washington Water, who commented on the low rate now available from USDA, and indicated that Washington Water would be interested in both constructing or maintaining/operating the system, although ownership by WWSC would be subject to “a fair amount of investigating to make sure it was the right fit for both Herron island and Washington Water....”

As a next step in the preliminary work to replace the system, we were notified by the State Department of Archaeology & Historic Preservation that they would require an

archaeological and cultural review of the project area. This work would be required regardless of which avenue of funding HMC chose. We are in touch with two different firms that do this type of work, and should have an estimate and scope of work from them soon.

- **Water:** Nothing to report, other than clean water samples. Two members obtained encroachment permits to bring utilities to their properties, and have agreed to restore the roadway to island standards, after some expected settling occurred. Mike Davis was on hand to make certain there was no damage to the water system.

#### **Emergency Preparedness:**

- **Natural Hazard Mitigation Plan:** We shared several sections of the plan with the Emergency Preparedness Committee on March 9. Lou Dooley of Pierce County Emergency Management is working on the rest of the sections. We hope to have the entire plan to the Committee for comment at its next meeting, April 13, and hope to forward it to the Board for adoption at the May 8 meeting.

#### **Fire Department Liaison:**

- **Island Spring Burn:** FD#16 Division Chief Chuck West has granted permission for HMC to conduct its annual burn, subject to the same terms as in the past. The \$50 permit fee is included in this month's bills. The chief was complimentary to the island members about how the burn has been conducted in the past.

#### **Land Use:**

- A survey was conducted on the island for derelict vehicles and trailers. Over time, we will use this list to contact owners and request that they take action to remove the derelicts. There are some 23 sites on the list. Members who are aware of other derelict vehicles, travel trailers, etc., can independently contact PCRespsnds on the Pierce County web site: [www.co.pierce.wa.us](http://www.co.pierce.wa.us) .

#### **Legal Liaison:**

- Seven delinquencies, five of which are at the attorney's office. (One resolved since February's meeting.)

#### **Parks:**

- **Vandalism:** On the weekend of February 20-21, several members witnessed a blue jeep with collector's plates driving across Goodpastor Park and at North Beach. The jeep caused surface damage at both locations. We have written to the owner/member of the property, and to his renter, but have heard nothing from either of them. Members who witness this or similar incidents should come to the office to provide us with details, so that we can take appropriate action against the member and/or renter and his or her guests.

#### **Roads:**

- **Road Maintenance:** Kramer's Excavating has provided us with a price list, and is a licensed, insured contractor. We asked Steve Kramer to provide this information so that we have back up resources in the event Dick Mowry is unavailable.
- **Trees:** There is still wood at 812 West Herron and at Fir Lane for those who might want to take it for use as firewood.

**Rules:** No report.

#### **Transportation:**

- **Oil Spill Containment:** The alternative plan is nearly ready to send off to Associated Petroleum for their approval. Because of budget considerations, we may still hold off on implementation until the new budget year. Once APP has okayed the plan, we will check to see if budget status allows us to go ahead at that time.
- **Pierce County Wharf Easement:** No news.
- **Dock Inspections:** The report on dock inspection should be in our hands within a day or two.
- **Dock Gantry Lights:** Birch Electric has paid a couple visits to work on the lights, and also on a problem causing the ramp breaker to trip during the first landing in the morning. The crew has found a "work around", but will continue to monitor for problems.
- **Marine Facility Survey:** KPFF submitted a Scope of Work and Fee Proposal following notification that they had been selected. These were reviewed by members of the selection panel, and are now incorporated as exhibits to the proposed contract which is ready for Board approval.

The estimated cost for this Phase I of the project is \$31,128, and this phase is to be completed by October 1, 2010. Results of the dock inspection will be provided to the consultant for use in this phase of the marine facility review. KPFF notes that in the event a dive inspection is required they will advise us. The additional cost of a dive inspection is estimated at about \$6,000. This would only be performed if KPFF is unable to access the marine structures at low enough tides to gather the needed information.

Phase I is the conditions assessment. Phase 2 would be a design report, laying out more specifically any work to be done, including permits, costs and schedule. Phase 3 includes Plans, Specifications & Estimates (PS&E's), permit applications, and special studies necessary to construct repairs, rehabilitations, or replacements included in the Design Report. Because of the complexity of any work to be done, and the extensive permitting process, construction on any of these repairs or replacements would not begin until at least 2012, allowing time to accumulate further reserves to maintain our marine infrastructure. At this point, HMC has nearly \$200,000 in Docks and Dolphins Reserves, which can be used to fund this phase of the project.

Thanks again to Benn Burke, Kris Mullan, Jean Mellor, John Farris, Terry Fletcher and Judy Greinke for their help with this project.

#### **Technology:**

- **Ferry Fare Collection:** Terry Fletcher/Fred Fath

- Terry Fletcher continues to help us in the office with file backup and file sharing improvements.