

**HMC Management
Island Manager Report
Board Meeting
February 10, 2007**

Administration

- For Board discussion: cleanup of storm-caused roadside debris and annual fire permit request.
- For Board discussion: Pierce County Sheriff patrols on July 4th weekend.

Finance

- Members with bills or reimbursement requests should have them at the office no later than the Thursday prior to the Board meeting so they can show as “Bills to be Paid”

Legal

- The attorney advises that the Board has the authority under Bylaws Section 11.2.4 to ban geoduck farming if such activity does not meet the requirements in the Bylaws.
- The attorney’s office is proceeding with various legal filings in connection with the foreclosures that are currently underway.

Transportation

- Update on generators for the ferry terminals: generators are ordered and enroute, though the arrival date is not yet known. A large forklift will be required to lift them off the truck. Delivery is FOB Herron Island.
- Heavy-duty fencing has been ordered for the mainland generator site, to cover the top of the site as well as sides. Installation is expected on February 20..A propane tank will also be at the site, to supply the generator’s engine.
- The surveyor who recently surveyed the ferry put a current value on it of \$600,000. In discussions with our broker it was decided to lower the insured value to \$700,000, which is felt to be in the proper range of coverage, without being underinsured. This will result in somewhat lower premiums.
- The ferry insurance, including liability policies, is being renewed this year “as expiring,” which means without a premium increase. The broker advises that this is a result of HMC’s excellent ferry operational record over the past six years, and were it not for the clean record, premium costs would have risen approximately ten percent.
- A single carrier has agreed to carry all of our “excess” liability coverage.

Water

- For Board discussion: the water maintenance person has been loaned a vehicle by Jerry Hansen, for an undetermined period. A small truck is extremely useful for this position, but it is doubtful that HMC should own one.
- Washington Water, after yet another request from HMC, indicates that they would work with HMC on the installation of and maintenance of a new water distribution system but are not interested in committing any capital.

Parks

- Proposed new Parks rules are available to the Board.

Roads

- As a reminder to all, parking on the island roads is prohibited at all times.