

**HMC Management  
Island Manager Report  
Board Meeting  
January 9, 2010**

Administration

- Insurance: The Island's insurance broker, Wells Fargo, will send three representatives January 19 to review our insurance plan. Judy Greinke will join me at the meeting. HMC currently budgets over \$68,000 for various coverages, most of which involve marine facilities and the ferry.
- Facilities: The driveway in front of the community building garage is damaged and presents a potential hazard. We are looking at options to have it repaired, as well as replacing broken windows in the garage doors. Steve Kramer and Jack Wells are assisting on this. Please watch your step!
- Other facilities issues include future painting and repair of the employee sheds on the mainland and island side, and the mounting of "No Smoking" signs in compliance with State law.
- Committee Charters/Board Policies: Kathy Deuster and Judy Greinke have volunteered to comb through and assemble previously adopted Board policies and Committee charters that are scattered among the Island records. They plan to assemble these into binders for the Board, and HMC Office, and post some content on the web site. Committees that do not have written charters have been requested to develop them.

Legal

- There are thirteen delinquencies at this time; five are already with our attorney.
- As a general comment on legal expenses, HMC's job of protecting member assets while attempting to keep assessments stable is made more difficult when members or other parties retain legal counsel without first contacting the board or manager to resolve differences. In the case of the S. Herron Road encroachment issue, three members used legal approaches or retained attorneys, forcing HMC to respond through an attorney. The two parties whose properties are actually encroached upon have chosen to try negotiated resolutions and have not as yet hired attorneys. We urge all members to use administrative or negotiated options before employing legal counsel.

Fire

- We returned the signed agreement to FD#16 with a cover letter, and anticipate they will retrieve the ambulance from the Community Center very soon. FD #16 has also been informed of the access code change.

Roads.

- Drainage: A "walkthrough" of drainage on the south end of the Island took place on Friday, January 8. Neighbors adjacent to the S. Herron Blvd/E. Madrona Blvd. Intersection were invited to join in, along with the Roads Committee, Board members, and Baseline Engineering. We will report on the outcome at the Board meeting.
- Tree Removal: Archon will return to the Island on January 11 to complete its share of the work. Peninsula Light will also be sending its arborist to view the trees near the

power line and determine whether, and how, they should be removed or trimmed. As is Island practice, debris will be chipped and left on site; wood will be cut into 4 foot lengths and left for the first members to retrieve it.

#### Transportation

- Committee Report: Mike Shettlesworth
- Oil Spill Containment: No progress this month.
- Pierce County Wharf Easement: We have not yet received the revised wharf easement from the County. Insurance requirements are also still an issue. We received three proposals to complete the dock inspection, from Sargent Engineers, KPFF, and Integrity Structural Engineering. Sargent's proposal cost was less than half that of the others, and we telephoned to clarify with them that they could do the work within that budget.

While the mainland dock has been periodically inspected, because of the County requirement, the island side dock does not appear to have been inspected in recent years. Sargent agreed that they could also inspect the island side dock, at less cost than the mainland side, since the visit would be consolidated.

So, for a cost of less than \$5,000, HMC could have both docks inspected and satisfy the County lease requirement. This is an unbudgeted, but necessary expense, which can be funded from Transportation Reserve funds.

Recommendation: We recommend that the Board authorize the Island Manager to execute an agreement with Sargent Engineers, in an amount not to exceed \$5,000, to perform and properly document inspections of the mainland and island side docks.

Wharf Easement, Part II: Kraig Shaner of Pierce County Public Works, informed me that it might be the County's preference to develop a plan for a land swap that would remove the necessity of having a lease (and meeting the County's separate insurance requirement). He asked me to test the attitude of the Board towards such a land swap, which might involve the southern half of Tract B on the mainland side, possibly including the wetland, but not the parking area.

- Marine Facility Survey: The Board approved issuance of the Request for Proposal at its November meeting. A site visit was set for January 8, 2010 in the morning, guided by John Farris. Proposals are due January 25<sup>th</sup> for review, possible interviews of candidates, and contract negotiations. Board approval should occur at the March 13, 2010 meeting. Thanks to Jean Mellor for helping us clean up the old files in December, and to Benn Burke for his continued help on this project.

Emergency Preparedness: Mike Davis will report.

- Natural Hazard Mitigation Plan: Lou Dooley from Pierce County and I have set a meeting for January 11 to pull together the pieces of our plan draft, and work through their data, which doesn't match our own. The next step will be to have the Committee review the contents and offer revisions, then forward it to the Board for adoption. The

advantage to HMC of engaging in this plan process is that the corporation will be eligible to apply for pre-disaster Hazard Mitigation Grant Program (HMGP) funds to mitigate our identified vulnerabilities. Mike Davis has also been working on this plan for several months.

#### Parks

- Derelict Boats: No report at this time.

#### Rules:

- Board report.

#### Technology:

- Ferry Fare Collection: Terry Fletcher has joined the committee and taken on the task for exploring automation of part of the ferry fare collections. Fred Fath has begun work on specifications for the system. A small group will meet after the Board meeting to accompany the deck hand in fare collections and view the procedure first hand. Deck hands will be included in the planning for the system. Terry has also generously offered to help iron out some HMC Office technology issues.

#### Land Use:

- With the help of Judy Greinke and Kathy Deuster, we are pursuing removal of a derelict truck from HMC property (Tharp). At their request, PCResponds promptly sent a code enforcement officer to the Island, who confirmed the vehicle's identification, as required by law. This code enforcement officer, Mark Luppino, then toured the island and identified at least one other site where he is pursuing removal of junk vehicles. We were impressed with the quick response of this officer from the County and urge other members to use PCResponds at 253-798-INFO if concerned about abandoned or inoperable vehicles on private property. The truck will be removed January 14<sup>th</sup>.

#### Water:

- Mike Davis reports another full year of clean water samples!

#### Water Project Committee:

- Water Project Committee: Steve Chapin will report on activities of the Water Project Committee.
- Water Distribution System: Since the December meeting, Board members have been reviewing the potential for water distribution system funding from the USDA-ARRA grant and loan funds. As a result of those discussions, we solicited a proposal from Northwest Water Systems, of Port Orchard. Northwest Water Systems (Todd Krause) conducted the July 2009 Engineering Overview and Analysis of the Herron Island Water System (posted on HI website). Todd believes that the system design can be better tailored to HMC needs with an accompanying construction cost reduction of as much as \$300,000. With better information on construction costs and future rates, it will be less difficult for members and the Board to make an informed decision about financing, and financial impacts.