

Island Manager Report
February 9, 2013

Administration:

Volunteers:

Thanks very much to Leslie Sanderson for the offer to pull tansy on HMC properties this year. We are all grateful. If you are willing to volunteer, please contact the Office.

Reserve Study: Last month the Board agreed to contract with Association Reserves, LLC for the State-required study to be published with the upcoming draft budget. A consultant from that firm will come to the island on Tuesday for an initial site visit. At that time, we'll discuss schedule and pull together any material we have to support his request for information.

Water System Maintenance and Operations: There are some very official looking signs at the pump station now, required either by State or federal regulations. The Water Committee is working very hard on defining the requirements for Water System management and operation. Some of this will come from experience, some from the O&M manual being produced by the project engineer, Department of Health, and other sources. This work may likely result in a redefinition of our contract and in person needs, and must be resolved before the 2013-2014 budget is put together.

Mike Shettlesworth and Charles Smith put together an inventory of 684 surplus parts purchased for maintenance and repair of the old water system. Most are new, some are used. We have approached WWSC to ask if they are interested in purchasing any of these parts and expect them to respond soon. We will also approach Caseco. Our former supplier, United Pipe, has gone out of business, so nothing can be returned.

Water System Project: The contractor and engineer continue to tweak the final adjustments of the project, installing a couple larger meters where required, flow testing hydrants, taking water samples, and a few other adjustments. As of this writing, we do not have the engineer's final written acceptance of the construction project. When that document is in our hands, the Board will adopt a resolution accepting the project and forward that to USDA.

Within a few days, HMC should be ready to send out the "prepay" or "finance" letter to Members. In order to minimize interest costs and move to closure, three weeks will be allowed for prepayment, and a cashier's check payable to "Herron Island Water Department" will be required. This information will be 1) mailed to Members; 2) posted on the HMC website and 3) posted on the white boards. Questions should be directed to the Island Manager. We have found that there are some misconceptions out there which need to be clarified:

- 1) Members who prepay will still receive water bills – for maintenance and operation, and water use. Members who do not prepay will get the same bill, but an additional amount for capital cost recovery will be included.
- 2) HMC is the borrower and is required to pledge assets as security on the loan. HMC then will collect from Members, via the water bills, the amounts required to service the loan. There will be no direct relationship between USDA and individual Members' properties.

Questions have been consistently raised about Caseco's commitment to coming back to improve our roads. Brad Paige (Caseco) tells me they will be coming back to the island in the spring to grade the roads. They will commit 2 days (16 hours of road grader with operator), and are confident that this is enough time to clean up the roads. This is weather dependent, but probably later March or early April, following a three day dry period, preferably.

Fire Department Liaison: No report.

Land Use:

Emergency Preparedness: We attended a mitigation planning meeting on Monday at Fire District #5 HQ. This exercise will help us update our mitigation strategies for the plan, and coordinate with surrounding agencies.

Parks: Committee Report.

Roads: Committee Report.

Rules: Board report. Many Members have been responding with comments on the proposed Rules.

Herron Island Ferry: No report.

Legal Liaison: We currently have 16 delinquencies, of which seven are with the attorney for action. Delinquency rate of 4.0%. .