

**HMC Management  
Island Manager Report  
Board Meeting  
October 14, 2006**

Administration

- Several island properties were recently sold at tax auction. An additional sale is planned for December, when it is expected that the Kirk parcels will be auctioned off. HMC's attorney recommends against bidding on them, as it is known that there is an abandoned underground storage tank on one lot. The cost to pull the tank and do some basic investigation of possible hydrocarbon contamination is in the \$10,000.00 range. The potential cost of additional clean up is not known.
- Office Manager Patty Haenen Jones has submitted her resignation, effective March 31, 2007. She and her family will be moving off the island.

Information items

- Member Chris Rushmeier has a proposal to present to the Board regarding using a lot owned by HMC as a "deer feeding station."

Land Use

- For additional Board discussion: request from an owner to do an easement and property adjustment in exchange for the owner's paying for culvert work on Ferry Street. The Land Use Committee has submitted a recommendation to the Board.

Legal

- The attorney's office is proceeding with judicial foreclosure for four long-delinquent owners, as previously approved by the Board.

Parks

- Per the Parks Chairperson, the new Parks Committee will get underway October 21.
- The Small Boat Docks will be removed from the water on Friday, October 20. A work party will be needed. Please let the office (253.884.9350) know if you can help.

Transportation

- The ferry dry dock work went well and since the propeller shafts did not require a lot of work and the engine overhaul will be done next fall, the out-of-service time was minimal. The ferry was also surveyed by a private company; that report has not been received yet.
- The Coast Guard will do another inspection of the ferry in late October. This one is for renewal of the 5-year Certificate of Inspection, or COI. A current COI is required in order for HMC to operate the vessel in passenger service.

Water

- The Board and Island Manager met with the CEO of Peninsula Light regarding the possibility of that company purchasing and operating the water system. This was a preliminary meeting only, and was intended to provide the Board with information.
- Our KeyBank "Relationship Manager" has offered to consult with the Board on the various methods for financing the proposed water project.
- Final inspection on the new reservoir was done by Pierce County last month and the completed paperwork received this month.