

**HMC
Island Manager Report
Board Meeting
November 9, 2002**

Summary

Administration

- Several properties that HMC has in collection are coming up for tax sale in Pierce County. For Board discussion: should HMC consider bidding on any of these?
- Vandalism issue: Board discussion.

Transportation

- The new ferry transmissions did not fit as planned due to incorrect information from the vendor. We incurred additional shipyard costs in the \$5000-plus range because of this problem. The I. M. had discussions with the vendor, who subsequently agreed to reimburse HMC for the majority of this expense.
- Overall drydock costs were high this year, both because the ferry had equipment replacements and hull maintenance that had not been done since it was new in 1989, and because of some unexpected issues (such as the corrosion-pitted prop shaft) that were discovered. These costs have depleted the drydock reserve fund. Careful consideration will need to be given to replenishing this reserve when budget planning starts next spring.
- The ferry easily passed the mandatory annual U.S. Coast Guard inspection, which was done on November 5th. No problems were found, and our Captain was informed that it is rare for the inspector to find small passenger vessels like ours to be in such excellent condition, in terms of equipment as well as in required documentation and record-keeping.

Finance

- See Finance Committee report.

Water

- An aluminum cover to adequately seal the entrance opening into the concrete reservoir has arrived. Once installed, it will meet the Health Department requirements for a better cover than is presently in place.

Legal Liaison

- Our attorney was asked on October 22 to provide information on several issues. He was also asked if he could recommend another attorney for foreclosure work. He provided responses to several questions and indicated that he still intends to deal with the foreclosures but is backlogged.

Land Use

- Several hillside lots with gradients of varying steepness are under scrutiny by the Pierce County Development Engineering division of the Planning Department. Concerns are erosion and, in one case, large amount of material excavated.

Roads

- For Board discussion: quantity, cost and availability of gravel required for road maintenance. Dick Mowry has information and plans to attend the meeting.