



# The Beachcomber



HMC Newsletter

June 2016



## President's Message

Another year and another election. I would like to thank everyone who stepped forward and volunteered to run for the board. Volunteerism is what keeps this island functioning. The officers of the Board are as follows:

Mike Graham – President

Gary Wanzong – Vice President and Co-Treasurer

Ferd Reichlin – Secretary

Sherri Anderson – Co-Treasurer

Sam Argo – Member-at-Large

The ballot measure to add two months to the summer scheduled failed, but by only two votes. Proves that every vote counts.

I would also like to thank Eric Bergson for taking over for Janet Podell during the last 7 months. Last Saturday's meeting Eric had to catch the 11:30 ferry off the island so he made a stealthy exit, demonstrating the ability to vanish without being noticed from a meeting before we could give him a big thank you. So Eric, thank you for your service.

Pierce County Noxious Weed Control inspectors will be on the island to check for Tansy after July 4th. Volunteers are needed to walk HMC properties and pull Tansy. If you see Tansy on your neighbor's property give them a call and let them know about the notice from the County. Help your neighbor and save them a County letter or fine.

As we move into the summer season I would like to remind all owners that dried tall grass is a potential fire hazard. A cigarette, a hot muffler or any other source of heat can start a grass fire. It would help if all owners that have not already done so, please cut your grass and remove any deadfall. The less fuel a fire has the easier it will be to contain any fire that may happen. While on the subject, Fire Chief Guy Allen will speak at the July Board meeting regarding the upcoming district levy

election, and will address questions about volunteer fire service.

Cutting the grass also includes the ditches, which may boarder your property. By cutting the growth back you not only reduce fire risk but you help maintain the roads by giving the water an unrestricted flow to the shore. Over grown ditches causes the water to seek a different path which is usually the roads causing damage to the roads which we have all paid to establish and will all pay to restore.

A reminder to all members, we may be on an island, but Pierce County still is responsible for providing emergency services, 911 still works on the island. Please call 911 first when needed. HMC does not provide emergency services. If you are concerned about transport time from the island you may want to check out Airlift Northwest.

Being an HMC Board member means being willing to listen and make decisions for the good of the island. This includes spending your money in a prudent manner. It also means looking at all cost cutting suggestions. I have been referred to the June 2003 President's Message and urge everyone to read the original, which can be found on the HMC website under Documents. The board asked for a Transportation Committee to look at ferry operations up to and including contracting ferry crew operations. The committee was asked to deliver a "White Paper" giving the pros and cons of such a concept. When the committee finishes its work the Board after reviewing will share those results with the Membership. The Board is not looking at making immediate changes to ferry operations, but rather is looking at how we can maintain ferry operation as our crew leaves through normal attrition. We all are getting older and experiencing more medical issues. Our ferry crew is not immune to this. The problems we experienced with three crew members out for various medical

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President's Message  
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reasons this last year and the difficulty we had in finding, keeping and obtaining the services of qualified crew members prompts us to plan for the future.

The Boosters have planned a number of events for the July 4<sup>th</sup> weekend. Come out and enjoy a truly old fashion 4<sup>th</sup> of July from baseball games, a parade, junk in the trunk, etc. Please check the ferry cancellations and plan accordingly. If you are interested in helping the Boosters please volunteer and attend the potluck meetings.

Regarding Fourth of July Fireworks on the Island. Last month the Board voted that if Pierce County has a burn ban in effect on the Fourth of July, fireworks will be banned on the Island. The Board did this in advance this year so the Membership would know in advance and could plan accordingly. So pray for rain the week prior to the 4<sup>th</sup> so we can have a North Beach fireworks display. If no burn ban is called by Pierce County, fireworks would only be permitted on the night of July 4<sup>th</sup>, which is on a Monday this year. Otherwise fireworks are banned.

Mike Graham, President  
HMC Board of Directors

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## FIREWORKS???

### Please Read

The weather prognosticators tell us that we are in for another hot, dry summer, which increases the fire hazard.

Recognizing this situation, the Board of Directors approved at the May 14th meeting that should a Pierce County **"BURN BAN"** be in effect July 4th, fireworks would also be banned on Herron Island, including North Beach.

The Board recognizes that the fireworks at North Beach have been a long tradition on the island, but in the event there is a Pierce County **"BURN BAN"** on July 4th and, in consideration of a delay of up to 45 minutes from the fire department, the Board feels this was a necessary step to protect Herron Island.

This action was taken early, so that Members could plan for the Independence Day holiday weekend and avoid bringing fireworks that would have to remain in the box.

**Important Phone Numbers****Island Manager**

Claudia Ellsworth (253) 884-9350

**HMC Board of Directors**

Mike Graham, President (253) 884-9796

Gary Wanzong, VP and Co-Treasurer (253) 884-9350

Ferd Reichlin, Secretary (253) 884-9350

Sherri Anderson, Co-Treasurer (503) 860-4888

Sam Argo, Member-at-Large (253) 884-9350

**Additional Contacts**

Charles Smith, Water Repair (206) 707-4645

Charles Smith, Water Committee (206) 707-4645

Gary Wanzong, Finance Committee (253) 884-9350

Jack Wells, Roads Committee (253) 884-0850

Max Hochanadel, Rules Committee (253) 884-9350

Tracy Anspach, Parks Committee (253) 588-1921

Mike Shettlesworth, Emergency Prep. (253) 884-6919

Land Use Chair, Vacant

Fred Fath, Technology Committee (206) 246-7016

Carolyn Anspach, Transportation Comm. (253) 380-3852

Carolyn Snyder, Office Manager (253) 884-9350

Ken Freeman, Beachcomber/Webmaster (231) 544-2456

**Herron Island Office Hours: Tuesday, Thursday, Friday 8:30 am to 4:30 pm. The office is CLOSED Monday, Wednesday, Saturday, Sunday, and after 2:00 PM on Fridays before Board meetings.**

Office Phone: (253) 884-9350

Office Fax: (253) 884-5047

**Website: <http://www.herronisland.org>**

Office email: [Office@herronisland.org](mailto:Office@herronisland.org)

HMC Water email: [HMCWater@herronisland.org](mailto:HMCWater@herronisland.org)

Manager email: [HMCManager@herronisland.org](mailto:HMCManager@herronisland.org)

Beachcomber email: [beachcomber@herronisland.org](mailto:beachcomber@herronisland.org)

Parks email: [HMC Parks@herronisland.org](mailto:HMC Parks@herronisland.org)

Member Input to Board: [MemberInput@herronisland.org](mailto:MemberInput@herronisland.org)

**Emergency****911****Ferry Cell phone****(253) 691-1457**

*(Cell phone to be used for scheduling heavy loads, big vehicles or having something in tow, and for information regarding ferry services.)*

**Ferry Business**

- Call ahead if you are planning to use the ferry for a trailer, boat, or large vehicle!
- Only those guests with valid passes will be allowed on the ferry.
- Plan your arrival at the dock at least 5 minutes before the scheduled time of departure.
- Walks-ons are not to be on the dock or ramp when cars are being loaded. Watch crew for permission to board.
- Only service and delivery people may charge fares.

**WE HAVE EXPERIENCED GUESTS AND SERVICE PEOPLE EXPECTING TO COME OVER TO THE ISLAND WITHOUT GUEST PASSES. THIS VIOLATES THE ACCESS POLICY THAT WAS PUT IN PLACE FOR ALL OF OUR SECURITY. PLEASE MAKE SURE YOUR GUEST HAS A VALID GUEST PASS SIGNED BY YOU TO ENSURE THEY ARE ABLE TO RIDE THE FERRY. BLANK GUEST PASSES ARE AVAILABLE TO MEMBERS AT THE OFFICE, BY MAIL, AND ON THE FERRY.**

**Nondiscrimination Statement**

**If you wish to file a Civil Rights complaint of discrimination, complete the USDA Program Discrimination Complaint form, found online at:**

**[http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html)**

**or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form.**

**Send your completed complaint form or letter to us by mail at:**

**U.S. Department of Agriculture  
Director, Office of Adjudication  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410**

**Or fax to (202) 690-7442 or email to**

**[program.intake@usda.gov](mailto:program.intake@usda.gov)**

Beachcomber news items must be submitted by 5:00 PM on the Wednesday after the monthly Board meeting on the second Saturday of the month. Items MUST be emailed in electronic format to [beachcomber@herronisland.org](mailto:beachcomber@herronisland.org). Include your name and phone number in case any questions arise. Paid advertisements are to be arranged with the HMC office PRIOR TO PUBLICATION.

**Island Manager Report  
June 11, 2016**

**Administration.**

**Volunteers:**

Virginia Major, Linda Kelly, Jane Morgan, Mike & Judy Gage, Pat Zazzo and Karl Schafer -helping with the ballot envelope stuffing.

Pat Zazzo – tansy exterminator!

Mike & Judy Gage – white boards.

Mike Shettlesworth – moving the fire truck, flags at North Beach, and putting out the Community Building trash cans each week.

Fred Fath – tirelessly working on our technology issues – water billing, and ferry passenger fare system.

Volunteer dust truck drivers – Jack Wells, Dan Morgan, Andy Thompson, Nick Huff, Mike Shettlesworth, Kevin Kircher, John Farris, Gary Antonson, Beth Wanzong and Sam Argo

Roads, Water, Parks, Transportation, Emergency Preparedness Committee members – thank you!

**Tansy:** It's time to pull tansy from your property, so that this noxious weed's spread is reduced. Don't try to compost it. Bag it and toss it in the trash. The following recipe for a weed killer that is not toxic to the environment was provided by a Member:

**Weed Killer Recipe**

A gallon of white vinegar

2 Cups of Epson Salt

1/4 Cup of Dawn Dishsoap

The tansy inspector will be out to the island after July 4 weekend. The inspection team has asked for the names of anyone who would be willing to work to pull tansy, if owners need to hire help. Please let the office know if you are available for hire.

**Insurance:** We've invited our insurance broker to make a visit to the island and review the improvements in marine infrastructure, water system and parks that have occurred since their last visit in 2010. They will visit on June 28 and tour the island, leaving, I hope, with a good impression of the island's condition that will help extend our low premiums.

**Trees:** Many HMC trees that were diseased, dead or presented a hazard were removed from HMC roadway easements June 6 and 7. Another round of tree removal is planned for the fall.

**Water Operations:** Charles Smith will report. Hydrant flushing is underway.

**Water Committee Report:** Charles Smith will report for the committee.

**Fire Department Liaison:** Fire Chief Guy Allen will speak at the July board meeting regarding the upcoming fire district levy election, and will address questions about volunteer fire service.

**Emergency Preparedness:** Mike Shettlesworth will report. We have discussed preparing an emergency information card that would go in the new member packet, reminding Members that in an emergency they should call 911, and providing other tips on emergency response.

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Island Manager Report  
(Continued from Page 4)

**Parks: Committee Report.** Two new picnic tables are on the way to replace those that are deteriorating. Two damaged tables have been removed from the pavilion. At the May meeting, the Board decided to replace two tables each year, until all are replaced.

Vandals have removed keeper pins from small boat docks, but they have been replaced. Swim float buoy markers and no wake buoy need to be put out yet. Missing pile caps also need to be replaced from the supply in the Booster shed.

**Roads: Committee Report.**

Jack Wells will report for the committee. Additional barriers need to be in place at the corner of East Herron & Maple; the committee is checking the availability of recycled guard rails or other barriers for use on the corner.

Road grading will happen Monday, June 20. Members are urged to clean the ditches in front of their properties to help the grading be successful.

The Roads Committee is proposing a roads work party for Saturday, June 18. The work party would focus on weed eating in the HMC ditches alongside the roads and around the 40-plus fire hydrants. Fresh white center line and temporary parking yellow lines need painting. Additional work will be done inside the pump station, clearing out weeds and painting the interior of the old reservoir. Gather at the Community Center at 9 a.m., bring gloves, and weed eaters.

**Rules:** No outstanding rules complaints.

**Herron Island Ferry:**

**Fall Ferry Inspection:** We recently learned that the Vigor shipyard in Tacoma will not be available to us this fall for the ferry's biennial out of water inspection. John Farris has been researching our options and is retrieving our records from the Vigor shipyard while checking into other options for the haul out. So it is too early to speculate when the ferry will be out of service.

**Vandalism at the Dock:** Shortly after the May meeting, vandals broke lights on the mainland side gantry, and cut the mooring lines at the dock. They also left spent cartridges on the dock, though no one reported hearing gunshots at night. Images of the perpetrators were picked up on the parking lot video and shared with the Sheriff's Office. The ferry crew had immediately called the Sheriff to file a report. Later in the day we learned that the vandals had committed other acts up and down the Peninsula, and were in custody.

**Dolphin Replacement Project:** The "60%" plans have been received and reviewed. The "90%" plans should be completed by June 10. So far the engineering project is on schedule, and bid ready documents due for completion July 8. The following permit applications have also been or will be submitted:

- Shoreline Environmental Protection Act (SEPA) (completed, exemption received)
- Joint Aquatic Resources Permit Application (JARPA)
- U.S. Army Corps of Engineers (rivers and harbors, clean water, endangered species, fish and wildlife, NOAA)

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Island Manager Report  
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- Hydraulic Project Approval (HPA) from WDFW (after SEPA)
- Washington Department of Ecology (water quality, shorelines)
- Pierce County Shoreline Substantial Development Permit
- Pierce County Demolition Permit
- Pierce County Building Permit

Most permit approvals are anticipated by July 15; the remainder will be submitted later in the process. If the membership approves borrowing to fund the construction project, the schedule would be as follows:

- Advertise for Bids – July 22, 2016
- Bid Opening – September 2, 2016
- Contracts Signed – September 10, 2016
- Site Construction – December 2016 – January 2017

Also, after the vote, (if approved) we will apply for Interim Financing and complete the USDA contracting process. Actual construction should occur with minimal to no disruption of the regular ferry schedule. We are currently negotiating with USDA regarding loan security and the amount of the loan. The “letter of conditions”, or final commitment, should be on its way to us within a few days.

**Ferry Crew:** Happy to say that Donnie Surratt is back at work! After a year in which 75% of the permanent ferry crew were on some sort of medical leave for part of the year, it’s a relief to have all of them back at work.

We haven’t had much luck in recruiting additional deck hands this past month. The more frequent reason we are hearing that standby captains and deck hands resign or apply is the requirement that a standby crew member from off island must spend two nights on the island to work one full shift. There is no easy answer to this problem, as the ferry will always tie up on the island side.

**Ferry Schedule:** Low Tide Cancellations are posted on the website. July 4 weekend presents a special challenge this year, with low tide cancellations July 1, 2, 3, 4, and 5. Anyone planning on coming over that holiday weekend would be well advised to plan ahead.

**Transportation Committee:** No report.

**Technology:** No report.

**Legal Liaison:** We currently have 16 delinquencies, 5 of which are with the attorney for collections. Three delinquencies are in amounts of less than \$200. Delinquency rate of 4.2%. Last year at this time we had 15 delinquencies. Currently, HMC has 383 Assessable Units and 397 Water customers.



## JULY 4th PARADE

### JOIN THE PARADE THIS YEAR!

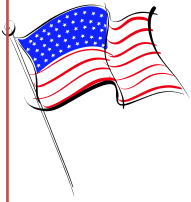
All entries are welcome to join the Annual 4th of July Parade! No sign up – Just come and join in the celebration. Decorate your car, truck, boat, golf cart, bike, wagon, stroller, make a special “float” on a trailer or just decorate yourself and walk the Parade route! Be creative and show your patriotic spirit – all entries are welcome!

Herron Island Parade participants meet together **Sunday, July 3rd** at 12:00 pm at the corner of Yew and Maple and parade down Maple and East Herron to North Beach Park. We really need a marching band to add music for our parade so any bands on the island please join in!

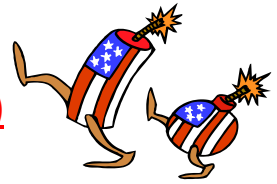
This event is a fun and happy patriotic celebration and builds great community Spirit.

Hope to see everyone there!

# 4th of July Celebrations!



## Saturday, July 2nd (Goodpastor Park)



- 11:00 am      Baseball (Kids and Adults games) Hot Dogs, Chili, Chips and soda \$3
- 7:00—11:00 pm      Music & Dancing in the Park presented by the Sanders Family. "Jack Smack & the Celiacs" Bring chairs and blankets and enjoy beautiful music outside at Goodpastor Park.

## Sunday, July 3rd (All at Community Center)

- 9:00 am      Coffee and Cinnamon Rolls, Merchandise sales (new stuff!), Junk in the Trunk sales and BOOSTERS membership drive.
- 12:00 pm      Annual 4th of July PARADE! Starts at Goodpastor Park and ends at North Beach. Following the parade, Free Popsicles for the kids. ICE CREAM—\$2
- Time TBD      Rubber Ducky Race—Duck sales \$2—PRIZES!! Races to be held at **North Beach** but sign-up is at Community Center (Race dependent on the Tide)

## Monday, July 4th

No BOOSTERS sponsored activities, but we wish everyone a safe and fun time and hope everyone will come out and join us on Saturday and Sunday for a fun-filled weekend.





## Boat and RV Washing



The Herron Island Rules (on the website) specify that boat and RV washing must be done on the owner's property and with the owner's water supply. A quick rinse at North Beach is OK to remove the salt water, but take your boat, car or RV home if it needs a thorough washing.

Thank You!!



## Ferry Out of Water This Fall For Biennial Coast Guard Inspection

**"Charlie Wells"** In even numbered years, the Herron Island ferry receives an out of water inspection by the Coast Guard, for your safety and that of the crew. The ferry also receives some important regular maintenance. This has occurred for years and years in Tacoma.

This year the ferry will go to a shipyard in Seattle's Ballard area, because the Tacoma shipyard no longer has an operating facility for the ferry. The ferry is scheduled to leave Sunday, September 18, for an approximate two week period. We'll keep you updated as we know more. For new members, this is a recurring event. Access to the island during the shipyard visit is by small boat only.



## Letter from Pierce County

Dear Herron Island property owner,

Over the past several years, efforts by Herron Island property owners have made a substantial difference in the control of Tansy Ragwort on the island. Your vigilance and our drought conditions are paying off, as less sites are being affected!

Please note Pierce County Noxious Weed Control inspections will begin after July 4<sup>th</sup>, giving property owners an opportunity to check their parcels for noxious weeds after the holiday.

If you have any questions regarding Tansy Ragwort, control methods, or compliance with RCW17.10, please contact the main office line at 253-798-7263, or call Inspector Jim Towslee directly at 253-798-6844. Thank you!





**EMERGENCY PREPAREDNESS TIP OF THE MONTH**  
**BE ON THE LOOKOUT FOR POISON OAK!**

Ah, summer! The kids are romping freely around the Island while their parents are taking some time from the fun to clean up the property and shrubbery. Both these activities leave parents and children alike vulnerable to the dreaded rash from poison oak.

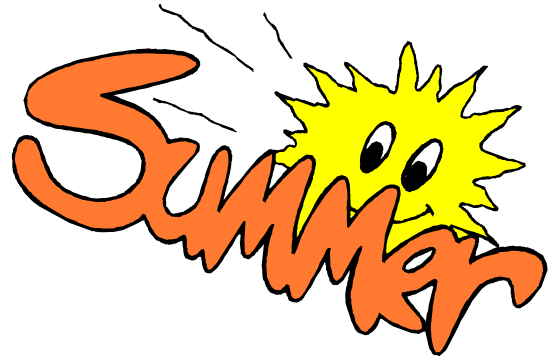
Check your property now and take steps to eradicate this dangerous plant. Wear protective clothing and gloves. Use a stick to move and inspect foliage. Look for sets of three leaves that are bright green in late spring and early summer and a bit glossy. The glossy appearance signals the plant's oil that is the culprit in causing the rash that accompanies exposure. The stems are brown. Poison Oak turns red later in the summer and fall and produces berries that are a pale green.

**Never Burn Poison Oak.** The smoke is especially dangerous and can even cause death if it's breathed. An herbicide is the safest way to kill poison oak. The product Tecnu, which most drug stores sell, will remove poison oak oil from your skin. You also can use Tecnu to decontaminate laundry, pets, and tools.

**Poison Oak in late summer changing from green to bright red.**



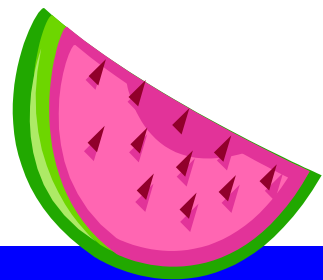
For further important information on Poison Oak Management go to:  
<http://www.ipm.ucdavis.edu/PMG/PESTNOTES/pn7431.html>



YAY! Summer is almost here and Herron Island will soon be swarming with Members and Guests who want to enjoy the beauty and ambience that is our wonderful island. It's important to remember that the island is also home to many deer and lots of new fawns. They are easily spooked by loud noises and speeding vehicles. It is a Member's responsibility to advise their guests of the Rules of Herron Island with particular emphasis on the following:

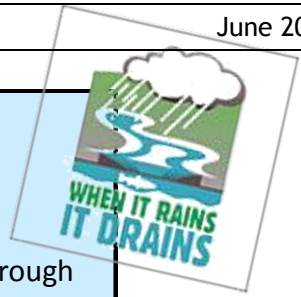
1. The instructions of the Ferry crew must be followed at all times.
2. The Island Speed Limit is **15 MPH** for all motorized vehicles regardless of who is driving.
3. The STOP signs are there for a reason. Please stop at the STOP signs.
4. Noise Rules are in place for the benefit of all. Please familiarize yourself and your guests with these rules.
5. Fireworks are **NOT** permitted on the island except on July 4th **ONLY**, and **ONLY** in the designated area at North Beach. And only if there is not a Pierce County Burn Ban this year

Members can (and have been) fined for the actions of their guests. Please help us to keep the island a safe and enjoyable summer destination for everyone.



## Is Your Ditch Clear or Clogged?

Every road on Herron Island is bordered by drainage ditches and/or surface water control areas. Maintaining the flow of water off the improved road surface and through the drainage system is critical to preserving the Island's roads. Clogged drainage ditches and standing water destroys the Island's roads, increasing the cost to everyone. These surface water control areas are generally within the legally described roadways owned by HMC; however, it is the expectation and obligation of every member to maintain the drainage ditches and surface water areas adjacent to their lot(s) up to the improved road surface. Every owner should cut, clear and maintain any grasses, plants, trees and/or weeds, whether naturally occurring or cultivated, between their front property line and the improved roadway surface to maximize surface water runoff from the roads. Drainage ditches adjacent to the improved roads should be kept free of plant growth and debris that can interfere with the free flow of surface water away from the roads. Please trim, mow, weed and maintain the surface water control areas adjacent to your lot up to the improved road for the betterment of the entire community. Thank you for your assistance and support.



## SUMMER GUESTS

Are you planning to have a large group out to visit sometime this summer? Why not consider renting a Honey Bucket for your family gatherings.

Here is what you need to do:

1. Contact the company directly at (253)-851-1633
2. Please call 3 to 4 weeks in advance so they can schedule
3. The cost will be less than the regular price if you schedule it to be delivered on the days they normally service the island. In order to get this price you have to agree to keep it on your property for two weeks so it can be picked up on their next regularly scheduled trip to the island.
4. There is an additional \$100 charge for an extra Honey Bucket if you need two instead of just one.
5. Otherwise, the regular rate could be twice the price, plus the ferry fee and an hourly rate for their time.
6. Payment would be required at the time the order is placed.

So if you need one it would be best to make the arrangements about a month in advance, just to be sure they can place the order for you. This can also help your septic system and not over tax it with extra usage.





### BEACHCOMBER INPUT POLICY

The Board is the owner and publisher of the Beachcomber. The Board approves Beachcomber articles and advertisements and has the right to refuse to publish items submitted. Beachcomber news items must be submitted by 5:00 PM on the Wednesday after the monthly Board meeting which is on the second Saturday of the month. Items MUST be emailed in electronic format such as word or publisher to [beachcomber@herronisland.org](mailto:beachcomber@herronisland.org). Include your name and phone number in case any questions arise. Paid advertisements are to be arranged with the HMC office PRIOR TO PUBLICATION.

HMC Board of Directors

### Welcome, New Islanders!

HMC welcomes new Members to Herron Island:

- Thomas Bennett
- Kelli Mohr



### Package Delivery



If you order packages to be delivered to the mainland terminal, please track their delivery so you can be available to pick them up or make other arrangements. It is not the responsibility of the ferry crew.

**Board Member Email Addresses**

HMCMikeGraham@herronisland.org

HMCGaryWanzong@herronisland.org

HMCFerdReichlin@herronisland.org

HMCSherriAnderson@herronisland.org

HMCSamArgo@herronisland.org

Please use these email addresses for all future communications to Board Members. They can be accessed on our website ([herronisland.org](http://herronisland.org)) under the HMC Board tab.

**Committee Email Addresses**

HMCRules@herronisland.org

HMCTechnology@herron.island.org

HMCRoads@herronisland.org

HMCEmergPrep@herronisland.org

HMCLandUse@herronisland.org

HMCTransportation@herronisland.org

**Are You on the List?**

HMC now has 369 Member email addresses on the notification list. If you want to get notice of the online Beachcomber, or get the latest on windstorms, power outages, water line breakages, or other news, please send an email to [office@herronisland.org](mailto:office@herronisland.org) and request that your email address be added. To be used for HMC purposes only.

**Herron Island Calendar**

Check the official Herron Island Calendar on the web site for committee meetings, activities and times. Click the "Calendar" button in the left column of the Home Page.





**Fallen Behind on your Assessment?**

If you owe \$200 or less, you may get access to the island by paying the delinquency in cash to the deckhand. At the March 14 meeting, the Board increased the limit from \$100 to \$200.

**Website Photos**

If you have any photos from island activities that you would like to share on our website, please send them to [webmaster@herronisland.org](mailto:webmaster@herronisland.org).

**Reimbursements**

Requests for reimbursement must be accompanied by a receipt and received by the office by the Thursday before the Board Meeting to be included in the list of bills to be approved by the Board. Failure to get your bill in on time will result in a delay in payment until the following month.

**Concerns or Ideas**

All Members are invited to voice their concerns or ideas by using the Member Input email address, contacting the Board Members or the HMC Office:

[MemberInput@herronisland.org](mailto:MemberInput@herronisland.org)



HERRON ISLAND FERRY SCHEDULE													
Departure times from ISLAND (IS) AND MAINLAND (ML)													
MON		TUE		WED		THU		FRI		SAT		SUN	
IS	ML	IS	ML	IS	ML	IS	ML	IS	ML	IS	ML	IS	ML
6:15	7:00	6:15	7:00	6:15	7:00	6:15	7:00	6:15	7:00				
7:30	8:00	7:30	8:00	7:30	8:00	7:30	8:00	7:30	8:00	*7:30	*8:00	*7:30	*8:00
8:30	9:00	8:30	9:00	8:30	9:00	8:30	9:00	8:30	9:00	8:30	9:00	8:30	9:00
9:30	10:00			9:30	10:00					9:30	10:00	9:30	10:00
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12:00	12:30	12:00	12:30	12:00	12:30	12:00	12:30	12:00	12:30	11:30	12:00	11:30	12:00
								*2:30	*3:00	2:30	3:00	2:30	3:00
3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00
4:30	5:00	4:30	5:00	4:30	5:00	4:30	5:00	4:30	5:00	4:30	5:00	4:30	5:00
5:30	6:00	5:30	6:00	5:30	6:00	5:30	6:00						
6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00
								7:30	8:00	7:30	8:00	7:30	8:00
								8:30	9:00				
SUMMER SCHEDULE <u>ONLY</u> Apr 1—Sep 30 ADDED RUNS INDICATED BY * AND SHADING (Not available Oct 1—Mar 31)													
HOLIDAY SCHEDULES (Ferry runs start from Island)													
Thanksgiving	8:30a—9:00a		11:30a—Noon		6:30p—7:00p		Memorial Day		Same as Sunday				
Christmas Day	8:30a—9:00a		—————		6:30p—7:00p		Independence Day		Same as Sunday				
New Years Day	8:30a—9:00a		11:30a—Noon		6:30p—7:00p		Labor Day		Same as Sunday				



### Ferry Brochure

A printable ferry brochure, along with the ferry schedule combining summer and winter schedules, is now available on the HMC website at [www.herronisland.org](http://www.herronisland.org). Check under Ferry Schedule and Printable Brochure.

Thanks to Terrill Chilson for preparing this simpler version of the old schedules.

### Tide Tables

Plots of the monthly tide tables are available on our website ([herronisland.org](http://herronisland.org)). The plots are for nearby McMicken Island, which is the NOAA data point closest to Herron Island.



# 2016 "Charlie Wells" Herron Island Ferry Schedule Low Tide Cancellations, Additions and Adjustments

It is that time of year, with the summer season and holidays the island fills up with members and guests coming to the island... take time to be prepared.

- Become familiar with your Member number as it is used to log your vehicle aboard the Charlie Wells.
- **Be sure to have your current sticker affixed to your windshield to avoid being charged as a guest.**
- Complete and sign the Guest pass.
- **Always inform your guests the rules for riding on, loading onto and unloading from the ferry.**



## **Memorial Day Holiday Ferry Restrictions**

Combinations of any length (vehicle towing anything) and single vehicles longer than 25 feet will **NOT** be transported after the 12:00 noon-12:30 pm run, **Thursday, May 26, 2016 through the end of day, Monday, May 30, 2016.**

**Note:** Monday, May 30, the ferry will operate of holiday schedule, same as weekend schedule.

## **JUNE 2016**

Fri 6/3	12:00 noon—12:30 pm cancelled
Sat 6/4	10:30 am-12:00 noon NO SERVICE
Sun 6/5	10:30-11:00 am NO SHUTTLES 1130 am-12:00 noon cancelled
Mon 6/6	12:00 noon—12:30 pm cancelled
Wed 6/8	3:30 pm—4:00 pm cancelled
Sun 6/19	11:30 am—12:00 noon cancelled
Mon 6/20	12:00 noon—12:30 pm cancelled
Tue 6/21	12:00 noon—12:30 pm cancelled

Terms:

NO SHUTTLES means only one trip for that time, no extra runs. NO SERVICE means tides are to low to operate ferry.

**DRIVE SAFELY!**



Provided by volunteers Captain John and Terrill  
for Herron Island Members and their guests.

## **JULY 2016**

Fri 7/1	9:30 am-11:00 am NO SERVICE
Sat 7/2	9:30 am-12:00 noon cancelled <b>ADD: 12:30 pm-1:00 pm</b> ADD: 1:30 pm-2:00 pm
Sun 7/3	10:30 am-12:00 noon cancelled ADD: 1:30 pm-2:00 pm
Mon 7/4	10:30 am-12:00 noon cancelled
Tue 7/5	12:00 noon-12:30 pm cancelled
Wed 7/6	12:00 noon-12:30 pm NO SHUTTLES
Tue 7/19	12:00 noon-12:30 pm cancelled
Wed 7/20	12:00 noon-12:30 pm cancelled
Thu 7/21	12:00 noon-12:30 pm NO SHUTTLES
Sat 7/30	9:30 am—10:00 am cancelled
Sun 7/31	9:30 am—11:00 am cancelled



## **Independence Day Holiday Ferry Restrictions**

Combinations of any length (vehicle towing anything) and single vehicles longer than 25 feet will **NOT** be transported **Friday, July 1, 2016 through the end of day, Monday, July 4, 2016.**

**Note:** Monday, July 4, the ferry will operate of holiday schedule, same as weekend schedule.

## **AUGUST 2016**

Mon 8/1	12:00 noon—12:30 pm cancelled
Tue 8/2	12:00 noon—12:30 pm cancelled
Wed 8/3	12:00 noon—12:30 pm cancelled

## **Labor Day Holiday Ferry Restrictions**

Combinations of any length (vehicle towing anything) and single vehicles longer than 25 feet will **NOT** be transported after the 12:00 noon-12:30 pm run, **Thursday, September 1, 2016 through the end of day, Monday, September 5, 2016.**

**Note:** Monday, September 5, the ferry will operate on holiday schedule, same as weekend schedule.

**Check [www.herronisland.org](http://www.herronisland.org) for schedule updates**

As of: 5/17/16

**Herron Island Homes for Sale:**

- **318 Herron Lane** (MLS # 930796): Western exposure waterfront home with steps to beach, (2 beds/1.75 baths). **\$315,000**
- **1115 Madrona Blvd** (MLS # 863421): Newer construction (2 bed/1.75 bath) home on level lot. **\$169,950**
- **216 - 218 Fir Lane** (MLS # 917959): Remodeled cozy A-frame cabin with water view! Open plan living, ¾ bath & loft. Price Inc. additional lot. **\$94,500**
- **309 East Madrona** (MLS # 922747): Built in 2008, 2 bed/1 bath. **\$112,500**
- **312 East Madrona Blvd** (MLS # 922740): Cute cabin (1 bed/1 bath) on a .31-acre level lot. **\$64,900**
- **1208 W Herron Blvd** (MLS # 915253): Home on 70' of medium bank waterfront. Inc. staircase to beach. **\$199,900**
- **725 W Herron Blvd** (MLS # 937006): Cozy cabin (2 beds/1 bath) on large level lot. Partial view. **\$89,900**

- **1202 Madrona Blvd** (MLS # 937279): Large western view home (4 beds/1.75 baths) with great room! **\$250,000**
- **NEW! 214 E Madrona Blvd** (MLS # 949695): Furnished chalet cabin (1 bed/1 bath plus loft)! **\$159,950**
- **NEW! 207 W Herron Blvd** (MLS # 954946): 2-bed/1-bath single story cabin with western exposure and peek-a-boo view! **\$125,000**
- **NEW! 1105 W Herron Blvd** (MLS # 960434): Sweeping western view of Olympics from this 2-bed/1.5-bath home! **\$169,950**

Call us for all your real estate requirements!!

**The Herron Team:**

Dallas Amidon  
Cell: 253.606.0972  
Dallas@HerronIsland.com

Karen Dorans  
Cell: 253.219.4076  
Karen@HerronIsland.com

(Paid Advertisement)

## HERRON ISLAND YARD MAINTENANCE

JIM DAVIES  
253-432-2365  
[jada40@att.net](mailto:jada40@att.net)

### ESTIMATES BY THE YARD

- \*Tansy Removal
- \*Appliance Disposal
- \*Deck Cleaning/Restaining
- \*Lot Cleanup/Dump Runs
- \*Hauling Rock/Sand/Bark

(Paid Advertisement)

(Note: HMC Management neither endorses advertisers nor vouches for their being properly licensed.)

OWNER: STEVE KRAMER



RESIDENT/MEMBER SINCE 1959

**EXCAVATION:**

**SITE PREP, SEPTIC REPAIR, WATER & POWER LINES & CULVERTS**

**HAULING:**

**DRIVEWAY ROCK, TOPSOIL, SAND MIX & DRAIN ROCK**

**DRIVEWAY MAINTENANCE****DECKS & ROOFING****DECK STAINING****DEMOLITION - DUMP RUNS****RETAINING WALLS & STONE/BLOCK WALLS****HOME REMODEL & REPAIR****CARPET, VINYL & LAMINATE INSTALLATION/REMOVAL****SITE CLEAN-UP****HOUSE PAINTING****PRESSURE WASHING**

**LICENSED, BONDED & INSURED  
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**253.884.3671 OR 253.857.9202  
P.O. BOX 816 LAKEBAY, WA 98349**

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### **Special Meeting**

A Special Membership Meeting will be held on July 9, 2016 for the purpose of voting on various propositions, including ratification of the 2016/2017 budget. The following pages contain descriptions of the issues, the proposed budget including revised fee schedule, and reserve funding disclosures. Ballots will be mailed to all Members via USPS before the meeting date.



## **Notice of Special Membership Meeting of HMC Management**

Notice is hereby given pursuant to Article 4 of the Bylaws of HMC Management that a Special Meeting of the Membership will be held on Saturday, July 9, 2016 immediately following the 10:00 a.m. regular Board Meeting at the HMC Community Building. At the meeting, ballots will be counted for four Ballot Propositions presented by the HMC Board of Directors as described below.

**Ballot Proposition #1** – Shall HMC Management immediately proceed with replacement of the eight ferry terminal dolphins (Dolphin Project)? The dolphins are projected to fail within two years of the upcoming new budget based on engineering studies, which can be found under [www.herronisland.org/dolphins](http://www.herronisland.org/dolphins). These old creosote pilings will be replaced with eight new steel dolphins with a life of at least 50 years at a cost of approximately \$1.5 million. The design and permitting is currently under contract. Estimated construction will take eight weeks, with minimal disruption of ferry service. Delaying this project any further could create a situation that the current dolphins fail before they are replaced. This would impact ferry service and increase costs, if done under emergency circumstances. If this ballot passes the first half of the semi-annual payment, if financed, will be due April 2017 along with the regular assessment.

**Ballot Proposition #2** – How shall HMC Management finance the Dolphin Project. Below are three (3) alternative methods of paying for the dolphin replacement if Proposition No. 1 passes. Please vote for only one method of financing.

**Option 1: Shall HMC Management proceed with financing the Dolphin Replacement project using a combination of reserve and USDA Rural Development (Federal) loan funds at an interest rate of 3.125%? This is dependent on a YES vote to Proposition #1.** Please note: USDA has committed the funds for this project based on Proposition 1 and 2 passing. If either proposition fails the USDA funding is lost. USDA funding may not be available later and if available the interest rate could be higher. First semi-annual payment will be billed April 2017.

**Option 2: Shall HMC Management proceed with financing the Dolphin Replacement project using a combination of reserve and commercial bank loan funds at an estimated interest rate of 4.00%? This is dependent on a YES vote to Proposition #1.** Please note: Currently there is no secured commercial funding for this project. The interest rate is based on the general commercial rates at this time and could be higher, or financing may not be available. The rate HMC Management could be charged, if a

commercial loan is approved, could be higher. Repayment schedule would also be five years with an estimated annual payment per Member of \$768.18. First semi-annual payment of \$384.09 will be billed April 2017.

**Option 3: Shall HMC Management proceed with a onetime special assessment of approximately \$3,500 per Member (assessable unit) to finance the Dolphin Replacement project.** This is dependent on a YES vote to Proposition #1. Please note: \$3,500 is an estimated amount based on 374 Members at an estimated cost after reserves of \$1.3 million dollars for the Dolphin replacement. This will be billed January 2017.

**Advisory Ballot Proposition #3 – Shall HMC Management repay the financed funds in one of the following manners presented below of the USDA loan.**

This is dependent on a YES vote for USDA funding. **Please choose one option.** Please note: this is an advisory vote for future budgets. Since the future cannot be fully anticipated this vote will help future Boards and Finance Committees calculate future budgets and assessments based on the financial conditions of the times. First semi-annual payment (1/2 of the Annual Payment that is shown below) will be billed April 2017.

The following is the estimated annual payment per Member based on the number of years to pay off the USDA loan. Please note the assumptions below the options.

Option	Loan Years	HMC Monthly Payment	HMC Annual Payment	Member/Annual Payment	
1	40	\$4,747.93	\$56,975.16	\$152.34	
2	20	\$7,291.39	\$87,496.68	\$233.95	
3	15	\$9,055.92	\$108,671.04	\$290.56	
4	10	\$12,628.05	\$151,536.60	\$405.18	
5	5	\$23,431.58	\$281,178.96	\$751.82	
Assumptions:					
	> Membership is calculated at 374 active Members				
	> Annual interest rate is 3.125%				
	> Loan amount is \$1,300,000.00				

**Advisory Ballot Proposition #4 – Would you be interested in a prepayment option if the Dolphin Project is paid with financed funds (either USDA or Commercial)?** Prepayment of this special assessment, which is estimated to be \$3,500 per Member, will be an option to Members that are interested. Payment will be due in full at the completion of the Dolphin project which is estimated to be January 2017. This is an advisory vote so the Board can see how many Members would be interested in taking this option.

**Ballot Proposition #5 – Ratification of proposed budget - Shall HMC Management ratify the proposed HMC Management General and Water Budgets for Fiscal Year 2016/2017 as presented to the Membership at the June 11, 2016 Board and Annual Membership Meeting?**

Pursuant to Article 9 of the Bylaws of HMC Management, the HMC Board of Directors has adopted the HMC Management General and Water Budgets for Fiscal Year 2016/2017 (the “General and Water Budgets”). The HMC Board of Directors now presents the proposed General and Water Budgets to the Membership for ratification.

A copy of the proposed General and Water Budgets including proposed changes to the Fee Schedule are attached to this Ballot. These documents were published in the May and Beachcomber issue and presented at the Annual Membership meeting held on June 11, 2016. The June Beachcomber issue will include these proposed Budgets. Also included is an Annual Reserve Fund Budget Disclosure document from Association Reserves.

Under the proposed General and Water Budgets, annual assessments would be \$1,928 per assessable unit for the Fiscal Year starting October 1, 2016. Please note: the Dolphin special assessment payments are not included in the HMC General Budget. Please see Proposition No. 2 and No. 3 for financial details of the Dolphin special assessments. Water Assessments will be billed quarterly at a Basic Rate of \$18/month plus actual water used in excess of 150 Average Daily Gallons with graduated tiers as shown below:

Tier 1:	151 to 400 ADG	\$.07 per ADG/month
Tier 2	401 to 800 ADG	\$.14 per ADG/month
Tier 3	Over 801 ADG	\$.21 per ADG/month

The HMC Board of Directors recommends ratification of these General and Water Budgets to continue supporting our Island operations.

**HMC Management  
Profit & Loss Budget**

October 2016 through September 2017

**HMC GENERAL ASSESSMENT**

	Oct '11 - Sep 12	Oct '14 - Sep 15	Oct '15 - Sep 16	Oct '16 - Sep '17
Assessable Units	395	389	384	382
Units minus delinquents	390	382	376	374
Total Income minus Assessments	217,603	249,609	260,620	189,970
Total Expenses	975,574	969,836	1,111,915	910,693
Yearly Assessment per member	1,944	1,885	2,264	1,928
Total Assessments	757,971	720,228	851,295	721,097
Monthly Assessment per Member		157	189	161

Actual Costs	Actual Costs	Current	Proposed
Oct '11 - Sep 12	Oct '14 - Sep '15	Oct '15 - Sep 16	Budget

Ordinary Income/Expense

**Income**

Assessments	620,980	678,354	851,295	721,097
Ferry Fees	193,362	183,762	170,000	175,000
Other Income				
Beachcomber Ads	700	580	600	600
Renter's Fees, Copy, Fax and Notary	760	868	1,500	1,000
Nsf Fees	175	280	300	250
Postage	34	60	20	20
Property Transfer fee	1,750	3,500	2,000	2,500
Interest & Handling (Delinquent Accounts)	9,195	-	6,000	-
Handling Fees	-	22,273	-	-
Interest Delinquent	-	6,754	-	-
Member Credit Card Fees	147	670	700	600
Other Income	1,008	-	-	-
Miscellaneous - Other	-	30,802	-	-
Attorney Collections (see note 3)	10,366	-	10,000	10,000
Total Other Income	24,136	65,788	21,120	14,970
Reserve Transfer				
Ramp Painting	-	-	69,500	-
Total Reserve Transfer	-	-	69,500	-
Interest Earned				
HMC Management Reserves (See note 5)	94	-	-	-
General Fund	12	59	-	-
Total Interest Earned	105	59	-	-
Total Income (See note 7)	838,583	927,963	1,111,915	911,067

**Gross Income**

838,583	927,963	1,111,915	911,067
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**Expense**

HMC Regular Operations		74		
Accountant/Auditor	5,544	6,123	6,500	6,500
Reserve Analysis	-	3,160	1,390	1,390
Bad Debt Write Off	-	-	1,500	1,500
Bank Fees	92	130	200	200
Amount of Check that was returned for NSF	977	17	-	-
Community Building Maintenance	2,152	375	1,000	1,000
Community Asso. Institute	130	129	150	150
Contract Svcs for Junk Removal	-	-	100	100
Credit Card Fees - Member Payments	886	877	800	800
Emergency Preparedness	1,168	596	1,000	500
State and County Taxes	3,492	1,640	2,000	3,000
HMC Property Pre-Sale Expense	-	-	200	200
Removal of unsafe trees	3,255	8,038	8,000	8,000
Insurance	-	439	-	-
Directors/Officers Ins	55	3,164	3,164	3,260
Crime (Break-ins and Theft)	-	501	501	516
5 Million Excess Liability	7,226	9,000	10,000	10,300
14 Million Excess Liability	-	10,000	9,000	9,270
Total Insurance	7,281	23,104	22,665	23,346
Legal Fees (see note 7)				
Attorney Fee Invoicing	-	(7,010)	-	-
Collection Costs	17,170	17,904	18,000	18,000
General	4,781	4,708	12,000	12,000
Total Legal Fees	21,951	15,602	30,000	30,000



**HMC Management  
Profit & Loss Budget**

October 2016 through September 2017

	Actual Costs Oct '11 - Sep 12	Actual Costs Oct '14 - Sep '15	Current Oct '15 - Sep 16	Proposed Budget
Office Equipment	693	734	1,100	1,100
Other		809		
Education and Training	168	507	300	300
CrystalTech-Web hosting	93	212	100	100
Mileage	58	270	250	300
Background Checks	-	357	200	400
Miscellaneous Equipment	1,049	775	1,000	1,000
<b>Total Other</b>	<b>1,368</b>	<b>2,930</b>	<b>1,850</b>	<b>2,100</b>
Payroll Expenses	819	2,645	1,800	1,800
Pension Administration Ferry Crew	595	595	650	650
Postage				
Box Fee	70	84	80	80
Stamps & Postage	2,163	2,258	2,800	2,800
<b>Total Postage</b>	<b>2,233</b>	<b>2,342</b>	<b>2,880</b>	<b>2,880</b>
Printing	2,454	836	1,500	1,500
Admin Salaries		(3,830)		
Aflac	(44)	-	-	-
Medical Insurance	10,135	8,414	9,800	10,780
Retirement	2,533	3,065	2,720	2,618
Payroll Taxes	6,749	11,105	8,415	8,166
Gross Wages	81,270	95,082	89,000	98,000
<b>Total Admin Salaries</b>	<b>100,643</b>	<b>113,837</b>	<b>109,935</b>	<b>119,564</b>
Island Security Costs	3,969	353	800	800
Office Supplies	967	2,216	1,200	1,200
Telephone/Fax	2,495	2,802	2,600	2,600
Software upgrades annual fee	-	-	-	1,100
Utilities/Electric	1,370	910	1,400	1,400
General Labor (Parks & Building Maintenance and Cleaning)				
Gross Wages	-	3,533	7,320	7,503
Payroll Taxes	-	64	987	1,036
<b>Reserve - Legal (Cap is \$35,000 - Balance is \$34,550)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Reserve - Community Building &amp; Sheds and Septic (Cap is \$40,000 - Balance is \$5,500)</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Total HMC Regular Operations</b>	<b>164,533</b>	<b>195,162</b>	<b>211,027</b>	<b>223,419</b>
Piles, Dolphins and Ferry Ramps				
Garbage - Ferry	218	215	350	350
Insurance - Docks and Piers	12,977	15,497	15,497	15,962
Ferry Ramp Generator Maintenance and Fuel	-	1,257	1,000	1,500
Other		6		
Annual DNR Lease	222	126	225	225
Parts and Supplies	3,817	115	1,000	1,000
Other/Inspection	197	26,366	1,000	1,000
<b>Total Other</b>	<b>4,236</b>	<b>26,613</b>	<b>2,225</b>	<b>2,225</b>
Repairs/Maintenance	19,583	6,147	4,000	4,000
Sanikans	2,762	2,853	3,400	3,400
Utilities	1,773	1,449	1,840	1,840
Ramp Painting	-	-	58,656	-

**HMC Management  
Profit & Loss Budget**

October 2016 through September 2017

	Actual Costs Oct '11 - Sep 12	Actual Costs Oct '14 - Sep '15	Current Oct '15 - Sep 16	Proposed Budget
<b>Reserve Account for Piles, Docks &amp; Ramps</b>	30,000	-	-	8,750
<b>Dock Piles and Ferry Dolphins (Cap is \$768,000 - Balance is \$363,156)</b>	-	9,000	151,680	10,000
<b>Ramp Painting (Cap is \$350,000 - Balance is \$22,964) Painted 2015. Estimated life is 20 years.</b>	-	34,000	1,000	1,000
<b>Reserve - Inspection of Ramps (Cap is \$15,000 - Balance is \$19,000) Required by Pierce County. Occurs every 2 years, even. Next inspection is 2016</b>	-	2,500	7,500	3,500
<b>Replacement Generators for Ramps. New Reserve Account</b>	-	-	-	3,300
<b>Reserve - Ramp Cable Replacement (Cap is \$40,000 - Balance is \$35,000) Recurring 5 year expense cycle. Replacement is 2020</b>	-	6,000	4,000	3,000
<b>Total Ferry Docks and Ramps</b>	<b>71,548</b>	<b>105,531</b>	<b>251,148</b>	<b>58,827</b>
<b>Ferry</b>				
Equipment	69	1,207	2,000	2,000
Fuel	72,199	45,237	70,000	50,000
Insurance	48,290			
Marine Package		17,910	17,910	18,447
Vessel Pollution		747	747	770
Commercial Package		7,404	7,447	7,671
<b>Total Insurance</b>		<b>26,061</b>	<b>26,104</b>	<b>26,888</b>
Repairs	1,122	4,380	5,000	5,000
Other				
Rentals for fill in Captains/Deck Hands	-	960	600	1,000
Sheds (waiting, oil and school)	-	-	300	300
Cellphone	547	362	600	500
Drug Testing	853	793	1,400	1,400
Inspections and Licensing	800	1,283	1,500	1,500
Miscellaneous	2,393	2,608	2,000	2,000
Computers for Deck Hands	-	-	-	2,200
Tickets & Passes & Stickers	-	2,359	2,000	2,000
Uniforms	1,038	1,191	1,200	1,200
Legal Fees - IBU Attorney	-	-	1,000	3,300
<b>Reserve - Legal Fees IBU Attorney. \$2,500 Balance - Estimated cost is \$20,000 every three years. Next contract is 2017.</b>	-	-	2,500	7,500
<b>Total Other</b>	<b>5,630</b>	<b>9,556</b>	<b>13,100</b>	<b>22,900</b>
<b>Passenger Vessel Asso.</b>	<b>447</b>	<b>488</b>	<b>500</b>	<b>500</b>
<b>Routine Maintenance &amp; Supplies</b>	<b>6,188</b>	<b>6,604</b>	<b>6,500</b>	<b>6,500</b>
<b>Ferry Salaries &amp; Benefits</b>				
Medical Insurance - Note 7	39,811	40,979	40,870	49,044
Retirement-Employer	13,078	13,722	17,008	17,365
Payroll Taxes	18,728	25,944	25,584	27,462
Gross Wages	239,979	265,136	291,541	311,483
<b>Total Ferry Salaries &amp; Benefits</b>	<b>311,595</b>	<b>345,780</b>	<b>375,003</b>	<b>405,354</b>
<b>Ship Yard</b>	<b>665</b>	<b>77,308</b>	<b>-</b>	<b>-</b>
<b>Supplies, Paper Products, Water</b>	<b>1,962</b>	<b>574</b>	<b>1,000</b>	<b>1,000</b>
<b>Personal Property &amp; Excise</b>	<b>2,271</b>	<b>4,487</b>	<b>5,000</b>	<b>5,000</b>
<b>Reserve - Shipyard (Cap is \$120,000 - Balance is \$148,000) Next cycle is 2016. Note 1</b>	<b>46,000</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>
<b>Reserve - Engine Overhaul (Cap is \$40,000 - Balance is \$30,750) next cycle is 2018 Note 2</b>	<b>20,000</b>	<b>6,250</b>	<b>9,500</b>	<b>2,000</b>
<b>Reserve - Ferry Replacement (Cap is 1,000,000 - Balance is \$4,000)</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Accrued Leave Not Taken</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>
<b>Total Ferry</b>	<b>516,438</b>	<b>568,931</b>	<b>554,707</b>	<b>533,142</b>

**HMC Management  
Profit & Loss Budget**

October 2016 through September 2017

	Actual Costs Oct '11 - Sep 12	Actual Costs Oct '14 - Sep '15	Current Oct '15 - Sep 16	Proposed Budget
<b>Parks</b>				
Maintenance				
Lawn Equipment	23	-	200	200
General upkeep including park parking	24	8	3,300	3,300
Total Maintenance	47	8	3,500	3,500
Other				
Garbage Pick Up	536	663	700	700
Misc.	84	-	100	100
Sanikans	2,974	2,938	3,300	3,300
Total Other	3,594	3,601	4,100	4,100
Parks Development	415			
Playground Improvement	231	2,702	500	500
Parks Salaries				
Payroll Taxes	199	137	-	-
Gross Wages	1,463	-	-	-
Total Parks Salaries	1,662	137	-	-
Small Boat Dock Floats	187,477	-	-	-
Removal and Installation Equipment Rental - \$1,100 for each rental of equipment	-	2,133	2,500	2,500
Maint & Improvements	-	273	750	750
Total Small Boat Dock	187,477	2,406	3,250	3,250
Supplies & Equipment Repairs	598	446	1,000	1,000
Utilities	578	607	700	700
Reserves - Parks (Cap is \$50,000 - Balance is \$13,116) For North Beach repairs and replacement equipment.	6,000	1,000	1,000	1,000
<b>Total Parks</b>	200,577	10,905	14,050	14,050
<b>Roads (ferry island/mainland lots)</b>				
Auto Insurance (water truck)	802	815	815	815
Dust Control Truck	3,302	620	2,000	2,000
Road Maintenance (Contract costs for work other then grading)	-	23,326	40,000	40,000
Road Grading Contract Costs	-	-	8,000	8,000
Road Maintenance (Not billed by Dick)	1,055	1,020	-	-
Road & Ditch Labor (Billed by Dick)	11,927	-	-	-
Road & Ditch Materials (Material only)	2,362	46,080	3,500	3,500
Salaries				
Payroll taxes	-	447	1,148	1,206
Wages	30	-	8,520	8,733
Total Salaries	30	447	9,668	9,939
Reserves	3,000			
Gravel General (Cap is \$50,000 - Balance is \$30,240)	-	10,000	10,000	10,000
Ferry Hill Black Top Repairs (cap is \$30,000 - balance is \$10,000)	-	5,000	5,000	5,000
Reserves - Road Equipment (Cap is \$60,000 - Balance is \$7,500)	-	2,000	2,000	2,000
<b>Total Roads</b>	22,478	89,307	80,983	81,254
<b>Total Expense</b>	975,574	969,836	1,111,915	910,693

General note: This budget was generated based on analysis of the last seven years of actual expenses. This budget follows the accounting requirements and format used by HMC.

Note 1: Ferry goes into dry dock every two years on the even year

Note 2: New engines go into yard for rebuild every five years but may be extended. Estimated cost is \$40,000 for both engines. Next yard service is 2018.

Note 3: Legal fee expenses is partially offset by legal fee income. This allows for accounting requirements.

Note 4: Reserve accounts now must total 10% of operating budget per RCW 64.34.010, 64.34.020, 64.34.308, 64.34.380, 64.34.382, 64.34.384, 64.38.010, 64.38.025, 64.38RCW and 2008c115s8.

Note 5: Dividend Reserve is interest earned from reserve accounts.

Note 6: Unexpended funds from prior FY year will be allocated to appropriate reserves.

Note 7: The Ferry Crews choice health care provider has announced a rate increase of 14 to 20%. If the Ferry Crew selects another provider this increase is estimated to be less than 10%

HMC Management  
Profit & Loss Budget

October 2016 through September 2017

HMC WATER

Actual Costs	Actual Costs	Current	Proposed
Oct '11 - Sep '12	Oct '14 - Sep '15	Oct '15 - Sep '16	Budget

	Oct '11 - Sep '12	Oct '13 - Sep '14	Oct '14 - Sep '15	Oct '16 - Sep '17
Assessable Connections		397	397	397
Connections minus delinquents		390	389	389
Base Fee per Connection		214	125	119
Reserve Fee per Connection		97	97	97
Tier 2 and Above Excess Water Fee			14,604	14,604
Base Assessment per Connection - Annual		311	222	216
Base Assessment per Connection - Monthly		26	18	18
Base Total Assessments - All Connections		121,360	86,274	84,055

Note: Base assessment does not include water usage above base or USDA loan repayment if applicable.

Water

Ordinary Income/Expense

Base Fees	62,250	48,618	48,618
Usage Fees		14,604	14,604
Reserves	37,752	35,406	35,406
USDA Water Special Assessment	53,278	53,278	53,278
Total Income	153,280	151,906	151,906

Expense

Accountant/Auditor	985	1,000	1,000
Bad Check	-	200	200
BANK FEE	1	50	50
Contract Manager - WA Water	4,745	7,000	5,000
Insurance	1,682	2,160	1,800
Legal	3,431	1,000	1,000
Mailings (Postage and Admin)	1,076	1,000	1,000
Membership Fees	5	100	-
Mileage Reimbursement	665	400	400
Other Expenses			
Excise Tax	15,009	4,250	8,300
Miscellaneous	5,355	500	6,000
Permits & License	2,354	500	500
Water Samples	474	750	750
Total Other Expenses	23,193	6,000	15,550
Printing	49	-	-
Repairs - Parts	1,244	2,000	2,000
Supplies	5,667	-	-
Supplies & Repairs - Contractors	17	2,000	1,000
Software upgrades annual fee	-	-	900
Utilities	3,178	2,600	3,000
Wages - Taxes	1,990	-	1,200
Wages - WDM, meter reading	17,709	-	10,000
Wages - Administrative	15,029	33,525	14,000
Taxes	1,678	3,333	2,000
Gross Wages	739	-	-
Pension	526	605	654
Cell Phone	-	250	250
To Water Reserve (Cap is \$1,800,000 - Balance is \$211,628)	37,752	35,406	34,626
USDA Water Special Assessment	53,278	53,278	53,278
Total Operating Expense	174,638	151,907	148,908

General note: Every five years a Sanitary Survey is done by the Health Department. 2020 is the next cycle year for the survey to be done.

## 2016/2017 HMC Fee Schedule

Monthly Handling Fee for Delinquent Accounts:	
For balances of \$100.00 or less	\$ 15.00
For balances of \$100.01 or more	\$ 30.00
Interest	1% Monthly or 12% per Annum
Non-Sufficient Funds (NSF)	\$ 35.00
Office/Research per hour	\$ 43.00
Placing and Releasing Liens	HMC Attorney Rates at the time
Lost Vehicle Decal Replacement	\$ 5.00
Special Ferry Run (per run)	\$175.00
Copies: Black/White each	\$ 0.20
Color each	\$ 1.00
FAX – Incoming/Outgoing per page	\$ 1.00
Scan & Email per page	\$ 1.00
Member Credit Card Fee	6%
Renter's Application Fee	\$ 60.00
Renter's Annual Renewal Fee (billed in full in October)	\$ 30.00
Beachcomber Ads – per ¼ page	\$ 20.00
Beachcomber Mailing	\$ 22.50/year or \$2.50 per issue
Returned Mail	Post Office Rate
Notary Services	\$ 10.00
Postage for Ferry Tickets	\$ 2.00
Community Center Building Rental + Damage Deposit	\$100.00

*(Applies only to private parties – up to \$50.00 refundable). See HMC Rule D-2. (Events open to the entire community need member signature, \$50 deposit; \$50 deposit will be refunded if hall is left clean.)*

Property and Water Account Transfer Ownership Fee	\$175.00
Water Availability Letter (Completed by Island Manager)	\$ 50.00
Water Connection Repair Admin Fee	\$ 50.00
(Repair expense will be actual cost charged by approved contractor)	
Emergency Water Repair (HMC equipment only damaged by Member)	\$125.00 per hour

New Water Connection fee includes 3 components:

1. Admin Fee \$ 50.00
2. New Water Connection Installation expense will be **actual cost** charged by approved contractor.
3. Capital Cost Recovery 2012/2013 Water Project Special Assessment of \$801.90, prorated since inception April 2013. Plus monthly charge of \$14.85, billed quarterly at \$44.55 for the next 36 years.

**OR:**

*Pay the total balance of \$7,128.20, the per-connection proportionate share.*

Water Cross Connection Administration Fee	\$ 50.00
Water Shut-Off Fee	\$ 50.00
Water Reestablish Connection Fee	\$ 50.00
Water Inactive Status/install lock	\$ 50.00
Return Water to Active Status/remove lock	\$ 50.00
Meter Box Lid Replacement	\$ 50.00
Meter Box Replacement	\$100.00
Meter Replacement	\$500.00
Antenna Replacement	\$500.00
Meter Setter Replacement	\$500.00
Voluntary Water Service Turn Off	\$ 10.00
Ditch Clean Out Fee per Hour	\$125.00

## Assessment and Reserve Funding Disclosure Summary

### HMC Management - Lakebay, WA

For Fiscal Year Beginning: 10/1/2016

# of Units: 382

a) <u>Budgeted</u> Amounts:	Total	Average Per Unit*
Reserve Contributions:	\$55,800.00	\$146.07
Operating Assessments:	\$721,097.00	\$1,887.69

per: Year

<u>Recommended</u> amount:	Total	Average Per Unit*
Reserve Contributions:	\$346,000.00	\$905.76
Special Assessment:	\$0.00	\$0.00
Funding Plan Objective:	Full Funding	

per: Year  
# years: 0

Notes:

- b) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Due	Total Amount Per Unit*	Purpose
N/A		
N/A		
Total:		\$0.00

Notes:

- c) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently budgeted Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **No**
- d) If the answer to "c" is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
2027	\$6,545
N/A	
N/A	
N/A	
Total:	\$6,544.50

Notes:

e) All computations/disclosures are based on the fiscal year start date of:	10/1/2016
Fully Funded Balance:	\$2,134,535.00
Projected Reserve Fund Balance:	\$527,479.00
Percent Funded:	24.7%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$4,206.95
From the 6/2/2015 Reserve Study by Association Reserves and any minor changes since that date.	

\* If assessments vary by the size or type of unit, allocate as noted within your Governing Documents.

- f/g) See attached 30-yr Summary Tables, showing the projected Reserve Funding Plan, Reserve Balance, and Percent Funded, under the recommended and actual budgeted Reserve Funding Plans.

**Prepared by: Association Reserves (Rachel Drew)**

**Date: 6/14/2016**

*The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.*

## Assessment and Reserve Funding Disclosure Summary

### HMC Water System - Herron Island, WA

For Fiscal Year Beginning: 10/1/2016

# of Units: 397

a) <u>Budgeted</u> Amounts:	Total	Average Per Unit*
Reserve Contributions:	\$35,406.00	\$89.18
Operating Assessments:	\$84,055.00	\$211.73

per: Year

<u>Recommended</u> amount:	Total	Average Per Unit*
Reserve Contributions:	\$72,800.00	\$183.38
Special Assessment:	\$0.00	\$0.00
Funding Plan Objective:	Full Funding	

per: Year  
# years: 5

Notes:

- b) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Due	Total Amount Per Unit*	Purpose
N/A	\$134.20	Only applies to certain units - amount owing
N/A		
Total:		\$134.20

Notes:

- c) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently budgeted Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **Yes**
- d) If the answer to "c" is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
N/A	
N/A	
N/A	
N/A	
Total:	\$0.00

Notes:

e) All computations/disclosures are based on the fiscal year start date of:	10/1/2016
Fully Funded Balance:	\$276,281.00
Projected Reserve Fund Balance:	\$211,628.00
Percent Funded:	76.6%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$162.85

From the 6/2/2016 Reserve Study by Association Reserves and any minor changes since that date.

\* If assessments vary by the size or type of unit, allocate as noted within your Governing Documents.

- f/g) See attached 30-yr Summary Tables, showing the projected Reserve Funding Plan, Reserve Balance, and Percent Funded, under the recommended and actual budgeted Reserve Funding Plans.

**Prepared by: Association Reserves (Rachel Drew)**

**Date: 6/14/2016**

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