

## Agenda

Hat Island Community Association  
Board of Trustees Meeting  
3616 Colby Ave PMB 335  
Everett, WA 98201  
(360) 444-6611

**Saturday December 17, 2022**

10:30am via ZOOM

### **Attendees:**

|                             |         |
|-----------------------------|---------|
| Erik Smith- President       | Virtual |
| Ray Stephanson – VP         | Virtual |
| Don Stark- Treasurer        | Virtual |
| Kelly Dukes- Secretary      | Virtual |
| Aimee Caccavale- Trustee    | Virtual |
| Dan Jensen- Trustee         | Virtual |
| Roelof Burger               | Virtual |
| Kim Gleason- Island Manager | Virtual |

### **Agenda:**

Call meeting the General Trustee meeting to order  
Approval of meeting minutes Nov 17, 2022  
Legal Report- Erik Smith  
Island Manager- Kim Gleason  
Treasurer's Report- Don Stark  
Old Business:  
New Business:

#### Committee Reports:

Golf- Bruce Kolpack- Committee Chair, Kelly Dukes – Board Chair

Vessel- Udo Gerz- Committee Chair, Aimee Caccavale- Board Chair

Water Committee- Chris Inman-Water Operator, Roelof Burger- Board Chair

Erik: Called the general monthly Trustee Meeting to order at 10:36am  
Approval of meeting minutes from 11/17/2022

Erik: Requests a motion to approve the minutes  
Kelly: Motions  
Aimee: Seconds

No discussion

Vote:

|                          |     |
|--------------------------|-----|
| Erik Smith- President    | Yes |
| Ray Stephanson – VP      | Yes |
| Don Stark- Treasurer     | Yes |
| Kelly Dukes- Secretary   | Yes |
| Aimee Caccavale- Trustee | Yes |
| Dan Jensen- Trustee      | Yes |
| Roelof Burger- Trustee   | Yes |

Motion passes- minutes are approved

### **Legal Report- Erik Smith**

It will be a quick update. No changes since last month. We are talking to Matt Surowiecki's new legal counsel about a potential global settlement. The Board approved our attorney to communicate our requests. We are hopeful that we are making progress and will update the community when we have additional info.

### **Island Managers Report- Kim Gleason**

End of the Year 2022.

Back in full operating mode brought changes and growth to the island. Here's a brief summary of 2022.

- Graded the road and intersection of Snohomish and Whidbey Island Dr.
- Installed a 6" drainpipe under Snohomish at the corner of Whidbey Island Dr.
- Installed a 8" drainpipe under Whidbey Island Dr. and connected it to 250' of 4" tight line down the bluff to mediate water run-off.
- Widened intersection and installed 20' of 8" drain pipe at the corner of Gardner Dr.
- Widened intersection of Port Gardner and Snohomish, installing 20' of 4" drain pipe.
- Installed new non potable water basin in Division A.
- Graded central parking area and installed 10- 12"x5' deep drain basins to alleviate chronic puddling.
- Installed 40' of 12" drain pipe under Sand Point Way into the driftwood pond.
- Installed an additional 40" of 6' flex line from the run off of Division N hill in the above 12" drain pipe.
- Installed 40' of 12" drain pipe under the road near Conwell Park.
- Installed 110' of 12" pipe from the drain behind the tennis courts to the pond, replacing corrugated rusted drain pipe.
- Repaired the 5' sink hole that the above rusted drain pipe caused.
- Regarded Mukilteo Way to direct water away from the bluff.
- Installed 7 new water hookups
- Replaced 200' of broken 2" water line on G dock and installed auto drains.
- Installed 200' of new water lines to H dock.
- Replaced 7 new water valves
- Installed 3 new water meters
- Repair/Replaced 6 standpipes
- Installed a new standpipe in Division V
- Replaced a 150' of schedule 40pvc underwater pipe with 200' of 4" flexible hose to the Reverse Osmosis System.

- Finished the roof repair for our well houses
- Installed two generators to the well houses so that owners on pressure loops don't lose water when the island loses power.
- Repaired electrical issues on Docks G and D.
- Fabricated new forks for our Backhoe
- Repaired and updated the old playscape
- Built cart wall on north dock.
- Built and installed 6 drainage boxes.
- Repaired hot water leak in marina bathrooms.
- Ground down the trip hazards in the commons area.
- Installed new patio/walkway area near the Harbor Master shack.
- Installed a new split rail fence between hole 2 and number 5 fairway.
- Replaced the aft deck floor covering.
- Rebuilt recycle stairs.
- Installed new urinal valve in the golf course bathroom.
- Installed new office back door.
- Transported close 15,000 owners and guests on the ferry in 2022.
- Ran 10 charter trips.
- Ran 17+ cargo runs.
- Paid of the Marina Loan a year early
- Collected \$30,000 in past due assessments
- Streamlined Bookeo receivables
- Improved owners invoicing
- And more much more...

Kim: The staff worked really hard. I am proud of the work they have done. The staff has been busy checking of items of the to-do list which has been really exciting to see all the improvements getting completed. I am looking forward to 2023.

### **Treasurer's Report – Don Stark**

#### **Treasurer's Report for December 17, 2022**

All payables are current and our reserves & operating income, as of November 30, 2022 are as follows:

Capital Reserve: \$359,852  
 Cash Reserve: \$258,562  
 Marina Reserve: \$14,462  
 RO Reserve: \$114,807  
 Operating Income: \$308,314

Detailed P&L and Balance Sheets will be posted on-line for your review.

Respectfully,

Don Stark  
 HICA Treasurer

Don: Our reserves are in pretty good shape; they are down from earlier this year but we are on an accrual basis and this is a natural cycle. Funds will come in again at the beginning of the year. It will make us look wealthier early on than we actually are. Our budget is coming in pretty much as budgeted last year except for two major things; the need for the marina

breakwater repair and the effects of inflation. We have talk a lot about that in the preparation of the budget to help people understand the nature of our capital reserves. The Finance Committee will be looking at the ability to budget further out into the future. Thank you for the support of the 2023 budget.

**Old Business:** None

**New business:**

**Presentation for Board adoption of 2023 user fees.**

**Golf:**

Annual Golf Passes \$325.00  
Owner Golf Rounds \$20.00 per day  
Guest Golf Rounds \$25.00 per day  
Coupon Books \$170.00 for 10 rounds of golf

**Marina:**

Annual Moorage \$22 per foot of slip per day  
Owner daily moorage \$1.25 per foot of slip per day  
Guest daily moorage \$1.50 per foot of slip per day  
\$5 for 5 hours (owners) \$5  
\$10 for 5 hours (guests) \$10

Dan: Motion to adopt the new fees as presented.  
Ray: Second

Discussion: What per day means for golf. \$20.00 per day is unlimited play per day and allows a golfer to start and stop for lunch etc.

Vote:

|                          |     |
|--------------------------|-----|
| Erik Smith- President    | Yes |
| Ray Stephanson – VP      | Yes |
| Don Stark- Treasurer     | Yes |
| Kelly Dukes- Secretary   | Yes |
| Aimee Caccavale- Trustee | Yes |
| Dan Jensen- Trustee      | Yes |
| Roelof Burger- Trustee   | Yes |

Motion passes

**Committee Reports:**

- Golf Committee- Bruce Kolpack, Community Chair
- Vessel Committee- Udo Gerz, Community Chair
- Parks and Rec Committee- Aimee Caccavale, Board Chair

- Water Committee- Roelof Burger, Board Chair

### **Golf Report- Bruce Kolpack, Community Chair**

Bruce: Lots of changes to the golf course in 2023 due to a number of things. First, we have a new rating from the USGA. We have changed the greens fees as we just reviewed, earlier in this meeting, and we have changed some of the rules. All of these changes require new signage. We did have a line item in our budget for new signage and we are proceeding with having those built. We are also using this opportunity for re-branding artwork which Lori Christopher has agreed to help us with.

In the process of working on all this the Golf Committee came up with the idea to sell advertising on the T- signs. We did a lot of market research on what was a fair price for advertisers, but which was lucrative. Plan is \$300 for the first year and \$200 for each year after. The only exception is the back side of hole number one is worth more, so we would charge more.

We have done some preliminary outreach and we have 6 potential advertisers already lined up as soon as the concept is approved by the Board. The first year of advertising if approved, would pay for the signage. The signage life expectancy is 8-10 years. We estimate over the life of the signs our income would be \$20,000-\$30,000 range for advertising due to the ongoing fees.

Without further ado, I would request the Board consider our recommendation.

Kelly: I move that the HICA Board of Trustees approve the advertising campaign described in the HICA Golf Committee's December 2022 Report to the Board for the sale of tee sign and scorecard advertisements at the recommended rates, with proceeds used to eliminate the 2023 Golf Course Signage budget item, and with excess proceeds earmarked for golf course improvements and beautification.

Aimee: Seconds

Vote:

|                          |     |
|--------------------------|-----|
| Erik Smith- President    | Yes |
| Ray Stephanson – VP      | Yes |
| Don Stark- Treasurer     | Yes |
| Kelly Dukes- Secretary   | Yes |
| Aimee Caccavale- Trustee | Yes |
| Dan Jensen- Trustee      | Yes |
| Roelof Burger- Trustee   | Yes |

Motion passes

Bruce: I have a couple of other things I would like to discuss briefly. Disc golf baskets are getting ready to be placed. The golf committee has discussed the fees and recommends an all you can play per day, similar to traditional golf fees structure. Rates: \$8.00 adults, \$10.00 guests, \$5.00 youth. Annual coupon books: Annual adult \$80.00, annual youth \$50.00. We would like to include disc golf with the annual traditional golf passes to encourage adoption of the sport with "old school golfers". In the spring, after the disc golf course is set up, we would like to have a promotional

launch weekend for disc golf. It would include free play, instruction, rules and etiquette to promote the adoption of disc golf.

Discussion: Disc golf and traditional golf fee structure.

Dan: Why wouldn't disc golf be the same fee as traditional golf?

Bruce: Most disc golf courses in the Puget Sound area are free. There are a few reasons for that, disc golf players don't damage the golf course with divots and other damage typical from traditional golf play. They also play in area's that traditional golf isn't played.

Don: How much space does a group of 4 disc golfers take vs a group of 4 traditional golfers?

Bruce: Disc golfers traditionally do not play on the fairway like traditional golf is played. It is played to the side for a couple of reasons, 1) so traditional golfers do not hit them, 2) it makes playing disc golf more of a challenge to play as they have to negotiate trees, but that is part of the game. Disc golf will typically go slower, which is where etiquette comes in to emphasize traditional golfers have the right of way.

Aimee: I recommend writing the fee structure down and discuss further at a future meeting.

Bruce: That is fine there is no urgency to resolve right now.

Bruce: Another issue to discuss. The Golf Committee is planning to conduct two community golf tournaments. In the past all golf tournaments have been run by the Yacht Club. The Yacht Club runs these tournaments for members only and proceeds go to the Yacht Club.

The Golf Committee would like to run two community golf tournaments for the benefit of the community to benefit the golf course improvements. We would differ to the Yacht Club to the traditional big weekend that they hold tournaments. We have identified two dates. The first is June 24, 2023. This is after school is out as we are looking for this to be a fun for all family friendly event for golfers of all abilities. Another golf tournament we are planning for late August which would likely be more adult oriented would be a night golf tournament with glow in the dark balls. Unless there is an objection, we would like these dates to be placed on the community calendar on the website.

Discussion: This is great, really appreciate all the hard work from the Golf Committee.

### **Hat Island Golf Course Advertising Campaign 2023**

#### **Hat Island**

- Hat Island is a private island in Possession Sound, between Everett and Whidbey Island Consisting of approximately 260 homes, a marina and a 9- hole golf course.
- Most homeowners are weekend and /or summer residents.
- Commercial business are not allowed on the island. There are no stores, restaurants or other commercial services.
- All Homeowners regularly frequent stores and restaurants in Everett, and use other services, especially in the waterfront area.

**Opportunity**

- The Hat Island Gold Course is in the process of replacing all of its signage due to a new rating by the USGA and new golf course branding.
- 2023 presents an opportunity for advertisers to place their ad on one or more of the 16 tee signs
- Ad signs are 18" wide X9" high. They are full-color vinyl printed on alupanel, a rugged aluminum and polycarbonate laminate. See sample for Stelle Electric at right.

**Cost**

- The cost to advertisers is \$300 for the first year and \$200 per year thereafter.
- Advertisers provide the artwork for our printer; we take care of the rest.
- Advertisers can opt out at any time.
- No legal agreements are needed unless required by the advertiser.
- The expected life of the signage is eight to ten years.

The HICA Golf Committee recommends that the following motion be made at the upcoming Board Meeting:

**MOTION:** I (Trustee) move that the HICA Board of Trustees approve the advertising campaign described in the HICA Golf Committee's December 2022 Report to the Board for the sale of tee sign and scorecard advertisements at the recommended rates, with proceeds used to eliminate the 2023 Golf Course Signage budget item, and with excess proceeds earmarked for golf course improvements and beautification.

Sincerely,

Bruce Kolpack

Community Chair, HICA Golf Committee

**Vessel Committee- Udo Gerz, Community Chair**

Vessel report:

The Vessel Committee is looking for more members. Please email the Hat Island Office if you are interested.

Old Business:

1. Fuel Charge should not be removed until diesel prices go down to \$3.50. Kim will monitor.
2. The ferry is subsidized by the community and the opinion is that commercial users should not be subsidized; the Governance Committee has been working on this issue.

New Business:

1. Captain Sparrow has suggested that we shorten the ferry times on Monday and Thursday through February, returning to Hat at 3:30 instead of 4:30 and leaving Hat Island at 4:30 instead of 5:30. This would reduce the crew time by one hour, as well as result in a shorter layover for island residents. The reduction of sailing time in the dark is the main reason, which obviously is a reduction in risk of hitting logs, etc. in the dark. Kim will do a snap survey of riders to get their input.
2. The Ferry is scheduled for its annual haul out and inspection, January 17-25, 2023.
3. The Ferry crew has drafted a flyer about Cargo Rules.
4. The Ferry crew has re-written the ferry rules in a more user-friendly format.
5. The Ferry crew has suggested weekly Saturday Cargo runs through the winter, dependent on them being financially beneficial to the island

Udo: Reminder, that the 10 cubic feet of cargo on the ferry has been in place for a long time. The Hat Express had so much space that when passengers brought too much cargo, it wasn't typically an issue. Our new ferry is a more appropriate size ferry, but we need to mind the cargo space. Encourage passengers to use the overhead space.

Discussion: Change in ferry times.

Kim: I emailed survey regular Thursday and Monday Ferry riders and also placed a comment form on the ferry. People survey did not have any huge concerns, particularly as it is only planned to be in place through February when daylight start to become longer.

Kelly: Curious, was Friday night discussed? It is very dark and the storms have pulled a lot of logs into the water which is treacherous. At the same time we need to accommodate owners that may be traveling from Seattle and need the later sailing time due to traffic.

Udo: Yes, it was discussed, but there is time to slow down watch for logs and still maintain our schedule. We felt that we needed to keep the sailing time to ensure people who live further away can get to the ferry in time.

Kim: in the summer, we are considering adding an additional earlier ferry run on Friday as we get more and more people coming to the island and the ferry is fuller.

Dan: I would like to see a discussion in the future about relaxing the cargo restrictions during winter when the ferry is not as full. Nothing like building materials, but cases of water and bulky groceries.

Udo: I have concerns that VRBO folks bring tons of cargo. Saturday cargo runs are a better option.

Kelly: I see runs that have less than 10 people on them. It appears that there may be an opportunity for additional revenue in those situations to allow passengers to buy space for extra cargo at the captain's discretion. Tag the cargo so that it is understood that is extra/paid for. I differ to the vessel committee, but it might be something to consider.



Kim: Captain Kyle is aware and evaluating options. He made an accommodation for an owner recently.

Erik: Do we think we can hear more on this subject in January?

Kim: Yes

Erik: Off season, traditionally extra space and extra fee apply and Captains discretion.

Discussion: No motion needed to change the time.

### **Parks and Rec Committee- Aimee Caccavale, Board Chair**

Hat Island Parks & Recreation Committee is holding a silent auction to fund the installation of our Pirate Playground. Our goal is to raise \$2,000.00 to bring this project over the finish line.

To participate in the silent auction, you can bid on items by putting your bid in the comment section. The highest bid will win the item. Bidding will close at 12:00 pm, 12/21/22.

Once the auction is closed highest bidders will be notified. The office will send you an invoice via email for payment. You will be contacted by the Hat Islander who donated items to coordinate pick-up of items and scheduling of activities.

If you would like to make a direct donation, please email the office with the amount of your contribution and you will be invoiced via email for payment.

Thank you for supporting this community endeavor for all to enjoy.

### **Water Committee- Roelof Burger, Board Chair**

Water produced in Nov:

Nov YTD

Wells 245,600 4,627,165

RO 36,300 686,350

Totals 281,900 5,313,515

During Nov the Wells performed as expected and the RO production was back with the replacement of the 4" line we still need to install a check valve on the Intake so the pump does not lose prime.

The production from this period was 9% less than Nov of last year. The water mix was 87% wells and 13% RO.

The YTD produced is 21% more than the last 2 years avg of their YTD amount.

Erik: I have sent an email to the Board about reaching out to their Committees. Looking to see what their goals and objectives in the coming year. This distill those objectives into the Board of Trustees working sessions, prioritized over the next 12-24 months. VRBO's always come up, expect there are other subjects to consider. It will be good to discuss.

Kim: Thank you to the ballot counters. Sharron Meadows, Duan Tinius, Steve Caplan, Cathy Feole, Bill Townsend, , John and Laurie Gray, Stan and Karen Van Spanje, Sandy Bettencourt. Thank you to Dan Jensen and Don Stark for their support with the whole process and serving as our Board Observers. Thank you to all who donated their time.

**Community input: (3 minutes per owner)**

Sharron Meadows A24

Thank the team for all the hard work to verify the ballot. Also wanted to give Dan Jensen gold stars for presenting the information so many times. He presented the information so clearly. Thank you to Dan and the entire Finance Committee for all their excellent work. It was pleasure watching the budget presentation this year. It was easy to understand. Thank you.

Erik: Called for a motion to adjourn.

Kelly: Motions

Ray: Seconds

Vote:

|                          |     |
|--------------------------|-----|
| Erik Smith- President    | Yes |
| Ray Stephanson – VP      | Yes |
| Don Stark- Treasure      | Yes |
| Kelly Dukes- Secretary   | Yes |
| Aimee Caccavale- Trustee | Yes |
| Dan Jensen- Trustee      | Yes |
| Roelof Burger            | Yes |

Motion approved.

Meeting Adjourned at 11:22am

**Rules of Conduct**

1. This is a meeting of the Board of Trustees, not a community meeting.
2. Community comments are welcome during the Community Input portion of the meeting and/or as called for by the presiding officer. The presiding officer will announce when comments will be heard. Please be patient.
3. Any community member wishing to speak must obtain permission to do so from the presiding officer.
4. Please give your name and lot number before speaking.
5. All remarks must be addressed to the presiding officer.
6. Comments shall be limited to three minutes or less for each person on any given subject.
7. Any derogatory remarks will not be tolerated.