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# Hat Island Community

## Business NEWS

Official Business News Publication for the Hat Island Community

## June 2014 Board Meeting

### The Hat Island Board Meeting

**Date:** June 21st 2014

**Location:** To be decided and notice will be sent out

**Time:** 10:30 AM

*All residents and property owners are invited to attend.*

## July Business News Submission Deadline

**Business News June Edition**

**Deadline: June 27, 2014**

**For Board Approval**

## Manager Wanted

**Hat Island Community  
is looking for an island manager**

**For more details see  
pages 9, 10, and 11**

[hatviewpoint@gmail.com](mailto:hatviewpoint@gmail.com)

# Hat Island Community

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## Board Meeting Minutes

April 19th 2014 (1 of 4)

### Minutes of Hat Island Regular Board Meeting, April 19, 2014

Community notice was provided on April 15, 2014 for the April 19, 2014 Regular Board meeting. The meeting was held at the Hat Island Yacht and Golf Club and was called to order at 10:35 AM by Gary Duffner, Board President. Vice President Mike Zyskowski, Treasurer Larry Bender, Secretary Karen Conner, and Board members Alan Dashen and Kerwin Manuel attended in person. Board member George Harmon attended via teleconference.

#### Minutes from March 15, 2014 Regular Board Meeting:

Revisions to the meeting minutes were discussed.

Gary motioned to approve the March 15, 2014 minutes with the discussed amendments. Mike seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

**Motion unanimously passed.**

#### Announcements:

Gas will be sold during the normal time window.

A community member received a birthday serenade.

#### Committee Reports:

- Finance Committee
  - The Committee will meet next week. The next installment of FAQs will be distributed later this month.
  - Mike will provide Board feedback on the 2014 priorities outlined in the last Finance Committee report.
- Golf Committee
  - There will be an all island tournament in July. The date is still to be determined.
- Communication Committee
  - The timeliness of the communications has improved. The Business News, minus the Treasure's Report, is hosted on the island website.
- Division H Committee
  - The catch up plan approved by the Board has not been completed.
- Equipment Committee
  - The first meeting was this month. There is consensus that the old grader is no longer needed and hasn't been used this year. The committee recommended authorizing the moving of the grader to an auction firm for sale.
  - The Committee is still studying the rest of the equipment needs and don't recommend replacement of the grader until the overall recommendation is completed.
- Marina Committee
  - The Marina Committee made recommendation on the marina slip pricing and have completed a recommendation pertaining to other marina revenues.
- Outside yacht clubs
  - The Committee made a recommendation on a revenue policy that included revenue from use of the marina by outside yacht clubs.

## Board Meeting Minutes

### April 19th 2014 (2 of 4)

The Committee recommended that outside users be limited to other yacht clubs as a trial basis before extending to non-clubs users.

- It was noted that the outside yacht clubs would be permitted to pay for use of the golf course but the Community would not provide transportation.
  - Year rental of a slip
  - Discussed option of offering the rental of a slip for a year, to a Community member, as a test program was discussed.
  - A community member suggested that the Community use the new marina for the first year before offering to rent a slip for the year.
  - Recommendations were also made for guest tie-up fees, stop over privileges, and paying for multiple years of moorage
  - The Committee also made recommendations on revisions to the Marina Rules and Regulations.
  - The Committee will revisit the rules next year to address owners of smaller boats paying for slips substantially larger than their boat and any adjustments to slip classifications based on width.
  - The Island Manager suggested that high season be the same for moorage as for the ferry.
  - Vessel Committee
  - Mike Immel, committee chair, presented an extensive overview of the preliminary financial and vessel options.
  - The Committee has built a good relationship with the builder of the option presented, which leveraged existing plans to reduce engineering cost.
  - It was noted that Ray, the ferry captain, spends more time maintaining the ferry than piloting it.
  - The Committee needs direction from the Board on next steps.
  - Port of Everett Parking Committee
- An update was sent to the community on April 7. Contact Gail Hoekendorf with any questions.

#### Old Business

##### Gas Cards

Kerwin reported that there is a potential to reduce the ~\$7,000 cost by \$500-\$750.

Madeline Progner, on the Finance Committee, has looked at systems like this and can help assess.

There were suggestions for other ways to provide this convenience.

The next steps are to assess how to justify and pay for the convenience.

Kerwin will look at the potential cost savings over cashing checks.

Gary has been approached by community members that are willing to help pay for the convenience. Gary will provide a list of who would be willing to donate and how much.

##### Insurance Policy

Kerwin reported that there is the potential for savings with our current broker and coverage.

##### Car Fees

Kerwin reported that he has been approached by Hat Island Fire Department members suggesting an exception to the car fee.

Kerwin proposed an exception to the car fee for Fire Department members, in addition to the current ferry passage offered on drill weekends.

Kerwin will gather data on how much revenue in car fees this would apply to, what the requirement would be for Fire Department participation, and how it would be handled if the criterion was not met by the end of the year.

##### Puget Sound Yacht Club

## Board Meeting Minutes

### April 19th 2014 (3 of 4)

The initial allocation of attorney fees has been expended. Alan will send the current proposal to the Board for review.

The next steps are for the Committee to meet with the PSYC representatives to resolve the last issues, like boat length and reserving slips, then take to the attorney to incorporate into the departure agreement for Community vote.

The options to be presented to the Community vote are proceeding to court to pursue what the Community feels is the full amount owed by PSYC or to implement the departure agreement.

The proposal will be reviewed in May.

#### New Business

##### Road Grader

Gary motioned to haul the road grader off the island on the next barge run and sell. Mike seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

**Motion unanimously passed.**

##### Ferry Rates

Gary suggested that the discounted fare offered for purchase of a ticket book be reinstated to encourage purchase of ticket books to make ticket sales easier and avoid the need to cash checks.

Offering credit card payment and other options were also suggested to make the ticket sales process easier.

The Island Manager noted approximately \$22,000 resulted from ticket book sales last year.

Gary motioned to reinstate the discount of \$1 per ferry ticket if a ticket book is purchased. Mike seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, George

No: Karen

Abstain: Alan

**Motion passed**

Gary approved the chartering of a Ferry Operations Committee, chaired by Geri Motson to review the requested considerations from the ferry captain and Island Manager.

A ferry maintenance policy was discussed and was tabled until next meeting.

##### Fines and Fees Enforcement Policy

It was agreed that discussion of the Fines and Fees Policy previously proposed will be put on the May Regular Board meeting agenda.

##### Island Wide Drainage Plan

An island wide drainage plan was completed by Western Engineering.

Karen motioned to approve the below drainage motion below. Mike seconded.

That the Board accepts the overall Island Wide Drainage Plan provided by Western Engineers and sets the first two priorities for detailed work to be Basin A followed by Basin G.

That the Board Approves the Design of the drainage plan for Basin A as depicted on the drainage map provided by Western Engineering

That the board adopts the following policy statement on Driveway access where open drainage ditches are called for in the plan. "The primary method of controlling surface water island wide will be open ditches in the island's easements. Where open ditches front a property with an existing single family residence the Island will install a single 10' wide access point with culvert concurrently with ditch installation. Where ditches fronts properties without a single family residence, installation of driveway access is the owner's responsibility".

# Board Meeting Minutes

April 19th 2014 (4 of 4)

Hat Island Community will be responsible for maintenance of the drainage ditches installed under this plan.

Voting results:

Yes: Alan, Larry, Mike, George, Karen

Abstain: Kerwin, Gary

**Motion passed.**

## Leakage Detection Plan

The Island Manager recommended a leak detection plan for Board consideration below.

Karen motioned approval of the water system motion below as recommended by the Island Manager to comply with state water efficiency requirements for leakage reduction of 10% for a 3-year running average:

That the board approves the design of a leak detection system including the replacement of production meters as necessary, the installation of an updated communications system for M tank and the installation of 8 "by-pass" meters as depicted on the Island Water System map dated 3/3/14 and authorizes up to \$5,000 (not including Labor) for its installation.

Voting results:

Yes: Alan, Larry, Mike, George, Karen, Kerwin

Abstain: Gary

**Motion passed.**

## Marina Loan Extra Payment Guidelines

Guidelines for making the extra principal payments for the marina loan will be discussed in the next Finance Committee meeting.

## Hazardous Trees on Roads Leading to H and N Division

The tree removal work approved in the April Regular Board Meeting requires a geotech assessment to secure a permit for the tree removal.

## Marina Revenue Policy

Mike motioned to approve the attached Marina Revenue Policy as amended during the Board meeting.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

**Motion unanimously passed.**

The Marina Revenue Policy is attached to these minutes.

## Community Input: none

Gary motioned to adjourn to executive session to discuss the below agenda items and not reconvene into open session. Kerwin seconded.

Personnel

Voting results:

Yes: Kerwin, Larry, Gary, Alan, Karen, George, Mike

**Motion unanimously passed.**

**Meeting adjourned at 2:10 PM.**

# Hat Island Community

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## Treasurers Report March 31st 2014 (1 of 3)

This statement is unaudited by month end bank statements

### Hat Island Community Association Treasurer's Report for March 31, 2014



<b>Monies Received for Annual Assessment</b>	\$	<b>38,476</b>
<b>Monies Received from all other sources into the operating account</b>		<b>41,898</b>
(includes but not limited to moorage, golf, vessels, picnic area, fuel sales receipts & water usage)		
<b>Total Operational Cash Received</b>	<b>\$</b>	<b>80,375</b>
 <b>Year-to-Date Cash Flow</b>		
Operational monies received YTD	\$	243,912
Less amount transferred to cash & capital reserves	\$	29,767
Less amount transferred to Insurance reserves	\$	29,203
Less cash paid to suppliers, employees & tax authorities	\$	121,210
Less cash expenses to purchase property and equipment	\$	-
Net change in cash flow	<b>\$</b>	<b>63,732</b>
Less Cash reserves added to supplement regular operations received		
<b>Net impact on cash YTD</b>	<b>\$</b>	<b>63,732</b>
 <b>Regular Operational Money Account Balances</b>		
Foundation Bank Regular Checking	\$	73,583
Coastal Community Bank Regular Checking	\$	30,067
Foundation Sweep	\$	30,954
Coastal Community Bank Customer Receipt Acct	\$	2,379
<b>Total Working Balance available</b>	<b>\$</b>	<b>136,983</b>

## Treasurers Report

### March 31st 2014 (2 of 3)

#### Operations Expenses paid out

Amex - supplies	\$	51
Barb Conwell - brake parts, battery for leaf blower		139
Barker Martin - collections		10,219
BIT Inc - software assistance		117
Cascade Columbia Distributing - water chemicals		197
Chuck Motson - reimburse moorage		61
Dunlap Industrial Hardware-golf eq repair parts		55
Everett Auto Parts - car repair supplies		39
Hach - water testing supplies		143
Harbor Marine -oil, hydraulic fluid, misc parts for cooling repair		514
Hat Island Telephone		434
HD Fowler - water inventory parts, RO repair parts		1,373
Karl Arhart - bleach		55
Lowes - shop storage and office shelving and small tools		615
McEvoy Oil - Fuel		3,848
Merrill Lynch - IRA contributions		1,187
Minuteman Press - newsletters		36
Pacific Power Batteries - golf machine		205
Port of Everett - Hat Express berth & electricity		1,950
Port of Everett - parking		874
Payroll		19,616
Payroll Taxes (includes April 3 payroll taxes)		10,196
R & R Products - golf sweeper fingers		512
Rubatino Refuse - Recycle & POE dumpster		370
Snohomish Health District		68
Snohomish PUD - electricity		
Val-Art - website yearly fee		
Visa		
Hat Express fuel	\$	3,653
Hat Express misc parts & concession		176
Hat Express locks		998
Kabota tractor seat		112
Business License		10
Directv		98
HE davit		(29)
Shop electrical parts		34
Port of Everett dumpster locks		51
Ink for printer		60
Oil spill response tubs		233
Visa total	\$	5,395.36
WA Dept of Revenue - Excise tax (B&O, retail tax)		2,082
Washington Tractor - golf mower repair		257
<b>Total Operations expenditures</b>	<b>\$</b>	<b>60,607.21</b>

## Treasurers Report

### March 31st 2014 (3 of 3)

<b>Marina Project Money Market Balance (keep 3 mo. In acct)</b>	\$	<b>148,871</b>
<b>Marina Accounts Receivable</b>		<b>1,713,967</b>
<b>Total in Cash and Receivables</b>		<b>1,862,837</b>
<b>Money received to Marina Project funds this month</b>	\$ 35,455	
Marina previous month loan balance		1,876,155
<b>Marina loan balance at this month end</b>		<b>1,869,155</b>
<b>Total Marina Project Expenditures to date (inception 2007)</b>	\$	<b>4,480,333</b>
<b>Marina Expenses:</b>		
Interest Expense		6,814
Principal paid		7,936
<b>Total Marina Expenditures this month</b>	\$	<b>14,749</b>

<b>Cash &amp; Capital Reserves Balances</b>		
<b>Cash Reserves from Foundation (Target \$124K)</b>	\$	<b>125,895</b>
<b>Insurance Fund (target \$85K for payment May 2014)</b>		<b>73,082</b>
<b>Capital Reserves from Foundation Bank</b>		<b>73,246</b>
	Operations Reserves \$	<b>272,223</b>
<b>Money received to Cash and/or Capital Reserve (goal \$60K)</b>	\$ 6,926	
<b>Money received to Insurance Reserve (goal \$85K)</b>	\$ 8,298	

<b>Capital &amp; Cash Reserve Expenditures</b>		
Eckstrom Industries - HE sea chest assembly and installation		5,349
Everett Hydraulics - Hat Express steering repair		2,423
Grainger -Sea Chest Valve on Hat Express repair		13
<b>Total Capital Expenditures</b>		<b>7,784</b>

<b>Targeted Reserves Balances</b>		
<b>Div H Slide Clean-up &amp; Prevention Fund (target \$30K)</b>		<b>42,588</b>
<b>Reverse Osmosis FB Bank RO MM</b>		<b>36,112</b>
<b>CCB RO Outfall Lease</b>		<b>1,505</b>
	Targeted reserves \$	<b>80,206</b>
<b>Money received to Div H Slide Fund</b>	\$ 4,663	

<b>Div H Expenses to Slide Clean-up Prevention fund expenses:</b>		
CW Bright- slide clean up 80% of billing Inv 6892		2,563
<b>Total Slide fund clean up expenses this month</b>	\$	<b>2,563</b>

<b>Reverse Osmosis Plant Expenses:</b>		
Dunlap Hardware - RO direct intake installation parts		403
Visa-RO direct intake part		8
Platt Electric - RO direct intake pump installation parts		1,368
<b>Total Reverse Osmosis Expenditures</b>	\$	<b>1,780</b>

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# Hat Island Community

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## Hat Island Community



### Introduction

Hat Island Community is looking for someone to manage a small private island (1.5 miles by 0.5 miles) in Puget Sound approximately 5 miles from the city of Everett. Hat Island (A.K.A. Gedney Island) has approximately 275 homes with about 40 year-round residents. We own and operate an 85-person passenger ferry, 127-slip marina, 9-hole golf course, community RO water system, fuel delivery, and road network. The island is accessible for owners and guests by private boat or the community passenger ferry. It is about a 40-minute boat ride from Everett. There is also an autonomous, fully functional volunteer fire department onsite.

### Manager Position

The Island Manager is the Property and Association Manager of the Hat Island Corporation (HIC) Homeowners Association. He/she works under the direction of a seven-member Board to manage and direct day-to-day operation of island functions and to perform other appropriate duties as delegated by the Board of Trustees. The Island Manager is responsible for implementation of policy as set by the Board and performs all duties in accordance with the governing documents of the community.

### Essential Job Functions

The Island Manager supervises a staff of 5 full-time, several part-time, and one contract employee by:

Directing and prioritizing responsibilities;

Monitoring and regularly reviewing performance;

Establishing performance guidelines and personal development targets, providing coaching for

## Hat Island Community Looking for Island Manager



improvement when necessary;  
Applying disciplinary actions as needed in accordance with HIC staff rules and policies;  
Recommending appropriate performance-related merit increases for approval by the Board;  
Delegating responsibility and authority to subordinates. The Island Manager serves as liaison between the HIC and various Snohomish

County, Washington State, City of Everett, and Coast Guard entities ensuring HIC compliance with applicable laws, regulations and certifications. The Island Manager works to assure the financial soundness, integrity, and responsible collection/allocation of Hat Island Community monies by: Participating in the development of annual budgets as well as long range financial planning; Managing island operations within established budgets; Overseeing collection of assessments, user fees, fines and other monies owed to the Association; Carrying out established collections and enforcement policies set by the Board; Overseeing timely payment of island bills, taxes and obligations; Ensuring timely notification of monies due, whether from community members or outside entities.

The Island Manager oversees a number of systems and services for the island. The ideal candidate would have a general working knowledge of well operation, reverse osmosis systems, large equipment/vessel operations, and maintenance. Among other responsibilities, the Island Manager schedules and coordinates Landing Craft barge runs for fuel and other island essentials. He/she also works with county and state regulators when various permits are required.

The Island Manager creates, manages and monitors project plans that ensure maintenance of common areas and equipment including anticipation of needed capital improvements and equipment replacement schedules.

The Island Manager ensures that monthly financial, project, and management activity reports are made to the Board of Trustees.

The Island Manager is expected to develop and maintain collaborative and respectful working relationships with Board and community members as well as their guests, staff, vendors, and government agencies. The ideal candidate will have strong verbal and written communication skills, demonstrate a high



## Hat Island Community Looking for Island Manager



level of customer service, and be capable of promoting a positive image on behalf of Hat Island.

### Qualifications

Ideal candidates will have Homeowner Association management or similar property management experience; 5-10 years supervision responsibility for 5 or more employees; bachelor's degree or even a masters degree in public management or business. A combination of experience, training, and education in a comparable position may also be considered.

### Compensation & Benefits

The Hat Island Corporation is offering a competitive salary depending on experience and qualifications, IRA contribution, medical insurance allowance, vacation, and sick leave benefits. Free boat moorage and ferry use are also provided in the compensation package.

Please direct inquiries, resumes, and references to:

