

**Approved Minutes for the HICA Regular Board of Trustees Meeting on October 21, 2017 held at the HIY&G Club, respectfully submitted by HICA Secretary Kevin Smith.**

Previous Board Vice President Karen Conner called the meeting to order at 10:30 AM PST. Mike Immel, Udo Gerz, Darla Younce, and newly elected members Scott Holte and Kevin Smith were in attendance at the Hat Island Yacht & Golf Club. Scott Wilson was unavailable.

Scott Holte moved to adjourn to Executive Session to elect officers and discuss legal and personnel matters. Mike Immel seconded.

**Voting: Motion passed unanimously**

Meeting adjourned at 10:32 AM PST.

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The meeting reconvened with a call to order at 1:00 PM PST by Board President Scott Holte. Vice President Karen Conner, Treasurer Mike Immel, Secretary Kevin Smith, and Board members Udo Gerz, and Darla Younce were in attendance at the Hat Island Yacht & Golf Club. Scott Wilson was unavailable.

**Approval of Minutes**

Karen Conner moved to approve the minutes/election results from the September 30, 2017 Annual Association Meeting. Udo Gerz seconded.

**Voting: Motion passed unanimously with Darla Younce abstaining**

**Election of Board Officers for 2017-18**

Scott Holte - Board President  
Karen Conner - Vice President  
Mike Immel – Treasurer  
Secretary - Kevin Smith.

**Legal Report**

Scott Holte provided a brief legal update. He announced that Alan Dashen, Susan Dahl, and Karen Connor have been dismissed from the lawsuit. Chuck Motson still remains. Regarding potential foreclosure of Matt Surowiecki lots, the judge continued the stay for six months, but indicated that HICA could return earlier pending interrogatory responses from the Defendant. Depositions are scheduled of Chuck Motson in November and Scott Holte in December. Otherwise, no movements toward resolution.

**Treasurer's Report**

Mike Immel and Alan Dashen presented the Finance Committee's proposal for the Hat Island 2018 budget to the Board and Community. In addition to them, the committee consists of Scott Holte, Ginger Harmon, Mike McCarthy, Sandy Bettencourt (Island Manager), and Angelina Burnett (Island Bookkeeper). They met a number of times beginning in June/July culminating in their final meeting October 14th.

In summary, there were comparisons made to 2017 throughout the presentation with similar

costs to run the island, potentially changing a seasonal employee to year-round, etc. Once again, about 575 of 923 billable lots are currently paying, the other 348 are not. Given that, they stressed that “we don’t have a choice, “ the final proposal including a \$472 regular assessment and \$728 special assessment, similar to last year.

Other lingering issues were discussed as well, including the Lawsuit, Marina Loan, Ferry, Capital Reserves, and more, with discussion of trying to stop kicking the proverbial can down on the road. More information will be made available in upcoming weeks following Board perusal and approval, including final presentation to the community, FAQs from the Finance Committee, several community presentations, Constant Contact, and more prior to an eventual ballot being sent to each lot owner.

### **Committee Reports**

Vessel Committee Report: Udo Gerz, Board Chair

Huge thanks and kudos go to Capt. Ray Brown and his crew after passing the October Coast Guard inspection! The boat and its hull were deemed fit to sail and it was back in the water quicker than expected, transporting community members on its usual October schedule. Some repairs have been postponed, with a priority list of 35 items totaling \$140,000. The potential need for a new ferry in the future was discussed briefly in context of the budget. Special thanks to Dennis McLeod for donation of a 500-gallon fuel tank!

Marina Committee Report: Dennis Dearing, Committee Chair

The Marina and Marketing Committee presented a new Hat Island brochure to attract visitors as well as future owners. They proposed distribution to reciprocals, at the Seattle boat show, and more. Several comments were made and it will be updated accordingly.

Dennis Dearing then led a lively discussion Re: Marina rules and regulations with proposed updates/changes. The Marina Committee based much of their work and thoughts on the results of our Strategic Planning Retreat last summer, including methods to increase revenues, marina and facilities improvements, new dock bumpers, boat ramp docks, timeline for PSYC docks, fundraising, and Marina parking. They recommend a long-term moorage program, including slip numbers and rates. They also recommended modifying rules giving the Harbormaster flexibility for three day holiday weekend periods, a revised definition of “special events,” clarification of boat sales relative to mortgage fees already paid, and new signs/rules for reserving slips. The annual mortgage insurance documentation program was also promoted due to potential for adverse situations and considerable cost.

### **Community Input**

We briefly discussed golf. Revenues are down, overall as well as with HIY&GC events. Some creative thinking ensued about trying to stimulate usage, including HICA donating green fees to increase interest, coupons for ferry/golf, etc.

The upcoming audit was also discussed. Work is in progress, next week several board members will be meeting with the island attorney and auditor to discuss how best to move forward.

Finally, a reminder that in the event of a boat fire community members should call 911, and consider getting the boat out of the marina if possible easily and safely.

Mike Immel moved to adjourn the meeting. Udo Gerz seconded.

**Voting: Motion passed unanimously**

Meeting adjourned at 2:45 PM PST.

\*Minutes respectfully submitted by Kevin Smith, Secretary

\*The HICA minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.