

RIIA BOARD MEETING MINUTES

August 15, 2011

Meeting held at South Beach

Board Attending: Rich Swenson, President, Anne Scea, Treasurer, Sarah Brown, Secretary, Trustees: Dave Paly, Dawn Stanton, RJ West, Trish Burnett, Charlotte Crain.

Absent: VP, John Rosendahl.

Members Attending: John & Tina Shoemaker, Barbara and Bob McCoy, Tom Straub, Gabrielle Gibbert, Judd Morris, Ken Kessler, Mike Neil, Tim Whitmore, Mike Hirko, Jim Cushing, Russ Ranger, Ted Smith, Frank Gatto, Jim McReynolds

The meeting was called to order by President, Rich Swenson at 7:15 PM. Members attending introduced themselves.

Approval of July minutes: July minutes, submitted by email, were approved as corrected. Final minutes will be posted to the website.

Request to add agenda items: Dawn Stanton introduced her guest, Bill Rehe, our regional Fish and Wildlife representative who presented an overview of what lies ahead in the approval process for our bridge replacement. Bill suggested we bring him into the picture once we have actually submitted our permits in order to make the path easier.

There followed a question and answer period with the speaker summarized below:

- Q: Could we build a wooden bridge? A: Yes, but no creosote allowed.
- Regarding subject of a causeway replacement: Surveys show there has never been a land connection so no chance of approval. Because of spawning fish and other marine life, no new intrusion into the water would be permitted. The Army Corps of Engineers (Fed agency) would not approve.
- No secondary tidelands require agency approval as we own the land under the bridge.
- We are considered an island even though part of the time we are dry at low tide.
- If we proposed a causeway and it was not approved, we could appeal but all agencies would have to say 'yes' to proceed.
- Discussion of origin of rock in channel: primarily volcanic, i.e. natural, or brought in by past fishermen?
- The best bridge design, according to Bill Rehe, would be one as close as possible to current, probably steel and concrete for longevity, the size of spans and piles would be a decision to be made by engineers and regulatory agencies, best if piles are same size or smaller than current. We can call all agencies together for a pre-bid meeting. Bill can coordinate and lead meeting as he does frequently.

- Mitigation was mentioned, either on-site in kind or on-site out of kind. We shouldn't have much mitigation required with our project.
- Tides should not be a problem, grounding out of barges is OK.
- Certain construction must be outside the fish window: March 14th – July 15th.
- Bill can provide a list of contractors but will not recommend any.

Member's request to address Board: Judd Morris, board member, addressed board on behalf of an Island member who was concerned about an aggressive buck who chased her. This information was brought forward as a caution.

Treasurer's report: Board members received emailed treasurer's reports of the first two months (reports attached). Ann Scea, Treasurer, has the final 2010-2011 annual report for anyone who wants to see it. This month's largest bill is the bridge repair which is over 10K. Anne would like to ask the Bridge committee to include finances as part of their timeline – what funds would be needed and when.

Investment Committee: Mike Hirko, chairman of the finance committee, handed out a three-page report: bridge replacement fund spending so far, portfolio progress of bridge replacement fund and portfolio progress of general investment fund (copy attached). Dave Paley, committee member, said the committee recommended keeping incoming moneys in money market fund so they can be liquid. In upcoming months it will be hard to predict when we will need funds for the bridge project. The board agreed with the committee that we suspend our regular allocation model for immediate incoming funds and keep it all in money market. We'll check again after next qtr.

Managers Report: Island Manager, Juanita Carbaugh, was not present. Rich Swenson read aloud some items from her July report (copy attached) which had been emailed to board members on 8/4/11. Board decided to honor Island member's request to forgive interest on overdue dues as that payment will be made by an anonymous donor. Island Manager will inform member. Collections were discussed. Seven members from whom we've been unable to collect past dues will be sent to collection agency.

Bridge: Current Bridge Repair Updates: Ted Smith, bridge committee co-chair, reported that the repairs, including cross bracing and splicing, are just about done. Total cost has been about 80K. Ted recapped the bridge repair bids and why we chose this contractor for the repairs. We had an obligation to ourselves and our insurance company to choose the best repair at that time. It was expensive, given our intention to replace the bridge, but we simply can't do just a two year repair – we have to go with the contractors who are available and willing.

Bridge: Finance: Jim McReynolds of the Bridge Finance Committee discussed the Letter of Conditions from USDA. Fulfilling these conditions will enable them to award both loan and loan guarantee. We are moving along with supplying the needed information.

- Re the USDA loan – we won't be notified directly, Representative Norm Dicks would get the word, notify Whittle of USDA, and notify us.
- We won't be secure until we fulfill both Heritage and USDA's conditions. We learned from Jim that it was working with Heritage on the loan guarantee which opened up the possibility of the direct USDA loan of new money.
- Heritage hasn't worked with HOA's before, they are feeling their way and don't have their own lawyer for this process. They have already spent 5K on outsourced services.
- We need to forward signed official By-Laws and documents. We can print out and with the Board's OK, Rich can attest.

Bridge: Legal: RJ discussed the Barker-Martin retainer agreement in relation to our loan efforts. We previously voted to retain Barker-Martin to represent the RIIA after the Legal Committee researched and determined that no other law firm had their unique specialty of HOA representation. RJ and Jim McReynolds discussed the immediate need to have Barker-Martin review the CC&Rs, By-Laws and Articles of Incorporation to determine whether RIIA has the authority to assess the membership, collect those assessments and borrow money for the bridge. The Board then must authorize Barker-Martin to render their opinion to Heritage Bank. The board voted to approve this tasking. RJ will move this forward. Money to pay Barker-Martin for this task should be voted upon. However, it was noted that this money was authorized at the last board meeting.

Bridge: Engineering: Tina Shoemaker summarized actions from last meeting. She noted the time line: first, an RFI (information) would be distributed – one of the bridge committee members has put together such a document. Then the RFQ for a Project Manager goes out far and wide. It would be a parallel process. The process was discussed:

- Island member Tim Whitworth, who has disagreed with the process so far was invited to join the Bridge Engineering and Design committee. His role should be determined in cooperation with the committee and he was asked to present his researched technical information to them as well as his technical qualifications. The next Bridge/Engineering committee meeting will be at Shoemakers at 6:30 on Wed, Aug. 17th.
- Project Mgr position will be decided by the Board, not just the Engineering and Design committee.
- Committee was asked by Charlotte and others to present an overview of what is needed for a Project Manager – also names, salary and cap. Dawn said Project Manager applicant would come to us with his estimate of tasks and costs with a cap.
- Jim Cushing said the Heads of the various Bridge Committees need to meet. A conference call was arranged for next Monday.

Roads: Ken Kessler, chairman of the roads committee, asked the Board if they would allow him to tap into our storm drain line at North Beach to divert the high level of storm water endangering his house that sometimes occurs. An easement would be needed. He has checked out the materials for the project but doesn't know the capacity of our line – what percentage would be available.

At the same time, we need to widen and repair the eroding road by his house. This might make the drainage worse. As we don't have pictures of the problem when it occurs, it might be necessary to wait for a big rain. Ken will get estimates and more information. Also, he will take photos of the extent of the problem when the next rains occur.

Security: Security plans of Mike Neil and the committee seem to be working so far. They have arranged for officers to be present at the bridge next Fri, Sat and Sun., during the Underwater Music Festival. Officers have been charging \$45/hr. Next spring we'll discuss hiring Sheriff Deputies vs. hiring private security.

Mike recommended and the Board discussed painting "no jumping" on the road on either end of the bridge. It was MSP, with some dissenting, to have Mike paint a nice, neat road sign on both ends as discussed.

Communication: The next newsletter should be in September. Charlotte will email the editor to remind her.

Rich suggested that the number of emails on Board business, between meetings, has increased to the point where it has become hard to get through all of them. We should limit the number and also make sure there is nothing in the emails to which anyone could take offense.

As the hour was getting late and the evening cold and dark, the meeting was adjourned at about 9:40.

Respectfully submitted,
Sarah Brown, Secretary