

Draft

RIIA BOARD MEETING MINUTES

April 15, 2013

The meeting was called to order at 7:04 PM at All Saints Center on Raft Island by President, Rich Swenson. All Board members were present.

Board Attending: Rich Swenson, President, Charlotte Crain, VP, Anne Scea, Treasurer, Sarah Brown, Secretary, Trustees: Jud Morris, Mike Hirko, David Paly, RJ West, John Rosendahl and Trish Burnett.

Members Attending: Tom Straub, Jim McReynolds, Doug Van Doren and Scott Woods.

Committee Reports:

- **Roads:** Scott Woods, Roads Chair, reported that the Alder Road ditch is scheduled to be repaired (filled) on April 22nd or 23rd by Speedy Excavator at a cost of \$1620. This contractor had the better bid and has been previously approved by the Board. Washington Water Co's water main replacement under our roads continues but we don't have a schedule of their future work. They will repair our speed bumps as they go and we can then repaint them. Pot hole patches will be not be done until next fiscal year. Brush cutting will probably be the last week in June if the cost is under \$1,000 – otherwise July
- **Parks and Recreation:** No report and Chair still needed. The dock repair by Island residents is complete and looks great! The repair of our damaged tennis court fences which was caused by falling tree branches will be done next fiscal year.
- **Security:** Chair was not present. It was mentioned that two car parking stickers per family will be mailed out with the Raft Island annual billing packets.
- **Communication:** Charlotte reported that she and Gene Barkin have met to discuss the process by which we will store important RIIA documents. They decided to go with *Google* for document storage, with some reservations. We need a plan for an outline of document categories. We will try to research and locate all significant documents for present and past years.
- **Nominating Committee:** Jim McReynolds, Nominating Committee Chair, said that all Board members except the Secretary have volunteered to serve again. The current Secretary may serve if a volunteer cannot be found. It was agreed that this is a critical time and we need experienced and willing candidates.
- **Emergency Preparedness:** Doug VanDoren explained that the WA Emergency Control Board would like to speak at one of our meetings about emergency preparedness for our Island as part of the requirement for our participation in that program. He will try to nail down a couple of dates for us. Our emergency plan will not need to be revised

this year.

Treasurer's Report: Treasurer's reports as of April 14, 2013 (attached) were emailed to Board members prior to the meeting. Anne Scea, Treasurer, announced that she got a bid from the company who previously filed our tax returns, Cagianet & Co, CPA's, to prepare this year's return. She noted that their work has been satisfactory and it was agreed to engage their services: they will do the job in June. We received another bill from the engineering firm, ABAM, for Phase I work on the bridge. These charges will put the total Phase I cost at just over the allotted \$150,000. The various bridge permitting applications (SEPA, etc) are reported to be progressing as planned. Re, the budget for next fiscal year: Rich sent a copy to Juanita to be mailed out with annual meeting materials and it contained sufficient funds to cover the extra legal fees expected to be part of Phase II.

Investment Report: Mike Hirko went over the high points of the report (attached) which has been emailed to board members. To make the numbers more clear, he has split out the bridge result numbers. He asked if we have a statement of when and how much money we will need for the bridge at various points in the future. Jim said we are required to maintain a stock/bond fund of \$450,000 as a cushion. Of the \$6M approximately needed for the bridge, we will put up about \$1.25M of our saved funds. We will ask Roger Hanson, bridge owner-rep, for a cash time line for expenses that will occur before the construction loan. Jim said he feels the bank funding the construction loan will OK an amount over the original agreement if USDA will come up with additional funds for the long-term loan.

Discussion of Concerns: Dave, John and others discussed a preliminary budget for the bridge replacement project submitted by Roger Hansen. There was concern over the numbers for engineering by Exeltech -- \$729K vs. the \$400K originally bid. We will ask for an explanation of what has changed or what was not anticipated originally. We need someone from Exeltech to address the Board in person or by email to explain the numbers in more detail. Also, why the east-side bridge design is best and what it will cost each Island member in future years. These latter two items should be part of the annual meeting agenda.

Approval of Minutes: Minutes of 3/18/13 board meeting were approved as read.

Manager's Report: Rich lead a discussion of the Manager's report by Juanita Carbaugh, Island Mgr, (attached), including written requests from lot #s 154 and 218 to waive late charges due to hardship situations. Jud Morris moved and John seconded that we accept both request letters and waive late fees during the rest of the current fiscal year. Going forward from there, our regular collection rules will apply. The motion passed. There was a question about the collections summary data: Shouldn't the accrued interest on late or delinquent accounts be added to the totals? Rich will ask Juanita about this.

- **Delinquent Accounts:** Rich read the revised policy about voting and delinquent accounts. A letter containing this language will go out to lot owners whose dues are not current instead of the annual ballot that will be mailed to all others.
- **Seriously Delinquent Members:** A discussion took place about the 17 seriously delinquent lots in which we tried to determine which lots warranted possible legal action. Rich distributed a report (attached) containing information on each lot and a copy of an agreement with David Britton, Attorney, of Britton & Russ, PLLC, to pursue evaluation and/or legal services for the lot owners we select. We eventually chose four lot owners and will give those names to the attorney.
- **Annual Reserve Study Disclosure:** Discussed summary report. Juanita has asked if we need to distribute to all lot owners. It was determined that because the summary does not include projections for the bridge, may be misleading and the Reserve Fund Budget Disclosure study is to be made available on our website in its entirety, the summary will not be distributed. The information on the website will satisfy the requirements of RCW 64 and 68.

Bridge Update: Rich led a discussion of the bridge progress report (attached). He emphasized that preliminary budget numbers are estimates and ball-park figures only. For example, charges for power line removal and relocation may be less than stated.

Bridge Easement: Rich Swenson, Tom Straub and others have had a meeting with the owners of the lots immediately adjacent to the east side of the proposed bridge on the Kopachuck side. It is the owners' feeling that the permanent easement we are requesting will encumber both lots on that side so as to diminish their value. They will sell but would like us to pay \$200,000 for the easement. We also discussed using the west side, or building the new bridge using half of the existing bridge. All three options have been discussed and compared by Roger Hanson, Board representatives and Exeltech. John Rosendahl made a motion that RIIA authorize purchase of the east-side permanent easement from Diane Olsen for \$200,000 plus legal and filing fees. The motion was seconded and passed.

New Business: We viewed a sample of the annual ballot, including two changes in the By-laws and one change in the CC&Rs required by USDA. The ballot was approved and will be sent out with the budget and annual meeting notice.

There being no further business, the meeting was adjourned at 8:50 PM.

Respectfully submitted,

Sarah Brown,

Secretary