



Autumn 2012

MESSAGE FROM THE PRESIDENT

DON'T PANIC! Everyone received the Gig Harbor Fire District letter on November 2nd warning that firefighting and medical vehicles may be prevented from traveling on our bridge due to its current condition. The Fire District subsequently sent a follow up letter that extended the implementation of the ruling till March 1st, 2013. At issue aren't fire engines or medical vehicles, but the heavier water tankers that can reach 52,000 lbs when fully loaded. We have been in contact with our engineer (Exeltech) and the Fire District regarding complying with their new requirements and will look to resolve the service issues. The Fire District imposed the new policy on October 22nd over concerns with unsafe roads and bridges in the District they serve.

Regarding the September vote on Phase II, 80% of the members voted to approve the ballot funding the engineering, design, legal and project management to take us to the point we can move forward with reconstruction of our bridge. We started on this path in 1996 with the initiation of the Bridge Replacement Fund. We've had thousands of volunteer hours and over 40 members looking at different alternatives, checking different funding sources, working with various government agencies and had countless meetings getting us where we are today. We hope to celebrate with a ribbon cutting ceremony in 2014 or 2015 at the latest!

Our next step is to secure a consultant who will represent us through completion of the project; we'll also be hiring an engineer. We have a target date of six to nine months to go out to bid for construction. The RIIA board has tentatively agreed to hire Roger Hansen, HHJ Architects, who managed the replacement of the Treasure Island bridge as our consultant. We expect to approve his contract at the November board meeting. Please watch for updates on our website and feel free to join us at our monthly board meetings.

In 2011, the Washington Legislature passed a law (HB1309) that requires HOA's to perform a reserve study that will provide them with a planning and budgeting tool to adequately maintain property 30 years into the future without unexpected special assessments. As a result, RIIA hired Jeff Samdal and Associates to perform this study in October. We certainly have a clearer picture of our bridge, and Jeff will be reporting on all the other assets that need eventual replacement: roads, dock, north beach and south beach bulkheads, picnic items, playground equipment, tennis courts, and our sign. Look for this report to be posted on our website in the next few weeks.

I also want to appeal to our members to make sure you are signed up for e-mail updates. We have approximately 50% of our members listed with an e-mail address. Juanita has sent out several important messages recently. If you want to be on the distribution list, please send her a note and provide her with your e-mail address. It will be confidential!



CHILDREN ALERT

It's that time of the year again when school kids are walking to the bus stop in dark or foggy conditions. Following are some general safety tips to help keep your kids safe:

- Walk against traffic.
- Be aware of your surroundings and be alert.
- Walk in a group when possible.
- Do not wear headphones.
- Wear reflective vest or bright clothing.

- Rich Swenson - President

BRIDGE UPDATE

On October 2, 2012, and with 80% support, Raft Island Improvement Association (RIIA) approved a ballot to move forward to **Phase II** to replace their aging bridge that has served residents since 1958.

Since wood bridges don't last forever, in 1996 RIIA rallied the membership and voted to collect dues for a Bridge Replacement Fund (BRF). By 2010, after collecting over \$1 million dollars, the membership applied for and was awarded two USDA loans to finance construction of a new bridge. The low rates (3.72% fixed max) and 30-year term means homeowners will have predictable monthly dues and a brand new bridge. Based on preliminary cost estimates to reconstruct the structure, monthly bridge dues will remain about the same. This is good news for property owners and real estate representatives because it means that the Island's biggest asset: a new Bridge -- will be good for at least 75 years

Phase II will finance work by engineers to design, permit, and bid the project.

EXELTECH ENGINEERS STAND BY THEIR BID OF \$5.7 MILLION TO BUILD NEW BRIDGE

On September 17th, a 4-member team from Exeltech Consultants presented an updated bid on the engineering and construction of a new Raft Island Bridge to the Board. The numbers came in only \$100,000 more since the \$5.6 million dollar price-tag projected from 2010.

1. Why is this new bid relevant?

Exeltech's confidence is justified because last month they completed replacement of the Treasure Island Bridge on time and under budget. Treasure Island's timber bridge was nearly identical to Raft Island's - differing only by about 11 feet in length.

2. I recall the \$5.6 million estimate. Then I read it went up to \$7.5 million. Why?

- In 2010, Exeltech provided a \$5.6 million estimate for the USDA application. They had yet to complete the Treasure Island Bridge.

- In 2012, under the leadership of our Project Manager Geoffrey Baillie, ABAM accepted Exeltech's original estimate of \$5.6 million and added a large contingency for unknowns. Their \$7.5 million bid includes legal, permitting and easements.

October's update from Exeltech was good news. They stand by **\$5.7 million** and are confident they can replicate their success at Treasure Island - here. Legal, permitting and easements are not included in this bid and are expected to run between \$200,000 to \$300,000 or less.

3. How will a new bridge impact my monthly dues?

The \$5.7 million dollar estimate means that our monthly obligation for the bridge may only increase by about \$10/month. Currently, RIIA collects approximately \$150/month in Island Dues (\$103 for the Bridge Replacement Fund BRF plus \$47 for regular Island operations). The BRF amount would be retired and replaced by the 30-year 3.72% fixed-rate loan from USDA at approximately **\$113/month** that would begin after construction of the bridge. (Note: these estimates were thoroughly vetted but are projections only -- we have no crystal ball.)

4. What didn't we decided to repair instead?

Based on only one estimate for the repair, Project Manager Geoffrey Baillie facilitated an LCCA report that projected we could expect approximately **\$165/month** in dues if we followed our established BRF policy and collect funds for future replacement of the bridge in 25 years.

Note: This analysis was based on the assumption that the repairs would work as designed. The repair consisted of wrapping each piling in a reinforced sleeve. While the material itself is guaranteed, the interior condition and structural integrity of each piling is not. Since old piling typically fail from the inside out, this presented an unpredictable condition that the Board felt exceeds our cost/benefit tolerance -- The risk is simply too high. The same unknowns exist for the aging pre-stressed concrete decking.

5. Is Fire Service for the Island at risk?

This month, the Fire Department delivered the news that based on our current posted truck load-ratings, we do not meet the Department's load-rating requirements for "necessary and usual" pumper truck equipment for fire service. Continued repairs will not increase our load rating capacities. Call Island resident Mark Metsker (EMT/Fire Inspector) at 686-8795 if you have questions.

6. How long will construction of a new bridge take?

Construction of a new bridge can be done in one season during approved hours of operation. Noise levels are controlled by Pierce County and 24/7 access can be maintained.

7. Will construction require forcing anyone out of their home?

There will be no "land taking" -- only a negotiated easement OR a design that does not require it.

After years of study, a new bridge is the most predictable strategy to protect our property values, ensure future fire service, and maintain safe, affordable access to the mainland for the next 75+ years

*-- Raft Island Improvement Association Board.
Bridge Committee- Dawn Stanton & Ted Smith*

ISLAND MANAGER

What a beautiful start to our fall! Fall not only means raking leaves and putting the lawn furniture in storage... it also means that RIIA payments are due!

RIIA Assessments

As you know by now, the island mailed coupon books to every resident. Many have opted not to use the monthly coupons and to pay the annual assessment in full. About half the island's members are using the coupon books. Remember that you can always opt to pay ahead, double up payments, using the coupons. Please remember to include the appropriate coupons with your payments.

There are still a few owners who have yet to send a payment toward the 2012 -2013 assessment. Please note that if we did not receive a payment in our office by September 1st, late fees and interest are applied each month until payments are received.

We can work with you to set up auto pay with your bank or direct debiting if you so desire. If you wish to set up auto pay through your bank, please note that you must structure your payments so your account is brought current. As of November 1st, five months of payments were due (July – November). As was the case last year, the annual assessment must be paid in full prior to June 30, 2013. The RIIA Collections Policy is enclosed with this newsletter.

Payments can be mailed to:

**RIIA
c/o HOA Community Solutions
5500 Olympic Drive, H-105, #245
Gig Harbor, WA 98335**

We have opened a new office on the corner of Rosedale and Skansie. If you would like to drop by the office you are welcome any time, but please call first to make certain that someone will be there to greet you and to give you access to the building.

*Juanita Carbaugh – Manager
(253) 985-3812, Ext. #3*



Welcome New RIIA Members!

- March 2012 - John Larsen- 77 Raft Island
- March 2012 - Emily Brand 74 Raft Island
- June 2012 - Jacob and Michelle O'Neil - 14 Rhododendron Drive
- September 2012 – Adam and Kyla Tinker 272 Holly
- September 2012 - Alan Benson - 85 Raft Island Drive

RAFT ISLAND ROADS

The road work, along Raft Island East, is being done by Washington Water as they replace our water main. They are moving along slowly but should be done by the end of November. At that time all of the temporary paving material will be removed and the entire area that has been excavated will be patched and sealed.

We repaired some potholes in September and will be maintained as best as the budget will allow. Please help with our drainage this winter by clearing the leaves out of the culvert and ditches near your property.

And please drive slowly and follow the speed limit on island roads and our bridge!

Tom Straub -Roads

RIIA INVESTMENT COMMITTEE

The Investment Committee meets quarterly and provides recommendations to the Board of Trustees for both the Bridge Replacement Fund (BRF) and specified General Fund monies. If you are interested in joining this committee, please contact Mike Hirko (253-686-5288).

Bridge Replacement Fund

At the end of last quarter (September 30, 2012), the market value of the investments in this RIIA fund was \$1,464,516 or 68.9% of the planned June 30, 2013 revised target amount of \$2,125,413. This revised target takes the 2011 BRF increase into consideration but does NOT account for disbursements or money being withheld from investment to meet expected short term expenses associated with current bridge replacement activity. All funds are held by the Vanguard Group or Treasurer accounts awaiting forecasted disbursement. The next scheduled and approved special assessment for the BRF will be \$1,269 (484+785) and due July 1, 2013 or through an approved payment plan arranged with the Manager.

At the October 15 Board Meeting the Board of Trustees approved the Investment Committee's unanimous recommendation to liquidate \$964,000 of Vanguard bond and stock mutual funds on Tuesday, October 16, and place the proceeds in the Money Market Fund

(MMF). Together with funds already in the MMF or held by the Treasurer a total of \$1.2 million is now available to meet USDA specified obligations regarding RIIA bridge replacement loans. Additionally, the allocation percentages for the Vanguard portfolio containing the residual amounts after the sale were approved to be 26% Bonds, 30% Large Capitalization Stocks, 23% Medium and Small Capitalization Stocks, 21% International Stocks, and 0% to Money Market.

General Fund

In January 2011 RIIA invested \$138,000 in two Vanguard mutual funds; Vanguard Balanced Index Admiral Shares (VBIAX) and Vanguard Wellesley Income Admiral Shares (VWIAX), for up to five years. At the end of last quarter (September 30, 2012) this investment totaled \$161,673 with a cost basis of \$145,417.

Mike Hirko-Chair

NEIGHBORS HELPING NEIGHBORS

With the 80% vote to move forward with Phase II of the bridge replacement, the new bridge seems to be more of a reality than ever. In my Door to Door canvassing, I was impressed with the fact that many people were concerned about the impact of the new bridge on people who have lived on the island for decades and have fixed incomes. My personal opinion is that the low interest loan that we have received from USDA will make the annual cost for each Island resident of the new bridge lower than any of the alternatives. However, this does not eliminate the possibility that some people could use some help with payment of their dues. Rather than ask RIIA to create a special fund to help those folks out, which is very problematic, I would like to explore the possibility of setting up a completely separate entity for that purpose. It is possible that the entity could qualify for 501(c)(3) status, making all contributions tax deductible.

I am asking that all Island residents who have any experience in this regard, or would be interested in contributing to such an effort financially, contact me by email jrosendahl51@comcast.net. I look forward to hearing from you!

Submitted by John Rosendahl

ISLAND SECURITY

This summer, again, we had the usual issues with off island folks using the serenity of our private Island. It is tough when the options are few, Kopachuck requires a fee, and most public beaches are overcrowded. The usual bridge jumpers showed up on warm evenings with high tides. We hired security this summer from the Pierce County Sheriff's Department on the nice weekends to turn them away.

Parking Permits

Thank you for everyone cooperating in the displaying of the parking permits. There were a number of tows for vehicles without them. I think it helped for off island visitors to see the permits hanging from the rear view mirror and it deterred a lot of them from parking. Remember that you cannot tell your friends to come and use the park without you being present with them. As well, we do not allow keys to be loaned for the launch and parking permits given to off island friends to park. The permits are for Island vehicles only. I don't know how many people I asked to leave this summer who said they knew someone who lived on the island.

There have been several break-ins in the last couple of months including broken car windows. Doubtful that anyone would come across a private bridge to a place they weren't familiar with and start committing crime. A better bet is all this is being done by someone who lives on our island and is very comfortable here. If your driveway is able to be lit make sure you keep it that way to help not to tempt our neighbor. If anyone has any ideas on a suspect please feel free to contact me or the sheriff's Department.



Island Speed Limits

Just a reminder for all island residents, the speed limit is now 20 MPH on the bridge and 15 on island roads. We raised the limit on the bridge because 15 MPH was not enforceable. There are too many walkers and kids on

bicycles on our roads to be driving thirty or thirty-five. Our roads weren't built for those speeds and it is one of the reasons we have problems with potholes.

Mike Neil-Security

RAFT ISLAND TREASURER

The tax return preparation and audit are underway. The CPA estimated that we would owe an additional \$2,500 in federal income tax. An estimated payment was made along with the extension to file. No taxes were previously budgeted since we had a \$10,000 refund applied from previous years. I'll let you know the final number once completed.

You all should have received your payment booklets. The books alleviated the need to send out monthly invoices and related costs. It cost approximately \$450 to print the books. This also makes things much easier for our manager, Juanita.

Otherwise, things are on budget. Many of you are utilizing the payment booklets. Thanks. To date we've received a little more than half of the General and Bridge Replacement assessments.

Anne Scea – Treasurer

www.raftisland.org



Don't forget to check our website frequently for updates on all things concerning our Island

Island Officers and Trustees for July 2012 through June 2013

President	Rich Swenson (# 219)	253-265-8090
Vice President	Charlotte Crain (# 8)	253-265-0980
	Charlotte's Cell	503-680-1882
Treasurer	Ann Scea (# 192)	253-265-3791
Secretary	Sarah Brown (# 6)	253-649-0175
Trustee	John Rosendahl (#133)	253-265-0700
Trustee	Trish Burnett (# 67)	253-265-3391
Trustee	Dawn Stanton (# 111)	253-222-2786
Trustee	Dave Paly (69A)	253-265-6356
Trustee	RJ West (#70)	253-265-8046
Trustee	Judson Morris (#124)	253-265-2570

BRF Investment Committee

Mike Hirko / Chair (# 113)	253-686-5288
Monica Butler (# 101)	
Rich Swenson (# 219)	
Dave Paly (# 69A)	
Christine Stephen (# 25)	
Hans Kueck (#232)	
Bruce Difloe (#155)	

Bridge Committee

Ted Smith Chair (# 160)	253-597-3319
Dawn Stanton Chair (# 111)	253-222-2786
Bob McCoy (# 239)	253-265-1626
Tom Straub (# 98)	253-265-6952

Parks and Recreation Committee

Chair Position Open

Greg Scea, (#192)	253-265-8368
Russ Ranger (# 182)	253-265-0997

Security Committee

Mike Neil, Chair (# 2)	253-381-2112
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Roads

Scott Wood, Chair (# 38)	253-509-3742
Tom Straub (# 98)	253-265-6952

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