

Agenda

Hat Island Community Association
Board Meeting
3616 Colby Ave PMB 335
Everett, WA 98201
(360) 444-6611

Sat January 20, 2024

10:30am via ZOOM

Attendees:

Erik Smith- President	Virtual
Open – VP	NA
Don Stark- Treasurer	Virtual
Kelly Dukes- Secretary	Virtual
Roelof Burger- Trustee	Virtual
John Lundeen -Trustee	Virtual
Steven Jefferies- Trustee	Virtual
Kim Gleason- Island Manager	Virtual

Agenda:

- Call meeting the meeting to order
- Approve meeting minutes from December 17, 2023
- President update- legal report
- Island Manager Report
- Treasures Report- Don Stark
- Old Business
 - Long Term Planning Committee update on Development Guide
- New Business
 - Presentation from the Port of Everett- 3-year contract, for approval by the Board of Trustees
 - Presentation of a draft CCR Complaint form for approval
- Community Reports
 - Nature Conservancy Report- Laurie Gray
 - Water Committee Report- Roelof Burger
- Community Input (3 minutes per owner)

Erik: Called the meeting to order at 10:32am

Erik announced that Ray Stephanson has resigned from the Board.

Discussion: Ray has been a valued member of the Board, we will miss him.
Board will meet in Executive Session to discuss the vacancy.

Erik requests a motion to approval the minutes from the Special Community Meeting December 17, 2023 (announcing the results of the ballot)

Motion- Don
Seconds -Roelof

Erik Smith- President	Yes
Open – VP	N/A
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
Roelof Burger- Trustee	N/A
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	N/A

Motion passes

Erik requests a motion to approval the minutes from the HICA Meeting December 17, 2023

Motion- Don
Seconds -Roelof

Erik Smith- President	Yes
Open – VP	N/A
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
Roelof Burger- Trustee	N/A
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	N/A

Presidents Update

Legal update: Nothing new to report- will be discussing legal topics in Executive session. The Next month the Board will be hearing an appeal related to CC&R's. Work has been made to standardize documents that are sent as notice to owners when there is a violation of policy, by-law, CCR's, etc. this is being reviewed and approved by legal. Work is also being made to create a standardized notification on how owners can report a violation of CC&R's and other policies.

Island Manager Report

Quick update on what staff is working on in the dark months of winter.

The office staff is closing up the financials for 2023. We have been making an extra concerted effort to reach out to owners who are past due on assessments and fees. We are trying to give them a really good opportunity to pay without accumulating late fees.

Golf: It is all about clean up this time of year. We have ordered the greens sweeper that was approved in the budget. That will lake clean up a lot easier for our staff.

Our maintenance team has placed dock corner protectors on 99% of the marina. They have been fighting to keep the roads in passable condition during the rain, hail, snow and ice. The new frailer has arrived and a protective cab is coming soon. This equipment is used to cut back the brush on the side of the road.

Water: Cold spell- has caused a few pipe leaks. There is still a small leak that we are looking for.

Marina: Reminder if you have a boat in the marina and you pay annual moorage it must be paid by February 1. If you pay after that deadline you will have to pay the daily rate for January and also pay the annual moorage fee for the rest of the year if you plan to use annual moorage.

Marina park improvement project: We have received more pavers and will continue the walk way. We have donations for 8 pallets of pavers and we just received another donation for another pallet.

Ferry Crew: Continues to do maintenance on the vessel. First Mate Harrison is anxiously awaiting documentation from the Coast Guard that will allow us all to address him as Captain Lindgren! The paperwork is in work.

Before you know it, spring will be upon us!

Treasures report- Don Stark

Investments	\$826,392.29
CCB DNR Bond	\$1,509.15
Operating income	\$467,666.72

Detailed P&L and Balance sheets will be posted online for your review

Respectfully,
Don Stark
HICA Treasurer

Happy to report that 2023 came in pretty much as forecasted.

Investments: The Board had previously approved an investment policy and I am happy to report that has gone well. We have been able to invest some funds in FDIC insured bonds and investments which has generated nearly ~\$10,000 in interest income over the past several months. Thank you to the Finance Committee, Dan Jenson and Larry Christianson for their leadership.

Past due balances: It is important that we all keep up to date on our obligations to the community. That includes assessments, and other obligations. The office staff has been working hard to help get those past due balances current. We still have some past due, and the Finance Committee is looking at this. Seeking to resolve prior to going to collections and into the hands of our attorneys.

Discussion: Report next month from finance committee on how to proceed. The staff does a great job of notifying. It would be great to see if you can see if you have paid via a customer portal, our accounting system is not able to provide that at this time. Good future improvement. Don't hesitate to contact the office. Emails and reminders for 4th quarter assessments started in December. The office sent emails and followed up with phone calls, this increased our success in collecting prior to late fees starting to be assessed.

Old Business:

Long Term Planning Committee update on Hat Island Development Guide

The ACC was working with the Long Term Planning Committee to develop a Hat Island Development Guide. This is designed to help owners as they navigate building, landscaping or other development on their property. The Board has reviewed and provided feedback. The next step will be to send the document to legal for review.

Erik: Requests a motion to send the current draft of the Hat Island Development Guide to legal for review.

Motion: Don
Steven: Second

Roll call vote:

Erik Smith- President	Yes
Open position- VP	NA
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
Roelof Burger- Trustee	Yes
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	Yes

Discussion: Ensure that we still get a chance for the Board to review again prior to implementing.

Hat Island 2044 and Community Communications - Steve Jefferies

These topics were discussed in November. Feedback indicated a preference to not start new committees due to resource constraints. Seeking to incorporate these topics in existing committees.

Hat Island 2044: Coordinated with committee chairs from Long Range Planning Committee and community members. The next Long Range Planning Committee meets in the coming months, Steve will attend and discuss implementation of ad-hock group which involves more people.

Comment: Kurt Kashan- The next Long Range Planning Committee (LRP) is on February 21 and Steven will be invited. The LRP committee has been doing lots of work for the next three years and far beyond. Additional community feedback is needed. The next budget we need to consider funding for a Master Plan. Kurt has reached out the HOA group that Steve put us in contact to see if there are resources/contacts that could help us. Asking the head of other committees to join in the Feb LRP committee to look ahead and to better understand future needs.

Community Communications

Feedback that there is a lot of interest in additional communication, not just from the office as that is a lot of work. Seeking opportunities for the community to have enhanced communications with each other. Next steps consider which committee is the best fit, possibly the Technology Committee or the Social Committee. Goal of increased community engagement and between the committees. Something like a local newspaper. Need an alternative to online communications as some people are not comfortable with Facebook. Steve will chat with Kim and have further update perhaps next month.

New Business:

Port of Everett (POE) 3-year contract

We have talked about this previously. Lots of development at the POE, rates are rising despite best efforts to minimize the impacts. Contract covers moorage, barge landing fees, garbage usage as well as long term parking for Hat Island residents. In 2019 we projected 2.5% annual inflation for parking. The POE has performed a study and felt that Hat Island parking rates were well below market rates. Kim did her own study which showed POE parking was inflated.

Hat Island is being offered an early bird parking rate if purchased by February 29, 2024.

Discussion: Future parking and moorage options would be a good topic for the Long Range Planning Committee and Steve's 2044 plan.

Erik requests a motion to approve the Port of Everett (POE) 3-year contract

Motion: Steven
Second: Roelof

Roll call vote:

Erik Smith- President	Yes
Open position- VP	NA
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
Roelof Burger- Trustee	Yes
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	Yes

Motion passes.

ACC Complaint Form- Erik

As previously discussed the office has been working with legal and the ACC to ensure that our documents provide proper notice, references to RCW's, and ensure everything is legally sound. The ACC is in charge of the Codes, Conveniences, and Restrictions (CCR's) that run with the deeds of a property. This includes how far back from your neighbors and from the road. Violations are addressed by the office and the Board. Violations can be appealed and reviewed by the Board. The first step in is having a complaint filed. Example: If a neighbor is building a structure and there is concern it may be too close to the property line. Proposed draft Complaint Form was developed by the ACC. A complaint from would be received by the office and verified that it was filled out correctly. The ACC would review the complaint and CCR's. Should they find that a violation has occurred a notice would be sent. The form is not limited to just CCR's, it also enables reporting of other potential violations such as marina or by-laws. The intent is to enable a more formal process for documenting concerns rather than someone mentioning a concern when staff is not located in a place to write down/ document the concern. Seeking feedback on the form.

Discussion:

Concern that there are many violations on the island, it is very important that we are contestant on how we enforce them. We run the risk of being hypocritical and unfair if we are not consistent in holding everyone accountable to a rule. Suggest a better approach, if no one is hurt by the violation perhaps we should not enforce it. If we enforce a rule for one islander we have to enforce it on every islander.

Concern that taking the approach that if you can't enforce a rule for all then we should not enforce it, is not consistent with how cities and communities operate. People speed, and sometimes they are caught and are ticketed. Just because no one was hurt by a speeder does not mean that it could be an unsafe situation that warrants a fine and they happen to be caught.

Do we have too many rules on the island? The answer might be there are too many rules or as a practical manner they are un-enforceable. We will never know that unless we attempt to keep track of the concerns. The only way to ensure equity is to have transparency, and the only way your have transparency is if things are written down. By tracking the violations, we might come to the conclusion that there are some rules we need to get rid of. Consider allowing the

community to have visibility to the complaints so they can see and have confidence that things are being enforced fairly.

Clarification that this is not implementing any new rules. This is a recording system. Currently complaints are received very informally, such as a comment on the ferry or while pumping gas.

Concern that this could become a big cascade of tattle tell of neighbors against neighbors. Could committees review rules and make recommendations instead of the form?

Concern we spend a lot of time reviewing these issues already. This could become neighbor vs neighbor, but not sure that there is an alternative.

The office already receives complaints just informally. The intent is the record the complaints formally.

Concerns of picking and choosing and uneven enforcement.

As Trustees we have a fiduciary responsibility to uphold the rules. Ignoring rules and not having a process to account for them is not a solution.

Concern this this will encourage people to make complaints.

Requested feedback from the office:

The office would like to have a complaint come in writing. The office tries their best to apply rules fairly and consistently. The Board does have a fiduciary responsibility to the community to make sure the rules are followed and enforced. The CCR's are not easily changed

Sandy Bettencourt from the ACC was available and discussed the form.

The Island by-laws declare that the Board is in charge of creating rules and policies and as well as creating procedures to enforce and have compliance. We do have violations all over the island, some on private lots some on community property which are all our lots. The form is intended to be a confidential system to report issues. Most HOA's have a process which allows owners to report concerns, report violations in a written form so it can be reviewed, inspected and validated. HOAs protect the value of our properties and common areas. The form is intended to document the concern, the office will review and perhaps review with the Governance Committee. If it is a CCR violation it would be forwarded to the ACC, they would inspect and determine a correct action which would be communicated back to the owner so they have an opportunity to correct the issue. Most owners don't know they have broken a rule as they just have not read the policies. Our approach should not be a big stick enforcement, it should be a method to help address the issue and help the owner to understand how to get back into compliance. Very few people will fight the rules, and if they do they can appeal including up to arbitration. The Strategic Planning Retreat one of the top responses was people wanted rules to be enforced which helps to make a wonderful community.

How our form compared to other HOA's?

We used an existing form that is used by HOA's.

Erik requested a motion to approve the form

Motion: Kelly

Second: Roelof

Erik Smith- President	Yes
Open position- VP	NA

Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
Roelof Burger- Trustee	Yes
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	No

The motion passes

No more new business

Committee reports:

Nature Conservancy- Laurie Gray

We had a successful work party on November 15 at the Twin Cedars Nature Reserve. The volunteers shoveled, raked, spread cedar chips. Volunteers made benches out of logs. The park is located at the corner of Everett Way and Tulalip Way between K and J Divisions. Native plants will be planted at another work party later this spring.

Next event we had was the annual Audubon Christmas Bird Count which has been held for over 100 years. It is a fun event and a good turnout of volunteers. 50 species of birds and over 1,000 birds were counted. The next count will be held on Saturday December 28, 2024.

Lots of upcoming events including whales, birds and beach walks. Seeking a geologist or soil specialist who can do a talk about soil, erosion and how to protect our bluffs. Also looking at fall mushrooms program. We are completing volume 1 of a Junior Ranger and not so Junior Ranger program. Rangers will be able to complete the book and receive some sort of swag. Volume 2 and 3 are in work as well. This is open to people of all ages.

Working with the Long-Range Planning Committee. One of the initiatives of the Nature Conservancy is a no net loss. This objective is seeking how we can replant to replace plants that are lost when building in lots. Also looking at ways to encourage land donated as greenspace. It is a complicated issue but the LRP in fall 2023 highlighted the community desire to keep greenspace.

Water- Roelof Burger

Water usage is 24% less than Dec of last year
The RO production is up 32%

Parks and Recreation- Steve Jefferies

Upcoming events in 2024

- Flag raising at the USS Friendship
- Pickleball tournament
- 5 K run
- Family kick ball tournament
- Roller derby

Community input:

none

Erik requests a motion to move to Executive session

Moves: Don
Second: Steve

Erik Smith- President	Yes
Open position– VP	NA
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
Roelof Burger- Trustee	Yes
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	Yes

12:04pm The Board moves to executive session

Return to open session at 1:45 pm

Announcement:

Roelof Burger has been elected as the new Vice President of HICA
Officer elections will occur again in September.
No other announcements

Erik requests a motion to adjourn

Motion: Steven
Second: Kelly

Erik Smith- President	Yes
Roelof Burger – VP	Yes
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
John Lundeen -Trustee	Yes
Steven Jefferies- Trustee	Yes
Open position- Trustee	NA

Motion passes, meeting is adjourned at 1:47pm