

Agenda

Hat Island Community Association Board of Trustees Meeting

3616 Colby Ave PMB 335
Everett, WA 98201
(360) 444-6611

Saturday May 18, 2024

10:30am via ZOOM

Attendees:

Erik Smith- President	In-person
Roelof Burger- Trustee -VP	In-person
Don Stark- Treasurer	In-person
Kelly Dukes- Secretary	Virtual
John Lundeen- Trustee	In-person
Stephen Jefferies- Trustee	In-person
Roy Short- Trustee	In-person
Kim Gleason- Island Manager	In-person

Agenda:

- Call meeting the meeting to order
- Approve meeting minutes from April 20, 2024
- President update
 - Legal update
- Island Managers report
- Treasures Report
- Old Business
 - Status of move in house policy/contract
- New Business
 - Hat Island Right of Way Policy Approval
 - Electronic Voting consideration
- Community Reports:
 - Water Report- Board Representative- Roelof Burger
 - Community Input (3 minutes per owner)

Erik called the meeting called to order at 10:33am

Approval of meeting minutes from April 20, 2024

Motion: Kelly
Second: Roelof

Erik Smith- President	N/A Excused from mtg on 4/20/24
Roelof Burger- Trustee -VP	Yes
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
John Lundeen- Trustee	Yes
Stephen Jefferies- Trustee	N/A Excused from mtg on 4/20/24
Roy Short- Trustee	Yes

Motion approved

Presidents Report- Erik Smith

- **Legal Update:**

Matt Surowiecki settlement discussions but no materializing, motion for summary judgment next week, try to dismiss some of Matt Surowiecki defenses. Planning to depose Matt end of June or July. (sit w/legal counsel and ask Qs under oath).

PUD cable replacement. Construction plans progressing. PUD has 3 cable bids under review. Cost and time is better understood. PUD after Memorial day will reach back out to us with timelines, cost.

Don: homeowners to finance or rate payers?

John (homeowner). Surcharge to continue to go up? Erik – yes, increase daily rate over a term

Kirk (homeowner). Tulalip tribe? Erik – easement coming up quicker than cable will be laid. We are thankful for their cooperation.

Sharon (homeowner) Surcharge may be 3% per year.

John: will we discuss again as convos predate most of BOT members

Sandy Bettencourt: between PUD and Hat Island can we work with representatives for infrastructure costs to help offset costs for this small community?

Island Manager- Kim Gleason

Omega engineering to do drainage plan. Mapping has started. Drove the island and looked at all things. We think the work we have done on island so far has been great – \$60k to spend, budgeted \$180K, 13 % spent so far. Still needs a year to go through permitting. Once we have permit, we don't have to continue permitting every time we need to do something in the marina.

Open door policy in office – Q's or anything, come to office. Staff is aware they need to be available for answers but if you have a concern, please see Kim and not staff.

Treasurer Report - Don Stark

All payables are current and our reserves & operating income, as of 02/29/2024 are as follows:

INVESTMENTS: \$838,658.86

CCR DNR BOND: \$1,509.39

OPERATING INCOME: \$769,985.35

Detailed P&L and Balance Sheets will be posted on-line for your review.

Respectfully,

Don Stark

HICA Treasurer

Discussion:

Budget is performing approximately as forecasted. Revs and Exp close. Issues with barge but fees pay for it. A little behind there but small impact.

Finance Committee is looking at redoing reserves study next year. Steve has asked for a report each BOT meeting. Working on a summary report prior to meetings. Almost budget time again. Start thinking in May, assembling in June, Community discuss in Sept. Then to Board and vote of the Community at end of year. Committee Chairs should be pulling recommendations for next year's budgets now.

Kim – outlined upcoming capital expenses.

Old Business:

- **Status of Move in house policy/contract**

Discussion:

Erik: Read highlights of provided plan.

Stephen: Should we not share with community first?

Erik: Makes sense. This was a community proposal to begin with and has been discussed with community.

Kim: There is a time crunch as owners are waiting to move homes.

Don: Can BOT approve now tentative to community review.

Kelly: Do not forget that there are protections here we need to get set in place. Maybe we can amend in 30 days after community feedback.

Don: Motion to approve Move in House app process that is before us.

Kelly: Seconds

Erik Smith- President Yes

Roelof Burger- Trustee -VP Yes

Don Stark- Treasurer Yes

Kelly Dukes- Secretary Yes

John Lundeen- Trustee	Yes
Stephen Jefferies- Trustee	No
Roy Short- Trustee	Yes

Motion approved

Move-In House Permit Application

Owner acknowledges that relocation of an existing home or structure (“Move In Home”) to Hat Island involves unique issues and potential impact to HICA owned property including, but not limited to, beaches, roads, and infrastructure. Accordingly, Owner acknowledges and agrees that approval to bring an existing home or structure requires approval by the ACC and HICA, subject to the requirements set forth herein.

2. Prior to scheduling delivery of a Move In Home or any other structure via beach landing, Owner will provide to the HICA office a copy of all required Snohomish County permits, including, but not limited to:

Approved barge landing permits from Washington State Department of Wildlife. This permit is typically referred to as a Hydraulic Permit Approval (HPA) and will be specific to your project.

b. Approved Residential Building permits from Snohomish County Department of Planning, which includes, but is not limited to, approval of:

i. Building Foundation.

ii. Critical Areas.

iii. Surface water drainage.

iv. Health District approval (i.e. on-site sewage disposal permit).

v. Land Disturbing Permit.

vi. Other permits through Snohomish County Building Department which may include plumbing, electrical, structural, and/or mechanical.

3. Prior to scheduling delivery of a home or any other structure via beach landing, the Owner will provide a written proposed plan for transport that includes identification of the proposed landing site and method/route for transport of structure to the Owner’s lot, which shall include the following:

The landing location/site, which shall be the North Marina Beach, absent of a compelling reason to use another location. Absent of prior written approval, landing at any other location is strictly prohibited.

b. Landing Hours: 6am to 10pm PT.

c. Equipment: There shall be no long-term storage of equipment on Hat Island property. Equipment and material storage will be allowed for a brief period of time before

and after the move. This time period will typically be 4 hours at the beginning and end of the move. Extensions to this length of time must

be arranged at the time of application. All equipment/materials shall be off the island when the move-in personnel leave.

d. As stated in the HPA Permit, no materials or equipment shall be left on the beach or landing site.

e. HICA Staff will need to be assigned to observe the process each time the house moves.

f. The owner shall provide written proof that the moving company has general liability insurance that meets the following requirements:

i. HICA listed as an additional insured.

ii. Combined single limit bodily injury and property damage: «One Million Dollars » (\$ «1,000,000 ») each occurrence, «Two Million » (\$ «2,000,000 ») general aggregate.

iii. Personal Injury: One Million (\$1,000,000) personal injury (with Employment Exclusion deleted, if applicable).

4. Owner shall pay a permit fee to HICA in the amount of \$5,000, which includes fees for administrative overhead and use of HICA property for landing the structure and use of roads. In the event the ACC or HICA do not approve a request to import a Move In Home, or if Owner withdraws the application for any reason, then HICA shall partially refund the fee. HICA shall retain not less than \$1000 and may retain additional fees to cover any hard costs incurred by HICA.

5. Move In Houses may not be moved onto Hat Island until the lot is ready to receive the structure. The site must be ready for the home to be set on its foundation in its permanent location. All excavation, foundation, and site clearing must be complete prior to delivery. The ACC and/or HICA may specify additional requirements with respect to a specific lot based on the characteristics of the lot such as its location, access, topography geometry, or other characteristics.

6. Under no circumstances shall Move In houses be left on the Community roads/property/easements/common areas without the written approval of the Island Manager. If approval is granted, it will be for a limited timeframe as determined by the Island Management and/or Board of Trustees.

7. Prior to the move, the Island Manager or their designee will meet with the owner/contractor(s) to confirm the best route from the landing area at the beach to the property owner's lot. Logistics to be confirmed at that meeting include, but are not limited to, barge/landing craft logistics to prevent damage to the shoreline and other sensitive areas. The Barge Contractor will provide a representative knowledgeable in all aspects of the home move and placement of the structure onto the identified foundation location. Note: The owner and their house-move contractor will be responsible for all storage or damage costs related to the inability to place the structure over the foundation hole during the scheduled move date(s) outside of the permit fee.

8. The owner/contractor will provide a certificate from a licensed Washington or other U.S. State or Canadian Province pest control business certifying the building is free of any

pests (wasps/bees, bed bugs, termites, etc.) or rodents/mammals (rats, mice, opossums, bats, etc.) prior to moving the house to Hat Island. The inspection and date of the certificate is required to be within 30 days of the move-in date.

9. The owner is responsible for all move costs. If the move requires alteration of HICA property, alteration of property subject to HICA easements, or will impact lots owned by others, then Owner must 1) obtain written approval from HICA and/or other owners prior to altering any property and 2) in the event additional HICA staff, time, or services are required to accommodate the work, then Owner shall pay additional fees for such services, including but not limited to: staff time, tree trimming/cutting, debris clean-up, or road work.

THE REQUIREMENTS SET FORTH ABOVE ARE SUBJECT TO THE FOLLOWING:

Any permit or agreement for use of HICA beaches, roads, or property for transport of a Move In Home is revokable if Owner fails to meet the obligations set forth herein or if HICA determines, at any time, that transport cannot be accomplished in a reasonably safe manner that protects persons and property.

2. Owner agrees and recognizes that transport of a home involves inherent risks. HICA makes no warranty that its property is suitable to support the transport of a home. It is the responsibility of the Owner and its contractor to fully evaluate whether or not the structure can be transported to the Owner's lot(s).

3. Owner assumes full responsibility for any and all damage to roads, infrastructure, HICA property, and property owned by other HICA members. Owner further assumes any and all liability for personal injury to any persons in connection with the transport or installation of a Move In Home.

4. Owners agree that any and all financial obligations to HICA shall be treated as "assessments" levied pursuant to HICA's governing documents, subject to HICA's lien against the Owner's lot(s) and pursuant to By-Laws of Hat Island Community Association, Article VIII.

5. Execution of Exhibit A is required prior to scheduling delivery of Move In Home to Hat Island.

BY MY SIGNATURE BELOW, I HEREBY AGREE TO ALL REQUIREMENTS AND CONDITIONS AS SET FORTH HEREIN:

Owner(s) of Lot _____

(print name)

(print name)

Move-In House Permit Application

EX. A

Owner and Contractor affirm that they have read the Move In House Application and are familiar with HICA and ACC requirements related to the transport of a Move In House on Hat Island.

Owner and Contractor agree, to the fullest extent permitted by law, that Owner and Contractor shall jointly and severally defend, indemnify and hold harmless HICA, its agents and managers, from and against all claims, damages, liability, losses, and expenses, including, but not limited to, attorneys' fees, expended by HICA to defend against any claim and/or to prove its right to indemnity, arising directly or indirectly out of or incident to use of HICA property or easements for the delivery of a Move In Home, regardless of whether or not such liability is caused in part by HICA, its agents, Directors or employees.

Contractor Owner(s) of Lot _____

(print name) (print name)

(print name)

-
1. Prior to scheduling a house move, the owner will provide to the HICA office a copy of all required Snohomish County permits, including but not limited to:
- a. Approved barge landing permits from Washington State Department of Wildlife. This permit is typically referred to as a Hydraulic Permit Approval (HPA) and will be specific to your project.
 - b. Approved Residential Building permits from Snohomish County Department of Planning, which includes, but is not limited to, approval of:
 - i. Building Foundation
 - ii. Critical Areas
 - iii. Surface water drainage
 - iv. Health District approval (i.e. on-site sewage disposal permit)
 - v. Land Disturbing Permit
 - vi. Other permits through Snohomish County Building Department which may include plumbing, electrical, structural, and/or mechanical

2. A one-time permit fee will be paid to HICA in the amount of \$5,000 to cover landing fee, staff time, mitigation fee for roads, office overhead, etc.
3. Move-in houses may not be moved onto Hat Island until the lot is ready to receive the structure. This would include excavation of the foundation and site clearing. Pending the specific lot characteristics and geometry, other requirements may be requested by the Island Manager and/or their designee.
4. Under no circumstances shall move-in houses be left on the Community property/easements/common areas without the written approval of the Island Manager. If approved is granted, it will be for a limited timeframe as determined by the Island Management and/or Board of Trustees.
5. Prior to the move, the Island Manager or their designee will meet with the owner/contractor(s) to determine the best route from the landing area at the beach to the property owner's lot. Logistics include but are not limited to barge/landing craft logistics to prevent damage to the shoreline and other sensitive areas. The Barge Contractor will provide a representative knowledgeable in all aspects of the home move and placement of the structure onto the identified foundation location. Note: The owner and their house-move contractor will be responsible for all storage or damage costs related to the inability to place the structure over the foundation hole during the scheduled move date(s) outside of the permit fee.
6. The owner/contractor will provide a certificate from a licensed Washington, or other U.S. State or Canadian Province pest control business certifying the building is free of any pests (wasps/bees, bed bugs, termites, etc.) or rodents/mammals (rats, mice, opossums, bats etc.) prior to moving the house to Hat Island. The inspection and date of the certificate is required to be within 30 days of the move-in date.
7. The owner is responsible for all move costs, including but not limited to: staff time, tree trimming/cutting, debris clean-up, damage to roads, easements use and damage, and utilities and fines for failure to follow these permitting guidelines.

Understanding and Agreements:

1. The landing location/site shall only at the North Marina Beach. Any other location is strictly prohibited.
2. Landing Hours- 6am to 10pm PST
3. Equipment- There shall be no long-term storage of equipment on Hat Island property. Equipment and material storage will be allowed for a brief period of time before and after the move. This time period will typically be 4 hours at the beginning and end of the move. Extensions to this length of time must be arranged at the time of application. All equipment/materials shall be off the island when the move-in personnel leave.
4. As stated in the HPA Permit, no materials or equipment shall be left on the beach or landing site
5. Staff will need to be assigned to observe the process each time the house moves.
6. This permit is revokable if obligations are breached.
7. The owner will ensure that the moving company provide documentation showing HICA is indemnified under their insurance.

New Business:

- **Hat Island Right of Way Policy Approval**

Discussion:

How we treat right of ways – right of way acknowledgement

HICA owns easements, owner has burden of easements
Some owners have moved onto HICA owned property beyond easement
HICA platted roads and easements document addresses this.
Kim – owners need to know easement policies
JL – why is this important. Kim – to protect our future needs; drainage, telecom, etc.
Erik – reads document

Don: Motion to approve the distribution of the policy document to the community.
John: Seconds

Erik Smith- President	Yes
Roelof Burger- Trustee -VP	Yes
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
John Lundeen- Trustee	Yes
Stephen Jefferies- Trustee	Yes
Roy Short- Trustee	Yes

Motion approved

HICA Platted Roads and Easements

The Hat Island Community Association (HICA) owns the community roads as reflected in Snohomish County real property records and has easement rights over a portion of any lot adjacent to the roads (“HICA Property Rights”).

Road maintenance and improvements are key to HICA operations and can sometimes present challenges. HICA is aware that some lot owners currently have landscaping, trees, and hardscapes (e.g., pavers, stones) (“Improvements”) on HICA owned property or property subject to HICA’s easement rights. With respect to Improvements on HICA owned property, HICA will allow previously installed improvements to remain but may require their removal at some point in the future. With respect to Improvements on property subject to HICA’s easement rights, Owners are prohibited from constructing any “building” within the easement but can continue to make use of their property so long as it does not interfere with HICA’s easement rights.

If you are contemplating the installation of Improvements and are uncertain about the location of your property boundary or HICA’s easement, we encourage you to confirm prior to investing in such improvements. Owners have no right to install improvements on HICA owned property and HICA has the discretion to require its removal at any time. Likewise, if you install improvements within HICA’s easement then you may be required to remove it, to the extent it interferes with HICA’s use of the easement.

It is our goal to avoid situations that require the removal of owner installed Improvements. By working together and planning ahead, we can avoid or at least limit, the need to remove Improvements to your property.

- **Electronic Voting consideration**
Discussion of moving to an Electronic Voting System

In 2021 our technology committee sent a proposal to the Board of Trustees to move from a paper ballot voting process to a Web-Based electronic voting system. At the time

this was being researched an email went out to all community members inquiring to whether they would prefer to remain using the traditional paper ballot or would support transitioning to web-based voting. The response was overwhelmingly in support of moving forward with electronic voting. As often can happen, the proposal went to the wayside as more pressing issues became prevalent. It is at this time that I believe we should again begin the process of moving to online web-based voting. Both options below provide the island with a secure and confidential way for owners to vote and will save the island costs. The cost for example of the last Trustee election was \$1451.39, for printing and postage.

We have two companies that have sent proposals, e-ballot which was the company that was recommended by the technology committee in 2021 and VOTE HOA NOW, which is focused solely on homeowner's association and is endorsed by the Community Association Institute, of which HICA are members. Both companies do offer an option for those who prefer traditional paper ballots, and the voting can be anonymous if HICA chooses to continue with anonymous voting.

The cost per year for e-ballot would be \$2500.00 per year and the cost for VOTE HOA NOW would be \$1285.00 per year with optional additional features for added cost.

Discussion:

Erik: Electronic voting consideration shift to electronic voting vs. mail in voting as a modernization and cost savings (labor, supplies) effort. Kim has reviewed 2 service provider bids.

Kim: Reads submitted notes. 2021 this idea was submitted by Technology comm.

Stephan: Motions to authorize Kim to pursue an electronic voting option for HICA

Don: Seconds

Erik Smith- President	Yes
Roelof Burger- Trustee -VP	Yes
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
John Lundeen- Trustee	Yes
Stephen Jefferies- Trustee	Yes
Roy Short- Trustee	Yes

Motion approved

Community Reports:

- **Water Report –5/14/2024 Roelof Burger**

Water produced in Apr:

	Apr	YTD
Wells	436,250	1,449,465
RO	12,037	308,248
Totals	448,287	1,757,713

During Apr the Wells performed as expected and the RO production was down to 12,037 issues with finish pumps float switches but now appear to be fixed.

The production from this period was 22% more than Apr of last year. The water mix was 97% wells and 3% RO.

The YTD produced is 18% more than the last 2 years avg of their YTD amount.

Discussion:

Needs to compile data and wants to present a trend vs. a snapshot in time.

April usage is 22% above PY. 18% above average

RO production is low. 3% of total production. This is low.

Stephen: – Pfax in water?

Roelof: Reverse osmosis will not let any thru.

Stephen: Chris says tested and was not a concern

Community Input: (3 minutes per owner)

Stephen Jefferies: (speaking as a community member)

Went to a conference. Completed Board member training course. If anyone wants to join the board, I recommend joining. A great way to learn about roles and responsibilities. Met vendors and got lots of information

Second item: Brad Tinius is on his boat to HI. He is safe and having a good time despite some tough weather.

Kurt Kassan: building guide final?

Erik: move in house policy approved. Now on to drafts of building guide then it can go to community.

Gayle N4: Is it time to talk about conservation of water?

Roelof: Good question, mainland has declared a drought

Gayle: I (we) elect you to make decision in the best interest of the island and islanders. We do not need get in the weeds.

Sharon: Collecting water off the roof sqft*inches of rain*.062 =

Erik: Can the island incentivize homeowners to bring over water conservation equipment

John Holt: These are retention systems which are better than infiltration systems.

John Lundin: County is not helping with permitting this.

Sandy B. J19: Roads and easement use. This was not an ACC approved project. ACC does not govern easements. Document may need to be augmented with plat maps

Erik: Can we link these when it is sent out.

John Holt: Move in house policy. Maybe more oversight is needed. Is ACC an advocate for new homeowners?

Sandy B: Confirmed the ACC process covers these opportunities.

Sharon B: Electronic voting – will there be signature verification? And eligibility verification?

John Holt: Who tabs the votes.

Kim: They do

Sharon B: Wants to compliment the signage around marina for community events, etc. inviting enchanting very nice and welcoming.

Erik: Requests a motion to adjourn

Motion: Don

Second: Steven

Erik Smith- President	Yes
Roelof Burger- Trustee -VP	Yes
Don Stark- Treasurer	Yes
Kelly Dukes- Secretary	Yes
John Lundeen- Trustee	Yes
Stephen Jefferies- Trustee	Yes
Roy Short- Trustee	Yes

All approved

Meeting adjourned