

BLAKELY ISLAND MAINTENANCE COMMISSION  
BOARD OF GOVERNORS AND HOMEOWNERS ANNUAL MEETING

ENRIQUEZ HANGER

BLAKELY ISLAND, WA 98222

JULY 7, 2012

BOARD MEMBERS PRESENT

Sally Elliman, President

Barb Sullivan, Secretary, Vice President

Mary Ellen Hogle, Treasurer

Doug Davidson, Water Commissioner

Jim Dovey, Airport, Road, and Property Commissioner

Roger Brown, BCF Liaison

Coralie Meslin, Fire and Waste Commissioner

President Elliman called the meeting to order at 9:35 AM.

A quorum was established with 76 voting members present at the 2012 BIMC Annual Meeting.

1. Ed O'Neill moved to adopt the agenda. The motion was seconded and passed unanimously.
2. Mike Elliman made a motion to approve the July 2, 2012 BIMC Annual Meeting Minutes. It was seconded and passed unanimously.
3. The store operators, Patrick and Alyssa Lewis, were introduced by BCF President Ned McCall to the community.
4. A moment of silence was given for members who had passed away this past year: Bob Lynch, Bob Rankin, Jacques Meslin, Allen Trimmer, Gil Ludeman, Timmi Marshall and son, Skip Marshall, and Bob Tucker.
5. Sally Elliman gave thanks of appreciation to the many community members who keep our community assets in great shape.
6. Deb Davey gave a brief training on first aid and CPR.
7. The community was reminded about the Annual Picnic at the marina cabana at 5:00 PM.

8. Barb Sullivan and Roger Brown read the BIMC Safety Notice, 'Use at your own Risk Notice', Road Right-of-Way Ownership, Buffer Strip Rules, and the Annual Assessment Collection Policy.

#### PRESIDENT'S REPORT: Sally Elliman

1. Lawsuit Update: On Monday, July 2nd, the court of appeals issued a decision in the lawsuit by Gary and Pam Roats against the BIMC. In a unanimous opinion, the Court of Appeals affirmed the trial court and found that the BIMC is acting within its authority by engaging in marina-related activities. The Court stated in part:

In determining the scope of the Association's authority, we interpret its governing documents collectively as "correlated documents" and consider extrinsic evidence in determining the parties' intent as demonstrated by those documents. Here, these principles lead us to conclude that the Association, which is granted broad authority in its Covenants, is authorized, with the approval of its members, to engage in the operation of the marina facilities. Thus, the trial court did not err by determining that the Association's governing documents confer upon it such authority and, accordingly, dismissing on summary judgment the Roats' scope of authority claim.

You can find the complete opinion on the Washington State Courts' website at [www.courts.wa.gov](http://www.courts.wa.gov).

Chris Leady stood up and thanked the Board for their service during this litigious time. The community members gave the Board a standing ovation.

2. Sally reported that the 'Chicken Vote' was extended until Aug. 7, 2012, as the BIMC Board did not send out stamped, self-addressed return envelopes with the Ballot for the 'chicken' vote. Those interested in being reimbursed for their stamp or envelope are to see Barb Sullivan.

#### COMMISSIONER AND BIMC EMPLOYEE REPORTS

##### Secretary's Report: Barb Sullivan

My goal this year was to continue to try to compress the number of correspondences received by the membership from the BIMC. Generally there are several attachments included with the minutes....please be sure to check them all out.

I am continuing to collect "permission to email minutes" forms from all members to try to contain our mailing expenditures. If you have not submitted one of these forms, please let me know and I will see that you get one.

##### Treasurer's Report: Mary Ellen Hogle

###### Budget:

The fiscal year ending 5/31/12 is expected to come in at around \$15,000 under-budget, with an expected carry-over of approximately \$50,000.

Our number of assessments is currently 130. Construction is underway in the SBMA's plat that will result in the addition of 1/3 of an assessment for each new home, as per the SBMA Easement Agreement.

Our new fiscal year – and budget – begins on June 1, but the community will not approve the new budget until the annual meeting during the first week of July, leaving a gap in approved maintenance spending for that time period. Starting this year, the membership will be asked to approve a special carry-over fund of \$15,000 for interim maintenance and payroll costs. Since the upcoming budget will actually cover the expenses, the entire \$15,000 will automatically carry forward from year to year.

#### Maintenance Reserve Fund:

The Maintenance Reserve total is currently \$157,969. If the 2012-2013 operating budget is approved as included in this mailing, the total on 6/1/12 will be \$191,385.

#### Water Treatment Plant Fund:

The fund is currently \$44,800. If the capital budget is approved, the total on 6/1/12 will be \$90,300. The plant will be funded partially through our maintenance reserve – its intended purpose – and the balance through additional capital assessment. In order to keep the cost of our yearly assessment more predictable, we are funding the Domestic Water Treatment Plant fund at the rate of \$350 per assessment per year for the 4-5 years leading up to the point of required replacement.

#### Collections:

The BIMC has one lien filed in San Juan County at the current time.

#### Water Commissioner: Doug Davidson

Under the careful watch of Bill Schlink and Terry Pence the Water Treatment Plant continues to operate normally and we are using less chemicals for the treatment than a year ago. Bill has taken and passed the tests for Water Treatment Plant Operator 1 and Water Distribution Manager 1 and is well on his way to being able to take the WTPO 2 test in a year. Once Bill has the WTPO2 license we will be able to reduce our reliance on the contracted services which will significantly reduce our expenses in the 2013/2014 fiscal year.

Since the last annual meeting I have received no complaints regarding water quality nor have we received any notices of violations from the Department of Health

The overall water system is performing as expected for its age and we are continuing to explore treatment plant replacement or wells to replace our surface water. Our primary goal is to produce safe good quality drinking water and the secondary goal is to keep the old Water Treatment Plant and supply lines working until such time as the WTP can be replaced without putting a heavy financial burden on the BIMC members, and when it makes the most sense for the BIMC members.

We have not planned on any upgrades to the station as we are more than meeting the states requirements for drinking water safety, health and quality. There will be ongoing

maintenance items that will crop up over the next year and beyond and we predict that there will be a few instances of unexpected failure of components that will need to be replaced and or upgraded at that time to keep the system functioning. We have allotted \$3,000 in the budget for the 2012/2013 fiscal year and that may be on the light side but adequate in a normal year.

Property Manager, Airport Commissioner, and Road Commissioner: Jim Dovey

Property Manager:

All of our community property is being well maintained by our caretaker Bill Schlink.

Airport:

At the end of the season last year a group of volunteers put the crack filling machine to use for the first time. They filled the cracks on the runway and repainted the runway markings. It was a success. This will help to keep our runway in great shape. Thank you to all who helped.

Roads:

The roads remain in great shape. Bill was able to locate and purchase a sweeper attachment for the tractor at a good price. This will keep our roads clean and free of debris.

Fire and Waste Commissioner: Coralie Meslin

Waste:

The first of the four annual dumpsters is arriving this weekend, and it will be in the usual place behind the post office. We will have two dumpsters over 4th of July weekend, and a final one over Labor Day weekend. The dumpster is for household items and appliances only; please do not dump any construction debris. Do not open the dumpster or leave anything outside of it. If your items do not fit, you can either try again for a later dumpster, or contact Bill to see if your items can fit after he compacts things down with the backhoe.

The compactor broke down in February, and we had an electrician come out and fix the short. The repairman pointed out that all of the hoses need replacement, so Bill is expecting to do that later in the year, when the busy season winds back down. Our compactor is fragile and needs to be treated gently. There have still been incidents of non-household materials being dumped, causing it to jam. Please only put household waste into the compactor. It is not designed to break down appliances, styrofoam, construction debris and the like. These types of materials impede the flow of the garbage as it compacts, causing it to jam, which then puts enormous pressure on the hydraulics and structure of the compactor.

Recycle:

The recycling center has been clean and organized. Thanks to Bill and Terry for keeping it that way. Batteries were transported off island for recycling.

Fire:

Drills will be held on the second Saturdays of the month.

I have been in contact with Miklos Preysz, the Training Officer at Orcas Fire Department. He is going to work with us on getting our core group of volunteers trained for wild land and structural firefighting. We have not set dates yet, but are looking at early 2013, which is a slower time for their department. We will dovetail in with the courses that they normally offer, but rather than simply doing everything at the Orcas fire station, he will organize classes with us and our equipment on Blakely. This is a concrete step towards the goal of having a dedicated group of trained volunteers on island, who can contribute substantively to fire response and planning.

We are entering into the dry season. Please be very careful, and communicate with guests and children about the risks of fires, and proper prevention.

BCF Liaison: Roger Brown

It's been a busy year for the BCF and I'm pleased to report that a number of projects have been completed to improve our facilities and all were funded by the BCF. The marina bathrooms have new floors and a major cosmetic upgrade; the flooring in the store has been repaired in front of the coolers; the barge ramp has been repaired; the fuel float surface has been repaired; and, the card lock system approved by the community has been installed and is in service for both the upland pumps and the fuel float pumps. A new operator for the store has been selected and is in place. Annual inspections by the Coast Guard and the WA Dept. of Ecology of our fueling system to include leak detection have been held and passed. Many thanks to BCF Board Members: Ned McCall, Paul Ellis, John Davidson, and Curt Gilbert for their hard work on behalf of the Blakely community. A special thank you to John Davidson who will leave the board following the annual meeting.

BIMC Caretaker: Bill Schlink

Sue and I have been here a year now and still think this is a wonderful place to live and work. Thanks to all for making us welcome

Water System:

The water system is operating normally and appears to be in good condition for its age. We're still getting help from a contract operator to stay in compliance with the Dept. of Health until either Terry or I get our Level II license.

We'll be getting the cross-connection devices tested in the next few weeks. This is an annual requirement.

Recycling:

The BIRD is operating as usual. Thanks to all for the efforts to keep all the recycle items separate. We'll have a recycle dumpster here on Memorial Day weekend. This past winter we had some vandalism at the BIRD. I hope it was an isolated incident.

#### Mail:

Mail and UPS are the same. Outgoing mail is picked up at the Post Office and the Mailbox near the plane stop at 10:30 and incoming mail arrives around Noon. We'll try to have it out to the PO boxes as soon as possible after arrival. UPS packages will be logged in and delivered as soon after the plane lands as possible.

#### Fire and Safety:

Both fire trucks are operating normally. The siren is operated from the fire hall just to the left of the new fire truck near the overhead door. Stop me anytime if you'd like me to show it to you. We had a couple small fires last summer that were started by kids playing with matches/lighters.

Please remember the BIMC Burn Ban is in effect from June 15<sup>th</sup> until October 1<sup>st</sup>. During the burn ban, you may have recreational fires only. Recreational fires are limited to two feet by two feet and must be in a fire pit or appropriate brick or rock fire ring away from combustible material. Be aware the County may impose a complete burn ban (including recreational fires) if summer conditions are extremely dry. If this happens, I'll post signs at the Post Office. And please, no fires on the upper island.

There are currently two AEDs. One is in the left side of the new fire truck and one at the caretakers house in the laundry room. There is a first aid box in the left side of the truck also.

#### Airport and Roads:

The runway cracks were repaired by volunteers last summer and it seems to be holding up well. We purchased a street sweeper last winter and we should be able to keep the roads clean without the use of fire trucks this year.

#### Waste:

Dumpsters will be available behind the post office on Memorial Day week-end, 4<sup>th</sup> of July, and Labor Day again this year. Please don't leave things outside the dumpster once it is full and the lid closed down. Please no hazardous waste, paint or chemicals.

### REPORTS TO THE BIMC MEMBERSHIP

#### BCF Report: Ned McCall

Ned introduced Paul Ellis, Curt Gilbert, Roger Brown (BIMC Liaison) and John Davidson who are members of the BCF. Ned thanked John for his more than 5 years of hands on service to the BCF and asked for volunteers to join. Ned asked for questions and none were asked.

## Upper Island Report: BC Crowley

BC reported that the upper island roads are in exceptionally bad shape due to many construction projects on the south end, OPALCO recalibrating the power lines, and the very wet weather. It's his intent to work on them in the fall. He stated there will be no logging going on this summer and encouraged drivers to be very careful when using these roads.

## SPU Report: Leroy Hubbert

SPU has been in existence since 1892 and have just voted in its 10th President. On July 20, 2012, there will be an astronomy event at the marina. He encouraged us to continue to visit the college, as the interaction between the students and community members is beneficial to all.

## OLD BUSINESS

1. Anne Malmo moved to adopt the BIMC 2012 Homeowners Manual. It was seconded and passed unanimously.
2. Cheryl Burkhart made a motion to change the fiscal year of the BIMC back to June 1 - May 31. It was seconded and passed unanimously.
3. Sally asked for a motion to eliminate any language using "stock" from ByLaw Article IV, Section 2. Ben Dole so moved. It was seconded and passed unanimously.
4. Chris Leady made a motion to adopt the proposed amendment concerning "inheritance, gift" language found in ByLaw Article IV, Section 2. The motion was seconded, discussion ensued, and the vote passed unanimously.

The approved amended language for Bylaw Article IV, Section 2 now reads:

### Article IV Membership

Section 2 Any prospective acquirer of an ownership interest in property within the plat of San Juan Aviation Estates ("the Plat") including but not limited to intent to acquire by purchase, contract to purchase or foreclosure, excluding inheritance or gift, shall file application with the Secretary of the Board of Governors of the Association in form prescribed by the Board, which application shall be approved or denied by the Board within 30 days of filing. Failure of the Board to act by notice mailed to applicant's stated address within that 30-day period shall constitute approval. On approval, the new owner will become a member of the Association and the new member's predecessor in interest shall no longer be a member. Absent such approval, no membership transfer shall be of any force or effect, or serve to grant or vest any right, title or interest or right of use of any of the Association's property, facilities, or utilities. Membership in the Association shall be in the name of one single family or one entity (as defined in the BIC). For voting purposes, each entity or member family shall designate one person as the "voting member" who shall cast all votes. Membership in the Association shall specifically be subject to the provisions of paragraph 15 of the BIC.

## NEW BUSINESS

1. Ron Griffin made a motion to ratify and confirm all BIMC Board of Governors acts and decisions, to effect and carry out the intent of the BIMC Association provided under the General Authority, from July 2, 2011 to the present, by any officer or member of the Board of Governors on behalf of the BIMC Association. The motion was seconded and passed unanimously.
2. Nancy Chapman move to accept the 2011-2012 financial review by Russell and Associates. It was seconded and passed unanimously.
3. Cheryl Burkhart moved to adopt the Total Operating Budget. It was seconded and passed unanimously.
4. Mike Brustkern moved to adopt the Maintenance Reserve Total. It was seconded and passed unanimously.
5. Paul Ellis moved to adopt the Operating Expense Pre-Authorization from June through the 2013 BIMC Annual Meeting. Discussion ensued and it was passed unanimously.
6. Gail Light moved that we adopt the \$45,500.00 (\$350 per individual 2012 - 2013 assessment) for the Water Treatment Plant Upgrade to be put into a restricted fund. The motion was seconded. Some discussion ensued. The motion was passed unanimously.
7. A motion was made by Ben Dole to allocate \$4,000.00 to stock the lake with fish in the spring of 2013. The motion was seconded. Discussion was held and the motion carried.
8. A motion was made by Dan O'Brien to allocate \$10,000.00 toward the purchase of a second BIMC vehicle for the Caretaker family. The motion was seconded, discussion was held, and the motion carried.
9. Ben Dole moved to adopt the BIMC 2012-2013 Total Operating and Capital Assessment. The motion was seconded and carried unanimously.
10. Mike Elliman moved to accept the BIMC 2012 - 2013 Annual Assessment Fee of \$2,083.00 for 130 lots. The motion was seconded and passed unanimously.
11. The Nomination Committee, Jan Bridge, Patti Bridge and Barb Sullivan, BIMC Board Representative, nominated Hal Christiansen and Bruce Moreton, as the new BIMC board members. They will replace out-going board members Barb Sullivan and Sally Elliman. Sue Reents moved to accept the recommendations of the Nomination Committee and to cast a unanimous ballot for those nominated. The motion was seconded and passed unanimously. The Board thanked the Nomination Committee for the work they have done for the BIMC membership.
12. Sally introduced Allen Trimmer's daughter and husband, Marilyn and Scott, who will soon be new BIMC members.



13. Donna Linn stood and reminded us all to drive carefully because of the children. She pointed out to the board that maybe the trees on the north side of the road on the way to the marina may need to be trimmed. She recommended that we all buy a golf cart, as it is so much easier on the roads.
14. Cheryl Burkhart stood and thanked Lisa Burkhart for making the 4<sup>th</sup> of July festivities happen and Deb Davey for her continued care to our 'safety and health'. She also suggested that the board look into changing the ByLaw that prevents the BIMC from receiving court cost for anything other than lien expenses.
15. Cheryl Pflug thanked Doug Davidson for the huge improvement in the taste of the water and the elimination of many of the chemicals.
16. Thanks were given all around.
17. The BIMC Board reminded the membership that the first BIMC Board meeting for 2012 - 2013 would be held directly after the adjournment of the BIMC Annual Meeting.

#### MOTION TO ADJOURN

1. Donovan Burkhart moved that we adjourn at 11:00 AM. The motion was seconded and passed unanimously.

Respectively submitted,

Barb Sullivan, BIMC Secretary