

September 20, 2012

MINUTES OF THE BIMC BOARD OF DIRECTORS MEETING

The following members were present via Conference Call-in

Bruce Moreton
Hal Christiansen
Mary Ellen Hogle
Coralie Meslin
Doug Davidson
Jim Dovey

Roger Brown was traveling and unable to be present.

The Meeting was called to order at 4:05 PM PDT by Bruce. He called for a motion to adopt the previously mailed agenda. Upon motion made, seconded, and passed the Agenda was adopted.

Bruce then called for a motion to approve the Minutes of the July 7, 2012 Board Meeting. A motion was made to approve the minutes with the correction that the printed date be corrected to July 7, 2012. The motion was seconded and passed unanimously.

Bruce then reported that money had been received in settlement of the Roats Lawsuit which hopefully brings that chapter in the community's life to a close. He pointed out that all of the BIMC members owe their gratitude to Sally Elliman and Barb Sullivan for the hard work they did in bringing that problem to a successful conclusion. Bruce also wanted to thank Sally and Barb for the sharing of their insight and knowledge to Hal and himself during their transition to the Board.

Bruce next called for the "Commissioner's Reports" as outlined in the agenda.

Secretary's Report: Hal stated that he had received a notice that Chuck Huggins, Lot 142, had passed away on 8/18/12. Lot 142 is currently owned by "The Huggins Recreational Trust" that is managed by his son-in-law, C. Peter Dutton Jr. It appears that no board action other than expressing our condolences is required.

Hal stated that Lot 133, Keyes Property, is under contract for sale to the Matt Bridge Family and should close in the next week. The "Request for "Waiver of 30 days Right of First Refusal" and the "Application for Membership" have been received and filed in the Archives.

In addition, Lot 177, Galli Property, is under contract to the Kevin Leahy family. This sale should close in the next month. All of the above forms have been received and will be filed in the Archives under lot number.

Treasurer's Report: Mary Ellen provided the following information:

Account Balances:

The 2012/2013 Maintenance Reserve balance is **\$191,385**.

The Water Treatment Upgrade Fund balance is **\$90,300**.

A check in the amount of **\$9,986** has been received from Schwabe in settlement of the Roats lawsuit.

Assessment collections are proceeding normally for this time of year. They were due September 15 and are subject to monthly 1%/month interest charges beginning Oct. 15th. At this time approximately 85% of the assessment have been received.

The State required backflow inspections were completed at a cost of \$2,006 and were invoiced to the users of raw water with their annual assessment.

YTD Budget: With three months of data BIMC expenditures appear to be on target.

SBMA: There have been two additional dwellings completed in the SBMA. All dwellings in the SBMA are assessed a 1/3 assessment directly to the SBMA not to individual lot owners. This makes a total of 12 improved lots or 4 full assessments to SBMA. An invoice in this amount has been sent to SBMA.

Two additional Runstead dwellings will be completed next year bringing SBMA's total to 4-2/3 assessments. SBMA has also been invoiced for 18% of the upcoming years Garbage Budget.

Water Commissioner's Report: *See attachment.* Discussion was held concerning the need to start thinking about possible future replacement of the piping material from the lake pumping station to the treatment plant. Doug expressed the opinion that the need was certainly not imminent, but the piping should be closely monitored as to its condition. If leakage problems become a continual occurrence the Board would then have to address the problem.

Property Manager's Report: Jim stated that Bill has done an excellent job during his second year as caretaker. He had the challenge of the water plant problems and the bizarre situation at the marina which forced him to put off some of his duties for a short period of time, but he stepped up to the challenges. Terry also stepped up when needed and did an excellent job. The need for additional casual labor to help out in busy times will be addressed under "Old Business".

Road and Airport Commissioner's Report: Jim stated that the roads and the runway appear to be holding up, and he sees no problems occurring in the near future.

Fire and Waste Commissioner's Report: Coralie reported that the Annual Dumpster use went well. She had received a report that some of the Obstruction Island people had been observed depositing their trash in the dumpster at the marina. When confronted the person stated that a past marina operator had given them permission to do so. They were

informed that they could not do this as the marina operators did not have that authority. Glen Tompkins, the current marina operator, took it upon himself to write a letter to the Obstruction Island HOA that stated that we wanted the people of Obstruction to utilize the marina, buy fuel and donuts at the store, but that they were not allowed to utilize the BIMC dumpster for their trash disposal. Coralie asked the people working in the marina to note the identification of any boats bringing trash to deposit in the dumpster so that the issue could again be raised with the Obstruction HOA should the need arise.

A fire drill was held on Labor Day with sparse attendance. Bill will continue to hold fire drills over the winter months. Over the weekend a smoldering fire was discovered at Driftwood Beach and reported to Bill. He investigated and discovered a beach fire had been started and not extinguished by whoever made the fire. The fire had migrated into some of the driftwood on the beach, but Bill was able to extinguish the fire without assistance. In retrospect he told Coralie that he should have called for help as a matter of procedure and would do so in the future. This would have been a good opportunity to provide experience to the community that was outside the standard fire drill.

BCF Report: Roger Brown emailed the following report prior to his leaving town.

“Glen Tompkins plans to keep the marina store open through the end of the month, Friday through Monday over the remaining weekends with limited hours Friday and Monday. Paul Ellis our treasurer is sorting out the store accounts that were prepaid and is working to reconstruct the records from the O’Hara’s to the Lewis family. This should be completed shortly. This fall the BCF Board will redefine the process for selecting a new marina/store operator for the next year and begin the search. Lastly, as the season comes to a close we will complete a financial review for the BCF on fuel revenue, operating margins, and cash position anticipating a capital request to be presented to the community at the 2013 annual meeting.”

Bruce commented that he thought the BCF had responded well to the problems that confronted them this summer and commended Glen Tompkins for stepping up and keeping the store in operation. He noted that the BCF owes the BIMC Board an accounting of its operations. He has also had discussions with the BCF concerning the selection process for the operators next year.

Bruce then directed the meeting to address the items under “**Old Business**”.

Bruce reported that the amendment to Article 18 of the Covenants (chicken vote) failed significantly to achieve approval of 2/3 of all lots or tracts included within the recorded plat of the San Juan Aviation Estates.

Jim was next asked to update the disposal of the old green truck. Jim has found a buyer and as soon as the winch and tools are removed from the truck the buyer will take possession and remove it from the island. The insurance has been removed.

Jim next lead a discussion of how to provide Bill with supplemental labor help during the summer peak times and especially during emergency repair times. After much discussion, Jim suggested that BIMC hire Sue to handle the mail and UPS/FEDEX deliveries on the days that Terry is not scheduled to do so. This would only be from June 1st to July 31st.

Upon motion made, seconded, and passed, Bill is authorized to employ Sue Schlink for up to 8 hours per week for eight weeks during the months of June and July of each year. The pay would be \$25.00 per hour for a total of \$1,600.00. The cost of this service would be included in next years Budget.

Coralie reported that she and Bill are having discussions with a gentleman from Mercer Island concerning fire extinguisher training for the island's residents. She hopes to be able to schedule some of this training this winter for people on the island and during the summer months (Memorial day and 4th of July) when everyone is on Island.

Bruce noted that there is the position of Vice-President that has not been filled per the By-Laws. After some discussion, Coralie was nominated for the position of Vice-President by Jim Dovey, and the nomination was seconded by Mary Ellen. Coralie was elected by unanimously.

Bruce noted that there was no further business outlined on the agenda.

Upon motion made, seconded, and passed the meeting was adjourned.

Hal Christiansen, Secretary