

BIMC Board Meeting Minutes

Thursday, March 24, 2011 7:00 PM

Facility Managers Home/Conference call

Board Members Present:

Sally Elliman, President

Barb Sullivan, Vice President, Secretary

Jim Fergus, Treasurer

Doug Davidson, Water Commissioner

Bob Breidenthal, Fire and Waste Commissioner

Jim Dovey, Roads and Airport Commissioner

Roger Brown, BCF Liaison

Guests:

Jim Davis, Facility Manager

Pam Roats

Glen Tompkins, BCF

Phyllis Chennault

Paul Ellis, BCF

Cheryl Burkhart

Ned McCall, BCF

Dan Roach (7:51 PM)

John Davidson, BCF

Sally called the meeting to order at 7:07 PM after taking roll call.

Roger Brown moved to accept the agenda for the 03/24/11 BIMC Board Meeting. It was seconded and passed unanimously.

Barb Sullivan moved to accept the minutes from the 03/10/11 BIMC Board Meeting. Seconded and passed.

President's Report:

Sally reminded the community to read all of the proposed changes they received in their March 10, 2011 minutes. These new documents will be voted on at the 2011 Annual Meeting.

Commissioners Reports:

Jim Fergus, Treasurer: We have \$131,149.00 in checking and \$86,803.00 in Maintenance Reserve.

Bob Breidenthal: Fire and Waste Commissioner Report

For March, we had a good turnout at the last fire drill on Saturday. Unfortunately, a gizmo broke on the CAFS truck. Although I abandoned them, Jim Davis, Terry Pence, and Wally Weller worked hard to determine what broke and to extract it. Jim estimated that the part would cost \$1200. Since the compressed air foam system increases the firefighting effectiveness of that truck by almost an order of magnitude, I believe that we should purchase the part and repair the truck as soon as possible. With folks returning to the island, turning on electrical appliances, and starting wood stoves, it would be a tragedy to have a house fire while our best firefighting system is down. Of course, the forest is pretty wet now, so the chances of a forest fire are slight at the moment, but that situation will change before August.

My thanks to those who attended the fire drill and especially to Jim, Terry, and Wally for working so hard on the truck afterwards.

The latest and possibly final version of the barge waste letter is now ready to deliver by hand to our representative. Its purpose is to persuade the County to reinstate the barge waste funding that was recently cut. If you would like to add your name to the letter, an earlier version of which was distributed by Barb to the membership, please send me an email at your earliest convenience (breident@aa.washington.edu). The more names, the more impact. Several people have graciously volunteered to accompany me when I deliver it. However, waiting for our availabilities to coincide may take too long. So if the opportunity permits, I may deliver it by my lonesome.

Roger Brown: BCF Liaison:

The negotiations with the O'Hara's to be our new marina/store/fuel dock operators have progressed and there are just a few issues to be resolved. Glen is working with the O'Hara's to finalize agreement on utilities, extension term language and actual process, and landscape maintenance. It is hoped that the new contract will be signed by the end of next week. Additionally, I have asked Glen for a report on the capital allocation to the BCF which was approved at the annual meeting in July '2010, and the likelihood that there will be a capital request for the coming annual meeting. John Davidson is running down some water leaks in the facilities but no repair estimates are available at this time. RB

*It was verbally added that negotiations with the O'Hara's are coming to an end. BIMC and Leroy will share the mowing at the marina for this first year.

John Davidson added that the water has been turned on at the marina. There was no freeze damage except possibly in the laundry area.

The other commissioners had nothing new to report at this meeting.

Facility Manager Report:

March 24, 2011

Water System

Water Leaks

Even with the help of the technician, Robert Krebs, from Evergreen Rural Water, we were unable to locate the leak adjacent to the South side of the hangar corridor. Bob was able to best hear the leak at the hydrant toward the West end of the line. In an attempt to locate the problem, I excavated near the hydrant and along the supply line. The process was complicated by the presence of ground water which constantly fills the ditch. The pump we use for evacuating water from the ditch is very old, worn and will not maintain prime. Until this pump is replaced and/or the ground water recedes, continued digging to find the leak will be very difficult. At least we know it isn't the hydrant or the first ten feet of supply line!

Fire Response/Training

Fire Training/Fire Truck

I want to apologize to those who might have been confused about the March Fire Drill notice having the wrong month. I had a computer glitch and the change from February to March didn't get saved on the document I attached to Barb Sullivan. Ten people attended the March 19th drill. During the drill, we experienced a problem when the foam delivery system failed to shut down after running the CAFS. This resulted in high pressure in the pump plumbing and caused a drain line fitting to fail. A new foam system controller is on order. I expect to have the truck back in full service in a few days. I've already repaired the drain line and the truck can currently be used in the "water" mode. Our next drill will be April 23rd at 2:00 PM. New Caretaker Bill Schlink will be helping with the drill.

Fire Drill Schedule

April 23rd

May 28th (change back to 10 AM drills)

June 18th

Fire Hydrant

As part of the recent water line leak repair at the marina, I removed the fire hydrant by the compactor. I transported the hydrant to the mainland to have a crack in the barrel welded. This crack was caused by freeze damage prior to my arrival on Blakely in 1993. The damage was a result of the hydrant failing to drain properly. After the weld repair, I found the drain stem of the hydrant was clogged with what appeared to be casting sand. I removed the blockage, reassembled and installed the hydrant. Prior to backfilling, I pressure tested the hydrant with positive results. However, when the hydrant was shut off, it still failed to drain. I once again removed and disassembled the hydrant. After examining the complete route for drainage, I found another blockage between the inlet casting and the drain tube. With loan of a huge socket (Thanks Lance) I was able to remove the drain tube and scrape out severely built up corrosion, from between the drain tube and the inlet casting. I re-assembled the hydrant and Margo and I reinstalled it for the second time. This time, when I tightened the inlet joint the corroded casting

cracked in two places. I have ordered a new inlet and hope to have the hydrant back together and back in the ground by next week.

Insurance

BIMC's general liability, umbrella liability, auto and property insurance renews on April 1. Liability limits remain at one million with a three million umbrella (four million total). Property insurance limits (buildings) have been adjusted up for inflation. The premium for this year's renewal is \$15,694. This compares with last year's cost of \$16,516. It's hard to complain about a lower premium for higher coverage! Those premiums include coverage for the marina store, cabana, fuel dock and pier. The portion of the premium applying to the marina property is \$2,510 leaving BIMC's portion of the premium at \$13,184.

The Airport liability insurance will renew on April 15th. The limit on this coverage is four million. This insurance will renew with the same agent/company and with the same limits. The premium this year will be \$2,325 which is down \$131 from last year.

As reported previously, the Directors and Officers liability insurance has been renewed with the present carrier. Limits remain at three million with \$25,000 deductible. The renewal premium is \$3,180 and is unchanged from last year.

Sincerely, Jim Davis

NEW BUSINESS:

1. Sally reported that work is continuing on the Governing Documents and Owner's Manual and will be presented to the community by April 1, 2011.

A motion was made by Roger Brown to accept the Owner's manual content. It was seconded and passed unanimously.

2. A motion was made by Barb Sullivan to give Jim and Margo Davis a 30 day termination date of April 30, 2011, concluding their BIMC Facility Manager employment, including training time for the new BIMC caretaker. It was seconded. Discussion ensued. The motion passed unanimously. Thanks were given to Jim and Margo for their many years of service to the BIMC.

3. A motion was made by Doug Davidson to pay the Davis' for their unused vacation time. It was seconded and passed unanimously.

4. Barb Sullivan made a motion to allocate \$1,500.00, primarily for utilities, for any temporary housing costs associated with the temporary housing for Bill and Sue Schlink. It was seconded and passed unanimously.

5. Roger moved that we accept and implement the BIMC/Roach-Roth Water Usage Agreement for the property owned by Dan Roach and Ellen Roth, that is not a part of the San Juan Estates on Blakely Island. It was seconded.

It was discussed that this is a yearly agreement that will be renewed annually and is only effective as long as the Roach/Roth's own the property.

The vote was taken and passed unanimously.

6. Barb Sullivan moved that Jim Dovey become responsible for the BIMC insurance policies. The motion was seconded and passed unanimously.

7. Doug explained that there is specific software that provides DOH documentation and auto-scheduled reports to the state. This would be a one-time expense of \$1950.00 and then \$1,200 annually.

Doug Davidson moved that we make the purchase of this software. It was seconded.

Discussion ensued. After much discussion Barb Sullivan asked that the previous question be put to a board vote. The vote on whether the original motion was ready for the Board's final vote passed by more than two thirds vote. The original motion on whether to adopt the expenditure for the software as restated and passed.

8. Roger moved that we pay \$1300.00 for a part to repair the CAFS portion of the fire truck. It was seconded and passed unanimously.

9. Sally welcomed Glen Tompkins, Paul Ellis, Ned McCall (joined in at 8:05) and John Davidson for a joint meeting and discussion.

The discussion began with the letter from the Russell and Associates (CPA's) letter. The BIMC is a Homeowner's association and the BCF is a LLC operated under RCW 25.15. The BCF functions under an Operating Agreement. Sally requested that the BIMC Board be given copies of this agreement.

It was noted that the BCF has not filed any tax returns, and there was discussion regarding who is responsible for paying taxes for the BCF. Glen stated that the BCF does not have to file taxes as they are a "disregarded entity" according to the federal government. We will discuss this with the accounting office. Discussion continued to note that the BCF's and the BIMC's fiscal years are different. If the fiscal years of these two groups matched it would make the accounting process much simpler. BCF's fiscal year is Jan. 1 to Dec. 31.

Roger Brown moved that the BIMC fiscal year be amended to be Jan. 1, to Dec. 31st, subject to final review by our attorney's. A second was made and discussion ensued. Ned McCall suggested the idea of a fiscal year from Oct. 1 to Sept. 30 to follow the operating schedule of the marina. Roger amended his motion to move the BIMC's fiscal year Oct 1, and ending Sept 30 pending final review by our attorney's. The amendment was seconded and passed unanimously.

The amended motion that the BIMC move their fiscal year from Oct 1 to Sept 30, subject to final review by our attorney's was voted on and passed unanimously.

Sally listed all of the information that the accounting firm will need to complete their review. The BCF will get this to them as soon as possible.

The BCF was founded by the BIMC and the BIMC is its sole member. The BCF has an obligation to be transparent, communicate, and to provide financial information to the BIMC. It was decided that the BCF publish its meeting minutes with the BIMC minutes. It was decided that 4 members plus the BIMC liaison is a sufficient number of members. It was agreed that the two boards should meet quarterly. The BIMC decided to research their obligations to pay taxes for the BCF and how the term "disregarded entity" effects the BIMC. It was decided that Cheryl Burkhart will help the BCF with its accounting processes. The BCF will write a summary of its purpose and history to be communicated with the community to be presented at the annual meeting.

OLD BUSINESS:

BIMC Meetings: March 29, 2011 (Tuesday) Cancelled!	May 26, 2011
March 31, 2011	June 30, 2011
April 14, 2011	July 2, 2011 (annual
May, 12, 2011	meeting) TBD

BIMC meetings will be held on Thursday evenings, unless noted, at 7:00 PM at the Blakely Island Caretakers home by conference Call, unless otherwise noted. Some of the upcoming meetings may be cancelled.

Sally reminded the Board that they will need to review the Owner's Manual for typo's, etc. and will appreciate editing responses and comments as soon as possible.

Barb moved to adjourn the meeting at 9:34 PM. It was seconded and passed unanimously.

Respectively submitted,

Barb Sullivan

Secretary

