**2024 DHBA Annual Membership Meeting**

**7pm, October 15, 2024, via Zoom**

**BOT in Attendance:**

**President-** John Mannetti

**Vice President, Reservations -** Jeff Garfield

**Secretary, Lighting Upgrades Committee-** Sharon Schell

**Treasurer- -** Chris White

**Facilities/Maintenance** Richard Mesher

**Unable to Attend: Special Projects/Docks & Buoys-** William del Valle

**All members in attendance- per name as noted per zoom:**

1. Gary Young
2. Duke Campbell
3. John Mannetti
4. Nancy Stevens
5. Ellen Snow
6. Matt Snow
7. Carrie Donovan
8. Abby’s Guardians (Mike Weitholter?)
9. Rolf Gruen
10. Chris White
11. Suzie and Mark
12. Rich and Cindy Mesher
13. Bryce Kisker
14. Charlie Davis
15. Sarah
16. Curtis Young
17. B. Charters
18. Stephanie Secord
19. C. L. Peng
20. Iphone 93
21. Sharon Schell
22. Jeff Garfield

Meeting was opened by BOT President John Mannetti at 7:06 pm. Members were welcomed and John reviewed the agenda for the evening. He reminded members that the meeting was being recorded so that members who could not attend can review it online. John thanked outgoing BOT members Chris White and William Del Valle. On behalf of the BOT and fellow members he recognized their years of service, strong commitment and expertise each has contributed to the success of the association.

**AGENDA**

**I. Year in Review**

John reviewed the highlights of the 2023-24 year.

1. **Cabin 4 upgrades**- Photos were shared of the remodeled cabin. Highlights of the remodel were noted including; additional dining space, expanded storage space, increased natural light from the new south window, new upholstery/pillows for the living room couch and banquette. The remodel was completed within the approximate time window and estimate of $20K. Seth and Anita were acknowledged and thanked for their great work.
2. **Revised Prime Time Draw Process** John noted the 2024 upgrades have improved the equity and transparency of the draw. More details will shared later in the meeting by Jeff Garfield.
3. **Lighting Upgrades- John/Sharon** Following member approved funding in 2023, lighting products were ordered and delivered to the Head last spring by the lighting committee. Seth and Anita agreed to install fixtures per plans and selected product. Cabins 1 and 4 have been partially installed and caretakers will finish installing fixtures per plans provided, and as time allows. Future funding and implementation for designated cabin lighting will be postponed until after Cabins 1 and 4 have been fully installed. This will likely be in 2025-26.

**2023-24 Budget Review** Treasurer Chris White led an overview of the 2023-24 budget year. The budget was shared online and several variances were discussed. Chris highlighted unexpected buoy expenses, truck repairs and increased insurance costs. Chris noted the DHBA is in a financially strong position.

**Ending account balances as of October 13:**

* **$65,374 in savings**
* **$44, 882.79 checking**

The annual budget ended the year with a small surplus of $8,770.00. Highlights were shared as follows:

* We received a transfer fee of $7,500 in May, due to sale of share.
* Caretaker’s pay was increased by 5.25% mid-year to minimum wage standards.
* There were no major storms or damage to the property that required unexpected costs.
* Cabin #4 remodel budget was kept to the $20,000 estimate. Funding for this expenditure came from savings.

**Proposed 2024-25 Operational Budget** The proposed 2024-25 budget was shared and reviewed, with the following highlights.

* Dues will remain the same
* 2.5% wage increase for caretakers in January.
* Gravel and backhoe (20 yards various sizes) $2,500
* Annual repair budget $6,000
* Board repair for decks $1,500
* Addition of 3 Propane fire rings for use during burn ban periods and one additional gas grill $800
* Replace cabin 3 refrigerator $900

**Proposed Capital Improvements for 2024-2025**

Two new assessments are proposed for 2024-25. Members will be asked to vote on these after the meeting. The BOT proposes that ½ of the costs for each assessment will be taken from savings and members will be assessed for the other ½. More detail can be found in the capital improvement proposal write up.

* T-dock replacement, estimated cost $21,500. This will be discussed later in the meeting in more detail.
* A new fireplace insert for Cabin 6 is proposed and will cost about $7,500.
* New roof for shop - $1,715, this expense has already been paid for.

**Insurance update – John** John led the insurance discussion and noted the BOT is focused on the need to review and evaluate our current property insurance. DHBA Director and Officer liability coverage and Vehicle insurance are not a concern. The BOT is working with our broker to fully understand the implications of the current property insurance policy, particularly in light of a catastrophic event such as a total loss of a cabin. The current policy is cash value and not replacement cost value. John noted that we have to maintain 80% of replacement value to avoid penalties in case of a claim. Rich added that our current coverage would pay for only a fraction of the replacement value, if a cabin is totally lost. The BOT is exploring insurance options that will cover a larger portion of the replacement cost. John invited member questions and comments.

A member requested more information on the replacement value assigned to the cabins. A question about was asked the necessity of a securing permit to rebuild a cabin destroyed by fire or flooding. John responded that a permit would likely be required. Another member recalled a BOT discussion about whether we would be allowed to rebuild the cabins in their current location. She recalls being told a while back that if we rebuild we need to be compliant with current codes. A concern was expressed about involvement from multiple jurisdictional agencies. It was also noted that the current insurance valuation of the cabins is lower than the actual cost of rebuilding, and there is potential for the insurance company to penalize us if we do not maintain a higher premium. A member suggested reaching out to the DHBA membership for potential solutions, particularly those with experience in the insurance industry. John asked if there is anyone in the zoom meeting who has a background in insurance. A member asked if the DHBA was eligible for FEMA flood insurance. It was noted that due to age of the cabins that the insurance company has assigned a low valuation. Chris stated that it is important to focus on risk reduction with fire prevention efforts such as proactively clearing trees around the cabins to prevent fire from spreading. The discussion ended with no clear decisions or next steps, but with a BOT commitment to seek further advice and information from industry experts.

**Cabin Maintenance Update – Rich** Rich provided an update on cabin maintenance, noting that Seth and Anita have done a great job keeping the cabins maintained. He noted the following:

* Shop roof is being replaced. This will be the last roof needing replacement on DHBA property.
* Seth will address minor electrical issues in the cabins such as tightening and repairing outlets.
* Cabin 3 shares the same water system as the laundry and there is a water pressure issue that needs to be addressed.
* The addition of gravel is needed annually in the front of Cabin 6, 7, and 8.
* Seth will work on replacing the boards in cabin decks as needed.

A member suggested an online repository to record recurring maintenance issues. John expressed a concern about overburdening Anita with additional processes. He reminded members to use the existing forms in the cabin binders to inform caretakers of any maintenance concerns. Rich encouraged members to contact him directly if they have any questions or concerns that are not addressed. A member asked if permits are needed to move or add gravel around the cabins and if there are potential risks for not obtaining them. John clarified that we are only bringing in gravel for road maintenance.

**Proposed Capital Improvements - Rich/John** John reviewed and recapped the following outline of the proposed capital improvements.

**1. T-Dock Replacement - $270/member share**

John noted the 40’ T-dock can no longer be repaired and is in need of replacement. No permit is needed to replace the T-dock, since it is “board for board”. Seth obtained two estimates for the scope of work, one estimate of about $41,000 and the second estimate of $61,000.

Seth has expressed an interest in taking on the work, as he has done in the past. He is proposing to replace the T-dock in two sections, 16’ and 24’. His cost would be approximately $21,500. He has replaced sections of the dock previously and has carefully considered how he would do the job. The project will be completed in two phases, with one section scheduled for delivery in September 2025 and the next in April 2026. The new T-dock would be in place for the 2026 prime time season. Seth would be paid an additional amount of $3,000 per section of dock delivered. This could possibly become a dock replacement program, replacing one section of the dock each successive year.

The BOT proposes a capital expenditure of $21,500, utilizing hybrid funding approach where we would assess members for half of the funds needed ($10,750) and withdraw the other half from savings. This would amount to a 2024-25 assessment of $270 per member.

The dock replacement is expected to be fully completed by April 2026. Seth will take on the responsibility of executing the work, with a focus on completing sections of the T-dock on the stated schedule.

Members voiced their overall approval of this plan. John responded to a question about the caretakers taking on additional work for additional income and how this corresponded with their caretaker role and expectations. Rich stated the BOT was very careful to discuss the scope of the project with Seth and he clearly stated his desire to do the work. A member also asked about the cost implications of hiring a contractor should Seth and Anita leave. John agreed it would likely require the DHBA to find a new dock builder. Another member asked if we would be having a similar assessment next year, if we continue replacing the entire dock one section/year. John responded that this is a possibility. A member also asked the question of how long caretakers are intending to continue. John stated that Anita has recently expressed a desire to retire within the next 3 years.

**2. Wood Burning Fireplace Insert in Cabin 6 - $95/member share**

John reviewed the proposal to install a wood burning fireplace insert in Cabin 6, similar to the one in Cabin 1, with some possible adjustments. The goal is to make more cabins usable in winter months. Rich noted that with the addition of Cabin 6 we would 4 cabins usable in cold months. The timeline for completion is expected after Christmas. Cabins 7 and 8 will continue to be mothballed in winter months.

To determine a project cost the BOT consulted with Craft Stove in Mount Vernon, adding 5% to last year’s price. If we decide to go with a larger viewing box, the cost could increase by 10%. This decision will be made once Seth measures the firebox.

Seth will need to remove the current hearth (which currently has a wood surround) in order to measure the firebox accurately. He plans to do this after Thanksgiving. Once the hearth has been removed, Seth will add slate flooring, similar to what was done in Cabin 4. We recommend extending the slate around the sides and up to the mantle, replacing the current wood shakes surrounding the firebox.

The estimated cost for a Kuma fireplace insert and installation is around $7,000, with an additional $500 for materials like slate, backer board, adhesive, and grout, bringing the total to $7,500.

The BOT proposes a hybrid funding approach where we would assess for half ($3,750) of the funds needed and withdraw the other half from savings. This would result in a proposed member assessment of $95.

Gary Young requested the assistance of members to search for his 10’ Livingston boat, which was lost in the winter storm.

**Prime time draw debrief – Jeff** Jeff provided a debrief of the 2024 Primetime Draw process. He noted that several aspects of the draw were updated, including an effort to share “tribal” knowledge, the use of the reverse snake and publishing member draw positions in advance. Jeff said the draw went smoothly, engaging a team of 8 volunteers. A member noted they did not get an email notification of their Prime Time dates following the draw. Jeff stated that the online calendar was updated in real time during the draw so members can check their dates. The intent is to continue utilizing the upgraded process in 2025. The 2025 Primetime draw and member positions will be published in mid-March. The actual draw will occur in the third week of April.

**Stewardship Committee - Charlie Davis** Charlie presented a Power Point to share the thistle eradication work he and his family have been doing over the past two years. He outlined the two species of invasive thistles on the Head, Canada and Bull Thistle. He explained that these weeds are class 3 noxious weeds that outcompete native species and are spreading rapidly on Decatur Island. The project aims to eradicate these weeds from the island's open meadows, which are a rare ecosystem type in the San Juan Islands. Charlie detailed the removal methods for each species, emphasizing the need for consistent effort to prevent recolonization. Charlie described how to remove the weeds and invited the membership to share in the effort. Several members expressed an interest. A member suggested that an explanatory poster, gloves and bags could be provided in the locker to make it easy for members participate. Jeff asked about the disposal of the plants, to which Charlie responded that they are either bagged and taken home for disposal or dried and burned on-site.

Both members and BOT thanked Charlie and his family for their ongoing work and taking the time to share the information with the rest of the membership.

**New Board Member additions – John** John shared we are in need of 3 new board members. The term is 3 years, with a maximum of 6 years of service. John stated that he, Rich and Sharon will continue on the board and encouraged other members to consider the opportunity to serve. Matt Snow has indicated an interest and willingness. Charlie Davis also agreed to step up. John asked others to think about it and contact him if they are interested. He will continue to reach out to members and is available to answer any questions.

**Wrap up and Adjourn.**

John outlined the next steps. He reminded members that there will be 4 votes on the upcoming ballot; the operating budget, dock replacement, Cabin 6 wood buring fireplace insert, and BOT positions. An email with a link to the ballot will be sent to all members in the next few days. A member expressed gratitude for the board's efforts in maintaining the property.

John thanked members for coming to the meeting. There were no any additional questions or concerns. The meeting was adjourned at 8:44pm.

Respectfully submitted,

Sharon Schell

BOT Secretary

**Supporting Documents & Attachments:**

* Cost Estimates for Capital Improvements
* Budget Recap 2023-24
* Projected 2024-25 Budget
* 2024-25 Capital Improvement Proposals
* YTD 2023-24 Final Budget Updated

**Oct. 28th John notified the BOT** that cabin 6 wood burning fireplace insert will removed from the member assessment votes. The wooden structure underneath the current fireplace will not support the weight of an insert.

**Nov. 14th, 2024 Addendum- Results of member votes sent by email to all membership on October 26.**

**38 of 40 DHBA members voted.**

**Binding Votes Results:**

1. Approval of the 2024/2025 Operating Budget. **100% approval**
2. Approval of the T-dock replacement assessment**. 97.4% approval**
3. Confirmation of new BOT members, Matt Snow, Charlie Davis, Nick Loveless. **100% approval**