



**ANCHOR COVE MARINA**  
CONDOMINIUM ASSOCIATION

# 2024 Annual Meeting

ANCHOR COVE MARINA CONDOMINIUM ASSOCIATION

1600 5th Street – Anacortes, WA 98221

360-293-7033

**26 October 2024**

## **Board of Directors**

President - Ted Kartes

Vice President & Legal Chair - David Wilton

Secretary & D-Dock Replacement Lead - John Wilkinson

Treasurer - David Hansen

Dock Chairman & West Breakwater Lead - Jim Freeman

Director-at-Large & Pile Replacement Lead - Steve Brown

Director-at-Large & Lead on WiFi Upgrade - Brett Peck

## **Harbormaster**

Jonathan Richards



September 24, 2024

ACMCA Owners,

Please review the information provided in the enclosed 2024 OWNERS MEETING packet. Included are Board member (Project Leads) reports describing financial and maintenance/replacement status of the marina, both current and forward looking. The Board welcomes your questions and comments in the interest of everyone understanding our current capital project status, scheduling and financial requirements. Note that initiation and completion of these projects are subject to multiple permitting authorities and their unpredictable timing and requirements. Project Leads will further explain in more detail in their meeting presentations.

As usual, we have Board members with expiring terms, the enclosed ballot includes members running for re-election as well as any owners wanting to run for a Board position. Another important issue is that Washington State has amended Condominium/Homeowner Association Declarations requiring an ownership vote to approve the Annual Budget (RCW 64.90). ACMCA was established in 1975 under RCW's that did not require that ownership vote annual budget approval. From this year forward the ACMCA proposed Annual Budget must be voted on and approved by ownership.

Successful and responsible management of our marina comes about by consistent ownership involvement. To that end, the Board wants to emphasize the importance of achieving a **Quorum** for the Annual Ownership meeting (51% of ownership per-centages). If you are not attending in person, please complete your ballot and vote your interest by proxy so that our marina continues to be the best it can be. You can give your proxy to another owner or the Board to vote on your behalf.

By all accounts 2024 has been a good year for enjoying our boating opportunities. Our marina parking lot was nearly filled multiple times. More so than in recent years past it seems. The marina picnic had great turnout, starting with gray sky that turned to blue and sun. Thanks to Jonathan for his pulled pork sandwich options, Steve for the Lopez Island Creamery ice cream, all who helped set up and all who attended.

Our regular board meetings always begin with a Life/Safety report by Jonathan. Any incidents or situations are Board reviewed and appropriate actions are taken. One such reported incident was a fall on an access ramp during a significant minus tide. Our shop power tools are an area of concern, this year the table saw was replaced due to lack of safety features currently available. Discussions are ongoing to determine if limiting access to the tools is needed. Please recognize the risks related to using our marina and our boats, practice care and safety at all times, for you, your family and guests.

An effective Wi-Fi system at our marina allows boat owners to stay connected, monitor their boats remotely, utilize security cameras and even work remotely. It is increasingly seen as a critical system that must be available by new buyers. This past year we nearly doubled the coverage in our marina by adding 5 new access points, essentially expanding coverage to both A & D Docks. Additionally we replaced some existing devices and added new weatherproof ethernet switch boxes on both B & C docks, improving stability so the network will not go down when a single device fails. We will continue to solidify our network over the coming year. We will be sending new password instructions that will take effect in October. You will need to reset passwords on your monitoring and security devices as we periodically reset to minimize unauthorized access. Feedback and questions are always welcomed.

Our marina is reasonably secure, there was a theft of an inflatable earlier this year in the dark of night, the thief accessing the docks by crawling onto the east side rip-rap and then onto the dock. Police were alerted and provided video of the incident. Consider this as a reminder that even though Jonathan and marina staff are vigilant, thievery should always be a concern.

There have been no significant legal events other than our attorney of record reviewing the new Washington State RCW condominium changes.

A group of seven D-Dock slip owners made a proposal to the Board to extend their finger piers to 50 foot from the “as-built” length of 45 foot, with the individual owners incurring a Special Assessment per slip for the extra permitting and materials cost when D Dock is replaced. In the interest of safety and maneuverability these owners agreed to a maximum LOA of 53 feet in place of their current 55 foot plus 14%. Additionally, the Board is in discussions with the owner of the cannery property to our east for an easement to dredge further into his property. In return we will remove the 4 creosote piles that are in the water. As the property is for sale we do not know if the privilege of using a portion of the property for a boat ramp will continue. Presently we have a gentleman’s agreement that we will keep the property mowed in return for using the boat ramp.

With the four capital projects currently in various states of progress, the Board is focused on the many minute details needed to keep these projects on track. To that end the Board wants to recognize and thank the marina staff, Jonathan/Dorothy/Steve/Eric/Ben for their diligence, coordination and communication as they manage the daily operations of the marina.

The intent of this letter is to provide ownership an abbreviated overview of marina operations which will be described in greater depth and detail by project leads at our upcoming meeting.

Respectfully submitted on behalf of ACMCA Board of Directors,



Ted W. Kartes

President

October 26<sup>th</sup>, 9:00 at Anacortes Yacht Club

Please sign in upon arrival so we can determine if a Quorum is present for Marina Association business to be conducted

Meeting Agenda:

Approve minutes of 2023 Owners Meeting

Introduce Board and Staff

Introduce new owners

Harbormaster Report and discussion: Jonathan Richards

Wi-Fi/Security Report: Brett Peck, Jonathan Richards

Finance Report and discussion: David Hansen

Break for Attendance count re: Quorum

Announce if Quorum and Board election results

Dredging & West Wall Report and Discussion: Jim Freeman

Pile Replacement Report and Discussion: Steve Brown

D Dock Replacement Report and Discussion: John Wilkinson

Legal Report and Discussion: David Wilton or Ted Kartes

Request for New Business and Discussion

Motion for Adjournment

**Anchor Cove Marina Condominium Association  
Annual Owners Meeting  
October 26, 2024  
9:00am**

*Anacortes Yacht Club  
611 Rotary Park Lane  
Anacortes, WA 98221*

**Please Enter via the Stairs/Deck**



# Treasurer Report

ACMA 2024 Annual Owner Meeting Package  
Prepared September 15, 2024 by David Hansen

## 2024 Review

Net operating income for full year 2024 is currently projected to be \$54,224. This is \$17,461 higher than the 2024 budgeted net income of \$36,762. Interest income on deferred maintenance reserves is forecast to be \$8,005 higher than budget due to higher than anticipated interest rates. Wages are forecast to be \$5,050 lower than budget due to fewer than anticipated dock maintenance staff hours. All other income and expense items were close to budget.

The deferred maintenance reserve balance began 2024 at \$352,131, and is projected to end 2024 at \$357,355 which is continuing to grow close to the long-term target of \$400,000. The deferred maintenance reserve is held for emergency repairs and for significant maintenance needs which occur less frequently than annually. The board periodically reviews the long-term target level for deferred maintenance reserve balances, and kept the target at \$400,000 in 2024 after increasing it from \$300,000 to \$400,000 in 2023 to reflect inflationary pressures in recent years.

Capital replacement reserve funds began 2024 at \$2.4 million and are projected to end 2024 at \$3.8 million. As a reminder, there was a capital replacement reserve assessment of \$0.8 million in 2021, \$2.0 million in 2023, and \$2.0 million in 2024 resulting in total assessment income of \$4.8 million. Interest income has added approximately \$0.2 million to this amount. Expenditures through 2024 of (\$1.4 million) have paid for dock pile replacement as well as initial engineering design and permitting for dredging, D-Dock and west breakwater replacement projects.

## 2025 Operating Income (see pages 4-5)

Net operating income for 2025 is budgeted to be \$17,051. The budget allows for moderate continued inflationary expense impacts while keeping the monthly operating assessment rate unchanged from 2024. This moderate level of operating income will continue to grow the deferred maintenance reserve balance toward the long-term target level of \$400,000. Here are highlights of the 2025 budget:

- Operating revenue is budgeted to be \$671,954 in 2025. This is a 1% increase from the 2024 budget of \$667,816. The increase is from interest income as well as laundry, shower, parking, and resale certificate activity which have been higher than planned during 2024. As stated above, the monthly assessment rate is not budgeted to change in 2025. For reference, the most recent prior monthly assessment rate increase was in January 2023, when the rate increased by 15%.

Monthly Assessment Rate	
	2025 budget (unchanged from 2024)
Slip Numbers	
A1-A25; B27-B50	\$304.89
A26; B51-B75; C76-C125; D139-D153	\$280.45
D126-D138	\$256.06
D154-D166	\$387.78
D167	\$487.74

- Operating expense is budgeted to be \$654,903 in 2025, an increase of 4% from the 2024 budget of \$631,054. Most expense categories are increasing, including insurance (higher liability limits as well as increased pricing), utilities (we are seeing rate increases in water, garbage, sewer, and recycling costs), professional services (anticipated engineering assessment of North Breakwater corrosion stability), and compensation (additional planned dock maintenance hours and merit increases).
- The deferred maintenance reserve balance is projected to be \$374,406 at the end of 2025, with the increase from the end of 2024 forecast of \$357,355 coming from operating income during 2025.

## **Capital Replacement Expenditures and Special Assessment Income (see pages 6-8)**

**Expenditure Estimates:** 30-year capital replacement timing and cost estimates are updated at least annually based on marina condition evaluation, vendor and supply cost levels, and project research. It is important to note that cost estimates and timing are preliminary best estimates (not intended to be optimistic or pessimistic) and they are subject to change as the board reviews alternative approaches, as marina conditions evolve, and as more information about costs becomes known.

2025-2028 priorities are replacing the West Breakwater and D-Dock, dredging, and continued work to replace creosote dock piles. The current high-level plan is to proceed expeditiously with seeking permits for these projects with a goal of having permit approvals by early 2026. While the best-case scenario is that all permits will be approved in this timeframe, based on prior experience it is reasonable to assume that some aspects of regulatory review could incur delays. Therefore, costs are spread over the period from late 2026 to early 2028 to represent a best estimate of work timing. If all permits are approved by the targeted early 2026 timeframe, the West Breakwater replacement will be scheduled in the late 2026/early 2027 work window, and D-Dock replacement will be scheduled in the late 2027/early 2028 work window. If there is a delay in West Breakwater permitting and the D-Dock permit is approved on time, then the order will be reversed and D-Dock replacement will be scheduled in the 2026/2027 work window, and the West Breakwater replacement will be scheduled in the 2027/2028 work window. In either case, dredging and replacing remaining creosote dock piles is planned to occur in conjunction with these projects. Specifically, dredging west of C Dock is planned to occur in conjunction with the West Breakwater replacement project, and dredging east of C dock is planned to occur in conjunction with the D-Dock replacement project. Replacing all remaining creosote dock piles on A, B and C docks is planned to occur in conjunction with the West Breakwater replacement project, and replacing all remaining creosote dock piles on D-dock is planned to occur when D-Dock is replaced.. The current estimated cost for work during these years is \$10.6 million of which \$0.5 million is budgeted in 2025.

Future priorities will include replacing dock roofs and other dock structures as well as further rounds of dredging and dock pile replacement and potential need to replace the bulkhead and gangways.

**Special Assessments:** Special assessments will be used to fund capital replacement projects, consistent with past practice. The idea, based on the experience of past boards, is that owners prefer to save individually for future replacement funding rather than having the association build and hold significant replacement reserve funds. Balancing this objective and recognizing



the significant replacement projects coming up, the anticipated amount needed from 2025-2028 is planned to be assessed relatively evenly over 2023-2027 rather than having a very large and/or sudden assessment in a particular year. The 30-year schedule of replacement timing and cost estimates can help owners anticipate and save for future special assessment announcements.

- In 2023 and 2024 special assessments of \$2.0 million in 2023 and 2024 were collected.
- In 2025 a special assessment of \$2.0 million is budgeted, continuing the gradual buildup to fund major projects.
- In 2026 the board preliminarily anticipates announcing a \$3.0 million special capital replacement assessment, and in 2027 the board preliminarily anticipates announcing a \$2.0 million special capital replacement assessment.

<b>Special Assessment for Capital Replacement Projects</b>						
Slip Numbers	% Ownership	Previously Collected		Budget	Preliminary Future Assessments	
		2023	2024	2025	2026	2027
A1-A25; B27-B50	0.6176%	\$12,352	\$12,352	\$12,352	\$18,528	\$12,352
A26; B51-B75; C76-C125; D139-D153	0.5681%	\$11,362	\$11,362	\$11,362	\$17,043	\$11,362
D126-D138	0.5187%	\$10,374	\$10,374	\$10,374	\$15,561	\$10,374
D154-D166	0.7855%	\$15,710	\$15,710	\$15,710	\$23,565	\$15,710
D167	0.9880%	\$19,760	\$19,760	\$19,760	\$29,640	\$19,760
<b>Total assessment basis</b>		<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$3,000,000</b>	<b>\$2,000,000</b>

Future assessments are planned to be collected in the 3<sup>rd</sup> quarter of each year, consistent with past practice. This timing will enable payment for completing the four currently active major capital projects (West Breakwater and D-dock replacement, dredging, and creosote dock pile replacement) over late 2026 – early 2028. Since project timing for each of these is dependent on regulatory permit approvals, the board will adjust future assessment timing if regulators require additional time to evaluate permit submissions. It is also important to note that regulators may impose additional project requirements or underlying supply and/or contractor costs may change as projects approach implementation, and these factors may cause future special capital assessment amounts to vary from amounts currently anticipated by the board.

Special assessment amounts shown in the 30-year schedule after 2025 are very preliminary. They reflect the board's intent to maintain a moderate target level of replacement reserve fund balances to allow for engineering design and permitting work to proceed as needed for future replacement projects, and to conduct larger special assessments when construction work is initiated. All assessment amounts are based on preliminary project cost and timing estimates and they are subject to change as the board obtains more information.

ACMA doesn't have a reserve study prepared by an outside company. Instead, prior boards and the current board follow a practice of regularly updating the 30-year capital replacement cost and special assessment planning schedule. This schedule is based on ongoing evaluation of the marina condition and review of replacement costs, and a long term reserve objective to allow owners to save individually for future replacement funding rather than having the association build and hold significant replacement reserve funds.

# 2025 Operating Budget

Anchor Cove Marina Condominium Association

	2025 Budget	2024 Budget	2025-2024 Budget Diff		Reference Information		
					2022 Actual	2023 Actual	2024 Forecast
<b>Operating Revenue</b>							
Slip Owner - Monthly Assessment	591,816	591,816	0	0%	513,311	587,643	591,816
Slip Owner - Electric	57,750	58,500	(750)	-1%	44,864	53,831	53,599
Interest Income	14,294	11,000	3,294	30%	842	4,364	19,005
Laundry/Showers/Parking	4,093	2,500	1,593	64%	1,950	4,093	4,093
Resale Certificate Fees	3,000	3,000	0	0%	2,700	4,500	3,000
Late Fees	1,000	1,000	0	0%	263	826	1,000
<b>Total Operating Revenue</b>	<b>671,954</b>	<b>667,816</b>	<b>4,137</b>	<b>1%</b>	<b>563,931</b>	<b>655,257</b>	<b>672,513</b>
<b>Operating Expenses</b>							
Wages	183,138	175,750	7,388	4%	139,212	160,073	170,700
Payroll Tax Expense	23,077	22,909	168	1%	18,147	18,917	21,510
Janitorial Services	7,917	7,540	377	5%	6,375	6,810	7,540
<b>Total Labor</b>	<b>214,132</b>	<b>206,199</b>	<b>7,933</b>	<b>4%</b>	<b>163,733</b>	<b>185,800</b>	<b>199,750</b>
Water / Garbage / Recycle / Internet	32,771	29,300	3,471	12%	25,049	30,301	31,816
Sewer	12,360	11,300	1,060	9%	9,636	11,692	12,000
Electric (Both Slips & Marina Use)	75,000	75,000	0	0%	60,506	69,609	69,609
Telephone	1,365	1,525	(160)	-10%	1,252	1,519	1,300
Recycling (Oil, Antifreeze, Filters)	2,250	2,100	150	7%	1,025	577	2,500
<b>Total Utilities</b>	<b>123,746</b>	<b>119,225</b>	<b>4,521</b>	<b>4%</b>	<b>97,468</b>	<b>113,698</b>	<b>117,225</b>
DNR Lease Payments	39,629	43,275	(3,646)	-8%	35,236	41,604	40,086
<b>Total Leases</b>	<b>39,629</b>	<b>43,275</b>	<b>(3,646)</b>	<b>-8%</b>	<b>35,236</b>	<b>41,604</b>	<b>40,086</b>
Building Maintenance	2,500	2,500	0	0%	3	1,098	1,921
Landscaping	1,500	1,500	0	0%	766	2,245	2,594
Dock Structures & Ramps	57,600	67,800	(10,200)	-15%	8,997	19,245	27,838
Dock Electrical	2,000	2,000	0	0%	2,115	2,091	1,529
Parking	4,000	0	4,000	0%	97	166	1,856
East Breakwater	500	500	0	0%	470	0	500
North Breakwater	10,000	5,000	5,000	100%	4,993	1,959	25,000
West Breakwater	2,000	5,000	(3,000)	-60%	111,017	4,280	5,000
Shower/Laundry	0	0	0	0%	1,265	1,380	1,800
Shop Tools & Materials	5,000	5,000	0	0%	4,047	4,714	9,000
Fire Systems	6,000	1,000	5,000	500%	1,691	2,320	6,115
Security / Gate	3,000	3,000	0	0%	869	2,539	8,242
Sewer Systems	0	0	0	0%	6,666	0	54
Wifi and Cable Phone	3,000	3,000	0	0%	0	1,192	3,000
Dock Carts	1,000	1,000	0	0%	0	808	1,958
Vehicles & Trailers	3,000	3,000	0	0%	292	1,461	1,500
Boats, Outboards & Barges	1,000	1,000	0	0%	332	939	500
Other Repairs/Maintenance	0	800	(800)	-100%	1,671	2,339	1,655
<b>Total Repairs / Maintenance</b>	<b>102,100</b>	<b>102,100</b>	<b>0</b>	<b>0%</b>	<b>145,291</b>	<b>48,776</b>	<b>100,062</b>
Auditing & Tax Prep	8,400	8,050	350	4%	13,460	7,270	8,200
Accounting Services	17,675	17,625	49	0%	15,118	16,948	17,625
Legal Fees	10,000	10,000	0	0%	4,960	972	10,000
Engineering / Permitting Services	5,000	0	5,000	0%	0	0	0
<b>Total Professional Services</b>	<b>41,075</b>	<b>35,675</b>	<b>5,399</b>	<b>15%</b>	<b>33,538</b>	<b>25,190</b>	<b>35,825</b>
Office Supplies & Expenses	3,000	3,000	0	0%	1,349	1,019	3,000
Meeting Expenses	1,000	1,000	0	0%	266	912	1,000
Board Expenses	500	500	0	0%	246	161	500
Dock Party	1,200	1,200	0	0%	790	1,164	1,200
General Insurance	128,090	118,469	9,621	8%	81,739	98,212	119,230
Real Estate Tax	432	411	21	5%	372	391	411
<b>Total General Expenses</b>	<b>134,221</b>	<b>124,579</b>	<b>9,642</b>	<b>8%</b>	<b>84,868</b>	<b>101,859</b>	<b>125,341</b>
<b>Total Operating Expenses</b>	<b>654,903</b>	<b>631,054</b>	<b>23,849</b>	<b>4%</b>	<b>560,133</b>	<b>516,927</b>	<b>618,289</b>
<b>Net Operating Income</b>	<b>17,051</b>	<b>36,762</b>	<b>(19,712)</b>	<b>-54%</b>	<b>3,798</b>	<b>138,330</b>	<b>54,224</b>

## Cash Balance

### *Anchor Cove Marina Condominium Association*

	Year-End 2023 Actual	Forecast change in 2024	Year-End 2024 Forecast	Budget change in 2025	Year-End 2025 Budget	Target balance / other notes
<b>Operating cash</b>	<b>64,138</b>	(4,138)	<b>60,000</b>	0	<b>60,000</b>	\$60,000 target
<b>Deferred maintenance reserve</b>	<b>352,131</b>	5,224	<b>357,355</b>	17,051	<b>374,406</b>	\$400,000 long term target
<b>Capital replacement reserve</b>	<b>2,370,700</b>	1,422,535	<b>3,793,235</b>	1,484,000	<b>5,277,235</b>	Target will vary based on capital replacement needs
<b>DNR lease security deposit</b>	<b>26,000</b>	49,000	<b>75,000</b>	0	<b>75,000</b>	DNR required increase to \$75,000 in Q3, 2024
<b>Total cash</b>	<b>2,812,969</b>	1,472,621	<b>4,285,590</b>	1,501,051	<b>5,786,641</b>	

# Capital Replacement and Special Assessment Estimates

Current base case

## Anchor Cove Marina

Amounts in \$ thousands, based on 2024 preliminary prices without inflation

Amounts in \$ thousands	Board Lead	Objectives and notes	Cost over 30 years	Actual				Fcst	Budget	Very preliminary longer term estimates								
				2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2050	
1. Dock Piling	Steve Brown	Active project	\$2,893	1	2	292	300								650			1,648
2. West BW	Jim Freeman	Active project	\$7,215			54	261	500	3,400	3,000								
3. North BW		Replaced in 2019	\$300													300		
4. NE BW		Good condition	\$0															
5. Marina Docks	John Wilkinson (D-Dock replacement)	D Dock needs replacement. A, B and C docks in fair condition.	\$4,149			19				1,400	1,180			50	1,500			
6. Dock Roofs and Support		DNR may require design changes as a condition lease renewal in 2034.	\$4,000											4,000				
7. Bulkhead and Gangways		Ensure structural integrity. Address creosote issues.	\$1,900											900	250	750		
8. On-Shore Assets		Parking lot needs periodic resurfacing. Buildings in good condition.	\$200													200		
9. Dredging	Jim Freeman	Active project	\$3,200	0	114	37	133	16	800	300				900		900		
<b>Total</b>			<b>\$23,857</b>	<b>1</b>	<b>116</b>	<b>402</b>	<b>694</b>	<b>516</b>	<b>4,200</b>	<b>4,700</b>	<b>1,180</b>	<b>0</b>	<b>0</b>	<b>6,500</b>	<b>2,050</b>	<b>1,850</b>	<b>1,648</b>	
Preliminary special capital replacement assessment plan				849	0	1,998	1,998	2,000	3,000	2,000	500	0	0	6,500	2,050	1,800	1,500	
Interest income						43	119											
Available capital replacement funds at end of year				848	732	2,371	3,793	5,277	4,077	1,377	697	697	697	697	697	647	499	
<b>Preliminary special assessment per slip</b>																		
A1-A25; B27-B50				5	0	12	12	12	19	12	3	0	0	40	13	11	9	
A26; B51-B75; C76-C125; D139-D153				5	0	11	11	11	17	11	3	0	0	37	12	10	9	
D126-D138				4	0	10	10	10	16	10	3	0	0	34	11	9	8	
D154-D166				7	0	16	16	16	24	16	4	0	0	51	16	14	12	
D167				8	0	20	20	20	30	20	5	0	0	64	20	18	15	

## Capital Replacement and Special Assessment Estimates

Current base case

### Anchor Cove Marina

Amounts in \$ thousands, based on 2024 preliminary prices without inflation

<p><b>DOCK PILING</b> <i>replace creosote dock piles</i></p> <p><b>Board Lead:</b> <b>Steve Brown</b></p>	<p><b>2021-2024 COST: \$0.6 million.</b> \$0.6 million to replace all creosote dock piles with noted defects (half spent in 2023, half to be spent in 2024). In addition \$0.6 million cost to replace other creosote dock piles is tentatively placed within the West Breakwater cost estimate. Note that PND permitting cost of \$50k was spent prior to capital reserve funding establishment in late 2021. COST UPDATE FOR 2024 PILE REMOVAL: \$179,950 estimate provided by Carlson Construction on 7/10/2024 - need to add taxes, marina mammal watching, hoop hardware and dock finger restoration to get to the \$0.3 million cost estimated in 2024.</p> <p><b>WORK TIMING: Complete replacing all creosote piles with defects by late 2024, and complete replacing all other creosote piles in conjunction with West Breakwater and D-Dock replacement projects.</b> In 2024 assume removing 18 piles between B and C docks with noted defects (split, unstable, concrete cap, fully covered), and replacing with 14 new and 4 leftover piles from 2023 project - all 12" piles. OTHER NOTES: Permit received in 2023 allowed removing up to 37 piles and replacing up to 23 piles per Aug 1 - Feb 15 work period, with a permit end date in early 2026. In 2023 removed 31 timber/5 steel piles and drove 21 piles. Replace remaining creosote piles in conjunction with WBW and D-Dock replacement projects to match creosote pile removal credits with mitigation requirements.</p>
<p><b>WEST BREAKWATER</b></p> <p><b>Board Lead:</b> <b>Jim Freeman</b></p>	<p><b>2023-2027 COST: \$7.2 million.</b> \$0.3 million permitting and engineering, \$5.9 million construction, \$0.2 million marine mammal watching, \$0.2 million project management, \$0.6 million remaining creosote pile replacement (A dock 21 piles, B+C docks 35 piles). Cantilivered and battered cost estimate is approximately \$5.9 million including sales tax as of 9/15/2023 per PND email. This includes demolition, relocating A-Dock temporarily, new breakwater and sales tax.</p> <p><b>WORK TIMING: complete by early 2027.</b> Permit application submitted in July 2024. Assume receive permit in first half of 2026 along with separate dredge permit approval, contracting/ supply procurement / scheduling complete by Q3 2026, float A dock out of the way and rebuild WBW in late 2026/early 2027. Work must be performed within the Aug 1 - Feb 15 allowed window. Project work takes approximately 1 month.</p> <p><b>PAYMENT TIMING: project work payment in late 2026 and/or early 2027 as materials are procured and work is completed.</b> PND permitting and engineering contract amount of \$315k to be spent in 2023 and 2024. Assume a modest allowance for materials procurement in 2025, and the remaining payments split between 2026 and 2027.</p>

## Capital Replacement and Special Assessment Estimates

Current base case

### Anchor Cove Marina

Amounts in \$ thousands, based on 2024 preliminary prices without inflation

<p><b>D-DOCK</b></p> <p><b>Board Lead:</b> <b>John</b> <b>Wilkinson</b></p>	<p><b>2023-2028 COST: \$2.6 million.</b> \$2.0 million dock replacement, \$0.25 million mitigation costs, \$0.1 million marine mammal watching, 8.8% sales tax = \$2.6 million total. D-Dock replacement estimate of \$2.0 million provided by Marine Floats in Feb 2023 meeting, and this includes removing existing piles and dock, dredging, new dock, new piles, new utilities for dock. In 3/1/2024 meeting Marine Floats clarified that didn't include the cost of mitigation credits (assume cost of \$.25 million). Marine Floats is providing permitting and engineering for \$20k in 2023 and 2024.</p> <p><b>WORK TIMING: complete by early 2028.</b> Submit permit application Q3 2024, receive permit in first half of 2026. Assuming WBW project is on track for completion in 2026, schedule D-Dock replacement in 2027. Contracting/ supply procurement / scheduling complete in mid-2027, float in new D-Dock in late 2027/early 2028 (during allowed work window Aug 1 - Feb 15). Project work takes approximately 1 month. (Marine Floats rough timing estimates on 3/1/2024: 12-16 months from permit application to receiving approval, 10-14 weeks to acquire materials and build docks, 3-4 weeks for boats to be away for installation with electricity coming after that.) NOTE: if WBW project is delayed beyond 2026, then schedule D-Dock replacement in 2026.</p> <p><b>PAYMENT TIMING: project work payment in late 2027 and/or early 2028, as materials are procured and work is completed.</b> Permitting payment was made in 2023.</p>
<p><b>DREDGING</b></p> <p><b>Board Lead:</b> <b>Jim Freeman</b></p>	<p><b>2022-2027 COST: \$1.4 million.</b> \$0.3 million for permitting and engineering, \$1.1 million for dredge work.</p> <p><b>WORK TIMING: complete dredge west of C Dock in conjunction with WBW project, and complete dredge east of C dock in conjunction with D-Dock replacement project.</b> Submit permit application in Q4 2024, receive permit approval by mid-2026. Note that if permit isn't received prior to WBW and/or D-Dock replacement the complexity and cost to dredge could be materially higher.</p> <p><b>PAYMENT TIMING: pay for dredging work at time of completion.</b> PND permitting and engineering payment in 2023 and 2024.</p>

AMCA 2023 Annual Meeting Minutes / record of Q&A from Owners:

# Anchor Cover Annual Mtg 2023

Saturday, September 30, 2023

The meeting was opened at 9am by Ted Kartes, as President, of the BOD.

Voting Results:

- 2024 BOD officers re-elected; David Wilton, Jim Freeman, Brett Peck
- Vote carried with 52% of owners submitting ballots.

D Dock owners voted overwhelmingly to proceed with project planning (32/33 voted Yea).

## **New owners**

Rob Kelly spencer D156, Coupeville

Carmel Miller & Joe, B35, Coupeville

Arvey Palmer & Kaileigh D126 Guemes island

Eric Anderson & Shelly A24

Tom Smiley C118 Firefly Guemes Island

Buck Tina Evans d142, 4mo ago.

Rust d138 Tina

Don McAfee C94, just spent 1st night.

Gary Dianna Becker B-67, renters for years purchase in June

D154 Marsha bought April 2019. Midnight Blue.

Carol & Richard Anderson, long time owners but never been in a mtg. Guemes Island

## **Business:**

Motion to Approve 2022 Annual Meeting Minutes, motion passes

## **Finance** (David Hansen)

- Treasurer since 2020, with background in Finance.
- Positive operation income builds reserve.
- 2023 our budget was higher, because we had been building reserve.
- Fcst for 2023 is to come in close to plan.
- 2024 expense budget is 12% higher. Inflation is a factor.
  - Labor
  - Utilities
  - Aging facility requires require incremental maintenance.
  - Insurance

Finance Q&A

Q: Randy C93 Reserves: Have we ever done a reserve study? What % are we funded? Typically over 30 years.

A: Board conducts our own ongoing review, alternative is an outside firm, but those are expensive. David's background is already in capital planning. We have paid for marina surveys and use those to plan future schedules.

(Jim)Planning is not a quick process. Example: sitting with Culbertson going over other recent builds such as Anacortes Marina, looking for similar use cases. We often challenge budget assumptions. Reminder \$55k marina evaluation report, valuable tool for baseline analysis and guidance.

A:Chuck (previous board). There are few references to utilize.

### **JIM Freedman - Dock Chairman**

Capital Replacement Sequence Estimates

Phase 1: Piling replacement (5 year permit)

Steve Brown (Piling Czar)

- Some piles are already failing and have been removed/secured.
- New piles are larger steel piles
- We re-submit piling permits to maximize creosote based credits.
- 30 boats affected in current near term plan

Dredging is most efficient when D-dock has been removed, plan is managing maximizing efficiency by planning around multi-factored projects and re-use of various permits.

5yr permits

- Piling
- Dredging
- West wall

Not all engineering firms like to work with condominium associations, it is important to keep our reputation and have reserves ready when projects need to occur.

Contingency plans accommodate the possibility of permit glitches, allowing us to theoretically change the order of projects based upon the readiness of the permit process (which we may not be able to control)

Permit & Study costs are substantial given current regulatory environment.

### **Steve - Piling replacement Project**

Late October/November, Pile replacements starts!

- Impacts 30 slips approx.
- Attenuator first & between D & C
- Impacted residents should have already been contacted.

Q&A:

Q:How long do the piles last

A:up to 40 years with anodes

Q:Gail. Are we adding abrasion for the new piles?

A: We are looking at this. Sleeves are an option.

Q:Raul c120: Corrosion protection. He transferred the North wall data; we should have this somewhere, if not contact him.

Pacific marine used a kind of tire sidewall as an option.

Mammal monitoring: The 16 inch piles have a 2 mile window where we cannot have whales during the driving. If fog comes in, they sometimes have to stop because they can't see. We have contacted a



contractor with this specialty. We found a firm that does this work with a much less rate. We are using vibratory hammers, the 12 inch piles may only be 1.5 miles.

Q: Gail . When we pull A dock out, preference would be summer when much of us would be gone.

A: Our permits are only valid during some timeframes.

#### **Jim - D Dock Replacement** (John W & David Hansen)

- D Dock requires 2/3 vote to approve replacement
- Dorothy will collect ballots after mtg
- 2023 Approval/Design/Permitting
- Expect permitting could take up to 2 years
- Target 2025/6 for actual work
- D Dock has the complication that many slips differ from the platted dimensions. Reconciliation is part of the replacement project and will require agreement amongst the D dock owners.

Q: Raul C120. Electrical Code. Be aware that ground fault, avoid being forced to upgrade the ENTIRE marina.

Q: Dale Hobbs D128. We are about to start piling replacement, but there is conversation about changing finger pier configurations. If you set the piling, isn't that setting where things will be in the future?

A: We are trying to preserve peoples water widths and/or widen to plat. When it comes to pilings the initial round will be trying to achieve integrity. When the new dock shows up they will need to be pulled, but may be able to be re-used.

Q:Dale-engineer. When a monitor gets shut down for mammals, we should optimize other things than can be worked on when they may have down time.

Q: Where are we going to put A Dock?

A: we will push it over next to B dock.

Q:Rob Kelly D156 Changing to match the plat. How will we move them?

A: We measured the slips and came up with a plan to spread any inconsistencies across multiple slips. There are a couple plans to look at.

#### **Jim F - Dredge Permit**

We have clean sediment, so we can actually (more inexpensively) pick up and release within the Channel.

#### **Jim F - West Wall Permit**

Preliminary Designs have recently been received.

Consulting engineers know how to interact with regulators.

We intend to bring a firm such as Culbertsons into the process early so those who need to build it are integrated early in the process.

#### **Jim F - Routine Maintenance**

Goal is to make the roof last through 2034

Jonathan recoated the flat side of B dock this summer.

#### **Dock Report-Jonathan**

Motion to adjourn at 11:10am, chuck seconded...adjourned! Meeting notes recorded by Brett Peck.



**ANCHOR COVE MARINA**  
CONDOMINIUM ASSOCIATION

## Board of Directors Candidate Questionnaire

Please return this form via email to [dorothy.acm@gmail.com](mailto:dorothy.acm@gmail.com) or by post to Anchor Cove Marina Condominium Association, 1600 5th Street, Anacortes, WA 98221

### Personal Information

Name

Stephen RC Brown

Number of Years as Owner at Anchor Cove

10 years

Total Number of Years at Anchor Cove (both as Renter and Owner)

10 Years

Slips Number(s) Owned

C-89

### Previous Marina Condo Board Experience

Location

Clifside Marina Condo Assc. Whittier Ak

Length of Time

5 years slip owner 2 years Board of Directors

Position(s) Held

Board Member

### Other Experience

Other applicable marine association experience

Working at Anchor Cove Marina 2 days a week for the past 5 years. Duties as assigned, including, but not limited to, dock maintenance, work on the west breakwater, cleat replacement support post repair and replacement, waterline repair and replacement, pile hoop replacement and other jobs as necessary to maintain the marina. The past 2 years over seeing the pile replacement in our marina.

Other applicable experience on governing boards or committees

Mat-Su Borough EMS Advisory Board Anchorage Fire Dept Safety Committee Director of the Mat-Su Dive Rescue Team Mat-Su Rescue Training Committee.

Past and present work experience applicable to board / condominium positions

Past 2 years on ACMCA Board of Directors and overseeing pile replacement project. Worked in the Emergency services for 30m years 22 of which were with the Anchorage Fire Department, I retired as a Safety Officer. My wife and I have built 3 homes in Alaska.

Personal information -- family, home, location, etc., as you see applicable

My wife and I moved to Anacortes in 2016 so we could be in an area that allowed us more boating time in a better climate. Since we moved here I have had 2 brothers, 3 sister-in-laws and a brother-in-law relocate to Anacortes. My hobbies include; boating, crabbing, fishing and woodworking.

Why do you want to serve on the Board?

There are several upcoming projects within the marina and I believe with my work history at Anchor Cove and other life experience's I would be a valuable resource to help keep this a great marina for all the owners and renters.



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### Personal Information

Name

David Hansen

Number of Years as Owner at Anchor Cove

8

Total Number of Years at Anchor Cove (both as Renter and Owner)

8

Slips Number(s) Owned

D 132

### Previous Marina Condo Board Experience

Location

Anchor Cove Marina

Length of Time

Since June 2020

Position(s) Held

Treasurer

### Other Experience

Other applicable marine association experience

Other applicable experience on governing boards or committees

Past treasurer Anacortes Yacht Club and Thunderbird Aquatics Club

Current treasurer for Friends of Fidalgo Pool and Fitness Center

Director of Finance and Budgeting, and Director of Compensation and Benefits at U.S. Bank (now retired)

MBA from University of Chicago, undergraduate in Economics and Statistics from Pomona College

Past and present work experience applicable to board / condominium positions

Personal information -- family, home, location, etc., as you see applicable

My wife and I live in Anacortes in Old Town, just a couple blocks from the marina

Why do you want to serve on the Board?

Budgeting, financial reporting, capital replacement planning, and reserve fund cash management are important particularly with significant upcoming projects. I would like to continue to contribute in those areas.



## Board of Directors Candidate Questionnaire

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### Personal Information

Name

Ted Kartes

Number of Years as Owner at Anchor Cove

23

Total Number of Years at Anchor Cove (both as Renter and Owner)

23

Slips Number(s) Owned

B-027, B-030

### Previous Marina Condo Board Experience

Location

Anchor Cove

Length of Time

17 years

Position(s) Held

Member at Large, Treasurer, President

### Other Experience

Other applicable marine association experience

42 Years Boating

Slip owner at Anacortes Marina (condominium association)

Other applicable experience on governing boards or committees

Managing Member of Commercial Property LLC

Co-founder/President small business 40 years (Retired)

Past and present work experience applicable to board / condominium positions

Tenant and contractor negotiation, Personnel management, Dispute resolution

Personal information -- family, home, location, etc., as you see applicable

Reside in Snohomish, 37 years with wife Marcia

Why do you want to serve on the Board?

Continue to contribute to Board's responsibility to coordinate and manage capital projects currently in process. Review and evaluate ongoing procedures and maintenance schedules, budget compliance and reconciliation for the best interest of our Association



## Board of Directors Candidate Questionnaire

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### Personal Information

Name

John Wilkinson

Number of Years as Owner at Anchor Cove

8

Total Number of Years at Anchor Cove (both as Renter and Owner)

10

Slips Number(s) Owned

D147

### Previous Marina Condo Board Experience

Location

Anchor Cove

Length of Time

4 years

Position(s) Held

Secretary, Insurance Coord., D dock rebuild lead

### Other Experience

Other applicable marine association experience

Commodore of Anacortes Yacht Club

Other applicable experience on governing boards or committees

Chair of City advisory committees - Parks and Recycle

Past and present work experience applicable to board / condominium positions

40 years in Engineering and Management Positions

Personal information -- family, home, location, etc., as you see applicable

Live in Anacortes 10+ years; active in the boating community

Why do you want to serve on the Board?

Continue to help implement high quality upgrades to ACMCA in a financially responsible manner.

# Proxy / Ballot

## ANCHOR COVE MARINA CONDOMINIUM ASSOCIATION

**Annual Meeting, October 26, 2024**

If you are voting directly, please complete the Ballot section and signature section at the bottom of the form. If you are voting by proxy, please complete the Proxy section and signature section at the bottom of the form. Return via email to [dorothy.acm@gmail.com](mailto:dorothy.acm@gmail.com), or mail / deliver it to Anchor Cove Marina, 1600 5th Street, Anacortes, WA 98221, or present it at the annual meeting.

### BALLOT

With respect to the election of Directors to the Board, three Directors continue in office for the second year. Four positions are to be elected to a two-year term. Running for these positions are current Directors Steve Brown, David Hansen, Ted Kartes, and John Wilkinson. No additional Association members have submitted a Board Questionnaire. Copies of submitted Board Questionnaires for each candidate are included herein.

As the Board Sees Fit

**OR** (vote for four names total):

Steve Brown     David Hansen     Ted Kartes     John Wilkinson

**AND / OR** write in name(s) of other association member(s) you wish to vote for:

Candidate Name(s): \_\_\_\_\_

### PROXY

I/we hereby grant the Board of Directors or \_\_\_\_\_ (print name of proxy) my/our proxy to vote in my/our name at the October 26, 2024 Annual Meeting of the Anchor Cove Marina Condominium Association. When properly executed, this proxy will be voted as indicated or as per Board Recommendation if no choice is indicated. The proxy will be voted in accordance with the proxy holders' best judgment as to any other matters that may arise at the Annual Meeting.

### 2025 Budget

I/we accept the 2025 Budget as presented in the Treasurer Report in the ACMA 2024 Annual Owner Meeting Package.

Accept     Reject     Abstain

Please complete the section below. All parties should sign if there are multiple owners.

Slip(s): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Owner Signature: \_\_\_\_\_      Owner Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_      Print Name: \_\_\_\_\_

Date: \_\_\_\_\_ / \_\_\_\_\_ / 2024      Date: \_\_\_\_\_ / \_\_\_\_\_ / 2024

By checking here I/we acknowledge that I/we have submitted this Ballot electronically via email and grant permission to the Board of Directors to accept this Ballot. Email to: [dorothy.acm@gmail.com](mailto:dorothy.acm@gmail.com), and please enter the Subject line as "2024 Ballot".