

THE MOUNTAINEERS
MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
March 2, 2006

Board Members Present:

Jim Burke, President;
Bill Deters, President Elect;
Ron Eng, Immediate Past President
Scott Eby, VP of Recreational Properties;
Don Heck, VP of Publishing;
Marty Jordan, Treasurer;
Brad Gibson, Secretary

Trustees At Large:

Rick Anderson;
William Borden;
Steve Cox;
Jim French;
Ken Hahn;
Patti Polinsky;

Trustees from the Branches:

Steve Glenn - Bellingham;
Rob Simonsen - Everett;
Henry Romer - Olympia;
Steve Sears - Seattle;
Mary Lynch - Snoqualmie Foothills;
Tom Shimko - Tacoma

Absent:

Dale Flynn;
Jimmy James - Kitsap;
Christine Wolf, Recreation Access.

Others Present:

Michael Shurgot, Conservation;
Paul Robisch, Foundation;
Steve Costie, Executive Director;
Brian Horstman, Controller;
Helen Cherullo, Publisher;

Ruth Small
Ron Small
Craig Rowley
Jeff Bowman

Glenn Eades
Don Preston
Lucille Preston
Ed Henderson
Fran Troje
Sandra Ingalls
Robert Beckton
Ray Nelson
Bob Steana
Brad Stracener
Leonard Russell
Rein Attemann
Nancy Neyenhouse
Dave Claar

I. Call to Order

President Jim Burke called the meeting to order at 7:00 PM in the Summit Room of the Mountaineers, 300 Third Avenue in Seattle WA. Burke asked the audience members to introduce themselves.

II. Approve Agenda

Marty Jordan asked that a motion be added to the agenda to add signatories for club accounts (said motion to be presented during his Treasurer's report), and that the presentation of the Auditor's report be moved up on the agenda to before the officer's reports. The motion was seconded and passed with a voice vote.

III. Approval of the Minutes

Jim Burke made a motion to approve the December 2005 meeting minutes, as amended. The motion was seconded and passed with a voice vote. Mary Lynch questioned whether the outgoing Secretary had made the requested changes to the January 2006 and February 2006 minutes. Since there was no certainty the changes had been made, a motion to approval of these minutes will be made at the April, 2006 meeting.

IV. Consent Agenda

Jim Burke made a motion that the following people be appointed to the Books Governance Board for 2 year terms: Bill Borden, Helen Cherullo as Publisher, Casey Doyle, Art Freeman, Jeff Hancock, Don Heck as Chair, Bill Maxwell, Craig Rowley, Hally Swift as Director of Finance and Operations. The motion was seconded and passed with a voice vote.

V. Auditor's Report - Judy Jones

Balance sheets slightly down, but mostly about the same as the last report. Books is a big positive influence. The club had \$4k income last year. Club operating reserves, without Books' inventory included, is about two months. Marty Jordan made a motion that the

report be accepted. The motion was seconded and passed on a voice vote.

VI. Officer Reports

A. President's Report - Jim Burke

Jim welcomed the new officers and thanked the outgoing officers for their service. He apologized to Rick Anderson for recent events and stated that he had no belief that Rick had engaged in any illegal or unethical activities with respect to his service to the Building Advisory Committee or New Facilities Construction Committee. Rick remains the chair and deserves respect and authority due the position. The Club has achieved positive cash flow, and thanks to all for cutting costs and paying more money to the Club. Jim cautioned that the codevelopment presentation would not be an offer, but only informational. The Board has three choices tonight: 1) approve Magnuson Park; 2) Reject Magnuson Park; or 3) delay a decision for one month.

B. President-Elect's Report - Bill Deters

Bill lead the managing committee two weeks ago, during which they discussed presentations and club wide standards, and he is talking to the risk management committee.

C. Executive Director's Report - Steve Costie

No report.

D. VP of Publishing's Report - Don Heck / Helen Cherullo

Helen reported that January sales were \$4,000.00 ahead of budget, net income was \$4,000.00 better than planned. Net income was projected to be \$6,700.00 below planned income and Books received a grant of \$50,000.00.

E. VP of Rec. Properties' Report - Scott Eby

With the good snow year, the division is showing strong financial results, with the most impressive performance being Snoqualmie Lodge's turnaround from last year's deficit to essentially break-even so far this year Snoqualmie & Meany jointly hosted a reenactment of the historic "Ski Patrol Race" last weekend, with 14 skiers completing the route from Snoqualmie to Many in 12 hours. On Friday night, Wold Bauer regaled the assembled with tales of the old days. There are photos and a description of the tour by Lowel Skoog on www.turns-all-year.com. I will post the exact URL on the BoT in eCommunity. The players have just held auditions for the Spring show, "Anne of Green Gables," and rehearsals will start on March 13th.

F. Secretary's Report - Brad Gibson

Brad reported that he would have past meeting minutes posted online and in the Library within the next week if he could get copies of them.

G. Financial Report - Marty Jordan

Marty deferred to Controller Brian Horstman for the financial report. Brian stated that his report was in the Board packet, and it highlighted the turnaround at Snoqualmie.

Marty then made a motion that Mark Springer (Bellingham Branch Chair), Ken Small (Bellingham Branch Treasurer), Steven Glenn (Bellingham Branch Trustee) and Steve Costie (Mountaineers Executive Director) be the signatories on the Bellingham Branch financial accounts at Bank of America. The motion was seconded and passed on a voice vote.

Marty then made a motion that Matt Vadnal (Everett Branch Chair), Don Heck (Everett Branch Treasurer), Rob Simonsen (Everett Branch Trustee) and Steve Costie (Mountaineers Executive Director) be the signatories on the Everett Branch financial accounts at Washington Mutual. The motion was seconded and passed on a voice vote.

Marty then made a motion that Mike Garrick (Olympia Branch Chair), Elaine Fischer (Olympia Branch Treasurer), Henry Romer (Olympia Branch Trustee) and Steve Costie (Mountaineers Executive Director) be the signatories on the Olympia Branch financial accounts at Key Bank. The motion was seconded and passed on a voice vote.

Marty then made a motion that Ed Lansing (Tacoma Branch Chair), Gordon Wiggerhaus (Tacoma Branch Treasurer), Tom Shimko (Tacoma Branch Trustee) and Steve Costie (Mountaineers Executive Director) be the signatories on the Tacoma Branch financial accounts at Key Bank and Merrill Lynch. The motion was seconded and passed on a voice vote.

VII. Unfinished Business

A. Strategic Planning Retreats Update - Jim Burke / Bill Deters

Bill announced that the retreat would be held on April 23, 2006. The purpose would be to articulate the vision of the Club. Board members and branch chairs are invited. He suggested that the retreat concentrate on a small number of high-priority items. As to Board Policy 312, Strategic Planning Committee, Bill sought volunteers to meet weekly to approve the people on the committee and possible changes in committee membership. Bill asked for discussion as to whether a representative from books was needed on the committee. Helen Cherullo opined that a Books representative on the committees was not needed.

B. Board Policy 312: Strategic Planning Committee - Bill Deters

Bill made a motion that Board Policy 312 be modified as follows. The motion was seconded and passed on a voice vote.



Board Policy Manual

Section: 300 COMMITTEE CHARTERS
Subject: 312 Strategic Planning Committee

General Statement	It is the policy of the board that the club undertake an ongoing process of long range strategic and business planning in order to identify and respond to club-wide strategic issues, forecast demand for club resources and identify appropriate funding sources.
Reference	Policies and Procedures #401, August 6, 1987 Board Minutes, November 6, 1986 Strategic Planning Meeting, October 29, 1994
Committee Type	Board
Membership	As appointed by the Board See Attachment.
Chairperson	President or committee member appointed by President
Term of Service	One year
Functions	Develop and implement overall long range planning framework. Coordinate and integrate planning efforts by club divisions. Recommend formation of ad hoc committees, as needed, to study and resolve specific planning issues. Prepare for board discussion and approval, a club-wide strategic plan. Monitor club progress against strategic plan and report to board. Update strategic plan as needed Identify and discuss specific strategic planning issues as needed. Determine agenda for Board Strategic Planning retreat.
Meeting Times	As needed



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Attachment – Membership

On March 2, 2006, the Board approved the following membership:

James T. Burke

William E. Deters

Lynn E. Hyde

Martin F. Jordan

Larry Ingalls

Martin Mehalchin

Thomas M. Shimko

Michael W. Shurgot

Mona West

C. Marketing Committee - Steve Sears - Facts, Priorities, Action Plan
Mona West presented the results of a study of Club membership and a suggested marketing plan. The information presented included consumer targets, competitive set, positioning, brand personality, life cycles of members, marketing plan summary, where to focus resources and near term initiatives, among other items.

D. Executive Session - Jim Burke

1. A motion was made to enter Executive Session. The motion was seconded and passed on a voice vote.
2. After entering executive session, motion was made to remain in Executive Session. The motion was seconded and passed on a voice vote.
3. After discussion was concluded, motion was made to exit Executive Session. The motion was seconded and passed on a voice vote.

E. Magnuson Park Lease / Building Sale Approvals - Jim Burke

1. The New Facility Construction Committee (NFCC) presented an update and recommendations.
 - a. The lease went before the PELL committee yesterday, and it was approved and passed onto Seattle City Council, and approval was expected Monday.
 - b. The current purchase & sale agreement expires on March 15, 2006. A written offer has been received to continue the offer for one more month. The continuance of the additional donation is unknown. Books is interested in moving into the lower floor of the Magnuson Park building. Such a move would save \$1M over the next ten years. The construction cost estimate has been refined to an estimated \$2M.
 - c. The NFCC recommended that the Board go forward with the sale of the current building and sign the proposed lease agreement with the City for the Magnuson Park Building.
2. A codevelopment information session was presented by representatives of Lori Associates and Mithan.
3. Questions and answers from Board members ensued.
4. Rick Anderson made a motion that the Board authorize the President and Executive Director to sign the lease agreement for the Magnuson Park building. The motion was seconded. Discussion ensued, but no vote was held.
5. Mary Lynch made a motion that the motion to sign the lease for the Magnuson Park building be tabled. The motion was seconded. Discussion ensued.
6. Bill Deters made the motion that the Board appoint a study group to evaluate how the co-development and Magnuson proposals fulfill Club

needs. The purpose of this evaluation is to provide information to the Board in their decision making process. Membership to be Gary Knudsen (leader), NFCC members (as appointed by the NFCC Chair), Don Preston, Mary Lynch and Marty Jordan as be board liaison. The group will present their evaluation to the Board at their next meeting. The motion was seconded. Discussion ensued and Don Heck offered a friendly amendment that the evaluation be completed and ready for the Board packet the Friday before the next Board meeting. The friendly amendment was seconded and passed on a voice vote. The question was called, seconded and passed on a voice vote. The motion to appoint a study group passed on a voice vote.

7. The question was called on the motion to table the motion to sign the lease for the Magnuson Park building for one month. The motion to call the question was seconded and passed on a recorded vote. Voting in favor were Bill Borden, Bill Deters, Brad Gibson, Don Heck, Henry Romer, Jim French, Marty Jordan, Mary Lynch, Patti Polinsky, Rick Anderson, Rob Simonsen, Ron Eng, Steve Cox, Steve Glenn, and Tom Shimko. There were no votes against.
8. The vote on the motion to motion to table the motion to sign the lease for the Magnuson Park building for one month was held on a recorded vote. Voting in favor were Bill Borden, Jim French, Marty Jordan, Mary Lynch, Patti Polinsky, Rob Simonsen, Scott Eby, Steve Glenn & Steve Sears. Voting against were Bill Deters, Brad Gibson, Don Heck, Henry Romer, Rick Anderson, Ron Eng, Steve Cox & Tom Shimko. The motion to table passed nine for, eight against.

VIII. New Business
A. None.

IX. Committee Reports
A. None.

X. Program Reports

A. Division Reports

1. None.

B. Branch Reports

1. None.

C. Foundation Report - Paul Robisch

1. None.

D. Good of the Order

1. None.

E. Adjourn

1. It was moved and seconded to adjourn. The motion passed on a voice vote.

The meeting was adjourned at 11:00 PM.

Respectfully,

Brad Gibson, BoT Secretary