

THE MOUNTAINEERS
MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES (BoT)
August 3, 2006

Board Members Present:

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

Trustees At Large:

Rick Anderson (left @ 10:30 p.m.);
Steve Cox;
Dale Flynn;
Eric Linxweiler;
Patti Polinsky;
Mona West;

Trustees from the Branches:

Steve Glenn - Bellingham;
Mary Lynch - Snoqualmie Foothills;
Henry Romer - Olympia;
Steve Sears - Seattle;
Tom Shimko - Tacoma
Rob Simonsen - Everett (left @ 10:30 p.m.);

Absent:

Jim French;
Ken Hahn;
Jimmy James - Kitsap;

Others Present:

Helen Cherullo, Publisher;
Steve Costie, Executive Director;
Brian Horstman, Controller.
Paul Robisch, Foundation;

Members of the Audience:

Approximately ten members of the audience attended the meeting.

- I. President Bill Deters called the meeting to order at 7:00 PM in the Pinnacle Room of the Mountaineers, 300 Third Avenue in Seattle WA.
- II. The agenda was approved as published, after much discussion by Mary Lynch and Patty Polinsky on the merits of considering approval of the December, January and February, 2006, meeting minutes. Secretary Brad Gibson commented that unless the meeting minutes were on the agenda, we could neither talk about them nor postpone their consideration for approval to a subsequent BoT meeting.
- III. The June, 2006, meeting minutes were approved as amended. Approval of the December, January and February, 2006, meeting minutes was continued to the September, 2006, BoT meeting as two board members (Lynch & Polinsky) complained that they had not had enough time to review the meeting minutes. [Note: The meeting minutes in question were provided to the BoT on the Monday prior to the Thursday meeting].
- IV. Consent Agenda
 - A. Craig Rowley was appointed as the Nominating Committee Chair.
 - B. Don Heck was appointed as a member of the Nominating Committee.
 - C. Tom O'Keffe was appointed as the Recreational Resources Committee Chair.
 - D. Steve Johnson was appointed as the Outings Coordinating Committee Chair.
- V. Officer Reports
 - A. President's Report:

Bill Deters reported the Board Strategic Planning meeting will be held on November 11, 2006. He reminded the Board of the September 30, 2006, President's Work Party on the Iron Goat Trail. In response to a question regarding the President-elect vacancy, Deters replied that he had approached three potential candidates who all declined and that currently he is not looking for anyone. He stated that the candidate has to be someone that he can work with. He provided the trustees with a copy of *Appalachian Mountain Club: Transforming Governance*, a report prepared by the Harvard Business School. He asked the trustees to read the report which describes how the AMC, which had been having board difficulties somewhat similar to those of The Mountaineers, transformed itself.
 - B. Executive Director's Report:
 1. As previously requested Steve Costie provided the Board with a written report which was similar to the report provided in June.
 2. The Banff Film Festival will be held November 29 through December 1, 2006.
 3. Costie expects to have a Magnuson Park Building 67 lease signing ceremony with Seattle Mayor Nickels sometime in September, 2006.

4. The August Routefinder is out and has been well received by the membership. He anticipates the role of email communication with the membership to expand in the future, as recommended by the Marketing Committee.
5. The club has had several significant accidents from mid-March through late July, with a host of secondary near-miss incidents.
6. The focus of *Crossing the Glacier*, a film that was to chronicle the club's 100 year history, has been changed by the producers to cover the interesting history of Northwest climbing as a whole. The Mountaineers will be featured in the film, but will not be the main subject of the film.
7. Costie reported that he and Rich Barringer have been working on creating a panel discussion to discuss the ethics of climbing on Everest as a result of the recent let-them-die-as-we-pass-by incidents. The panel will convene on January 11, 2007. Featured panelists will include Dan Mazur, who rescued Australian climber Lincoln Hall; Eric Simonsen; Tom Hornbein; and Michael Kennedy, former editor of *Climbing Magazine*. This will be a major event with media interest and commercial sponsorship.
8. Costie reported that during discussions with the Club attorney LaVerne Woods he was informed that numerous 501(c)(4) organizations are being scrutinized as to whether they qualify for that status. Costie emphasized that for an organization, such as The Mountaineers, to qualify for the 501(c)(4) tax status it has to look outward, because it does not qualify if it is strictly membership oriented and does not benefit the public.

C. VP of Publishing's Report:

1. Publisher Helen Cherullo reported that June sales were \$38,000 above the goal which is a 10% growth over plan and 7% growth over the prior year. The month benefitted from the arrival of Arctic Wings , the lead spring title. Cherullo stated that the strong June sales have helped close the year-to-date sales shortfall from plan.
2. VP for Publishing Don Heck complimented Books staff for its very favorable Accounts Receivable Trade.
3. Cherullo announced a major change in the Washington 100 Hikes Series. With the passing of Ira Spring in 2003, and the declining interest expressed by coauthor Harvey Manning, beginning in Spring, 2007, Books will start publishing a new line of hiking guides with a new group of seasoned authors. The goal will be to create a better, easier to use guidebook that will encourage new hikers and foster existing participants to enjoy the freedom of the hills. By Spring of 2009, there will be five new day hiking guides and one backpacking title for the Cascades and Olympics. As the new guides are released

the respective 100 Hikes book will go out of print; only 100 Classic Hikes in Washington will remain in print.

D. VP of Rec. Properties' Report:

Scott Eby reported that the Snoqualmie Lodge cleanup is in progress. Once all the burned out debris has been removed the property can be made available for use. He stated that the Snoqualmie Committee has submitted an FY 2007 budget for the use of the property without a lodge. He also stated that Meany Lodge will be having a wine tasting event and is also planning for some family activities.

E. Secretary's Report:

Brad Gibson stated that the December 2005, January 2006, and February 2006, back Board minutes are as complete as he can make them without constructive input from BoT members who attended those meetings, since he was not in office at those times. He also pointed out that the election of the currently presiding officers and all other actions taken by the BoT were unofficial and subject to challenge until the meeting minutes were approved. The major items missing are the attendance rosters for the January and February meetings. Gibson pointed out to the Board that he has been Club Secretary for 5 months and has prepared 10 sets of minutes. President Bill Deters commented that the BoT *will* spend as much time as is necessary to approve these meeting minutes at the next BoT meeting, so all Trustees should be prepared to put in as effort as is needed to get these meeting minutes approved between now and the next meeting.

F. Treasurer's Report:

1. Brian Horstman, Controller, stated that Club membership as of June 2006, is 10,822 vs 11,682 in June 2005, for a decline of 7.4% over the one year period. Membership in April 2006, was 11,080. Figures for the individual Branches were not provided. Total dues and initiation fees year-to-date are \$558,000 compared to budget of \$602,000 and \$514,000 last year.
2. Although the Husband bequest to the Club was intended to be for conservation activities, the actual wording was broad enough that it could be used for other things. It will require a motion by the Board to designate the Husband bequest solely to conservation. Foundation President Robisch stated that it is very important that the intent of donors be carried out in an up-front and visible manner because future donations will dry up if it becomes known that the intent of donors is not necessarily followed. Treasurer Jordan stated that the Husband funds are currently in the Conservation Reserve Fund.

VI. Unfinished Business

A. Budget Report

1. Treasurer Marty Jordan presented the proposed FY 2007 Club budget. He emphasized that no vote would be taken on the budget at this meeting. Highlights of the proposed budget are:

- a. A membership drop rate of 8%;
 - b. A \$1.84 dues increase;
 - c. No dues support for the Public Policy staff position;
 - d. Elimination of the room rental business; and
 - e. Transferring the 4.5% interest income from the building sale investment fund to the operating budget. There was considerable discussion on items b through e.
2. Mona West, Marketing Committee Chair, strongly advised not having a dues increase in 2007, and felt strongly enough about this advice that she offered to decrease the marketing budget by the same amount that the dues increase would generate.
 3. Several people emphasized that many of the inactive members continue their Club membership primarily because they believe that some of their dues money goes to the Conservation Division. Jordan countered that he believed club conservation efforts could be more viable without dues support and that there simply is not enough dues money to go around. It was suggested that the premium for the liability insurance be transferred from dues to the activities that generate the liability which would free up dues money for the Public Policy Assistant.
 4. The wisdom of eliminating income from room rentals during a year when the Club would not be paying the overhead on the building because it will be owned by John Goodman was questioned. Jordan countered that because the room rental business has been steadily declining it would cost more to maintain the room rental staff than what the rentals would bring in.
 5. Many trustees and officers were vehemently opposed to using the income from the building sale investment fund for operations because they felt that it would be a betrayal of members' trust in the BoT. These opinions were expressed to arise because of responses to inquiring members from the BoT regarding how the proceeds from the sale of the Seattle clubhouse would be used by the club.
 6. It was suggested that money could be saved by making the *Go Guide* portion of *The Mountaineer* electronic.
 7. Treasurer Jordan stated that he understood the concerns expressed about the draft budget, and would present several different options to the BoT at the next meeting.
 8. The Board will vote on the FY 2007 Budget at its September 7, 2006, meeting.

VII. New Business

- A. Safety Committee Report (given out of sequence near the beginning of the meeting)

Chair, Dan Lauren, presented the Board with a Safety Committee (SC) update. The SC was formed in May and contains members from each Club Branch. The SC has started a

formal collection of accident data with the goal of tracking all incidents involving Search & Rescue (SAR), hospitalization, as well as anything else leaders report as an "incident." Lauren noted that less serious incidents are not always reported. He also stated that the SC is currently at the measurement and discussion stage and that the accident information is being well received by the Club leaders. Because these data have never been seen before it is having a powerful impact. As of August 1, 2006, the SC has identified sixteen incidents which involved nine SARs, eight hospitalizations, and one fatality. Seven of the incidents involved snow travel, four rock climbing, four field trips, and a person being lost overnight. The SC is assuming that accidents on club sponsored trips have been under reported in past years.

B. Amendment of BP 501

1. Steve Sears, Seattle Branch Representative, recommended amending BP 501 from its current: . . . *The election shall be by printed secret mailed ballot . . .* to read . . . *The election shall be by secret, individually printed, individually mailed ballot . . .* Sears stated the rationale behind the proposed policy change is that voter participation had been averaging about 11% from 1999 to 2003, but when the ballot was printed in the *Go Guide* in 2004, and 2005, voter participation dropped to 3.7% and 4.5%, respectively, with the implication that the drop is due to the ballot being printed in the *Go Guide*. Robisch, who counted votes in 2004, and 2005, suggested that the significant drop in participation could be due to the failure of the *Go Guide* ballots to provide adequate voter privacy. He noted that both the 2004, and 2005, ballots had the identification of the voter on the ballot itself instead of on the outside of an envelope.
2. Steve Sears made a motion that BP 501 be modified and the motion was seconded. After discussion and a successful call of the question, the motion failed on a show of hands (4 yes to 9 no). However, it was the majority opinion that steps need to be taken to ensure a higher voter participation in the 2006 election. It was also emphasized that along with privacy of the voter there had to be assurances that there could be no ballot-stuffing. Costie stated that he, staff *Go Guide* editor Brad Stracener, and Secretary Brad Gibson are developing the procedures for the 2006 election.

VIII. Committee Reports

A. New Facilities Construction Committee (NFCC)

1. NFCC Chair Rick Anderson left the meeting @ 10:30 p.m. before the report was given. However, his written report stated that:
 - a. Project programming is 100% complete;
 - b. Design team selection is to be finalized in August and that four groups have submitted proposals and have been interviewed;

- c. A lease signing ceremony with the Seattle Mayor and City Council will be held in Magnuson Park in early fall;
 - d. The schematic design has been started and will be completed by September, 2006;
 - e. Permit processing will start in November, 2006;
 - f. The Purchase and Sale Agreement for the Seattle Clubhouse has been executed and the contingency period ends November 1, 2006, but the purchaser will extend if necessary.
 - g. The new target move in date is October 1, 2007. [Note: During the discussion of the FY 2007 budget, Anderson stated the move in date more likely to be Spring 2008.]
2. There was some discussion regarding the lack of availability to the Board of a written copy of the 2nd amendment to the Purchase and Sale Agreement that was approved by the Board in May, 2006. President Deters said that he considered it to be proprietary information because negotiations are still ongoing. It was questioned how the Board could vote on something that it had not seen. Mary Lynch made a motion that the NFCC be required to provide a copy of the 2nd amendment to the Agreement to the BoT. Patty Polinsky seconded. After a successful call of the question, The motion failed on a show of hands (three trustees voted for the motion).

B. Nominating Committee (NC)

1. Don Heck, reporting for NC Chair Craig Rowley, presented nine candidates for the six open Board positions: Karl Brackmann, Lynn Hyde, Eric Linxweiller, Gail McClary, Sabrina Oesterle, Henry Romer, Don Schaectel, Eva Schoenlietner, and Mona West. Heck stated that the Bylaws allow three additional candidates to be nominated from the floor at the Club's Annual Meeting on September 13, 2006. [Note: Linxweiller, Romer and West are currently serving on the Board.]

IX. Reports

A. Division Reports

1. Conservation

Conservation Division Chair Mike Shurgot provided the Board with a written Operating Plan for Conservation Division for 2007. Because the hour was approaching 11 p.m. the discussion on the report was brief.

B. Branch Reports

1. Olympia

Branch Representative Henry Romer expressed his opinion that the recent practice of publishing election ballots in the *Go Guide* have resulted in dismal failures in voter turnout.

2. Seattle

Branch Representative Steve Sears reported that their financial position is fine. He reported that the Back Country Ski Committee is leaving the Seattle Branch because they do not approve of the BoT decision to sell the current Seattle Clubhouse and move to Magnuson Park. [Note: Their destination is unknown.] Sears also reported that a Seattle Branch committee chair and his wife will not renew their club membership because the BoT voted to thank Rick Anderson for his service to the club.

3. Tacoma

Branch Representative Tom Shimko also expressed his dissatisfaction with having ballots published in the *Go Guide*.

4. Snoqualmie Foothills

Branch Representative Mary Lynch reported that a recent presentation by Tom O’Kief regarding his recent trip to China resulted in a great turnout.

C. Foundation Report

1. Foundation President Paul Robisch reported that he plans to be in contact with President Deters, Treasurer Jordan and Executive Director Costie regarding Foundation funding for the Library. Two years ago Executive Director Steve Costie requested the Foundation to fund the Library for three years to allow the Club time to get its financial house in order. The Foundation has funded the Library for two years and is preparing to fund it for a third year. The Foundation has provided this funding in good faith with the understanding that after three years the Club would once again be able to provide financial support for operating its outstanding Library. However, after listening to tonight’s budget discussions, it is not at all clear that the Club will be able to provide operational funding for the Library in FY 2008. On a positive note the Library was included in the Administration Units Cost Center which is supported by dues.
2. At the September, 2006, meeting members of the Foundation Board are almost certain to ask the question: Does it make fiscal sense for the Foundation to fund the Library for FY 2007 if it is going to be financially abandoned by the Club in FY 2008? I am hoping that President Deters, Treasurer Jordan and Executive Director Costie can provide me with some information to address this question before the September 12, 2006, meeting of the Foundation Board.

X. Good of the Order

- A. Patty Polinsky said that there will be an author signing on a book about hiking in the Northeast in the near future

Also, Mushroom Weekend at
Meany Lodge is coming up at the end of October.

XI. The meeting was adjourned at 11:05 PM.

Respectfully,

Brad Gibson, BoT Secretary