

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

Port of Silverdale
Minutes of Regular Meeting
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1. CALL TO ORDER

Commission Chairman Ed Scholfield called the meeting to order at 7:00 PM in the Port office. Also present were Commissioner Henry Aus; Commissioner Caleb Reese; Attorney Phil Best; Administrator Theresa Haaland; Attorney Phil Havers. Others were in attendance prior to the meeting being called, but were informed Executive Session was early on the agenda.

At 7:01PM it was announced the meeting would be going into Executive Session for approximately twenty minutes to discuss litigation.

At 7:27PM the meeting returned to Regular Session.

Attorney Havers thanked the Commissioners for their time.

Those now in attendance included Commissioners Scholfield, Reese and Aus; Attorney Best; Administrator Haaland; Tim Knapp and Lee Knapp of TIKAR Services; Bridget Burke of Clam Island Rowing (CIR); John Bouck and Steve Trunkey of Kitsap Sailing and Rowing Foundation (KSRF); Carla Larson of the Silverdale Dandy Lions; Roy Sahali of Sahali Farms; Laurie Aardal of Hui Heihei Wa'a Canoe Club; and Silverdale resident Marvel Hunt.

Agenda – *the agenda was approved as submitted* (motion by Aus, second by Reese, unanimous).

2. CONSENT AGENDA

2.1. *The September 19, 2019 Regular meeting minutes were approved as submitted* (motion by Reese; second by Aus, unanimous).

3. **EXECUTIVE SESSION** was covered prior to the consent agenda.

4. PUBLIC COMMENT –

4.1. Christmas tree lighting – Carla Larson provided a draft layout of the Silverdale 65th annual Christmas Tree Lighting celebration. She asked if the Commissioners would consider making a minimal donation to the festival as well as provide the fire pit as in years' past. She already has a donation for the wood for the fire pit. *It was agreed to donate \$30.00 to the Silverdale Dandy Lions to help cover the costs of the 2019 Christmas tree lighting celebration and provide the fire pit for a bon fire during the celebration* (motion by Aus; second by Reese; unanimous).

4.2. Hui Heihei Wa'a canoe club member Laurie Aardal said that the club really appreciates the Port allowing them to store their new canoe along the fence on the south side of 3215 Lowell Street. On November 2nd they will be moving two of the three canoes to Mitchell Lumber for winter storage. She said that the club would ultimately like to secure storage space in the Old Town area to house their forty-foot canoes with trailer accessibility, so they are very interested in being included in the Port's long-range plans.

5. UNFINISHED BUSINESS

5.1. Port Programs

a. Sailing – Tim reported that the sailboat float and the boat launch handling pier are scheduled to be removed on October 29th. Steve Trunkey said that they are planning a regatta on November 2nd and 3rd. John Bouck explained that it is much easier and better if the handling pier is available for the regatta. Tim said that he would like to get them out on October 29th.

b. Rowing – Bridget Burke explained that she met with Tim at the fenced area behind the OTP, which will now be referred to

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

as the boatyard, and they roughly mapped out the area of where the shells and equipment will be placed. She said that one of the members is a landscape architect and provided a drawing of the layout. It was reviewed. The longest rowing shell is approximately sixty feet long by six feet wide so it will be a tight fit, but it will work thanks to some out of the box feedback from Tim. They do have an issue of where to place the program's storage shed, which is used to house all of the tools and the rowers' personal items when they are out on the water. Ms. Burke asked if it could be moved behind the Kitsap Art studio. Commissioner Scholfield said no because it would impede on the art studios parking, but they could use one of the parking stalls behind the pub. Ms. Burke said that using one of the stalls behind the fenced area would actually work great. She added that although the move is going to be a bit burdensome, overall it is really good because it gives CIR even more room to grow and they won't have to cross a road to get to the water. She said that she is not sure when they will be moving from rowing alley to the boatyard. She originally thought they would move the first week in November, but that is quickly approaching and she needs to make sure all the details are worked out and the drawing is updated so that everyone is on the same page and it all works out on paper. She will e-mail the Port office the updated drawing for the Commissioners and Tim to review.

The lease between the Port and KSRF and CIR was discussed. It was explained that when there was discussion of the Port taking over the programs, the Port had paid the Leasehold Excise tax on behalf of KSRF and CIR and the leases were not renewed. The total paid to Washington State Department of Revenue for the sailing equipment totaled \$1,497.50 and for the rowing equipment \$1,067.50. This covered the timeframe from 2014 through 2018. In order to proceed with taking over the programs the Port needed to

receive an exception from the Kitsap County Treasurer allowing funds to be deposited weekly rather than daily. The Treasurer was hesitant about granting an exception but said she would consider it once the Port had answered several of her questions and requests. The Port had a limited amount of time to be granted the exception and it was impossible to complete the items the Treasurer had required in time. There was also uncertainty if once all the questions were answered and requests fulfilled if the Treasurer would accept them and grant the exception, so it was decided to have KSRF and CIR run the "Port" programs as volunteers. Come to find out, if these are actually Port programs then the Port needs to be in charge of all the funds related to the programs, which is not the case. Commissioner Scholfield said that KSRF and CIR need to reimburse the Port for the leasehold excise tax that was paid to the State on their behalf and a new lease needs to be generated and entered into all by the end of the year. The programs non-profit status was discussed and it was questioned why one of the Port tenants, that is a non-profit, is exempt from paying leasehold excise tax. Phil said that the difference is real property verses personal property. Commissioner Scholfield suggested the Port be responsible to maintain the equipment. Mr. Trunkey said that they spend thousands of dollars a year on maintaining the boats and equipment not to mention all of the volunteer hours included with that. He provided a list of their maintenance costs throughout the past several years. Carla Larson asked if they could be retroactively reimbursed for those costs since the Port is responsible for maintenance. It was agreed that the Port would be responsible for the maintenance of the motorized boats including motors and trailers. In exchange KSRF and CIR would be responsible to continue to maintain the fleet of sailboats and rowing shells and equipment. It was thought that if KSRF and CIR could provide all of the 2019 receipts

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

for maintenance on the safety boats, motors and trailers, the Port could reimburse them for those costs. Commissioner Scholfield said that they also need to follow a safety checklist prior to driving off with a boat and trailer. He will send a link for the equipment safety checklist. Phil will update the lease to include a provision about maintenance of the motorized safety boats, motors and trailers. He will also see if a maintenance reimbursement can be made retroactively.

Mr. Turnkey, Mr. Bouck and Ms. Burke thanked the Commissioners for their time and consideration. Ms. Burke mentioned that the Port's webcam is very popular.

4.2. Port Facilities

a. Department of Natural Resources (DNR) – Phil e-mailed Don Olmsted the proposed updated outer-water boundary map. Mr. Olmsted has yet to respond.

b. Dredge – An e-mail from Meg Amos of Marine Surveys and Assessments (MSA) dated October 9, 2019 was reviewed. It informed the Port that an informal appeal hearing for the dredge is scheduled for November 8, 2019 at 9:00AM via teleconference. A group called Sound Action filed the appeal and had several concerns which were outlined within the e-mail. Ms. Amos had drafted her responses to the concerns and seems confident that they will prevail.

c. Sailboat (WN6823JF) – Phil explained that he needed a little more time to process the boat as he wants to double check the legalities prior to putting it up for sale. Periodically individuals call the Port office asking about the boat as they are interested in possibly purchasing it. A list of their contact information has been created. Commissioner Scholfield said that the boat is currently dry.

d. Benches – Phil explained that he made the corrections to the Request for Quotations (RFQ) for the benches and re-sent the RFQ to the two businesses: Rory's Custom LLC and TIKAR Services LLC. Estimates from both were attached to the agenda packet and reviewed. Rory's estimate came in at \$22,041.65 and TIKAR's totaled \$21,255.00 both included tax. Phil explained that Rory's submitted their first estimate but it didn't include the wood for the benches, so Phil called them to inform them that they should include the wood so that the Commissioners can view similar estimates as outlined in the invitation. They did resubmit an updated estimate within the deadline. *It was agreed to award the bid to the low bidder, TIKAR Services LLC* (motion by Aus; second by Reese; unanimous).

e. Port Rules and Regulations Policy – Nothing to report

f. Electrical Repair – Bainbridge Island Electric was asked to resubmit the contract to reflect 30AMP service to the damaged pedestal at the floating moorage facility. The new contract was reviewed. Bainbridge Island Electric was informed that prevailing wage must be paid. They replied that an Affidavit of Intent to Pay Prevailing Wage will be filled with the State. *It was agreed to accept Bainbridge Island Electric's Contract #VPE09261901 preferably with the first option at \$1,750.00 plus tax but if needed the second option at \$1,900.00 plus tax* (motion by Reese; second by Aus; unanimous).

g. Sea Plane Crash Expenses – a second letter dated September 27, 2019 was mailed certified return receipt requested to Mr.

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

Gotschall, the pilot that crashed his seaplane into Dyes Inlet last month. The form showing that he signed for the letter has not yet been received from the Post Office. Commissioner Scholfield requested a letter be sent to Central Kitsap Fire and Rescue (CKFR) requesting reimbursement to the Port for the costs it incurred in removing the plane debris, since the Port performed the work on their behalf and at their request.

h. Eagle Scout Life Jacket Loaner Station Project on Pier – Jack West had e-mailed the Port office asking about details for a kiosk that will inform the public about the life jacket loaner program. The Port has an extra informative sign from the station near the boat launch. A photograph of that sign was e-mailed to Mr. West and he was asked to contact Port staff to set up a time for him to come in and take measurements of it. Tim said that he has reached out to Mr. West, but hasn't received a response.

i. Pier – John Kuntz of Olympic Outdoor Center (OOC) was notified of the costs to remove the board. He has since reimbursed the Port the \$50. He was also notified of another issue that recently came up when a boater moored his boat in the area near the end of the gangway where OOC had attached a kayak assist bar to the Port's floating dock. It looks as though when the bar was removed the wood must have just been pulled off leaving the screws sticking out and when the boater tied his boat in that area the remaining screws damaged his boat. Commissioner Scholfield was on the docks when it happened and he told the boater he needs to take this up with OOC. Phil said that Enduris should be notified that the Port may be included in a claim as the

damage happened while the boat was moored at the Port. It was thought the screws may still be there. Tim plans to check on it. OOC submitted the annual report for the summer of 2019. It was reviewed. Commissioner Reese found it interesting that within the report it stated that they had received a complaint about the paddleboard support board and that they dealt with it in an expedient manner, yet the Port ended up having TIKAR remove the board after it still remained there over a month after requesting OOC to remove it.

j. Boat launch handling pier – scheduled for removal on October 29th as previously discussed.

5.3. Port Properties

a. 9020 Washington Avenue/Elizabeth's House of Wax – the sewer line connection to the existing outlet is tabled until the County's Bayshore/Washington Improvement Project is underway.

b. 9004 & 9020 Washington Avenue/DRC & Elizabeth's House of Wax – Quality Coating Enterprises was e-mailed the Notice of Award and Contract. They have since power washed the building. It is unknown when they plan to paint, but are more than likely waiting for a window of dry weather.

c. 3330 Lowell/Sugar Studios – when the tenant came into the Port office to drop off her rent check, she voiced her concern about the thick mud behind the neighboring building – 3332 Lowell. It was acknowledged that it is continually wet and mucky in that area.

d. 3423 Byron/Old Town Massage – when the tenant came into the Port office to drop off her rent check, she explained that she would

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

like to have a wall installed in the larger room, making it two smaller work areas. The Commissioners requested that the tenant first provide the Port with the plans for approval. After that tenant would be required to hire MTV Home Repair to apply for the necessary permits and complete the project. Tenant would be responsible for all of the costs.

e. 3473 Byron/Old Town Pub – the sign bracket still remains on the building and is believed to be secure. Dan Sullivan of J. D. Sullivan Investments stopped by the Port office and asked about the future of the OTP. He is planning to attend the November meeting to further discuss.

5.4. Release of Easement – Phil explained that this is not actually a release of easement. It was suggested the title be changed to Easement. He has been e-mailing with County personnel the request to vacate the alley. The County is requiring a sixteen-foot utility easement. Phil noticed that the other County utility easements on Port property are fifteen feet. He has since asked them to reconsider with a fifteen-foot easement to make it all uniform with what is already in place and since the Port wants to have the most optimum area possible for future development. A map showing the proposed changes was reviewed. The County will not approve the vacation without the easement in place, so the Port may be required to accept the sixteen-foot easement, but it is hoped they will reconsider.

5.5. Paving of alley – the Notice of Award Public Works Contract was sent to Lakeside Industries. They returned the signed contract. ***It was agreed to sign and accept the contract with Lakeside Industries for the paving of the alley and***

parking area east of Washington Avenue between Byron and Lowell Street (motion by Aus; second by Reese; unanimous). Phil reported that Lakeside has already provided the Affidavit of Intent to Pay Prevailing Wage and proof of insurance. He explained that he may have to amend the contract as it currently states the work must be completed by November 30, 2019, but he is in the process of applying for the permit and the County may require an additional stormwater permit due to the amount of square footage being paved. Phil will keep the contractor up to date on the permit status.

5.6. Comprehensive Plan – Kathleen Byrne-Barrantes has been working on updating and making some changes to the draft comprehensive plan that Rice Fergus Miller has prepared. She included a Capital Improvement Program (CIP) outline, which was reviewed. Phil said that Ms. Byrne-Barrantes made some good additions to the plan including this CIP. He questioned if the 2020 Preliminary Budget, as prepared, would line up with the amounts listed in the CIP. Tim explained that there was an old concept about having an open aired market along the strip of land on Byron Street that the Port owns; the OTP and adjacent properties. Commissioner Scholfield said that he thought something of a similar concept would be more towards the grassy area with glass windows on the bottom floor to lessen any obstruction of the view. Commissioner Reese said that Mark Hughes is on the Board of the Central Kitsap Community Council (CKCC) and he asked if the Port could make a presentation of the comp plan during the council's December 4th meeting. It was agreed that by December 4th the draft should be pretty complete, so yes that would be

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

doable. Commissioner Reese will plan to make the presentation.

Marvel Hunt had dropped off a letter to each of the Commissioners within the month. The Commissioners were given the letter prior to the meeting. Within it, Ms. Hunt outlines concerns she has with Phil's role with the Port. She explains that Phil had reached out to the original Citizen's Advisory Committee (CAC) for feedback on the draft comp plan. Phil didn't receive a response from anyone and according to Ms. Hunt he announced at the September 19th Port meeting that no one responded so he took that as no one had anything to say. The month prior it was announced that there would be one more meeting with the CAC, but Ms. Hunt thought that since Phil said no one had anything to say that another meeting would not be called, which disturbed her. She ended the letter explaining that she is concerned of the appearance that Phil is running the Port not the elected officials. She asked the Commissioners to step up and take full control. Start inviting the public in by following up with committees, follow through on projects and advertise the meetings in the local paper. Phil said that he is not and was not against having a final CAC meeting. He thought the committee members should be invited to the upcoming Port meeting and be brought up to speed on the comp plan. He realizes all the committee members spent many hours attending meetings to get to this point. Commissioners Scholfield and Reese suggested a separate meeting be held just for the committee members so that they can have the necessary time to ask questions and discuss everything. Phil said he fully agrees and suggested a Special Meeting be called so that all three

commissioners can attend. It was agreed to hold a Special Meeting on November 19, 2019 at 4:00PM at the Port office. The CAC will be notified and encouraged to attend.

5.7. Grant Funding – once the Comprehensive Plan is complete, but prior to adoption, it will be sent to the Recreation Conservation Office (RCO) for input.

5.8. Pump Station 3 – Commissioner Scholfield, Phil and Theresa met with Steve Rice of Rice Fergus Miller (RFM). He was asked to expand the comp plan map to include the Monroe property and the Shore Place apartments. Mr. Rice asked if the Port would consider a proposal for a preliminary design of the pump station from RFM. He explained that this is something that will be necessary to move forward with grant funding and he has already completed some of the work as he began it when he first started working with the Port on the comp plan. The preliminary design covers the rough estimates for site work, permits, soft costs, etc. It's not the actual design of the project. It is something the Port could use to go out for bid for the design of the building. The proposal will need to be approved before Mr. Rice would move forward so he was asked to go ahead and submit it for review at an upcoming Port meeting. It was thought that if the proposal is accepted this will be an extension of RFM's current contract with the Port. RFM did bill the Port the final \$1,300 for the most recent changes/updates to the comp plan. The check is set to be authorized at tonight's meeting. During the meeting with Mr. Rice the bill was brought up and discussed with Mr. Rice. He was asked if RFM personnel spent all that time on the updates or if they just bill for the remainder of the contract. Mr. Rice

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

said there was no question that they did work all of the hours and offered to send an updated billing that includes the hourly breakdown.

5.9. Benefits – information from Airlift Northwest of Washington was provided. The annual cost for members is \$79, but members must have air medical transport benefits already in place. Commissioners and staff will verify that they have these benefits and this will be further discussed next month.

5.10. 2020 Preliminary Budget was reviewed. It was agreed that additional funds should be added to 774.00 Waterfront:774.60 Programs. Changes were made. *The 2020 Preliminary Budget was approved as submitted* (motion by Aus; second by Reese; unanimous). Notice will be placed in the local newspaper accordingly.

5.11. State Audit – a letter dated October 8, 2019 from Tammy Lane the Assistant State Auditor who performed the Port's audit was reviewed. The audit for fiscal years 2017 and 2018 is complete and the preliminary results will be shared with the Commissioners during the exit conference scheduled for Wednesday October 30, 2019 at 11:00AM at the Port office. There is a chance that all three Commissioners will be attending so it will be considered a Special Meeting and notice will be placed on the Port office door.

5.12. Purchased Services contracts and professional service contracts need to go out for bid soon. Phil explained that this is one of the main reasons he wanted to go to the Washington Public Ports Association (WPPA) Small Ports Seminar in Leavenworth as purchased service contracts are on the agenda

early Thursday morning. He plans to have this ready by the end of the year.

6. NEW BUSINESS

6.1. Tide Books – an e-mail dated September 20, 2019 from Ned Krilich was reviewed. He asked if the Port would be interested in purchasing tide books advertising the Port on the cover. It was agreed that it is just so much easier and convenient to view the tides via a cell phone. The Commissioners decided against advertising with the tide books.

6.2. Commissioner District 1 will be on the November ballot. Commissioner Reese is running unopposed.

6.3. WPPA – Commissioner Reese is interested in attending the New Commissioner seminar that is scheduled for November 19th and 20th in Tacoma. The WPPA registration fee is \$150.00. *It was agreed to authorize Commissioner Reese to attend the upcoming WPPA sponsored New Commissioner Seminar in Tacoma, WA on November 19 – 20, 2019* (motion by Aus; second by Scholfield; unanimous).

6.4. Old Town – a local business woman came into the Port office today and explained that she is trying to get Old Town to get festive by adding Christmas lights and decoration to their buildings. Commissioner Scholfield said that the Port did have lights on the building they were just removed so that it could be painted. New lights may need to be purchased. The woman was hoping lights could be installed along the streets and thought that may be the responsibility of the Port. She was advised to contact the County. She asked if the pier could be decorated with lights. Tim said that he has talked about adding some lights to the marker

Port of Silverdale – Minutes of Regular Meeting on October 17, 2019

pilings and now maybe the buoys. He will work on it. Tim explained that the caps on the pilings aren't the permanent ones yet. Years ago, a bolt of lightning hit one of the pilings and the cap went flying up in the air, it was incredible.

7. SAFETY/SECURITY

7.1. Trespass – Safe Security daytime patrol trespassed Lisa Sperry for one year as she was being erratic and showed aggressive behavior and refused to comply with the security guard's orders.

7.2. Incidents – Commissioner Scholfield reported that an individual was driving erratically and doing donuts in the Port's parking lot earlier today. Unfortunately, his license plate number could not be read.

Phil asked if the Commissioners needed to approve the Port's staff attendance at the upcoming seminar in Leavenworth. *It was agreed to authorize Port attorney, Phil Best, and Port administrator, Theresa Haaland, to attend the WPPA sponsored Small Ports Seminar in Leavenworth, WA on Wednesday, October 23rd, 2019 through Friday, October 25th, 2019* (motion by Aus; second by Reese; unanimous).

8. APPROVE EXPENDITURES & ELECTRONIC TRANSFER

The attached voucher approval totaling \$39,688.11, checks numbering 12214 through 12244 and Electronic Funds Transfer 2019-10 to the U.S. Treasury in the amount of \$1,997.78, were approved (motion by Reese; second by Aus; unanimous).

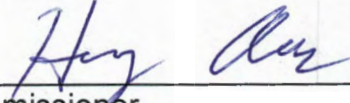
9. EXECUTIVE SESSION – None

Phil said that he is working on interrogatories on the Bayer claim.

10. ADJOURN

At 10:11PM the meeting adjourned (motion by Reese; second by Aus; unanimous).

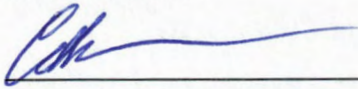
Approved:



Commissioner



Commissioner



Commissioner

