

MINUTES OF SILVERDALE PORT SPECIAL MEETING ON OCTOBER 12, 2021

Commissioner Reese called the meeting to order at 1:08PM at the Port office – 3550 NW Byron Street, Old Town Silverdale. Also in attendance were: Commissioner Kitchens; Commissioner Scholfield; Attorney Phil Best; Administrator Theresa Haaland; Julie Jablonski of Kitsap Sailing Foundation (KSF); John Kuntz of Olympic Outdoor Center (OOC); Carla Larson and Roy Sahali. Mary McClure facilitated the Strategic Planning portion of the meeting.

Strategic Planning for the Port Organization – Mary McClure explained that the first step was to lay out all of the aspects of the Port. A map of Port-owned properties and properties of interest was reviewed. It was explained that if/when tenants have an issue with a building, they call the Port office at which time, Commissioner Scholfield is called and either follows up on the repair and/or contacts Tim and/or Lee of TIKAR to complete the repair. It was explained that TIKAR used to just take care of the waterfront side of the maintenance, but when no other contractors but TIKAR bid on the building maintenance, TIKAR was awarded the contract. The contract includes TIKAR to respond within three hours to any emergencies on Port property. A boat and part of the dock caught fire recently and TIKAR was on the scene along with Commissioner Scholfield. Besides TIKAR the Port has a contract with Safe Security to provide nighttime patrol of the Port facilities and during the summer months a Safe Security guard is on duty acting as a “Port Host” on the weekends. The Port has two landscapers one is Ken Storm, who provides service at the 3215 Lowell Street property and some smaller jobs. Mr. Storm has also been directly hired recently by several Port tenants to provide them with landscaping services as required within their leases. The second contracted landscaper of the Port is His Hands Lawn Care Service, who take care of the property south of Byron Street. Phil explained that there are a few professional services contracts (appraiser, architect, grant writer). Phil has contracted his legal services to the Port for many years, but he explained that a lot of the work he has done is not primarily legal work. Phil plans to retire at the end of the year so this is significant. Ms. McClure asked if the Port provides any outreach programs to the community. The relationship between the Port and the Kitsap Sailing Foundation (KSF) and Clam Island Rowing (CIR) was discussed. Phil explained that the County gifted the program and equipment to the Port - Kitsap Sailing and Rowing Foundation (KSRF). Other than in the name, rowing wasn't part of the program at that time, but eventually grew into its own program and separated from KSRF and KSRF eventually dropped the “R” to be renamed KSF. As the programs purchase and/or are gifted equipment they then in turn gift it to the Port at which time the new equipment is added to the Port's insurance. The programs have agreements with the Port to lease the equipment back at a minimal fee, although the Leasehold Excise Tax is paid on the fair market value. Ms.

McClure said that she wasn't aware of any other Port having such an extensive relationship with sailing/rowing organizations. The Port also works with Whaling Days allowing the event to take place on Port property at the end of July each year. Ms. McClure asked the Ports relationship with the Silverdale Chamber of Commerce. It was explained that the Port is a member, but other than that isn't overly involved with the Chamber. It was further explained that if/when individuals and/or entities want to use Port property or involve the Port in an event they are invited to attend a Port meeting and make their request to the Board.

It was explained that an ongoing issue in the Old Town area is the lack of parking. One issue is that the County doesn't have ample parking for the very popular Silverdale Waterfront Park. Another issue is that the public likes to enjoy the view from the vehicle/boat trailer lot and/or park their vehicles in that lot. Commissioner Reese explained that Patano Studio Architecture (PSA) is under contract with the Port for the design and placement of a future community-type center building and the Port is working with the County to allow the pump station #3 to be move from the County's prime waterfront property back onto Port property, opening up the waterfront for public use. Borings have recently been taken from several areas and the Port is awaiting those results as well as the estimated costs associated with building in different locations. Phil explained that he has been the point-of-contact for the contractors related to this project. Commissioner Scholfield said that the Port may need to contract out for a project manager or have one of the Commissioners take that on once Phil retires. Commissioner Kitchens said that he has a background in project management, so he could help. Phil explained that he is generally the point-of-contact for the contractors and engineers on the pump station/community center project as well as working with concession vendors and generating agreements. He has worked on grants for the Port in the past up until 2019 when the Port hired Kathleen Byrne-Barrantes. He has also provided a lot of time and expertise on pursuing the dredge permit. Phil explained to Ms. McClure that there has been mentioned an interest in partnering with the Central Kitsap School District (CKSD) to restore and protect Strawberry Creek.

Ms. McClure asked everyone their background and relation to the Port.

Commissioner Kitchens said that with his background in commercial real estate, he would like to develop the Port properties to their highest and best use.

John Kuntz said that this area is part of the Kitsap Peninsula National Water Trails system and that there are just thirty designated trails within the nation. This could be used to promote tourism. It is definitely a unique destination.

Commissioner Reese explained that he grew up here and used the boat launch area from the time he was a young boy. He knew former Port Commissioner Harry Knapp and as he got older decided that he too wanted to give back to the community and that is why he got involved with the Port. He said that unlike Commissioner Kitchens, he feels protecting the public's water access is a key role of the Port. Commissioner Kitchens clarified that he is in perfect agreement with Commissioner Reese's vision, but just wants the highest and best use of the existing commercial properties.

Phil explained that the Port has been purchasing properties as they became available through the years. Good relations are kept with property owners to keep the line of communication open for possible negotiations. Commissioner Scholfield said that at times individuals have approached the Port about properties and there have been times that the Port has approached property owners.

Commissioner Scholfield said that one issue that the Old Town Silverdale area has is the businesses down here are generally closed on Sundays and close early on Saturdays. Phil said that the Port doesn't outreach though either. He explained that in the past there was an Old Town Silverdale Association (OTSA) with many Old Town business owners attending and trying to come up with ideas to drum up business. At one point they approached the Port about providing boaters with maps of the area outlining the businesses. Phil said that he is aware of other Ports that have annual boat swaps and/or chili or chowder cook offs. They promote events that draw the public to the area. Mr. Kuntz said that studies show that there has to be at least two hours of activities for people to stay in one particular area. Traditionally the Old Town area is known for hair and nails. There needs to be more of a mix of businesses in the area. Although tourism is seasonal, most Ports have a museum or similar attraction for year-round interest. Old Town needs to get competitive. Commissioner Kitchens said that it seems to come back to the issue of parking. Commissioner Scholfield agreed that if people can't park right next to the business they want to visit, they will generally pass.

Julie Jablonski said that with the boating community this waterfront is a huge opportunity. The Port is very well suited because of the unique waterfront. It is its strength. Ms. McClure asked Ms. Jablonski if she thinks the Port is supportive of KSF. Ms. Jablonski said that it's starting to be more and more. It's a long haul and takes people interested in the same vision.

At 2:23PM there was a fifteen-minute break.

Ms. McClure explained that she would like to take some time talking about opportunities and challenges. She used the white board and asked everyone for input

Challenges

Parking
Blocked Views
Finances/Expansion
Administrative turnover/Functions/~~Executive Director~~ Staffing
Follow Through on Master Plan
Pleasing Everyone
Time
Tenant Selection – Mix
Limited Uplands Footprint
Limited Facilities on Water
Grants – Strings Attached

Opportunities

Parking
Protection
Grant Process
Creating Master Plan

Creative Tenants to get viable mix
Get Vision out to Public and Engage Them

Commissioner Reese suggested the term staffing be used versus Executive Director. Commissioner Scholfield said that several things could be contracted out, similar to how the Port contracted a grant writer and the legal support will continue to be contracted. Executive Director is more of a specific title. Commissioner Schofield added that in order to hire someone to cover everything the Port would be looking at paying anywhere from \$100,000 to \$150,000 when you add in benefits and he questioned if there would be enough work to keep someone in that position busy eight hours a day. Phil said that someone will need to be responsible for monitoring contracts, etc.

Phil explained that former Port Commissioner Randy Hunt sent a letter to the Port that outlined his concerns with a Port Commissioner also acting as a Port employee. Commissioner Scholfield reminded Phil that the Washington State Auditor's office was engaged with the Port regarding that decision. Ms. Jablonski suggested fundraising be included in the job description especially if more hours are needed. Phil suggested creative outreach and include being more involved with the Chamber.

Roy Sahali said that it sounds like it comes down to hiring a replacement for Phil and administrative support is needed immediately. It seems if the administrative support is hired then the other items will more easily happen. Ms. Jablonski said that at one point KSF thought the Port may possibly help with the program's administrative needs down the road. Phil explained that he has attended the Port meetings through the years, but many Port lawyers don't attend the meetings. It was suggested Phil's contract be reviewed. Ms. McClure asked Phil to write a summary of what he does and the time allotted for the work. Phil explained that his current contract to the Port is for work up to twenty hours a month, but generally exceeds the hours and hasn't charged the Port for the additional work. Commissioner Kitchens said that he has asked to give the Port an outline of his duties. Ms. McClure agreed that would be a useful piece to help figure out this puzzle. She explained that some Ports have overlap in responsibilities. She asked if the Commissioners

anticipate an issue with a change in responsibilities. Commissioner Scholfield said that he would like to get out of the parking patrol role. He generally talks to the boaters and checks in with the Port's tenants. He is paid a flat fee every month which he equates to approximately \$15 an hour and would anticipate paying \$65 an hour if that sort of position was hired out. Commissioner Reese said that he does see an issue if the Port hired an Executive Director and a Commissioner was an employee because ultimately the Commissioner is the Executive Director's boss. As it is now the Open Public Meetings Act prohibits Commissioners from talking about Port business outside of an open public meeting, so it does make it difficult having a Commissioner as an employee. Commissioner Kitchens agreed. Ms. Jablonski suggested job descriptions from other Ports be reviewed and used when advertising for the position.

John Kuntz said that as a business owner, he has been through this process before. The problem is that the day-to-day work and activities become overwhelming and anything outside of the day-to-day gets put on the back burner. The Port needs to reorganize and hire where needed with the intent to bring the master plan to fruition and planning out another ten to twenty years. Commissioner Reese explained that the architect is coming up with the figures and details to construct a building possibly next to the County's pump station, which is the first step. Commissioner Scholfield said that someone will be needed to manage the building once it is complete. The community center room will need to be managed for reservations. Mr. Kuntz agreed and said the Port needs help in the transition whatever the case. Ms. Jablonski mentioned the Port can learn a lot from the Port Townsend Maritime Center and other resources. No need to reinvent the wheel. Ms. McClure said that a job description should be put together that makes sense from payroll to project management and to do that a list of Phil's, Theresa's and Ed's job duties is needed. Ms. Jablonski said that a job description is necessary. She mentioned the hiring process. Mr. Sahali suggested a temp service be contacted for immediate help. Ms. Jablonski said that Human Resources (HR) is a challenge. Commissioner Kitchens asked that the meeting move along. Ms. McClure took to the whiteboard

Theresa

#1

#2

Legal

Non-legal work

Phil's list

Projects

Issues

Master Plan

HR in several different approaches

Ed's list Commissioner Lists

Ms. McClure asked everyone what they see the priorities are for the Port. Mr. Sahali said that it sounds like is that the Master Plan is not up to speed. Commissioner Kitchens said

that they are already on the table – repositioning the floating moorage facility, installing a non-motorized dock.

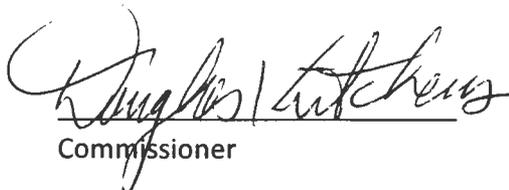
Ms. McClure asked that the Commissioners also come up with their list not prioritizing but a summary, Commissioner Scholfield provide a list of his duties outside of his Commissioner title, and Phil and Theresa come up with their list of duties. Commissioner Reese said that this can be further discussed during the next meeting. It was agreed that a Special meeting will be held at 5:00PM prior to the Tuesday, October 19, 2021 meeting starting at 6:00PM. Everyone was tasked with providing their list of duties. Ms. McClure plans to meet with the Commissioners individually in Leavenworth as she too will be attending the Small Ports Seminar.

The 2021 Budget Reallocation of Budgeted Funds report was reviewed. Commissioner Reese explained that he had questioned the costs associated with line item 723.30 Marina Maintenance:Outside Services as they had well-exceeded the budgeted amount. It was determined that security was included within the maintenance item when it should be under 721.30 Marina Operating:Outside Services. The report outlined the adjustment along with several other adjustments. It was agreed this change is adequate. Resolution 2021-04 Reallocation of Budgeted Funds outlining the adjustments will be added to the October 19th regular meeting under the consent agenda.

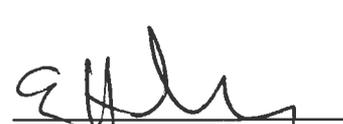
The 2022 Preliminary Budget was reviewed. It was explained this was for review only and to answer any questions prior to the October 19th meeting where it will be on the agenda for approval. The review prompted a discussion about the motion that was made during last month's regular meeting where Contract #21-01-C with Leon Environmental was entered into. Apparently, the work outlined in that contract should have gone through Patano Studio Architecture and amended they contract they have with the Port. It was explained that nothing was signed as there wasn't a signature line on the Leon Environmental's contract. It is anticipated the Port will receive a contract amendment from Patano.

The meeting adjourned at 4:45PM (motion by Scholfield; second by Kitchens; unanimous).

Approved:

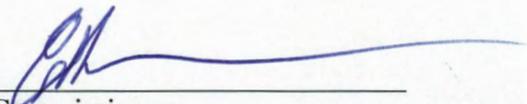

Commissioner


Commissioner


Commissioner

WAIVER OF NOTICE OF SPECIAL MEETING

The undersigned, Port Commissioners for the Port of Silverdale, hereby waive the requirement of notice in writing of the special meeting of the Port of Silverdale held on OCTOBER 12th, at 1:00PM 3550 NW BYRON STREET, is present at such meeting, and agrees to the conduct of the Port business as announced by the President in calling this meeting.



Commissioner



Commissioner



Commissioner

SPECIAL MEETING OF THE PORT OF SILVERDALE

WILL BE HELD AT THE PORT OFFICE – 3550 NW BYRON STREET, SILVERDALE

ON TUESDAY, OCTOBER 12, 2021 @ 1:00PM

**TO DISCUSS STRATEGIC PLANNING FOR THE PORT ORGANIZATION AND TO REVIEW
THE 2021 BUDGET AND THE 2022 PRELIMINARY BUDGET**