

## MINUTES OF SILVERDALE PORT SPECIAL MEETING ON OCTOBER 19, 2021

Commissioner Reese called the meeting to order at 5:00PM 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; Facilitator Mary McClure; Julie Jablonski of Kitsap Sailing Foundation (KSF); and Carla Larson. Those attending via Zoom included: Lee Knapp of TIKAR Services; Greg Jacobs of KSF; Monica Downen; and Marvel Hunt. A Notice of the meeting was posted on the Port office door several days prior to the meeting and the Waiver of Notice of Special Meeting was signed by all Commissioners and is attached to these minutes.

At the previous Strategic Planning for the Port Organization meeting Mary McClure had asked that the Commissioners, Phil and Theresa provide her with their job duties. Copies were provided for review. Commissioner Reese said that in reading Phil's description he couldn't tell which duties were attorney related verses Port-manager type duties. Phil said that if the Port finds someone that would take care of everything like he has been doing, it wouldn't need to be separated. Commissioner Reese said that it would be nice to have the items separated, since Phil is retiring at the end of this year the Port should have a list of what responsibilities a new lawyer can anticipate.

Ms. McClure said that in reading through Phil's duties she was struck by the ease Phil has with dealing with people and including Commissioners and staff into the process. Commissioner Reese agreed, but said that a Request for Qualifications (RFQ) for the lawyer work needs to be prepared and in order to do that we need to know what we are asking from a prospective attorney. Commissioner Kitchens said that he would think that an attorney could look through Phil's list of duties and pick out what he/she would be qualified to do or is willing to do. Phil said that it's a mix. Some Ports attorneys don't attend the meetings, he is not sure the details of what is going to be expected from a new attorney. He has completed purely attorney tasks for the Port through the years and purely non-attorney tasks and included in the mix is preparing resolutions and contracts and being the point-of-contact for contracts and agreements. Commissioner Kitchens asked Phil if he thought the Port should hire an attorney on a retainer basis or hourly. Phil said that he thought on retainer would be beneficial so that the attorney can be contacted anytime and with a quicker response. Currently Phil's contract with the Port is for twenty hours of legal/consulting services a month. Commissioner Reese asked that on a normal month is that twenty hours of purely legal work accurate. Phil said that probably on an average it would work out, currently he has been spending many hours working on redistricting. Commissioner Reese said that Phil had offered to do the redistricting for the Port, but technically it's not legal work and not required to be completed by an attorney. Phil said that he has also spent many hours related to the dredging litigation and many more will be needed as the December 3<sup>rd</sup> litigation date

approaches, so there are blocks of time that are more intense. He said that twenty hours per month would probably cover it. Ms. McClure asked Phil how many hours he works per month. Phil said as high as thirty when you consider the Special meetings and the weekly Zoom meetings with the architects regarding the Waterfront Activities Center and being the contractor's point-of-contact. Commissioner Reese said that he didn't think there has to be an attorney present at the Port meetings. He realizes it has always been done this way for Silverdale, but it's not necessary. Phil said that a retainer contract with a new attorney would work and thinks that a new attorney would like to have it that way and then he/she would just bill the Port if it exceeds the allotted twenty hours. Ms. McClure verified with Phil that he estimates his average work with the Port to be twenty hours per month towards legal and ten hours towards other. Ms. McClure took to the white board:

20 hours: enough	attorney/non-attorney	retainer
Per month for legal	non-attorney	
20 hours legal		
10 hours other		

Commissioner Reese told Phil that he is not questioning him putting in 20 hours because he knows Phil puts in more than that per month. He is just trying to figure out what to offer a new attorney. Commissioner Reese said that with the upcoming Washington Public Ports Association (WPPA) Small Ports Seminar in Leavenworth and the next Kitsap All Ports meeting it will be a good time to talk to other smaller Ports about who they use for an attorney. He said that several Kitsap Ports use Chmelik Sitkin and Davis out of Bellingham. Phil said that it would be penny wise and pound foolish for the Port not to have an attorney on-call or even not to attend meetings in case questions come up that need an immediate answer. Ms. McClure said that she would like to meet with Phil outside of this meeting and go over his list. She explained that she hadn't had a chance to look over everyone's duties as Phil was the only one that emailed his list to her. Hardcopies of the duty lists of Commissioners Reese and Scholfield were provided to Ms. McClure as well as Port staff. Ms. McClure asked Commissioner Kitchens if he had a list of duties. Commissioner Kitchens explained that he is fairly new as a Commissioner and so currently his main duty is to attend the meetings.

Ms. McClure said that at the last meeting it was brought up that having an Executive Director would be challenging with Commissioner Scholfield's employee role. Commissioner Scholfield said that having an Executive Director would just call him with work that needs to be completed and it could be determined if it was a job for him to do or refer it to the contractor. He explained that one of his duties is Information Technology (IT), which saves the Port money. He doesn't know what issues would

come up other than it's something that is beyond the scope of his abilities and/or he isn't available. Ms. McClure said that when things are working good and moving along and everyone is working as a team all is well, but there is a potential challenge. If/when the working relationship is feeling off from either someone feeling as if they are being taken advantage of or they aren't getting the whole story. Commissioner Scholfield said that he's basically working for the two other Commissioners when he is performing his list of duties. If they don't want him to continue in the position, that would be up to them. He said that he isn't just working for himself, but also for the two other board members and that he is in an at-will position and when the others want to dissolve that position, they can. He explained that when he is performing the duties on the list he is an employee and not a Commissioner. Ms. McClure said that she is going to push back a bit on that and ask Commissioner Scholfield to look at the whole power aspect of it. A staff person isn't an elected official and people have different reactions to that with assumptions being made such as oh he's acting that way because he's a Commissioner. Things begin to build up and it becomes hard to talk about issues. Ms. McClure said that she isn't saying don't do it, but as you look at a strong staff person who has more of an authoritative role, if it is decided to hire someone for that position, it may become more problematic. Phil said that it depends on the new hire's personality. The new person could be comfortable with power shifts, but if it's not a clear relationship with employee Ed and the new hire it could be problematic. Phil added that he is not saying something must be done now, just something to chew on.

Commissioner Kitchens said that things are working well the way it is at the moment and the Port just needs administrative support. Commissioner Reese said that we need to cover the non-attorney work that Phil has been providing because as of January 1<sup>st</sup> there will be a big void. Commissioner Scholfield said that we currently contract for the grant writer and dredging and thinks a lot of the work can be contracted out. He said that Phil was good enough to take on these extra items so the Port didn't have to contract them out, but they can be. Commissioner Reese said that even with the grant writer, Phil has been the point-of-contact and worked with her to get the grant application submitted. Commissioner Scholfield said that the Commissioners are going to have to step in more as point-of-contacts and if there is specialty work needed it is contracted out. Commissioner Reese said that he hears Commissioner Scholfield's suggestion but on one hand he's saying it as a Commissioner yet he is also an employee. Commissioner Scholfield said that if the water needs to be shut off for instance and he is available to come down and do it, there is no need to call the contractor. The Port no longer has a contract for cleaning the parking lots as he does it as needed now, which is saving the Port several thousand dollars a year.

Commissioner Kitchens said that he has a lot of time to spend on contracts and whatnot. He asked how much time does a Commissioner spend on this. Commissioner Reese responded that he doesn't see that as a Commissioner's role. Commissioner Scholfield said at other Port's Commissioners have duties.

Phil said that in the past he applied for grants for the Port and more recently that was contracted out and the costs were much higher. If the Port hires someone who is a generalist on board to include administrative work having that person as an employee that can handle it will benefit the Port and some items wouldn't have to be contracted out at higher rates. Ms. McClure agreed and said that having an employee that knows the history and background of the Port verses a contractor that doesn't is something to consider. Commissioner Scholfield likened it to a home builder needing to get a permit, it's not included in the architectural portion or even the general contractor work, but including permit requirements can be included within the overall contract.

Commissioner Reese said that the three Port Commissioners are the had of the tax payers. Commissioner Scholfield said that the Commissioners can perform duties and be paid an hourly rate by taking the amount of the Commissioners meeting stipend (\$128) and divide by an eight-hour day to get the hourly rate ( $\$128/8 = \$16$  per hour). TIKAR is busy and the gutters need to be cleaned. Commissioner Reese said that was a different situation. Commissioner Scholfield said that if he sees something that needs to be done and can be done within his abilities, he gets it done just like any of the Commissioners would. Commissioner Kitchens said that we need to focus on the administrative duties and hiring an attorney. Commissioner Reese explained that we are doing that through this process and that is why the Port has hired a facilitator, although we did get a little sidetracked. He said that his concern is that if the Port hired a Port manager to take on the day-to-day operations of the Port, they would have a hard time directing employee Ed to perform work, since he is basically their boss.

Commissioner Kitchens questioned what wasn't working now, he sees the Port as functioning well right now. Ms. McClure said that when she meets with Phil to go over his list of duties and determine what is attorney related and other, that will be a useful next step. Commissioner Kitchens said that hiring a staff person to tell people what to do and what not to do doesn't make sense. Ms. McClure said that it's not really hiring someone to tell people what to do, but rather making sure that things are getting done. Commissioner Reese said that he questions if things are getting done that need to be done. He explained that when former Commissioner Randy Hunt was serving, he was trying to get things done and they didn't get done. Commissioner Scholfield said that the landscaping of the Port's properties that are rented out is much better. The tenants were informed they needed to abide by their lease and were provided a name and number to a local landscaper. He said that he doesn't see some of the things that former Commissioner Hunt brought up as issues. Commissioner Kitchens said that as

a Commissioner, we can prioritize. Commissioner Scholfield said that he came back and said how we want to prioritize, but costs are an issue. We received a bid to paint the Byron Street properties in the amount of \$56,000 and Commissioner Reese pushed back because he was concerned about paying especially that amount of money on buildings that are eventually going to be torn down. Since then TIKAR provided a much lower bid and it was accepted. Commissioner Reese said that sometimes he notices Commissioner Scholfield gets defensive for example at the last meeting when his employee position was brought up he quickly said that the Washington State Auditors office said it was okay for him to be in that employee position as well as serving as a Commissioner. Commissioner Reese said that he isn't trying to justify what employee Ed does because he knows things are getting done, but are the things that are getting done the things that need to be done. Commissioner Kitchens questioned that it comes down to whether employee Ed does the work or if the Port decides to hire someone. Commissioner Reese said yes that's the rub. Commissioner Kitchens asked about Phil's work. Ms. McClure said that she will guide the administrative side of the ship. Commissioner Kitchens suggested the Port begin having two Regular meetings per month rather than holding Special meetings. Commissioner Scholfield agreed especially if we are going to begin prioritizing as a group. He said that he doesn't see the weeds along the alley on the County road as being a big deal. A Old Town resident recently asked if her granddaughter could perform community service hours and plans to pick up trash along the beach, so why would the Port pay a contractor to do that. He went on to say that the parking issues and after-hours safety issues as shown in Safe Security's incident reports are items he takes care of as well as collecting the moorage fees out of the box weekly, which may need to be looked into. Ms. McClure said that a Commissioner should be kept from having to deal with the irate public in the parking lots. She said that maybe meeting twice a month and prioritizing everything is functional. She told Commissioner Scholfield that clearly everything he has been doing up until this point is great, but we have to look to the future. Commissioner Reese said that one of his concerns is ten years from now, we have to plan for the future and spreading the duties out to the Commissioners doesn't seem appropriate. Commissioner Kitchens reminded everyone that his experience is in contract administration, he'd be happy to help wherever needed. Commissioner Scholfield said that normally for emergency type work costing \$1,000 or less he is able to authorize it because waiting a month later to get it done might be too late and end up costing much more. Marvel Hunt said that the Port needs to look at reorganizing. It may appear to be working fine, but it's not. The Port Commissioner should not be acting as an employee but rather an overseer. It may have worked in the past, but the Port has grown and is too big now. The problems that you keep saying you have taken care of shouldn't be your problems. Someone needs to be hired with a broad background to act as a Port manager as well as additional administrative staff. Ms. McClure said that a decision

needs to be made about how we are going to move forward. She and Phil will meet and she may possibly meet with Port staff separately to get everything categorized. She also plans to meet with each of the Commissioners individually in Leavenworth during the Small Ports Seminar.

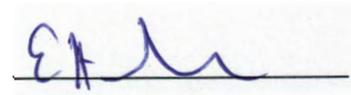
The next Special meeting to further discuss the strategic planning of the Port is scheduled for Wednesday, October 27, 2021 at 11:00AM everyone is encouraged to bring a lunch.

*The meeting adjourned at 5:56PM* (motion by Scholfield; second by Kitchens; unanimous).

Approved:

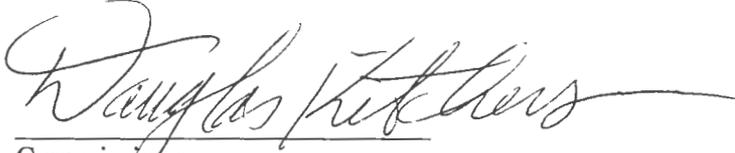
  
Commissioner

Commissioner

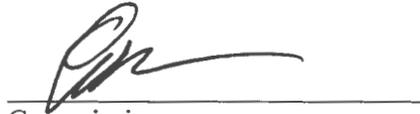
  
Commissioner

WAIVER OF NOTICE OF SPECIAL MEETING

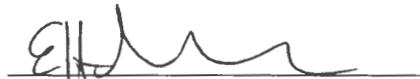
The undersigned, Port Commissioners for the Port of Silverdale, hereby waive the requirement of notice in writing of the special meeting of the Port of Silverdale held on 10/19/2021, at 5:00PM Port office, is present at such meeting, 3550 Byron Street, Silverdale, WA and agrees to the conduct of the Port business as announced by the President in calling this meeting.



Commissioner



Commissioner



Commissioner

# **NOTICE OF SPECIAL MEETING AND REGULAR MEETING DATE CHANGE OF THE PORT OF SILVERDALE**

**A SPECIAL MEETING WILL BE HELD AT THE PORT OFFICE – 3550 NW BYRON STREET,  
SILVERDALE ON TUESDAY, OCTOBER 19, 2021 @ 5:00PM**

**TO FURTHER DISCUSS STRATEGIC PLANNING FOR THE PORT ORGANIZATION**

**THE OCTOBER REGULAR MEETING WILL BE HELD @ 6:00PM FOLLOWING**

**THE STRATEGIC PLANNING MEETING**

**ATTENDANCE WILL BE AVAILABLE VIA ZOOM FOR BOTH THE SPECIAL MEETING AT  
5:00PM AND THE REGULAR MEETING AT 6:00PM**

The link to the meeting can be found on the Port's website ([portofsilverdale.com](http://portofsilverdale.com))

under the "Port Commission" / "Meeting Notice" tabs