

Port of Silverdale
Minutes of Regular Meeting
December 16, 2021

The Port meeting was held in person and the public was also allowed to attend via ZOOM. The link to the meeting was posted on the Port's website - portofsilverdale.com.

1. CALL TO ORDER

Commissioner Caleb Reese called the meeting to order at 6:04PM. Others attending in person were: Commissioner Ed Scholfield; Commissioner Doug Kitchens; Attorney Phil Best; Administrator, Theresa Haaland; Carla Larson; and Bridget Burke of Clam Island Rowing (CIR). Those attending via ZOOM were: Lee Knapp of TIKAR Services; John Bouck and Greg Jacobs of Kitsap Sailing Foundation (KSF); Hank Anderson; Henry Aus; Ron Gillespie and Joyce Merkel.

2. PLEDGE OF ALLEGIANCE – those in attendance stood and recited the pledge.

3. CONSENT AGENDA

It was agreed to approve the following Consent Agenda items as submitted: December Meeting Agenda; November 18, 2021 Regular Meeting minutes; December 8, 2021 Special Meeting minutes; Authorization for Electronic Transfer of Payroll Taxes #2021-12 to the U.S. Treasury in the amount of \$2,882.40; the December 16, 2021 Voucher Approval for checks numbering 12909 through 12936 totaling \$78,110.54, which is attached to these minutes (motion by Scholfield; second by Kitchens; unanimous).

4. ATTENDEES WHO ASKED TO BE PLACED ON THE AGENDA – None.

5. UNFINISHED BUSINESS

5.1. Waterfront Center Predesign Project/Pump Station #3 –

a. The County was informed that the Port has decided not to build anything attached to the County's pump station building. The County questioned how they would bill the Port for the viewing platform on the top of the pump-station building. It was explained to County personnel that the Port would not be paying for it. County personnel are planning to further discuss and take another look at the Gig Harbor Skansie Park, which houses a pumpstation with a viewing platform on top. It was also explained to the County that the Port is planning to use grasscrete in and around the area and that is something the County should also consider. Moving forward it's important that the County constructs a building that will be compatible with future Port buildings including the outdoor gazebos that Patano Studio Architecture (PSA) will be designing near the pumpstation building. It is anticipated that in January sketches from both PSA and the County's architect, Landau, will be ready for review with the detailed design available in March. The Interlocal Agreement (IA) between the Port and the County will need to be reviewed. The County's grant from the US National Parks Service (USNPS) was discussed. Phil said that it is his understanding that the County met its obligation and wouldn't be subject to the same grant restrictions with this new pumpstation building. Although, it wouldn't hurt to get the USNPS to sign off on it and also discuss the project with Marguerite Austin of the Recreation Conservation Office (RCO) to make sure they too are on board.

5.2. Grants/Projects

a. RCO Agreement - Phil reported that he hasn't heard back from the Port's RCO grant manager, Kim Sellars, about the possibility of using grant money to move the floating

moorage facility verses dredging. He noted that Ms. Sellars initially seemed optimistic.

Art Anderson Associates (AAA) provided a sketch layout of the non-motorized float and they are awaiting feedback. CIR has provided feedback and once KSF provides feedback, that input will be forwarded to AAA.

b. Marina Relocation – nothing to report.

c. Dredge - Phil reported that the dredging litigation was ruled in the Port's favor. The Attorney General is now preparing the order based on the oral statement and he will provide that to Phil for review. Sound Action could still make one final appeal to the Court of Appeals. They have a limited timeframe to do that. Phil was going to double check the timeframe.

5.3. County's Bayshore/Washington/Byron project – Commissioner Scholfield reported that Ceccanti paid \$4,473.06 for the flood damage at 3332 Lowell Street. It was noted that the back of the check stated that “by endorsement of this check you have accepted as final payment.” Commissioner Scholfield assured that everything was taken care of and it was agreed the check should be endorsed and deposited. Commissioner Schofield also reported that the baker tanks have been removed from the area Ceccanti has been using in the Port's vehicle/trailer overflow lot.

5.4. Programs

a. Sailing – the KSF report dated December 14, 2021 that John Bouck submitted was read aloud as follows:

No sailing activity nor fleet changes over the last month.

Spring and summer seasons are being worked out. We agreed to host level 1 Sailing Instructor training during spring break. This will be a two day mostly on-water activity on April 5 and 6.

The report included financial information that was not read aloud. Mr. Bouck said that KSF was worried since coming out of COVID that it would be a losing year for them, but in the end, there was a lot of interest in the summer program which resulted in a positive cashflow. He noted that the majority of the non-payroll costs were attributed to maintenance on the fleet. Mr. Bouck said that he has been involved with KSF and attending Port meetings for the past four years and within that time a main point-of-contact has been Phil. He thanked Phil for his time and support with regards to the program.

b. Rowing – the December 2021 Memo submitted by Bridget Burke was read aloud as follows:

1. Oar Storage - CIR will move most of the oars into storage on Port property. Waiting to coordinate a date with commissioners.

2. Programs

- a. Masters Sculling - continuing the mornings
- b. Masters and Juniors are competing in the Virtual Erg competition with Concept2
- c. Safety Committee: Planned Annual Policy Review and all safety gear reviewed to be completed in January.

3. Long Range Planning

- a. Date set for January 8th retreat and long range planning for 1 year, 3 years and 5 years
- b. Accepting new board member Jenny Kelly. She will be taking over social media, advertising, website and payment portals. Look for new website in 2022!

4. Boat Storage - Phil Best drafted a new agreement for boat storage. CIR is determining if this new agreement is feasible. We are communicating with our insurance company

and our CIR board. We are waiting to hear back from our insurance company and US Rowing.

5. Phil Best - Clam Island Rowing wants to express extreme gratitude to Phil Best for his support, counsel, leadership and friendship. We appreciate your service to our club and community. Thank you for all your work on behalf of our rowers and best wishes in the future. There will always be a seat for you in our boat.

Ms. Burke said that she was extremely thankful to Phil and wished him the best for the future. She reiterated that there will always be a seat for Phil in their boat and she provided him with a gift bag. Phil thanked Ms. Burke and said he was thankful that the Port agreed to sponsor the programs as they are very positive for the community.

Ms. Burke said that with regards to the new non-motorized float sketch layout provided by AAA, she would hope to meet with them and other stakeholders to make sure everyone's needs are being met with the new float. It was explained that there has been one stakeholder meeting already, but there may be one more in the future. Ms. Burke plans to contact Commissioner Scholfield when CIR is ready to move the oars to the 3215 Lowell Street basement. She said that she is still looking for comparables for the Boston Whaler that caught fire, which the Port's insurance company has requested. Phil sent an email dated December 15, 2021 to Ms. Burke and cc'd the Commissioners. It included a draft Agreement Between Boat Owner, Clam Island Rowing and the Port regarding Rowing Shell Use and Storage on Port property. Ms. Burke explained that the CIR Board will be reviewing the agreement and they will contact CIR's

insurance company to make sure privately-owned boats can be covered.

5.5. Facilities

a. Restroom overhaul will probably take place next spring.

b. Outer-Water Boundary extension – Phil reported that he received a call from Don Olmsted the Ports Program Manager with the Department of Natural Resources (DNR). Mr. Olmsted realized that there was a request in 2019 to extend the outer-water boundaries and he asked Phil if it had been completed. Phil explained to Mr. Olmsted that no it hadn't and he hoped he would take care of it.

c. Leveling the docks – Lee reported that the project has begun, but the work is all weather dependent because at times, with the rough water movement, it is unsafe.

Commissioner Scholfield requested that the next time TIKAR has the workboat in the water that they get the boat information and a picture of the boat with the broken mast that is west of the boat launch inside the Port's DNR leased area. Lee took note.

d. Repair of the dock due to fire – Lee reported that the repair is complete.

e. Life Jacket loaner station at the boat ramp was removed because it was damaged to the point that it was falling over. Lee reported that it has since been repaired and reinstalled.

5.6. Port Properties

a. Painting of Port-owned buildings – Lee explained that the buildings are ready for paint as they have been taped off and primed, but approximately six dry days are needed to actually apply the paint.

b. Road vacation – nothing to report.

c. 2022 leases – the majority of the leases have been renewed. Tenants at 9004 Washington/DRC and 3215 Lowell, Suite 191/Webster are both hoping to be on a month-to-month lease. Commissioner Scholfield recalled in the past there was a stipulation that increased the rent if on a month-to-month. It was explained that there is no such stipulation within the current leases and if the tenant chooses not to renew their lease it defaults to a month-to-month, so the two tenants will automatically be on a month-to-month.

5.7. Redistricting – Phil reported on the redistricting process, which was also outlined within an email to the Commissioners dated December 1, 2021. The law has changed a bit due to COVID19 with the final redistricting plan due by November 22, 2022. It was quite a grueling process, but Phil was able to change the boundaries for each district bringing them all within a zero percent deviation. The Commissioners reviewed the new boundary lines and had no questions. Phil said there is a process to move forward and he plans to prepare the timeline, which includes notice in the newspaper, and send it along with the resolutions via email to the Port office.

5.8. Interlocal Agreements (IA) - the Port of Illahee's IA with Silverdale was ready for signature. It is scheduled to begin January 1, 2022.

5.9. Strategic Planning of the Port Organization – there is no facilitator at this time to help the Commissioners plan. Phil is set to retire as of December 31, 2021. Commissioner Kitchens asked Phil what that

actually means, as there are many items on the agenda that Phil covers. Phil said that he doesn't want to continue on as an attorney and that he has to retire sometime, although if someone has questions, they could always give him a call. He will be out of town from January 5th through the 13th. He said that he will try to draw up a Request for Proposals for a new Port attorney. Phil is expecting a call from attorney Anne Montgomery, who the Port of Bremerton uses as local counsel. The Port of Bremerton also uses Chmelik Sitkin and Davis out of Bellingham. Commissioner Reese reminded everyone that several local Ports use Chmelik Sitkin and Davis with no local counsel. Additional Port staff is also needed. Theresa had prepared a draft position description for a part-time administrative assistant. She explained that it was added to the Agenda Packet for the Commissioners to review and make changes.

5.10. Derelicts in Dyes Inlet – the sailboat (WN#284FG) continues to be beached on Port property west of the boat launch. The Department of Licensing shows the registered owner as Steven D'Amelio. Mr. D'Amelio was contacted and he explained that he sold the boat to Joseph Knight. Mr. D'Amelio provided the proof of sale document with Mr. Knight's information. The information was emailed to the Jerry Farmer of the DNR's Derelict Removal Program, who confirmed that Mr. D'Amelio is no longer responsible for the boat, as Mr. Knight now holds the responsibility. Mr. Knight has been contacted and said that he is just a poor college student. He has taken on a second job to try and save money to get the boat removed. Commissioner Scholfield questioned if the Port should take possession of the boat and begin processing it as a

derelict. He said that there is another sailboat with a broken mast also west of the boat ramp within the Port's DNR leased area. He asked if that one should also be processed. The Port received an email dated December 6, 2021 from Dean Heistand inquiring about the status of the abandoned boat that is washed up on the rocks/shore at Bay Shore Drive and Bucklin Hill. It was explained to Mr. Heistand that the DNR might have jurisdiction over that boat. Mr. Heistand ended up contacting the DNR who explained to him that they haven't begun any type of removal process because it sits on private tidelands and therefore it is not within the States jurisdiction. It was explained that the County has jurisdiction and authority to remove the vessel in accordance with RCW 79.100.010 as a public entity. Mr. Heistand forwarded that information on to County Commissioner Ed Wolfe. Within an email to the Port, Mr. Farmer said that the Port could remove that vessel also as it could exercise jurisdiction over adjacent waters according to RCW 35.21.160. Commissioner Scholfield said that Kitsap County Sheriff's Office (KCSO) has been in discussion with the County about removing that boat from the rocks across the street from Spiros. Commissioner Reese said that at least with the boat on the Port's beach, the owner, Mr. Knight, has been talking to the Port. It was suggested that notice be posted on the boat and Mr. Knight be informed that the Port will begin processing the boat as a derelict in approximately thirty days, encouraging him to get the boat off of the Port's beach. Currently the boat has been stripped of anything that held value. Commissioner Reese questioned what liability the Port may hold as it is an attractive nuisance. It was questioned if DNR would take it, since it has been stripped.

Commissioner Reese clarified that the DNR will take any derelict whether it runs or not as long as it's seaworthy. Phil said that the boat looks seaworthy it floats at high tide and maybe the owner could work with TIKAR to get it removed. Lee estimated between \$500 and \$1,000 to tow the boat away from the Port facility, but explained that TIKAR would require a written agreement that they are not responsible or liable for it. Lee explained that if the Port does take custody of it, since it is a full keel, it will be more expensive to remove as they will need a crane rather than just a forklift. It was agreed to give Mr. Knight notice that the Port will begin the process in thirty days and he will be liable for the costs associated with it after that. Commissioner Scholfield explained that the Port will apply for the ninety percent reimbursement from the State and the from there the State goes after the boat owner to pay back the costs. The boat with the broken mast will also be processed

5.11. Port Rules and Regulations – nothing to report.

5.12. State Audit – the 2019/2020 audit is in progress. Commissioners can expect to receive entrance documents via email from Samuel Campidilli, who is conducting the audit. Mr. Campidilli has informed Port staff that the main accountability areas of the audit are to begin next week.

6. NEW BUSINESS

6.1. Oaths of Office – Phil administered the Oaths to both Commissioners Kitchens and Scholfield – congratulations!

7. SAFETY/SECURITY

7.1. Meeting with Safe Security – Commissioner Reese and Theresa met with Safe Security owner, Christine Scott and Safe

Security supervisor, Jason Mimms. They were receptive to the input and there haven't been any further complaints at this time.

8. PUBLIC INPUT

Hank Anderson said that it has been hard to hear Phil when he speaks, but the keyboard strokes are very loud. The microphone was placed closer to where Phil was sitting and away from the laptop where minutes were being taken. Mr. Anderson said that he is interested in land use issues and attends many public meetings.

Greg Jacobs asked about the forty-foot boat that sunk over a month ago. He questioned if the area it sunk at is safe for boaters. Commissioner Scholfield said that he didn't know exactly where it sunk at and wasn't sure if it was stern down or bow up. Mr. Jacobs said it might be a good recreational dive for someone.

Joyce Merkel suggested the derelict boats be placed in the pond that is at the Port's 3332 and 3330 Lowell Street property. She explained that she saw the swamp that was caused by Ceccanti bringing truckload after truckload of rock to the wetlands property north of the Port's lots. Commissioner Scholfield explained that Ceccanti took responsibility for the damage and has since paid the Port over \$4,000 for the damages. New pipes have since been installed and there haven't been any problems since that initial flooding. Ms. Merkel said that she has complained to the County about the dust and noise caused by Ceccanti using that lot. Carla Larson suggested Ms. Merkel make any complaints to Steve, who is down there regularly. Ms. Merkel reminded everyone that she was a

County Planner for over thirty-two years so she knows how the projects work and who to talk to as she has been discussing the issues with the County.

9. EXECUTIVE SESSION

At 7:21PM it was announced that the meeting would be going into Executive Session for approximately ten minutes to discuss real property.

At 7:47PM the meeting returned to Regular Session. It went on well past the anticipated ten minutes. There was no one that had attended the meeting in-person that was waiting to rejoin and no one had asked to be left in the Zoom meeting room to reenter the meeting either.

Phil was authorized to proceed with the property negotiation as discussed within Executive Session (Motion by Scholfield; second by Kitchens; unanimous).

Commissioner Kitchens asked about the Commissioner duties. Commissioner Scholfield said that he picks up the moorage fees weekly and is Safe Security's point-of-contact and monitors the parking lots. Commissioner Reese said that he didn't really see all of that as a Commissioner's job. Commissioner Kitchens agreed. Commissioner Scholfield said that there is going to be a need for point-of-contacts with regard to acquisition and development and then eventually someone being a lead on construction. Commissioner Reese said that there is a lot of non-legal Port work that Phil has been doing and someone is going to have to fill that void now that Phil is retiring. He doesn't see that as a Commissioner's position. Commissioner Scholfield agreed that in the long run it is not a

Commissioner's position. Commissioner Reese said that Art Anderson and Patano are going to need to have a new point-of-contact and although he doesn't mind being that, he doesn't feel Commissioners should be doing that as a fulltime thing. He said that he realizes Commissioner Scholfield is an employee as well as a Commissioner, but that's different because he wanted to do that. Commissioner Scholfield explained that he basically fell into the position when former Port Commissioner Harry Knapp passed away. Commissioner Reese said that the Port of Allyn has five employees. Commissioner Scholfield said they have a huge source of income whereas the Port only has property taxes and rental income. Commissioner Reese explained that the way he sees it, the money that was paid for the grant writer in the past could have been used to help pay for an employee that has the ability to apply for grants. He said that he's not saying it's been wrong the way the Port has run business, but moving forward and for the Port to grow into the future, maybe it's time to do something different. Commissioner Kitchens asked what dimension a facilitator is going to add to this discussion. Would it be prudent just to sit down together and hash everything out, similar to what we are doing right now? He explained that his background is in construction management, permits, etc. and he would be willing to take on that role as a service to the Port. He realizes the other two Commissioners have been busy with Port work, maybe not by choice, but they have done a good job. Commissioner Reese reiterated that he doesn't mind being the point-of-contact with some of these items and he likes to keep track of the input the stakeholders are providing to the Port's consultants, but his

thought is in order for the Port to grow we are going to need to hire someone as we are not going to grow if we are just getting by. Phil said that in his experience as a County Commissioner, using a facilitator proved to be a positive step. In one instance a particular facilitator had each member describe what they wanted it to be like in ten years and then discussion about how they were going to get there, always reminding members that they were already there. By maneuvering the discussion that way, it cut out all the negativity. Phil found the exercise with the County to be very enlightening. A good facilitator would help the Board make decisions and determine the goals in a positive way. He said that there would be discussion about where the Port is and where it is going. The Port has a need for a public relations individual to work with the County and go after joint-effort funding for the waterfront projects. All of these projects are coming to light and we need to figure out how to fund them and lead them. Phil said that a good example locally is Doug Newell of Central Kitsap School District (CKSD). The kind of person who knows the stuff on the ground as well as the players and how to make things happen. The Port has the programs and many rentals. There may be a property management issue later as the Port progresses through the years. The Port may want to look for someone to get through the money-raising phase, then the building phase, then the management phase, etc. Commissioner Scholfield likened it all to the Fire Department but instead of hiring employees, they hire consultants for each of the phases. His thought is that if a job is beyond a Commissioner's expertise then hire a consultant. Commissioner Kitchens asked the others' vision of growth for the Port. It was

agreed that since there will not be permanent moorage the only growth will be in real estate. Commissioner Kitchens said that a property management business could be hired. Phil said that besides just managing real estate, the Port should have someone that is here for public support, public funding, grant money, promoting the Port to make this area the community center that everyone wants it to be. Commissioner Reese said that during the Small Ports Seminar in Leavenworth he found it interesting that they talked about the average job-life expectancy of an Executive Director to be seven years and it's not that they can no longer do their job, but it's that the job has changed. So, if the Port hired someone to apply for grants and obtain funding for the projects and then the job changes to the building phase and that person doesn't want to transition into that new position then it would be time to let that person go and hire someone else. Commissioner Scholfield reminded everyone of the woman who is a consultant and she continually applies for funding for Kitsap Transit and seems to be very successful at it. He said that the Port of Brownsville is apparently going straight to the legislature for funding because they don't want to be under any grant restrictions – something to consider.

Commissioner Reese said that having someone handle the day-to-day items that Phil will no longer be handling would be beneficial. He explained that he has watched many other Port and local government meetings and has noticed that they don't have such a detailed agenda like we have and it is probably because the Executive Director or Port Manager just handles those items leaving the Commissioners to make decisions on how things are going to happen and from there the

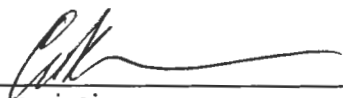
staff are directed to make it happen. Commissioner Kitchens explained that we have to decide the things we want to see accomplished and determine how we are going to achieve them and then resolve to hire someone. We need a general plan for the future. Commissioner Scholfield suggested Mr. Newell be contacted and asked who CKSD used in the past. Someone has led CKSD through some major undertakings and Mr. Newell is sure to know who helped them. Phil said that actually a session with Mr. Newell might be a good start and it wouldn't hurt to ask him if he'd be willing to meet with the Port. Commissioner Kitchens agreed that Mr. Newell might be a good source of information for a lot of things the Port is considering.

Commissioners were busy signing documents.


10. ADJOURN

At 8:34PM the meeting adjourned (motion by Scholfield; second by Kitchens; unanimous).

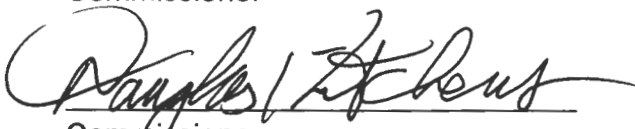
Approved:



Commissioner



Commissioner



Commissioner

