

MINUTES OF SILVERDALE PORT SPECIAL MEETING ON APRIL 6, 2022

Commissioner Reese called the meeting to order at 10:04AM at the Port office - 3550 NW Byron Street, Silverdale, WA. Also in attendance were: Commissioner Kitchens; Commissioner Scholfield; Administrator Theresa Haaland; Carla Larson; RJ Haaland arrived at 10:57AM; Marvel Hunt arrived at 11:22AM. ZOOM attendance was available, but no one attended via ZOOM.

Commissioner Reese explained that he and Port staff worked on the agenda. *It was agreed to approve the agenda as submitted* (motion by Scholfield; second by Kitchens; unanimous).

Commissioner Reese informed that Public Comment will be at the end of the meeting and limited to three-minutes per person.

FUTURE

Commissioners discussed their thoughts on where they would like to see the Port in the next ten to twenty years. The following were some thoughts:

- Waterfront Center building will be constructed and in full operation
- Working on development of the property across the street from the current Port office
- Port office will be located in a Port-owned building
- Additional key properties in Old Town purchased

Employees – there was discussion about the need to hire a Port manager-type position. Commissioner Reese explained that he sees a need to hire more than just an administrative assistant in order for the Port to successfully move forward.

Commissioner Kitchens said that he realizes Commissioner Reese has taken on a lot of the workload that Phil was responsible for and that he is willing to help out with that work until the Port grows to the point of eventually needing a Port manager.

Commissioner Scholfield said that once the Waterfront Center building is constructed there is going to be a need for the day-to-day management of it. Commissioner Reese said that he sees the need for a Port Manager sooner in order to get to where we want to be. There was discussion of the responsibilities of a Port Manager. He/she would be someone who works with contractors, possibly taking over Commissioner Scholfield's extended responsibilities as a Port employee, fundraising, an overall Port point-of-contact, etc. etc.. Commissioner Kitchens said eventually the Port will need to hire a Port Manager, maybe within the next five years and if the Port is located in a Port-owned building that will help offset the costs.

Properties - first-right-of-refusals were discussed. Commissioner Kitchens said that in his experience a first-right-of-refusal is not worth much. It is better to just make an offer on a property of interest; otherwise, it could incite a bidding war. Commissioner

Scholfield plans to continue to communicate with the owner of the property at the end of Lowell Street. Commissioner Kitchens explained that the Port could always make an offer to purchase the property and allow the previous owner to live in it at a minimal charge for the extent of his/her life. It was suggested that the Monroe property and the Old Bank building both be added to the Port's Comprehensive Plan. Other properties of interest were discussed.

Strawberry Creek Restoration – Commissioner Reese said that the Central Kitsap School District (CKSD) is hoping the Port will work with them when they are ready to move forward with the restoration of the creek. CKSD can not get grants to acquire property, but the Port can, which may be imperative to the project. It is thought CKSD will reach out to the Port when they begin their efforts.

Waterfront Center – Commissioner Scholfield said that the finances need to be looked into further. The plan would be for the rental income from the center to at a minimum break even on the maintenance for the building. It was thought that a newly constructed building would have minimal maintenance. Commissioner Scholfield mentioned that the Port may need to consider going out for a LID lift.

Demoing the Old Town Pub (OTP) – Commissioner Reese explained that he asked Erik Barr with Patano to confirm that if the Port were to demo the OTP that it would not impact the footprint for future development. Mr. Barr is going to look into it, but advised that it's not a good idea to demo it too early as the public will lose interest in the project. He suggests demoing it no more than a year or so prior to development. Commissioner Scholfield mentioned that the codes are constantly changing. Commissioner Kitchens disagreed and said that whatever is done in that area is going to have community support. It's currently deemed a dangerous building and it's an eyesore. He suggested it be removed and possibly a temporary covered area be installed.

iMMEDIATE

Hiring Administrative Assistant – Commissioner Scholfield will work on an online PDF job application. The position will be for twenty flexible hours per week. The goal will eventually be for the Port office to have regular hours. The wage was discussed. It was decided the position will pay \$15 an hour with a performance review in ninety days for potential increase and a one-year probationary timeframe. It was agreed that the Port office will need to be rearranged to accommodate additional staff. The two offices were viewed. Commissioner Scholfield plans to move the security camera tower into Phil's old office. Several of the filing cabinets will be rearranged. Holding interviews was discussed. In order for all three Commissioners to be involved, a Special Meeting will need to be called – possibly a day of interviews.

Contracting Port Attorney – the letter dated November 9, 2021 from Chmelik Sitkin & Davis (CSD) the law firm in Bellingham was viewed. Commissioner Reese explained that he spoke with Shaun Nye, Commissioner at the Port of Brownsville (POB), as CSD is the law firm used by the Port of Brownsville. CSD attends POB meetings and Mr. Nye said they charge POB approximately \$250 per meeting attendance. Commissioner Kitchens reminded everyone that ZOOM attendance would also be an option. Commissioner Reese said that in his opinion it makes sense to hire CSD. They are the law firm for many Ports including the Washington Public Ports Association (WPPA). They are therefore well versed in Port activity and law. Commissioner Kitchens recalled the WPPA sponsored Small Ports Seminar in Leavenworth and how impressed he was with CSD lawyers. *Commissioner Scholfield made a motion to hire law firm Chmelik Sitkin & Davis as legal counsel for the Port of Silverdale. Commissioner Kitchens second the motion.* There was discussion. *The motion carried unanimously.*

Grant Projects - Commissioner Reese explained that he is set up to access the RCO's online PRISM program. It's an online reporting system for grant-related projects. The progress reports are due in June and December. A request for reimbursement will be submitted in June along with the first progress report.

Waterfront Center Design – Commissioner Reese continues to meet with Erik Barr of EHDD once a week.

Pump Station 3 Interlocal Agreement – Commissioner Reese reported that Phil has agreed to prepare the agreement between the Port and the County. Phil also continues to work on the dredging permit, redistricting, the DNR outer-water boundary extension and will prepare an amendment to EHDD's contract with the Port – extending the deadline to October 31, 2022 and rolling over the unused funds from task one to task two.

Better utilization of Port Properties – now that the Port officially owns the 3475 and 3481 Byron Street properties, Commissioner Reese has talked with John Bouck of KSF about the possibility of rearranging the fences/storage areas across the street from the Port office. He explained that he wants to see Port property used to its best and fullest ability. He said that there are a lot of unused items in the Port shop – most of which is considered junk. He said that we can't even access the shelves and don't really even know what is being stored in some areas of the shop. Commissioner Scholfield said that he will talk with Tim of TIKAR and ask for help in cleaning it up. It was agreed that Commissioner Scholfield can start the cleanup by removing all of the unused scrap metal. He will also post the older unused motor on Craigslist for \$500.

The Port received notice from the State of Washington Environmental and Land Use Hearings Office (ELUHO) that there will be a telephone conference on Monday, April 11, 2022 at 1:00PM regarding vessel #3089B – one of the vessels being processed for disposal. The Port found the last known owner according to the DOL report as Michael Christensen. Apparently, Mr. Christensen is contesting ownership. Commissioner Reese plans to attend the initial meeting with the (ELUHO) on the 11th.

Commissioner Scholfield said that he will be preparing the Request for Quotations (RFQ) for the electrical upgrade in and near the Port's parking area. He is also aware of the needed RFQ for the Restrooms Renovation project.

3481 BYRON STREET LEASE – Commissioner Kitchens explained that two letters of intent (LOI) were received. The first was from Shyne Sonsteng a beauty stylist and the other was from Laurie and Chris Rahl, who own a pet grooming business. It was agreed that the space should be offered to Ms. Sonsteng since she was the first person who submitted a LOI for the space. If Ms. Sonsteng is found to not be ready to sign a lease, pay the deposit and first month's rent and provide proof of insurance, then the space should be offered to the Rahls. The lease is to begin May 1st. There was discussion about allowing tenants access to the premises prior to the first day of the lease. It was agreed that as long as they are performing tenant improvements, have signed the lease, submitted the first month's rent payment and deposit and provided proof of insurance listing the Port as additional insured, that should not be an issue.

It was determined that the 3421 Byron Street property had an incorrect square footage amount. The tenants, Te and Tom Nelsen, were notified that the rental amount will have to be increased starting January 1st, at which time a new lease will need to be entered into.

PUBLIC COMMENT

Carla Larson said that she understood that the Port's architect suggested to wait on tearing down the Old Town Pub (OTP), but the Port needs to keep the community informed as to why it's not being demoed and the future plans. She asked that the Commissioners continue to move forward on hiring additional office staff.

Marvel Hunt said that she agrees with Ms. Larson, but not with the reasoning of the architects to keep the OTP as is for a few more years. She said it is a danger to the community and the community as a whole is tired of seeing it. She sees it sagging more and more. She said that she heard that one of the properties the Port recently purchased, 3481 Byron Street property, needs a new subfloor. She agreed with Ms. Larson that the Port needs to do more with regard to communication. She suggested an article about the OTP be placed in the Kitsap Sun or CK Reporter as well as on

social media and the Port's website, but the newspaper is key. Commissioner Reese said that he regularly attends the Central Kitsap Community Council (CKCC) meetings and has even made presentations about what the Port is up to.


Ms. Larson suggested the Port put something out on social media stating that the Port will not be tearing down the OTP at this time on advisement from the Port's architectural firm. Ms. Hunt said that the whole story needs to be told including the new building complex. Commissioner Scholfield said that it couldn't be done on social media. It was agreed items could be posted to the Port's website, where others could share via social media. Ms. Hunt said that Josh Farley of the Kitsap Sun would probably be very interested in preparing an article on the pub – basically a follow-up article because he already published an article a few years ago.

RJ Haaland said he appreciates the Commissioners for everything they are doing for the community.

The next Kitsap All Ports meeting is scheduled for Monday, April 25, 2022 at 6:30PM at the Port of Brownsville and it will also be made available via Zoom.

The meeting adjourned at 12:38PM

Approved:


Commissioner
Commissioner
Commissioner

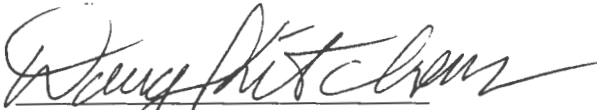
WAIVER OF NOTICE OF SPECIAL MEETING


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


April 6, 2022, at 10:00AM Port Office, are present at such 3550 NW Byron St, Silverdale, WA

meeting and agree to the conduct of the Port business as announced by the

President/Chairman 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 WEDNESDAY, APRIL 6, 2022 @ 10:00AM

TO DISCUSS STRATEGIC PLANNING FOR THE PORT'S FUTURE

and the lease @ 3481 Byron Street

THIS WILL BE A WORKSHOP FOR THE COMMISSIONERS AND STAFF

PUBLIC INPUT WILL BE LIMITED

ATTENDANCE WILL ALSO BE AVAILABLE VIA ZOOM

The link to the meeting can be found on the Port's website (portofsilverdale.com)

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