



## Port of Illahee – Minutes of Regular Meeting on October 11, 2017

Port of Illahee  
Minutes of Regular Meeting  
October 11, 2017

### CALL TO ORDER

Commission Chairman Jim Aho called the meeting to order at 5:04 PM outside of the Illahee Store property located at 5507 Illahee Road, Bremerton. Notice was placed at 5500B Illahee Road property informing the public that the meeting was being held across the street at the Illahee Store. Also present were Commissioner Cassie Magill; Commissioner George Schaefer; Administrator Theresa Haaland; Illahee residents: Roy Barton, Tom Brittell, Jon Buesch, John Burton, Dave Ditzler, Rachelle Freegard, Michael Greer, Don Jahaske, Mike Mantzke, Mark Moshay, John Parvis, and Monica Wood.

Introductions were made.

*Commissioner Aho moved to approve the agenda as prepared; second by Commissioner Schaefer, approved unanimously.*

*Commissioner Magill moved to approve the September 11, 2017 Special Meeting minutes as submitted; second by Commissioner Schaefer; approved unanimously.*

It was reported that as of September 30, 2017 the Port's General Fund totaled \$165,578.51 and the Investment Pool totaled \$213,937.23.

### REPORTS

#### General

Commissioner Aho reported that he cut down weeds at the dock parking lot near Illahee Road as they were restricting drivers' sight when leaving the parking lot.

Commissioner Aho talked about aquaculture and how that back in the 1980's an Illahee resident attempted to have commercial fish pens installed on his tidelands to raise Atlantic salmon. The County initially approved the venture. Several Illahee residents did not want this off the shores of Illahee and thus the Illahee Community Betterment Committee (ICBC) was formed. At the time, Port Commissioner Louis Fitzwater voiced his concerns about the fish pens as well. The Committee hired a well-known attorney from Seattle, John Merkel, and challenged the County's decision. The County in turn changed their decision – denying the fish pens. The applicant appealed the County's decision and it went before the State Shorelines Board who sent it back to the County, where it was once again denied. Ultimately, it was denied because of the proximity of Bainbridge Island and Illahee, as not enough water movement is prevalent in that area and therefore it was believed the raising of the fish would create a foul smell in Illahee. Commissioner Aho found this all very interesting with regards to the recent Atlantic salmon spill.

#### Dock Manager's report

Commissioner Magill reported that just the ends of three sides of dock are in need of bumpers. She is awaiting a particular blue hose to be available from the fire department. She provided a sample piece of fire hose for everyone to view.

Commissioner Magill explained that while she has been down at the dock this summer she has witnessed several individuals down there that do not speak English. On one occasion someone approached her about the "blue box" that sits at the land side of the pier. The person didn't realize



## Port of Illahee – Minutes of Regular Meeting on October 11, 2017

that the Honey Bucket was a restroom facility. This has caused Commissioner Magill concern that individuals may not understand the warning signs that are posted on the dock. She suggested the Commissioners consider posting signs that don't just use words but pictures to help such individuals understand possible hazards.

Commissioner Magill went on to report that there are three boats currently tied to the dock. She has posted a notice of violation on each of them and provided a sample of the notice for everyone to view. Commissioner Aho explained that one of the boats is a sailboat and the individual must live on his boat because he is out in it basically 24/7. This has caused some local Illahee residents concern about how he disposes of sewage. They have discussed calling authorities to complete some sort of "wellness" check to not only make sure he is okay, but to ensure he is handling sewage disposal properly.

Commissioner Magill has been monitoring the timer pins for the lights and they seem to be holding. The lights are currently on from 6:00PM to 2:00AM and soon the start time will be at 5:00PM.

The backflow prevention performance test was conducted by Bremerton Backflow Services. It passed and the results were forwarded on to North Perry Water District.

### Website

Commissioner Magill plans to obtain a copy of the dock survey and provide it to Commissioner Aho, who will post it on the website.

## **UNFINISHED BUSINESS**

### Properties

5500 Illahee Road – the credit card charge to Dana's Heating in the amount of \$457.80 was discussed. Dana's Heating was called because the tenant smelled natural gas. The gas to the hot tub had to be capped off. Mark Moshay cautioned not to drain the hot tub entirely. It was explained that the hot tub is considered an extravagance and will eventually be disposed of. Commissioner Aho explained that there was concern about extra cars parked at the house over the summer, but it is believed it was just guests as they are now gone.

5560 Ocean View Boulevard – the lease is set to expire on November 30<sup>th</sup> and Good Property Management reached out to the Port to verify that the Commissioners wanted to enter into another year-long lease with the current tenants.

Commissioner Aho suggested that they continue with the lease as it is. The Port received a copy of a delinquent bill from North Perry Water addressed to the tenants. According to Good Property Management there was no action for the Port to take at this time as they are handling it.

5507 Illahee Road – the Draft Preliminary Planning Assessment (PPA) Report had been received from G-Logics, Inc. It determined that the environmental cleanup costs for the property would total \$355,000. The value of the property was assessed at \$60,000. So the total cost for the property would be \$415,000. The Port has been waiting for these figures so that the Port's lawyer, Ken Bagwell, can provide them to the State's Pollution Liability Insurance Agency (PLIA) and hopefully move forward with a cleanup grant once the sheriff's sale is finalized. The Port hopes to





## Port of Illahee – Minutes of Regular Meeting on October 11, 2017

purchase the property for the assessed \$60,000. Monica Wood questioned what would happen if an individual showed up at the sheriff's sale and offered to purchase the property for \$120,000. It was explained that the PLIA grant to clean up the property is only available to governmental agencies so if a private party were to purchase the property they would be looking at paying the additional \$355,000 for the mandatory cleanup. It is currently flagged by the State Department of Ecology and is on their contaminated site list. John Burton asked if the price for the property would exceed the \$60,000. It was explained that attorney Ken Bagwell is in discussions with Flett Dairy's lawyer, Gary Chrey and the final price is yet to be determined. Mr. Moshay asked why in the summer it seemed urgent to proceed to the sheriff's sale when in fact the PLIA grant wasn't in place. It was explained that the grant has always been part of the deal. The Port would like to proceed with the sheriff's sale, but until the grant is set that would not be prudent. Mr. Moshay asked if the PLIA grant would cover all the costs associated with the cleanup. The Port may have to pay a percentage of the cleanup costs, but it should be minimal compared to the total costs. The Port has a budget line item for the purchase and renovation of the property. Mike Mantzke asked if there was a scope of work for the estimated \$355,000 clean up costs. From his experience he thought the estimate seemed a bit high. The PPA is very detailed and once it is finalized it will be made available via the Port's website.

### 2018 Comprehensive Plan

Commissioner Aho explained that the Port held a public hearing to discuss the 2018 Comprehensive Plan during last month's regular meeting. At that

time several Illahee residents provided input regarding the Comp Plan. Everyone was provided a copy of the draft final 2018 Comprehensive Plan, which highlighted the input received from individuals during last month's meeting. Mr. Moshay questioned the ADA accessibility item within the Comp Plan. Commissioner Aho explained that right now two cars can park at the bottom of the hill heading towards the dock. He witnessed an individual with mobility issues do just that and have no problem accessing the dock from there. Rachelle Freegard explained that she is an accessibility consultant and would be willing to work with the Port. She explained that ADA accessibility and accessibility are not entirely the same. Commissioner Aho said that in order to be awarded a Washington State Recreation Conservation Office (RCO) grant ADA accessibility is necessary. Commissioner Aho introduced Ms. Wood and explained that she is a medical doctor and surgeon. Ms. Wood said that she has muscular sclerosis (MS) which causes her mobility issues especially with stairs and distance. Commissioner Aho explained that tonight's meeting was being held outside of the Illahee store because the Port Commissioners want everyone who is interested in attending the meetings to be able to attend the meetings and with the flat ground outside the store property it is generally accessible to all, but with the weather changing next month the meeting will have to be held at the 5500 Illahee Road B property. He hoped individuals with mobility issues would consider parking their vehicle at the bottom of the hill to attend next month's meeting. He recalled Irwin Krigsman saying at last month's meeting that he would not be comfortable driving his car down there though and that is very unfortunate. Possibly some sort of shuttle can be



## Port of Illahee – Minutes of Regular Meeting on October 11, 2017

made available. Commissioner Magill explained that although the Port is not currently ADA accessible it is an objective for the future and that is why it is outlined within the Comp Plan.

Roy Barton said that the Comp Plan talks about the Port promoting and supporting economic development, but from what he has seen and heard he doesn't believe that to be the case. He said that the Port fought the fish pens back in the 80's, fought the housing developments in the area. To him the Port seems to be hindering economic development not supporting it. He has concerns of the Port purchasing the store because there are no real estimates for costs associated with getting the building up to code with a new roof, electrical, etc. And there is no guarantee that a grant will be awarded. Commissioner Schaefer explained that with regards to one of the housing developments they wanted to put a second hole in the Port's bulkhead so yes, the Commissioners were against that. Commissioner Magill said that that is why she was against the purchase of the store, but if it was rented out to a business such as a coffee stand it could actually create economic development. Ms. Wood said that if the Port could turn the decaying property into a maintained property it would be an asset to the community instead of the eyesore it is today. Mr. Moshay added that it could be a multi-purpose building and the Port could hold meetings there. Mr. Barton said that the septic system would most likely not be adequate for a coffee shop. Commissioner Magill thought that it could be written in the lease that the tenant would be required to get the septic pumped monthly. Tom Brittell asked if the ADA accessibility was for the dock or the beach. It was explained that it would be for Port facilities.

Commissioner Aho said that with regards to an RCO grant the funds used to purchase the store may be able to be used as some of the matching grant funds for a marine park. ***Commissioner Schaefer moved to adopt the 2018 Comprehensive Plan as prepared.*** There was discussion.

Commissioner Magill said that she was against the adoption of the 2018 Comprehensive Plan because she was against the purchase of the store property because the money that goes into the store will exceed the Port's budget and also because an RCO grant would prohibit any future changes to the property. Once RCO funds are accepted and the agreement is signed the property would need to be used as outlined in the agreement in perpetuity and Commissioner Magill doesn't agree with that. Commissioner Aho said that that is why the future needs to be considered when developing a plan.

***Commissioner Aho seconded the motion; approved*** (Commissioner Magill voted against the adoption).

Dave Ditzler thanked the Commissioners for all they do for the community. Everyone seemed to agree.

### **PUBLIC COMMENT**

Roy Barton asked about the notice that Commissioner Magill had placed on the boats. He questioned how the impoundment fee was determined as he felt the fees were very low. Commissioner Magill explained that the Port has yet to impound a boat. Normally, once a boat is tagged it is gone within a few days. Mr. Barton asked if the tenants at 5500 Illahee Road were now responsible to pay for the utilities. It was explained that the water was recently placed in the tenant's name, but the Port was still paying for the power. The tenant is and has been responsible to pay the gas bill.





## Port of Illahee – Minutes of Regular Meeting on October 11, 2017

Mr. Mantzke said he was concerned with the escalation of the insurance premium through Enduris. It was explained that it now covers more than it once did. Mr. Mantzke said that he has concerns about the 5560 Ocean View property tenants possibly subleasing. The septic system is the main concern. He suggested a no subletting clause be added to the lease, if not already in it. With regard to the Port being ADA accessible he doesn't see that happening because of the grade to get down to the dock and to make any improvements to property that close to the water would be very hard. A development at Lebo Field ran into problems because the plans included installation of an impervious surface, which was not allowed due to the proximity to the water. With regards to the Illahee store property, it has "intrinsic" value and if the Port could purchase it, improve it and maintain it – it would not only increase the areas property value, but benefit the community morale – something to be proud of.

Mr. Burton asked how the Port would impound a boat. Mr. Mantzke suggested a chain. Commissioner Schaefer said that according to the sheriff if the Port rules are not followed as outlined on signage at the dock, in this case boat mooring is not to exceed 72 hours, then the individual is considered trespassing. Mr. Mantzke suggested Kitsap County Marine Code Enforcement officer, Steve Mount, be contacted if necessary. Mr. Burton asked if Good Property Management verifies the number of occupants actually living at 5560 Ocean View Boulevard. With regard to the Illahee store property, Mr. Burton would consider it an economic benefit to the area if the Port were to purchase the property and just have it cleaned up. Commissioner Magill agreed, but added that it

would be at the taxpayers' expense. Ms. Wood explained that as taxpayers, her and her husband would like to see the property improved. Commissioner Magill said that it may be necessary to raise taxes for that to happen, but if the property just went through foreclosure it would become property of the State and they would be required to clean it up. Ms. Wood questioned the timeliness of the state being involved in such a project – could see it lingering for many years with nothing done to it.

Mr. Barton asked if the Commissioners would consider selling the Ocean View property and use that money to purchase/improve the store. Commissioner Magill said that the property could be put up for sale at any time, but for the time being it actually is making a profit.

Mr. Mantzke, who was a previous Port Commissioner, said that with regard to the economic development comments Mr. Barton made it has been his experience with the Port that environmentally responsible development is generally supported, but if there is question about detrimental impact to the environment the Port cannot and will not support it and some of the developments Mr. Barton mentioned would have had a negative impact on the environment, so at that time the Port Commissioners voiced their concerns and opposed those developments.

Commissioner Aho said that Judith Krigsman thought the Comp Plan should be called the Scheme of Harbor Improvements as referred to in the Revised Code of Washington (RCW). For the Port's purposes whether it's called plan or scheme it is basically the same difference. Commissioners



## Port of Illahee – Minutes of Regular Meeting on October 11, 2017

leaned towards Comprehensive Plan because that is the title the RCO has given it.

### 2018 Preliminary Budget

Commissioner Aho explained that the prepared budget is generally the same as the 2017 budget except that there is a line item of \$150,000 attributed to the purchase and renovation of the Illahee store property. Commissioner Magill was concerned that the amount under Facilities Maintenance and Materials was inadequate. Commissioner Aho explained that the amount for that line item is for maintenance only. If there was something major or emergent that was necessary for the pier and/or docks then funds from the Future Capital Improvements and Dock Expansion could be used. Commissioner Magill said that she did not agree with the \$25,000 Grant Writer line item. She believes it could be done in house and save the Port thousands of dollars. Commissioner Aho said that other Ports generally use a consultant to apply for RCO grants. Kathleen Barantas of Grant Solutions is a very good resource and has a good track record of being awarded grants. Commissioner Aho has been in contact with RCO grants manager, Kim Sellers, who offered to meet with him in Illahee and discuss possible plans. A preliminary plan would be due in the spring with the final presentation in the summer. Commissioner Aho plans to contact Ms. Barantas to further discuss her fees. The 2018 Preliminary Budget was signed by Commissioners Aho and Schaefer. Commissioner Magill did not approve nor sign the prepared 2018 Preliminary Budget because of the \$150,000 Store Purchase and

Renovation line item and the \$25,000 Grant Writer line item.

### **PAY BILLS**

***The attached expenditures in the amount of \$5,098.53, checks numbering 4198 through 4211, were approved.*** (motion by Aho, second by Schaefer, unanimous).

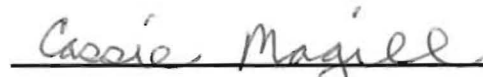
### **EXECUTIVE SESSION - None**

### **ADJOURN**

***The meeting adjourned at 6:25 PM.***

Approved:

  
Jim Aho, Commissioner

  
Cassie Magill, Commissioner


  
George Schaefer, Commissioner

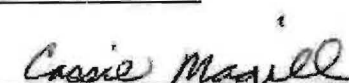


# Port of Illahee – Minutes of Regular Meeting on October 11, 2017

## VOUCHER APPROVAL

We, the undersigned Board of Commissioners of the Port of Illahee, Kitsap County, Washington, do hereby certify that the merchandise and/or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of \$5,098.53 and from the General Fund, this 11th day of October, 2017.

  
Port Auditor

  
Port Commissioner

  
Port Commissioner

Number	Name	Amount
4198	CASSIE MAGILL	228.00
4199	GEORGE SCHAEFER	114.00
4200	JAMES AHO	228.00
4201	BANK OF AMERICA	565.97
4202	KITSAP BANK	1,236.34
4203	NORTH PERRY AVENUE WATER DISTRICT	41.99
4204	CASCADE NATURAL GAS	4.00
4205	PUGET SOUND ENERGY	36.26
4206	WASHINGTON STATE DEPARTMENT OF REVENUE	1,048.67
4207	KENNETH W. BAGWELL, INC., P.S.	400.00
4208	ROBISON PLUMBING	149.87
4209	BREMERTON BACKFLOW SERVICES	45.00
4210	THERESA HAALAND	820.00
4211	PUGET SOUND ENERGY	179.43