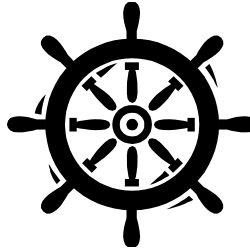


PORT OF ILLAHEE
2014 MEETING MINUTES



THE PORT OF ILLAHEE OF KITSAP COUNTY REGULAR MEETING.

SCHEDULED FOR THE SECOND WEDNESDAY OF THE MONTH

MEETING DATE: WEDNESDAY, NOVEMBER 12, 2014

MEETING TIME: 5:00 PM

**LOCATION: 5500 ILLAHEE RD
BREMERTON, WA 98311**

COMMISSIONERS PRESENT: All

COMMUNITY MEMBERS PRESENT: Roy Barton

- (1) THE MINUTES OF THE PREVIOUS REGULAR MEETING WERE READ AND APPROVED AS WRITTEN.**
- (2) VOUCHERS WERE AUDITED AND CERTIFIED BY THE AUDITING OFFICER AS REQUIRED BY: RCW 42.24.080.**
- (3) EXPENSE REIMBURSEMENT CLAIMS HAVE BEEN CERTIFIED AND RECORDED ON A LISTING WHICH HAS BEEN MADE AVAILABLE TO THE BOARD, AS REQUIRED BY RCW 42.24.090.**
- (4) GENERAL FUNDS VOUCHERS: #3509 THROUGH # 3520 APPROVED TO PAY VOUCHERS FOR A TOTAL OF: \$3,984.72**
- (5) TREASURE REPORT: As of 11/05/2014 General Fund: \$86,877.92
Investments: \$308,168.63**
- (6) COMMISSIONER'S REPORTS:**
 1. Commissioners Aho and Schaefer attended the Small Ports Seminar in Leavenworth October 23-24 agenda attached.
 2. Commissioners Magill and Aho attended the All Ports meeting October 20 – Minutes Attached
 3. Commissioner Aho attended the “NW Marine Trade Association” seminar.
- (7) DOCK MANAGER'S REPORT:**
 1. Missing wheel on ramp to the near float:
 2. Piling Maintenance: Expecting bids back soon
 3. Pressure wash dock? Maybe sweep with a stiff broom.

(8) COMMUNITY INPUT

1. ICC working on the Sub-Area plan, mtg on the 17th @ 6:15
- 2.
- 3.

(9) UNFINISHED BUSINESS:

1. Illahee day: August 2015
2. Illahee store:
3. 5500 Illahee Rd:
4. 5560 Ocean View Blvd:
5. Comprehensive Plan: Tabled
6. Gifted Properties: will happen only if Timbers Edge is developed
7. Renew Loan for 5560 Ocean View Blvd: documents provided to Kitsap Bank
8. General Port Information

(10) NEW BUSINESS:

1. 2015 Budget: presented, motion made to accept, seconded and passed
2. WPPA dues increase: Commissioner Schaefer will email the WPPA and question why it is doubled.

(11) PUBLIC QUESTIONS:

- 1.
- 2.

ADJOURNED AT: 6:00 PM

Next scheduled meeting: December 10, 2014 @ 5:00pm

Next All Ports meeting: January__ 2015 @6:00pm

Commissioners

Cassie Magill

James Aho

George Schaefer

Thursday, October 23

9:00 a.m. – 11:30 a.m. Optional Morning Intensive Session #1
(Alpine Room)

Cleaning Up The HR Closet: Employee File
Management
Michelle Fossum, Employment Law Attorney
Enduris Washington

9:00 a.m. – 11:00 a.m. Optional Morning Intensive Session #2
(Bavarian Room)

OPMA/PRA Required Training For Commissioners &
Records Managers
Katherine Deets, Principal, Chmelik Sitkin & Davis
Ginger Eagle, WPPA

12:30 p.m. Registration (Alpine Room)

1:00 p.m. Small Port Reports: How Small Ports Are Addressing
The New Economic Realities
Rebecca Chaffee, Manager, Port of Willapa Harbor
Mike Wren, Manager, Port of Ephrata

1:40 p.m. CERB Update—What's Up At CERB
Ann Campbell, Program & Policy Specialist
Washington State Department of Commerce
Brian Lock, Program Manager, CERB

2:00 p.m. Managing Your Port's Financial Health
Sheri Sawyer, Assistant Director, Local Government
Performance Center, State Auditor's Office

3:00 p.m. Break

3:30 p.m. Group Help: Do You Have an Issue That Needs
Solving? Let Some Experts & Your Peers Help
Frank Chmelik, Principal, Chmelik Sitkin & Davis
Jeff Smith, Finance Director, Port of Olympia
Francis Naglich, President, Ecological Land Services
Bob Maruska, Asst. Dir. Of Engineering, Port of Seattle

Thursday, October 23

4:30 p.m. Associate Member Speed Dating (Continental Room)
Aspect Consulting *George Fox*
Ecological Land Services *Enduris Washington*
Landau Associates *SoundEarth Strategies*
Tangent Services *Gibbs & Olson*
WA Counties Ins. Fund *PBS Engineering*
Maul Foster Alongi, Inc.

5:30 p.m. Reception (Continental Room)

Friday, October 24

8:30 a.m. – 11:30 a.m. Interactive Workshop:
From Response to Resilience: An interactive session exploring
how ports should respond, and more importantly prepare for
and recover from major structure fire, violence in the work
place, or perhaps a significant rail oil spill; interacting with
session attendees to determine how well your port is prepared
to bounce back

Jim Darling, Vice President,
Maul, Foster & Alongi, Inc.

Special Thanks For Sponsoring:



Quarterly Kitsap All Ports Meeting October 20, 2014

The quarterly Kitsap All Ports meeting was held October 20, 2014 at the Port of Silverdale office. Attendees included: Jack Bailey representing the Port of Brownsville; Cassie Magill and James Aho representing the Port of Illahee; Walt Elliott and Bruce MacIntyre representing the Port of Kingston; Daniel Fallstrom, Steve Pedersen, and James Strode all representing the Port of Manchester; Henry Aus, Lawrence Greaves, Ed Scholfield, Phil Best and Theresa Haaland all representing the Port of Silverdale; Jack McCarn, Rod Reid along with guest Joe Pacunski representing the Port of Waterman.

Commissioner Aus of Silverdale welcomed everyone and introductions were made.

Port of Kingston

Commissioner Elliott reported that the contract for the dredging project has been signed. It is expected to begin in November and completed by December 31st. The boat launch will be closed for a few days during the project. This is the first dredge in sixty years and it will restore the marina to its original integrity. It was last reported that eel grass was holding up this project. For mitigation purposes it was necessary to harvest the eel grass and plant it elsewhere. The Department of Natural Resources (DNR) apparently complained about the process of replanting the eel grass. DNR would like to implement a more restrictive agreement with the Port. It was agreed the DNR / public Ports original agreements should be in perpetuity with maybe minor adjustments as things evolve. Some of Kingston's wooden trusses will be replaced with pressurized aluminum. If more than eighty percent of a project requires replacement of materials it is considered new construction; otherwise, it's a repair.

Port of Manchester

Commissioner Pedersen explained that the County has started the storm water project at the park. They have a nine month window and will be moving down toward the beach. The pier and sidewalk will be a separate contract, Phase II. He went on to give a little history of how the Port came to recently acquire a piece of property. The Commissioners were glad that the bonding used allows for commercial development, as it gives them more freedom on what can be done with it. Currently, a trailer sits on the property and is rented out by the Port. It brings in a nominal monthly amount to the Port. Ever since the Port purchased the property, the public has been pressuring the Commissioners to develop it. Some have grandiose thoughts of what could go there. There also seems to be constant complaints about it, such as the grass growing too high, etc. The Commissioners were glad to purchase the property and put it in the public domain. They aren't necessarily eager to develop it. Commissioner Elliot explained some would like the Port of Kingston to build a hotel. He believes public/private projects are hard and there is a lot to consider plus a lot at stake. Commissioner Scholfield explained that Silverdale rents several properties it has acquired. The land could eventually be developed into something more, but for now it works and it's helped with economic development in the Old Town area. Commissioner Fallstrom of Manchester explained that the Port purchased it for \$100,000 less than the seller's asking price, so they felt it was an outstanding deal. Commissioner Bailey of Brownsville said that Ports don't have to have a reason to purchase property. The Port of Brownsville purchased the fire hall years ago and although the County caused issues for the Port in renting it out, it has ultimately been a blessing to the Port as they were able to use it as a staging area and allowed them to purchase material for their projects in advance and in bulk saving thousands of dollars.

Commissioner Bailey wanted others to know that to update a Port's Comprehensive Scheme all that needs to be done is attach the current budget.

Commissioner Pedersen talked about the Recreation and Conservation Office (RCO) grants and how they can be very beneficial to Ports, but don't forget that there are ties with that money and the RCO has a say in what can and can't be done with the property in perpetuity.

Phil explained that when the Port of Silverdale was updating its Comprehensive Plan in 2007, a Request for Qualifications (RFQ) was sent to several architectural firms. Three responded and were asked to provide a proposal. MAKERS architectural firm was hired to update the Port's plan. They subcontracted an economic development company to determine if it would be feasible for the Port to construct a permanent moorage structure. It was determined it would not be, but it was a good demonstration of hiring professionals to help steer you in the right direction. It might be something the Port of Manchester could consider.

Port of Illahee

Commissioner Magill reported that they had a detailed survey of the dock completed. The cross bracing is in bad shape and there is a wheel off on the gangway. Three different companies were contacted to give an estimate. No one responded. Mr. Pacunski suggested she set up appointments with a couple of companies, but Commissioner Magill explained they don't return her calls. Commissioner McCarn of Waterman suggested she contact the surveyor and ask for a cost estimate of the project. It may be considered an emergency repair. Commissioner

Scholfield suggested preparing a priority list of general-type maintenance. It was suggested a wheel be purchased at Viking Fence, Tacoma Screw, or even Ace Hardware. It shouldn't be too hard to replace. Commissioner Magill plans on purchasing a wheel and having it installed.

Commissioner Aho of Illahee questioned how involved the Port can be in supporting the community. The Commissioners of Illahee are a bit reluctant because during the last State audit they were dinged for spending \$15 for flowers that were given to a former Commissioner upon his wife's death. It was explained that in that case it was more of gifting, which is totally different than community-type support. Commissioner Greaves told about how the Port of Silverdale has financially supported the helipad at the Silverdale Harrison Hospital, the Petersen farm and the Barker Creek culvert project. Commissioner Elliott explained that there is a wide range of opportunities when looking at economic development and it is all good. The wording in resolutions is important. The Municipal Research and Service Center (MRSC) sponsored by the Washington Public Ports Association (WPPA) is available to WPPA members. Phil explained he has a list of things Ports can do, if Commissioner Aho would like a copy. Commissioner Bailey talked about the Brownsville Appreciate Day (BAD) as an example of community support. The Port does not handle any of the money involved with the event. The yacht club takes on that responsibility, while the Port promotes the event.

Port of Waterman

Commissioner McCarn smugly said that Waterman's 2015 Budget is done. They had applied for RCO grants for a new bulkhead and pier. With the assistance of Grant Solutions Waterman ranked second out of twenty-three for the Aquatic Lands Enhancement Account (ALEA) grant and seventh out of fifteen for the Washington Wildlife and Recreation Program (WWRP) grant. Thankfully the permits are all in place. A piling was lost and now the end of the pier is starting to sag. The entrance to the pier has been barricaded, but it still doesn't deter the squid fishermen.

Commissioner Reid has some concern about the State balancing the budget and possibly sweeping some accounts to compensate for money needed in the education portion of the budget. Commissioner Fallstrom explained that the money for the grants is within the transportation account and education falls under the general fund so it shouldn't be of concern. Although, Commissioner Fallstrom suggested everyone regularly contact legislators after the election and urge them to keep the recreational funds within the dedicated accounts.

Port of Brownsville

Commissioner Bailey reported that Brownsville has finished dock replacement to the middle of "C" dock. They are done for this year and plan to complete the project next year. All labor was completed in house. The Commissioners considered giving the employees bonuses because they went over and above their job descriptions to get the job done, but they have determined that bonuses cannot be decided upon after the fact. Brownsville Appreciation Day (BAD) was another great success. Unfortunately, BAD is not scheduled for next year because it will interfere with the dock replacement project, which is evidently better than BAD. Commissioner Bailey recounted some of the highlights of the WPPA sponsored Environmental Seminar he recently attended. Global climate change was a big topic. Scientists predict fifty inches of sea rise by 2100 and soon we can expect not to have a year-round snow pack, which could ultimately affect the generation of electricity or lack thereof. Apparently, the Governor is considering implementing a carbon tax similar to the emissions tax other states have in place. This is bothersome as there is no guarantee the money collected would be used for its stated purpose and not just swept into the general fund. Commissioner Bailey feels that as a Commissioner his duty is not only to serve but also to do anything possible which will aid in improving the environment.

Port of Silverdale

Commissioner Scholfield reported that Silverdale recently acquired three more properties along Byron Street, two of which are currently rented. The docks were recently resealed. Commissioner Greaves explained that the Washington State Department of Natural Resources plans to pull the old piling east of the moorage facility within the next couple of weeks.

There were questions regarding the County's Comprehensive update. Larry Keeton, Director of Kitsap County Department of Community Development (DCD) attended the All Ports meeting back in April and informed the Port representatives about the update and how the County wants the Ports involved with it. He even talked about the possibility of Port property having its own zoning to allow Ports more flexibility in renting property and/or developing it. At that time Mr. Keeton encouraged anyone who is interested to contact him via e-mail at lkeeton@co.kitsap.wa.us. Commissioner Bailey explained that the separate zoning code to Ports is huge as it would be so beneficial. This is something that needs to be pursued. Phil recently attended one of the County's Comprehensive Plan Update meetings. It was a public meeting. Phil talked with Mr. Keeton about Ports involvement and Mr. Keeton said he would like to keep the Ports separate and would be willing to talk to Ports about their individual plans. Apparently, Kitsap Transit is contemplating a foot-ferry service to Silverdale and

Brownsville, which was brought up at the meeting. Commissioner Fallstrom offered to talk to Mr. Keeton and/or Patty Charnas and invite them to attend the January All Ports meeting. Commissioner Aho suggested the Ports determine what they want to see in the update and put some pressure on the County to make it happen instead of waiting to be told what the County plans.

The meeting adjourned at 9:00 PM

Commissioner

Commissioner

Commissioner