



Port of Illahee – Minutes of Regular Meeting on July 10, 2019

Port of Illahee
Minutes of Regular Meeting
July 10, 2019

CALL TO ORDER

Commission Chairman James Aho called the meeting to order at 6:30 PM at Seeds of Grace/Lichen Hollow, 8050 Illahee Road, Bremerton. Also present were Commissioner Jonathan Buesch; Administrator, Theresa Haaland; Illahee residents: Roy Barton, Don Jahaske, Cathy Johnson, James Jones, Debbie Smith, and Randy Sumrall.

CONSENT AGENDA

Commissioner Buesch moved to approve the consent agenda items: July Meeting Agenda; June 12, 2019 Regular Meeting minutes; June 27, 2019 check number 4463 in the amount of \$1,000.00 as outlined in the attached interim voucher approval; July 10, 2019 checks numbering 4464 through 4477 totaling \$4,868.84 as outlined in the attached voucher approval; and Excuse Commissioner Burton's absence; second by Commissioner Aho; approved unanimously.

Commissioner Aho explained that all of the items within the consent agenda have already been reviewed. Had there been any questions or issues with any of those items there would have been a period for discussion.

PUBLIC COMMENT – Commissioner Aho welcomed everyone and suggested everyone introduce themselves. Don Jahaske said that he is a longtime Illahee resident and attends the Port meetings somewhat regularly. Roy Barton said that he has been attending the Port meetings for the past six or seven years as he likes to keep his finger on the pulse of the Port District and community.

Debbie Smith explained that she grew up in the house that is across the street from the Illahee Store property. She has recently returned to live there in her family home along with Randy Sumrall and they are interested in the Port and the community. James Jones said that he recently purchased a lot on Madrona Avenue and also wants to be involved in the community. Cathy Johnson said that she lives on Luxury Lane and is retired from 27 years in local government. She has been attending the Port meetings somewhat regularly for the past year as she wants to be involved.

Mr. Barton said that he saw in the agenda packet that the Port paid \$1,000 towards the sheriff sale of the Illahee Store property. He questioned why the Port was responsible to pay those fees. Commissioner Aho said that no one wants to purchase the property other than the Port and attorney Bagwell advised that in order to keep things moving towards the goal of the sheriff sale the \$1,000 to the Kitsap County Sheriff was the next necessary step. Mr. Jones asked if the \$1,000 would go towards the purchase of the property. Commissioner Aho said that it wouldn't because it is basically the fees the sheriff charges to advertise and conduct the sale. He went on to explain that the property is contaminated and the Port has ranked number sixteen for Pollution Liability Insurance Agency (PLIA) funding. It is thought the sheriff sale will take place sometime in August. Ms. Smith said that she has been tempted to go cleanup the outside of the building by weed eating and whatnot, but until the Port actually owns the building it is probably best to just leave it as is. The Commissioners agreed. Commissioner Aho explained that on paper the Kricks own the store,



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but Flett Dairy has all the judgments against it. Ms. Johnson said that the Port has basically purchased a portion of the judgments for \$60,000 and in exchange has \$100,000 credit towards the purchase.

REPORTS/UNFINISHED BUSINESS

Treasurer's Report

As of June 30, 2019; the General Fund totaled \$92,128.34, Investments totaled \$319,221.96 and the Balance of the Good Property Management account totaled \$200.15.

Commissioners' Reports

Website - Commissioner Aho is working on getting a link to the Surface Water Management Plan (SWMP). He explained that the Port had received a grant years ago that funded the report. It isn't really relevant to what the Port is doing now, but it would be good to have a link to it on the website and will continue his efforts to do that.

Rental Properties

5560 Ocean View Boulevard – Commissioner Buesch explained that the Port received a loan with Kitsap Bank to purchase the property about ten years ago. The loan is up for renewal this December with either paying it off with a balloon payment or starting a new loan on the remaining balance. The property was originally purchased with the intention of using it for a Port meeting space, but it was later decided to turn it into a rental. Commissioner Buesch said that once the Illahee Store property is purchased the Board might decide to sell the property and use the proceeds to make improvements to the store. The tenants were asked to trim back the brush near the street as it was creating a visual hazard to traffic.

The current lease is up at the end of 2019. Ms. Johnson asked if the Port had an "out" clause within the lease. It was unknown. She asked what interest rate the Port currently pays on the loan. It was determined to be 5%. Ms. Johnson suggested the Commissioners consider selling the property sooner and said that a cost benefit analysis would be beneficial.

5500 Illahee Road – Commissioner Buesch reported that he had received a call from the tenant on a Friday saying that they had no hot water for a couple days and she noticed the hot water tank was leaking. Commissioner Buesch used the Small Works Roster to contact a couple of companies; one ended being out of business. Port Orchard Plumbing agreed to come out and take a look at it. It was determined that the thermostat was leaking and the part would have to be ordered. Port Orchard Plumbing didn't know how much the part would cost, but assured it would be far less than a new tank. They came back two days later and fixed the thermostat. The tenant was without hot water for a total of five days. Commissioner Buesch was surprised when he received a bill from Port Orchard Plumbing at just under \$900. He called and questioned the charges. It was explained that the part cost over \$300 and the additional charges were for labor. He asked how much it would have cost to buy a new tank. He was told that the installation of a new gas hot water tank would cost about \$2,500. The bill is being authorized for payment at tonight's meeting. Commissioner Buesch explained that the deck on the building is rotting and the Commissioners agreed that the tenant could perform the work with the Port paying for material. He noticed that they are working on it, but at their own pace.



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Dock/Pier – an e-mail from Commissioner Burton dated July 7, 2019 was reviewed. He explained that the Port of Brownsville maintenance staff has not been able to start the Ports gangway project, but Matt has assured him that they will be able to start soon, possibly this week. Commissioner Burton reiterated to Matt that the gangway project is the priority as it is a safety concern and that he will continue to work with Matt on the priority of the other items that need to be completed. Commissioner Aho said that around the 4th of July he saw about fifteen people out on the dock fishing, crabbing and just enjoying themselves. It was so good to see the community enjoying the resources. A couple days later he noticed a boat tied up to the outer float on the dock which prohibited the public to fish or crab and it got Commissioner Aho to thinking that the outer side of the float should be open for boat loading and unloading only, so that it can generally stay open for the public to enjoy. Commissioner Aho had submitted wording for a possible sign to attach to the piling. An e-mail was sent to Commissioner Burton, since he is the Dock Manager, explaining that this would be on the agenda. Commissioner Burton responded that he doesn't agree with adding such signs since there has never been a policy such as this before and it wouldn't be enforceable. Commissioner Burton submitted a resolution regarding the Port facility use and moorage rules and regulations. The proposed resolution was e-mailed to all Commissioners. Commissioner Aho made a few changes and added a paragraph stating float moorage prohibited seaward of outer float except for loading and unloading. He then sent the proposed resolution onto attorney Bagwell's office for review. Attorney Bagwell's new law partner, Amanda Harvey,

responded with added changes/suggestions. These were made and the resolution was reviewed. Mr. Barton suggested a time period be added to paragraph regarding the loading and unloading; otherwise, boaters might think it's okay to take hours to load/unload. Ms. Smith suggested to change it to actively loading/unloading. Mr. Jahaske thought there should be an item added relating to sea planes and he could provide the wording. It was agreed that more changes should be made to the resolution and the Commissioners weren't comfortable adopting the resolution with Commissioner Burton not in attendance anyway, so this will continue onto the August agenda.

Illahee Store Property/5507 Illahee Road –

Commissioner Aho reported that things seem to be advancing towards the sheriff sale. He anticipates that the earliest it to take place would be sometime in August as it needs to be published in the local newspaper for at least two consecutive weeks prior to the sale on the courthouse steps. When it does take place at least two Commissioners will need to be in attendance as a check will need to be authorized if the Port is the highest bidder. This will be considered a Special Meeting and notice will be posted on the website in advance. As mentioned earlier, the Port already has a \$100,000 credit towards the purchase. It is hoped that any other bidders are aware of the property's contamination issues that will cost well over \$500,000 in remediation costs. Mr. Barton said that the Port should actually receive \$101,000 credit since it paid for the costs of the sheriff sale. Commissioner Aho reported the vandalism that was discussed at last month's meeting to the Kitsap County Sheriff. An incident report (K19-006061) was prepared by officer Casey Jinks and reviewed.



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The officer told Commissioner Aho that it is more than likely a local individual that committed the crime. Commissioner Aho has looked into installing some sort of security camera, but it is a little more complicated than he first anticipated.

Recreation Conservation Office (RCO) funding – Commissioner Aho explained that when he talked to Kim Sellars, the Port's RCO grant manager, she told him that the grant writers recently used by the Ports of Brownsville and Kingston were both very good. Commissioner Aho has an e-mail into Commissioner Jack Bailey and Matt Appleton of the Port of Brownsville asking for information about the grant writer they used. He hasn't received a reply. If he hasn't heard from them by the time of the All Ports meeting, scheduled for July 29th, he plans to ask them then.

Illahae Day – the Commissioners have been considering holding off on Illahee Day until the Port owns the Illahee Store. Commissioner Buesch said that he will not be in town the first Saturday in August and suggested the event be cancelled for this year. Next year, if the Port is the official owner of the store, there could be a big celebration – Illahee Day 2020. Others agreed, especially since the outside of the Illahee Store building will continue to look rather shabby until the Port purchases it, if all goes as planned.

NEW BUSINESS – None

PUBLIC COMMENT – Ms. Smith and Mr. Jones thanked the Commissioners and expressed their gratitude in meeting everyone.

EXECUTIVE SESSION – None

The All Ports meeting is scheduled for Monday, July 29th with a pre-meeting potluck barbeque at 5:00PM.

ADJOURN

At 7:13PM Commissioner Buesch moved to adjourn; second by Commissioner Aho; approved unanimously.

Approved:

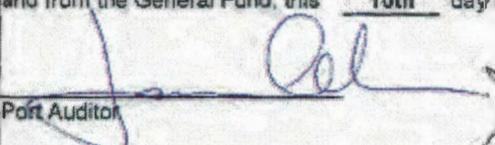
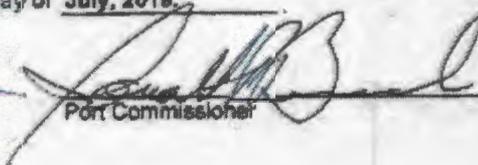

Commissioner


Commissioner


Commissioner



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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 <u>\$4,868.84</u> and from the General Fund, this <u>10th</u> day of <u>July, 2019</u> .		
		
Port Auditor	Port Commissioner	
	Port Commissioner	
Number	Name	Amount
4464	JAMES AHO	256.00
4465	JOHN BURTON	128.00
4466	JONATHAN BUESCH	256.00
4467	CASCADE NATURAL GAS	5.00
4468	HONEY BUCKET	87.00
4469	PUGET SOUND ENERGY	20.38
4470	WASTE MANAGEMENT	21.51
4471	BANK OF AMERICA	14.79
4472	KITSAP BANK	1,236.34
4473	WASHINGTON STATE DEPARTMENT OF REVENUE	1,078.56
4474	KENNETH W. BAGWELL, INC., P.S.	256.00
4475	SEEDS OF GRACE	36.00
4476	THERESA HAALAND	575.00
4477	PORT ORCHARD PLUMBING & HEATING, INC.	899.25