



Port of Illahee – Minutes of Regular Meeting on October 9, 2019

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Minutes of Regular Meeting
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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; Tim Knapp and Lee Knapp of TIKAR Services; Steve Johnson; and Illahee residents: Don Jahaske, Cathy Johnson and John Parvis.

CONSENT AGENDA

Commissioner Buesch moved to approve the consent agenda items: October Meeting Agenda; September 11, 2019 Regular Meeting minutes; October 9, 2019 checks numbering 4503 through 4516 totaling \$4,780.19 as outlined in the attached voucher approval; and excuse Commissioner Burton's absence; second by Commissioner Aho; approved unanimously.

PUBLIC COMMENT – Tim Knapp said that he and Lee were just stopping by the meeting to check in and see how things are going for the Port. Lee explained that he is a partial business owner of TIKAR Services and that he recently graduated from Montana State University. He is working on design and fabrication for TIKAR as well as online sales. Tim added that he comes up with a design and Lee brings it to life. Tim said that if the Port is interested in bidding out a maintenance contract, they can provide an example of a bid document that can be conformed to Illahee's needs. Commissioner Aho informed Tim that the Port has recently entered into an agreement with John Piccone of Soundwest Engineering to generate an

updated comprehensive plan for the Port to be used for applying for Recreation Conservation Office (RCO) grants. Mr. Piccone has a good track record for receiving RCO funding for his clients. Commissioner Aho had a meeting with Mr. Piccone and it was decided that a survey will be sent out to Illahee residents. The 2020 grant cycle is approaching with the funds available in 2021. Commissioner Aho explained that the Port plans to apply for more than one grant using one as matching funds to the other. New floats and a dock will be pursued, but maintenance is another issue. Tim said that he and Lee are interested in working for Illahee and a maintenance contract can include on-call emergency maintenance as well as predetermined projects. Commissioner Aho said that Commissioner Burton is the dock manager. He is out of town this meeting, but it is thought this is something he would be interested in discussing with Tim. It was suggested Tim contact Commissioner Burton directly and maybe touch base with Mr. Piccone as he works for many Ports. Tim and Lee thanked the Commissioners for their time.

Commissioner Aho provided a flyer with information of the Illahee Preserve Acquisition. They have raised \$70,000 of the necessary \$110,000 that will allow them to receive a \$328,300 Commerce grant to complete the purchase of the Timbers Edge II development. They need to raise the final \$40,000 this month. Donations are being accepted and appreciated.

Steve Johnson explained that he lives out near Lake Symington in Seabeck, but he owns a rental property in Illahee and is interested in what the Port is doing.



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REPORTS/UNFINISHED BUSINESS

Treasurer's Report

As of September 30, 2019 the General Fund totaled \$39,512.43, Investments totaled \$370,897.50 and the Balance of the Good Property Management account totaled \$200.15.

Commissioners' Reports Website - Commissioner Aho said that he received a call from a Port Commissioner from another district, who was comparing the smaller ports websites. He told Commissioner Aho that he noticed the Port of Illahee has more information on their website than some of the bigger ports. Commissioner Aho explained to him that in order to avoid cumbersome Freedom of Information Act (FOIA) requests the Commissioners long ago decided to be as transparent as possible and make everything available via the Port's website. So, if a request is received, the requestor is directed to the website. A link to the Surface Water Management Plan (SWMP) has not yet been added to the website.

Rental Properties

5560 Ocean View Boulevard – Commissioner Buesch reported that Good Property Management (GPM) informed him that since the 2020 lease is just an extension of the previous lease, not an actual new lease, they are unable to add a clause that would allow the Port to end the lease if it was decided to sell the property. So, the lease term is through December 2020. GPM was asked to raise the rent if they determined it adequate.

Commissioner Buesch explained that Kitsap Bank holds the note on the property and it's matures in December. Kitsap Bank provided the Port with a commitment letter dated October 8, 2019. It was

reviewed. Cathy Johnson informed the Commissioners that a resolution may be necessary to move forward with approving the new loan. The Commissioners requested the letter be forwarded to attorney Bagwell for review. This will be on next month's agenda.

5500 Illahee Road – Commissioner Buesch reported that looking from the parking area to the deck it appears the tenants have applied the stain to the deck. He hasn't yet inspected it from within the premises.

Dock/Pier – an e-mail from Andre Besler, the owner of the 32-foot Bayliner that has been moored at the Port facility, was reviewed. Ms. Besler apologized for exceeding the maximum three-night limit and explained that he was having some electronics installed in his boat, but there have been delays. He said that he would be gone at the latest today. It was thought the boat remained tied to the docks earlier today.

Illahee Store Property/5507 Illahee Road – An e-mail dated October 9, 2019 to attorney Bagwell from attorney Matthew Holyoak was reviewed. He explains that he and attorney Gary Chrey are working with the County Clerk's office on the Notice of Sheriff's Return on Sale paperwork the Clerk's office generated as there are a couple of issues. The Clerk's office also did not mail the notice out in a timely fashion, but according to attorney Holyoak the redemption period is based on the date of the sale not the confirmation of the sale. Commissioner Aho explained that the redemption period is required by state law and it allows the party who lost property via a Sheriff sale a timeframe to re-purchase the property. It is



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believed the redemption period is up to one year. Commissioner Aho has been told that the Krick's have no means and/or intention to attempt to buy the property back. Once the court approval paperwork is received from attorney Bagwell it will be sent to the Pollution Liability Insurance Agency (PLIA) so that the process of cleaning up the property can begin. Commissioner Aho said that the property has been contaminated for probably about eighteen years now; the contamination has well settled into the ground, so if the cleanup doesn't take place within a year or two that should not be an issue.

Commissioner Aho said that he had received a call from Kitsap Roofing asking him if he agreed with the type and shade of shingle roofing that Commissioner Buesch was leaning towards having them order. Commissioner Aho told Kitsap Roofing whatever Commissioner Buesch decides should be fine. Commissioner Buesch explained that he had received five proposals from five different roofing companies. It was known that the price of the roof would be well under the \$40,000 threshold that would require use of the Small Works Roster. When Commissioner Buesch first requested the proposals, he was unaware that the Port is required to ensure the contractor pays its employees prevailing wage. He re-contacted the companies after he found out about the prevailing wage requirement and most of them were unaware of what he was talking about and he didn't hear back from any of them. Last month, Roy Barton had suggested that Commissioner Buesch contact Kitsap Roofing, owned by Kim and Kathy Gonser, as they are local business owners of Kitsap Roofing and live within the Illahee area. The Gonser's provided a proposal and then provided an

updated proposal to include prevailing wage. The prevailing wage for a roofer in Kitsap County is \$53.00 an hour. Kitsap Roofing's final proposal came in at under \$12,000 and was lower than the proposals that didn't include prevailing wage. The Gonsers have since had to jump through several hoops including taking a required Washington State Department of Labor and Industries online prevailing wage class and submitting an affidavit of intent to pay prevailing wage. Commissioner Aho said that he might begin trimming some of the overhanging branches from the roof. John Parvis offered to help him. Commissioner Buesch said that Kitsap Roofing's proposal included trimming, but if they wanted to get a head start on that, he would be able to help too. The Open Public Meetings Act was discussed. As long as the Commissioners are not discussing Port business it should be okay and it was agreed that since Mr. Parvis will be present that would be beneficial.

An article titled "Purchase of Illahee Foods building a step toward redevelopment" was published in the September 11, 2019 edition of the Kitsap Sun.

Comp Plan/Recreation Conservation Office (RCO) funding – Commissioner Aho reported that the Port and Soundwest Engineering entered into an agreement on October 1, 2019. Mr. Piccone has reviewed the Port's current comp plan. He informed Commissioner Aho that the RCO has a different format and thought it would be beneficial to update the Port's plan to fit within the RCO's format. Mr. Piccone also suggested that questionnaires be sent out to the Illahee Community asking for their feedback for what the Port should focus on in the future. Soundwest Engineering will be mailing approximately 2000



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questionnaires on/or around November 1st. Mr. Piccone said that this is a good way to get the public involved. A Special Meeting will need to be held to allow the public a chance to hear about the updated comp plan and discussion. It was agreed that a Special Meeting of the Port of Illahee will be held on Wednesday, November 20th at 6:30PM at the Seeds of Grace/Lichen Hollow building. Notice will be published on the Port's website as well as in the CK Reporter. The final comp plan could be adopted as early as the December meeting, depending on public input.

Don Jahaske questioned if the \$53.00 an hour for the roof work prevailing wage included taxes and insurance benefits. Commissioner Buesch said that the amount is the hourly rate paid to the workers. Commissioner Aho recalled years ago when he was building a greenhouse around the same time the Kitsap Mall was being built. He couldn't find anyone to hire to help with the greenhouse because they were all making such great money working on the mall.

2020 Preliminary Budget was reviewed. Mr. Johnson asked if the Port has a manager for the rental properties. Commissioner Buesch told him that one of the properties is managed by Good Property Management and the other is not. Commissioner Aho explained that for years the Port didn't increase taxes, but last year it was decided to begin collecting the one percent over the highest allowed levy. ***Commissioner Buesch moved to adopt the 2020 Preliminary Budget as prepared; second by Commissioner Aho; unanimous.*** Commissioner Aho said he will add the preliminary budget to the website and post it on the kiosk near the dock.

Ms. Johnson asked if the agenda packets could be added to the website as there are times when the minutes reference items within the packets and it would be convenient to be able to look at those items. This will be further discussed next month.

NEW BUSINESS

State Auditor e-mail dated October 7, 2019 was received. The 2017/2018 audit will begin soon. There are several questions the auditor asked within the e-mail including if the Port adopted policies related to credit card usage, processing of funds and deposit procedures. In review of the files no new policies could be found. Upon review of the last budget determination there was no mention of this recommendation. This was discussed. ***Commissioner Aho moved that any and all Port of Illahee credit cards be issued to Illahee Port Commissioners only and be used for Port business purchases only with receipts submitted to contracted administrative staff prior to or at the next regularly scheduled Port meeting; second by Commissioner Buesch; unanimous.***

Election is scheduled for November 5th, 2019. Position 3 for the Port will be on the ballot. Commissioner Aho is running unopposed.

PUBLIC COMMENT

Mr. Johnson asked if the October 9, 2019 e-mail from attorney Holyoak via attorney Bagwell regarding the Notice of Sheriff's Return on Sale paperwork will be added to the Port's website. Commissioner Aho said that the minutes should cover it pretty well so that should be adequate.



EXECUTIVE SESSION

None

ADJOURN

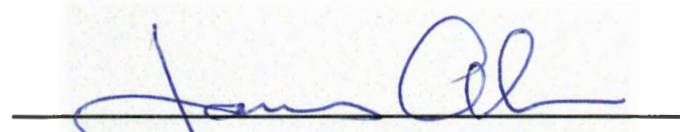
At 7:53PM Commissioner Buesch moved to adjourn; second by Commissioner Aho; approved unanimously.

Approved:



Commissioner

Commissioner



Commissioner

