



Port of Illahee – Minutes of Regular Meeting on May 13, 2020

Port of Illahee
Minutes of Regular Meeting
May 13, 2020

Due to the COVID-19 Virus and Governor Inslee's Proclamation 20-05 the meeting was being held virtually through the ZOOM app (meeting id# 71509975823). Notice of the virtual meeting was posted on the kiosk at the head of the pier and on the Port's website – portofillahee.com. The free ZOOM app was used for the meeting.

CALL TO ORDER

Commission Chairman James Aho called the meeting to order at 6:30 PM. Also in attendance were Commissioner Jonathan Buesch; Commissioner John Burton; Administrator, Theresa Haaland; John Piccone of Soundwest Engineering; Lee Knapp of TIKAR Services; Chris Herman of the Washington Public Ports Association (WPPA); Roy Barton; and Ed Seal.

CONSENT AGENDA

Commissioner Buesch moved to approve the consent agenda items: May Meeting Agenda; April 8, 2020 Regular Meeting minutes as submitted; May 13, 2020 checks numbering 4604 through 4614 totaling \$11,307.11 as outlined in the attached voucher approval; second by Commissioner Burton; approved unanimously.

SIGNING OF DOCUMENTS

Commissioners signatures are necessary for the documents. Commissioners agreed to individually stop by the Port of Silverdale office on Friday, May 15, 2020 between 11:00AM and 2:00PM to sign the necessary documents.

PUBLIC COMMENT – Chris Herman introduced himself as a representative for the WPPA.

Ed Seal said that in regards to the dreams for the pier and the financial outfall from the COVID-19 virus it will be interesting to see how it all plays out. Commissioner Aho explained that it will be discussed during John Piccone's presentation.

Treasurer's Report

As of April 30, 2020 the General Fund totaled \$35,214.62, Investments totaled \$374,831.38 and the Balance of the Good Property Management account totaled \$199.87.

Commissioners' Reports

Website - Commissioner Aho said that there is no change to the website other than getting information out to the public including the change in the meeting platform and the link to attend the meeting, which was posted on Monday.

Rental Properties

5560 Ocean View Boulevard/Rental Property – Commissioner Buesch reported that as far as he knows the tenant still have not signed a lease. Rent continues to be received.

5500 Illahee Road/Rental Property – May rent has been received.

5507 Illahee Road/Illahee Store Property – The redemption period will be complete as of September 6, 2020. Then the Pollution Liability Insurance Agency (PLIA) will be notified that the Port is the official owner of the property and remediation of the contamination can be planned. Commissioner Buesch reported that Jay Bartram of Pro Design submitted a conceptual design of the 5507 Illahee Road property. The design had been emailed to all the Commissioners for review prior to tonight's meeting. Commissioner Beusch explained that although he is still reviewing the



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design as he just received it on Monday afternoon, he has discussed it with Mr. Bartram. According to Mr. Bartram the County does not look favorably on holding tanks especially for commercial properties. It was thought that a drain field might be able to be incorporated in the design of the waterside development as the County will require a twenty-foot setback off of Illahee Road and that could be a vegetation area, which could include a drain field. Commissioner Buesch said that this discussion took place prior to receiving John Piccone's waterfront design. Once he reviewed the waterfront design, he noticed that the parking area doesn't have any setbacks and questioned if the County would approve that. Mr. Bartram had suggested the port hire a septic designer once it is to that point. He did not seem concerned about the septic. Commissioner Buesch had thought the building's design would have more of an openness to it. When he asked Mr. Bartram about it, he was informed that if the building were more of an open concept it would require many more parking spaces. The current design includes six parking spaces which would be adequate for the current layout of the design. Commissioner Buesch said that the owners of the yellow house behind the Illahee Store property attended a Port meeting a few months ago. They also own a triangular area just south but adjacent to the store. Commissioner Buesch had mentioned to them that the Port may be interested in purchasing that triangular piece of property from them and they didn't seem totally against the idea. Commissioner Burton said that he didn't recall them discussing selling that property but rather asking for a fence to be installed. It was agreed purchasing that piece of land would be beneficial to the Port. Commissioner Aho said that John Piccone is looking at the whole concept;

whereas, Jay Bartram was focused solely on the store property. Looking at the property as just a commercial building is very different then including it in a Port overlay. Commissioner Burton said that although he really likes the simple design of the building, his concern is that the design seems as though it may be different than what has been discussed with John Piccone. The two companies must work together to avoid any issues and overlapped work. Commissioner Buesch reported that he purchased and installed a few "no trespassing" signs. Commissioner Burton suggested fencing be installed to keep kids from climbing onto the roof. Commissioner Aho suggested the discussion continue to next months meeting, which will give John Piccone time to review the design provided by Pro Design.

Dock/Pier - Commissioner Burton reported that with the nice weather the facility has been getting lots of use. He has noticed many families using it more than normal which is probably partly due to the Governor's "Stay Home, Stay Healthy" mandate. A boater sent an e-mail offering to fix the cleats on the floats in an effort to ensure his boat would be safe. Commissioner Burton responded to him explaining that the Port has a contract for the work to be completed, but the Port is just waiting for the final permits and the construction lift relative to the State mandate. Lee Knapp reported that TIKAR is in possession of all of the material to complete the float maintenance, which includes replacement of all the cleats. They are just waiting on the permits to be finalized. Five of the nine required steps have been approved. The outstanding steps are: the Hearing Examiner's decision, the Environmental Review, the State Environmental Protection Agency (SEPA) review



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and the Shoreline Exemption review. Lee explained that the County stopped accepting new permits. Thankfully, the Port's permits were submitted well over a month ago. County personnel have been primarily telecommuting, which has slowed the permit process down more than normal. Lee plans to e-mail his contact at the Department of Community Development (DCD) to get a timeline. Commissioner Burton agreed that the sooner the work gets done the better especially as the facility is getting more use. He reported that a joint effort between the Port, the County, the Coast Guard and Washington State Department of Fish and Wildlife took place to remove a couple of the sailboats that have been in and around the shores of Illahee for a long time.

Commissioner Burton asked Commissioner Aho about restocking the mutt mitts. Commissioner Aho will contact Judith Krigsman who apparently has a point-of-contact at the County.

Grants – John Piccone provided the Port of Illahee Public Access Improvements presentation. Documents were viewable via the screen. The preliminary Site Plan, Potential Grant Options and Potential Boating Facilities Concept Proposal were all discussed. The three grant options that the project would qualify for are the Boating Facilities Program (BFP) grant, which is aimed at motorized boats under twenty-six feet and would cover the transient moorage facility and a portion of the parking and upland improvements and the Aquatic Lands Enhancement Account (ALEA) and the Washington Wildlife and Recreation Program (WWRP) grant, which would both cover the fishing dock and a portion of the parking and upland improvements. All three of the grants require a

twenty-five percent match. Both the ALEA and the WWRP were lowered to twenty-five percent due to COVID-19 assistance and the preliminary application due date was pushed out until June 1, 2020. Mr. Piccone explained that typically the cost estimates wouldn't be developed this early, but since the preliminary applications for the ALEA and the WWRP grants are due June 1st, it was necessary. The BFP preliminary application isn't due until November 1st. He explained that the cost estimates are conservative as it is his experience that is what the RCO expects. They would much rather see an inflated budget than an unrealistic one. The potential Port share of costs based on grant outcome was discussed. The Port's share could range anywhere from \$270,000 to \$587,000 depending on which grants are awarded.

There is also the possibility of the Port working with the County to include a stormwater treatment plant. Mr. Piccone plans to contact the RCO and ask about a possible waiver of retroactivity of the Deitch property. If granted the money that was paid to purchase the property could be use as matching funds. Commissioner Aho reminded everyone of when he had applied for an ALEA grant for the Port two years ago and at the review the RCO personnel suggested he also apply for a WWRP grant to be used as a match. Unfortunately, the Port was disqualified from applying for the WWRP grant because it was already past the deadline. Commissioner Aho said that what Mr. Piccone is presenting is exactly what the RCO had suggested to him back then. Mr. Piccone said that it is the RCO's mission to fund projects similar to this one. Mr. Piccone explained that the Commissioners would need to decide which of the grants if not all would they want him to pursue on behalf of the Port. *Commissioner Buesch moved*



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to have Soundwest Engineering submit preliminary grant applications for all three programs: ALEA; BFP; and WWRP based generally on the current project concept and preliminary opinion of project costs and authorized Commissioner Aho to work with Soundwest Engineering on the specific details of the preliminary applications; second by Commissioner Burton; Discussion: Commissioner Burton reminded everyone that not all three applications will be submitted at the same time since the BFP isn't due until November 1st. He explained that he sees the BFP grant as the centerpiece to the whole package and the package needs to be kept together for the best results. *Motion approved unanimously.*

Mr. Piccone said that he has taken the concepts as far as possible with the existing survey. The next step will be to have a topographic survey conducted. He will also be working with the Department of Natural Resources (DNR) to update the Port's lease agreement of the outer-water boundaries. Commissioner Burton questioned if that will include the bottom depths under the water. Mr. Piccone explained that no that would require a bathymetric survey, which is not needed at least at this point. Commissioner Burton said that some of the watchdog groups that voiced concern over the recently applied for permits for the maintenance type work were concerned about the bottom depths. Mr. Piccone said that Soundwest has the ability to conduct such a survey, but he is trying to keep the costs as low as possible and so he is going to try to get by with just the topographic survey, but that is not to say a bathymetric survey won't be necessary in the future. *Commissioner Burton moved to authorize*

an increase in the current conceptual design task budget of \$9,200.00 to cover both topographic survey and necessary DNR exhibit survey; second by Commissioner Buesch; approved unanimously.

Mr. Piccone explained that he will be trying to determine if there are going to be any permit issues upfront and what may be a reasonable mitigation strategy. The permitting portion of this project is not trivial. In fact, it is very significant. He will be contacting all the players involved (the Tribes, the County, the WDFW, the DNR, etc.) early on in an effort to be made aware of any possible issues and avoid any miscommunication. The farther we are on the permitting process the more favorable the project looks to RCO personnel. Mr. Piccone would like to be able to tell the RCO that all permit applications have been submitted and provide them with the date they are expected to be issued. This shows the RCO that the project is vetted and ready to go and that the Port is serious about the project. *Commissioner Burton made a motion to approve a new task budget of \$15,600.00 to conduct preliminary permitting outreach and associated research; second by Commissioner Buesch; approved unanimously.*

Mr. Piccone discussed the next steps. The project design at the least needs to be developed to a thirty percent level of design. The next option would be to develop it to a sixty percent level of design. Or the third and in his opinion most attractive to the RCO is to develop it to a sixty percent level of design with submission of permit applications. He said that from his experience he has determined that the farther along the project is the higher it scores. Ideally, he would like all three projects to sixty percent design by the technical



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completion due date and permit applications submitted. The technical completion due date for both the ALEA and WWRP is August 10, 2020 and January 14, 2021 for BFP. He said that it will be a bit of a stretch to get the ALEA and WWRP projects there, by August 10th. They will at least be at thirty percent, but he's going to push for sixty.

Commissioner Burton said that although many of these costs will be reimbursed to the Port if/when the Port is awarded them, the award dates are not until July 1, 2021 for all three programs, so the Port will have to front the money up until then. He asked Mr. Piccone if there was an expected amount of costs to get to where we need to be prior to the award date, so the Commissioners have an idea of the costs. Mr. Piccone rephrased it as to what is the total amount at risk to the Port to be spent on design. He said that although there has been discussion about the total costs of the project, he doesn't have just the design costs off hand, but would be more than happy to provide a more precise breakdown. Commissioner Burton said that he would like to know the costs upfront. Mr. Piccone said he would work on it.

Commissioner Aho said that he is working on a grant application for another entity so he knows first hand all the work it entails and with June 1st deadline fast approaching there is a lot more work to be done, he hopes Soundwest Engineering has no problems getting everything done in time. Mr. Piccone assured it would get done.

Illahaee Day 2020 – Commissioner Aho said that the redemption period is over as of September 6th. Once it is official it would be a good time to host Illahaee Day.

NEW BUSINESS

Budget Review – budget vs. actual through April 30, 2020 was reviewed.

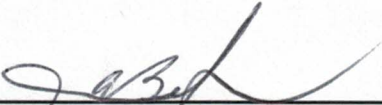
PUBLIC COMMENT – Roy Barton said that with the Washington State shutdown due to the COVID-19 pandemic the State is or will be billions of dollars in the hole. He asked if the anticipated grants are in the States current budget now or will they hopefully be funded later. Mr. Piccone explained that the grants for this cycle are not funded now. A budget request is all that exists right now. Although he has no idea what the State's budget will look like next Spring, he is expectant for the funding to be there. He has talked with RCO personnel about this and they said that in the past when the State has tried to provide stimulus funding it has gone through the RCO with grants especially for construction. If that is the case, it will be in the Port's favor if the Port's project is ready to go. Another positive indicator is that the RCO reduced the matching funds to twenty-five percent.

Commissioner Aho asked Chris Herman of the WPPA what he thought of the meeting since he works with lots of Ports. Mr. Herman said the Port did good and he was glad to hear that the Port is looking to the future. It was good conversation. Regarding the State's budget he said he couldn't say for sure, but the absolute message in Olympia is that Ports are here to provide jobs and promote economic growth. He said the Port of Illahee is spot on.

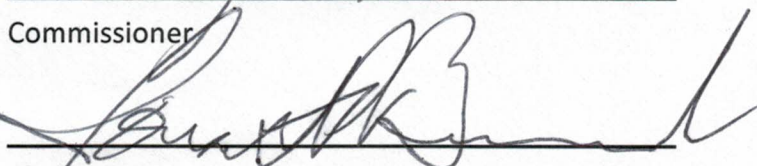


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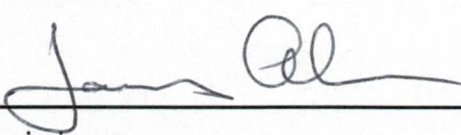
Approved:



Commissioner



Commissioner



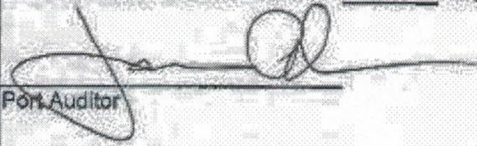
Commissioner





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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 \$11,307.11 and from the General Fund, this 13th day of May, 2020.


Port Auditor


Port Commissioner


Port Commissioner

Number	Name	Amount
4604	JAMES AHO	256.00
4605	JOHN BURTON	256.00
4606	JONATHAN BUESCH	256.00
4607	CASCADE NATURAL GAS	5.00
4608	HONEY BUCKET	87.00
4609	PUGET SOUND ENERGY	158.09
4610	WASTE MANAGEMENT	22.11
4611	SOUNDWEST ENGINEERING ASSOCIATES	9,418.75
4612	KENNETH W. BAGWELL, INC., P.S.	160.00
4613	THERESA HAALAND	610.00
4614	WASTE MANAGEMENT	78.16