



**AGENDA FOR
PORT OF ILLAHEE COMMISSION
Wednesday, April 8, 2020 - 6:30 p.m.**

VIRTUAL MEETING (<https://us04web.zoom.us/j/192075341>)

1. CALL TO ORDER

2. CONSENT AGENDA

1. Agenda

➤2. The March 11, 2020 Regular Meeting minutes

➤3. Pay Bills with check numbers 4593 through 4603 totaling \$ 10,545.10

3. SIGNING OF DOCUMENTS

Determine when/how to have at least 2 Commissioners sign the documents.

4. PUBLIC COMMENT

5. REPORTS/UNFINISHED BUSINESS

Haaland 1. Treasurer's Report as of February 29, 2020 General Fund \$ 16,238.83; Investments \$ 374,005.46
Good Property Management (GPM) Account \$ 199.87 (total: \$ 390,444.16) – have not received the
County's Treasurer's Report for March yet.

2. Reports

Aho a. Website

– Illahee Creek Watershed Report/Surface Water Management Plan (SWMP) added?

– Mussel sampling (PSNS & County) results added to website?

Buesch b. Properties

5560 Ocean View Boulevard/Rental

– Lease signed? GPM warned that due to COVID-19 and the Governor's Stay Home, Stay Safe
mandate, we can expect late rental payments and/or partial rental payments

5500 Illahee Road/Rental

– Letter dated March 2, 2020 from Eric Myers wanting to purchase the property for \$79,465.58

5507 Illahee Road/Illahee Store Property

– No word about reducing the redemption period

– PLIA will be notified once the redemption period is complete (September 6, 2020)

– Pro Design – conceptual design, scope of work, site/floor plan, construction budget – status

Burton c. Dock/Pier –TIKAR's meeting with the County – status of permits/is a JARPA necessary?

Dock Maintenance/Outer Rail work on hold until necessary permits are in place and the Governor's
Stay Home, Stay Safe mandate timeline is complete.

Aho 3. Grants

– Soundwest met with Commissioners individually and has since been working on the concept
refinements. RCO deadline extended from May 1st to June 1st due to COVID-19

ALL 4. Illahee Day 2020 – should this be removed from the agenda?

5. NEW BUSINESS

6. PUBLIC COMMENT

7. EXECUTIVE SESSION

- Property negotiation or Potential litigation?

8. ADJOURN

- Kitsap All Ports meeting—Monday, April 27, 2020 Cancelled

- Regular meeting – Wednesday, May 13, 2020 @ 6:30PM @ ZOOM?



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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; Commissioner John Burton; Administrator, Theresa Haaland; Tim and Lee Knapp of TIKAR Services; Illahee residents: Roy Barton, Cathy Johnson, John Parvis, Ed Seal, Mitch Stolk and Robin Wilcox.

CONSENT AGENDA

Commissioner Buesch moved to approve the consent agenda items: March Meeting Agenda; February 12, 2020 Regular Meeting minutes as submitted; March 11, 2020 checks numbering 4578 through 4592 totaling \$15,204.65 as outlined in the attached voucher approval; second by Commissioner Burton; approved unanimously.

PUBLIC COMMENT – Lee Knapp reported that the shackles on the gangway have been replaced. He explained that the wear wasn't just through the bracket but also the shackle itself was very worn. He provided the old shackle, which showed the extent of the wear. The new shackles are larger than the original shackles and polyethylene material was added in an effort to extend the life of the actual shackles. Tim said that routine five-year maintenance should include replacement of the bushings. Commissioner Burton said that when he measured the brackets, he couldn't even tell how worn the shackles were; tonight's show and tell was indeed very telling and confirms to him that moving forward with this repair was the right thing to do. Commissioner Aho agreed and

thanked TIKAR Services and Commissioner Burton for pushing to get it done. He said that he didn't realize how bad it was, but seeing that shackle he admitted he was wrong and was just thankful the repair was made.

Lee reported that the Hydraulic Project Approval (HPA) permit has been granted through Washington State Department of Fish and Wildlife (DFW), but the County has recently contacted him and requested a Joint Aquatic Resource Permit Application (JARPA) be submitted. Lee has a meeting scheduled with the County on March 17th to further discuss. He plans to complete the JARPA check list and also a State Environmental Policy Act (SEPA) checklist to cover all bases when talking with the County. It seems there may be some confusion on the County's part as to which governmental entity is the lead; the Port of Illahee is the lead not the County. Until this is clear, the Dock Maintenance/Outer Rail work is on hold. Tim said that he will provide a list of items that are allowed to be completed under the HPA. One item that he pointed out is the allowance to remove and replace up to 250 square feet of decking per year, without having to apply for additional permits or change the material to light-pass decking. He suggested the Commissioners consider making that routine maintenance. Commissioner Aho explained that the Port is anticipating being awarded a grant that will include new grading throughout the entire pier and floating docks, but since it is unknown if the Port will be awarded a grant it is good to have the HPA in place just in case. Commissioner Burton said that he met with John Piccone and was surprised to hear that one item that has a positive impact on being awarded a grant is that the applicant is actively maintaining



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and repairing the facility as needed, not just leaving it in disrepair. Part of the grant process is to show as much local use and outer community use as possible. The State recognizes the public resource and agrees to help upgrade it, but if the applicant isn't at least trying to maintain it the State would be hesitant to award a grant. Commissioner Burton said that he sees the current maintenance as a benefit to the grant process. Commissioner Aho told everyone of when the pier was in terrible shape and it would physically move just by an individual standing on it and shifting their weight. Thankfully, TIKAR was hired to install the cross bracing, which made a world of difference and now it is sound. Tim agreed and said that he was down there on an extremely windy day and it was rock solid. Commissioner Aho said that before the cross bracing that barge that tied up to it would have taken it out. Commissioner Burton said that even now we can't have a barge or large vessel tying up to moor. Tim talked said that the sturdy ten-inch cleats that can accommodate up to a forty-foot vessel are more than adequate for Illahee's dock.

Commissioner Aho said that years ago the previous Port Commissioners were concerned about a large upland development plan's effect on the stormwater outflow at the Illahee dock. At that time, the Port Commissioners fought the development, but the County Department of Community Development okayed it. Commissioner Aho said that he got to thinking about this continual problem for Illahee and thought about the stormwater park the County created at the Port of Manchester for similar reasons. Apparently, they are also creating one in Kingston. Commissioner Aho recently contacted the County asking why they can't clean up the water in Illahee.

There are almost 100 acres of uphill land that drains into the outfall at the Illahee dock. Commissioner Aho said that before upgrading the dock the stormwater issue needs to be under control. The County told Commissioner Aho that it is feasible to install a sand filtration system, and it is something they can do once it's budgeted. Placement of the filtration system was discussed. Commissioner Aho said that the funds used to create the filtration system may be able to be used as matching funds to a grant and the RCO looks favorable when public agencies partner together. John Piccone is aware of this possibility.

Roy Barton said that he was looking at the Port's website and ran across the Department of Natural Resources (DNR) lease agreement with the Port and saw that it expired in 2016. He was concerned with the Port paying all this money for possible grants and to not have an active lease with the DNR to use that land. He said what would happen if the DNR refused to continue to lease the tidelands to the Port. He asked if this is the best way to run a business. Commissioner Burton explained that the Commissioners are basically elected volunteers, who took over the positions not too long ago. Mr. Barton said that the Port is spending a lot of money and normally you would want to make sure you own it before you spend money on it. Commissioner Burton said that when talking with Mr. Piccone he told him that part of the grant process may include surveys. Since the Port is the owner of the 5500 Illahee Road property (the Dietch house), the footprint has changed, and all of the waterfront houses pay taxes to the secondary tidelands. Commissioner Aho said that he was told that the DNR lease is a formality and that when it was due to expire the DNR would



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contact the Port about continuing the lease. Mr. Barton said that it is up to the Port to make sure the lease is up to date. He wants a current agreement in place rather than a later amendment with Mr. Piccone's help. A lot of money is being paid to Mr. Piccone's company to do this. Commissioner Aho said that if/when the Port is awarded a grant, many of Mr. Piccone's fees will be reimbursable. That is one of the nice things with working with Mr. Piccone is that he is aware and able to charge accordingly for reimbursement. Mr. Barton said that he is just concerned that there is not a current lease in place and there hasn't been in several years.

Robin Wilcox agreed that Mr. Barton had a valid point. She asked if this will be an ongoing item on the agenda. Commissioner Aho informed Ms. Wilcox that the Port has hired a grant writer who has a good grant success record. The Port of Illahee doesn't have a lot of money so are dependent upon grants to make major renovations to the dock. DNR will be involved in the grant process as Mr. Piccone works through it. A lot of his work is reimbursable, if the grant is awarded. Mr. Barton said that he saw within the agenda packet that Mr. Piccone has three task orders totaling \$35,000, that is half of the Port's annual tax income. Commissioner Aho said that is true, but if we don't move forward with it then there is no chance of being awarded a grant and Mr. Piccone separated the tasks in an effort to easily be reimbursed by the RCO. Commissioner Aho reminded everyone that the Commissioners are looking for a long-term improvement to the Port facility, not just a temporary fix.

REPORTS/UNFINISHED BUSINESS

Treasurer's Report

As of February 29, 2020 the General Fund totaled \$16,238.83, Investments totaled \$374,005.46 and the Balance of the Good Property Management account totaled \$199.87.

Commissioners' Reports

Website - Commissioner Aho said that he hasn't yet been able to provide a link to the Surface Water Management Plan (SWMP) to the website. It is difficult because it is such a huge document. He needs to contact an Information Technology (IT) person to help him. He asked if anyone previewed tonight's agenda from the website. Mr. Barton indicated that he had.

Rental Properties

5560 Ocean View Boulevard/Rental Property –

Commissioner Buesch explained that at the first of the year the rent was increased from \$1950 per month to \$2300. As of yesterday, the tenants have not signed the new lease, but they have been paying the increased amount. Commissioner Buesch said that he felt the \$350 increase was a bit steep, but was relying on Good Property Management's (GPM) knowledge of the market. A call was placed to GPM to ask why the rent increased so much. GPM personnel explained that since the residence basically is two separate living spaces and there are five adults, who all have jobs, living there \$2,300 was more than reasonable. The tenants recently asked GPM if the Port would consider selling them the property. They were informed that the Port doesn't intend to sell it at this time.

5500 Illahee Road/Rental Property – nothing to report.



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5507 Illahee Road/Illahee Store Property –

Commissioner Aho reported that he hasn't heard from attorney Bagwell about a change in the redemption period. The redemption period will be over as of September 6, 2020. Commissioner Buesch reported that Jay Bartram of Pro Design was hired to come up with a conceptual design of the store. Mr. Bartram provided Commissioner Buesch with a proposal dated March 11, 2020. It was reviewed. During last month's meeting a motion was passed to pay Pro Design Engineers \$4,000 plus tax to prepare a conceptual design to include a scope of work, a site plan, a floor plan and a construction budget. The proposal anticipated the costs to be between \$3,000 and \$4,000. It also states that the design work does not entail storm water design, septic design, nor any hazmat cleanup work. Commissioner Buesch went on to report that TRS Trash Removal Services was hired to remove all of the popcorn ceiling and tile flooring within the building, once it was determined to be free of asbestos. They completed the task and payment in the amount of \$2,725.00 has been authorized. Now there is no ceiling within the building and all of the 2x4's are clean of screws and nails and the floor is concrete. It looks like a good substantial building ready for a grant to fix it up. Commissioner Aho explained that the tax statement for the Illahee Store property went to Flett Dairy's attorney. Attorney Bagwell said that the property needed to be changed to the Port's name. A change of address online form was completed and it was determined that until the redemption period is complete the Port can only be listed as an additional contact for informational purposes. There are outstanding taxes on it for 2019. Attorney Bagwell is aware of that and concluded that the Port will not pay taxes on it, so

it is thought those taxes will be dropped once the redemption period is complete. Commissioner Aho explained that the Port qualified on the Pollution Liability Insurance Agency's (PLIA) cleanup program. A couple of years ago the estimated costs to clean up the property came to \$539,000. It is probably higher now. Once the redemption period is complete and the Port is the actual owner of the property PLIA will be contacted and the next steps for cleanup will be determined.

The septic of the 5507 Illahee Road building was discussed. Commissioner Burton said that Pro Design and Soundwest Engineering need to be discussing the possibilities of a drain field for the building. He explained that there are houses on both sides of Illahee Road that use above ground holding tanks, so they have been approved in the area. That needs to be explored. Mr. Barton said that determining the septic is going to be a separate item and expense as Pro Design's proposal states that the design work does not entail septic design.

Dock/Pier - Commissioner Burton said that he had nothing more to report. Commissioner Aho asked if he could have the worn shackle as he would like to display it at his house as a visual reminder. The others agreed Commissioner Aho could have the shackle.

Grants – a letter dated February 24, 2020 from the Recreation Conservation Office (RCO) informing the Port that its 2020 Comprehensive Scheme of Harbor Improvements was accepted and the Port was now grant eligible. Mr. Piccone had submitted three task orders (Task Order Number Two – Conceptual Design (RCO BFP Related Items) NTE \$15,000; Task Order Number Three – Grant



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Assistance NTE \$10,000; Task Order Number Four – Conceptual Design (RCO Water Access Related Items) NTE \$10,000) and a contract amendment (increasing the maximum budget for general on-call scope of services from \$25,000 to \$35,000). Commissioner Aho explained that the contract amendment is to continue with the on-call engineering services and only to be used for that. The task orders are to be specifically used for the grants. Commissioner Burton said that task orders number two and four do not include any surveying or permit work. So, this will not be the last of the requests. Commissioner Aho said that the work directly related to grants will be reimbursable as long as the Port is awarded a grant. Task Order number Three states that it will only include effort that is unlikely to be potentially reimbursable under the current RCO grant program guidelines. Commissioner Buesch said that he would like to get some clarity on this before approving it. Commissioner Aho explained that the engineering services is basically the additional \$10,000 and to move forward these items must be approved. The work that Soundwest had performed up to this point was basically for the Comp Scheme, which has been accepted by the RCO, now we must move forward with the grant writing expertise of Soundwest. Commissioner Buesch said that it would have been nice to know of these costs upfront. Commissioner Aho said that applying for a grant is a big process with lots of costs. Commissioner Buesch questioned if the money that had been paid to Soundwest up until this point was reimbursable. Cathy Johnson said that since the Port is required to have an up-to-date comp plan, regardless of grant funding, those costs are probably not reimbursable. Commissioner Aho said that we may not like the costs, but this is

something that the Commissioners started and it needs to continue. Approving these items is the next step in continuing in the process.

Commissioner Burton moved to approve Task Orders Number Two, Three and Four – agreements for Soundwest Engineering to furnish engineering services to the Port and the Contract Amendment increasing the maximum budget from \$25,000 to \$35,000; second by Commissioner Buesch; approved unanimously.

Illahae Day 2020 was tabled.

NEW BUSINESS

Mussel Watch Sampling - An e-mail dated March 6, 2020 from Robert Johnston of Applied Ecological Solutions was reviewed. Mr. Johnston was informing the Commissioners that the mussel watch sampling was scheduled for March 11th through the 24th. Commissioner Aho provided some history regarding the program. He explained that the e-mail was sent for informational purposes as there is no action for the Port to take, unless there were concerns. Hearing none, Commissioner Aho suggested the previously established situation continue. Everyone agreed.

PUBLIC COMMENT – Ms. Wilcox asked if there was an outside site plan for the Illahee Store. Commissioner Buesch said that there will probably be something to try and figure out where to put the parking. Ms. Wilcox explained that they live in the little yellow house that is adjacent to the store property. She is concerned with the store being improved and drawing more people to the area that the public will walk onto their property without even knowing because there isn't a clear boundary. There was discussion of installing a fence and splitting the costs with the Port.



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Commissioner Burton suggested the property be surveyed first and maybe the Port could split those costs. Ms. Wilcox said that there is already a partial fence in that area. Commissioner Buesch questioned if that fence is actually on the property line and to protect both parties a survey should be conducted. Commissioner Burton agreed that the property lines would first need to be established. Ms. Wilcox said that the laurel bushes and ivy in that area are taking over but she is hesitant to make it more inviting without a fence. She would like to put a tall chain link fence there. She realizes that the dock is the Port's priority, but was just wondering with the improvement to the Illahee Store property, if there were any plans to improve that little area also. Commissioner Buesch said that as far as foot traffic goes there should be no reason for the general public to be walking behind the building. It was explained that the Port meetings will continue at the Seeds of Grace building until the Illahee Store building is renovated then a portion of the building will be used for a Port office and meeting space. Ms. Wilcox said that she wants to be a good neighbor and at the same time make sure they are safe. Commissioner Aho said that in the past community members have helped clean up that entire area. It almost needs to be done again. When the new roof was installed on the store there was a minor cleanup of the area. He said that eventually the Port will want to do some landscaping and will want to make sure

everyone is happy with it, so it's good they reached out to the Port.

Mr. Barton said that the legislature ends tomorrow, and with the COVID-19 virus it seems the economy is heading down as shown in the stock market. He hopes there will be grant money available. Commissioner Aho reminded everyone that some of the grants are funded by non-refunded boaters gas tax, so there is no reason that wouldn't be available. It's earmarked so it shouldn't be an issue.

EXECUTIVE SESSION

None

ADJOURN

At 8:13PM Commissioner Buesch moved to adjourn; second by Commissioner Burton; 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 **\$15,204.85** and from the General Fund, this 11th day of March, 2020

[Signature]
Port Auditor

[Signature]
Port Commissioner

[Signature]
Port Commissioner

Number	Name	Amount
4578	JAMES AHO	256.00
4579	JOHN BURTON	256.00
4580	JONATHAN BUESCH	256.00
4581	CASCADE NATURAL GAS	5.00
4582	PUGET SOUND ENERGY	45.21
4583	WASTE MANAGEMENT	22.11
4584	KITSAP SUN	141.16
4585	BANK OF AMERICA	140.07
4586	TRS TRASH REMOVAL SERVICES, LLC	2,725.00
4587	TIKAR SERVICES, LLC	5,722.50
4588	KENNETH W. BAGWELL, INC., P.S.	43.80
4589	SOUNDWEST ENGINEERING ASSOCIATES	4,859.80
4590	HONEY BUCKET	87.00
4591	SEEDS OF GRACE	35.00
4592	THERESA HAALAND	610.00

