



**AGENDA FOR  
PORT OF ILLAHEE COMMISSION  
Wednesday, October 13, 2021 - 6:30 p.m.  
ZOOM MEETING #715 0997 5823 / Password: Illahee**

**1. CALL TO ORDER**

**2. CONSENT AGENDA**

1. Agenda

\*2. September 8, 2021 Regular Meeting minutes

\*3. Pay Bills with check numbers 4796 through 4808 totaling \$ 13,063.95

**3. PUBLIC COMMENT**

**4. REPORTS/UNFINISHED BUSINESS**

Buesch 1. Loan/Line of Credit

\*- Richard Martinez with Kitsap Bank to discuss options

Aho 2. Grants/Waterfront Access Improvements

- John Piccone of SoundWest Engineering to discuss the project

\*- Expecting \$87,000 reimbursement of the Recreation Conservation Office (RCO)

Haaland 3. Treasurer's Report as of September 30, 2021 General Fund \$ 2,743.47; Investments \$ 287,076.99  
Good Property Management (GPM) Account \$ 200.00 (total: \$ 290,020.46)

4. Reports

Aho a. Website

- Status of the Illahee Creek Watershed Report/Surface Water Management Plan (SWMP) and the mussel sampling (PSNS & County) results being added to the website

Buesch b. Properties

5560 Ocean View Boulevard/Rental

- Status of separating the two lots

5500 Illahee Road/Rental

- Anything to report?

5507 Illahee Road/Illahee Store Property

- Status of amount owing on tax statement

- PLIA working on Project #14 – the Port is Project #16 cleanup anticipated to begin in 2022

- Installation of surveillance cameras

Burton c. Dock/Pier

- Status of installation of the final signs

- Status of installation of the polyethylene material to the pole

5. Illahee Day recap

\*6. Administrative – the Port of Silverdale has okayed the Interlocal Agreement – thinking it should start January 1<sup>st</sup> with first billing in February?

7. WPPA Small Ports Seminar scheduled for October 21<sup>st</sup> through the 22<sup>nd</sup> – please keep receipts and submit them along with your mileage for reimbursement next month.

**5. NEW BUSINESS**

\*1. 2022 Preliminary Budget for review, discussion and approval. The final budget will need to be adopted during the November meeting. E-mail from Cathy Johnson with questions/concerns.

**6. PUBLIC COMMENT**

**7. EXECUTIVE SESSION-Property negotiation or Potential litigation?**

**8. ADJOURN** – Small Ports Seminar in Leavenworth – October 21<sup>st</sup> & 22<sup>nd</sup>

Kitsap All Ports meeting – Monday, October 25, 2021 @ 6:30PM – Port of Brownsville

Regular Port meeting – Wednesday, November 10, 2021 @ 6:30PM – ZOOM



## Port of Illahee – Minutes of Regular Meeting on September 8, 2021

Port of Illahee  
Minutes of Regular Meeting  
September 8, 2021

The September 2021 meeting of the Port of Illahee was held outside of the old Illahee Store building located at 5507 Illahee Road. This was a one-time meeting change as the Port evaluates whether meetings will be by Zoom or in person pending finding a possible new meeting location.

### 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; Roy Barton and Bill Mclaughlin. Cathy Johnson joined the meeting later. Administrator Theresa Haaland was excused for personal reasons.

### CONSENT AGENDA

*Commissioner Buesch moved to approve the consent agenda items: September Meeting Agenda; August 11, 2021 Regular Meeting minutes; September 8, 2021 checks numbering 4785 through 4795 totaling \$10,370.83 as outlined in the attached Voucher Approval; second by Commissioner Burton; approved unanimously.*

**PUBLIC COMMENT** – Roy noted he will be interested in the funding discussions. Bill noted that he was surprised that there was a tire reef out in front of the dock.

### REPORTS/UNFINISHED BUSINESS

Grants/Waterfront Access Improvements – John Piccone with Soundwest Engineering provided a written update on the grants that was read by Commissioner Aho:

#### Design & Construction Status

The 60% water access project design is complete, final design in preparation for bidding is pending authorization to proceed.

- The Illahee store site preliminary design will need to be advanced soon as well if it is to follow the same or similar schedule as the waterfront improvements. Details such as the septic, parking, and traffic design have many unknowns to be resolved and it's recommended these be completed in conjunction with the water access final design.
- The Port has also expressed concern regarding the condition of some of the pier pilings. It's recommended that the prior piling condition survey be revisited and incorporated with the water access project final design.

#### Permitting & Regulatory Status

- The Kitsap County shoreline substantial development permit application has been submitted along with the numerous reports and drawings required. The County will be conducting an internal "intake review" of all items on Sept. 13 and inform us if they require any additional information to proceed with shoreline review. Once they accept the application as "technically complete" they will be requesting an estimated \$5-6K permit fee from the Port to continue review.
- The Army Corps permit application has also been submitted along with several reports and drawings they require, and they have acknowledged receipt.
- All materials needed for the WDFW HPA permit are prepared and ready to submit although we usually wait on submission until we receive initial feedback from the Corps and County.
- We will continue to correspond with these agencies for some time now as they conduct their reviews and request information. Mitigation adequacy will almost certainly be a part of those ongoing conversations and I'll keep you informed as that unfolds.



## Port of Illahee – Minutes of Regular Meeting on September 8, 2021

### Grants & Funding Status

• Both the ALEA and BFP grants have been awarded and are now active and available for reimbursement. 75% of engineering costs to date can be submitted at this time for reimbursement and I will be coordinating with Jim and Theresa to initiate that request and further inform the 2022 budgeting process.

### Upcoming Milestones and Recommended Action Items

- Ongoing correspondence with the USACE and Kitsap County in an effort to push the permit process forward.
- Correspondence with WDFW and the Suquamish Tribe to let them know the project and permit status. Submit the HPA application when appropriate.
- Finalize the preliminary aquatic land lease discussed previously with DNR and secure a new final lease (which is a grant requirement as well as State requirement).
- Refine the water access project budget and anticipated schedule factoring in the grants received in an effort to inform the 2022 budgeting process.
- Based on the refined budget and schedule, initiate final design of the water access project incorporating Commissioners prior 60% review comments, pile repair/replacement, and store improvements desired.
- In 2022, once final design is complete and we have sufficient feedback from the USACE, County, DNR, and WDFW; submit phase two permits previously described and prepare to publicly bid the project once all permits are received.

### Budget Discussions

Commissioner Buesch noted that he had been in touch with Brad Gitch with Kitsap Bank, who has referred him to Rich Martinez for information on Port loans. He has not been able to talk with him yet, but will before our October meeting.

Commissioner Aho noted that there should be approximated \$75,000 in reimbursable funds for the design effort that will reduce the Port's match amount.

### Treasurer's Report

Commissioner Aho noted the Treasurer's Report from the agenda that as of August 31, 2021 the General Fund totaled \$8,098.96, Investments totaled \$287,007.80 and the balance of the Good Property Management account totaled \$200.00. (TOTAL: 295,306.76)

### Commissioners' Reports

Website – Commissioner Aho said that he is still aware of the need to add a link to the Surface Water Management Plan (SWMP) as well as the mussel sampling results. He continues to add the Port's Agenda Packets to the website prior to the meeting.

### Rental Properties

5560 Ocean View Boulevard/Rental Property – Commissioner Buesch reported that on August 4<sup>th</sup> the Health Department agreed to vacate the easement connection on the two lots and we are now waiting on final approval.

5500 Illahee Road/Rental Property – Commissioner Buesch noted nothing new to report on this property.

### 5507 Illahee Road/Illahee Store Property –

Commissioner Buesch again reported that he hasn't heard back from Ken Bagwell about the outstanding taxes showed owing on the tax statement. According to Mr. Bagwell it appears everything is complete but the taxes show as unpaid. The Commissioners discussed how this



Port of Illahee – Minutes of Regular Meeting on September 8, 2021

dilemma should be handled in the least costly manner, whether through Theresa or Ken Bagwell with an alternative suggested by Roy Barton, that he see if he can get the issue resolved.

**Commissioner Buesch motioned that Mr. Barton be authorized to help resolve the issue; seconded by Commissioner Burton, and with no further discussion the motion was approved unanimously.**

Dock/Pier – Commissioner Burton noted the signs have been provided and need to be installed, with the help of TIKAR. The brackets for the south port property sign are still being discussed to make sure they won't be washed away and/or remain intact if vandalized. Commissioner Burton noted recent vandalism in the area has the nearby community concerned and is hoping that a future camera system will help.

Illahée Day -- Commissioner Aho noted everything is falling in place, though there have been complaints about the event.

Interlocal Agreement -- The Port of Silverdale is still in the discussion phase with the Interlocal Agreement for the services it is supplying for nearby Ports.

Meetings. Commissioner Aho noted the limited options the Port has for a meeting space and recommended the Port use the Zoom option in the meantime. It was suggested we could meet inside the store, but the idea was dismissed when the DCD requirements were presented. **Commissioner Aho moved that Zoom meetings be held for the near future. The motion was seconded and approved unanimously.**

**NEW BUSINESS**

Advertising -- The Commissioners expressed no interest in advertising in the Washington Economic Development Guide.

Budget – Budget discussions were difficult with so many unknowns, primarily with match requirements, and with Theresa unavailable. Budget efforts will need to be coordinated with John Piccone regarding the grant matches. Commissioners agreed it would be good to share the preliminary budget plans with Roy and Cathy based on their concerns and expertise. Commissioner Aho agreed to make sure all concerned are provided with the budget plans prior to the October meeting.

**PUBLIC COMMENT** -- None.

**EXECUTIVE SESSION** – None.

**ADJOURN**

**At 8:00PM Commissioner Buesch moved to adjourn the meeting; second by Commissioner Burton; approved unanimously.**

Approved:

\_\_\_\_\_  
Commissioner  
\_\_\_\_\_  
Commissioner  
\_\_\_\_\_  
Commissioner





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**Port Loan**

message

Theresa Haaland &lt;portofillahee@gmail.com&gt;

Tue, Sep 21, 2021 at 11:34 AM

cc: Richard Martinez &lt;RMartinez@kitsapbank.com&gt;

cc: Port of Illahee - Buesch &lt;illaheeport2@gmail.com&gt;, Theresa Haaland &lt;portofillahee@gmail.com&gt;

Good Morning Mr. Martinez,

I was asked by Port of Illahee Commissioner, Jon Buesch, to reach out to you. From what I understand you will be attending the Port's next meeting scheduled for Wednesday, October 13, 2021 @ 6:30PM. Meetings are currently being held via ZOOM. Here is the meeting information you will need to attend:

Topic: Port of Illahee

Time: Oct 13, 2021 06:30 PM Pacific Time (US and Canada)

<https://us02web.zoom.us/j/71509975823?pwd=bGgvZ1pud2E5blUzNmQ0KzZ3YkNoQT09>

Meeting ID: 715 0997 5823

Passcode: Illahee

Attached is the Port's 2020 Profit and Loss Statement. Just an FYI - Item 774.00 Waterfront is not a regular expense and since the Port was successful in securing two grants through the Washington State Recreation Conservation Office (RCO), some of the costs associated with this line item will be reimbursed to the Port. Also attached is a Cash Report as of August 31, 2021. If there is anything else you need or if you have any questions, please let me know.

Theresa Haaland  
Administrator  
Port of Illahee

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**2 attachments** **2020 Profit & Loss.pdf**  
40K **Cash Report as of August 31, 2021.pdf**  
34K

**Port of Illahee - RCO Grant Summary**

Updated 9/13/2021

<b>COMBINED (BFP+ALEA)</b>				<b>Total Eligible</b>	<b>RCO Share</b>	<b>Port Share</b>
<b>RCO Reimbursement Request Summary</b>						
	<b>Total Request Amount</b>			<b>Total Grant Eligible Amount</b>	<b>RCO Reimbursement</b>	<b>Port Match</b>
<b>Request Date</b>	<b>Construction (Contractor)</b>	<b>Permits and C.R.</b>	<b>A&amp;E</b>			
9/13/2021	\$ -	\$ 61,965.53	\$ 61,416.04	\$ 123,381.57	\$ 83,788.59	\$ 39,592.98
Pending	\$ -	\$ 5,174.80	\$ -	\$ 5,174.80	\$ 3,829.43	\$ 1,345.37
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
<b>REMAINING GRANT BALANCE</b>	\$1,542,065.00	\$42,859.67	\$248,583.96	<b>\$1,833,508.63</b>		
<b>REMAINING GRANT BALANCE RCO Share</b>	\$1,062,002.78	\$30,296.62	\$171,469.07	<b>\$1,263,768.47</b>		
<b>REMAINING GRANT BALANCE Port Share</b>	\$480,062.22	\$12,563.05	\$77,114.89	<b>\$569,740.16</b>		

87,618.02  
 } 1,833,508.63



**INTERLOCAL AGREEMENT TO PROVIDE ADMINISTRATIVE SERVICES  
BY THE PORT OF SILVERDALE FOR THE PORT OF \_\_\_\_\_**

This Interlocal Agreement (“Agreement”) is entered into pursuant to the Interlocal Cooperation Act, Chapter 39.34 of the Revised Code of the State of Washington, by and between the Port of Silverdale (“Administrative Services Provider”) and the Port of \_\_\_\_\_ (“Administrative Services Recipient”), each a Port District organized under the laws of the State of Washington (“parties”).

**Purpose:**

The purpose of this agreement is to provide experienced and cost-effective routine administrative services to the Administrative Services Recipient by the Port of Silverdale’s administrative staff.

**Scope of Services**

The Port of Silverdale shall provide to the Administrative Services Recipient the following services:

1. check postal box for mail (weekly);
2. respond to correspondence as necessary;
3. check email regularly;
4. attend meetings and prepare minutes;
5. prepare meeting agendas;
6. prepare monthly payment of bills and voucher approval;
7. e-mail check information to the County Treasurer’s office prior to meeting;
8. e-mail voucher approval to the County Treasurer once signed;
9. prepare Annual Report to State Auditor and electronically file it via the Washington State Auditor’s on-line system as required;
10. generate end of year W-2’s (where applicable) and 1099’s;
11. track monthly and yearly expenditures by category;
12. annually prepare the Preliminary and Final Budget for the following year as well as all necessary resolutions and place ad in local newspaper regarding the Preliminary Budget;
13. reconcile General Fund and Investment Account with the County Treasurer’s monthly report;
14. transfer monies between the General Fund and Investment Pool as necessary;
15. send quarterly payroll reports to the IRS (where applicable);
16. electronically pay quarterly payroll taxes via Commissioner’s authorization of electronic funds transfer and provide the County Treasurer with appropriate documentation (where applicable);
17. and perform other administrative functions as requested by Client.

**Financial Provisions**

In consideration for the services provided in this Agreement, the Administrative Services Recipient will pay the Port of Silverdale a fixed amount of six hundred dollars (\$600.00) per month for up to 12 hours of administrative services provided in such month, and an additional \$50.00 per hour for documented time exceeding 12 hours in any month, together with reimbursement for costs and expenses incurred in providing such services.

**Billing and Payment**

The Port of Silverdale will submit monthly invoices for those services rendered under this Agreement exceeding 12 hours in any month. The invoices will detail the number of hours worked and describe the services performed. Administrative Services Recipient will make

payment within thirty (30) days following receipt of billing. The Port of Silverdale will maintain adequate records to support billings under this Agreement. If any amounts paid by the Administrative Services Recipient under this Agreement are determined by audit to be ineligible for payment, the Port of Silverdale shall refund those amounts to the Administrative Services Recipient within twenty (20) days of notice of the audit determination.

**Duration**

The term of this contract shall be from \_\_\_\_\_ until terminated by either party as provided in this Agreement.

**Termination**

Either party to this Agreement may terminate the Agreement upon thirty (30) days' written notice to the other. Upon notice of termination, no further fees or expenses may be incurred except to the extent necessary to safeguard the interests of the Port of Silverdale, or as authorized by the Administrative Services Recipient.

**Integration and Amendment**

This Agreement constitutes the entire agreement of the parties and may be amended only upon the written agreement of the parties.

**For Administrative Services Provider  
Port of Silverdale Commissioners:**

**For Administrative Services Recipient  
Port of \_\_\_\_\_ Commissioners:**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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\_\_\_\_\_  
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**PORT OF ILLAHEE  
2022 PRELIMINARY BUDGET**

	DETAIL	TOTALS
TOTAL ESTIMATED BEGINNING BALANCE		399,190.00
REVENUES:		
670.00 NonRevenues - Loan Contingency for Improvement Projects	700,000.00	
693.00 Operating Grants Reimbursement ALEA & BFP	1,263,453.00	
695.00 Real Property Rentals	30,000.00	
699.10 Investment Interest	800.00	
699.20 Property Tax	92,500.00	
TOTAL ESTIMATED REVENUES:	2,086,753.00	2,086,753.00
TOTAL ESTIMATED FUNDS AVAILABLE:	2,485,943.00	2,485,943.00
EXPENDITURES:		
721.00 MARINA OPERATING		
721.80 Utilities	3,000.00	
721.90 Other	500.00	
723.00 MARINA MAINTENANCE		
723.30 Outside Services	2,500.00	
723.40 Supplies	1,000.00	
723.90 Other: Piling Replacement	144,000.00	
761.00 PROPERTY LEASE/RENTAL		
761.30 Outside Servies	2,800.00	
763.00 PROPERTY LEASE/RENTAL MAINTENANCE		
763.40 Supplies	500.00	
763.60 Facility Maintenance	2,000.00	
763.70 General and Administrative	500.00	
763.80 Utilities	1,500.00	
763.90 Other	4,000.00	
771.00 DEBT REDEMPTION		
771.50 Other: Note/Contracts	25,000.00	
773.00 FIXED ASSET DISBURSEMENT		
773.50 Property Improvements	350,000.00	
773.90 Other: Property Improvements	5,000.00	
774.00 WATERFRONT FACILITIES		
774.40 Waterfront Access Improvements: Upland Work	748,925.00	
774.40 Waterfront Access Improvements: Marina work	1,084,583.00	
780.00 GENERAL AND ADMINISTRATIVE		
781.10 Commissioner compensation	12,800.00	
781.20 Commissioner reimbursement	1,500.00	
781.30 Outside services	20,000.00	
781.40 Supplies	500.00	
781.60 Facility rentals	400.00	
781.70 G&A Operations	21,000.00	
789.10 Economic development	2,500.00	
790.00 NON-OPERATING EXPENSE		
799.91 Interest Expense	21,000.00	
TOTAL ESTIMATED EXPENDITURES:	(2,455,508.00)	(2,455,508.00)
TOTAL ESTIMATED ENDING BALANCE:	30,435.00	30,435.00

Commissioner Jim Aho

Commissioner Jon Buesch

Commissioner John Burton

**PORT OF ILLAHEE  
2022 PRELIMINARY BUDGET**

	DETAIL	TOTALS	
TOTAL ESTIMATED BEGINNING BALANCE		399,190.00	Includes \$87,618 reimbursement from RCO
REVENUES:			
670.00 NonRevenues - Loan Contingency for Improvement Projects	700,000.00		Kitsap Bank - loan/line of credit
693.00 Operating Grants Reimbursement ALEA & BPP	1,263,453.00		Reimbursement from RCO - less Ports match
695.00 Real Property Rentals	30,000.00		\$2300 monthly Ocean View; \$850 monthly Illahee Road - deducted \$7,800 in case of vacancies and beginning work on waterfront project 55
699.10 Investment Interest	800.00		Estimated amount - 2021 averaged \$85 a month - as cash depleted less interest will be collected
699.20 Property Tax	92,500.00		This is the figure from last year - there should be an increase but amount unknown until County provides the information
TOTAL ESTIMATED REVENUES		2,086,753.00	
TOTAL ESTIMATED FUNDS AVAILABLE		2,485,943.00	
EXPENDITURES:			
721.00 MARINA OPERATING			
721.80 Utilities	3,000.00		water; power, sewer @ facilities
721.90 Other	500.00		SSWM taxes & misc. on facility properties
723.00 MARINA MAINTENANCE			
723.30 Outside Services	2,500.00		general maintenance, landscaping at dock facility
723.40 Supplies	1,000.00		Supplies for maintenance
723.90 Other: Piling Replacement	144,000.00		Piling Replacement Project
761.00 PROPERTY LEASE/RENTAL			
761.30 Outside Services	2,800.00		Property Management
763.00 PROPERTY LEASE/RENTAL MAINTENANCE			
763.40 Supplies	500.00		supplies for maintenance at properties
763.60 Facility Maintenance	2,000.00		maintenance - roof cleaning/ furnace service
763.70 General and Administrative	500.00		SSWM taxes & misc. on rental properties
763.80 Utilities	1,500.00		Utilities @ rental properties
763.90 Other	4,000.00		Leasehold Excise Tax
771.00 DEBT REDEMPTION			
771.50 Other Note/Contracts	25,000.00		Principal paid on bond - Ocean View property 10K; principal payments to Kitsap Bank \$15,000 (?)
773.00 FIXED ASSET DISBURSEMENT			
773.50 Property Improvements	350,000.00		improvements to the Illahee Store property - clean up, permits, design, construction, etc.
773.90 Other Property Improvements	5,000.00		In case problems arise on the other Port owned properties (roofs, foundations, septic, electrical, etc.)
774.00 WATERFRONT FACILITIES			
774.40 Waterfront Access Improvements Upland Work	748,925.00		Remaining ALEA \$812,000 (RCO 500,000/Port 312,000)
774.40 Waterfront Access Improvements Marina work	1,084,583.00		Remaining BFP \$1,150,065 (RCO 851,065/Port 299,000)
780.00 GENERAL AND ADMINISTRATIVE			
781.10 Commissioner compensation	12,800.00		Commissioners stipends - (\$128) per Commissioner per month added additional as there may be more meetings with grants
781.20 Commissioner reimbursement	1,500.00		travel expense/mileage
781.30 Outside services	20,000.00		legal, administrative
781.40 Supplies	500.00		Office supplies
781.60 Facility rentals	400.00		??
781.70 G&A Operations	21,000.00		Insurance, annual dues, promotional hosting, audit
789.10 Economic development	2,500.00		Community Involvement
790.00 NON-OPERATING EXPENSE			
799.91 Interest Expense	21,000.00		Interest on bond \$4,100; Interest on loan \$15,900 (?)
TOTAL ESTIMATED EXPENDITURES:		(2,455,508.00)	
TOTAL ESTIMATED ENDING BALANCE:		30,435.00	

Commissioner Jim Aho                      Commissioner Jon Buesch                      Commissioner John Burton

Breakdown of 781.70 G&A Operations:

Advertising		\$	500.00
Membership/Dues	WPPA, P. O. Box fee	\$	800.00
Insurance	Enduris	\$	15,000.00
Promotional Hosting	Illahee Day	\$	800.00
State Audit/Assessment	(due to be conducted end of 2021?)	\$	1,500.00
WPPA Sponsored seminars, etc.		\$	1,200.00
Travel	hotel while attending WPPA sponsored seminars, etc.	\$	1,200.00
		\$	21,000.00

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**2022 Port of Illahee Preliminary Budget**

message

**ATHERINE JOHNSON** <luxury08@comcast.net>

Thu, Oct 7, 2021 at 6:58 PM

From: Jim Aho &lt;illaheeporthree@gmail.com&gt;, "portofillahee@gmail.com" &lt;portofillahee@gmail.com&gt;

I want to preface my comments with an acknowledgement that I have not attended Port meetings over the last year nor have I thoroughly reviewed the meeting minutes. The items that I address may have already been identified and discussed.

I will be out of town for your next meeting but will make every effort to attend the Zoom to answer any questions you may have about my comments.

**Even if projects included in the 2022 preliminary budget are not completed in 2022, as anticipated, the costs will impact the ending fund balance of future years.**

**Revenues:**

The sale of the Ocean View property has not been addressed. Net proceeds from that sale would offset the need for debt issuance and reduce future debt service operating costs.

**Expenditures:**

Historically actual operating revenues have exceeded actual operating expenses allowing for some deferred maintenance to be addressed. Fund balance has been increasing as a result of dock maintenance deferrals, pending grant awards, in an effort to raise required match amounts. Now that awards have been received and the grant eligible projects defined, which deferred projects are covered under the grant scope? What is the extent of remaining projects not covered under the grant? How will those projects be funded? Operating costs in future years will increase as a result of the completion of the grant project and store renovation, reducing the amount available for ongoing maintenance projects.

Is there a contingency for project cost overruns? It appears that the grant expenditures are based on the award amount plus match which, I presume, were based on engineering estimates at the time of grant application. The Seattle area construction cost index has risen 7.1% over the last 12 months. With such a small fund balance there is not much room to absorb overruns.

**Estimated Ending Fund Balance \$30,435:**

The bulk of Property tax revenue is received in two payments (May and October). Beginning Fund balance should be sufficient to allow for adequate cash flow for the orderly payment of vendors, debt service and cover any unbudgeted overruns or emergencies that may come up.

Without a contingency for cost overruns in the projected expenditure budget this balance could be depleted further creating future cash flow issues.

**Conclusion:**

I presume that the renovation of the store would not proceed until PLIA funds the remediation effort and possibly not until the grant project is well on its way and constructions costs are firm. Either defer this project until 2023 or include the potential sale and associated costs of the property in 2022 to make your intentions transparent. This would reduce the amount of a bond issue freeing up operating costs for future dock maintenance projects.