



Port of Illahee Minutes of Regular Meeting

June 11, 2025

Call to Order

The Regular Port of Illahee meeting was held virtually through the ZOOM app (meeting id# 71509975823 / Password: Illahee). Notice of the virtual meeting was posted near the kiosk at the head of the pier and on the Port's website – portofillahee.com. **Commission Chairman James Aho** called the meeting to order at 6:30 PM. Also, in attendance were **Commissioner Jeffrey Rupert; Commissioner Eric Hall**; Administrator Jennifer Olson; Roy Barton; Debbie Smith; Janet Soderberg; Leonard Knight; Cathy Johnson; Jeff Berger

- June 11, 2025, Meeting Agenda
- May 14, 2025, Regular meeting minute
- Payment of bills with check numbers **5348** through **5359** totaling **\$378,414.12** *Items approved pending auditor approval *(motion by Rupert; second by Hall; all in favor)*

Signing of Documents

Commissioners plan to stop by the Illahee Store to sign documents on Friday, June 13, 2025.

Public Comment

N/A

REPORTS/UNFINISHED BUSINESS -

Grants/Waterfront Access Improvements

Commissioner Aho provided an update on the waterfront project from the project managers report, noting that progress is ongoing; however, delays have occurred due to permitting issues with Kitsap County. While the concrete forms have been poured and blocks are on site, final approval is still pending. During the removal of the flagpole, contractors uncovered a WWII-era fuel tank, which was safely removed in coordination with Peninsula Tank Services.

Illahee Store Project

Commissioner Aho thinks that removal of the existing tank will happen sometime late summer. Commissioner Hall has volunteered to assist with coordinating the installation of a new holding tank for the future store, contingent upon the availability of funding and precast tanks from Hagerman Precast.

The Commissioners discussed the current status of the power hookup at the Illahee Store. The Administrator reported that Puget Power identified an inactive meter dating back to 2009 and provided an estimate of approximately \$2,000 to investigate to restore power service. Commissioner Hall noted that the power has not yet been energized from the existing 3-phase cables. A community member, along with others present, expressed concern about the prudence of spending funds on unused power given the district's current financial constraints.

Commissioner Rupert made a motion to postpone any further investigation into restoring power at the store until location.
(motion by Rupert; second by Hall; all in favor)



Treasurer's Report as May 31, 2025.

- General Fund: \$ 36,922.43
- Investments: \$ 303,716.03
- Bond: \$ 675,385.62
- Total: \$1,016,024.08

Grant Status

BFP RCO Total: \$851,065.00 Amount of RCO paid: \$126,319.36 Remaining RCO Funds: \$724,745.64

ALEA RCO Total: \$500,000.00 Amount of RCO paid: \$ 97,670.11 Remaining RCO Funds: \$ 402,329.89

RCFB RCO Total: \$191,000.00 Amount of RCO paid: \$ 18,296.16 Remaining RCO Funds: \$172,703.83

Website: N/A

Properties

- **5560 Oceanview Blvd:** The Commission discussed the sale of a property, focusing on determining an appropriate asking price. Cathy, a member of the Budget Committee, recommended working with the Administrator to calculate a low initial offer that would cover the mortgage payoff and closing costs. Roy, also from the Budget Committee, suggested obtaining a valuation estimate from a real estate professional who had previously evaluated the property. Commissioner Rupert expressed concerns about publicly disclosing a low offer amount, and Commissioner Hall referenced RCW 42.30.110(1)(c) regarding the confidentiality of sale negotiations. The Commissioners agreed that a prior resolution declaring the property for sale might be sufficient but agreed to verify this with the Port's attorney. Commissioner Aho emphasized the need to act quickly due to upcoming financial obligations.
- **5500 Illahee Road:** *The house was demolished in April 2025.*
- **5507 Illahee Road** *Commissioner Rupert confirmed that a certified letter was sent to the neighbor who constructed a fence on the south side of the Illahee Store property, providing a 90-day notice for it to be moved or removed. He also reported that the installation of the Port bulletin board has been completed, with assistance from his son. Illahee*

Dock/Pier- Currently Closed for construction project.



New Business

2025 Budget Committee

The Budget Committee convened on June 9th to review the 2025 budget and update financial projections. Cathy reported that the committee, composed of Roy, the Administrator, and herself, is working to revise the budget by incorporating contracted amounts, updated debt service obligations, and other adjustments made since the original adoption. Roy emphasized the port's financial limitations, noting that the annual debt service of \$54,000 significantly restricts the budget, given the port's annual property tax revenue of only \$99,000. The committee plans to present updated financial figures at the next commission meeting to better guide future fiscal decisions.

Port Administrative Role Transition

The Commission discussed the upcoming transition of administrative responsibilities. The current Administrator agreed to continue in the role for a few more months, likely through the end of August or September, until the current project nears completion. Commissioner Hall volunteered to take over management of grant-related duties during this transition period.

Small Cell Tower Proposal

Commissioner Hall discussed a potential partnership with Crown Castle and other telecommunications companies to install a small cell tower on port property to improve local cellular coverage. Commissioner Hall noted that the proposed tower would be 50 feet tall and located outside of the public right-of-way. The project could potentially generate rental income for the port and enhance service for surrounding communities. While some commissioners expressed interest in the economic development opportunity, several community members voiced concerns about possible health impacts and effects on property values, resulting in mixed feedback. The Commission agreed to continue the conversation to determine the next steps appropriate.

Adjourn-

At 8:00 PM, the meeting adjourned. **(Motion by Rupert; second by Hall; all in favor).**
The next regular meeting is scheduled for July 9, 2025, at 6:30 PM via Zoom.

Signatures

Commissioner James Aho

Commissioner Eric Hall

Jeff
Rupert

Commissioner Jeffrey Rupert

Eric Hall