**Port of Silverdale**

Minutes of Regular Meeting

November 16, 2017

**1. CALL TO ORDER**

Commission chairman Henry Aus called the meeting to order at 7:00 PM in the Port office. Also present were Commissioner Lawrence Greaves; Commissioner Ed Scholfield; Administrator Theresa Haaland; Mike Vasquez of MTV Home Repair; Tim Knapp of TIKAR Services; Carla Larson of Kitsap Peninsula Water Trails and Whaling Days; Greg Jacobs of Kitsap Sailing and Rowing Foundation (KSRF); John Kuntz of Olympic Outdoor Center (OOC); Roy Sahali of Sahali Farms; Rob McGinley of Kitsap County Public Works; Randy and Marvel Hunt of the Central Kitsap Historical Club; Jackie Bosinger and Mario of the Old Town Pub; Faithe Lester and Chuck Little of the Dispute Resolution Center (DRC); and local residents: Ben Anderson, Hank Anderson and Kevin Tisdel

1.1. Agenda – ***it was agreed to approve the agenda as submitted*** (motion by Scholfield, second by Aus, unanimous).

1.2. All Ports meeting minutes - ***the October 16, 2017 Kitsap All Ports Meeting minutes were approved as submitted*** (motion by Greaves, second by Aus, approved – Commissioner Scholfield abstained from the vote as he did not attend that meeting).

1.3. Regular meeting minutes - ***the October 19, 2017 Regular Meeting minutes were approved as read*** (motion by Scholfield, second by Greaves, unanimous).

1.4. Special meeting minutes - ***the November 9, 2017 Special Meeting minutes were approved as corrected*** (motion by Scholfield, second by Greaves, unanimous).

**2. PUBLIC COMMENT**

2.1. Bayshore Drive Project – Rob McGinley with Kitsap County Public Works explained that the project was originally intended to upgrade the sewer lines, but grew to include a road project and bringing the sidewalks up to Americans with Disabilities Act (ADA) compliance. The County is requesting easements along five of the Port’s parcels (3332 NW Lowell; 9020 Washington Avenue; 3473 NW Byron Street, and two areas of the Port’s parking lots along Washington Avenue). Mr. McGinley explained that his job is to determine the market value of the area and reimburse the property owner accordingly. He provided the Commissioners with handouts that included the right-of-way deeds. The Port will receive offer letters in the future for each piece of property, which will include the amount to be paid by the County to the Port. Commissioner Scholfield voiced his concerns about the proposed easements on the Port’s parking lot properties as it could affect the Port’s electrical, irrigation and network systems. He asked Mr. McGinley when the construction along Washington was going to begin as he had heard that it might start on the Washington end instead of Bayshore. Mr. McGinley suggested a meeting with Gunnar Fridriksson the Project Manager be set up as he could answer the questions more specific to the project and should be made aware of the easement concerns. Mr. McGinley plans to send the offer letters to the Port, but if there are any changes with regard to the parking lot properties those offer letters will need to be revised. Mr. McGinley thanked everyone for their time.

9004 Washington/DRC – Faithe Lester introduced herself and explained that Warren Olson was on a leave of absence for personal reasons, so she was tasked with working with the Port regarding upgrades to the building. Ms. Lester introduced Chuck Little who was a member of the DRC’s ad hoc committee that came up with the proposed building improvements. Mr. Little said that the DRC has been part of this community for the last twenty-five years and they really like their present location in Old Town, but would like the building upgraded making it more comfortable and efficient for their employees and more professional for their clients. Ms. Lester said that although the DRC does agree to financially own some of the responsibility for the upgrades, it is thought the Port should also own a portion. She provided a letter from the DRC to the Port dated November 8, 2017 that outlined what the DRC sees as the Port’s responsibilities. One item was exterior paint, which Commissioner Scholfield agreed the Port would be responsible for, but several other items he did not agree with, such as heating and cooling as there is currently a perfectly good working furnace. If they want air conditioning, one possibility may be for the Port to pay half of the costs as that is what was done with another tenant. And with regard to the lighting, Commissioner Scholfield explained that the Port has more than once accommodated DRC’s wishes to install new outlets for lights and computers after desks were moved. He doesn’t see it as the Port’s responsibility to incur the costs to add outlets every time they decide to rearrange the office. Ms. Lester explained that the lighting request is aimed more toward lighting that appears to be residential, such as the fan light in the ceiling of the meeting room. Commissioners Scholfield said that when a new tenant is in there they will require a totally different standard, so he doesn’t believe the Port should be responsible to pay for it. Mr. Little said that the lighting needs to be upgraded, regardless of whom the tenant is unless it is rented as a residence. Ms. Lester said that the DRC has been a tenant of the Port for the past ten years. They have recently entered into a one-year lease through 2018 with hopes to have the upgrades implemented so that they can enter into another five-year lease and more than likely extending that for an additional five years. Mr. Little said there are concerns that the building may contain asbestos and/or lead paint. Commissioner Scholfield thought the Port may have had a study conducted prior to purchasing the building. Mr. Little indicated he would be interested in looking at the studies. Ms. Lester said that right now the building basically feels like a house, more specifically grandma’s house. The proposed upgrades outlined in the letter are sure to give it more of a professional feel, which is their goal. Commissioner Scholfield said that in the past when the Port has conducted work in the building it interferes and upsets the DRC staff. In order to get things done in a timely manner the building really should be vacant. Ms. Lester is aware of this and they have discussed the possibility of working offsite for a couple of months, if necessary. Commissioner Aus suggested the DRC’s proposal be further reviewed and discussed at the December meeting. This will also give Phil a chance to look it over and provide input. Ms. Lester and Mr. Little thanked the Commissioners for their time and consideration.

2.3. Olympic Outdoor Center (OOC) – John Kuntz reported that 2017 was a good year for OOC at the Silverdale location. There was no interruption in service as in the past couple of years due to the temporary closure of Dyes Inlet because of sewage spills. There was also no theft this year, unlike last year when he lost thousands of dollars worth of equipment. He suggested the Commissioners consider adding additional surveillance to the area not only for his business, but for the Port facility. He would also like signage on the highway and questioned why there aren’t already signs for the Port posted. Last year, the Port requested the Washington State Department of Transportation (DOT) to install a sign for the Port along Highway 3. DOT said it did not meet the criteria for highway signage. This was questioned as other Ports, marinas, parks, etc. have signage. It was thought the Port and the County may partner and approach the State upon completion of the Silverdale Way Widening Project. Mr. Kuntz reminded the Commissioners that OOC has been renting kayaks and selling concessions from the Port parking lot for the past five years. It currently operates out of two trailers with equipment being stored on temporary racks. This has worked well, but has been hard on the equipment. Mr. Kuntz said that the kayaks and paddle boards are getting damaged from the beach and thus making it a priority to move the facility from the parking lot to the floats. He is hoping they can begin operating from the floats for the 2018 season. Allowing OOC to work from the sailboat float was discussed. Greg Jacobs explained that it is KSRF’s goal to offer sailing from February through October and there just isn’t enough room on the float when the sailboats are on there. Mr. Jacobs said that he still envisions the Port using a decommissioned ferry boat as a breakwater. Besides it being an attraction it could be used for a myriad of things. It was thought that if OOC provided its own float, it could possibly be tied to a portion of the dock, but it couldn’t interfere with motorized vessels whatsoever as the Port would be in violation of the Recreation Conservation Office (RCO) grant restrictions. Anything attached to the pier, floating moorage facility and/or sailboat float will have to get the RCO’s approval prior to use. Commissioner Scholfield, Tim and Mr. Kuntz plan to meet onsite and discuss the possibilities. It was suggested Mr. Kuntz provide the Port with a proposal for discussion at a future meeting.

2.4. Water Trails/Silverdale Tree Lighting – Carla Larson provided a pamphlet for the 63rd annual Silverdale Christmas Tree Lighting ceremony. She was recently reimbursed $11.65 from the Port for purchase of hot cocoa and cider mix that will be offered during the Old Town festivities on November 25th. Along with the refreshments, the Port will host a bonfire. Ms. Larson reported on the Kitsap Peninsula Water Trails (KPWT) Alliance meeting she recently attended. The update to the KPWT map was the main topic of the meeting. The KPWT festival will not take place this year because it did not receive funding from the County. There will still be several non-motorized boating events. On June 16th OOC is planning a paddle from Silverdale to Port Orchard and on June 17th the Port of Brownsville will continue with its Keys to Keyport paddle. Ms. Larson explained that during the meeting, she was surprised to hear a City of Bremerton Parks Department employee talk about Clam Island Rowing (CIR) possibly moving to Lion’s Field Park. Port Commissioners were surprised as well. Mr. Jacobs said that CIR at times has trouble rowing at this end of Dyes Inlet due to the heavy winds so they may want another option. They have also been trying to get a rowing team started at the Bremerton High School. It was generally agreed that it may be a good fit for CIR to work under a Parks Department.

**3. UNFINISHED BUSINESS**

3.1. Port Programs
 a. Sailing – the transfer of ownership of the 19’ Lightening sailboat is not yet complete. Mr. Jacobs said that the owner can’t find the original tile from 1967, so he will have to apply for a lost title. A two-day high school sailing regatta is scheduled for sometime in late May. Commissioner Scholfield said that on the morning of October 22nd around 6:00am he saw one of the Port’s sailboats being towed with the mast hanging well over the trailer without a red flag or trailer lights. Mr. Jacobs made note of it and said he would look into it.

 b. Rowing – Mr. Jacobs said that CIR is officially separated from KSRF. This was decided upon because of financial reasons. It was asked if KSRF’s name will be changed. Mr. Jacobs said that they have talked about changing it to the Kitsap Sailing and Regatta Foundation.

The Leasehold Excise Tax issue has not yet been resolved. KSRF has provided Phil with maintenance information and figures, but he is still awaiting CIR’s information. This information is needed to help determine the fair market value of the equipment.

3.2. Port Facilities
 a. Dredging – Phil contacted Alexis with Marine Surveys and Assessments about contacting potential dredging companies to possibly get on their list for August 2018. She said she would get back to Phil on that. Commissioner Scholfield suggested the Port contact the company that conducted the last dredge and get on their schedule. He is aware that the project will need to go out for bid, but thought it wouldn’t hurt to at least have it scheduled with one of the potential bidders.

 b. Sailboat Float has been removed for the season. The meeting with Logan from Marine Floats was postponed.

 c. Ladders – during the recent State Audit, fabrication and installation of the ladders was discussed. The auditor questioned this being a maintenance item and suggested that it go out for bid, but if the Commissioners determine it to be maintenance then the reasoning behind it needs to be well documented. Tim will provide the specs so that it can go out for bid. It was questioned if there is another company that does that type of work listed on the Port’s Small Works Roster.

 d. Port Rules – Commissioner Scholfield will contact Fast Signs to determine status.

3.3. Port Properties

 a. 3425 NW Byron Street/Kitsap Art – a letter from Kitsap County Public Works dated October 31, 2017 was reviewed. During a recent inventory of impervious surfaces they discovered discrepancies between the amount of impervious surface on the property and the amount charged for the storm water management fee. This will raise the amount from $96 annually to $192. Commissioner Scholfield said that the Port should be eligible for the fifty percent discount because all the storm water for that parcel is infiltrated on-site. Commissioner Scholfield plans to pressure wash the building this weekend.

 b. 3473 NW Byron Street/Old Town Pub – closed as of November 3, 2017. Commissioner Scholfield reported that on November 28th a contractor will be giving a free estimate regarding the foundation. The contractor is aware that life saving equipment is necessary. During the recent Special Meeting, David Lynam of Kitsap County Department of Community Development (DCD) suggested the Port send an e-mail asking for more time to make a decision about the building’s future. Marvel Hunt said that she was surprised how much interest was generated from the closure of the Pub and the possible demolition of the old Emel building. The building is one of the oldest remaining in Old Town and holds such historic significance it is understandable. She provided a petition with nearly one hundred signatures on it in support of saving the Emel building. Apparently, there is also an online petition at change.org with even more signatures.

 c. 3215 NW Lowell Street, Suite 161/ACE Professional Services – rent for November has not yet been received. The tenant’s employee recently approached Phil about the possibility of taking over the lease.

3.4. Pump Station 3 Upgrade – there has been no information regarding the design.

3.5. State Audit – several items were discussed during the onsite portion of the audit, which is now complete. One item that should be documented in the minutes is that the auditor questioned Visa-charged deliveries to Commissioner Scholfield’s residence. It was explained to the auditor that since the Port office isn’t generally open eight hours a day in order to assure receiving items, Commissioner Scholfield has them shipped to his residence and then he brings them into the Port office/shop. She understood the reasoning, but wanted to make sure the other two Commissioners were aware of this and okay with it. Commissioner Aus and Commissioner Greaves acknowledged that deliveries are made to Commissioner Scholfield’s house, understood why and agreed with it.

3.6. 2018 Final Budget – ***Resolution 2017-04 Adoption of the 2018 Final Budget and Resolution 2017-05 Levy Limit Increase were adopted*** (motion by Scholfield, second by Greaves, unanimous).

3.7. Election results – congratulations to Commissioner Aus who will continue to serve as a Port Commissioner.

**4. NEW BUSINESS**

4.1. Safe Security - a letter dated October 23, 2017 was reviewed. Safe Security’s rates will be increased by nine percent beginning January 1st.

4.2. New leases for all but one of the Port properties will be generated – it was agreed to keep the lease terms the same as last year.

4.3. Washington State Parks and Recreation Pump Out Reimbursement in the amount of $575.65 has been received.

4.4. Waterfront Architectural Design – a Special Meeting is scheduled for December 8, 2017 to allow the three contenders time to make presentations. The meeting was set to begin at 2:00PM, but Commissioner Aus has a prior commitment and asked that the meeting begin at 1:00PM. Commissioners Greaves and Scholfield agreed to the time change.

**5. SAFETY** – Commissioner Scholfield reminded everyone that they must wear a safety vest if/when within twenty-five feet of a roadway.

Tim explained that several boards on the planking of the pier need to be replaced. He plans to do a total inventory of needed maintenance and provide the Commissioners with a proposal.

**6. APPROVE EXPENDITURES & ELECTRONIC TRANSFER**

***The attached voucher approval totaling $31,428.93, checks numbering 11594 through 11617 and Electronic Transfer 2017-11 to the U.S. Treasury in the amount of $1,893.04, were approved*** (motion by Greaves, second by Scholfield, unanimous).

**7. EXECUTIVE SESSION** - None

Ms. Hunt asked if anyone had information about the black sailboat that is anchored out in Dyes Inlet, east of the floating moorage facility. Commissioner Scholfield said that he did not, but the Kitsap County Health District has been contacted as there is concern about sewage disposal from the vessel.

**8. ADJOURN
*The meeting adjourned at 9:20PM*** (motion by Greaves, second by Scholfield, unanimous).

Approved:

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Henry Aus, Commissioner

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Lawrence Greaves, Commissioner

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Ed Scholfield, Commissioner

