

## Port of Silverdale – Minutes of Regular Meeting on June 20, 2019

### Port of Silverdale

Minutes of Regular Meeting  
June 20, 2019

#### 1. CALL TO ORDER

Commission Chairman Ed Scholfield called the meeting to order at 7:03 PM in the Port office. Also present were Commissioner Henry Aus; Commissioner Caleb Reese; Attorney Phil Best; Administrator Theresa Haaland; former Commissioner Lawrence Greaves; Tim Knapp of TIKAR Services; Mike Vasquez of MTV Home Repair; Roy Sahali of Sahali Farms; Jeff Kehring, Keri Roberts and Vicky Webb of Whaling Days; Ioana Bociu accompanying Allan Chartrand of Marine Surveys and Assessments (MSA); Carla Larson; Jack West; and Marvel Hunt arrived at 7:20PM.

1.1. Agenda – *the agenda was approved as submitted* (motion by Reese, second by Aus, unanimous).

#### 2. CONSENT AGENDA

2.1. *The May 16, 2019 Regular meeting minutes were approved as submitted* (motion by Aus; second by Reese, unanimous).

2.1. *The May 21, 2019 Special meeting minutes were approved as submitted* (motion by Reese; second by Aus, unanimous).

#### 3. PUBLIC COMMENT –

3.1. Dredging Project – Phil introduced Allen Chartrand of MSA and explained that he was invited to the meeting to update the Commissioners on the status of the Dredging Project. Mr. Chartrand reported that MSA just received the suitability determination from the Dredged Material Management Office (DMMO). The DMMO represents the following agencies: Army Corps of Engineers, Environmental Protection Agency, Department of Ecology, and the Department of Natural Resources. It was concluded that the dredged material will be suitable for Elliott Bay open-water disposal. Mr. Chartrand congratulated

the Commissioners on being allowed to dump the sediment at the Elliott Bay “soap and water” site as it is the easiest and most economical option. Mr. Chartrand said that MSA just yesterday sent in the Joint Aquatics Resources Permit Application (JARPA). He estimates the JARPA to be approved and permit issued in approximately nine months, so the dredge will take place during the August 2020 window. Phil explained that one reason for the delay in getting to this point is because they had difficulty in obtaining adequate samples due to the hardpan; additional dives were necessary. The permit is good for five years and covers significant maintenance. Commissioner Scholfield said that another dredge should be planned in five years just prior to the expiration of this permit.

Commissioner Aus asked when the Port should start looking for a contractor to perform the work. Phil explained that he has a list of five companies that will be contacted one of which is American Construction, the company that completed the last dredge in 2005. Commissioner Scholfield said that the Port should obtain an estimate now. Coastal Geological Solutions (CGS) did provide an estimate, which will be reviewed and discussed with the Port’s grant writer, Kathleen Byrne-Barrantes. She will be asked to determine if there is any grant availability for dredging. MSA will continue to work on this project until the permit is received. The Port is authorizing the last check to MSA at tonight’s meeting. Mr. Chartrand thanked the Commissioners.

3.2. Eagle Scout Project – Jack West said that now that summer is here, he has time to dedicate to his proposed pier life jacket loaner station project. Mr. West asked about the possibility of adding a kiosk with general information about how the life jacket station works. Commissioner Scholfield said that there is an unused kiosk in the Port’s shop that he could use as a sample and the Port has the ability to make signs if Mr. West were to

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provide the wording and design. Mr. West provided the design and material list which was reviewed and given to Tim for further review. The material list showed pressure treated lumber to be used for the construction of the station. Tim explained that the State does not allow pressure treated lumber to be used for over-the-water projects as it leaches arsenic into the water. He suggested Mr. West look into the restrictions on the Washington State Fisheries website. Tim said that chemonite lumber is an acceptable product for such a project and he may have enough in stock. If not, it takes about two weeks to receive it after it's ordered. Mr. West explained that he intends to have the project completed by the end of summer. He said that he needs a Port representative signature on his paperwork. Commissioner Aus asked that Tim take a more detailed look at the design before the Port signs off on it. Phil asked Mr. West to provide the Port with a copy of the material list, design and paperwork the Port will be signing. Mr. West said that he could e-mail an electronic copy to the Port. *It was agreed to allow Boy Scout John "Jack" West to perform an Eagle Scout project of constructing a life jacket loaner station on the Port of Silverdale pier as described in his outline with the modification of using chemonite lumber verses pressure treated lumber* (motion by Reese; second by Aus; unanimous). Mr. West said that he will correct his material list and bring the paperwork by the Port office for Commissioner Scholfield's signature. Tim and Mr. West plan to meet within the next couple days to go over the plans for the project. Mr. West thanked everyone.

3.3. Whaling Days – Vicky Webb said that she is aware that Phil and Whaling Day's attorney, Ron Templeton, have met and discussed the insurance aspect of the event. Phil said that he has concluded that the Use of Port Property Application the Port received from Whaling Days earlier this year did not provide enough

detail of the property use. Jeff Kehring said that the application wasn't valid anyway because it was signed by someone who didn't have authority to do so. An Event Use Agreement Between Port of Silverdale and Silverdale Whaling Days provided by Phil was reviewed. Ms. Webb was concerned because she presented the new agreement to the Whaling Days board at last night's meeting and then was told by attorney Templeton today that the wording had changed a bit. She was given the okay to enter into the agreement that she presented to the board last night, but now with the changes she is unsure about entering into it. Phil explained the distinction between boaters and non-boaters as stated within the agreement. In the case of an accident Whaling Days' insurance must cover non-boaters and the Port's insurance would continue to cover boaters. Phil said that any individual that arrived by boat would be considered a boater all others are non-boaters. Keri Roberts said that she knows boat owners that have moored at the Port facility in the past regularly and usually one person brings the boat in and ties it up to the dock several days prior to the event. Then during the festival, he/she along with other family members and/or friends meet down at the boat; Ms. Roberts didn't agree with the thought that only the individuals who arrived by vessel being the boaters and others agreed. Phil reminded everyone of last year's incident where a few people were invited down to someone's boat after hours and apparently a woman in the group rolled her ankle when she stepped on the gangway's track and is now suing the Port for a significant amount of money. She was technically a Whaling Days festival goer not a boater although invited to go on a boat. Boaters would have been more familiar with the Port facility and more than likely used more caution. Phil said that the Port wants to separate the liability, and this is how it's going to be done. This is what Phil and attorney Templeton have been discussing and agreed on. Commissioner Scholfield said

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that for years the Port has unsuccessfully requested Whaling Days to provide security on the pier and moorage facility. This year it is required that Whaling Days makes an effort to monitor the pier and floating moorage facility making sure Port rules are being followed and that non-boaters are not accessing the facility after hours. Also, if Whaling Days wants to have the festival on Port property all of the Port properties including the pier and moorage facility must be covered by their insurance. Mr. Kehring said that Whaling Days is a 501c3 non-profit organization run by volunteers and cannot afford additional costs. In the past some committee members have even taken money out of their own pockets to make the event a success. He doesn't see these added requirements as a good thing and doesn't think the Port's stance has been well thought out as the festival is a positive experience for the community. Commissioner Scholfield suggested it not be taken for granted the fact that historically the Port hasn't charged Whaling Days anything for the use of the property and suggested Mr. Kehring ask the County how much they would charge for the use of the fairgrounds area. He added that it's the Commissioners responsibility to protect the Port's taxpayers and these requirements are in an effort to do just that. Phil explained that as long as the festival is held on Port property the Port will be listed as additionally insured and he doesn't see this as increasing their insurance premium as again it is just a way to separate the liability. Mr. Kehring said that when he had heard that Whaling Days might be taking responsibility of the pier and moorage facility during the festival it prompted him to go down and look at the facility and he took pictures of items he wanted the Commissioners to be aware of and possibly fix prior to the festival. There are two railing boards split, one extremely loose board, etc. Tim will take a look at these items. Mr. Kehring questioned if Olympic Outdoor Center (OOC) pays to use the space on the pier. It was

explained that they do pay a monthly rental fee including leasehold excise tax. Ms. Roberts said that they don't care if the pier and floating moorage facility are closed during the festival. Mr. Kehring asked if Whaling Days did take responsibility for the pier and moorage facility during the festival could they just shut it down. He was told no because the facility was partially funded by an Interagency Committee for Outdoor Recreation grant (IAC) it can't be shut down for any significant amount of time other than for maintenance. Closing it to non-boaters was discussed. Commissioner Reese agreed that a boater might not have come in on the boat but may still be part of the boating party. He used his own experience as an example. He generally moors his boat on the Monday prior to the festival and then he and his wife are down on the docks on that Friday. Mr. Kehring said that he had heard from Gus Housen that the Port might issue wristbands to boaters and their guests. Commissioner Scholfield said that if Whaling Days wants to hand out wristbands, they can do that. The bottom line is that Whaling Days needs to include the pier and floating moorage facility on the insurance and make sure non-boaters are not on the pier and floating moorage facility after dusk. It was agreed that the public could be on the pier the Friday of Whaling Days to view the fireworks but they should be prohibited from going down to the floating moorage area unless they are a boater. Mr. Kehring explained that as Whaling Days board members they want to make sure they are good stewards of the funds for the festival. He fears that covering the pier and moorage facility on their insurance will increase the costs of the insurance premium, which is a problem and questioned why they would be responsible to cover individuals on the pier and moorage facility as it's normally open to the public anyway. Tim said that the individuals that are on Port properties during Whaling Days are there because of the festival. It draws the public to the Port and is basically

causing an attractive nuisance. If Whaling Days decided to move the festival somewhere else it would be a shame, but the Port would no longer have a problem. The majority of the individuals attending the festival would not be at the Port if it were not for the festival. Tim suggested that the Whaling Days representatives review the insurance policy and make sure they are getting the most out of the coverage; that is being a good steward. Phil again said that he doesn't believe the additional coverage will increase the insurance premium. Marvel Hunt said that she and her husband live close by up on Lowell Street. They have seen Whaling Days grow over the years and it affects them when festival goes end up parking near their property and usually leave garbage around. Now that there is no parking available on Silverdale Way it is bound to be worse this year. Ms. Hunt said that she really loves Whaling Days and commended the representatives throughout the years for all the work they have put into the festival. The fruit of their labor is shown by how popular the festival is and how it continues to grow; however, she said she thinks it is outgrowing the Old Town area and suggested they consider holding it somewhere else in the future. Mr. Kehring said that Whaling Days will be celebrating its fiftieth anniversary in 2024 and big things are already being planned for the golden anniversary. Ms. Roberts said that they want to make this work with the Port. She asked how communication between the two entities can improve because they were unaware of the additional insurance requirement just until recently. It was explained that the Port meetings are held the third Thursday of each month at 7:00PM here at the Port office and have been for over twenty years. It's advised that they inform the Port beforehand so that they can be added to the agenda, although that is not a requirement just a courtesy. Phil again said that he and attorney Templeton discussed the situation and settled on the wording within the agreement, which fixes the liability between the two

entities. It was again suggested that Whaling Days has someone posted at the top of the gangway after dusk allowing only boaters to access the floating moorage facility or they just assume the risk. The Port will also need to be listed as an additionally insured on Paradise Entertainment's insurance and the proof of that needs to be in the Port office prior to the festival. Ms. Webb mentioned that New Hope Church is planning to use a portion of the grassy area to hold a service Sunday morning of the event. They are working with the Rotary Club as it will be in the general area the Rotary is authorized to use in the afternoon. It was explained that the Port will also need to be listed as additionally insured on New Hope Church's insurance with the insurance certificate in the Port office prior to the event. Ms. Webb agreed to sign the Event Use Agreement on behalf of Whaling Days. *It was agreed to enter into the Event Use Agreement between Port of Silverdale and Silverdale Whaling Days* (motion by Reese; second by Aus; unanimous). Whaling Days representatives thanked the Commissioners for their time.

#### **4. UNFINISHED BUSINESS –**

##### **4.1. Port Programs**

a. Sailing – nothing to report

b. Rowing – moving rowing storage area from the alley was discussed. With the removal of the deck behind the Old Town Pub a large area is available and it was agreed that moving the rowing shells to that area would be beneficial. The area on the side of the Port office would then be freed up for the Port to use as a staging/storage area – “boneyard alley.” Fence panels will be purchased and installed behind the Old Town Pub outlining an area to be used by the Rowing Program's volunteers and participants. Tim was tasked with leveling the area prior to the installation of the fence. Once the fencing is in place Mike will install an outdoor electrical outlet.

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Tim said that he plans to manufacture a key to the hose bib near the boat launch restrooms.

c. Non-motorized boat storage – Commissioner Scholfield requested the space numbers be taken off of the agenda.

### 4.2. Port Facilities

a. No Wake Buoy Project – Tim reported that he plans to have the buoys installed prior to Whaling Days.

b. Department of Natural Resources (DNR)  
- nothing to report

c. Sailboat (WN6823JF) – a woman came by the Port office and told Phil that her homeless ex-husband was living on the boat and doing drugs. Commissioner Scholfield was notified and he checked it out but couldn't tell if someone had been living on it. He plans to board up the sleeping compartment of the boat. Phil explained that he is working on processing it as a derelict. He is also creating a template for the Port to use in the future as there are several necessary steps in processing a vessel as a derelict and it can get confusing.

d. Website – Commissioner Scholfield has been working on a website (<https://portofsilverdale.squarespace.com/>). He explained that he needs to purchase another hard drive so that he can basically archive all of the current website's (portofsilverdale.com) information prior to transferring everything to the new site and doing away with the old one.

e. Benches – Tim hasn't received the cost information back from the polyethylene supplier yet.

### 4.4. Port Properties

a. 9020 Washington Avenue/Elizabeth's House of Wax – A new sewer outlet will be placed by the County when the Bayshore Drive/Washington Avenue project is complete. The County has recently sent out an update on the project explaining that, due to funding issues, it is on hold.

b. 3330 Lowell/Sugar Studios – the tenant asked the Port to consider helping her purchase and install a ductless cooling/heating system for the building. Mike obtained two estimates – one from Peninsula Heating and Cooling for \$8,543.97 and the other from Quality Heating for \$6,952.00. The tenant, Daleen Grimes, submitted an estimate from MBros. Services, LLC that came in at \$5,036.92 with an option of saving \$1,000 if purchasing an older model ductless unit. All three estimates were reviewed, but it was noted that it was difficult because all three were different units and options. The tenant came into the Port office within the month and asked if instead of paying for her portion with cash if she could give a Sugar Studios credit to the company hired to perform the work. That would be something that she would have to work out with the company hired although she would have to pay the entire amount upfront and the Port would reimburse her for half. Mike explained that the two estimates he submitted included prevailing wage. It was uncertain if the estimate provided by Ms. Grimes included prevailing wage. Commissioner Scholfield said that he was okay with purchasing the older unit from MBros.,

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which would save \$1,000 and then if they need to tack on prevailing wage it would still be much less than the other two bids. *It was agreed to pay half of the costs of the MBros Services LLC bid dated June 14, 2019 to include \$1,000 credit for the option of purchasing the older outdoor unit MUZ GA24NA not to exceed \$2,500 contingent upon MBros Services LLC paying prevailing wage, if necessary* (motion by Reese; second by Aus, unanimous).

c. 3255 Lowell/Central Valley Childcare – the tenant notified the Port office that a portion of the floor is buckling and they are concerned there is a leak. Commissioner Scholfield and Mike plan to meet there tomorrow to inspect it. It is thought it may be caused by condensation from the outdoor heating ventilation air conditioning unit (HVAC).

e. 3473 NW Byron Street/Vacant – as previously stated the deck has been removed. Mike reported that the asbestos testing is scheduled for tomorrow. They don't test for lead because it is not a County requirement. Commissioner Reese said that he was waiting to contact McMenamins until he had some figures from Tim's cost estimate report. Tim explained that as he was trying to determine the cost estimate figures and soon realized that assigning engineering numbers to things that aren't rebuildable isn't an option. Since there is little to no reusable value in the building it would have to be opened up completely which would require it to be brought up to today's standards. He estimated to tear it down and replace it with a new similar sized building ready for tenant improvements would cost approximately \$675,000; whereas, repairing it to the same standard ready for tenant improvements it would cost approximately

\$875,000 and an additional \$50,000 to make the upper floor Americans with Disabilities Act (ADA) accessible by installing an elevator.

The costs to repair it far outweigh the costs to replace it. He said that if it had the original siding from the 1920's and other salvageable items it might be worth it, but the building has been worked on throughout the years unfortunately leaving very little of the original material. Tim said that he will write up a report to outline his findings and show how he determined the costs.

Commissioner Reese asked if the others thought he should pursue calling McMenamins. Last month Ric Catron had provided a presentation about McMenamins and how they might be interested in restoring the Old Town Pub (OTP) building. Mr. Catron had a call into McMenamins and apparently no one has called him back. The building is in such disarray it was thought unlikely that McMenamins would pursue it and since they didn't make contact with the Port or Mr. Catron it seems there is the answer. Tim said that instead of rebuilding just the OTP building the Port might want to consider a larger scale to include the two adjacent buildings. He suggested the possibility of offering an outdoor style year-round farmers market on the ground floor with a community space on the second floor and offices on the top floor. Everyone agreed that would be a nice addition to the Old Town area.

Phil explained that Mike with Action Maintenance Services (AMS), the company that is currently painting the Port office building, approached him about the OTP sign that is attached to the OTP building. Mike with AMS said that he helped install the sign and

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was a friend of the guy who painted it, who has since died. AMS has a lift at the Port office building that they are using to complete the painting of the building. Mike asked Phil if the Port would give him permission to take the sign down off of the building so he could keep it. He was anxious for an answer since the lift is in the general area and could be used to safely remove the sign. Mike told Phil that he talked to the previous owner of the building, Fred Lanouette, and asked him if he could have the sign. Mr. Lanouette told Mike that he would be fine with him taking the sign, but since he is no longer the owner of the building it is not up to him. He would need permission from the Port. The building was originally the livery feed and sale stable and later Pickles Tavern. So, the OTP sign is definitely not original to the building. The sign is actually two signs – one on each side. It was agreed that since it was not original to the building and since Mike of AMS was part of the history of the sign the Mike of AMS could take the entire sign down and keep one half of it, leaving the other half with the Port to be stored in the shop at the Port office building.

Commissioner Reese questioned the potential litigation related to the previous owner. Phil explained that there is no litigation, but such issues would be discussed in Executive Session.

Phil said that the refrigeration system in the building is a newer system and a decision should be made about it as it is currently running and using electricity. It has value as Mr. Lanouette had recently purchased a new compressor prior to selling the building to the Port. It was agreed that if Mr. Lanouette was

interested in the refrigeration system and/or compressor it would be given to him.

Mr. Slowy the property owner at the end of Lowell Street is having to re-gravel the area adjacent to his property. It is thought that some of the rowers of the Hui Hei Hei Wa'a canoe club are using Mr. Slowy's property to maneuver their vehicles causing loss of gravel.

4.4. Paving of alley – Mike was tasked with obtaining three bids to pave the alley all the way around the corner to the 3255 Lowell Street property.

4.5. Pump Station 3 – the County has put the Bay Shore Drive Washington Avenue Improvement Project on hold due to funding issues. Both Commissioner Aus and Phil didn't think this would impact the agreement between the Port and the County to move pump station 3 off of the prime waterfront land.

4.6. Grant funding – an e-mail dated June 19, 2019 from Kathleen Byrne-Barrantes was reviewed. She is asking for a list of Port projects. It was agreed that dredging should be first on the list. Port staff will be in contact with Ms. Byrne-Barrantes to discuss Port projects. Commissioner Reese said that the Port's comprehensive plan needs to be updated before going for grant funding. Phil explained that the two basically go hand in hand and Ms. Byrne-Barrantes will be working on both. Commissioner Scholfield said that the scope of the comprehensive plan needs to be expanded to include the possibility of acquiring the Jenne-Wright building, both the Monroe and Haselwood properties along Washington Avenue, partnering in the restoration of Strawberry Creek, etc., etc.. Commissioner

Reese said that it should also include constructing a large building along Byron Street in place of the OTP and the other adjacent Port owned buildings as discussed earlier in the meeting.

**5. NEW BUSINESS**

5.1. Waggoner Cruising Guide 2020 – it was agreed to place a 1/3-page ad in the 2020 *Waggoner Cruising Guide* costing \$1200 (motion by Aus; second by Reese; unanimous).

5.2. Northwest Boat Travel 2020 – it was decided not to advertise with Northwest Boat Travel at this time.

5.3. 2019 Kitsap County Business-card Service Directory – it was decided not to advertise in the business card directory.

Commissioner Reese explained that he received a complaint about the Port's paybox; that it is in bad shape and somewhat hidden by the overgrown shrubbery in that area. Commissioner Scholfield said that the Port was told by the County that trimming those trees/bushes was not allowed. Tim said that he would repaint the paybox a green color to make it look a little better and he will trim the shrubs.

**7. SAFETY** – Nothing to report.

Commissioner Scholfield reported that an individual was on the pier after hours and did not have a boat moored at the facility. The Safe Security guard on duty informed the individual that they had to leave. The individual later called Safe Security and made a complaint. The Port rules state that the pier, floats and moorage area are closed from dusk to dawn except for boaters so the guard on

duty had the authority to ask him/her to leave.

**8. APPROVE EXPENDITURES & ELECTRONIC TRANSFER**

*The attached voucher approval totaling \$37,468.78, checks numbering 12105 through 12131 and Electronic Funds Transfer 2019-06 to the U.S. Treasury in the amount of \$2,018.54, were approved* (motion by Aus; second by Reese; unanimous).

**9. EXECUTIVE SESSION** – None.

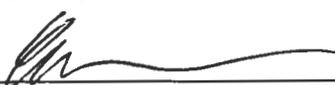
**10. ADJOURN**

*At 10:21PM the meeting adjourned* (motion by Aus; second by Reese; unanimous).

Approved:

  
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Commissioner

  
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Commissioner

  
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Commissioner

