

**PORT OF ALLYN**  
**Regular Meeting**  
**June 4, 2018**  
**MINUTES**

The Regular Meeting was called to order at 6 p.m. with the Flag Salute.

Present were Commissioners Judy Scott (Chair); and Scott Cooper. Commissioner Ted Jackson was excused due to an emergency work conflict. Staff present were LeAnn Dennis, Operations Manager; Lary Coppola, Executive Director; Travis Merrill, Security Officer. Public: County Commissioner Randy Neatherlin, and Bill Rehe. There were no other members of the public or the press in attendance.

**CONSENT ITEMS**

All matters listed under Consent Items have been distributed to each member of the Commissioner for reading.

- a. Minutes of Regular Meeting May 7, 2018

Commissioner COOPER made a MOTION to accept Consent items. SECONDED by Commissioner SCOTT. MOTION CARRIED.

**ACTION**

- a. Payment of GF Vouchers #180601001 to 180601022 for \$9,928.75
- b. Payment of Payroll Vouchers #180603001 to 180603011 for \$16,134.05
- c. Payment of Water Fund Vouchers #180602001 to 180602002 for \$58.31

Commissioner COOPER made a MOTION to accept Action items a, b, & c SECONDED by Commissioner SCOTT. MOTION CARRIED.

**COMMISSIONER REPORTS**

**Commissioner Scott Cooper:** He reported he attended the regular Port meeting, WPPA Spring Meeting in Vancouver, and a meeting sponsored by the Port of Bremerton concerning future planning for the inevitable growth that will take place, and impact North Mason County.

**Commissioner Judy Scott:** She also attended the WPPA Spring Meeting in Vancouver. Additionally, she attended a WWRC screening in Olympia of the grant proposal for Sweetwater Park along with Mendy Harlow of the Salmon Center and the Port's Executive Director. She met with Mike Ross about the Oyster House, and she and the Executive Director also met with Tricia Woolcott from the Mason County Planning Department concerning the building permit for the Oyster House. She also attended the PRTPO meeting, and reported that they are reorganizing with two other transportation organizations.

**SECURITY REPORT**

Security Officer Travis Merrill reported that shrimp season was busy; and the Mason County Sheriff was at our North Shore dock because a boater ran out of gas. He noted that evening activity is picking up, but noting negative has taken place yet.

**EXECUTIVE DIRECTOR REPORT**

\*SEE ATTACHED

**Discussion on the Oyster House Status:** Bill Rehe gave an update on the structure question for the building permit, saying he is awaiting a phone call back from Mason County. He is also waiting for the Army Corp of Engineers input for their Section 404 Permit - mean high water, navigable waters, etc. - concerning exactly where to place the pilings. He reported that there have been three different Army Corp managers on this project, and that seems to have caused

some confusion. The first two people said the old launch ramp removal was fine as planned, but the latest manager wants to exert jurisdiction over it.

Mr. Rehe asked about the plantings at the Kayak Park that were needed for mitigation and Commissioner Scott answered that the work has been done, so he can stop fielding questions about it. The Board supports Mr. Rehe's work and requests he continue on his current course of action, as he has given great advice for mitigating the elevated launch ramp removal.

Commissioner Scott asked what his recommendation is for disposal of the concrete removed from the launch ramp and he stated the gold standard is to recycle if possible. Peninsula Topsoil has been working with Commissioner Scott, and they should help with it because they already accepted the concrete from the building.

The Board thanked Mr. Rehe for all of his work on the project.

## **OLD BUSINESS**

**Sargent Oyster House:** Commissioner Cooper would like to have a workshop that will help the Board gain some clarity about exactly what is happening with the project, who is responsible for exactly what aspects of it, what the next steps are and other details. Commissioner Jackson would also like more information to get him up to speed as well. The Commissioners agreed to set a workshop meeting for July 10 – the same date the lobbyists from Gordon Thomas Honeywell had proposed meeting with the Commissioners as well for their presentation.

**Sweetwater Park:** A draft letter written by the Port's attorney in response to the one received from the NMSD offering to transfer ownership of the Shindlehiem Property to the Port was discussed at some length. The attorney included an indemnification clause stating that the previous property owner (NMSD) will be responsible for any unknown cleanup issues – specifically meaning something that was part of the original cleanup that was not taken care of. Commissioner Cooper noted that it would be public money funding any additional cleanup if necessary, and the only question would be is it the Port's public money or the NMSD's? The Executive Director said he requested that language in the letter to protect the Port should some unknown issue arise that should have been part of the initial cleanup. After discussing this, the Commissioners agreed to send the letter as is, and see how the NMSD responds.

**Marina Expansion Project:** Commissioner Cooper asked if having the Port's maintenance staff running the conduit down the dock for this project might be a compromising issue for warranty type work. The Executive Director, who had originally suggested this as a money saving measure, said he had changed his position on that issue after thinking it over and agreed with Commissioner Cooper that the best course of action would be to let the contractor handle it.

He was then asked about the timeline for putting the project out to bid and said he will have a better idea about the timeline when the project manager for Art Anderson, who is writing the specifications for the bid, gets back from vacation.

## **NEW BUSINESS**

a. **Truck Purchase:** The Executive Director reported that he has concluded it is in the Port's best long-term interest to purchase a new truck rather than repair the old one. The repairs needed would exceed the existing 18 year-old vehicle's NADA Blue Book value, with no guarantee that something else wouldn't go wrong in the future.

The Port received two bids from local dealerships – Heartland Toyota and Advantage Nissan - as they were the only ones selling the type of truck the Port needs. However, both were well below the state contract amount. The question of how to pay for it was discussed at some length, and Commissioner Scott had questions about the potential financing options. The options were to borrow the money from Kitsap Bank, use the dealership financing program, borrow funds from our own IDD, or possibly pay cash. The Board directed the Executive Director to research financing options and details.

Commissioner Cooper stated he prefers the Toyota option. The Executive Director said he had spoken with Commissioner Jackson earlier in the day, and he did as well. Since the two bids were virtually identical, the Board authorized the Executive Director to purchase the Toyota.

The Executive Director noted that his spending authority was only \$5,000 and a motion was needed authorizing him to exceed that authority to purchase this vehicle. Commissioner COOPER made a motion to allow the Executive Director to do so. Commissioner SCOTT SECONDED. MOTION CARRIED.

County Commissioner Randy Neatherlin stated that the Port could make an interfund loan to itself from the IDD fund to pay for this purchase, and repay the loan with interest – just as it had done previously with the water system. All that is needed is a written policy allowing this. Since there is a policy in place for this, it was decided that the Port will borrow the funds from IDD and pay the loan back with interest over a three to five year period.

**July Meeting Date:** It was noted that the Regular Meeting for July is set for Monday, July 2. The Executive Director asked if the Commissioners were interested in moving that meeting to July 9 or 10, in case any of them were planning on taking a long July 4 weekend. None are, and it was decided that the original meeting date would stand.

#### **PUBLIC COMMENT**

County Commissioner Randy Neatherlin reiterated that an interfund loan could be made for the truck purchase, but to just make sure there was a policy and a resolution in place.

Commissioner Cooper asked him about the Mason County Transit park and ride, and stated he thinks Kitsap Transit should have one in Mason County as well. They also discussed the Port of Bremerton's recent community growth forum. The Executive Director, Commissioner Cooper, and Commissioner Neatherlin all attended, and agreed North Mason County needs to be involved in Kitsap's growth planning because this area is impacted by that growth – in exactly the same manner, for the very same reasons, Seattle's growth is effecting Kitsap, which is already beginning to spill over into North Mason.

Meeting Adjourned at 7:10 p.m.

Respectfully Submitted,

  
\_\_\_\_\_  
LeAnn Dennis, Operations Manager

#### **COMMISSIONERS:**

  
\_\_\_\_\_  
Judy Scott, Chair

  
\_\_\_\_\_  
Scott Cooper, Vice Chair

EXCUSED   
\_\_\_\_\_  
Ted Jackson, Commissioner

**Port of Allyn  
Executive Director's Report  
June 4, 2018**

**Report Items:**

**Water System Issues:** NWWWS resubmitted our updated water system plan to the State last month after responding to the letters from the Department of Ecology and the Department of Health and addressing what they wanted to see modified in the plan.

I spoke with Doug Piehl from NWWWS last week, and he said the Fire Marshall has signed off on the Fire Flow requirement, and submitted the letter doing so to the state. At this point, we are waiting on Mason County for two things:

- 1) For the County to certify that the plan meets the requirements of its Comprehensive Plan;
- 2) Renewal of our franchise agreement

As far as the franchise renewal with the County is concerned we submitted everything to the County that they need several months ago. It was supposed to go in front of the County Commissioners for final approval and review on May 15, and be approved on May 22. However, I received a new schedule from Public Works on Friday. It is as follows:

June 11 - Board brief on Port of Allyn renewal

June 19 - Board action to approve renewal

Whether this will actually happen is anyone's guess at this point.

**Annual Report:** The 2017 Annual Report was due to the State Auditor last Thursday. LeAnn got it done and submitted on time. The certification is in your meeting packet. She also helped the Port of Dewatto get theirs done and submitted on time as well as helped them correct their 2016 report. She deserves a "Well Done."

**Truck Purchase:** As I emailed all of you last week, we are in a situation where the repairs to the truck we have, coupled with our current investment in that vehicle, will exceed the NADA retail value of the truck. In your packet are two proposals from local dealers for a new truck – Heartland Toyota for a Toyota Tacoma, and Advantage Nissan for a Nissan Frontier. This is on the agenda for action under New Business.

**WPPA Communications Director:** Laura Pettitt, WPPA's new Communications Director, came by last week and spent several hours with me. She is going to design a social media marketing plan for us for the Gazebo for our off-months. She also showed us how to maximize our Facebook presence and helped me set us up on Instagram. She also recommended a wedding website that we should become involved with, and I am perusing that. At the WPPA spring meeting, in her break out session she talked extensively about a platform called Stack, which I downloaded right there. She told me they are setting up a complete interactive presence on Stack that will allow all WPPA members complete access to each other, as well as have Commissioner and Executive Director forums. They plan to roll that out in the next 30 days.

**Becoming Our Own Treasurer:** With the new processing schedule for warrants, we are beginning to see some problems that has me exploring the possibilities of becoming our own Treasurer – and not using the County.

Based upon the time you meet and approve vouchers for payment - and when warrants become available - the change in warrant processing time has caused us to incur late charges from vendors. This, as you know, is frowned heavily upon by the State Auditor.

We receive bills for services incurred in April in May. You all however, don't meet until the first Monday of the following month. In some cases, like this month, while you meet and approve May vouchers on June 4, the warrants paying April's bills won't be available until June 13.

Payroll works pretty much the same way. Our employees get paid once a month for their previous month's work. So from the time they worked their last day in April, until payday for April, in this case, is 44 days.

We have inquired about paying our vendors via ACH, and doing direct deposit for payroll the same way - which our bank offers. We have been told by the County this is not possible, but they won't give us a credible reason why not. It appears on the surface this would save the County time and money.

When I inquired why not, I was told Public Works - which is one of our vendors - is on a different computer system than Financial Services and can't accept ACH payments. This appears to be a management efficiency issue to me, but I'm sure there are circumstances to which I'm not privy, so perhaps not. But even if we can't pay Public Works, via ACH, why can't we pay the rest of our vendors that way? No one seems to want to address that direct question.

Meanwhile, our money is sitting there, drawing interest for the County - not us.

I've talked to the Ports of Shelton, Brownsville and Bremerton - and all are acting as their own Treasurer. The Port of Shelton is going to connect us with their accountant who did the changeover for them, so we can get our arms around how much extra work this might be for us, as well as how much more - if anything - this will cost us. However, from what I can see - especially since BIAS offers us the ability to do ACH from the desktop - it may not have any negative impact on us financially, and be beneficial for us to change, since we'll have total control of our finances at all times..

I'll report back at the next meeting as I'll have more information by then.

**Security Upgrades:** I met with Intellisystems last week, and they are planning on starting work on this as soon as the equipment delivered. They have also given us the bid you requested for an alarm for this room, which is on your agenda for approval.

**Meeting Date Change:** Our next Regular Meeting is Monday, July 2. With the 4<sup>th</sup> on Wednesday, I didn't know if any of you are planning a long holiday weekend or not, so I thought I'd ask if you wanted to reschedule the meeting for the following Monday, which is July 9. That's on the agenda for discussion.

**Presentation Upgrades:** Commissioner Cooper asked me to look into setting up a permanent presentation projector in this room. I had hoped to have this ready for approval this month, but I am still researching projectors - there is a bit of a learning curve here - to narrow down our options. This should be on your agenda for discussion next month.

**Bias Software Upgrade:** As we continue in the "hands on learning phase" with BIAS, LeAnn is still much farther ahead than I am. Because BIAS has been so busy with Annual Reports for many of their clients, they've not had anyone available to schedule any training sessions for me. However, I've talked to them about coming over there for a 2-day immersion type of training and we have tentatively scheduled June 18 and 19 for that. On the 21<sup>st</sup> and 22<sup>nd</sup> I'm scheduled to be at the Spring BIAW state board meeting in Tri-Cities, so the Port would only be paying mileage one way to Spokane.

**Lobbyist:** At the last meeting, you all said you would welcome a presentation from Gordon Thomas Honeywell about lobbying services. I communicated with Shelly Helder - who will be our contact there - and while they couldn't make this meeting, they can do a special meeting on either June 25 or July 10. I have this on the agenda for discussion and to set a date.

**Public Records Software:** As I've reported previously, I reached out to a number of other smaller to medium-sized Ports to see if we can find some other Ports interested in participating in the development cost of this software - which is about \$30,000. I chaired a roundtable discussion on this at the Spring meeting in Vancouver about it, but had no takers. However, in meeting with the WPPA Communications Director last week, she told me that she is aware of a similar system under development, and she intends to advocate for WPPA to become involved in that, so it can become available to small Ports like ours. I'll report on this if and when there are new developments.

**EV Charging Stations:** I did some research on the idea of adding some EV charging stations here at the park. I haven't heard back from ChargePoint – one of the companies involved in creating the infrastructure for the “Electric Highway” between the Canadian and Mexican borders, but did find out some other interesting information. We can buy these commercially for a lot less than the original cost of the ones we had installed in Port Orchard – less than \$4,000 for a dual charging station that accommodates two vehicles at a time. If all goes as I anticipate, we could roll the cost of these in our marina funding.

**Rebuilding the Arbors:** As I mentioned last month, one of the arbors at the Waterfront Park has to be completely rebuilt. Don has the material ordered, and as soon as it's delivered, he'll get started on it.

**Co-Working Space:** I recently visited the Port of Chehalis' co-working project, and was quite impressed. They also did one of the roundtable discussions at the WPPA Spring meeting on this. I scanned their material from it and emailed it to all of you a couple of weeks ago. I think this could be a good fit for Belfair if we can find the right space. There is a very similar, private sector one of these on Bainbridge Island that's quite successful. The issue here will be either finding and/or building the right building for this to work, along with funding for it. This is the type of project where a lobbyist could be helpful.

**Wayfinding Signs:** We received an invoice from Hansen Signs for the wayfinding sign we agreed to participate in the cost of 2 years ago. It's in the vouchers you approved, and is included in our 2018 Capital Budget. They are supposedly going to be put in place shortly. However, I wasn't happy with our placement on the drawing I saw of the sign and have complained, I'm still waiting for a response after a couple of follow up phone calls, and I probably won't send the check until this has been resolved.

**2018 Budget Adjustments:** I expect some revenue and expense changes to this budget, so once we get the final numbers, I will ask you to approve an amended budget. However, at this point, before doing that I'd like us to be 100 percent up and running with BIAS, so everything matches when we do this. Hopefully, this will happen at our June 4, meeting.

**Vacation Schedules:** I'd like to take part of my vacation from June 26 to 29, and part of it from July 3rd through the 9th. I'll still have 5 days left but will deal with that later in the year. We have a meeting on July 2nd, and I'll be here for that. LeAnn is also planning a vacation from September 13 to 22.

#### **Old Business:**

**Sweetwater Park:** We received the property transfer letter from the NMSD last week. I forwarded it to Joe Brogan to write our response. I want to be sure we don't assume any responsibility for any contamination issues. Joe is supposed to have a draft to me on Monday.

Commissioner Scott and myself went to Olympia along with Mendy Harlow from the Salmon Center and met with WWRP for the draft grant proposal presentation for the park. They recommended Mendy apply for a different type of grant and I was copied on an email on Friday where she's trying to set up a meeting with her RCO grant manager – who is the same person we have – to figure that out.

Other than that, nothing new to report except a phone call from Ken Van Buskirk telling me there were a bunch of Sheriff cars there last week. He said he suspected the trailer on the property currently owned by Dr. Peterson had been used to cook meth in the past – which could present another clean-up issue - and suspected this incident could be drug related, but didn't know for certain. He just wanted to alert us to the law enforcement presence.

**Criminalization of Marina Rules:** I have nothing new to report on this. Commissioner Jackson and I have been trying to set up a meeting with the Sheriff's Office commanding officer for our area. We are continuing to work on it, and will hopefully have this resolved sooner rather than later.

**Marina Expansion Project:** We had previously received a package of information from the Dept. of Commerce for this with a multitude of forms to complete and return to them. They were due on May 16, and were submitted on time.

Art Anderson and Associates is working on the engineering for this project. They have given us a price of \$9012 for the engineering and drawing the plans – which you have previously approved - so we can get this out to bid. I got some contract documents from both the Ports of Kingston and Shelton for this type of work since we didn't have anything in our files, have drafted a contract for them based on those. At this point, we're waiting on them to return it, which I expect to happen this week.

**Oyster House:** I filled out a building permit forms – all 22 pages of them – and Commissioner Scott and myself met with one of the planners at the County to figure out the next steps forward. The contractor got the preliminary engineering drawings completed and sent them to us, and they were used in the meeting we had. The planner suggested some ways about how to approach this, and had some questions we couldn't answer. The planner and the contractor need to talk so everyone is on the same page. I spoke with the contractor on Thursday after our meeting, and he is trying to set the meeting up with the planner. There are also questions about the old launch ramp removal, and permitting for that, which Bill Rehe will address later in this meeting.

**Kitsap All Ports Association:** Nothing new to report here. Next meeting is July 30.