

PORT OF ALLYN
Regular Meeting
March 4, 2019
MINUTES

The Regular Meeting was called to order at 6:00 p.m. with the Flag Salute.

Present were Commissioners Scott Cooper (Chair); and Judy Scott. Commissioner Ted Jackson called in. Staff present were LeAnn Dennis, Operations Manager; Lary Coppola, Executive Director, Travis Merrill, Security Officer. Dana Kampa, press; Kaye Massie and Jeff Carey.

CONSENT ITEMS

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

- A. Minutes of Regular Meeting February 4, 2019
- B. Minutes of All Ports Meeting January 17, 2019

Commissioner SCOTT made a MOTION to approve the minutes. SECONDED by Commissioner JACKSON. MOTION CARRIED.

ACTION

- a. Payment of GF Vouchers #190902001 to 190302023 for \$7,133.10
- b. Payment of Payroll Vouchers #190301001 to 190301011 for \$14,737.86
- c. Payment of Water Fund Vouchers #190303001 to 190303003 for \$835.68

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

COMMISSIONER REPORTS

Commissioner Scott Cooper – Attended the Port meeting and the annual Economic Development Council lunch meeting.

Commissioner Ted Jackson - Continued to work criminalization rules.

Commissioner Judy Scott – Attended the Port meeting; the Heritage Caucus meeting; and met with our lobbyists and Bonnie Knight. She also attended an Oyster House meeting for the April fundraiser; a North Bay Historical Society meeting; and Bill Dewey of Taylor Shellfish let her know they have been writing letters of support for the Oyster House project. In addition, she reported that Abe Gardner of Mason County Health will do presentation at the next North Mason Community Voice meeting. She also attended the PRTPO TAC meeting, and handed out copies of the group's unified planning synopsis documents.

SECURITY REPORT - Extreme Snow event prevented Mr. Merrill from patrolling the North Shore Dock and Launch. The rest of the month of February was free of any reportable incidents.

EXECUTIVE DIRECTOR REPORT *SEE ATTACHED

OLD BUSINESS *see Executive Director Report

Ken VanBuskirk sent an email that he would like to inspect and document the condition of Sweetwater Park. Commissioner Cooper asked if the Oyster House is going to be listed on the CEDS list and the Executive Director stated he is working on the paperwork.

Board Retreat:

The Executive Director suggested doing a retreat at one of the WPPA events while they are all together anyway. With a full day to discuss business, the Board will be able to work on the Comprehensive Scheme and really sink their teeth in the all of the projects the Port is involved in.

NEW BUSINESS

The Executive Director presented the detailed 5-year projection of proposed water rates, along with profit and loss figures that the Commissioners had previously requested. The Board expressed its appreciation for how he laid out the projections. They agreed that the rates should not be based on other water systems because our costs are our costs. Commissioner Cooper clarified the rate increases would begin in June of 2019, with a second scheduled for January 1, 2020, and then annually after that until December 31, 2024 - with a review in 2022. Fire flow, was discussed and no one was certain if fire flow is metered or not. Belfair Water can provide a list of all customers that have sprinkler systems and they just charge a surcharge. Expansion of the system was discussed. The Executive Director noted he'd like to add the option for developers to be able to install water lines instead of us doing it and charging them. This has several advantages, in that we just charge a flat per-connection rate and have specs developers have to follow. The tap into the main line has to be done by the Port according to NW Water Systems, but that is the only part of the project that would qualify as a public works project, thus saving the developer the cost of prevailing wage rates. Mr. Carey questioned commercial or residential rates and how they relate to duplexes and triplexes. The Executive Director stated both are considered residential. Mr. Carey then asked about assisted living facilities and was told they are considered to be commercial. He noted that the Port is prohibited from entering into latecomer agreements, and the Executive Director said he would get legal clarification on what Mr. Carey suggested. Commissioner Cooper would like to have a chance to look the proposed rates over more but maybe move forward. It was noted that the Port would need to schedule public hearing for the April 1, meeting. The Port will send a letter to its water system customers and publish legal notices informing the public of the proposed rate changes along with posting on the port's website and social media pages. The Board scheduled a special meeting on March 14, 2019 at 6:00 pm to discuss proposed water system rate increases, and update water policy, along with discussing the Oyster House.

PUBLIC COMMENT

Mr. Carey invited the Board to attend the North Mason Community Voice meeting to discuss TIPCAP on May 27, 2019. Mr. Carey would like to have a meeting with our water system engineer to go over the water system plan with all the parties about consolidating the two systems. He believes there needs to be a discussion to make it work for both parties.

Kaye Massie informed everyone that an opioid crisis meeting will be held at the Alderbrook Inn on March 13, 2019, and that it was being facilitated by Beau Bakken. She reported there have been no deaths in 2018 directly because the programs in place and the available information. She also said the North Mason Chamber of Commerce recognized Mr. Bakken for his work on the opioid crisis by awarding him citizen of the year.

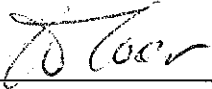
Mr. Coppola's 4-year anniversary at the port will be Monday, March 11, 2019

Meeting Adjourned at 6:55 p.m. Respectfully Submitted,



LeAnn Dennis, Operations Manager

COMMISSIONERS:



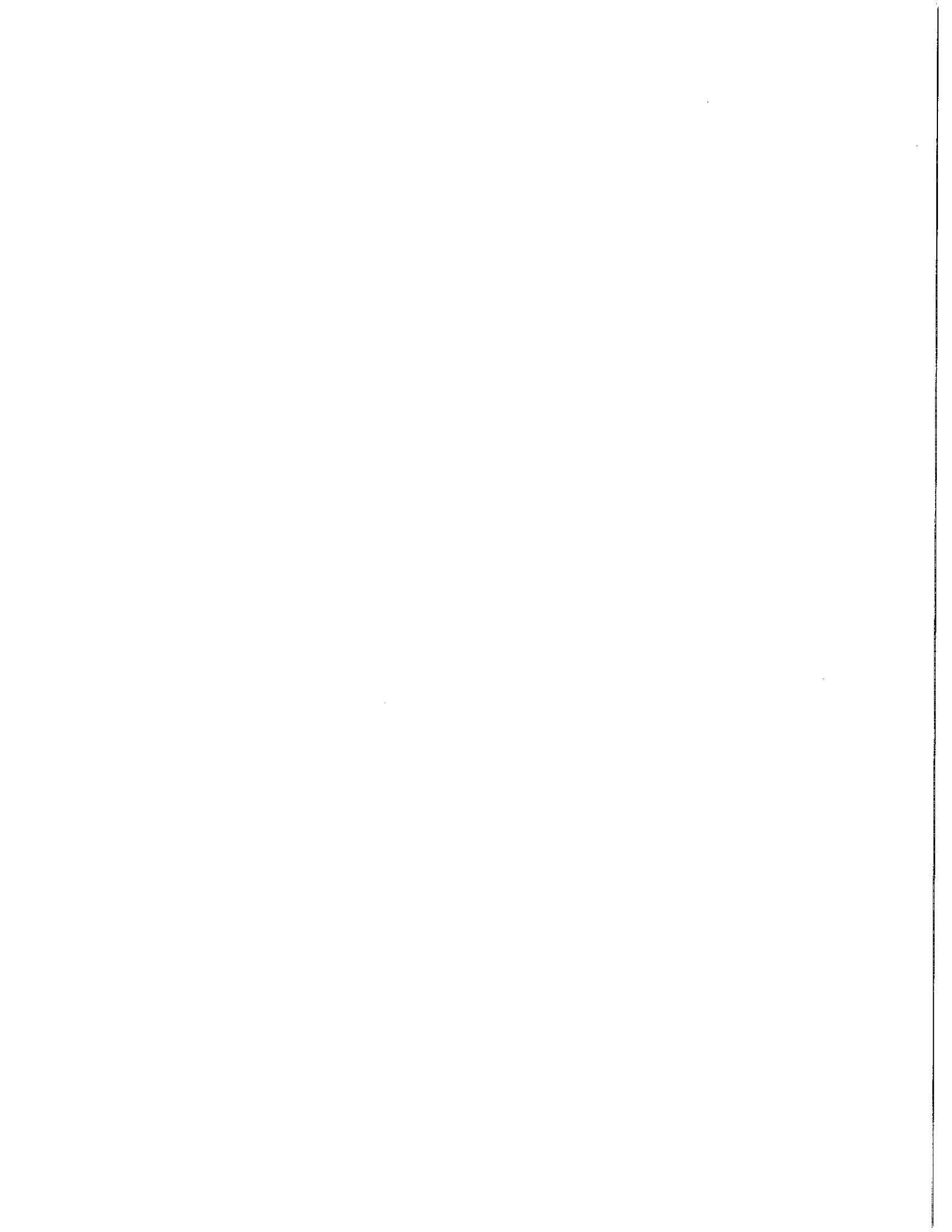
Scott Cooper, Chair



Ted Jackson, Vice Chair



Judy Scott, Commissioner



**Port of Allyn
Executive Director's Report
March 4, 2019**

Report Items:

Water System Issues: I've calculated the proposed new water rates on the 5-year schedule that you all asked for at the recent Special Meeting. Both the updated proposed rates, and a possible public hearing are on the agenda for discussion.

As part of that, I need to put together the wording for accomplishing this via an amendment to the Policies and Procedures. I spoke with Doug Piehl at NWWS and he said that we do not need the state's approval to do this, only for you all to adopt the new rates as changes to the Policies and Procedures manual, and do it in a public meeting.

Also, we have issued Water Availability Letters for 15 lots situated between Wheelwright and Blackwell Streets to Cedarland Homes. I don't know if a decision has been made by the developer if these will be single-family homes or duplexes. If they are duplexes, it would mean 30 hook-up fees for us.

Yerac Community Utilities Proposal: As we have discussed previously, we had had some informal discussions with Yerac Community Utilities to purchase their water system, which is adjacent to ours. After discussing this with Mr. Carey, we've decided the best path to begin moving this forward is to have the system appraised, so I will find an appraiser this coming week. There is also money available from the state to do acquisitions that combine small water systems. I asked Doug Piehl where to look for that and he gave me a couple potential leads, as well as some names to contact.

Property Purchase: As reported previously, State law requires that we pay fair market value, which would be determined by a licensed appraiser. We received the appraisal back this week, but it isn't anywhere near what the asking price was. So now we'll have to enter into negotiations with the seller and see where it goes.

In the meantime, I am ready to do the final grant presentation at RCO. The original presentation was cancelled due to the snow. We got a notice late Friday that the presentations have been rescheduled for the end of this month. Ours is at 11:15 on the 27th. If we do get the grant, it will fund in August. However, we may have to front the purchase price and be reimbursed from the grant.

Dock Issues: As reported earlier, during the January windstorm we suffered some serious damage to the floating dock portion below the gangway. Some of the floatation has separated from the deck surface and it appears some of the support beams may have been seriously damaged as well. I contacted Enduris, and they sent an adjuster out to inspect the damage. But we have insisted they get a diver to look under the surface, as we suspect there may be more damage under the water than what is visible on the surface. The diver is scheduled to be here late this week. In the meantime, we have closed the dock at the gangway until the damage is repaired. We've taken photos to document everything as well.

I previously reported that we had a small electrical fire on the dock. While there wasn't any major damage, we do have to repair the fire damage and replace all the flexible Liquidtite conduit and wiring. While we're at it, according to the NEC we need to upgrade the receptacles on the dock to GFCIs as well. We contacted a number of local electrical contractors to give us a price on doing the work, but no one was interested in getting under the dock to do it. We ended up with a singular bid from a marine electrical contractor from Tacoma that was in excess of \$14,000. We re-contacted some local firms and Mason County Electric – which has done work for us previously – is working up a bid on it for us. However, after talking to the Enduris adjuster, she seems to be of the mind this is covered – which is a change from Enduris' original response.

Parking at the North Shore: I have submitted the permit application to the County, and am still waiting for their response. I called on Friday to follow up and they said hopefully, they will have a report from the field technician this coming week, so this will be able to move forward.

We have a bid from Zephyr's for \$7,162 to remove the old culvert, install 2 new 18" culverts, grade the lot after the trees are cut, and bring in some rock.

Earl Iddings had agreed to take down the trees on the perimeter of the cleared area in exchange for the wood, but there may be a legal issue with that, and we may have to put this out to bid, or at least contact people on the MRSC Small Works Roster. I'm still working on that.

The only other cost I can see will be a couple of hundred dollars for signage directing boaters where to park and establishing the ingress and egress pattern. I originally guesstimated this project would cost us around \$7,500, so except for the tree cutting issue, we are right in the ballpark.

This is a small project with big benefits for not just the Port, but the community as well in terms easier access to parking, and especially safety considerations. As soon as the permit is issued, we will get started.

3D Building Acquisition: I reported previously that the 3D Building on Highway 3 that WSDOT used for offices during the widening project is for sale. I inquired about a governmental transfer, as I think this would make an ideal co-working facility, as it's already laid out for something similar. WSDOT said they couldn't do it unless we had some kind of transportation-related use in mind for it. So I contacted all of our legislators, as I was sure there is some way to make this happen. Representative Griffey and Senator Sheldon were working on it for us. I heard back from Senator Sheldon, and he said WSDOT isn't being very cooperative, so we'll have to see what happens. If we want it, we may be able to buy it in a bid situation according to Senator Sheldon, but at this point, I'm not too optimistic about acquiring it for free.

I also found out North Mason Resources was interested in it, so I spoke with Jason Ilazzra about it, and he said they'd be happy to work with us on it – perhaps as tenants. I mentioned this to Dan Griffey and Tim Sheldon as well, so we'll just have to wait and see what, if anything, happens.

Derelict Vessels: We have unfortunately been forced to deal with a couple of derelict vessels. We have had one tied up on our dock here in Allyn for several months. We've had infrequent contact with the owner who has paid some of the past due moorage but not all of it. We had posted his boat, and then chained it. We had also sent him a text – because he doesn't answer his phone and we have no other way to contact him – last week outlining his legal options and giving him until Friday at 4 p.m. to either come in and pay, or surrender the title so we could sell the boat. We told him that failing that, we would take possession under the derelict vessel statute. I gave him one last call to ask what his intentions were, and got his girlfriend. She came in and paid his back moorage, and said he'd get it off the dock by this morning.

Out on the North Shore we have one on-again off-again customer who owes us for several months as well. He's one of these guys who has always run up a bill, but paid us. Only this time he didn't. His mother came in and gave us \$100 towards his bill and said he has put the boat up for sale and will pay us out of the proceeds. She said she'll make sure it happens. In the meantime, we have chained it to the dock.

Finally, after months of trying to get the owner of the Scamper to come and pump it out before it sank, she had someone out here on Friday. She is supposed to move it five nautical miles from here, but we need someone – DNR, or the Sheriff - to enforce that. Until then, I guess we'll just keep an eye on it.

Totem Pole Issue: Nothing new to report on this. We've had so much else going on, that this has slid on to the back burner for now. We will need to coordinate this with the fellow Commissioner Cooper knows to do the restoration, and with Mr. Kelsey and his boom truck to move this forward.

WPPA and Other Meeting Schedules: The WPPA Spring Meeting is May 15-17 at the Davenport Hotel in Spokane. The WPPA finance Seminar is June 12-14 at Alderbrook, and the annual Commissioners Seminar will be July 22 to 24 at Suncadia. The Executive Director's Seminar is July 11 & 12 at Skamania Lodge and the Environmental Seminar is September 26 and 27 at Campbell's Lodge in Chelan. As these get closer, we will ask for commitments about attendance so we can make reservations.

Old Business:

Transient Moorage Expansion Project: We have been waiting for a letter from the Squaxin Tribe signing off on the Archeological Survey we were forced to do so we could get this out to bid. That survey was completed on November 21, and no artifacts were found. I received a draft report on December 21, and approved it. The consultant forwarded it to the Squaxin Tribe, and they sent an email approving it as well, but the Department of Commerce and the DAHP wanted a letter from them. After a month of asking for the letter, the tribe said the email was sufficient, and I cleared that with the Department of Commerce. Commerce also wanted us to name them as an additional insured on our insurance policy. Somehow, this got confused at Enduris with the insurance claim for the dock, but I believe we got it resolved last week.

Once Commerce gets the insurance endorsement for Enduris, they can process our final paperwork, and we can get this out to bid, as well as get reimbursed for our expenses up to this point.

Sweetwater Park: Not much to report on this. Dr. Peterson is in the process of removing the structures and other debris from his property there. I spoke with Mendy Harlow about the idea of putting a sign out there saying "Future Home of Sweetwater Park – a Joint Project of the Port of Allyn and the Salmon Center." She liked the idea so I'm looking into the cost – which we would split with them. I'm still trying to get a bid on some fencing for the property, Can't seem to get anyone to call me back.

Oyster House: There hasn't been much movement on this since the last meeting. The lobbyists are emailing us weekly reports, which I'm passing on to each of you, but that's about all that's happening right now on the funding front. We did round up some letters of support for the project and sent them to the lobbyists to pass them on to the appropriate legislators.

I did deliver a bid package to one builder that requested it, but I think this is a project he'll probably decline to pursue.

I did get a call from Sen. Christine Rolfes, who is chair of Ways and Means, confirming that we had the support of our 35th District legislators for our Capital Budget request. I think that was a good sign.

Criminalization of Marina Rules: After the All-Ports meeting with Sheriff Salisbury, he came by the next day to talk to me. Saying he now understands the issue. Nothing new has happened however.

Kitsap All-Ports Association: The next Kitsap All Ports meeting is April 29.

