

**PORT OF ALLYN
Regular Meeting
July 1, 2019
MINUTES**

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

Present were Commissioners Scott Cooper (Chair); Judy Scott and Ted Jackson. Staff present were LeAnn Dennis, Operations Manager; Lary Coppola, Executive Director, Travis Merrill, Security Officer. Members of the public were Linnie Griffin, Michael Subtroft and Bonnie Knight.

CONSENT ITEMS

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

- A. Minutes of Regular Meeting June 03, 2019
- B. Minutes of Special Meeting June 10, 2019

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

ACTION

- a. Payment of GF Vouchers #190703001 to #190703023 for \$14,123.02
- b. Payment of Payroll Vouchers #190701001 to #190701012 for \$20,020.02
- c. Payment of Water Fund Vouchers #190702001 to #190702003 for \$61.90

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

COMMISSIONER REPORTS

Commissioner Judy Scott attended the Port meetings, NBHS (Sargent), WPPA Financial Seminar, PRTPO, and the NMCV where Linnie Griffin gave the presentation.

Commissioner Ted Jackson attended the Port meetings, and the WPPA Financial Seminar which he found very educational

Commissioner Scott Cooper attended the Port Meetings, the EDC Board meeting, and met with a representative of Marine Floats about the emergency dock repairs.

SECURITY REPORT

Security Officer Travis Merrill is home from vacation, and stated that nights have been very active and he had to ask someone to leave the NS facility. The Allyn Dock closure has been an issue with swimmers on hot days. Commissioner Jackson asked about moorage and if people are paying. A discussion ensued and it was mentioned that we need a camera to document when people don't pay so we can bill them. Commissioner Cooper noted there were boaters using the closed dock.

EXECUTIVE DIRECTOR REPORT *SEE ATTACHED

OLD BUSINESS *see Executive Director Report

NEW BUSINESS

Commissioner Scott is on the committee to find a new Executive Director for WPPA. She would like to know what issues the smaller Ports would like to see a new Executive Director pursue. Commissioner Cooper, mentioned an association-sponsored health plan for small Ports.

Commissioner Jackson said criminalization of marina rules vs making them civil infraction like a speeding ticket should be important to all Ports with marinas, because trespassing people doesn't always work.

The ability for Ports to use a collection agency to collect outstanding fees was discussed as well as civil penalties. The discussion turned back to enforceable marina rules, with Security Officer Merrill stating that printing the tickets for a civil infraction will be expensive. It was agreed that criminalization should be a county-wide issue for all local Ports, not just the Port of Allyn. Commissioner Scott asked if an infraction would be recorded with the County, and added that a camera will be the best way to provide evidence because it will be recorded.

Another issue brought up was setting up security cameras and how that would work. The Executive Director said he is looking into this.

Bonnie Knight stated that when both Pat Jones and Eric Johnson were the WPPA Executive Directors, that they worked with the small Ports, and said that should be a priority recommendation for Commissioner Scott's committee.

The settlement offer from Enduris about the dock was brought up. Commissioner Cooper would like to take a little more time to consider a decision about making a counter-offer. Commissioner Scott would defer to the lawyers direction, and believes there are valid reasons to counter and ask for more. The Executive Director briefed the Board as to the latest communications with the attorney. Commissioner Jackson agrees with option 2, which the attorney suggested - exploring how to get them to pay more. The Executive Director stated the attorney has agreed to a phone meeting - which would constitute a Special Meeting - on Monday, the 8th at noon to do that. The Board agreed to schedule that meeting.

Appointment of a Port Auditor. The Executive Director stated the reasons for doing this were discussed in depth at the recent Financial Seminar, and it is considered a Best Practice. He introduced Resolution 401, which was read by Commissioner Scott, appointing Operations Manager LeAnn Dennis as the Auditor. Commissioner SCOTT made a MOTION to approve Resolution 401. It was SECONDED by Commissioner JACKSON. MOTION CARRIED.

Discussion of levy increase. Executive Director Lary Coppola believes it's time to open a dialog about this. We are at 18 cents per thousand of assessed value currently, and have been at that rate for many years. We can go to 45 cents. He wants to know if the Board would like to pursue the idea and invite public comment. Commissioner Scott stated we need a good solid project that would warrant it. Commissioner Cooper would like to see a project also and then if we did move forward, we would have to have a lot of public input. Commissioner Jackson doesn't like the idea of a levy increase unless the Port is creating more jobs

The Executive Director suggested we could possibly consider lobbying to support creating additional IDD's besides the two we currently can do - an idea he is personally pushing WPPA to get behind.

There was more discussion about what is needed in a new WPPA Executive Director. Championing small Ports' needs for more funding tools, grants, etc. were the main discussion points.

PUBLIC COMMENT

Michael Subtroft of Trails End Lake stated that he believes Sweetwater Park will help bring more tourists to the area. He also asked if the Board has heard anything about the proposed trail on North Shore Road. He mentioned the need for safe trails so that people can get from Lynch Cove into Belfair, and to the Salmon Center. He added that it would be complimentary to our area. He would also like to see us set up a recycle/compost program. He polled people at Allyn Days last year and had favorable feedback, and said the ACA supports it as well. Commissioner

Jackson asked him how they can recycle the yards of tinfoil used at Allyn Days, noting it's difficult, because it needs to be clean. The Executive Director reminded the board the trail project is in our Comp Scheme to support.

Bonnie Knight, said a mandatory contract meeting for the grant took place today. She said her goal is to get the Oyster House grant signed off by August 31, IF everything is lined up. She discussed the parameters of the grant, saying they some kind of acknowledgement that the building will be used by the NBHS for 13 years under the terms of the grant is required. For that reason, the Port needs to issue a letter committing to an operating agreement with the NBHS. Commissioner Cooper stated the Port will agree to that. Ms. Knight also asked if Operations Manager LeAnn Dennis can access the receipts for all the monies the Port has spent on the Oyster House, as it counts against her in-kind match for the grant.

Linnie Griffin said she appreciates the hard work of Commissioners Cooper and Jackson.

GOOD OF THE ORDER

Commissioner Cooper noted that the new restaurant, Burger Claim, has opened in Belfair.


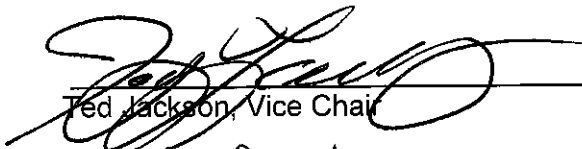
Commissioner Jackson mentioned that hotel Wi-Fi connections are often being compromised by hackers. The Executive Director stated that's why all the devices owned by the Port have a VPN installed on them.

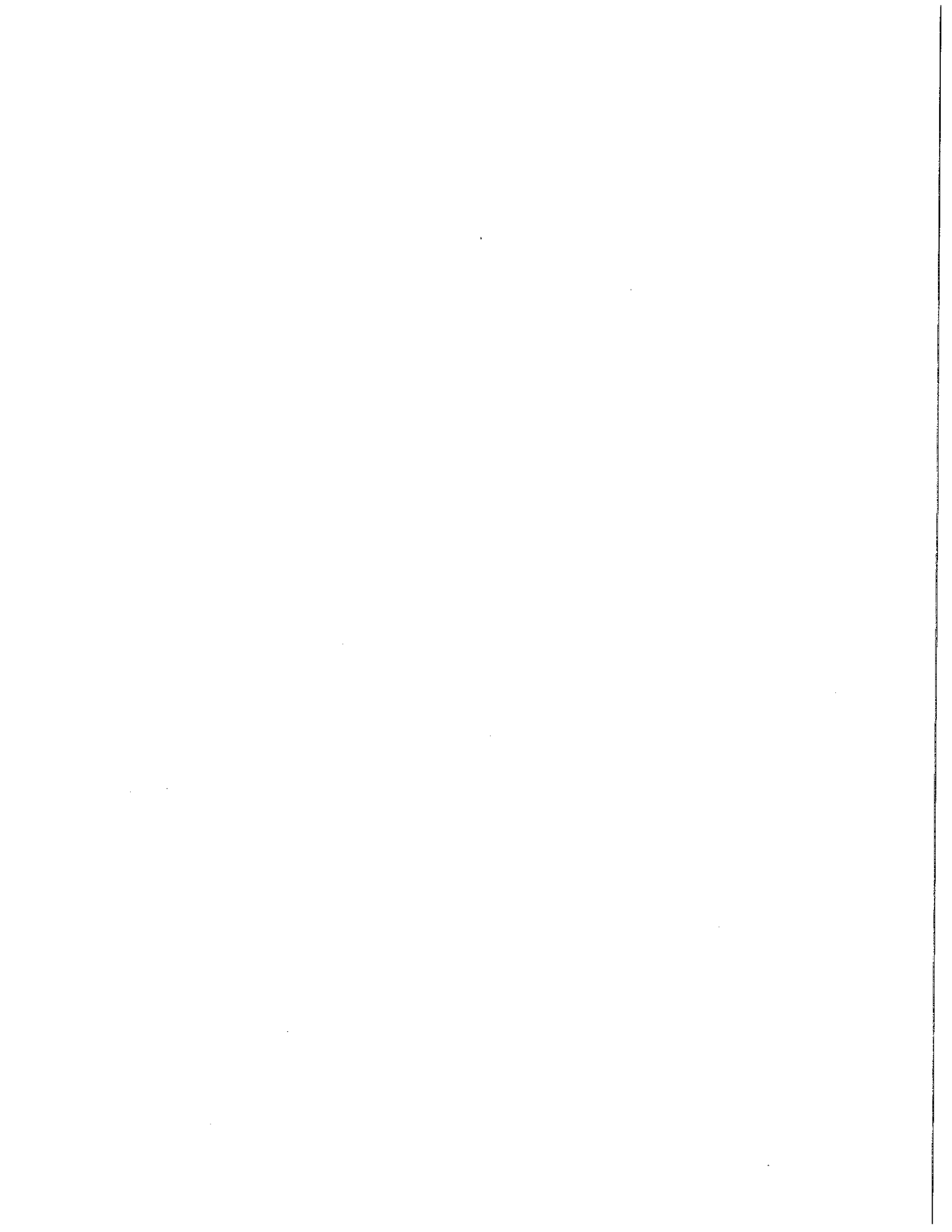
Meeting Adjourned at 6:25 p.m.

Respectfully Submitted,


LeAnn Dennis, Operations Manager

COMMISSIONERS:


Scott Cooper, Chair
Ted Jackson, Vice Chair
Judy Scott, Commissioner



**Port of Allyn
Executive Director's Report
July 1, 2019**

Report Items:

Appointment of an Auditor: At the recent WPPA Financial Seminar, it was outlined as a Best Practice that the Port designate, by name, an Official Auditor. This must be done annually via Resolution, so there is a Resolution on the agenda to approve this. This Auditor evaluates both audit and business "risks" to the Port, and reports to the Commission. I have suggested LeAnn be that person since she works with the State Auditor, and handles the majority of our bookkeeping work. In my opinion, she is in the best position to handle this very important task.

Financial Reports: Beginning this month you will be receiving financial reports as part of your regular meeting documents. We are finally comfortable enough using BIAS to be able to generate these reports with confidence that they are accurate.

Water System Issues: We have not heard anything recently concerning the 15 Water Availability Letters issued to Cedarland Homes. Joe Cedarland told me last month they are moving forward, and have two sets of house plans being designed, will have four models total, and hopefully start construction this summer. He also said they have purchased the seven-acre parcel in front of Haven at Allyn and will be developing that as well. I expect we should hear back from him in the next few weeks.

Haven at Allyn has also purchased the property on Wheelwright one parcel north of Lakeland Drive. They are developing a memory care facility there. I had some discussions with Robert Baglio of the BJC Group earlier this year about water hook up fees for that project, but at the time, wasn't sure if he would be the General Contractor or not. Pat McCollough is the engineer on that project, and he stopped by last week to look at drawings for where the water lines are, and confirmed that BJC is the builder.

Yerac Community Utilities Proposal: Nothing really new on this. 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. However, finding someone who actually does these kinds of appraisals has been problematic at best. I contacted PUD #1, since they had purchased more than 30 small systems in the past year. However, they referred me to Evergreen Rural Water — of which we are members. The Executive Director said she would look into it and report back, but as of yet, I haven't heard anything.

I spoke with Mr. Carey last week, and we are going to chat this week and regroup.

Property Purchase: I have been told by Kim Sellers, our RCO grant manager, that after the projects had been ranked, we scored at number 10 of the 18 applications they received, and our request for the property purchase and staging area project is about 99 percent sure to be funded at 100 percent. RCO met on June 26 and 27 to make the final decisions on allocations. However, the money won't be available until August.

While we received the property appraisal back, and it isn't anywhere near what the sellers told me their bottom line price is. I did some calculations on their net revenue after costs of sale, and selling to us in an Eminent Domain situation — without the unknown cost of any repairs they could be required to make selling to a private party.

So now we'll have to enter into negotiations with the seller and see where it goes. I've had some discussions with the seller, and am convinced we can make this work one way or another.

Dock Issue: As you know, we had hit a dead end with Enduris, and engaged Foster Pepper to deal with them.

On Friday, we received an email from our attorney saying Enduris has made us an offer of \$19,855.50 — minus our \$1,000 deductible — along with their rationale for that number. I have enclosed a copy of the email from the attorney in your meeting packets along with my response, and a copy of Enduris' letter to our attorney explaining their rationale for that number. It is

approximately half of what is needed to repair the southern section of the dock. We also have approximately \$6,000 in attorney fees – one third of that settlement. We would net approximately \$12,800.

We originally asked for the entire cost of the dock repair- \$37,768 – plus the cost of new floats for half of the center section – a little over \$9,000. What I personally believe would be a fair and equitable settlement would be:

- For Enduris to pay to replace the entire southern section of the dock.
- We would absorb the cost of replacing the damaged floats in center section – which is over \$9,000.
- We will waive any claims for lost revenue for the period this matter has been in dispute.
- Enduris agrees to pay half our attorney fees – which we wouldn't have incurred had they stepped up and done the right thing from the beginning.
- We agree not to file any complaints with the Office of the Insurance Commissioner, or make any other Ports aware of such an action.

However, what I am recommending we actually do, is counter Enduris' offer with asking for the full amount of the replacement, and waive the other costs other than half of the attorney fees. This is on your agenda for discussion, and a decision on which course of action you want me to pursue.

Meanwhile, our attorneys, Foster Pepper, have merged with another large, Seattle law firm, Garvey Schubert Barer. The new firm is named Foster Garvey. All of the folks we work with are staying, and Steve DiJulio has become the managing partner.

Since you all approved authorizing me to negotiate and deal with Marine Floats to build the new dock at the Special Meeting on June 10, I sent them the contract, and they believe if they can get it permitted, they can get it done and put it in place by July 19 – the start of Allyn Days. Marine Floats is asking for an emergency permit, and Commissioner Neatherlin said he would work to try and help expedite that permit.

I've had a couple of discussions with Chris Nelson at the county, and he said that Fish & Wildlife has to sign off on the permit, but it looks like they're going to agree to handle this as an emergency permit. Someone from Fish & Wildlife was supposed to come out and inspect it to approve the emergency permit, but so far, we haven't seen anyone. I also reached out to our legislators asking them to help us make sure that happens. The last thing we need is for the project to be finished off-site and not be able to install it due to the lack of a permit.

Lobbying Contract: Josh sent me a new contract, which I have signed and returned. It is cancelable with a 30-day written notice. I put a copy in your meeting packets. Also, instead of the escalated rate this year and again next year, they averaged the cost on the balance on the 3-year agreement, into one monthly cost that stays the same for the rest of the agreement at \$2,378 a month. It was scheduled to be \$2,500 for 2020, and \$3,000 for 2021.

We did add the last quarter of 2021 to the agreement, as it was scheduled to expire in September. This helped lower the monthly cost, and will help us get our 2022 ask figured out and in process before the legislative session opens.

Security Issues: I haven't really had much time to research security systems since the last meeting, but have done some preliminary online research. I'm looking into the costs and what it will take to install some kind of high-resolution wireless, remote camera system here at the park as well as the Hood Canal boat launch and marina. There are systems available that will transmit images to cell phones from multiple cameras in multiple locations and store them for downloading if necessary for law enforcement documentation. I'm hoping to be able to set up about a half-dozen cameras for under \$1,000. More on this as I learn more.

There is a place in Tukwila called 25/7 Security I'd like to go visit as they appear to be the largest security equipment provider in this area. Hopefully, I'll be able to do that this week.

I had also asked Don to install Sharps Containers in all the restrooms here and at the Kayak Park, which he has done. I believe we need to take steps to attempt to protect both our staff from harm as well as the general public.

We have restricted the hours the restrooms are open in an attempt to minimize all this, but it is still a growing problem.

3D Building Acquisition: Nothing new to report on this. However, I have reached out to our legislators about this and asked them to see if they can help us acquire this in an inter-governmental transfer.

WPPA Meeting Schedules: Next up is the Executive Director's Seminar, July 11 & 12 at Skamania Lodge, and then the annual Commissioners Seminar July 22 to 24 at Suncadia. The Environmental Seminar is September 26 and 27 at Campbell's Lodge in Chelan.

We have made reservations for everyone for the Commissioners Seminar and the environmental seminar so we can get the rooms reserved. We can always cancel if someone can't make it, but if we do reservations late, as we found out at the Annual Meeting at Suncadia, we may end up paying much more than necessary if we don't.

Retreat: We had previously discussed doing a retreat after the Small Ports meeting in October. LeAnn is checking into getting us a small meeting room to do this. We will need to discuss future projects, and the update to our Comprehensive Scheme. But I'd like to know if any of you have specific subjects you'd like to discuss so we can develop an agenda.

Vacation: I will be taking vacation time in August from the 13th through 21st. Bryce and I are doing another Baseball trip, only this time to the east coast.

Totem Pole Issue: Nothing new to report on this.

Old Business:

Transient Moorage Expansion Project: We can't move forward on this until the dock is repaired. Marine Floats is building the new floats and will have them in place hopefully By Alllyn Days.

In talking with Marine Floats, we can pre-wire and pre-plumb the sections of the new dock and put the pedestals in place while the new floats are being fitted into place. I've also ordered the pay station for the boat launch as well, but it's still several weeks out for delivery.

Sweetwater Park: Nothing new to report on this other than we figured out that we sent the signed paperwork to RCO – and they are supposed to get a deed issued for us. I emailed Kim Sellers at RCO and she said we should have had it by now, and that she would look into it. She researched it, and it appears it may not have yet been processed, but Kim told me she's on it.

Oyster House: I met with Bonnie Knight to set up a schedule of tasks to be performed on the stabilization and using the drawings Mike Ross did. Since Mike's drawings were not stamped by an engineer, I also forwarded them to Art Anderson & Associates, and asked them to review them and make any changes we will need so we can get them stamped and out to bid ASAP.

Criminalization of Marina Rules: Nothing new has happened on this, however, after the All-Ports meeting I think if we press this issue in conjunction with the other Ports we may get somewhere.

All-Ports Meetings: The next one is July 29.

