

**Port of Allyn
Executive Director's Report
May 4, 2020**

Report Items:

Financial Issues: Last month I had concerns about us being able to completely meet our obligations until we received our property tax collections, but appears we'll be okay. We received a partial payment on May 1 – primarily everyone whose mortgage company paid their taxes for them, and we will continue to receive what does come in monthly as usual. Since the majority of our tax payments come from Lakeland, while I expect that things will be very tight, we hopefully won't need to tap our reserves at any point before the next tax collection in October, and we'll get through the year without taking any drastic measures.

What really hurt us, was the fact our audit cost was significantly higher - \$8,800 - than we anticipated and/or budgeted for, and the Treasurer unexpectedly, and with no prior notice, withdrew \$7,500 directly from our account for election costs – even though we only had one unopposed Commission seat up for election.

Also, we have not yet received expected reimbursements from RCO due to a computer crash with PRISM. Of course, our billing was in the group of things that got wiped out. It took me some time to connect with Kim Sellers, but we finally talked on Thursday and we went through the entire PRISM billing process together and successfully resubmitted. She said she will contact the powers that be and get this processed as quickly as possible. She also told me that with the Covid-19 situation everyone is working from home, and that is slowing things way down.

However, she also said that they are relaxing guidelines on some things and that there is a possibility we could have our 25 percent match on the staging area project reduced. I have to write a request and detail why it should be, which I did today.

Meanwhile, we have zero revenue coming in – no moorage or launch fees, and no Gazebo rentals – which we usually see a spike in right about now every year. Also, we have had to refund both deposits and advance payments for Gazebo rentals for events that have been cancelled.

The opening of Shrimp season are the single most productive days at our boat ramps and marinas, but unless a decision is made at the state level to change the opening of the season, we may be out of luck this year.

Meanwhile, I read a post on Facebook from the Washington Policy Center saying Governor Inslee has released some federal stimulus money to help local governments. I was hoping there is a possibility us recouping some of the money we've lost from Gazebo rentals and launch fees. So I called the Governor's office to find out if the Port is eligible for any of this. I got a 10-minute voice mail that gave a lot of phone numbers and web sites to go to for different things, but none that applied to this. Also, there is no way to leave a voice mail to ask a question or have someone call you back

So I called the press office, which refused to give me any information other than telling me to call the main number for the Governor's office. The person I spoke with made it real plain that I was wasting her time. So I called Dan Griffey to see if he can help. I'm waiting to hear back from him. I did speak with our lobbyists and they sent me some information. But if we are eligible for anything, it doesn't look like it's going to be any significant amount.

However, in spite of all this, there is some light at the end of the tunnel – and it isn't the oncoming train. We have issued a total of 27 Water Availability Letters, which are required for building permits to be issued, and only collected on 10 of those so far. So that is an unbudgeted additional \$80,000+ we expect to receive sometime this year.

By the way, we made the last payment on the water system on Friday, and we now own it free and clear.

Also on the positive side, we received an award letter for the \$10,000 Dept. of Commerce grant we applied for in the supplemental budget. This is for use to prepare the parking lot for the development of the Oyster House platform.

The lobbyists were instrumental in us getting that grant. So in total, between 2019 and so far this year, they've gotten us 228,000 directly, and were helpful in the NBHS getting their grant nailed down as well. So I think for the \$25,000 we've invested in them, our ROI is pretty good.

Enduris: I asked them if we are covered for loss of income from our facilities due to Covid-19. We received a response from their re-insurer, Allianz, that basically takes 12 pages to say no. I put a copy of their response in your meeting packet.

I have also asked Clear Risk Solutions for a quote. Clear Risk is Enduris' largest competitor, and covers a number of other, Ports, cities and counties. I sent Enduris the required opt-out letter so we are not bound to them for automatic renewal. If Clear Risk doesn't submit an acceptable bid, we have the option according to our agreement with Enduris to rescind the letter and renew.

Electrical Issue: We believe we have tracked down the problem, and it will require some additional ground fault circuit interrupter equipment be added that wasn't part of the original engineering. I asked both Seth from George's Electric – the electrical contractor, and Ken Wilden of Eaton - the vendor for the pedestals - how this problem could have come about in the first place, and was told by both in separate discussions that while all the engineering is NEC compliant, and the work was done according to the engineered plans and code, in practicality, ground fault circuit interrupting equipment could have been factored into the original plans, and wasn't because of cost.

I talked to the engineer, and he said what he did was value engineered this – in other words, the cheapest way. The main breaker is the primary ground fault interrupter rather than using individual ground fault circuits for each pedestal.

So I asked Ken to connect with Seth and figure out how to solve the problem. They told me last week that there isn't enough circuit breaker room in the existing panel to accommodate adding the ground fault equipment that will solve the main breaker tripping problem. A new panel will be needed to replace the one on the dock. While we could change the trip settings on the existing breakers, that would be marginal in terms of code compliance and/or safety

So at this point, I asked George's Electric for a bid on replacing the panel and installing the needed ground fault equipment. Since I haven't closed out the grant for this yet, I also asked both Seth and Ken for letters explaining the problem and the resolution for it, so I could submit it to our grant manager and get the added cost covered in the grant. I told both I would like to get this work done in time to open the marina for business when the Governor lifts the Stay Home order.

Another Electrical Issue: Our neighbor at the North Shore is once again complaining about "light pollution" from the lights at the boat launch. He complained about this a couple of years ago when he had his motor home parked there. We worked with the PUD to try and accommodate his concerns, and that seemed to solve the problem. But now he's building a house, and isn't happy with what worked before.

He contacted the PUD directly, without contacting us, and met with someone out there. He proposed installing some motion sensor lights on his property and turning off the light above the pay station – which is located at the head of the ramp. I met with the representative from the PUD and our neighbor, and we came to an agreement that the PUD will set a new pole on the other side of the ramp and direct the light towards the ramp. Our neighbor will install the motion sensors as well, but we will have the ramp lit, which was our main concern.

Afterwards, I met with the PUD rep and told him we are interested in some lighting for the parking lot across the street. They are going to set a pole there as well with two lights aimed towards the back of the lot.

Public WiFi: The PUD also contacted me and asked if they could locate a public Wi-Fi hotspot on our property. It's part of a countywide effort they've undertaken to expand broadband access – which as you know is a WPPA priority.

I approved doing it and he sent us a contract. There's no cost to us for the equipment or to maintain it.

Reopening Our Facilities: We need to discuss a potential plan for reopening our facilities so we can start to get some revenue flowing once again. Several other ports are beginning to do this under social distancing and other guidelines. This is on the agenda for discussion tonight.

Yerac Community Utilities Proposal: Our loan application to the State Department of Health to purchase the Allyn Carey Water System has been approved. I spoke with Jeff last week, and while there are some hoops we have to jump through, and we still need to negotiate the final sale price and terms, due to the Covid-19 situation, nothing much is really happening at this point.

However, I did get an asset list from the Dept. of Health that Jeff needs to fill out. I forwarded it on to him and asked him to return it to me so I can send it in.

Water System Issues: As you are aware, we were notified by the Department of Ecology that unknown to us, construction of a new well should have been completed by March 1. We have requested a three-year extension on the deadline, and Ecology has expressed a willingness to grant that if we can address and satisfy the concerns of the Squaxin Tribe in relation to impacts on Sherwood Creek.

Commissioner Jackson, myself, and Bill Rehe had a conference call with the biologist from the Squaxin Tribe. She asked us a bunch of questions, and did say the tribe doesn't want this process to be adversarial and they were willing to work with us any way they could to be helpful.

I had previously contacted Doug Piehl of NW Water, about how to proceed with the new well issue and he responded that we contact the hydrogeologist that originally worked on the water right – Robinson Noble - and get them involved. I reached out to them and received a response basically saying, "We'll be glad to help. Open your checkbook."

The consultant that dealt with the Tribe's concerns is different than Robinson Noble. I have reached out to them, but have not received a response – most likely due to the Covid-19 situation, but I will be keep trying.

At this point we continue to explore our options for moving forward. I reached out to Kathleen Barrantes and she told me there is no grant money available for drilling new wells, and suggested we look into the Public Works Trust Fund. She also said there possibly is money available for the acquisition of an adjacent system with an approved well.

One possibility is to expand the Allyn Carey Water System well, but getting someone to look into this had been stalled by both the Covid-10 situation coupled with the Governor's shutdown of construction. So we are basically in a holding pattern for now on just about all of the issues surrounding this.

Security Issues: As you know, we have been discussing installing high-resolution wireless, remote cameras here at the park as well as the Hood Canal boat launch and marina. We want a system that will transmit images from multiple cameras in multiple locations and store them in the cloud for any necessary law enforcement documentation. Commissioner Jackson and myself met with a potential vendor on January 15, and received a bid last month. It was way out of our ballpark - which we expected - but she did offer some suggestions for us to follow up on.

WPPA Meeting Schedules: The Finance Seminar, originally scheduled for June 10 to 12 at Campbell's Resort in Chelan; has been cancelled. So next up is the Executive Director's Seminar, July 9 & 10 at Alderbrook; and the Commissioner's Seminar is July 21 & 22 in Walla Walla at the Marcus Whitman Hotel;

Renting Our Small Office: Nothing new to report on this.

Totem Pole Issue: James Kelsey and I finally connected and agreed to try and meet but got sidetracked by the virus. I'll try connecting with him again this week.

Old Business:

Oyster House: We had previously received a \$6,800 bid from Envirotech, which I originally thought was a bit high. But after getting one from Krazen, it's actually pretty good. Bill Rehe and myself met on-site with the owner of Envirotech, and the engineer from Art Anderson, along with Commissioner Jackson last week, to review what needs to be done and create a plan of action.

The engineers asked about a survey of the site and if there were any previous test borings. I reached out to Bonnie Knight, since if there are, they predate me. What I found out is the old launch ramp was constructed in 1983 and the well in 1988. She wasn't sure but thought there were for drawings for both. However, we looked and didn't find any, so all that stuff may have been sent to

the State Archives when we sent that mass of material about three years ago. If so, we'll need to send a request for it, but have no idea how long that may take. The test borings are included in the Envirotech bid, and if we need a survey done, the grant will cover the cost for both.

Once the design work is finished, and the Geotech report is done, we can proceed with the Army Corp of Engineers (ACOE) permit. Once we have that we can begin the demolition, although because of the fish window we have to wait until July. But aside from getting these things ready to roll, we'll be in a holding pattern until we get the work done and the ACOE permit.

Sweetwater Park: We are ready to close on this. The costs for the title commitment was included your vouchers for approval. Once we forward that check, all we need are final signatures and its ours. We should be looking at security options for this to keep people out. I'll bring some options and costs back to you next month.

Staging Area Development: Nothing new to report on this. I did turn in about \$6,200 worth of reimbursements, but since only 75 percent will be reimbursed, we'll see a little over \$4,800. However, as noted above, the entire PRISM system at RCO went down, along with its backup server, and we resubmitted on Thursday. I have also begun looking for consultants to determine the amount of mitigation we need to do for things like hazardous materials, but like everything else, because of Covid-10, this is in slow motion.

All-Ports Meetings: The April 27, Kitsap All-Ports meeting was cancelled. When the next one will be scheduled for is still somewhat up in the air. Any of you are welcome to attend, as Commissioners are usually there as well.

Transient Moorage Expansion Project: Other than the electrical issue I reported on earlier, this project is essentially complete, I will be submitting some additional reimbursements, and had previously submitted a Scope of Work amendment form to our grant manager at Commerce to deal with the fire issue, and that was approved. But since we are not going to move forward at this time with this, I'm going to keep the grant open until a final decision is made on how were are going to proceed – if at all.

Criminalization of Marina Rules: Once we get the cameras in place, we can move forward on this. Until then, nothing is going to happen.