

**Port of Allyn
Executive Director's Report
June 1, 2020**

Report Items:

Financial Issues: Shrimp season are the single most productive days at our boat ramps and marinas, and we finally have both a decision and dates from Fish & Wildlife. Shrimping will be open in Hood Canal from 9 a.m. to 1 p.m. on June 11, 15, 26, 28, and July 15 and 28. This is very good news for us.

Grant Issues: As you know, we have been awarded two Department of Commerce grants for the Oyster House. One is for \$218,000 for the removal of the launch ramp, design and construction of the platform the Oyster House Building will sit on. The other is a \$10,000 Dept. of Commerce grant we applied for in the supplemental budget. This is to prepare the parking lot for the development of the Oyster House platform.

The one monkey wrench in all this is our grant manager – who is different from the one for the marina project – and our third one since being awarded the grant. We have the same grant manager for both this and the parking lot grants – so at least we don't need to educate two different people on both projects. I spoke with her at some length via Zoom last Tuesday because I wanted to turn in expense reimbursements for the Geotech Report and the engineering, but can't because we haven't yet received the final contract paperwork for either grant. I have asked for this several times in the time since we were awarded the main grant.

Unfortunately, she says she is buried in work and managing 79 grants, so she isn't sure when she can get around to this. She said she was just given our projects a couple of weeks ago, so she has some work to do learning about the projects, but her time is limited. I told her we were working against the fish window for removal of the launch ramp, and the test borings, and our main concern is getting the final contract to us to sign in time to finish the engineering work, so we can apply for the ACOE permit, and get that processed in time to do the work during the fish window. She said she'd try and prioritize it, but couldn't promise anything.

I did ask the lobbyists if they can help with this and get a fire lit under someone to move that forward. Briahana said she will work with Rep. Griffey's office and see what she can do.

Meanwhile, we can pay for the Geotech Report, and we'll eventually get reimbursed. We do have the money to pay for it, and if necessary, we can take money out of the Water Fund as a reimbursement to the General Fund if we need to. That would be my recommendation if we begin to run short of General Fund money at some point later in the year. We just need to move forward right now. The \$4,500 down payment for the Geotech Report and test borings was in the vouchers you approved tonight.

Enduris: I had reached out to Clear Risk Solutions - Enduris' largest competitor - for a quote to replace Enduris. After working with their underwriters, they decided that covering our marine operations wasn't something they are comfortable with. While they cover a number of other, Ports, cities and counties, they primarily operate in eastern Washington. I sent Enduris the required opt-out letter so we are not bound to them for automatic renewal. I am going to explore some other options, but it looks like we may be stuck with Enduris – like it or not.

I spoke with them last week and they said we can expect about a 20 percent increase for 2020-2021 – which will have us paying an estimated premium somewhere between \$24 to \$25 thousand dollars. That includes the structure on the Ogren property, which should reduce it slightly, but doesn't include Sweetwater Park.

I also asked them if we are covered for loss of income from our facilities due to Covid-19. They answered possibly, so I opened a claim. We received a letter from their re-insurer, Allianz, that basically said we aren't covered. However, when I mentioned that letter to Enduris, they were surprised and puzzled, and claimed they did not request that letter and that our claim is still open and viable. So we'll see what happens.

Electrical Issue: We've 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. 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, did it the cheapest way. The main breaker is the primary ground fault interrupter rather than using individual ground fault circuits for each pedestal.

So at this point, George's Electric gave us 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 our grant manager if this is covered and she said she would approve it. We're just waiting on the equipment to be delivered. Installation and testing will take about 3 days.

North Shore Electrical Issue: Our neighbor at the North Shore once again complained about "light pollution" from the lights at the boat launch. We met with the PUD to try and accommodate his concerns, and the solution we all agreed upon seemed to solve the problem. The PUD will set a new pole on the other side of the ramp and direct the light towards the ramp, so we will have the ramp lit, which was our main concern.

The PUD has also agreed to install 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.

However, I was out there last week, and they haven't installed either pole, or the lights yet.

Public WiFi: The PUD 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 they did it the week before last. There's no cost to us for the equipment or to maintain it, and they added a light that we had face the building so it lights up the park at night as well.

Water System Issues: We had a major pipe rupture in the well house last week. Davis Drilling came out here and got it fixed – at what I thought was a very reasonable cost – especially considering it was a major emergency repair. We didn't have to shut down service because our tank was about ¾ full, but we needed to get it fixed immediately. Davis Drilling did a great job.

As you are aware, we have requested a three-year extension on the new well installation 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.

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. However, the consultant that dealt with the Tribe's concerns is different than Robinson Noble. I have reached out to them again, but have still not received a response – most likely due to the Covid-19 situation, but now that things have opened back up I hope to get a response shortly.

One possibility is to expand the Allyn Carey Water System well, and in talking to Davis Drilling – who drilled that well – it may be feasible to expand it rather than drill a new well. I still need to talk with Doug Piehl and the consultants, but we may be able to make this work for a lot less money than we originally thought.

However, the latest problem we have encountered is that after 3+ years of trying to sell us his system, Jeff Carey is suddenly getting cold feet. I suspect this is just a negotiating ploy, and at this point I don't want to endanger the grant we have for the consolidation, as we have to have all the paperwork turned in by June 14. Jeff and I are supposed to meet tomorrow and get down to brass tacks on this. Also, I wanted to figure out how to document how much water he is actually taking out of the aquifer, as he is only allowed 5000 gallons a day. I asked Steve Holloway how we can measure that, and he said Jeff is legally required to have a meter, so we will be looking into that this week.

Electronic Signatures: Commissioner Cooper asked me to look in the possibility of using electronic signatures for documents and the cost. Where we would most likely use them is for signing voucher forms and minutes. I checked with Paige at Financial Services at the County, and she said they started accepting them for vouchers when the Covid-19 changes were made, but didn't see them going backwards on this.

One provider is DocuSign, which I know the auto manufacturers have been using for their press loan agreements for a couple of years. The DocuSign plan I think works for us is one that has 5

users and is \$25 per user per month, or \$1,500 per year. Another alternative is Adobe, which I have personally used here and at Wet Apple for about 10 years. Acrobat allows you to create certificate based signatures and lock the document when you're finished. However, since I bought the program, Adobe's business model has changed and you have to subscribe to the full Acrobat program, and pay a monthly fee, I'm just not sure how much it is at this point.

Either way, according to MRSC, we need a motion to begin using electronic signatures, no matter which service we subscribe to. This is on the agenda for discussion and possible action.

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. There's nothing new to report on this at this time, but expect we will have something in the near future.

Credit Card Issue: We have a small issue with our Kitsap Bank Credit Cards for when we upped your individual credit limits. Originally they just wanted a copy of the minutes from the meeting where you approved that increase. Now they have a form for you to each sign. When I meet with you to get the vouchers and minutes signed, I'll have this form as well for you to sign.

Parking Lot Grading: As you know, we have Grand Canyon sized potholes in the parking lot here and at the North Shore. I talked to Ron Griffey and he gave us a price of \$1,300 to grade and fill them with new rock as needed. I told him to go ahead, and he is going to try to get it done this week or next.

WPPA Meeting Schedules: 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. I am planning on attending the Executive Director's seminar, but will not stay at the hotel to save us money and drive it every day instead. If for convenience sake I do decide to stay at the hotel, I'll pay for it myself.

Old Copier: After months of tussling with the Kelley Imaging and their leasing company over getting the old copier picked up, they've told us to keep it. They originally wanted us to have it serviced and new toner cartridges installed, which would have cost us about \$800. We refused, as that wasn't in our contract. They decided it will cost them more to come get and dispose of it than it's worth. It still works fine, and the only reason we got a new one was our lease agreement was up and they never responded to our RFP to replace it.

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

Totem Pole Issue: Nothing new to report on this either.

Old Business:

Oyster House: As noted earlier in this report, I have included a \$4,500 invoice from Envirotech, in the vouchers. This is needed so we can get the test borings done for the overwater platform pilings. The engineers asked about a survey of the site and if there were any previous test borings. What we found out is the old launch ramp was constructed in 1983 and the well in 1988. However, we looked and can't find drawings for either, and suspect that stuff may have been sent to the State Archives when we sent that mass of material down about three years ago. Test borings are included in the Envirotech bid, and if we need a survey done, the grant will cover the cost for that.

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 launch ramp demolition, although because of the fish window we have to wait until July to start. The fish window runs from July 15 to December 31.

Sweetwater Park: The NMSD has signed all the required paperwork and it is in our possession. This means we now own the property.

Staging Area Development: Not much new to report on this. I did turn in about \$6,200 worth of reimbursements, and we have been reimbursed for 75 percent from RCO. In speaking with Kim Sellers, our grant manager, she told me RCO is reducing the match requirement on some grants,

and told me to write her a letter requesting a reduction. That letter is included in your meeting packet.

Also, it appears the Ogrens have moved out early, although it appears someone is still living there. I did send them a certified letter, which they signed for, reminding them they have to vacate by June 30. A copy is in your meeting packet.

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.

Also, we will want to go in there and see what is salvageable and saleable before the building is torn down. For example, it's my understanding that there is a market for old hardwood flooring – which the house has. I've also been contacted by someone interested in the heat pump unit. Not sure about appliances that could be either sold or donated, as well as other things.

This has prompted the idea of us having a surplus sale sometime this summer. We have a lot of stuff that could be surplused, and perhaps raise some money.

All-Ports Meetings: When the next Kitsap All Ports meeting will be scheduled for is still somewhat up in the air.

Transient Moorage Expansion Project: Other than the electrical issue I reported on earlier, this project is essentially complete, I have submitted for reimbursements for the additional electrical work and for the retainage we will owe to Marine Floats. I 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 that, I'm going to keep the grant open until a final decision is made on how we 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.