

Draft minutes* for
Quarterly Kitsap All Ports Meeting
April 22, 2019

At 6:37PM the meeting was called to order by Port of Brownsville Commissioner Jack Bailey. Also in attendance were Lary Coppola representing the Port of Allyn; Matt Appleton and Shaun Nye also representing the Port of Brownsville; James Aho representing the Port of Illahee; Greg Englin, Steve Heacock and Mary McClure all representing the Port of Kingston; Robert Ballard, Daniel Fallstrom and James Strode all representing the Port of Manchester; Henry Aus, Ed Scholfield, and Theresa Haaland all representing the Port of Silverdale; and Jeff Reynolds representing the Port of Waterman.

Commissioner Bailey welcomed everyone and thanked them for attending the meeting.

Pledge of Allegiance – everyone stood for the pledge.

Introductions were made.

Public Comment – None

Individual Port Updates

Port of Silverdale (<http://portofsilverdale.com>) – Commissioner Scholfield reported that a 25' sailboat has been moored without payment at the Port of Silverdale moorage facility for months. The owner had previously been trespassed from Port property and is currently in the Kitsap County jail. The boat was anchored out unattended when a concerned citizen ended up tying it to the Port's moorage facility. The Department of Natural Resources (DNR) has it listed as a derelict vessel and requested the Port to begin processing it. Phil has reviewed the law to determine the correct way to begin the process. The boat is in decent shape and individuals have inquired about it, so it may eventually be sold rather than disposed. Commissioner Scholfield said that according to the DNR, Yacht Fish Marine out of Port Orchard (<https://yachtfishmarine.com>) provides salvage services for derelict vessels. Matt said that you first must receive permission from the company. Commissioner Scholfield agreed and said that the DNR can help getting the company to accept derelict vessels. Commissioner Bailey said that he noticed several derelict-looking boats at the Port of Bremerton behind the Safe Boats building. Apparently, the Port of Bremerton has plans to scrap all those

boats once the Derelict Vessel Removal Account is funded. Commissioner Scholfield went on to report that ever since all the recreational vehicles (RV) were kicked out of the now vacant Toy's R Us parking lot, more and more are showing up in the Old Town area. The Port recently contacted grant writer, Kathleen Byrne-Barrantes of Grant Solutions (<http://grantsolutions.biz/>), as the Port's comp plan update is nearing completion. She advised expansion of the scope of the comp plan to include items/projects that aren't necessarily a priority or even on the radar but might be if the opportunity presented itself because items/projects not listed within the comp plan will not be eligible for Recreational Conservation Office (RCO) funding. The Port of Waterman had that issue when they wanted to use remaining funds from the pier project to add a covered shelter to the pier, but since that was not listed within Waterman's comp plan it was denied by the RCO. Commissioner Bailey said that the RCO is really looking for more of a site plan. Commissioner Aus reported that Port of Silverdale Commissioner Lawrence Greaves retired after nineteen years of service to the Port. Letters to both the CK Reporter and Kitsap Sun editors were submitted informing the public of the vacancy and encouraging anyone who lives within Port of Silverdale District 1 to apply. Five individuals applied, four of which actually lived within the district. At last week's Port meeting it was decided to appoint Caleb Reese. Commissioner Reese has shown an interest in the Port for many months now by attending regular meetings. He even attended an All Ports meeting last year.

Commissioner Strode asked how Manchester can get a copy of their comp plan as they can't seem to find one. It was suggested they contact the RCO as one would have had to be submitted when they last applied for grant funding. Commissioner Bailey said that the RCO will also accept the budget in place of a comp plan because essentially it lists everything that is planned for the year.

Port of Waterman – Commissioner Reynolds reported that when the power went out during the major snow storm in February and then it was restored it fried the Port's electrical system. It is believed the cause was organic. Kitsap Industrial Electric, Inc (<http://kitsapindustrialelectric.com>) was hired and repaired the electrical. Commissioner Reynolds said that it was a challenge finding a local electrician that could make the repair in a timely fashion for a reasonable rate. Thankfully, Enduris is covering the costs of the repair. The stair project should be completed this week. Commissioner Reynolds said that the Port of Waterman recently adopted a Small Works Policy.

Port of Illahee (<http://www.portofillahee.com>) – Commissioner Aho explained that the Port of Illahee ranked number sixteen on the Pollution Liability Insurance

Agency (PLIA) 2018 funding list to clean up the contaminated soil at the Illahee Store property. PLIA is expected to be funded ten million for 2019, which is the same amount as last year. Last year PLIA distributed all the funds before reaching the Port of Illahee's number sixteen spot, so the Port will be higher on the list for this year. It is anticipated that PLIA will contact the Port giving the green light to begin the clean up once the State budget is finalized. The Port does not officially own the property yet as a sheriff sale is necessary so that all of the judgements and liens are dropped. The Port has been in the process of acquiring the store for many years and there has been concern that PLIA will contact the Port to fund the project prior to the Port actually owning the property, but just last week the Port's attorney, Ken Bagwell, informed Commissioner Aho that the sheriff sale is proceeding. It is not exactly sure when it will take place, but it is moving forward. PLIA estimates the cleanup costs to be \$539,000, so additional bidders are not expected, but if the public is not informed about the contamination there could be additional bidders. Commissioner Aho said that the contamination also continues into the County right-of-way and the County has agreed to work with the Port to clean up that area as well. It is unknown if the County would be willing or could partner with a private entity to clean up that area. Greg Englin suggested a Notice to Title be filed that includes the PLIA report confirming the contamination. Commissioner Heacock agreed that a document informing about the contamination can be filed with the County Auditor and then it would show up on the title report. Unfortunately, bidders may not pre-order a title report. Commissioner Strode said that is what happened to a lady in South Colby who purchased a property at a very reasonable price only later to find out it was contaminated and now she cannot do anything with the property. Commissioner Ballard suggested the PLIA report be posted directly on the building. Everyone thought that was a really good idea and encouraged Commissioner Aho to do that because more than likely interested parties would at least drive by the property to look at it prior to bidding on it at a sheriff sale and if they see something posted on it, they would probably get out and read it. Commissioner Aho explained that the Port of Illahee is also considering contacting grant writer, Kathleen Byrne-Barrantes for the upcoming grant cycle. Illahee applied for an Aquatic Lands Enhancement Account (ALEA) grant last cycle, but the scope of the project was limited because the Port would have to come up with the fifty percent matching funds. At that time the RCO personnel suggested the Port expand the scope of the project and apply for Washington Wildlife and Recreation Program (WWRP) water access grant to use as matching funds, similar to what the Port of Waterman did for their Fishing Pier and Seawall Renovation project. Commissioner Aho immediately applied for the WWRP grant and all was looking good until the RCO denied it because they concluded that it wasn't fair to the other WWRP applicants to accept the Port's WWRP grant application after the due date. Needless to say, Illahee is

gearing up for the next grant cycle. The Port is also considering applying for an RCO Waiver of Retroactivity for the purchase of the Illahee Store. If granted the money spent to purchase the store may also be used as matching funds. Commissioner Bailey cautioned Commissioner Aho because when Brownsville purchased the old fire station property the County pulled the permit, which caused a big issue requiring any new tenant to be a water dependent business. Commissioner Scholfield said that an Occupancy Permit is necessary for any business that goes in there. If there is no previous Occupancy Permit it can be daunting as they require electrical diagrams and other details of the building. All of the Port of Silverdale's tenants are required to obtain an Occupancy Permit prior to doing business. Commissioner Aho requested a copy of Waterman's Small Works Policy as this is something Illahee needs to do. Matt suggested Commissioner Aho look into Municipal Research and Services Center (MRSC) (<http://mrsc.org>) to obtain Small Works Roster policies and anything else related to the Small Works process. Matt said that Ports that are members of the Washington Public Ports Association (WPPA) are considered MRSC members as well.

Port of Kingston (<http://portofkingston.org>) – Commissioner Heacock said that there is a lot going on at the Port of Kingston especially with the parking problems that are unique to the Kingston area. Mr. Englin explained that the Port of Kingston has been insured by Enduris for many years, but the rates are continually rising, so they are considering changing insurance companies. He encouraged others to watch a YouTube presentation.

(<https://www.youtube.com/watch?v=m1Uct9dX4fo>). It was generated by the Port of Bellingham and is regarding new State insurance requirements for vessels. Mr. Englin found it to be very informative as there is a lot to learn with the new laws. He would like to see a standardized system for all public marinas. Matt reported that Brownsville has been dealing with insurance companies since there was a recent fire at the facility. Apparently Geico and State Farm will not add public port facilities as additionally insured to their policies. This puts the public facilities at risk. Commissioner Bailey said that the Port's attorney informed him that the Port may not want to be listed as additionally insured because if it is it can become liable if the owner defaults on paying the insurance. Mr. Englin disagreed as it should actually provide the Port with more coverage. Matt added that if you are listed as additionally insured on a policy the insurance company is required to provide you notice if the policy goes unpaid. Commissioner Scholfield said that State law requires notification via mail and until the notification is received the additionally insured entity is covered. It was agreed that if the policy goes unpaid and the additional insured is not notified the insurance company can be held responsible. Matt explained that he called one insurance company about a sunk

boat and was told that the boat hasn't been insured for eight months. It was thought that both the boat owner and the insurance company may be held liable. The boat owner since he wasn't insured and the insurance company since they didn't notify the Port about the default on the policy payment. Commissioner Ballard said that he is involved in a personal lawsuit and his insurer has informed him they will not cover him on a cross-claim; just something to keep in mind. Commissioner Bailey suggested the WPPA Marina Committee be asked to further discuss insurance issues. Mr. Englin reported that the County is working on projects in the Kingston area and are requesting right-of-way and construction easements from the Port. The County will actually pay the Port for the property affected by the right-of-way easements. Mr. Englin said some of the proposed easement property is paid parking spots so that will need to be considered in determining the value. Commissioner Scholfield explained that Silverdale recently went through this with the County. He urged others to review the final plans before implementation as there have been a few items that the Port and the County decided to change on the plans, but those items didn't show up on the final plan.

Commissioner McClure explained that twenty years ago the Washington State Ferries (WSF) purchased a 10-acre holding lot, but at that time decided that traffic wasn't bad enough to do anything with the property. Thankfully at that time they decided to hang onto it. The traffic in Kingston is pretty extraordinary and now a five-agency partnership between the Port, the County, WSF, Kitsap Transit and the Department of Transportation (DOT) has formed to determine what can/should be done to alleviate the traffic issues and the 10-acre lot is key. The Memorandum of Understanding should be signed off by all five entities this week. The Port will be managing a feasibility study, which is the first phase. Commissioner McClure said that it's nice that all five agencies recognize the problem and are willing to work together on a solution. Just five years ago the backup of ferry traffic was basically limited to Saturday and Sunday. Now there is backup from Thursday through Sunday and it seems to only be growing. Unfortunately, with all the traffic it has a negative effect on the local businesses as customers don't want to fight the traffic. Commissioner Fallstrom said that the transportation fund in Olympia isn't looking too good this year. Commissioner McClure said that they aren't looking for funding this year, but will be in the future and she would like to further discuss this with Commissioner Fallstrom.

Port of Allyn (<http://www.portofallyn.com>) – Lary Coppola said that a windstorm on January 4th destroyed part of the Port of Allyn's floating dock. Now about half of it needs to be replaced. Enduris was contacted about coverage and repair. They

state that structure has met its lifespan and refuse to cover it. Mr. Coppola said that the structure is just eighteen years old; whereas, the previous structure lasted forty-two years before it was replaced in 2001. The Port has hired a lawyer. Enduris requested all the maintenance paperwork from 2001. Mr. Coppola said it wasn't necessary to go back that far, but did provide several years' worth of records. He explained that Joe Davis with Enduris walked the facility with him just last year and didn't indicate that the facility was in bad shape or that it had met its lifespan. He did at that time request a few minor corrections to the facility but nothing major. Commissioner Scholfield suggested an independent marine survey company be hired to determine what needs to be done to fix it. He added that all of the Ports should have an independent survey conducted at least every five years. Commissioner Bailey said that some surveyors use hammers to test pilings, which isn't ideal. Brownsville found a private outfit that will actually conduct a scientific analysis of the pilings. It was explained that since Enduris deals with public entities all of their notes related to those entities are considered public records. In fact, they are subject to public records requests so the Port of Allyn could make such a request for any notes from the meeting/walk about with Mr. Davis. Mr. Englin said that he has talked with Mr. Davis and was told that one of the reasons for the skyrocketing insurance premiums is due to the many claims they have received and their reserves are being depleted. At this point they are trying to build up their cash reserves. Commissioner Coppola said that he talked with another entity that had a similar situation with Enduris and recommended the Port hire a lawyer. The Port of Allyn ranked number eight out of eighteen for an RCO grant to purchase a piece of property. According to RCO grant manager, Kim Sellars, it will be fully funded this year. The Oyster House project is moving forward. They will be receiving enough money to at least get it stabilized. There was a derelict vessel at the Port with a credit card number on file from years ago. It was decided to call the owner's number that was listed before processing the boat as a derelict. The owner's significant other answered and gave the green light to charge the credit card. It processed and the boat was then released to the owner.

Port of Manchester (<http://www.portomanchester.com>) – Commissioner Strode reported that the boat launch at Manchester will be seal coated and restriped next month. The Friends of the Manchester Library have set up a beautification day with the help of fifty cadets. The entire waterfront area will be re-barked and cleaned up. A big hole near the boat ramp is of concern. It seems the soft beach protection is failing there. Commissioner Scholfield said that soft beach protection is failing all over the county. Commissioner Bailey said that his son worked with the County on a project in Chico. They brought in huge rock, believed to be blasted from the Snoqualmie hillside. Holes were drilled into the rock and cables

were inserted into the holes. Large logs were secured to the cable and the large rock was buried quite deep. It seems to be working well as the logs can't wash away. Manchester Commissioners had considered changing the picnic shelter, but it was determined it would cost approximately \$8,000, so it was decided to keep it as is.

Port of Brownsville (<https://portofbrownsville.org>) Commissioner Nye explained that a recent fire destroyed three boats. Thankfully no one was injured and the damages totaled under \$300,000, which is the minimum insurance amount the boat owners are required to hold. The Port of Brownsville's fire system was tested by this fire and it worked great. The fire department had some issues. Commissioner Bailey said that the fire department was on site before Matt arrived as he had to travel from Bremerton. They had 1500 feet of hose, but the fire was 1750 feet away so no water was put on the fire until Matt arrived. He basically took charge and played fireman. The Port trains all of the liveaboard boat owners on fire safety. The Sheriff Department was the first at the scene and wouldn't allow anyone to fight it. It was an extremely hot fire, which melted the aluminum dock and fiberglass grating. Matt plans to pick up the replacement tomorrow. Commissioner Bailey said that one lesson learned from the fire is that the Port needs to invest in a PA system that can withstand the marine environment. This will allow Port personnel to inform everyone on the docks and pier of what is happening and what is expected of them. Matt said that the Port also needs to continually make sure everyone's insurance is up-to-date. Thankfully Brownsville has been reviewing all the insurance policies and just five days prior to the fire it was determined that the boat that had the fire was under insured at \$100,000. The boat owner was contacted and informed of the problem. He immediately had his coverage increased to the minimal \$300,000 requirement. It is believed the fire started from a malfunctioning refrigerator condenser. When the boat owner realized there was a fire, he was able to get out of the boat and tell all the surrounding boat owners, so everyone was able to get to safety. Commissioners Bailey and Nye agreed that although it was an unfortunate event good came of it with no injuries and minimal damage; it could have been so much worse.

Commissioner Bailey reported that the new boat ramp is very popular, there is just a little learning curve for those using it. The Port acquired two pieces of real property the first part of the year. It was recently determined that the County has upper development runoff going through the properties, which has created a large rut. Brownsville has recently hired the services of a new accountant, Jan Fancher out of Vancouver, Washington. Commissioner Bailey said that it is getting pretty expensive and costs about four times the amount that he had anticipated.

Commissioner Nye said that Ms. Fancher comes highly recommended and is doing a great job, there is just a lot to dig through before things are straightened out. She has made a list of items that she wants changed. Matt has been putting an emphasis on enforcing the Port's rules with ticketing when/if necessary. The Port now owns a tugboat. It was questioned if the owner was Joe Webb as he apparently buys tugboats cheap and then dumps them. Mr. Webb was not the previous owner, but Commissioner Bailey said that he regularly uses Brownsville's facilities and anchors his boat out not too far from the facility. In fact, it may become an issue because many times he anchors in the traffic lane and when there is a low tide this will cause an issue for the bigger vessels coming into the Port especially if it is foggy. Mr. Webb's boat is within the Port's DNR lease boundary. Matt said that he called the Navy, the Coast Guard and the Sheriff's Department, but no one is willing to go out and discuss the situation with Mr. Webb. Matt said that he has Mr. Webb's number and calls him daily. Commissioner Scholfield said that vessels are not allowed to anchor in one area of DNR waters for more than thirty days at a time. Once the thirty days pass, they are required to be moved at least five air miles from that area. It was suggested that Matt contact Troy of the DNR and report it as well as the Kitsap County Health Department as there is concern as to where the sewage is being dumped.

The meeting adjourned at 8:22 PM.

Commissioner

Commissioner

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