

AUGUST 2008

AUG. 7, 2008

**PORT OF POULSBO
MEETING MINUTES OF
August 7th, 2008**

Present: Commissioner Chairman Gilbert, Commissioner Bockus, Commissioner DeCarlo, Port Manager Kirk Stickels, Recording Secretary Kori Henry, and members of the general public.

1. COMMISSIONER CHAIRMAN GILBERT CALLED THE MEETING TO ORDER AT 7:00pm

2. PUBLIC COMMENTS:

None

3. COMMISSIONER COMMENTS:

Commissioner DeCarlo: I attended the conference in Bellingham and took several notes to give to Kirk from the meeting. The Port of Bellingham is remodeling and may have extra floats available for in the spring.

Commissioner Bockus: None

Commissioner Gilbert: Kirk and I discussed a purchase of a finger pier that has become available. We have approx. 17 boats anchored out in the bay right now some of which are permanently moored. The Mayor is questioning our JARPA permits without first notifying the City before we start projects.

Kirk Stickels: There are no JARPA permit conditions that state we have to notify the City prior to starting any of our projects.

4. CONSENT AGENDA ITEMS:

- A. The meeting minutes of July 17th were approved by the Board as written.
- B. Warrants #8424-8493 in the amount of \$284,922.87 were approved by the Board as written.
- C. Resolution 2008-05 the auction of a 34' boat was approved by the Board as written.

5. OLD BUSINESS ITEMS

A. Port Capital Projects: Port Manager

We have continued on with our creosote piling removal from the boom stick by DNR in which they picked up the cost. We are starting removal of some of our old piling as well and have spent six days pulling and removing creosote pilings and replacing them with steel pilings mostly on D-dock. We did not replace all the pilings some of them were pulled and not replaced since they were not a safety issue and their condition was very poor. We are working through the pilings and replacing them by the level of degradation. We are working closely with the cable company to move to a shore connection same as with the phone company. There are no longer phone and cable lines hanging on poles

through out the marina there is only one customer who have a phone connection on C-dock. We got rid of a significant amount of overhead wiring. The area by the Kayak Facility has new piles and no overhead obstructions. We have began renovations on the ramp that we acquired from Marine Floats to replace the ramp on D-dock. A new ramp on C-dock and the landing is being worked on. The pattern would be a mosaic with some added wood structure. We talked to Thompson Pile Driving and they purchased a large float from the Navy to assist in towing piling. The float is a rectangular block but tows too slow for Thompson to use. It is made out of welded steel angle iron with through bolted I-beams top and bottom and has a draft of 26"-28". They are asking \$14,000 for the float. By using this large float it would allow us to set it in place by removing the original float and floating in the new float. The ramp will end up off center and will bring the new ramp to the first float on the dock. If we did this we could use the extra floats to extend B-dock.

Commissioner Gilbert: On C-dock 40' is a large float we should check to see if there are any obstructions under the dock in that area such as rocks that could ground the float.

Kirk Stickels: We could dive or probe the area to check for any obstructions just to make sure. This float would be an unanticipated expense but it would work out well.

Commissioner DeCarlo: How long have they had this float?

Commissioner Gilbert: How long did the Navy have it before Thompson?

Kirk Stickels: They have had it for one year but the navy had it before that and I am not sure how long they had it. I went down and looked at it and it is in very good shape. We may need at least one more pile added to secure it in place. The "Ruby 10" has offered to tow it over to us for the cost of fuel the boat is located in Port Orchard.

Commissioner Gilbert: Is there any negotiating room to lower the price?

Kirk Stickels: I believe there is some room for negotiations.

Commissioner Gilbert: do you for see any problems with having to add steel plates and ramps for that area?

Kirk Stickels: A lot of the float will be under the ramp but we will come forward as far as we can and come out much further in the bay to allow for the ramp to move during the tides. The float is 14' wide and approx. 45' long, which will prevent grounding due to the depth of water.

Commissioner Gilbert: I think we should give Kirk the authority to start negotiating with Thompson Pile Driving to purchase the float.

The Board of Commissioners agrees to allow Kirk to begin negotiations with Thompson Pile Driving to purchase the float.

6. NEW BUSINESS ITEMS

A. Items for public comments/motions/discussions

None

B. Review of City/Port Lease Agreement – Commissioner Discussion

Greg Norbut is reviewing the lease and the City has been notified that it was being reviewed by the Port Commissioners and their attorney.

C. Managers / Maintenance Report – Port Manager

- I have an expense voucher from Commissioner DeCarlo that needs to be approved by the Board for the Bellingham retreat.
- We removed the phone and cable wires when we replaced the pilings. We have asked everyone to speak to the Port before attaching anything to the new piles such as wiring, cable, ETC. We would request conduit for any new wires that would be added. We are encouraging everyone to go wireless.
- During the course of construction we utilized Jeff Strange's slip but he has not had a vessel in that slip for some time. He was late in his moorage and received a late fee that the Port could not waive. He would like the Port to credit him for the use of his slip during construction because he was not able to use his slip for six weeks. I told him that since he did not have boat in his slip at that time and the Ports rules and regulations allow the Port to use any of its slips to benefit the Port that we could not waive the late fee.
- Last week on Thursday the Corps of Engineers came over and filled up their boat with the remainder of the boom sticks and got rid of a significant amount of logs that needed to be removed.
- We have had a lot of support from the office during construction and have had to answer a lot of questions.

The Board of Commissioners gives kudos to the office for their support during construction.

- Carol Tripp has completed 10 years of service to the Port.

The Board of Commissioners gives congratulations and a big Thank You to Carol Tripp for the 10 years of service that she has given to the Port.

D. Accounting Summary – Carol Tripp

None

E. Board Action Requests – Kirk Stickels

None

F. Executive Session

There will be an executive session this evening to discuss property acquisition and it is expected to last approx. 10 minutes.

Close the public session and opened the executive session at 7:50pm
Closed the executive session and opened the public session at 8:00pm

The executive session will be extended another 10 minutes to discuss property acquisition.

Close the public session and opened the executive session at 8:00pm
Closed the executive session and opened the public session at 8:05pm

7. PUBLIC COMMENTS

None

8. COMMISSIONER COMMENTS

Commissioner Bockus: Mr. Strange's request for partial payment or reimbursement for the use of his slip for six weeks will be discussed after the request is received in writing from Mr. Strange. The City sent me a letter asking us to be part of a traffic management committee. I attended the meeting last night and I am not sure why the Port is part of this committee. I don't see a benefit to the Port. I will not attend the meetings in future. There is a parking stake holders committee that will be discussing parking within the downtown area. I think we should be involved in this committee because it will be more beneficial to the Port. One recommendation was to have several one way streets with diagonal parking. I will follow through with the parking committee. The Mayor mentioned that the Post Office will be moving. At the last meeting we discussed the plot maps for the DNR property and I brought them tonight to hand out to everyone.

Commissioner Gilbert: The property is landlocked and the first thing we will need to figure out is how to get access to the property from the county.

Commissioner DeCarlo: We need to make sure DNR conveys the easement to the Port when the property is transferred to us.

Kori Henry: We need to start looking at trail grants from the IAC for planning and engineering.

Kirk Stickels: We will need a full survey of the site that includes water, monument identifiers, as well as wetlands.

Commissioner Bockus: I suggest we start a file on the DNR property that includes any communications, plat maps, drawings, access, ETC. Instead of going with the memory of our staff we should maintain a complete historical file on maintenance, repairs, piling replacement, projects, breakwater piling replacement; ETC. Carol said that there are state grants for archiving records.

Commissioner DeCarlo: The Port of Bellingham Commissioners set down with the Port Manager and set goals for the year and then evaluates the manager on those particular goals that were set the beginning of the year.

Commissioner Bockus: That is the same as our Comp Plan and implementation of the plan.

Commissioner Gilbert: We have received a number of very nice photographs that were given to the Port by Vick Hines. I would like the Port to give him a letter of appreciation in the form of a resolution. They are great pictures.

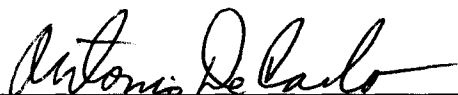
Commissioner Gilbert: Kirk and I sat and discussed many of our various projects. DNR will come in and remove our breakwater at no cost to the Port. I was thinking about removing the south breakwater by DNR and then move the boathouses over to the south breakwater area and use them as wave attenuator that is connected to A or AA dock for access. The boathouses would work as a wind break and would give us a net gain of slips. We will work with the boathouse owners to get them moved into place and make them weather capable for the placement.

Commissioner Bockus: I think we need to make sure it would make it through the permit process first before we do anything.

The meeting was adjourned at 9:06pm

The meeting minutes were approved as written by:

Commissioner Gilbert 

Commissioner DeCarlo 

Commissioner Bockus 

AUGUST 2008

AUG. 21, 2008

**PORT OF POULSBO
MEETING AGENDA OF
August 21st, 2008**

1. OPEN MEETING

2. OPEN MEETING TO PUBLIC COMMENTS (LIMIT 3 MINUTES)

3. COMMISSIONER COMMENTS

4. CONSENT AGENDA ITEMS

(Next Res. 2008-07)

All matters listed within the Consent Agenda have been distributed to each member of the commission for reading and study, are considered to be routine and will be enacted by one motion of the commission with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by a Commission member or by citizen request.

- A. Approve meeting minutes of August 7th 2008.
- B. Warrants #8494 - #8594 in the amount of \$83,451.89
- C. Appreciation letter to Vick Hines for the pictures donated to the Port.

5. OLD BUSINESS ITEMS

- A. Port Capital Project: Port Manager

6. NEW BUSINESS ITEMS

- A. Items for public comments/motions/discussions
- B. Review of City/Port Lease Agreement – Commissioner Discussion
- C. Managers / Maintenance Report – Port Manager
- D. Accounting Summary – Carol Tripp
- E. Board Action Requests – Kirk Stickels
- F. Executive Session

7. OPEN TO PUBLIC COMMENTS: (LIMIT 3 MINUTES EACH)

8. COMMISSIONER COMMENTS

9. ADJOURN MEETING

**PORT OF POULSBO
MEETING MINUTES OF
August 21st, 2008**

Present: Commissioner Chairman Gilbert, Commissioner Bockus, Commissioner DeCarlo, Port Manager Kirk Stickels, Port Accountant Carol Tripp, Recording Secretary Kori Henry, and members of the general public.

1. COMMISSIONER CHAIRMAN GILBERT CALLED THE MEETING TO ORDER AT 10:00am

2. PUBLIC COMMENTS:

None

3. COMMISSIONER COMMENTS:

Commissioner Bockus: I would appreciate leaving early from today's meeting because I have to drive to Walla Walla as soon as the meeting is over.

Commissioner DeCarlo: None

Commissioner Gilbert: None

4. CONSENT AGENDA ITEMS:

- A. The meeting minutes of August 7th were approved by the Board as written.
- B. Warrants #8494-8524 in the amount of \$83,451.89 were approved by the Board as written.
- C. Proof read the appreciation letter to Vick Hines for the donated pictures of the Port. A final copy will be typed for the Commissioners to sign at the next meeting.

5. OLD BUSINESS ITEMS

A. Port Capital Projects: Port Manager

We are working on the ramp replacement on D-dock that we acquired from Tacoma to make it more safety compliant.

Commissioner Gilbert: How will you mount the new ramp?

Kirk Stickels: With a tow truck. The tow company doesn't see a problem with doing it by using the tow truck. We will remove the old ramp the same way. The old ramp is very heavy but could still be useful. We will sell it once it is removed. We already have two interested parties in purchasing the old ramp. I don't have an answer back from Thompson Pile Driving regarding the float that we are negotiating on purchasing. I should have an update at the next meeting. We have received five requests for bid packages from companies. Three of the requests are from local companies and two requests were from out of state.

Carol Tripp: You need to advertise the request for proposal in the local newspaper for the bid process.

6. NEW BUSINESS ITEMS

A. Items for public comments/motions/discussions

None

B. Review of City/Port Lease Agreement – Commissioner Discussion

I have made copies of the draft lease with corrections from the attorney highlighted in blue. Most of the changes are relatively small grammar correction plus the corrections or changes that the Board requested. I would like the lease agreement added to the next agenda for review and discussion.

Commissioner Gilbert: On item 5 it states we will deposit the funds into the account annually does that work best for the Port?

Carol Tripp: Yes, annually works best.

C. Managers / Maintenance Report – Port Manager

- Mayor Quade contacted me in regards to the discussions we had about annexation with the assistance from the Marine Science Center Foundation. Becky Erickson gave a presentation to the Port regarding the proposed annexations. The sense of direction was whether the Port wants to pursue the proposed annexations or not.

Commissioner DeCarlo: I asked Becky Erickson to conduct a sample survey of about 100 people as to whether they would support the annexation or not and she agreed to it. Has the survey ever been done?

Kirk Stickels: Not that I know of.

Commissioner DeCarlo: We are still waiting for the survey response report.

Bruce Harlow: I am president of the Marine Science Center Foundation. I know that the Port needs to have some benefit from the annexations for harbor improvements. A confirmation would help assist the Board in making a decision. The boundaries could expand to Fire District #1 and #18 areas. I will begin conducting the survey of the people. If we expand into the two districts it would bring about \$3 million additional tax dollars to the Port. I would like to involve the newspapers and also ask for responses from constituents by phone or by e-mail as well.

Commissioner Bockus: The City suggested conducting a survey monkey that the City uses. A business goes out and provides surveys online for people to fill and submit. Once the survey is complete they compile the information and provide a report to the Port.

Commissioner Gilbert: One concern I have is how to increase the tax funds and use some of the funds to support the Marine Science Center. I am not sure it is legal.

Bruce Harlow: I have a lawyer friend that works with the Port of Bremerton and he says it is legal for the Port to do this. The question would be whether people would be willing to increase their taxes in today's economy. I was hoping to have this on the November ballot but I don't think it is possible at this late date. We would like to have it include in the spring election. We owe the survey to you to show whether the people support it or not.

Carol Tripp: Did any of you check with the auditor's office regarding the legality of the inter-local agreement and to make sure it is legal and able to be committed too? The Board needs to discuss the inter-local agreement with the attorney general.

Commissioner Gilbert: One of the three of us will have to discuss the inter-local agreement with the auditor and the attorney general.

Kirk Stickels: There are several questions that we have before we are able to enter into an inter-local agreement. One question is whether we can encumber a future Board into perpetuity; the second would be the legality of entering into an inter-local agreement.

Bruce Harlow: The question is can we annex all the properties or do you even need the properties from both districts to acquire the bonding capacity to complete all the capital improvement projects. Maybe we should just consider expanding to the Fire District #18 boundaries.

Commissioner Gilbert: Who declares what is viable and not viable for the program?

Bruce Harlow: It would be based on an outside audit completed by a non-bias company. We offer a serious program for science and our students are tested on the curriculum. It has been proven that students that have completed this program do better in other subjects such as math, reading, and writing, than students that have not completed the program. We have 15 school districts with contracts that are committed to this program. The school districts pay 50% of the program fees and the Marine Science Center Foundation pays the other 50%. The program costs approx. \$1.1 million to run. The Navy currently pays for the utilities of the Undersea Museum. The model program for the Marine Science Center is based on living science. The Undersea Museum is based on working science.

Commissioner DeCarlo: Begin working on the survey and the Board will contact the auditor and the attorney generals office. Once our questions are answered we can discuss what both of us have found out at another meeting.

Commissioner Gilbert: I think it would be difficult to expand into another district such as Fire District #1. I think we would have a lot of opposition if we tried to expand into Eglon or Hansville.

Bruce Harlow: I will pay for the attorney to figure out where the boundaries should go.

Commissioner Gilbert: Once we intrude into some of these other districts we could start having some issues. We should focus on expanding to Fire District #18 boundaries.

Bruce Harlow: I think people will support the students learning possibilities through the Marine Science Center with hands on learning. It would be a good thing for the Port to be involved in an enrichment program. You can raise your taxing amount. Would you raise your taxing amount and try to expand your boundaries at the same time?

Commissioner Gilbert: No we are not going to raise our taxing amount right now.

Bruce: Good it would be hard to approve an increase and an expansion.

Commissioner Gilbert: We will pursue the auditor's opinion and the attorney general's opinion and await the survey response that you will be conducting.

Kirk Stickels: I would like the survey to happen before this is published in the newspaper. We got a lot of comments once it was published in the newspaper.

Carol Tripp: The auditor's office called and started asking questions about how the inter-local agreement is possible.

Bruce Harlow: The news article that was published stated that both entities were just entertaining a possible inter-local agreement or partnership.

Commissioner Gilbert: We will do our part by contacting the auditor's office and the attorney general and you begin the survey and then we will discuss it once we have all the information.

Kirk Stickels: Early this year Olympic Outdoor Center requested the Port to look at decreasing their square footage. We have rearranged some of their facilities and since we have filled slip C-1 with a boat. Slip C-1 has been shortened from a 34' slip to a 30' slip due to the slip configuration so the Olympic Outdoor square footage has been reduced by the 34' slip square footage.

Commissioner Gilbert: A resolution will be needed to reduce the slip size for C-1 and to reduce the lease agreement area for the Olympic Outdoor Center.

Kirk Stickels: During the last budget process the Board agreed to gradually increase the medical coverage for both the employees and their family from 90% to 95% then to 100%. The staff is still requesting the additional coverage as part of their benefit package. Right now is open enrollment and we have decided to change health providers. By changing health providers we will not have to pay the increase of 21% for this year.

Commissioner DeCarlo: I don't believe we should pay 100% of the employee and family medical coverage. 10% is a very small portion to pay. I don't remember agreeing to phase the coverage to 100%. A lot of other companies do not cover 100% for employees and their families.

Commissioner Bockus: Just because we are agreeing to pay 100% now does not mean we have to pay 100% if the cost becomes too expensive in the future. We could choose to reduce the amount of the coverage later.

Carol Tripp: It would be really difficult to have the 100% coverage then lose it in the future. It would make it difficult to switch everyone back to other coverage.

Commissioner DeCarlo: Changing the company now is a good idea but they may increase their rates next year. I think 90% is more than generous. 10% is not a lot of expense to the employee.

Commissioner Gilbert: I was hoping to make it a benefit but also an exchange for a wage increase for this year.

Commissioner DeCarlo: The employees did get the CPI increase for this year.

Commissioner Gilbert: Medical insurance is important and a necessity when you are sick. I would like the 21% that we will be saving by converting to the new insurance provider to dollars so we can see what that would provide from the new company.

Commissioner DeCarlo: My position is to only pay 90%. The cost of insurance is only going to increase.

Commissioner Bockus: We could split the difference and cover 95% from now on instead of the 100%.

Carol Tripp: Benefits for me as an employee are very important. I stay at a job because I like the benefits. I would prefer benefits over larger pay increases. The Port has limited dollars and prices are going up but I don't think everyone wants complete coverage. I would be good to have a large amount of the medical insurance covered. We don't get bonuses or large pay raises but we could get good benefits. I am just speaking for myself. Benefits are extremely important to me.

Commissioner DeCarlo: I still agree on the 90% but not on the 100% coverage. I make a motion to continue with 90% health coverage for both employee and family.

The motion was not seconded.

Commissioner Gilbert: I think there is middle ground here. I think an increase of medical benefits in lieu of a large wage increase could be beneficial.

Commissioner Bockus: We are not going to have to pay the 21% increase to switch to the new company so it will not be an increase from last year.

Carol Tripp: The agreement with the new company is for one year.

Commissioner Bockus: If we increased it from 90% to 95% what percentage do we save? I think we should cover 95%. I make a motion to increase the medical insurance for employee and family to 95% payment coverage, this item will be reviewed in January 2009 during wage negotiations.

The motion was approved by Commissioner Gilbert and Commissioner Bockus but denied by Commissioner DeCarlo.

D. Accounting Summary – Carol Tripp

Attached is the amended summary of financial statements for the five months ending May 31, 2008. There is a net gain for the month of May in the amount of \$36,101.93. The change in net income for the month is (\$30.89) which was due to a transaction being recorded into the wrong account. The year to date net gain is \$148,032.67. Also included for review is the summary of financial statements for the six months ending June 30, 2008. There is a net gain for the month of June in the amount of \$31,833.90. The year to date net gain is \$179,866.57. The detailed report, with budget comparison, for the second quarter of 2008 is attached. All accounts are within expected amount for this time period, re-allocations are not needed.

E. Board Action Requests – Kirk Stickels

None

F. Executive Session

None

7. PUBLIC COMMENTS

Carol Tripp: Thank you for the increased health benefits I appreciate it.

8. COMMISSIONER COMMENTS

Commissioner Bockus: None

Commissioner DeCarlo: None

Commissioner Gilbert: None

The meeting was adjourned at 11:30am

The meeting minutes were approved as written by:

Commissioner Gilbert *[Signature]*

Commissioner DeCarlo *Antonio DeCarlo*

Commissioner Bockus *A. Bockus*

PORT OF POULSBO

BOARD ACTION REQUEST

SUBMITTED BY: KIRK STICKLES, PORT MANAGER

DATE: September 4, 2008

SUBJECT: Adjustment to Olympic Outdoor Center Lease *KS*

RECOMMENDED ACTION: I recommend the moorage agreement between the Port of Poulsbo and Olympic Outdoor Center be amended to reflect a reduction of square footage for relinquishment of slip C-1.

BACKGROUND INFORMATION: At a previous meeting John Kuntz addressed the Commissioners requesting a reconfiguration of Olympic Outdoor Center moorage area. Staff addressed this issue and proposed several site adjustments. An adjustment proposed by John Kuntz was to turn back to the port, slip C-1. This slip was then put into service with a new tenant.

EXISTING POLICY: No existing policy.

FINANCIAL IMPACT: The reduction in square footage income is off set with the tenancy of slip C-1. This slip is currently occupied.

ADDITIONAL COMMENTS: No additional comments.

APPROVED DATE Sept. 4, 2008

COMMISSIONER: *John E. Ball*

COMMISSIONER: *J. Barken*

COMMISSIONER: *Antonio D. Carlo*

PORT OF POULSBO
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2008-06
September 4th 2008

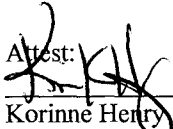
A RESOLUTION of the Board of Commissioners, Port of Poulsbo, in Washington State, to reduce the size of slip C-1 from 34' to 28' and reduce Olympic Outdoors Center's lease by 280sq ft or \$127.50. The reduction of slip C-1 and the reduction of the Olympic Outdoor Centers lease will not result in any net loss to the Port due to the fact slip C-1 was leased to a tenant.

WHEREAS, the Port of Poulsbo wishes to reduce the size of slip C-1 from 34' to 28' and reduce Olympic Outdoors Center's lease by 280sq ft or \$127.50. The reduction of slip C-1 and the reduction of the Olympic Outdoor Centers lease will not result in any net loss to the Port due to the fact slip C-1 was leased to a tenant.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners, Port of Poulsbo, to reduce the size of slip C-1 from 34' to 28' and reduce Olympic Outdoors Center's lease by 280sq ft or \$127.50. The reduction of slip C-1 and the reduction of the Olympic Outdoor Centers lease will not result in any net loss to the Port due to the fact slip C-1 was leased to a tenant.


ADOPTED by the Board of Commissioners, of the Port of Poulsbo at the regular scheduled meeting there of held this 4th day of September 2008, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof.

Attest:


Korinne Henry
Recording Secretary


Antonio DeCarlo, Commissioner


Glenn Gilbert, Commissioner


Arnold Bockus, Commissioner