Port Ludlow Village Council
Board of Directors Meeting
Thursday, February 6, 2025 3:00 PM – 5:00 PM
Minutes

In-person Meeting in the Bay Club Auditorium

(The first half of the meeting was presented as a public Town Hall and was well-attended)

I. Call to Order

President John Goldwood greeted everyone at 3:00 PM. Members present: John Cacho, Treasurer; Tracy Geipel, Secretary; Tam McDearmid, Vice President; Bob Gilbert, SBCA President; Joan Johnston, LMC Representative; Lois Grazioli; Geoff Lang; Kay Mol; carol prismon-reed; Howard Weiner.

II. Stakeholder Updates

a. **David Wayne Johnson, Associate Planner, Jefferson County Department of Community Development** (Note: An audio recording of Mr. Johnson's presentation was recorded today and is available on the website at plvc.org; brief summary reflected in these Minutes.)

Mr. Johnson has been the Associate Planner with the Department of Community Development for over 21 years and has been the lead for Port Ludlow since March 2007. He was joined today by Assistant Planner Andy Gosnell. Mr. Johnson will retire at the end of 2025. George Terry (not present) is the trainee who will assume the position. All public documents referenced in today's presentation are available on the DCD website at www.co.jefferson.wa.us/553/Port-Ludlow-Master-Planned-Resort. The main points were:

1. The Timber Harvest Agreement is tied to the Development Agreement between the County and Port Ludlow Associates (PLA). It refers only to land within the Master Planned Resort (MPR) boundaries. The initial agreement was for 20 years. A five-year extension was granted in 2020. The current Agreement expires May 8, 2025.
2. Upon Department of Natural Resources (DNR) approval, PLA began to clearcut land owned by PLA within the MPR in 2015 that was zoned as open space, which is required to be preserved in perpetuity for the MPR to retain MPR status and not be reclassified as a subdivision. (Cutting of timber on land for residential construction is allowed.) If an activity that occurs is not listed as allowed, then it is not allowed. Timber harvesting on designated MPR open space land is not permitted. The County determined this harvest was illegal, and the harvest was stopped. The PLA and the County went into mediation and signed a mediated settlement agreement in 2016 prohibiting further timber harvest within the MPR.

3. The settlement agreement should have had no expiration date, but it does. It is tied to the Development Agreement and expires along with that agreement in May 2025.
4. PLA applied to the County for a second five-year extension in December 2024. PLA is not interested in renegotiating the terms. The County is not interested in extending the agreement and has a solid strategy in place to deal with this in the future if necessary. If the Agreement were to be extended, it would be with up-to-date building code.
5. PLA made its first distribution to investors recently by selling the remaining finished lots in Olympic Terrace II, Phase 2 to be built out by Richmond American Homes and probably won't be interested in harvesting timber from now on. PLA will focus instead on platting remaining land it owns within the MPR that is zoned for residential or mixed use.
6. The expiration of the Development Agreement has no effect on PLA's planned development of the property around the existing Yacht Club as it was already approved.
7. Some shoreline property development was already approved that allows development up to 30 feet from the shoreline, but any further shoreline development will up to the current code (150 feet at present).
8. The Resort Plan (land around the Inn, Marina, Admiralty Condos) is under a different agreement. Any rezoning request is a community process and is a possibility as there is room for improvement for zoning.

Contact David Wayne Johnson via email (preferred) at dcd@co.jefferson.wa.uqr or call 360-379-4465.

b. Diane McDaid, President, Jefferson County Aquatic Coalition

This nonprofit organization has been around for twenty years. They are tasked with helping the county pool (currently in Port Townsend) do the best possible job of serving the communities within Jefferson County and are an advocacy organization supporting aquatics. An improved public pool is needed. The current pool was built in 1963 as an outdoor facility (enclosed later) and is only nineteen yards. Aging equipment is experiencing severe and costly malfunctions. The question for the past couple of years has been where to put a new public pool. A location has been selected in Port Hadlock on school district property adjacent to the library and the new Habitat for Humanity property where 136 permanently affordable homes will be built. The Coalition has partnered with the County to survey the public regarding their opinions about the new proposed facility and non-aquatic features that may be included (most aquatic centers have a hard time covering costs with just aquatic activities and there will be a fee charged to use the pool). The survey is online at www.jeffcoaquaticcoalition.org/ until March 31, 2025 and takes five minutes. A new Public Facilities District (PFD) will be created to do all the detailed planning and financing for the new facility (they also have the authority to decide not to build here) and they need to know what county residents as well as part-time visitors desire. PFDs are governed by State laws. A Healthier Together Taskforce, led by Commissioner Greg Brotherton and consisting of eight county citizens, has been formed. After looking at logistics, it was decided not to build a new pool in Port Townsend but instead to try to find a more central location that is more easily available to the larger county population. The facility will be owned by the County and the PFD. The PFD will operate it or subcontract operations. A main reason this site was selected and what makes it viable is due to it being in the first phase of the Hadlock Sewer currently under construction. Building a facility on a septic system is challenging and expensive (South Whidbey Island added $2 Million to its new facility's cost by building it on a septic system). Jefferson is not overall a wealthy county, and the facility will be financed mostly through philanthropy and State grants. In addition, residents will vote on a new county-wide sales tax of 0.2%. By law, only sales tax can be increased to pay for public projects; there will be no additional property tax to pay for the pool. The Port Townsend pool is unable to host school aquatic athletic competitions because it is not regulation-sized; the new pool will be.

Note: Due to weather conditions, Commissioner Greg Brotherton was unavailable to attend to discuss OWSI but should be able to attend the next PLVC meeting.

c. **Jameson Hawn, Digital Communications Specialist, Jefferson County PUD**

Power outages last night were caused by heavy snow breaking branches. Temperatures remained around 30 degrees, so there were no cold load issues. Flickering lights are caused by a protective device on the feeder line that kicks in when an obstacle on a line is detected. The light show last night was flashes indicating a cutout protective device was opening. It's an inline fuse that opens a "gate", and the space generates an electric arc. The cutout device costs around $4.00 and protects neighborhood transformers, which cost $14,000 to replace. PUD is responsible for maintaining and upgrading a 50 – 60-year-old grid. A new substation transformer costs $1.3 Million and takes several months to acquire. PUD has been conducting rate studies to determine charges for the next four years, and the cost of everything including wholesale power is going up. An 11.5% rate increase in 2025 is likely. Bonneville Power (BPA), Jefferson County's sole electrical supplier, is increasing rates. Power is going up 9% and transmission could increase by 20%, so the cost to purchase power will rise. PUD is holding hybrid public discussions (see JeffPud.org for calendar) and invites all residents to attend. PUD has to account for demand and infrastructure for the next fifty years. WE have one of the cleanest power supplies in the country. It is 96% clean (85% hydro, 11% nuclear, remaining is solar, wind). Should OWSI fail, JeffPud is the "provider of last resort" and is legally obligated to manage the system. Port Ludlow is mostly serviced by direct bury underground lines, but they have an expected life of 20 – 30 years, even if encased in conduit, but they can last 50 – 60 years. There is no way of knowing for sure and a microscopic nick can take one of these lines down for around eight hours. PUD has three line crews who are out in all weather conditions.

Note: Due to weather conditions, Jason White from OWSI was unable to attend. John Goldwood presented a memo from Jason. PLVC plans to host a Town Hall specifically to address concerns about Port Ludlow water/sewer issues, hopefully by April. Public comment regarding a surcharge to be added to water bills specifically to address the brown water issues with ice pigging closed February 13. Approximate cost for the procedure is $330,000; PLA pays 30%, the remaining 70% is to be paid by customers. There will be a one-year surcharge on customer billing. The contract with the ice-pigging company is pending for County Commissioner approval. Work should begin late this summer or fall.

The Town Hall portion of the meeting ended at approximately 4:15 PM.

President John Goldwood called the Board of Directors Meeting to order at 4:29 PM. A quorum was present and the meeting followed Robert's Rules of Order for Small Boards. The meeting was recorded.

III. HOA Updates

a. Joan Johnston, PLVC Director and LMC Representative

The annual Polar Plunge was held. The water temperature of the outdoor pool before the cold snap was 44 degrees; it is now 38 degrees. All is going well and events are on the LMC website.

b. Bob Gilbert, PLVC Director and SBCA President

The South Bay Club is upgrading the auditorium with new omni-directional hand-held microphones and is redoing the upstage wall so the black curtains will move more effectively. A larger screen will be hung upstage and a wide-screen projector will be added. The monthly pancake breakfast tomorrow will benefit Center Valley Animal Rescue. There will be a Valentine's Day-themed social potluck next Friday. Work progresses with the website upgrade and community assessment.

IV. Board Business

a. **Approval of January 2, 2025 PLVC Meeting Minutes** with no edits or changes. Motion by carol prismon-reed, second by Howard Weiner. All approved, motion carried.

b. **Treasurer's Report** was presented by Treasurer John Cacho. John decided that PLVC 2.0 deserved a better financial report than previous editions and proposed working this way from now on. The new format includes more information and is much easier to read. It is easier to compare the month-to-month budget figures. John based the 2025 budget proposal on the 2024 budget with the caveat that it may need to be amended as the year progresses. Tam McDearmid motioned for adoption of the 2025 proposed budget as written. John Goldwood seconded; all approved, motion carried.

c. **PLVC Committee Assignments** were accepted at the board retreat in January. At this retreat, new PLVC Committees were created with some existing committees being moved under their umbrellas as subcommittees or eliminated.

The new committees and assignments will be published on the PLVC website and will include entire membership lists.

Finance and Fundraising, chair John Cacho, with members Lois Grazioli and carol prismon-reed.

Government and Business Relations, chair Howard Weiner, with members Brian Belmont (LMC - Beach Club. GM) and Mark Torres (SBCA -Bay Club GM)

Land Use, chair Bob Gilbert, with members Joan Johnston and carol prismon-reed.

The following are current standing committees, yet chair and membership have changed:

Communications, co-chairs Geoff Lang and Tracy Geipel, with members: Lois Grazioli, Tam McDearmid, Kay Mol.

Emergency Preparedness and Management, with new members Tracy Geipel, Bob Gilbert. (Note: This committee will continue to be chaired by Jason Wright and will change its name pending board approval)

Utilities, chair John Cacho, with member carol prismon-reed.

Bob Gilbert motioned to approve member committee appointments; John Cacho seconded. All approved, motion carried.

d. **President's Article for Submission to Port Ludlow Voice** was briefly discussed. John Goldwood motioned for approval; Howard Weiner seconded. All approved, motion carried.

e. **Letter in Support of OWSI Ice-pigging Project Surcharge to WUTC** was briefly discussed. carol prismon-reed has concerns regarding proper reporting of the work as it is being accomplished. She feels that OWSI should be directly accountable to PLVC with reporting to ensure that any potential recouping of possible excess funds will be successful. Tam McDearmid stated that the Utilities Committee receives regular reports from OWSI and shares these with PLVC. Kay Mol stated that the company runs tests continuously while they're doing the work. John Goldwood stated that the letter to WUTC is in support of the proposed surcharge. WUTC only provides approval and has nothing to do with the actual work performed. Jason White will provide PLVC with updates. Kay Mol motioned to approve the letter; John Cacho seconded. carol prismon-reed abstained from voting. All other members approved and the motion was carried.

f. **The Port Ludlow Village Council Website Name and URL Change** to portludlowvillagecouncil.org was discussed, and an update on the creation of the new website was provided by Geoff Lang. The entire Comms Com

(Communications Committee) is working on this. Changing the URL will facilitate the development of the new website without compromising the presence of the existing website at the same time. It will also facilitate the ability for all PLVC members now and in the future to work within Google Workspace, utilizing email addresses and shared drives. Google makes it much easier to transition from old to new and is considerably more user friendly. A functional website can soon go live. Geoff will continue to update the old website until then. Once the new site is live, there will be a redirect from the old site in place for two years and the redirect can work both ways. The major challenge once this is in place will be getting content from other directors. Comms Com can enter it, but the information must come from the committees.

g. **Discussion of Letter in Support of Richmond America Project** was tabled as the point had become moot.

h. **Other Items Not on the Agenda** were briefly discussed. Lois Grazioli read a list of the new consolidated Committees. Trails has been moved under Land Use. Chair Larry Scott has concerns about it becoming a subcommittee. John Goldwood spoke with Larry and assured him Trails won't lose their autonomy. PLVC carries the cost of insurance and major funding of around $5,000 total per year. No PLVC member has been assigned to Trails yet as PLVC Liaison, but it won't be an issue.

Kay Mol requested approval of the article she wrote about Wellness to the Voice. Lois Grazioli motioned for approval; Howard Weiner seconded. All approved, motion carried.

Approval of the New Website URL was requested due to pending printing orders. Lois Grazioli motioned to approve; carol prismon-reed seconded. All approved, motion carried.

Board Member Agreements Made at the Retreat covered topics the board would focus on throughout the year that are clearly beneficial to the entire community of Port Ludlow. John Goldwood felt it necessary to remind the board of this commitment to unification of North and South Bay residents and clubs. LMC doesn't tend to see growth in South Bay as being to their own benefit. We will be cautious about focusing on any topic that appears to benefit one "side" over the other.

The Community Development Committee has not yet been officially notified that their Committee no longer exists separately, reported Tam McDearmid. The Committee chair, Dave McDearmid, was present in the audience and stated that he continues to have an account in place with the State of Washington and will continue to monitor forest practice applications. He will continue to report to the County as needed, but "doesn't need to be on the board to do that".

V. Adjournment

carol prismon-reed motioned for adjournment. Tam McDearmid seconded. All approved, motion carried, and the meeting adjourned at 5:18 PM.

Next PLVC Workshop: Tuesday, February 18, 2025 3:00 – 5:00 PM in the Bay Club Conference Room.

Next PLVC Board Meeting: Thursday, March 6, 2025 3:00 – 5:00 PM in the Beach Club Bayview Room.

Respectfully Submitted by Secretary Tracy A. Geipel