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**Port of Port Townsend
2nd Monthly Meeting Agenda
Wednesday, August 23, 2017, 5:30 p.m.
Port Commission Building
333 Benedict Street
Port Townsend, WA**

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Consent Agenda
 - A. Approval of Public Workshop Minutes – August 9, 2017.....1-2
 - Approval of Meeting Minutes – August 9, 2017.....3-7
 - B. Approval of Warrants
- IV. Public Comments (not related to Agenda)
- V. Second Reading
- VI. First Reading
 - A. Boat Haven Restroom/Laundryroom Renovation Cost Estimates.....8-13
- VII. Regular Business
 - A. July 2017 Financials.....14
- VIII. Staff Comments
- IX. Public Comments
- X. Commissioner Comments
- XI. Next Public Workshop / Regular Meeting:
Wednesday, September 13, 2017, workshop at 9:30 a.m., meeting at 1:00 p.m. in the Port
Commission Building, 333 Benedict Street, Port Townsend, WA
- XII. Executive Session
- XIII. Adjournment

PORT COMMISSION PUBLIC WORKSHOP – August 9, 2017

The Port of Port Townsend Commission met for a Public Workshop in the Port Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners Hanke & Tucker, Commissioner Clinefelter
Executive Director Gibboney
Auditor Berg
Director of Operations & Business Development Englin
Recorder Nelson

I. CALL TO ORDER:

Commissioner Hanke called the Workshop to order at 9:30 a.m.

II. AGENDA:

Refer to attached workshop agenda for items discussed.

IV. ADJOURNMENT:

The Workshop adjourned at 11:26 a.m.

ATTEST:

Peter W. Hanke, President

Stephen R. Tucker, Secretary

Brad A. Clinefelter, Vice President

**Port of Port Townsend
Public Workshop
Wednesday, August 9, 2017, 9:30 a.m.
Port Commission Building
333 Benedict Street
Port Townsend, WA**

AGENDA

Mid-year Review of Preliminary 2017 Operating Budget

Workshop will include discussion on issues and goals for 2018.

Note: This is a Public Port Commission Workshop. Workshops are for information sharing only and no decisions will be made during the session. Public input may be taken at the Commissions' discretion

PORT COMMISSION REGULAR MEETING— August 9, 2017

The Port of Port Townsend Commission met in regular session at the Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners – Hanke, Clinefelter and Tucker
Executive Director Gibboney
Auditor Berg
Director of Operations & Business Development Englin
Communications Coordinator Matej
Attorney Lake
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Hanke called the meeting to order at 1:00 p.m.

II. APPROVAL OF AGENDA:

Commissioner Clinefelter moved to approve the Agenda as presented.
Commissioner Tucker seconded the motion.
Motion carried by unanimous vote.

III. CONSENT AGENDA:

Approval of Meeting Minutes – July 26, 2017

A. Approval of Warrants

Warrant #057961 through #057976 in the amount of \$65,389.76 for Payroll & Benefits
Electronic Payment in the amount of \$103,683.76 for Payroll & Benefits

Warrant #057977 through #058049 in the amount of \$127,661.41 for Accounts Payable

Commissioner Tucker moved to approve the Consent Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda) (0:55):

Anne Ricker read a thank you letter to Sam Gibboney from the Linger Longer Improvement Committee, in regards to securing the planning grant from CERB.

Clayton White requested inclusion of the community in the Quilcene planning process.

V. SECOND READING (Action Items):

A. Resolution No. 668-17, Amending the Delegation of Authority to Port Management, adopted by Resolution No. 655-17 (3:38):

Ms. Gibboney pointed out changes in the amendment, which include authorization for the ED to enter into lease agreements with terms up to five years and lease rates up to \$25K.

Commissioner Clinefelter moved to adopt Resolution No. 668-17 - Amending the Delegation of Authority to Port Management as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VI. FIRST READING (Discussion Only):

VII. REGULAR BUSINESS:

A. Potential Memorandum of Understanding (MoU) with the Point Hudson Boat Shop re: Armory Building Fire/Safety (5:09):

Ms. Gibboney stated she is seeking direction from the Commission. She explained fire and explosion risks exist in the Armory Building with the Boat Shop as a tenant. Ms. Gibboney reported the risk was brought to her attention early in her tenure and that the building was identified by EJFR as a potential red-tag for fire risk. This is the reason for the eviction notice to the Boat Shop, whose termination date is August 31, 2017. Ms. Gibboney explained to the Commission the two options: a) seek a different tenant with a different use - capitalizing improvements if necessary, or b) find another type of water-dependent, non-industrial use as required by the shoreline zoning and Master Plans, that would not require these types of fire improvements. Ms. Gibboney reported estimates at \$250K for building improvements, which would allow the Boat Shop to move back in. She stated a possible option would be to seek partnerships to help capitalize the building.

Commissioner Clinefelter asked if the Port has engaged the Northwest Maritime Center (NWMC) in conversation on options and ideas.

Ms. Gibboney replied that they have not expressed an interest. NWMC Director Jake Beattie responded.

Further lengthy discussion ensued in regards to Mr. Chapin's tenancy and building issues, with comments from Jim Buckley, Ted Shoulberg, John Collins, Steve Chapin, Bill Putney, Gwendolyn Tracy, Arren Day, Peter Geerloff and the Commission.

Ms. Gibboney stated the Port previously was provided notice by the Fire Department of the fire safety risk at the building and she only recently became aware of the 2002 (Washington Engineering) report. She stated the Port has clear record of building safety issues. She added that as a professional administrator, she must take action and it is her duty to prioritize life and property safety issues.

Seeking out a partnership was discussed.

B. June 2017 Financials (1:13:33):

Ms. Berg presented her standard monthly Year-to-Date report for June of 2017, with comparisons to the same time last year and the current year budget.

VIII. STAFF COMMENTS (1:17:25):

Ms. Gibboney reported the Port was awarded a \$50K grant (\$17K match) from CERB for Quilcene planning. She added the work plan would take place in 2018 and Quilcene community members will be included in the planning process.

Ms. Gibboney reported she and Ms. Matej have been working on the Point Hudson outreach plan. She also continues working on budget preparation for Commission consideration.

Mr. Englin reported he continues work on leases.

He reported he and Yard Manager Khile visited a few boatyards in Anacortes and La Conner recently. They looked at their Best Management Practices and a graveling project at Delta Marine.

Mr. Englin informed that he continues working with Marc Horton on the stormwater project.

He is working with staff on the labor agreement.

Last, he reported that he continues working with maintenance, yard and business managers on the business plan, which will be included in the kickoff of the budget process.

Ms. Matej reported she is working on a Port survey that Port staff will use to interview fair goers at this weekends' county fair.

She reported she completed a full-page ad design for the Leader's Wooden Boat Festival pullout. She added that Port staff now designs about 80% of our ads.

Ms. Matej stated she has been planning community engagement outreach and working on product for the Wooden Boat Festival and Pacific Marine Expo.

Last, Ms. Matej announced Ms. Gibboney asked her to serve as the Port rep for the County Public Infrastructure Fund meetings.

Ms. Gibboney provided an update for Mr. Toews. She happily announced the abandoned vessel John Cobb has finally left the Port for Oregon.

She reported a favorable review was received from RCO on the BIG Tier II grant submittal for work on Point Hudson's north jetty. The final submittal due date is August 15, 2017.

Last, she reported September 7th and the 14th are being considered for the meeting with airport tenants on the runway project.

Attorney Lake added an additional item to Executive Session - "Litigation Updates".

Ms. Berg reported she is working on two insurance claims – one for the vessel the Bernice and one for the Travelift accident.

She reported she is working on several Public Records Requests (PRRs) with Ms. Nelson. She added she has been working on mid-year reporting, which is a new process this year.

Finally, Ms. Berg reported that Union negotiation meetings have begun.

Ms. Nelson stated she has been working on booth arrangements for the 2017 Pacific Marine Expo and the 2018 Seattle Boat Show.

She reported she is working on many PRRs, staff meeting and conference planning/schedules, web updates and will soon be submitting ads for the stormwater RFP.

IX. PUBLIC COMMENTS (1:36:14):

John Collins – removal of abandoned vessel Cool Change from Port Hadlock docks.

Anne Ricker - Quilcene beach conservation area.

Bob Frank –signage suggestion on derelict vessel rules.

Bill Putney – Armory Building research and historic documentation.

X. COMMISSIONER COMMENTS (1:43:50):

Commissioner Tucker reported on the recent NODC meeting where a discussion was held on Craft 3 lenders and their ability to offer loans to community business members. He thanked the Port for use of the Port boat so he could install "No Anchor" signs in eelgrass bed areas.

Commissioner Clinefelter mentioned he checked out the sand filter units in the yard, built by local tenants, and was impressed.

He also expressed his concerns about derelict vessels that are abandoned on Port tenants leased areas and how these businesses are stuck with the costs. He does not want this to be overlooked. Mr. Englin responded that staff has provided guidance on this to tenants, but it is also a responsibility of the business to keep aware. He gave kudos to Yard Manager Khile, Yard Customer Service Rep Counsellor and Business Manager Quandt for being vigilant avoiding risks of derelict and abandoned vessels coming into the Port.

Commissioner Hanke responded to comments earlier about Armory Building maintenance. He also spoke about the Port's and community's responsibility of maintaining marine heritage.

Commissioner Hanke reported on a recent meeting he and Ms. Gibboney attended with County Commissioner Kler and County Administrator Morley, who recognize the Port's need for jetty funding.

XI. NEXT PUBLIC WORKSHOP & REGULAR MEETING:

Wednesday, August 23, 2017 at 5:30 p.m. in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

The regular session recessed for a 30-minute Executive Session at 2:52 p.m., with a three-minute period for audience members to exit the room. At 2:55 p.m. the Executive Session began to discuss Personnel-Performance of an Employee, pursuant to RCW 42.30.110 (g) and Litigation, pursuant to RCW 42.30.110 (i), thirty-minute total duration with possible action. At 3:25 p.m. the session was extended to 4:21.

XIII. RECONVENING AND ADJOURNMENT:

The meeting reconvened AT 4:21 P.M.

Commissioner Clinefelter moved to increase the salary of the Executive Director by \$10,000 annually and to fund the ED's Deferred Compensation account at 10% of salary.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

There being no further business to come before the Commission, the meeting adjourned at 4:26 p.m.

ATTEST:

Peter W. Hanke, President

Stephen R. Tucker, Secretary

Brad A. Clinefelter, Vice President

PORT OF PORT TOWNSEND

MEETING OF: August 23, 2017

AGENDA ITEM: VI. First Reading
A. Boat Haven Restroom/Laundryroom Renovation Cost Estimates

BACKGROUND:

Total cost estimate and project options to be discussed.

Executive Director's Recommendation:

For review and discussion.

Overall Project

HVAC: Involves replacement with a new HVAC system supplying additional capacity for heating and humidity control. This will require removal of all existing equipment and ducting and a reconfiguration of the mechanical room (for adequate space and servicing). The new configuration will require reconfiguration of access to the mechanical room including new doors / vents.

Interior: Involves removal of deteriorated interior wall coverings and replacement with new material (FRP) / reuse of all fixtures & dividers / refinish of wall board and paint. Refinish of floors in bathroom / showers / laundry.

Exterior: Project involves change of appearance of exterior to match the Administration Building. This includes addition of corrugated metal material along the base over existing T111 siding and repainting.

Unisex Restroom: involves creation of a new unisex restroom from the existing laundry space. This will include removal of existing window and installation of a new entry, creation of divider wall, reconfiguration of plumbing / electrical, installation of fixtures, lighting, refinish

ITEM		ESTIMATE
DEMOLITION		\$11,500
FRAMING		\$5,500
EXTERIOR IMPROVEMENTS / PAINT		\$12,000
WINDOWS / DOORS		\$7,500
INTERIOR FINISH / PAINT		\$19,000
FLOORING		\$9,500
PLUMBING / FITTINGS		\$7,500
HVAC		\$49,800
ELECTRICAL		\$7,000
PROJECT TOTAL		\$129,300
CONTINGENCY	10%	\$12,930
PROJECT SUBTOTAL		\$142,230
TAX	9%	\$12,801
PROJECT TOTAL		\$155,031

Notes:

- 1 Excludes A/E Fees
- 2 Installed Prices
- 3 Bollard replacement not included

Estimates prepared by Marc Horton (8/18/17) based on an overall project estimate prepared by The Woolsey Company (8/5/17) and preliminary design prepared by Terrapin

Phase 1 - HVAC Improvements

Project involves replacement with a new HVAC system supplying additional capacity for heating and humidity control. This will require removal of all existing equipment and ducting and a reconfiguration of the mechanical room (for adequate space and servicing). The new configuration will require reconfiguration of access to the mechanical room including new doors / vents.

ITEM		ESTIMATE
DEMOLITION		\$3,000
FRAMING		\$1,500
EXTERIOR IMPROVEMENTS / PAINT		\$0
WINDOWS / DOORS		\$5,000
INTERIOR FINISH / PAINT		\$1,500
FLOORING		\$0
PLUMBING / FITTINGS		\$0
HVAC		\$49,800
ELECTRICAL		\$5,000
PROJECT TOTAL		\$65,800
CONTINGENCY	10%	\$6,580
PROJECT SUBTOTAL		\$72,380
TAX	9%	\$6,514
PROJECT TOTAL		\$78,894

Notes:

- 1 Excludes A/E Fees
- 2 Installed Prices

Estimates prepared by Marc Horton (8/18/17) based on an overall project estimate prepared by The Woolsey Company (8/5/17) and preliminary design prepared by Terrapin

Phase 2 - Interior Improvements

Project involves removal of deteriorated interior wall coverings and replacement with new material (FRP) / reuse of all fixtures & dividers / refinish of wall board and paint. Refinish of floors in bathroom / showers / laundry.

ITEM		ESTIMATE
DEMOLITION		\$6,500
FRAMING		\$2,000
EXTERIOR IMPROVEMENTS / PAINT		\$0
WINDOWS / DOORS		\$0
INTERIOR FINISH / PAINT		\$15,000
FLOORING		\$8,000
PLUMBING / FITTINGS		\$0
HVAC		\$0
ELECTRICAL		\$0
PROJECT TOTAL		\$31,500
CONTINGENCY	10%	\$3,150
PROJECT SUBTOTAL		\$34,650
TAX	9%	\$3,119
PROJECT TOTAL		\$37,769

Notes:

- 1 Excludes A/E Fees
- 2 Installed Prices

Estimates prepared by Marc Horton (8/18/17) based on an overall project estimate prepared by The Woolsey Company (8/5/17) and preliminary design prepared by Terrapin

Phase 3 - Exterior Improvements

Project involves change of appearance of exterior to match the Administration Building. This includes addition of corrugated metal material along the base over existing T111 siding and repainting.

ITEM		ESTIMATE
DEMOLITION		\$0
FRAMING		\$0
EXTERIOR IMPROVEMENTS / PAINT		\$12,000
WINDOWS / DOORS		\$0
INTERIOR FINISH / PAINT		\$0
FLOORING		\$0
PLUMBING / FITTINGS		\$0
HVAC		\$0
ELECTRICAL		\$0
PROJECT TOTAL		\$12,000
CONTINGENCY	10%	\$1,200
PROJECT SUBTOTAL		\$13,200
TAX	9%	\$1,188
PROJECT TOTAL		\$14,388

Notes:

- 1 Excludes A/E Fees
- 2 Installed Prices
- 3 Bollard replacement not included

Estimates prepared by Marc Horton (8/18/17) based on an overall project estimate prepared by The Woolsey Company (8/5/17) and preliminary design prepared by Terrapin

Phase 4 - Unisex Restroom / Laundry Reconfiguration

Project involves creation of a new unisex restroom from the existing laundry space. This will include removal of existing window and installation of a new entry, creation of divider wall, reconfiguration of plumbing / electrical, installation of fixtures, lighting, refinish of floors, finish and painting.

ITEM		ESTIMATE
DEMOLITION		\$2,000
FRAMING		\$2,000
EXTERIOR IMPROVEMENTS / PAINT		\$0
WINDOWS / DOORS		\$2,500
INTERIOR FINISH / PAINT		\$2,500
FLOORING		\$1,500
PLUMBING / FITTINGS		\$7,500
HVAC		\$0
ELECTRICAL		\$2,000
PROJECT TOTAL		\$20,000
CONTINGENCY	10%	\$2,000
PROJECT SUBTOTAL		\$22,000
TAX	9%	\$1,980
PROJECT TOTAL		\$23,980

Notes:

- 1 Excludes A/E Fees
- 2 Installed Prices

Estimates prepared by Marc Horton (8/18/17) based on an overall project estimate prepared by The Woolsey Company (8/5/17) and preliminary design prepared by Terrapin

PORT OF PORT TOWNSEND

MEETING OF: August 23, 2017

AGENDA ITEM: VII. Regular Business
A. July 2017 Financials

BACKGROUND:

In the Commission meeting packet for their review, is the year-to-date operating results of the Port. This is measured against the same period of the prior year and compares the budget to actual percentage of activity. The highlights of activity results are included in the narrative. (Financial data will be available end of day, Monday, August 21.)

Executive Director's Recommendation:

For review.