

The Port
OF PORT TOWNSEND
SERVING ALL OF JEFFERSON COUNTY

Port of Port Townsend
2nd Monthly Regular Business Meeting
Wednesday, August 22, 2018, 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. Public Comments
- IV. Consent Agenda
 - A. Approval of Regular Business Meeting Minutes – August 8, 2018.....1-4
 - Approval of Special Meeting Minutes – August 15, 2018.....5-6
 - B. Approval of Warrants
- V. Second Reading
- VI. First Reading
- VII. Regular Business
 - A. Authorizing Resolution No. 685-18: FAA Airport Grant Funding Acceptance for the JCIA Phase 2 Runway Rehab Project.....7-12
 - B. Professional Services Contract for Phase 2 of the JCIA Runway Rehab Project.....13-72
 - C. Leasing Policy Advisory Committee (LPAC)-Review and Selection of Applicants.....73-78
 - D. Public-Private Partnership for Development and Operation of Pumpout Boat.....79-90
 - E. July 2018 Financials.....91-101
 - F. Award of Workyard Resurfacing Contract 2018-08-01.....102-107
- VIII. Staff Comments
- IX. Commissioner Comments
- X. Next Public Workshop / Business Meeting:
PUBLIC WORKSHOP: Wednesday, September 12, 2018, 9:30 am
BUSINESS MEETING: Wednesday, September 12, 2018, 1:00 pm
Port Commission Building, 333 Benedict Street, Port Townsend, WA
- XI. Executive Session
 - A. Potential Litigation, pursuant to RCW 42.30.110 (1) (i)
- XII. Adjournment

PORT COMMISSION BUSINESS MEETING– August 8, 2018

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

Present: Commissioners – Tucker, Hanke (arrived 1:09 pm), and Putney
Executive Director Gibboney
Auditor Berg
Director of Operations & Business Development Englin
Director of Planning, In-house Counsel Toews
Communications Coordinator Matej
Attorney Chmelik (arrived 1:09 pm)
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker delayed the 1:00 pm start and called the meeting to order at 1:09 p.m. (Delayed for the anticipated late arrival of Commissioner Hanke and Attorney Chmelik.)

II. APPROVAL OF AGENDA:

Commissioner Tucker proposed the following addition to Item VII Regular Business, C) Letter from Port of Friday Harbor Requesting Support to Help the Killer Whales.

Commissioner Putney moved to approve the Agenda as amended.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

III. PUBLIC COMMENTS (00:01:30):

Liz Hoenig read from her 8/6/18 note to the Commission regarding Policy Guidance for Budget Development, etc.

Chris Sanok commented on the Lease Policy Ad Hoc Committee and recommended two individuals for membership consideration. He expressed his concern with holding only two meetings.

Pam Petranek commented on the benefits of including marine trades and the community in planning processes, and on the Draft Lease Policy – suggesting abandonment of the current draft and suggested changes to a new draft policy.

Bertram Levy commented on the “\$325K net income” and revenue sources discussed at the last commission meeting; suggested opening the comment period after financials are read; and, commented on the amount of money spent on projects that never moved forward.

Melinda Bryden disagreed with Mr. Levy’s comments, and spoke her opinion of the PT Marine Trades Association and the NW Maritime Center and their proposal to manage Point Hudson.

Troy McKelvey commented on the letter from San Juan County (Port of Friday Harbor on the whales) and urged the Commission not to sign the agreement. He discussed salmon counts, increase in hatchery production, the proposal, etc. Discussion ensued with the Commission on this issue.

IV. CONSENT AGENDA (00:19:25):

A. Approval of Regular Meeting Minutes – July 25, 2018

B. Approval of Warrants

Warrant #059373 through #059385 in the amount of \$60,970.05 for Payroll & Benefits

Electronic Payment in the amount of \$108,609.00 for Payroll & Benefits

Warrant #059386 through #059435 in the amount of \$72,877.81 for Accounts Payable

Commissioner Hanke moved to approve the Consent Agenda as presented.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

V. SECOND READING (Action Items):

VI. FIRST READING (Discussion Only):

VII. REGULAR BUSINESS:

A. Leasing Policy Advisory Committee Process (00:19:34):

Mr. Toews reminded this was discussed at the last commission meeting. He outlined staff's recommendations for the committee size (five (5) members) and the expertise to be represented, the method & timeline for member selection, the responsibility of the committee and the deadline for the committee to complete their work. Mr. Toews explained staff is determined to make progress and stated that with a smaller committee it is easier to schedule meetings and get full attendance. He explained the application and process would be posted on the Port's website. The application process would close August 15, 2018. At the August 22, 2018 Commission Meeting, the Commissioners would review the applications and make their committee member selections. Mr. Toews stated the goal would be to present to the Commission at the September 12, 2018 meeting the advisory report, formulated by the committee and Port staff. In answer to a question from Commissioner Putney, Mr. Toews reported he and Attorney Chmelik would staff the committee meetings.

Commissioner Tucker stated he is pleased with the recommended composition of the committee and planning for two meetings since the Commission and staff have been working on lease drafts for quite some time.

Attorney Chmelik stated they have been working on standard leases used by various ports in Washington State, including airports, marine, DNR properties, etc. He reiterated the policy is separate and lease rates are a function of the Commission.

Mr. Toews specified the draft policy would be presented to the Commission, not the lease templates.

Commissioner Hanke stated the Commission sets the policy and they will review recommendations but will make the final decision. He believes two committee meetings will work.

Further discussion and clarification ensued after questions from Commissioner Putney.

Commissioner Hanke moved to direct staff to proceed forward with the Port Leasing Policy Advisory Committee as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

B. Letter of Withdrawal – City Zoning Code Text Amendment (00:32:53):

Mr. Toews reminded of the application submitted by the Port to the City (February 1, 2018) seeking changes to Chapter 17.22 of the Port Townsend Municipal Code, to allow for open storage and recreational vehicle use in that part of the Point Hudson facility that lies upland and outside the Shoreline Management jurisdiction. Since the submittal, staff has received comments expressing concern for a better process. Staff has heard the application was not well received by the City and chances of acceptance are not good. A suggestion was made that the Port participates fully in the Shoreline Master Plan update process, which must be completed by June 30, 2020. Port participation would allow the Port to fully express its' needs and to work in collaboration with the City on an amendment package.

Commissioner Tucker moved to authorize staff to submit the Letter of Withdrawal as presented.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

C. Letter from the Port of Friday Harbor Requesting Support to Help the Killer Whales (00:38:02):

Commissioner Tucker read a letter from the Port of Friday Harbor where they are considering a resolution to advocate for a fixed allocation of Chinook salmon to be set aside for the endangered Southern Resident Killer Whales (SRKW). The Port of Friday Harbor is requesting that similarly impacted ports and the WPPA send a request to the Pacific Fishery Management Council advocating for this fixed allocation.

Commissioner Hanke offered his view, in a "whale 101" briefing. He suggests also that staff contact other port directors to arrange a conference call to gather a combined recommendation to the Governor's task force. He stated he is fine with the Port of Friday Harbor letter, but he would like Canada to get the message to clean up the Fraser River and for hatcheries to be used at 100% capacity in order to provide more and larger salmon for the SRKW population (in agreement with Mr. McKelvey's "Public Comment" made earlier).

Commissioner Tucker expressed his views and discussed the salmon allotment and a need to increase hatchery fish. He recommends a conversation with other port directors.

Further discussion ensued.

The Commission agreed to direct staff to arrange a conference call with other port directors (including the Port of Friday Harbor) to develop a joint letter to the Governor's Task Force, and to other potential entities.

VIII. STAFF COMMENTS (00:55:30):

Ms. Gibboney reported staff has been working with internal staff and Port attorneys to develop a response to the Dept. of Ecology (DOE). The Technical Memo and letter asking for a follow-up meeting were sent to DOE. Commissioner Tucker asked if part of the strategy includes protecting the Port from possible third party law suites. Ms. Gibboney answered in the affirmative.

Ms. Berg provided an update on vacant employment positions at the Port. She reported the Hoist Op II position has been filled and was promoted from within, which led to a vacant Hoist Op I opening, which also was filled by a promotion from within. This leaves the Yard Laborer position vacant. Ms. Berg reported the interview team is debriefing for a second round of interviews for the Facilities Maintenance Manager position, and applicants have been interviewed for the Security Officer position and staff is prepared to make an offer.

IX. COMMISSIONER COMMENTS (00:58:08):

Commissioner Putney reported he met recently with the Linger Longer Committee, where he learned that a new flow developed on the Little Quilcene River, doubling the river's flow rate. The origination of that flow had not been determined by the meeting time. He also reported the Quilcene Community continues their interest in the CERB grant and that they would like to have the opportunity to learn about the study. Last, Commissioner Putney said the community is anxious to have the swim ladder returned as soon as maintenance has finished repairing it.

X. NEXT PUBLIC WORKSHOP / BUSINESS MEETING:

PUBLIC WORKSHOP: Wednesday, August 22, 2018 at 3:00 pm

BUSINESS MEETING: Wednesday, August 22, 2018 at 5:30 pm

Both held in the Port Commission Building, 333 Benedict St, Port Townsend.

XI. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 2:10 pm to review the performance of a public employee, pursuant to RCW 42.30.110 (1) (g), duration of one hour with possible action.

XII. ADJOURNMENT:

The meeting reconvened, and with no action taken, adjourned at 3:30 pm there being no further business to come before the Commission.

ATTEST:

Stephen R. Tucker, President

William W. Putney, III, Secretary

Peter W. Hanke, Vice President

PORT COMMISSION SPECIAL MEETING– August 15, 2018

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

Present: Commissioners – Tucker, Hanke and Putney
Director of Operations & Business Development Englin
Director of Planning, In-house Counsel Toews
Communications Coordinator Matej
Attorney Chmelik
Minutes – Nelson

Excused: Executive Director Gibboney
Auditor Berg

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker called the meeting to order at 1:30 p.m.

II. APPROVAL OF AGENDA:

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

III. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 1:31 p.m. to evaluate the qualifications of an applicant for public employment, or to review the performance of a public employee, pursuant to RCW 42.30.110 (1) (g), duration of one hour with potential action.

At 2:00 p.m. a fifteen minute extension of Executive Session was announced to the public.

IV. RECONVENING OF PUBLIC SESSION:

Commissioner Tucker reconvened the meeting at 2:15 p.m. and began by reading a Letter of Resignation from Executive Director Sam Gibboney.

Commissioner Tucker moved to accept Director Gibboney's Letter of Resignation, and approve the Separation Agreement and the Letter of Recommendation for Director Gibboney.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker moved to appoint Eric Toews as Acting Executive Director.

Attorney Chmelik explained the role of an Acting Executive Director.

Commissioner Putney seconded the motion on the floor.

Motion carried by unanimous vote.

XII. ADJOURNMENT:

The meeting adjourned at 2:52 p.m. there being no further business to come before the Commission.

ATTEST:

Stephen R. Tucker, President

William W. Putney, III, Secretary

Peter W. Hanke, Vice President

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	August 22, 2018
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. A) Authorizing Resolution No, 685-18: FAA Airport Improvement Grant Funding Acceptance for JCIA Phase 2 Runway Rehab Project
STAFF LEAD	Eric Toews
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Info Memo B. Resolution No. 685-18

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 8/17/2018
TO: Port Townsend Port Commission
FROM: Port Executive Staff
SUBJECT: FAA Airport Improvement Program (AIP) Grant Authorizing Resolution No. 685-18

ISSUE: Should the Commission authorize the Port's Acting Executive Director to submit a grant application to the FAA seeking funding to support Phase 2 of the JCIA Runway Rehabilitation Project?

BACKGROUND: The United States Department of Transportation's Federal Aviation Administration (FAA) provides grants to public agencies for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems (NPIAS). Grant monies are awarded and administered by the FAA through the Airport Improvement Program (AIP) grant program. This program provides vital financial assistance in the preservation of the nation's airports, including the Jefferson County International Airport (JCIA). The AIP supports ninety percent (90%) of the cost of "eligible" planning, design and capital improvements (i.e., those that enhance airport safety, capacity, security and environmental concerns within public use areas).

The runways and taxiways at the JCIA represent a major public infrastructure investment that plays a valuable transportation role in our community, especially as a means to access our area in the event of a natural disaster. The runway at the JCIA was first paved in 1988. As it has aged, the upkeep of the existing runways and taxiways has become increasingly important. In 2013, runway cracks were filled and a slurry coat was applied as part of the preventative/ordinary maintenance of the facility. While this FAA AIP-supported routine maintenance work improved the aesthetic appearance and helped to achieve the design life of the pavement, it did not materially extend its design life.

The Port's Capital Improvement Program for the JCIA scheduled the design for the runway in fiscal years (FY) 2017 and 2018, and the rehabilitation of the runway surface for FY 2019. The project is reflected in the Port's 2014 Master Plan Update and capital budget, the State Capital Improvement Program (SCIP) and the FAA's Airport Capital Improvement Plan (ACIP). The assessment of need, as well as the timing of the JCIA Runway Rehab project, was the product of careful, thoughtful, long-term capital analysis and programming. Of necessity, the lead-times for projects of this scope and complexity are considerable, in order to allow for detailed engineering and construction, and to avoid costs associated with improper project scheduling. The objective is to methodically address capital needs before they become crises.

DISCUSSION: Consistent with the Port's updated Airport Master Plan and approved capital budget, the Port Commission authorized Phase 1 of the Runway Rehabilitation Project in June of 2017. The Phase 1 work, which is nearly completed, involved pre-design, environmental review, development of an obstacle action plan, and 40% engineering design.

The 2017 contract originally anticipated that a 60% design submittal would be completed during Phase 1 of the project. However, geotechnical site investigations conducted in Phase 1 revealed significant variation in existing asphalt thickness (i.e., from 1-6") with no distinguishable aggregate base material under the existing runway. Based on the results of these site investigations and the 30% design, it became apparent that runway rehabilitation could not be limited to an asphalt overlay of the existing

shed slope runway. Instead, the geotechnical findings indicated that replacement of the sub-base material and the asphalt paving would be necessary, consistent with the FAA standard "crowned slope" configuration. Work during Phase 1 also revealed that additional stormwater infiltration and obstructions analyses (i.e., survey work, property ownership review) work would be necessary, and that a 60% design submittal would not be possible within the available budget. Accordingly, a "no cost" amendment to the scope of services was agreed to in May of 2018, requiring completion of additional stormwater and obstructions analyses and achievement of a 40% design, rather than formal submission of 60% design documents.

Phase 2 of the project will involve 60%, 90%, 100% and final design documents, as well as bid services (Phase 3, Construction, is slated for 2019). As an eligible airport sponsor that owns and manages a NPIAS airport, 90% of the cost of this Phase 2 work may be funded through FAA administered Airport Improvement Program (AIP) grant monies. The Phase 2 work is anticipated to cost \$460,365,¹ with \$414,329 provided through FAA AIP monies. The remaining 10%, or \$46,036, is to be provided through Port matching funds.

Staff has prepared a draft of Port Commission Resolution No. 685-18, authorizing the Acting Executive Director to execute and file all documents necessary for application to the FAA's Airport Aid Program grant assistance for Phase 2 of the Runway Rehabilitation Project. The Port's source of matching funds is the Port of Port Townsend's Operating Reserves Fund. Application materials will be submitted to the FAA by the end of August.

FISCAL IMPACT: As indicated in the discussion above, acceptance of the AIP funding requires a 10% match (\$46,036) by the Port.

RECOMMENDATION: Approve the attached Resolution 685-18 authorizing the Acting Executive Director to submit a grant application to the FAA for AIP grant funding to support Phase 2 of the JCIA Runway Rehabilitation Project.

ATTACHMENTS: One (1) attachment is included: draft Port Commission Resolution No. 685-18.

¹ The above amount (\$460,365) includes \$3,000 for the Port's contract administration costs. Thus, the Reid-Middleton contract before the Commission under Agenda Item VII A reflects an upset limit of \$457,365, rather than the \$460,365 set forth above.

RESOLUTION NO. 685-18

A Resolution of the Commission of the Port of Port Townsend

RESOLUTION AUTHORIZING THE ACTING EXECUTIVE DIRECTOR OF THE PORT OF PORT TOWNSEND TO FILE AN APPLICATION WITH THE UNITED STATES DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION, SEEKING AIRPORT IMPROVEMENT PROGRAM GRANT FUNDS TO SUPPORT PHASE 2 OF THE RUNWAY REHABILITATION PROJECT AT THE JEFFERSON COUNTY INTERNATIONAL AIRPORT, ASSURING THAT IT WILL COMPLY WITH ALL UNDERSTANDINGS AND ASSURANCES OF SUCH GRANT AGREEMENT, AND ASSURING FURTHER THAT LOCAL MATCHING FUNDS ARE AVAILABLE AND AUTHORIZED.

WHEREAS, the Port of Port Townsend is a municipal corporation established in 1924 under Title 53 of the Revised Code of Washington; and

WHEREAS, under RCW 53, the Port of Port Townsend is responsible for developing and maintaining infrastructure that fosters economic development, providing transportation facilities that support commerce and communities within Jefferson County; and

WHEREAS, under RCW §53.08.020 the Port of Port Townsend is specifically authorized to construct, purchase, acquire, lease, maintain and operate air transfer and terminal facilities subject to all applicable state and federal laws; and

WHEREAS, the Port of Port Townsend considers it to be in the best interests of the public to apply for financial assistance through the Federal Aviation Administration Airport (FAA) Improvement Program (AIP) to substantially fund Phase 2 of the Runway Rehabilitation Project (60%, 90%, 100% and final design documents, and bid services) precedent to reconstruction of Runway 9/27 and relocation of the center taxiway for safety purposes at the Jefferson County International Airport (JCIA);

WHEREAS, the grant agreement for FAA/AIP financial assistance imposes certain obligations and conditions upon the applicant Port, and requires the Port to provide certain specific assurances, among them the availability of sufficient funds for its portion of the project cost; and

WHEREAS, the Port anticipates that the total project cost for Phase 2 of the JCIA Runway Rehabilitation Project will not exceed \$460,365, of which amount \$414,329 (90%) is anticipated from FAA AIP grant monies, with the remaining 10%, or \$46,036 to be provided through Port of Port Townsend matching funds; and

WHEREAS, the Port had cash reserves of \$2,407,890 on July 31, 2018, and therefore has the matching funds available to cover its share of project costs;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Port Townsend, as follows:

1. Port Acting Executive Director, Eric Toews, or his designee, is authorized to execute and file such documents as may be necessary for the application and award of Airport Improvement Program (AIP) grant assistance for Phase 2 of the JCIA Runway Rehabilitation Project on behalf of the Port of Port Townsend with the Federal Aviation Administration (FAA). This authorization expressly includes the AIP Certifications and Assurances for Airport Sponsors.
2. Port Acting Executive Director, Eric Toews, or his designee, is further authorized to administer the Port's previously promulgated Disadvantaged Business Enterprise (DBE) program for the Port of Port Townsend, a DOT/FAA requirement for all AIP supported projects exceeding \$250,000, which will ensure that small businesses owned and controlled by socially and economically disadvantaged individuals are provided a fair opportunity to compete for federally funded contracts involving the JCIA.
3. Any AIP grant assistance received will be used for direct costs associated with implementation of the project referenced above.
4. Upon consultation with the Port's Director of Finance and Administration, S. Abigail Berg, the Commission of the Port of Port Townsend has concluded, and hereby assures the FAA, that local matching funds are available and have been authorized for Phase 2 of the JCIA Runway Rehabilitation Project.
5. This Resolution becomes part of a formal application to the FAA for AIP grant assistance.
6. The Commission provided an opportunity for public comments on this grant application during its August 22nd, 2018 regular meeting, has given fair consideration to the interest of residents in proximity to the project area, has ensured that affected parties that use the JCIA have been informed and consulted during Phase 1 of the Runway Rehabilitation project, and will continue to inform and consult with affected parties during the work conducted under this AIP grant (i.e, Phase 2).

ADOPTED this 22nd day of August 2018, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Steven R. Tucker, President

Peter W. Hanke, Vice President

William W. Putney III, Secretary

APPROVED AS TO FORM:

Port Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	August 22, 2018
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. B) Professional Services Contract for Phase 2 of the JCIA Runway Rehabilitation Project
STAFF LEAD	Eric Toews
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Info Memo B. Exhibit A: Reid Middleton Professional Services Agreement C. Exhibit B: Reid Middleton Scope of Services D. Exhibit C: Reid Middleton Schedule of Charges E. Exhibit D: Runway Rehab Environmental Services and Permitting Proposal and Scope F. Exhibit E: Landau Associates - Geotechnical Engineering Services SOW G. Exhibit F: Elcon Associates - Electrical SOW

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 8/17/2018
TO: Port Townsend Port Commission
FROM: Port Executive Staff
SUBJECT: Professional Services Contract for Phase 2 of the JCIA Runway Rehabilitation Project

ISSUE: Should the Commission authorize the attached Professional Services Contract for Phase 2 Engineering for runway rehabilitation at the Jefferson County International Airport (JCIA)?

BACKGROUND: In April of 2015, and following publication of a formal Request for Qualifications for Airport Planning and Engineering Services, the Port selected Reid Middleton to serve as its on-call professional airport engineering firm for projects at the Jefferson County International Airport (JCIA). The solicitation expressly reserved the right to retain the selected firm for up to five (5) years (i.e., through 2020) at the Port's discretion.

As the Port's on-call engineering firm selected for JCIA projects, Reid Middleton is tasked with undertaking a wide range of professional airport-related planning, engineering, surveying, testing, grant preparation, environmental review, and construction management activities on behalf of the Port. These services include: carrying out amendments to the FAA approved Airport Master Plan (AMP); preparing Airport Improvement Program (AIP) grant applications; and undertaking the civil engineering necessary for the configuration and rehabilitation of taxiways, service roads, and the runway at the JCIA. Although selected as the Port's "on-call" engineer for the JCIA, Reid Middleton does not have a standing contract with the Port. Rather, specific scopes of work and contracts are developed for projects that have been identified and programmed in the Port's FAA-approved Airport Master Plan.

On June 28, 2017, the Commission authorized the Executive Director to enter into a Professional Services Contract for "Phase 1" of a multi-year design, engineering and construction project to rehabilitate or reconstruct runway 9-27 and the associated taxiway at the JCIA. This multi-year (2017-2019) project will result in the reconstruction of the 3,000 feet long by 75 feet wide, runway and relocation of the center taxiway for improved operational safety. The project will also include associated grading, storm drainage, lighting, electrical, and signage modifications required due to the reconstruction of the runway, and the removal of tree obstructions on Port property.

The Phase 1 work was authorized by the Commission in 2017 and is now largely complete. Phase 1 involved the following:

- Initial site investigations and pre-design work;
- Disadvantaged Business Enterprise (DBE) Program development;
- Exploration of the possibility of obtaining a "modification to standards" from the FAA to allow the existing "shed configuration" of the runway to be retained (i.e., rather than reconstruction using a "crowned" cross-section);
- Environmental review;
- Development of an Obstacle Action Plan; and
- Engineering design work.

DISCUSSION: As indicated in the staff memo prepared for the Phase 2 AIP Grant, geotechnical site investigations conducted in Phase 1 revealed that complete replacement of the runway sub-base material and the asphalt paving is necessary, and that the FAA standard "crowned slope" configuration will be required. Additionally, Phase 1 work revealed the need for additional stormwater infiltration and obstructions analyses. This work was accomplished following a "no cost" change to the scope of services, with the understanding that Phase 1 engineering work would achieved a 40%, rather than a 60% level of design.

Phase 2 of the project will involve completion of 40% to final design, bid plans and specifications, and bid support services (Phase 3, Construction, is slated for 2019). As reflected in the Scope of Services included within your packet materials, major components of the Phase 2 work will include:

- Environmental services and permitting;
- Additional data collection to support final design;
- Detailed engineering design relating to erosion control, pavement, runway and taxiway profiles and cross sections, storm drainage design, sub-drain design;
- Preparation and submittal of the 60% level plan set;
- Critical review and evaluation of the 60% plans;
- Further design refinement and preparation and submittal of the 90% level plan set (including 90% level quantities and cost estimates, construction safety and phasing plan, project layout plan, etc.);
- Preparation of the electrical plan;
- Final refinement and preparation of the 100% design plan set;
- Preparation of the final bid specifications; and
- Bid phase assistance to the Port.

The expected project completion date is May 31, 2019.

Staff now requests Commission authorization to enter into a second Professional Services Agreement with Reid Middleton for "Phase 2" of the project. Reid Middleton proposes to complete the work outlined in the attached Contract and Scope of Services for \$457,365.00. The proposed fee is within 3% of the independent fee estimate (IFE) prepared on behalf of the Port by Precision Approach Engineering, Inc., in July of this year (i.e., for the identical scope of services). Staff has assessed the scope of services and fee proposal submitted by Reid Middleton, Inc., in relation to the IFE prepared by Precision Approach Engineering. We have concluded that Reid Middleton's final fee proposal is fair, reasonable and appropriate.

FISCAL IMPACT: Ninety percent (90%) of the funding for Phase 2 (\$411,629) will be through FAA AIP grant monies, with the remaining 10% (\$45,736) drawn from Port cash reserves.

RECOMMENDATION: Authorize the acting Executive Director to execute the attached Professional Services Agreement for Phase 2 of the JCIA Runway Rehabilitation project.

ATTACHMENTS: One (1) document is included for your review, the draft Professional Services Agreement, along with Exhibits "A" through "F" which are attached to the agreement. Exhibits "A" through "F" consist of the following:

1. Exhibit "A": Scope of Services
2. Exhibit "B": Detailed Fee Estimate

3. Exhibit "C": Fee Schedule
4. Exhibit "D": Subconsultant Scope for Environmental Services
5. Exhibit "E": Subconsultant Scope for Geotechnical Services
6. Exhibit "F": Subconsultant Scope for Electrical Services

**Port of Port Townsend
Professional Services Agreement**

**For "Phase 2" Engineering Design Services – Jefferson County International Airport Runway
Rehabilitation Project**

THIS AGREEMENT is entered into between the Port of Port Townsend, hereinafter referred to as the "PORT," and Reid Middleton, Inc., hereinafter referred to as "CONSULTANT," in consideration of the mutual benefits, terms, and conditions hereinafter specified.

- 1. Project Designation.** CONSULTANT is retained by the PORT to provide "Phase 2" professional engineering design services precedent to rehabilitation of the runway at the Jefferson County International Airport (JCIA). This phase of the project will include services required to complete 60%, 90% and 100% Final Design documents and bid services. The scope of work to be addressed in this project is covered under a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant. Exhibits "A", "D", "E" and "F" hereto detail the specific services to be performed by CONSULTANT and its subconsultants.
- 2. Consultant Qualification.** CONSULTANT warrants that it has the required skills to perform the work specified in this agreement, and warrants and represents that it has complied with all federal, state, and local laws regarding business permits and licenses that may be required to perform the work as set forth in this agreement.
- 3. Scope of Services.** CONSULTANT and its subconsultants shall provide the services as agreed upon with the PORT and detailed in Exhibits "A", "D", "E" and "F" to this agreement.
- 4. Time and Duration of Agreement.** This agreement shall remain in effect until completion of the services described in Exhibits "A", "D", "E" and "F" and final payment has occurred, unless otherwise terminated in accordance with this agreement (see section 13 below). Work shall not commence until the PORT provides CONSULTANT with written notice to proceed. The PORT will not issue a notice to proceed until CONSULTANT has provided insurance as required by this agreement. All work shall be completed by May 31, 2019.
- 5. Reimbursement.**
 - a. CONSULTANT shall be reimbursed an amount not to exceed \$457,365.00 for the work performed hereunder, consistent with the Fee Estimate set forth in Exhibit "B" to this agreement and the Schedule of Charges detailed in Exhibit "C" to this agreement. The PORT shall make no payments in advance or in anticipation of services or supplies to be provided under this agreement.

- b. Payment shall be made as follows: CONSULTANT will provide either electronic or hard copy invoices to the PORT no more than once per month. Invoices should be sent to S. Abigail Berg, Director of Finance/Port Auditor. The PORT will pay invoices within 30 days of receipt, unless there is a question or need for additional documentation, in which case resolution will be sought expeditiously. The final invoice for payment under this agreement must be submitted to the Port no later than thirty (30) days from submission of the 60% Level Design Documents the PORT's project manager, subject to the PORT's approval of the documents submittal.
- c. Invoices shall contain a description of the work completed, days and hours worked, billing rate, and fees, and shall be submitted on a monthly basis;
- d. The reimbursement amount set forth above is the total amount due to the CONSULTANT for all services performed and expenses incurred under this agreement;
- e. The reimbursement amount includes all direct labor costs, overhead costs, and direct (expense) costs, including materials, supplies, equipment, costs for travel, reproduction costs and telephone, facsimile and computer use incurred during the term of the agreement;
- f. The CONSULTANT shall maintain time and expense records and provide them not more frequently than monthly to the PORT, along with invoices in a format acceptable to the PORT for work performed to the date of invoice. The CONSULTANT shall provide progress reports, scheduling and completion information upon request by the PORT;
- g. If the services rendered do not meet the requirements of this agreement, the CONSULTANT will correct or modify the work to comply with this Agreement. The PORT may withhold payment for such work until the work meets the requirements of the Agreement.

6. Access to Records and Reports. The CONSULTANT must maintain an acceptable cost accounting system. The CONSULTANT agrees to provide the PORT, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives, access to any books, documents, papers, and records of the CONSULTANT which are directly pertinent to this agreement for the purpose of making audit, examination, excerpts and transactions. The CONSULTANT agrees to maintain all books, records and reports required under this agreement for a period of not less than three (3) years after final payment is made and all pending matter are closed.

7. Hold Harmless and Indemnification. CONSULTANT shall indemnify and hold harmless the PORT, its officers, agents and employees, from and against any and all reasonable claims, losses or liability, or any portion thereof, including reasonable attorneys fees and costs, arising from injury, sickness, disease or death to persons, including injuries, sickness, disease or death to CONSULTANT or damage to property occasioned by a negligent act, error, omission or failure of the CONSULTANT.

8. Insurance Requirements.

- a. CONSULTANT shall obtain and keep in force during the entire term of this agreement, liability insurance against and all claims for damages to person or property which may arise out of the performance of this agreement, whether such work shall be by the CONSULTANT, sub-consultants, and/or their agents and/or employees. The CONSULTANT agrees to the following requirements relating to insurance coverage and shall provide evidence of all insurance required by submitting an insurance certificate to the PORT on a standard "ACORD" or comparable form:
 - 1) Commercial General Liability – coverage on occurrence form CG0001 or equivalent with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate;
 - 2) Automobile Liability – covering owned, non-owned and hired vehicles with minimum of \$1,000,000 combined single limit per accident; and
 - 3) Professional Liability – a minimum of \$2,000,000 in the aggregate and \$1,000,000 per claim in professional liability insurance unless otherwise negotiated and confirmed in writing by both parties. Insurance coverage shall have a retroactive date before the date of notice to proceed and coverage shall remain in effect for the entire term of the agreement (plus three (3) years).
- b. The insurance required by this agreement shall be issued by an insurance company authorized to do so in Washington State, and the policies shall name the PORT, its agents and employees as additional insured's; EXCEPT, however, that CONSULTANT is not required to add the PORT or its agents and employees as an additional insured on its professional liability policy or workers' compensation policy. All policies shall be primary to any other valid and collectable insurance and not contributory to any similar insurance carried by the PORT, and shall contain a severability of interest or cross liability clause. Such insurance shall not be canceled or materially altered without first giving thirty (30) days' written notice thereof to the PORT. The CONSULTANT shall submit renewal certificates as appropriate during the term of the agreement.
- c. Excess Coverage: By requiring insurance herein, the PORT does not represent that coverage and limits will be adequate to protect CONSULTANT and such coverage and limits shall not limit CONSULTANT'S liability under paragraph 7, above.

- 9. Independent Contractor.** CONSULTANT and the PORT agree that CONSULTANT is an independent contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. CONSULTANT shall not be entitled to any benefits accorded PORT employees by virtue of the services provided under this agreement. The PORT shall not be responsible for withholding or otherwise deducting

federal income tax or social security or for contributing to the State Industrial Insurance program, otherwise assuming the duties of an employer with respect to CONSULTANT.

10. **Subconsultants.** CONSULTANT shall have the right to retain subconsultants to perform portions of the services under this agreement. If the PORT reasonably objects in writing to a particular subconsultant, CONSULTANT shall replace the subconsultant if it is mutually agreed to be in the best interests of the project.
11. **Assignment.** Subject to the right to retain subconsultants set forth in paragraph 10, above, CONSULTANT shall not assign any of the services covered by this agreement without the expressed written consent of the PORT, which consent may be withheld for any reason.
12. **Ownership and Use of Documents.** All documents and other materials produced by the CONSULTANT in connection with the services rendered under this agreement are the property of the PORT. The CONSULTANT shall be permitted to retain copies of such materials, as long as any use of such materials outside of work for the PORT is subject to written permission from the PORT. CONSULTANT shall not be held liable for reuse of documents or modifications thereof, including electronic data, by the PORT or its representatives for purposes other than the intent of this agreement.
13. **Drug-Free Workplace Policy.** The PORT has adopted a Drug-Free Workplace Policy that the workplace will be a drug free environment conducive to conducting the PORT's business free from unlawful manufacture, distribution, dispensing, possession or use of controlled substances. This policy applies to PORT Commissioners, PORT employees, and contractors conducting business on PORT property.
14. **Compliance with Laws.** CONSULTANT shall, in performing the services contemplated by this agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations applicable to the services to be rendered under this agreement.
15. **General Civil Rights Provisions.** The CONSULTANT agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the CONSULTANT and subconsultants from the effective date of this agreement through the completion of the services described in Exhibits "A", "D", "E" and "F" to this agreement and final payment. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.
16. **Compliance with Nondiscrimination Requirements.** During the performance of this agreement, the CONSULTANT, for itself, its assignees, and successors in interest agrees

as follows:

- a. Compliance with Regulations: The CONSULTANT will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this agreement.
- b. Non-discrimination: The CONSULTANT, with regard to the work performed by it during the agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subconsultants or subcontractors, including procurements of materials and leases of equipment. The CONSULTANT will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- c. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the CONSULTANT for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subconsultant, subcontractor or supplier will be notified by the CONSULTANT of the CONSULTANT's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.
- d. Information and Reports: The CONSULTANT will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the PORT or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of the CONSULTANT is in the exclusive possession of another who fails or refuses to furnish the information, the CONSULTANT will so certify to the PORT or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
- e. Sanctions for Noncompliance: In the event of CONSULTANT'S noncompliance with the non-discrimination provisions of this agreement, the PORT will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to: 1) withholding payments to the CONSULTANT under the agreement until the CONSULTANT complies; and/or 2) cancelling, terminating, or suspending the agreement, in whole or in part.
- f. Incorporation of Provisions: The CONSULTANT will include the provisions of subparagraphs (a) through (f) of this paragraph 16 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The CONSULTANT will take action with respect to any subcontract or procurement as the PORT or the Federal Aviation Administration may direct as a means of

enforcing such provisions including sanctions for noncompliance. Provided, that if the CONSULTANT becomes involved in, or is threatened with litigation by a subconsultant, subcontractor, or supplier because of such direction, the CONSULTANT may request the PORT to enter into any litigation to protect the interests of the PORT. In addition, the CONSULTANT may request the United States to enter into the litigation to protect the interests of the United States.

- 17. Compliance with Pertinent Nondiscrimination Acts and Authorities.** During the performance of this agreement, the CONSULTANT, for itself, its assignees, and successors in interest agrees, to comply with the following non-discrimination statutes and authorities, including, but not limited to the following:
- a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
 - b. 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
 - c. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
 - d. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
 - e. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
 - f. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
 - g. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
 - h. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
 - i. The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
 - j. Executive Order 12898, Federal Actions to Address Environmental Justice in

Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- k. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- l. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

18. Disadvantaged Business Enterprises (DBE). The requirements of 49 CFR part 26 apply to this agreement. It is the policy of the PORT to practice nondiscrimination based on race, color, sex or national origin in the award or performance of this agreement.

- a. Contract Assurance. The CONSULTANT or subconsultants shall not discriminate on the basis of race, color, national origin, or sex in the performance of this agreement. The CONSULTANT shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the CONSULTANT to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy, as the PORT deems appropriate.
- b. Prompt Payment. The CONSULTANT agrees to pay each subconsultant under this agreement for satisfactory performance of its contract no later than thirty (30) days from the receipt of each payment the CONSULTANT receives from the PORT. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the PORT. This clause applies to both DBE and non-DBE subconsultants.

19. Energy Conservation Requirements: When applicable, CONSULTANT and its subconsultants shall comply with mandatory standards and policies relating to energy efficiency as contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201et seq).

20. Federal Fair Labor Standards Act (Federal Minimum Wage). This agreement and all subcontracts that result from this agreement incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. The CONSULTANT has full responsibility to monitor compliance to the referenced statute or regulation. The CONSULTANT must address any claims or disputes that arise from this

requirement directly with the U.S. Department of Labor – Wage and Hour Division.

- 21. Occupational Safety and Health Act of 1970.** This agreement and all subcontracts that result from this agreement incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. CONSULTANT must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The CONSULTANT retains full responsibility to monitor its compliance and their subconsultant's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). CONSULTANT must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

22. Trade Restriction Certification.

- a. The CONSULTANT certifies that with respect to this agreement and any resultant subcontract, the CONSULTANT:
 - 1) Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (U.S.T.R.);
 - 2) Has not knowingly entered into any agreement or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the U.S.T.R; and
 - 3) Has not entered into any subcontract for any product to be used on this Federally supported project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R.
- b. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.
- c. The CONSULTANT must provide immediate written notice to the PORT if the CONSULTANT learns that its certification or that of a subconsultant was erroneous when submitted or has become erroneous by reason of changed circumstances. The CONSULTANT must require its subconsultants to provide immediate written notice to the CONSULTANT if at any time it learns that its certification was erroneous by reason of changed circumstances.
- d. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no subcontract shall be awarded to a subconsultant:
 - 1) Who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R.; or

- 2) Whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such U.S.T.R. list; or
 - 3) Who incorporates in the public works project any product of a foreign country on such U.S.T.R. list.
- e. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of the CONSULTANT or their subconsultants is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
 - f. The CONSULTANT agrees that it will incorporate this provision for certification without modification in all lower tier subcontracts. The contractor may rely on the certification of a prospective subconsultant that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by U.S.T.R, unless the CONSULTANT has knowledge that the certification is erroneous.
 - g. This certification is a material representation of fact upon which reliance was placed when entering into this agreement. If it is later determined that the CONSULTANT or one of their subconsultants knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the PORT cancellation of the agreement or subcontract for default at no cost to the PORT or the FAA.
23. **Veteran's Preference.** In the employment of labor (excluding executive, administrative, and supervisory positions), the CONSULTANT and all of their subconsultants must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.
24. **Texting When Driving.** In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant. In support of this initiative, the PORT encourages the CONSULTANT to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The CONSULTANT must include the substance of this clause in all subcontracts exceeding \$3,500 and involve driving a motor vehicle in performance of work activities associated with the project.

25. Consultant Certifications Regarding Debarment.

- a. The CONSULTANT certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.
- b. The CONSULTANT, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction", must verify each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally assisted project. The CONSULTANT will accomplish this by:
 - 1) Checking the System for Award Management at website:
<http://www.sam.gov>;
 - 2) Collecting a certification statement similar to the certification regarding debarment and suspension set forth in subparagraph (a) of this paragraph 25; and by
 - 3) Inserting a clause or condition in lower tier contracts involving covered transactions.

If the FAA later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

26. Consultant Certification Regarding Lobbying. The CONSULTANT certifies by executing this agreement that, to the best of its knowledge and belief:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the CONSULTANT, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The parties shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Agreement to the certification set forth in this paragraph 26 is a prerequisite for making or entering into this agreement imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 27. Clean Air and Water Pollution Control.** CONSULTANT agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 U.S.C. § 740-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). The CONSULTANT agrees to report any violation to the PORT immediately upon discovery. The PORT assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration. The CONSULTANT shall include this requirement in all subcontracts that exceed \$150,000.
- 28. Breach of Contract Terms.**
- a. Any violation or breach of terms of this agreement on the part of the CONSULTANT or its subconsultants may result in the suspension or termination of this agreement or such other action that may be necessary to enforce the rights of the parties of this agreement.
 - b. The PORT will provide CONSULTANT with written notice that describes the nature of the breach and corrective actions the CONSULTANT must undertake in order to avoid termination of the agreement. The PORT reserves the right to withhold payments to CONSULTANT until such time the CONSULTANT corrects the breach or the PORT elects to terminate the agreement. The PORT's notice will identify a specific date by which the CONSULTANT must correct the breach. The PORT may proceed with termination of the agreement if the CONSULTANT fails to correct the breach by the deadline indicated in the PORT's notice.
 - c. The duties and obligations imposed by this agreement and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.
- 29. Termination for Convenience.**
- a. The PORT may, by written notice to the CONSULTANT, terminate this agreement for its convenience and without cause or default on the part of CONSULTANT. Upon receipt of the notice of termination, except as explicitly directed by the PORT, the CONSULTANT must immediately discontinue all services affected.
 - b. Upon termination of the agreement, the CONSULTANT must deliver to the PORT all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the CONSULTANT and their subconsultants under this agreement, whether complete or partially complete.

- c. The PORT agrees to make just and equitable compensation to the CONSULTANT for satisfactory work completed up through the date the CONSULTANT receives the termination notice. Compensation will not include anticipated profit on non-performed services.
- d. The PORT further agrees to hold CONSULTANT harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

30. Termination for Default.

- a. Either party may terminate this agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.
- b. The terminating party must provide the breaching party seven (7) days advance written notice of its intent to terminate the agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.
- c. Termination by PORT:
 - 1) The PORT may terminate this agreement in whole or in part, for the failure of the CONSULTANT to:
 - i) Perform the services within the time specified in this agreement or by PORT approved extension;
 - ii) Make adequate progress so as to endanger satisfactory performance of the project; or
 - iii) Fulfill the obligations of the agreement that are essential to the completion of the project.
 - 2) Upon receipt of the notice of termination, the CONSULTANT must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the agreement, the CONSULTANT must deliver to the PORT all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the CONSULTANT and their subconsultants under this agreement, whether complete or partially complete.
 - 3) The PORT agrees to make just and equitable compensation to the CONSULTANT for satisfactory work completed up through the date the CONSULTANT receives the termination notice. Compensation will not include anticipated profit on non-performed services. The PORT further agrees to hold CONSULTANT harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

- 4) If, after finalization of the termination action, the PORT determines the CONSULTANT was not in default of the agreement, the rights and obligations of the parties shall be the same as if the PORT issued the termination for the convenience of the PORT.
- d. Termination by CONSULTANT:
 - 1) The CONSULTANT may terminate this agreement in whole or in part, if the PORT:
 - i) Defaults on its obligations under this agreement;
 - ii) Fails to make payment to the CONSULTANT in accordance with the terms of this agreement; or
 - iii) Suspends the project for more than one hundred and eighty (180) days due to reasons beyond the control of the CONSULTANT.
 - 2) Upon receipt of a notice of termination from the CONSULTANT, the PORT agrees to cooperate with CONSULTANT for the purpose of terminating the agreement or portion thereof, by mutual consent. If the PORT and CONSULTANT cannot reach mutual agreement on the termination settlement, the CONSULTANT may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this agreement based upon the PORT's breach of the agreement.
 - 3) In the event of termination due to PORT breach, the CONSULTANT is entitled to invoice the PORT and to receive full payment for all services performed or furnished in accordance with this agreement and all justified reimbursable expenses incurred by the CONSULTANT through the effective date of termination action. The PORT agrees to hold the CONSULTANT harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.
31. **Jurisdiction, Venue & Governing Law.** In the event of any litigation hereunder, the Superior Court of Jefferson County, Washington shall have the exclusive jurisdiction and venue, and this Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
32. **Integrated Agreement.** This agreement together with attachments or addenda represents the entire and integrated agreement between the PORT and CONSULTANT and supersedes all prior negotiations, representations, or agreements written or oral. This agreement may be amended only by written instrument signed by both PORT and CONSULTANT.
33. **Notices.** All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

TO THE PORT:

Eric Toews
Port of Port Townsend
P.O. Box 1180
Port Townsend, Washington 98368
Phone: (360) 385-0656

and to:

S. Abigail Berg, Director of Finance & Administration
Port of Port Townsend
P.O. Box 1180
Port Townsend, Washington 98368
Phone: (360) 385-0656

TO THE CONSULTANT:

Reid Middleton, Inc.,
c/o Shannon M. Kinsella, P.E.
Principal
728 134th Street SW
Everett, WA 98204
Phone: (425) 741-3800

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

DATED this _____ day of August 2018.

CONSULTANT:

Shannon M. Kinsella, P.E., Principal
Reid Middleton, Inc.

PORT OF PORT TOWNSEND:

Eric Toews, Acting Executive Director
Port of Port Townsend

Approved as to Form:

Port Attorney

**Exhibit A
Engineering Scope of Services**

**Jefferson County International Airport
Runway Rehabilitation Project
Phase 2,
60-, 90-, 100-Percent, and Final Design Documents, and Bid Services
Port of Port Townsend**

A. PROJECT UNDERSTANDING

The Port of Port Townsend (Port) has authorized Reid Middleton (Consultant) to perform design services for Jefferson County International Airport (JCIA). The work outlined herein covers the second phase of a multi-phased project. The Overall Development Objective of this project is to reconstruct the 3,000 foot by 75 foot wide Runway 9/27 and relocate the center taxiway for safety improvements at JCIA. The work also includes associated grading, storm drainage, lighting, electrical, and signage modifications required due to the reconstruction of the runway. Removal of two tree obstructions on Port property in the Runway 9 approach will also occur as part of the project.

Runway 9/27 was constructed in 1990 and is approximately 28 years old. The runway was designed with an approximate life cycle of 20 years. A crack/joint repair and surface seal coat was applied to the runway and taxiways during the fall of 2013. The work restored the physical health of the airfield pavements to a serviceable level. The Port's Capital Improvement Program for JCIA has set the design for a runway rehabilitation in 2017 and 2018 fiscal years. The construction of the rehabilitation of the runway surface is scheduled for the 2019 fiscal year.

The Phase I contract for the work included initial site investigations, 30 percent and 60 percent designs, DBE program development, and other services. In order to complete some additional field work to determine infiltration rates in the existing pond and determine specific property ownership and location of obstructions, the Phase I contract was amended to eliminate the 60 percent design submittal and include the additional field and environmental work. This second phase of the project will include services required to complete 60 percent, 90 percent, 100 percent, Final Design documents and bid services.

The geotechnical site investigation found variation in existing asphalt thickness and base material under the existing runway. The existing asphalt thicknesses ranged from 1 inch to 6 inches with an average thickness of 3 inches. No distinguishable aggregate base material was found beneath the asphalt. The base material under the asphalt ranged from clay to a mixture of sand and gravel. Based on the results of the site investigations and 30 percent design, the runway rehabilitation will include replacement of subbase material and asphalt paving. Since FAA standards require a crown slope and the full section of

the runway requires rebuilding, a crown slope section in place of the existing shed slope section will be utilized for the rehabilitation of the runway.

The runway edge lighting will be replaced due to the regrading along each side of the reconstructed runway and age of the lighting system. New Illuminated Distance to Go Signs will be installed due to regrading and condition of the existing signs. Other lighting and signage will be relocated as needed including the REILs and taxiway signage.

Storm drainage work will include new swales and collection systems required due to the change in drainage patterns created by the switch from a shed slope to a crown slope. New subdrains will be installed to replace the existing older subdrain system since the condition and functionality of the existing older buried subdrain system is unknown.

The scope of work related to regulatory requirements for detention of storm drainage is still being determined based on ongoing Phase 1 work. The Phase 1 work to be completed includes determining infiltration rates in the existing pond, refinement of the stormwater modeling, and meeting with the County to determine stormwater requirements. The results of this Phase 1 work will determine if the existing ponds with some modifications will be approved for the storm drainage detention requirements or if an expansion of the pond system will be required. It is assumed in this scope that an Environmental Assessment will not be required but that a cultural assessment and wetland delineations will be required. This scope includes a decision point following results of the Phase 1 stormwater analysis to readjust the environmental services as necessary depending on the results of the Phase 1 stormwater analysis.

In summary the project includes the following key items of work

1. Miscellaneous Demolition
2. Reconstruction of Runway 9/27
3. Relocation of the center taxiway
4. Grading associated with the runway reconstruction and taxiway relocation
5. New Subdrains
6. Modifications to the stormwater system
7. Replacement of MIRLs system and associated electrical wiring
8. Signage relocation and replacement as required by regrading and taxiway relocation including relocation of REILs and new Illuminated Distance to Go Signs

This scope of work is covered under a FAA Airport Improvement Program (AIP) Grant. The Consultant will perform the services detailed in section B below.

B. SCOPE OF SERVICES**1. Project Formulation**

Perform Project Formulation for the rehabilitation of Runway 9-27. The tasks below outline the functions of Project Formulation for the project.

1.1. 90 Percent and Final Design Phase Coordination Meetings

Two meetings at the Port's office in Port Townsend to discuss the progress and elements of the project. Topics include project review goals and objectives, schedule, stakeholder coordination, funding sources, and project responsibilities. The Consultant will be represented by the project manager and designer. A meeting duration of at least **two** hours is anticipated for each of the two meetings with a total meeting time of 8 hours including travel for each meeting.

1.2. Work Elements Coordination

The Consultant will continue to coordinate with the stakeholders. Topics include the desired runway section, drainage features, lighting, navigational measures, and other pertinent items. This task includes a coordination meeting with the Port and FAA to assist in coordination for the project. It is assumed that the meeting requires 8 hours total including travel time. This task also includes phone calls with stakeholders including pilots.

1.3. Independent Fee Estimate (IFE) Coordination

Coordinate with the Port and IFE consulting firm. Provide the draft scope and blank fee estimate spreadsheet for the IFE consulting firm's use. Conduct one conference call with the Port and IFE consulting firm (if necessary) to discuss finding of the IFE process.

2. Project Administration

Provide project administration tasks for the Runway Rehabilitation project. The administration period will be conducted over an eleven-month period. The tasks include: coordination with stakeholders, managing staff and subconsultants, project schedule, project progress, invoicing, and FAA reimbursement assistance. The following outlines the project administration tasks for the final engineering phase:

2.1. Project Administration and Management

Prepare monthly billings and progress reports describing the services provided and completed. The package will outline the budget status, elements of work completed, and future work elements. This task will require four hours of management time each month for the duration of the project.

2.2. Coordination with the Port and FAA

Coordinate with the Port and FAA's primary contacts to relay project tasks and objectives. This task will require two hours of coordination per week for the duration of the project.

2.3. Subconsultant Management

Coordinate with subconsultants regarding contracting procedures, contract execution with the subconsultant, and invoice subconsultant's work during the project. The Consultant will coordinate with its subconsultants to ensure compliance with project schedule, budget, and deliverables. Subconsultant coordination will need one hour per week.

2.4. Project Schedule

Prepare and submit an updated project schedule for the Port's approval. The schedule will include review and approval times required by the Port and FAA. If required, the schedule will be adjusted as the project progresses, allowing for changes in scope, changes in character or size by the Port or FAA, or for delays beyond the Consultant's reasonable control. Any changes to the schedule must receive approval from the Port and FAA. **Two** revisions to the project schedule will be submitted.

Deliverables: One electronic PDF of the project schedule sent to the Port and FAA.

2.5. Quarterly Performance Reports

Prepare and submit a Quarterly Performance Report once every three months. It is anticipated that **three** reports will be prepared and submitted.

Deliverables: One electronic PDF version of the FAA Quarterly Performance Reports will be submitted to the FAA and Port.

2.6. Review Subconsultant's Deliverables

Review and provide feedback to the subconsultant about their product deliverables for the project. Review the products meet the project

objectives and goals. Assume three review periods for subconsultant submittals.

2.7. FAA AIP Grant Coordination and Application

The Consultant will prepare one FAA Grant Application. The application will include the following:

- SF-424 Application for Federal Assistance
- 5100-100 Application for Development Projects (Parts II-IV)
- CIP Data Sheet
- Standard DOT Title VI Assurances
- Certifications for Contracts, Grants, Loans and Coop Agreements
- Title VI Pre-Award Sponsor Checklist
- FAA ACs Req. for Use in AIP Funded and PFC Approved Projects
- Grant Assurances Airport Sponsors
- Sponsor Certifications

Deliverables: One electronic copy of the FAA Grant Application to the Port. The Port will sign and distribute scanned copies to the FAA and Consultant.

2.8. DBE Program Coordination

2.8.1. Respond to Additional Comments from Office of Civil Rights

Review and respond to comments on the submitted DBE Program Report. Services may include up to two revisions of the submitted DBE Program and updating the Goal calculations if requested by the Office of Civil Rights. Coordinate with the Port DBE Liaison Officer. Modifications will be posted to the required online system and a pdf copy of the report will be provided to the Port.

Deliverables: Submit the final DBE Program Report in the following forms:

- Posting of any report modifications to the FAA Civil Rights Connect site.
- One electronic copy in PDF format of the report to the Port and FAA.

3. Stakeholder Engagement

Support the Port in stakeholder engagement including coordination and discussion with the County, users, and tenants.

3.1. Stakeholder Open House Meetings

Attend and present at up to two public open house type stakeholder meetings. Prepare graphics and a Power Point presentations to share information with the stakeholders at the meeting. Receive and review comments from the stakeholders for consideration into the design process for the project.

3.2. Coordination Calls and Meeting

Participate in coordination calls and attend one meeting at the Port office or JCIA with key stakeholders to discuss project elements, and coordination of construction elements. It is assumed that the meeting requires 8 hours total including travel time.

3.3. County Regulatory Coordination Meeting

Reid Middleton will attend one coordination meeting with the County to discuss regulatory requirements related to stormwater, wetlands, geological and other environmental site conditions. The meeting will be held at the County office in Port Townsend and will be attended by Reid Middleton's project manager and project engineer. It is assumed that the meeting requires 8 hours total including travel time.

4. Environmental Services and Permitting

Reid Middleton and an Environmental Subconsultant will prepare environmental documentation for permitting of the project. The full scope of services provided by the environmental consultant is included in Exhibit D. The following summarizes the key environmental services.

4.1. Site Visit, Delineation, and JARPA

The Environmental Subconsultant will perform a site visit to the Airport. The biologists will determine wetland presence, potential wildlife habitat, or other environmental concerns related to the runway rehabilitation project. This will include wetland delineation in the areas impacted by the proposed construction. Architectural historians will evaluate structures and buildings at the airport to determine if they are eligible for inclusion on the National Register of Historic Places (NRHP).

4.1.1. Delineation of Waters of the State and U.S.

A Waters of the State and U.S. delineation is required for the site in order to establish the existence and the physical limits of wetlands. The Environmental Subconsultant will conduct a site-specific investigation to identify wetland areas within or in the general vicinity of the planned improvements on the airport property.

If wetlands are present during the investigation, the boundaries will be marked with flagging tape. The Environmental Subconsultant will provide a map identifying the approximate locations of the wetlands. Additionally, if it appears the projects will adversely impact wetlands, the Environmental Subconsultant will investigate potential on and off site mitigation locations.

4.1.2. Critical Area and Wetland Delineation Report

The Environmental Subconsultant will prepare a Critical Areas and Wetland Delineation Report in conformance to the applicable standards. Please refer to Exhibit D for the Environmental Subconsultant's detailed wetland delineation and report scope items.

4.1.3. Joint Aquatic Resources Permit Application (JARPA)

A JARPA will be prepared for submittal to the regulatory agencies. The JARPA will include application materials, technical descriptions, drawings, and an alternative analysis to demonstrate how impacts have been avoided and minimized as required. Reid Middleton and the Environmental Consultant will coordinate with the Port and FAA and regulatory agencies on the permit process.

Deliverables:

- Refer to Exhibit D for task deliverables.

4.2. Biological Evaluation (No Effect Letter)

A biological evaluation will be conducted under the Section 7 of the Endangered Species Act. The Environmental Subconsultant will review available resources, conduct a site review, and develop biological evaluation documentation. Based on the Phase 1 work, the Environmental Consultant has determined that no ESA-listed species or Critical Habitat will be affected by the proposed project. Based on the Phase 1 analysis and additional environmental work in Task 4.1, it is assumed that a No Effect letter will be appropriate. The Environmental Subconsultant will

provide a draft No Effect letter for Port and FAA review and a final No Effect letter and assist with the agency consultation process including one meeting with the regulatory agencies. Please refer to Exhibit D for the Environmental Subconsultant's detailed Biological Evaluation scope items.

Deliverables:

- Refer to Exhibit D (Task 3) for task deliverables.

4.3. Cultural Resource Assessment

A cultural resource assessment will be conducted at the airport and will include background research, a field survey, architectural evaluation, and preparation of a technical report. Please refer to Exhibit D for the Environmental Subconsultant's detailed Cultural Resource Assessment (Task 4) scope items.

Deliverables:

- Refer to Exhibit D for task deliverables.

4.4. Environmental Submittal Package

Reid Middleton and the Environmental Subconsultant will review existing data and site information and prepare draft permit documentation. This scope is based on the assumption that none to minimal storm drainage pond expansion is required and any impacts to wetlands can be minimized such that the project will be covered under a U.S. Corps of Engineers (Corps) Nationwide Permit. This scope is also based on the assumption that a Categorical Exclusion will be applicable and an Environmental Assessment (EA) will not be required.

Following the completion of the infiltration testing, stormwater analysis, and discussion with the County under the Phase 1 agreement and Amendment 1, a decision point will be reached. The decision point will be made early on in the 60 percent design process. If at that time it is determined that a substantial storm drainage pond expansion is required that will impact wetlands to the degree that a Corps Individual Permit and an Environmental Assessment are required, then the scope of services will be reviewed with the Port and FAA and an amendment will be prepared to de-scope items and add elements as required to perform permitting work associated with the Individual Permit and EA process. The project scope and schedule will be readjusted at that time as necessary.

Decision Point: Based on infiltration and stormwater analysis results, will the project be covered under a Categorical Exclusion and Nationwide Permit?

The following scope of services assumes the project is covered under a Categorical Exclusion process and Corps Nationwide Permit.

The Environmental Subconsultant will prepare an environmental submittal of findings requesting the FAA to grant the project a Categorical Exclusion under the National Environmental Policy Act (NEPA). The Consultant will also provide the FAA a completed Northwest Mountain Region – Airports Division Categorical Exclusion Form, version 08/08/07 (CatEx Form), the Critical Areas Report (wetland documentation), Biological Evaluation (No Effect Letter), Cultural Resource Assessment, and 60-percent design concept plans.

As stated at the decision point if any additional design or environmental requirements beyond the stated tasks (within this scope) are required, these will be conducted by adjusting the scope of services or adding additional services in an amendment to the existing grant or under a separate grant. The specific requirements are dependent on the FAA Categorical Exclusion Determination Process review for the project.

4.4.1. Categorical Exclusion (CatEx) Process

A CatEx Form will be completed and coordinated by the Environmental Subconsultant for this project. The Environmental Subconsultant will utilize available resources in the research of items within the form and document relevant findings. The Environmental Subconsultant will collect and package together all relevant items for the FAA Categorical Exclusion Determination Process review submittal. The following outlines the items that will be submitted to the FAA for their environmental review:

- Environmental Package Summary Letter
- CatEx Form
- Critical Areas Report (Wetland Delineation Documentation)
- Biological Evaluation (No Effect Letter)
- Cultural Resource Assessment
- 60-percent Design Concept Plans – Runway Rehabilitation

It is our understanding that the FAA Categorical Exclusion Determination Process will review all of the submitted documentation, compare the 60-percent design concept plans with

the wetland delineation documentation, review and compare the proposed action (project impacts to the surrounding environment) to the list of categorical exclusions, and determine if additional environmental studies or actions are required. If it is identified that extraordinary circumstances are not involved on the projects, the FAA has the option to issue and file a categorical exclusion determination.

One draft copy of the documents will be provided in electronic PDF format to the Port and FAA for review. Following review and discussion a final single hard copy and electronic copy in PDF format will be provided to the FAA and Port.

Deliverables: Provide and submit documentation for the FAA Environmental Submittal Package in the form of the following items:

- One draft electronic copy in PDF format of the Environmental Package Summary Letter, CatEx Form, Critical Areas Report, Biological Evaluation (No Effect Letter), and Cultural Resource Assessment will be sent to the Port and FAA.
- One final hard copy and one final electronic copy in PDF format of the Environmental Package Summary Letter, CatEx Form, Critical Areas Report, Biological Evaluation (No Effect Letter), Cultural Resource Assessment, will be sent to the Port and FAA.

4.5. County Stormwater Management Permit and NPDES Permitting

4.5.1. Prepare a Jefferson County Stormwater Management Application

The Consultant will coordinate with Jefferson County and prepare a Stormwater Management Application. A draft application will be provided to the Port and FAA to review in PDF format. A final Stormwater Management Application will be provided to the County.

4.5.2. Prepare DOE Notice of Intent (NOI) Application

The Consultant will coordinate with the Port for the submission of the application. The Port will place the public notification advertisement.

4.5.3. Prepare DOE Stormwater Pollution Prevention Plan (SWPPP)

The Consultant will prepare the SWPPP. Following construction award, the Consultant will incorporate contractor specific information into the SWPPP.

Deliverables: Provide and submit Stormwater Management Application and NPDES Permitting documents in the form of the following items:

- PDF of draft Stormwater Management Application and Draft NOI application for Port completion, signature, and transmittal to the County and DOE.
- Three hardcopies of the SWPPP for the Port.

4.6. SEPA Process

4.6.1. Prepare Environmental Checklist

The Consultant will prepare an Environmental Checklist for the SEPA process for the project. A draft checklist will be provided. Review comments on the draft checklist will be gathered from the Port and FAA via phone and e-mail and comments incorporated into the final document.

4.6.2. Coordination with DOE

It is assumed that the Port will be the lead agent for the SEPA process. The Consultant will answer questions from the Port, County, and DOE on information in the SEPA document.

Deliverables: Provide and submit SEPA Environmental Checklist documents in the form of the following items:

- An electronic submittal in PDF format of draft SEPA Checklist for Port and FAA review.
- An electronic submittal of the final SEPA Checklist for Port completion, signature, and transmittal to DOE.

5. Additional Data Collection

The Consultant will supplement the existing survey with updated information related to the final design requirements. The following tasks are anticipated:

5.1. Supplemental Topographical Survey

5.1.1. Provide additional survey including mapping of the following around the runway, taxiways, and areas of proposed work:

- Wetland flagging
- Lights, signs, and fixtures
- Existing structures
- Storm drainage features such as manholes, catch basins, culverts
- Grade breaks
- Utilities

5.1.2. Provide an updated survey base map in AutoCAD Civil 3D. The survey will include features, contours, and a 3D existing surface model.

5.1.3. Update the design base map based on additional survey and information gathered.

5.2. Geotechnical Coordination

5.2.1. Geotechnical Coordination

The Geotechnical Consultant will provide additional coordination and review of runway section design to assure recommendations and results of the completed Geotechnical Report are coordinated with the final design documents. See Exhibit E for detailed tasks.

6. Design

6.1 60 Percent Design

6.1.1. Code and Criteria Review

Updated review of local, state, and federal requirements. Review will include pavement design, drainage facilities, environmental reviews, electrical installation, and navigational measures. The gathered documentation will help further develop the design criteria for the project.

6.1.2. Field Investigation

Conduct a site visit to the airport with the 30 percent plan in hand to verify features, structures, and note any inconsistencies with any record data. Items observed in the field that are not correctly

identified or omitted will be added by estimating and sketching the items relative to existing features.

6.1.3. Erosion Control Design

Finalize the design of the erosion control system. The Consultant will provide suitable best management practices (BMPs) to collect and convey stormwater. The Consultant will implement the elements from this task into the design drawings and specifications.

6.1.4. Pavement Design

6.1.4.1 Finalize design of runway profile and cross sections. Perform pavement design analysis.

6.1.4.2 Finalize design of grinding and inlay connection to all connecting taxiways. Finalize runway and taxiway infield grading. Finalize pavement removal and grading design.

6.1.5. Runway Profile and Cross Section Design

Finalize the runway profile meeting FAA design criteria.

6.1.6. Center Taxiway Profile and Cross Section Design

Finalize the relocated center taxiway location and profile meeting FAA design criteria.

6.1.7. Storm Drainage Design

Finalize the storm drainage design for the project. Finalize the design criteria for implementation of storm drainage design. Implement the elements refined in this task into the design drawings and specifications.

Perform hydraulic analysis/calculations of the existing and proposed conveyance systems based on the 10, 25, and 100-year peak runoff storm events. The calculations will provide the required swale, pipe sizes, materials, and slopes in order to adequately drain the site during a peak event. The information derived from the analysis will be inputted into a spreadsheet and included in a Hydraulic Report.

6.1.8. Subdrain Design

Finalize a subdrain design layout for the runway and connecting taxiways. The subdrain lines will connect to the stormwater system. The Consultant will implement the elements from this task into the design drawings and specifications.

6.1.9. 60 Percent Level Plan Set

Develop 60 percent level designs that will each include the following plan sheets:

- Cover
- Construction Safety and Phasing Plan
- Project Layout Plan
- Pavement Removal Plan (2)
- Site Plan and Profile (7 sheets)
- Sections (6 sheets)
- Storm Drainage Plan and Profile (4 sheets)
- Miscellaneous Details (3 sheets)
- Electrical Plans (2 sheets)
- Electrical Diagrams (2 sheets)
- Electrical Details (3 sheets)

6.1.10. 60 Percent Level Quantities and Costs

Develop an engineer's opinion of probable construction costs. This task will incorporate a schedule of estimated quantities, projected unit prices, and total cost for the project.

6.1.11. 60 Percent Level Engineers Design Report

The engineer's design report will be prepared based on FAA Engineering Guidance 2013-04.

6.1.12. 60 Percent Level Contract Documents and Technical Specifications

The contract documents will incorporate Port of Port Townsend Bid Proposal and Contract Forms, FAA General Provisions, FAA Technical Specifications, and bidding requirements, contract forms, and conditions of contract as required by Advisory Circular 150/5370-10G.

6.1.13. 60 Percent Level QA Design Review

Conduct a Quality Assurance (QA) review of the 60 percent design submittals and engineer's opinion of costs.

6.1.14. Review Subconsultant's 60 Percent Design

Review and provide feedback to the subconsultant regarding their design aspects for the project.

6.1.15. Submit 60 Percent Level Design Documents

Prepare and submit the 60 percent design documents to the Port and FAA for review.

Deliverables: Submit the 60 percent design documents in the form of the following items:

- Three half-size (11"x17") hardcopies of the plans for the Port and one half-size (11"x17") hardcopy of the plans for the FAA.
- One hardcopy of the engineer's opinion of probable construction costs for the Port and one hardcopy for the FAA.
- One hardcopy of the 60 percent design report for the Port and one hardcopy of the 60 percent design report for the FAA.
- One hardcopy of the hydraulics report for the Port and one hardcopy of the hydraulics report for the FAA.
- One hardcopy of the 60 percent contract documents and technical specifications for the Port and one hardcopy for the FAA.
- Electronic copies in PDF format of the 60 percent plans, opinion of probable construction costs, design report, hydraulic report, and contract documents to the Port and FAA.

6.1.16. Review Meeting

Review the 60 percent design and CSPP with the Port and FAA personnel. The Consultant will attend a review meeting with the

Port in Port Townsend with FAA participation by phone or at the meeting.

6.1.17. Incorporate Comments from 60 Percent Review

Compile the Port's and FAA's comments from the 60 percent submittal review. Incorporate applicable comments into the plans and opinion of costs.

6.2 Geotechnical Design

Provide geotechnical design support related to the 60%, 90%, and final design of the runway rehabilitation. For detailed geotechnical support tasks see Exhibit E.

7. 90 Percent Design

7.1. 90 Percent Design and Documents

Refine the 60 percent design of the Runway Rehabilitation project. A 90 percent level design and set of plans, quantities, and estimates will be prepared for the runway rehabilitation design using a crown cross section.

The plans will be designed in accordance with the applicable FAA Advisory Circulars, including:

AC 150/5300-13A	Airport Design
AC 150/5320-5D	Airport Drainage Design
AC 150/5320-6E	Airport Pavement Design and Evaluation
AC 150/5340-1L	Standards for Airport Markings
AC 150/5340-18F	Standards for Airport Sign Systems
AC 150/5340-30H	Design and Install Details for Airport Visual Aids
AC 150/5345-46E	Spec for Runway and Taxiway Light Fixtures
AC 150/5050-8	Environ Management Systems for Airport Sponsors
AC 150/5370-2G	Operational Safety on Airports During Construction
AC 150/5370-10G	Standards for Specifying Construction of Airports

7.2. 90 Percent Level Plan Set

Develop 90 percent level designs that will each include the following plan sheets:

- Cover
- Construction Safety and Phasing Plan
- Project Layout Plan

- Pavement Removal Plan (2)
- Site Plan and Profile (7 sheets)
- Sections (6 sheets)
- Storm Drainage Plan and Profile (4 sheets)
- Miscellaneous Details (3 sheets)
- Electrical Plans (2 sheets)
- Electrical Diagrams (2 sheets)
- Electrical Details (3 sheets)

7.3. 90 Percent Level Quantities and Costs

Develop an engineer's opinion of probable construction costs. This task will incorporate a schedule of estimated quantities, projected unit prices, and total cost for the project.

7.4. 90 Percent Level Engineer's Design Report

The engineer's design report will be prepared based on FAA Engineering Guidance 2013-04.

7.5. 90 Percent Level Hydraulics Report

Prepare hydraulics report to the 90 percent level including conveyance and backwater calculations, stormwater site plan, and associated exhibits. The Hydraulics Report will be prepared per Jefferson County and Washington State Department of Ecology requirements.

7.6. 90 Percent Level Contract Documents and Technical Specifications

The contract documents will incorporate Port of Port Townsend Bid Proposal and Contract Forms, FAA General Provisions, FAA Technical Specifications, and bidding requirements, contract forms, and conditions of contract as required by Advisory Circular 150/5370-10G.

7.7. 90 Percent Level QA Design Review

Conduct a Quality Assurance (QA) review of the 90 percent design submittals and engineer's opinion of costs.

7.8. Review Subconsultant's 90 Percent Design

Review and provide feedback to the subconsultant regarding their design aspects for the project.

7.9. Submit 90 Percent Level Design Documents

Prepare and submit the 90 percent design documents to the Port and FAA for review.

Deliverables: Submit the 90 percent design documents in the form of the following items:

- Three half-size (11"x17") hardcopies of the plans for the Port and one half-size (11"x17") hardcopy of the plans for the FAA.
- One hardcopy of the engineer's opinion of probable construction costs for the Port and one hardcopy for the FAA.
- One hardcopy of the 90 percent design report for the Port and one hardcopy of the 90 percent design report for the FAA.
- One hardcopy of the hydraulics report for the Port and one hardcopy of the hydraulics report for the FAA.
- One hardcopy of the 90 percent contract documents and technical specifications for the Port and one hardcopy for the FAA.
- Electronic copies in PDF format of the 90 percent plans, opinion of probable construction costs, design report, hydraulic report, and contract documents to the Port and FAA.

7.10. Review Meeting

Review the 90 percent design and CSPP with the Port and FAA personnel. The Consultant will attend a review meeting with the Port in Port Townsend with FAA participation by phone or at the meeting.

7.11. Incorporate Comments from 90 Percent Review

Compile the Port's and FAA's comments from the 90 percent submittal review. Incorporate applicable comments into the plans and opinion of costs.

7.12. Electrical Design

Finalize the design of the electrical lighting system related to the runway rehabilitation. For detailed electrical engineering tasks see Exhibit F. Electrical Engineering and design documents will be provided as part of the 60 percent, 90 percent, and Final Design submittals.

8. 100 Percent Design and Documents

The plans will be designed in accordance with the applicable FAA Advisory Circulars, including:

AC 150/5300-13A	Airport Design
AC 150/5320-5D	Airport Drainage Design
AC 150/5320-6E	Airport Pavement Design and Evaluation
AC 150/5340-1L	Standards for Airport Markings
AC 150/5340-18F	Standards for Airport Sign Systems
AC 150/5340-30H	Design and Installation Details for Airport Visual Aids
AC 150/5345-46E	Specification for Runway and Taxiway Light Fixtures
AC 150/5050-8	Environmental Management Systems for Airport Sponsors
AC 150/5370-2G	Operational Safety on Airports During Construction
AC 150/5370-10G	Standards for Specifying Construction of Airports

8.1. 100 Percent Design

8.1.1. 100 Percent Level Plan Set

Utilizing the information and data developed in the previous tasks, design drawings, and contract documents will be prepared to the 100 percent level. The drawings will include a site layout plan showing locations of existing structures, grading, paving, utilities, and all proposed site improvements. Plans will be developed to the FAA's design and engineering standards using the most current advisory circulars. The plans for the project will be developed in AutoCAD format.

The 100 percent design will include:

- Cover
- Construction Safety and Phasing Plan
- Project Layout Plan
- Pavement Removal Plan (2)
- Site Plan and Profile (7 sheets)
- Sections (6 sheets)
- Storm Drainage Plan and Profile (4 sheets)
- Miscellaneous Details (3 sheets)
- Electrical Plans (2 sheets)
- Electrical Diagrams (2 sheets)
- Electrical Details (3 sheets)

8.1.2. 100 Percent Level Quantities and Costs

Develop an engineer's opinion of probable construction cost to a 100 percent completion level. This task will incorporate a schedule of estimated quantities, projected unit prices, and total preliminary cost for the project.

8.1.3. 100 Percent Level Project Manual

The Consultant will develop a project manual for the 100 percent design level. The manual will compile the FAA and Port Division 00 and 01 (General and Special Provisions) documents. Develop technical specifications in accordance with FAA standards. Any deviations from FAA standard will require a modification to standard request.

8.1.4. 100 Percent Level QA Design Review

Conduct a Quality Assurance (QA) review of the 100 percent design submittal and engineer's opinion of cost.

8.1.5. Review Subconsultant's 100 Percent Design

Review and provide feedback to the subconsultant regarding their design aspects for the project.

8.1.6. Final Design Report

Develop a Final Engineer's Design Report in conformance with FAA requirements, including:

- Scope of Proposed Project
- Photographs
- List of FAA Advisory Circulars, Design, and Construction Standards
- Modification to Standards
- Environmental Considerations
- Delineation of AIP Non-participating Work
- Phasing and Scheduling Recommendations
- Project Quantities and Opinion of Probable Construction Costs

8.1.7. Submit Draft 100 Percent Level Design Documents

Prepare and submit the 100 percent draft design documents for the Port and FAA review.

Deliverables: Provide and submit the 100 percent design plans, engineer's opinion of probable construction costs, and draft design report. The submittal will be in the following form:

- Three half-size (11"x17") hardcopies of the plans for the Port. One half-size (11"x17") hardcopy of the plans for the FAA.
- One hardcopy of the engineer's opinion of probable construction costs to the Port and the FAA.
- Three hardcopies of the draft CSPP for the Port. One hardcopy of the draft CSPP to the FAA.
- Three hardcopies of the draft design report for the Port. One hardcopy of the draft design report to the FAA.

8.1.8. Review Meeting

Review the 100 percent level design and CSPP with the Port and FAA personnel. The review meeting will be at the Port's office.

8.1.9. Incorporate Comments from 100 Percent Review

Compile the Port's and FAA's comments from the 60 percent submittal review. Incorporate applicable comments into the plans, CSPP, design report, and project manual.

8.2. Final Bid Documents

8.2.1. Final Bid Documents Plan Set

Utilizing the information and data developed in the previous tasks, design drawings, and contract documents will be prepared to the 100 percent level. The drawings will include a site layout plan showing locations of existing structures, grading, paving, utilities, and all proposed site improvements. Plans will be developed to the FAA's design and engineering standards using the most current advisory circulars. The plans for the project will be developed in AutoCAD format.

9. Construction Safety and Phasing Plan

- 9.1. The Consultant will further refine the project Construction Safety and Phasing Plan (CSPP) in conformance with the FAA's Advisory Circular 150/5370-2G. This includes the coordination with the Port and FAA,

developing the safety and phasing plans, and preparing the CSPP report document for the FAA's review.

9.1.1. 60 Percent Level CSPP

Develop a 60 percent CSPP's for the runway rehabilitation construction. This subtask includes the coordination with the Port and FAA, developing the safety and phasing plans, and preparing the CSPP report document for the FAA's review. This task also includes coordination calls with Jefferson County Pilot's Association and users to discuss operations at the airport.

9.1.2. 90 Percent Level CSPP

Develop a 90 percent CSPP's for the runway rehabilitation construction. This subtask includes the coordination with the Port and FAA, developing the safety and phasing plans, and preparing the CSPP report document for the FAA's review. This task also includes coordination calls with Jefferson County Pilot's Association and users to discuss operations at the airport.

9.1.3. Open House and Airport User Stakeholder Meetings

Two open house meetings with the users and tenants will be conducted to gather input and advice on operational needs and to discuss impacts during construction and allow submittal of comment on presented materials and refinement of the CSPP.

Deliverables: Provide two electronic presentations to be used at the open houses.

9.1.4. 100 Percent Level and Final CSPP

Refine the project Construction Safety and Phasing Plan (CSPP) in conformance with the FAA's Advisory Circular 150/5370-2G. This subtask includes the coordination with the Port and FAA, developing the safety and phasing plans, and preparing the final CSPP report document for the FAA's review.

9.2. Preparation of FAA Form 7460

Prepare and submit a form 7460 package for the identification of airspace limits/impacts during construction. This will include preparation of graphics and backup data. The 7460 form will be uploaded to FAA's OE/AAA portal for airspace review.

Deliverables: One PDF copy of the 7460 form for the Port and FAA.

9.3. Strategic Events Forms

Prepare and submit Strategic Events Forms (FAA Form 6000-26) for coordination of any runway closures or work within the critical areas of any NAVAID equipment. It is anticipated that one strategic events form will be needed for each phase of construction.

Deliverables: PDF copies of the Strategic Events Forms for the Port for signature and submittal to the FAA.

10. Bid Assistance

The Consultant will assist the Port in soliciting bids, responding to questions, and evaluating construction bids

10.1. Document Posting and Advertising

Coordinate the bid advertisement for the project to two different publications. The Consultant will prepare, package, and post bidding documents on Builders Exchange of Washington. It is assumed copies of bid documents will be purchased directly through Builders Exchange. The Consultant will not provide copies of bidding documents.

10.2. Document Interpretation

Assist the Port in responding to contractor questions and provide interpretations of contract documents during bidding.

10.3. Pre-bid Conference

Assist the Port in conducting a pre-bid conference. The Consultant will prepare an exhibit board and present an overview of the project during the meeting. The Port shall provide the meeting facility and officially record attendance and meeting minutes. The Consultant will respond to questions raised during the conference and will provide a copy of notes taken during the meeting to the Port for including in the meeting minutes.

10.4. Addendum Preparation

Assist the Port, as requested, in preparing any required addenda to the contract bid documents. Preparation of two addenda has been budgeted for this task.

10.5. Bid Analysis, Evaluation, Recommendation

Evaluate and assist in preparation of tabulation of bids received. Consultant will contact low bidder references and prepare an award recommendation letter to the Port and FAA. The Port will prepare construction contracts as required by the FAA.

10.6. Contract Preparation and Award Assistance

Assist the Port, as requested, in creating contract documents including filling in and assembling the contract forms for signatures, preparation of a notice of award letter, and preparation of notice-to-proceed letter.

10.7. Electrical Bid Support (Elcon Scope – See Exhibit F)

The electrical engineering bid support includes responding to contractor requests for information during the bid period.

11. AIP Grant Closeout

Assist the Port with the grant closeout process. The following passage outlines the tasks required for the FAA Grant Closeout process.

11.1. General Project Closeout Requirements

Prepare project closeout items identified in Task 1 and 8 of the FAA's Engineering Guidance 2013-12 for Final Reports. The Consultant will provide an AIP Project Closeout Checklist within the appendices of the draft and final report. The checklist will identify the applicable sections that apply to this phase of the project. Port will develop and submit both the SF 271 and SF-425 forms.

11.2. Draft Closeout Report

Prepare and submit the draft closeout report to the Port and FAA. It is anticipated that review of the draft report will take four weeks.

Deliverables: Submit one electronic PDF copy of the draft closeout report to the Port and FAA.

11.3. Respond to Comments

Review and respond to comments from both the Port and the FAA on the draft closeout report. The comments collected during this task will be incorporated into the final closeout report.

11.4. Final Closeout Report

Prepare and submit the final closeout report to the Port and FAA.

Deliverables: Submit the final closeout report in the following forms:

- Two hardcopies of the final closeout report to the Port.
- One hardcopy of the final closeout report to the Consultant.
- One hardcopy of the final closeout report to the FAA.
- One electronic copy in PDF format of the final closeout report to the Port and FAA.

C. PORT OF PORT TOWNSEND RESPONSIBILITIES

The Port of Port Townsend is responsible for the following project items:

1. Provide clearance/access to the Airport.
2. Sign and distribute grant application to the FAA and Consultant.
3. Submit up to eight FAA Reimbursement Requests through the project's duration. The Port will use the Delphi eInvoicing System or forms (SF-270, SF-271). The Consultant will assist the Port in developing the reimbursement requests.
4. Develop and submit both the SF 271 and SF-425 forms at grant closeout.
5. Review and provide feedback on all submittals.

D. ASSUMPTIONS

The Scope of Services and estimated fees are based on the following assumptions:

1. Stormwater quality sampling and testing of the runoff is not included.
2. Formal Environmental Assessment and Environmental Impact Statement are not included in this scope of services.
3. The Consultant will document and complete a Northwest Mountain Region – Airports Division Categorical Exclusion Form, version 08/08/07 (CatEx Form). It

is not anticipated the projects will impact sensitive areas; however, if sensitive areas are impacted, any required studies or field reconnaissance beyond what is stated in this scope and its attachments will be covered under an engineering amendment to the existing grant, or under a separate grant.

4. Noise contours are not included in this scope of services.
5. A wildlife hazard assessment is not included.
6. Permit fees are not included.
7. A pavement life-cycle analysis is not included.
8. An Airport Layout Plan (ALP) update is not included. The Consultant will update the ALP in a later phase of the project.
9. A Building Permit is not included in this scope of services. If a Building Permit is required from the County, this work can be provided under a separate amendment.
10. Construction assistance is not included in this scope but can be provided under a future amendment.

kab\H:\23Ap\15\025 Jefferson Co AP RW 9-27 Rehab\Contracts\Amend 2 60%, 90%, Final, Bid Proposal\JCIA Runway Rehab 90% Final Bid – Draft.docx\smk

728 (24th Street SW)
Excerpt, VNA 98204
(425) 741-3800
(425) 741-3300 FAX

PROJECT: JCIA - Runway 9-27 Rehab - 60%, 90%, Final, & Bid
CLIENT: Port of Port Townsend
PROJ. NO: 232015_025
FILE: HPA

BY: smk
DATE: Updated 6/22/2018

CHKD BY: kab 6/5/18

Direct Nonsalary Expenses
 Truck 4 day @ \$150
 Travel each trip @ (100 miles x \$0.54/mi)
 Ferry Fare, each trip @ \$17.40 (car + driver + 1)
 Per Diem each travel day @ \$61
 Reproduction (5 submittals @ \$250)
 Subcontractants
Total Direct Nonsalary Expenses

Total Direct Salary Cost (DSC)	
Overhead (210.40% of DSC)	
Total Labor Cost	
Fixed Fee 12% of Total Labor Cost	
Subtotal	
Total Direct Nonsalary Expense	
TOTAL COST (Total Labor, Overhead, and Nonsalary Expense)	

\$109,009
\$229,354
<u>\$338,362</u>
\$40,603
\$378,966
\$78,399
<u>\$457,365</u>

Reid Middleton, Inc.
Exhibit "C" Schedule of Charges
Effective July 1, 2018 through June 30, 2019

I. Personnel	Hourly Rate
Principal	\$ 205.00 - \$ 260.00
Principal Engineer/Principal Planner/Principal Surveyor	\$ 205.00 - \$ 250.00
Senior Engineer/Senior Planner/Senior Surveyor	\$ 180.00 - \$ 205.00
Project Engineer/Project Designer/Project Surveyor/Project Planner	\$ 140.00 - \$ 175.00
Design Engineer/Designer II/Design Technician/Survey Crew Chief/ Technical Writer II/ Graphic Designer II	\$ 115.00 - \$ 140.00
Designer I/Planner/CAD Technician II	\$ 105.00 - \$ 125.00
Project Administrator	\$ 100.00 - \$ 120.00
CAD Technician I/Survey Technician/Technician/Technical Writer I	\$ 90.00 - \$ 110.00
Survey Crew (1 Person/RTK/Robotic/Scanning)	\$ 135.00
Survey Crew (2 Person/RTK/Robotic/Scanning)	\$ 185.00
Survey Crew (3 Person/ RTK/Robotic/Scanning)	\$ 235.00

Expert Witness/Forensic Engineering..... 1.5 times usual hourly rate (4 hour minimum)

Individuals not in the regular employ of Reid Middleton may occasionally be engaged to meet specific project requirements. Charges for such personnel will be comparable to charges for regular Reid Middleton personnel.

A premium may be charged if project requirements make overtime work necessary.

II. Equipment	Rate
Design Software/Computer Aided Drafting	\$ 12.00/hour

III. Reimbursable Expenses	
Local Mileage - Automobile	\$ 0.545/mile
Local Mileage - Survey Truck	\$ 0.65/mile
Expenses that are directly attributable to the project are invoiced at cost plus 15%. These expenses include, but are not limited to, subconsultant or subcontractor services, travel and subsistence, communications, couriers, postage, fees and permits, document reproduction, special instrumentation and field equipment rental, premiums for additional insurance where required, special supplies, and other costs directly applicable to the project.	

A new schedule of charges is issued and becomes effective July 1 each year. Charges for all work, including continuing projects initiated in prior years, will be based on the latest schedule of charges.

IV. Client Advances	
Unless the parties agree otherwise in writing, charges for the following items shall be paid by the client directly, shall not be the responsibility of Reid Middleton, and shall be in addition to any fee stipulated in the agreement: government fees, including permit and review fees; soils testing fees and costs; charges for aerial photography; and charges for monuments. If Reid Middleton determines, in its discretion, to advance any of these costs in the interest of the project, the amount of the advance, plus a fifteen percent administrative fee, shall be paid by the client upon presentation of an invoice therefore.	



ENVIRONMENTAL CONSULTANTS

Sound Science. Creative Solutions.®

Portland Office
1220 SW Morrison St, Suite 700
Portland, Oregon 97205
Tel 503.224.0333 Fax 503.224.1851

May 17, 2018

Shannon Kinsella
LEED AP
Director, Waterfront Engineering
Reid Middleton
728 134th Street SW, Suite 200
Everett, WA 98204

Subject: JCIA – Runway Rehab Environmental Services and Permitting Proposal and Scope

Dear Ms. Kinsella:

At your request, SWCA has developed a scope and budget for environmental services and permitting for the Rehabilitation design at the Jefferson County International Airport. The attached document is an outline of the scope and a budget summary. Please contact me if there are any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Sara Twitchell". The signature is fluid and cursive, with the first name "Sara" being more prominent than the last name "Twitchell".

Sara Twitchell
NEPA and Natural Resources Team Lead
Natural Resources Project Manager
503.224.0333 ext. 6214
stwitchell@swca.com

PROJECT UNDERSTANDING

SWCA understands that the runway at Jefferson County International Airport (JCIA) runway currently has a shed-slope. The FAA standard for runways is a crowned surface. Reid Middleton is preparing a FAA Modification to Standards because JCIA's preferred configuration is the shed-slope. As part of preparing this modification, Reid Middleton has requested that SWCA assist with environmental services and permitting required to complete the project. The proposed scope would include the following:

- Site visit
- Biological Evaluation (No Effect Letter)
- Cultural Resources Assessment
- Section 4(f) evaluation
- Environmental Submittal Package including CatEx form

TASK 1. SITE VISIT

SWCA will perform a site visit to the Airport. Biologists will determine wetland presence, potential wildlife habitat, or other environmental concerns related to the runway rehabilitation project. This will include wetland delineation in the areas impacted by the proposed construction. Architectural historians will evaluate structures and buildings at the Airport to determine if they are eligible for inclusion on the National Register of Historic Places (NRHP).

TASK 1.1 WATERS OF THE STATE AND U.S.

Task 1.1A Delineation

Under this task, SWCA will conduct a Waters of the State and U.S. delineation in the project area. The methodology used will be in accordance with the *Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Western Mountains, Valleys, and Coast Region (Version 2.0)* and the 1987 *Corps of Engineers Wetlands Delineation Manual*, used by the Washington State Department of Ecology (Ecology) and the Army Corps of Engineers (COE). Waters will be delineated based on the COE's *Regulatory Guidance Letter 05-05: Ordinary High Water Mark Identification*, and as defined in the Revised Code of Washington (RCW) 90.58.030(2)(c). Professional Wetland Scientists will record data on vegetation, soils, and hydrology at select sampling points (sample plots) on standardized wetland determination data forms to document representative site conditions. SWCA will flag boundaries of any wetlands and waters identified within the site for survey by the County or other professional land surveyor. SWCA will prepare an approximate map of the wetland and/or waters delineated in the project area to assist the surveyor.

Task 1.1B Critical Areas and Wetland Delineation Report

SWCA will prepare a critical areas and wetland delineation report to meet the requirements of Jefferson County and Ecology. The report will include a wetland and waters delineation map, wetland determination data forms, and site photographs, along with the other required report components for Ecology. The report will also include an assessment of other critical areas potentially occurring in the project area including Fish and Wildlife Habitat Conservation Areas (FWHCA), critical aquifer recharge areas, floodplains, and geologically hazardous areas as defined in Jefferson County Code (JCC) 18.22. If the project may result in impacts to critical areas other than wetlands and waters, additional special reports not included in this scope of work may be required by the County as described in the JCC 18.22.360. The critical areas and wetland delineation report and required associated deliverables will be included as an attachment to any land use permits required by the County for construction of the project. The report will be submitted to the Port for review prior to submitting to any regulatory agencies.

Optional Task 1.1C Joint Aquatic Resources Permit Application

SWCA will prepare a Joint Aquatic Resources Permit Application (JARPA) for submittal to Ecology and the COE. If wetland or waters impacts are proposed, the permit application is required to include an "Alternatives Analysis" under both Ecology and COE rules describing how proposed impacts to jurisdictional wetlands and waters have been avoided and minimized during project design. Alternative site development plans are also required to show that the selected design layout is the most practicable (and the least environmentally damaging practical alternative). SWCA will provide the Port with alternatives analysis guidelines that the COE recently published.

SWCA will work with Reid Middleton to prepare all necessary drawings and alternative analyses. Project drawings to be included in the JARPA are to be prepared by Reid Middleton with assistance from SWCA; these include site plan drawings showing the existing wetland and water boundaries, locations of any permanent and temporary wetland and water impacts, cross-section drawings showing existing and proposed elevations of wetland and water impacts and bank stabilization design, and alternative design drawings. Required calculations include square feet of permanent and temporary cuts and fills, dimensions of these impacts in feet (LxWxD) and square feet, and cubic volume of impacts (both cut and fill) in cubic yards.

SWCA will coordinate with Ecology and the COE and address any agency comments and coordinate responses to any public comments on the JARPA with Reid Middleton.

TASK 1.2 BIOLOGICAL EVALUATION

Task 1.2A Species Identification

SWCA will identify and update all information related to Endangered Species Act (ESA) listed threatened, endangered, and candidate species that have the potential to occur within or near the project area. Known information about species' habitats and distribution, along with designated Critical Habitat, will be updated using USFWS, NOAA Fisheries, and the Washington Department of Fish and Wildlife (WDFW) via the Priority Habitat and Species Mapper, and will be provided in the biological evaluation documentation. A site visit is not included in this SOW. However, habitat information within the project area would be recorded during the Waters of the State and U.S. delineation. This information will be incorporated into the biological evaluation documentation.

Task 1.2B No Effect Letter

Based on the previously conducted environmental analysis, SWCA has determined that no ESA-listed species or Critical Habitat will be affected by the proposed project. Based on this analysis and updated information gathered in Task 2.1, SWCA will provide a No Effect Letter as required by the COE, and in accordance with 50 CFR § 402.13, to document the determination of no effect of the action on ESA-listed species, proposed and candidate species, and designated or proposed Critical Habitat. The No Effect Letter will be written as part of the informal consultation process with NOAA Fisheries and/or USFWS, and written concurrence from the agencies is not required. The No Effect Letter will also document that the project will have no effect on essential fish habitat (EFH) for species protected by the Magnuson-Stevens Fishery Conservation and Management Act, as amended by Public Law 104-267 of the Sustainable Fisheries Act of 1996.

SWCA will prepare preliminary draft documents for review and approval by the Port. SWCA assumes one round of revisions based on team comments and one conference call to address outstanding issues and concerns. SWCA will prepare a final No Effect Letter that has been revised to address review comments provided on the draft letter, and the Port will submit it to USFWS and/or NOAA Fisheries. SWCA will also submit a track changes version of the revisions from the second review to the Port electronically.

Task 1.2C Agency Consultation

SWCA will assist with identifying regulatory requirements, coordinating with responsible agencies, participating in consultation conference calls, taking meeting notes, and drafting and finalizing consultation letters. SWCA will proactively coordinate with USFWS and NOAA Fisheries during the entire consultation process. This SOW includes one meeting with regulatory agencies. The No Effect Letter will provide the basis for consultation with NOAA Fisheries regarding potential impacts to ESA-listed fish species and EFH and with USFWS regarding potential impacts to ESA-listed species. However, if additional information is requested by the agencies, then SWCA will provide timely responses to support the consultation process.

TASK 1.3 CULTURAL RESOURCES ASSESSMENT

Task 1.3A Background Research

SWCA will conduct a check of records in the Department of Archaeology and Historic Properties (DAHP) Washington Information System for Architectural and Archaeological Records Data (WISAARD) database for information on previous projects and identified archaeological sites in the project area prior to any field activity. Additional background information will be collected from any recent geotechnical work for the project, ethnographic and historic accounts, previous regional cultural resource investigations, and maps, photographs, and other relevant research materials available at local libraries, historical societies, state or county offices or other repositories.

Task 1.3B Technical Memo

The results of these investigations will be presented in a memo suitable for inclusion in the Environmental Submittal Package. The memo will present the results of archival investigation and analysis of effects of construction. It will include recommendations for ways to avoid or minimize damage to any historic properties encountered. The report will also include a Determination of Effects recommendation. Due to confidentiality requirements for archaeological site location, distribution of the report may be restricted.

TASK 1.4 SECTION 4(F) EVALUATION

Section 4(f) is part of the federal Department of Transportation Act (23 Code of Federal Regulations [CFR] 774). Section 4(f) states that agencies of the U.S. Department of Transportation cannot affect certain types of lands and resources (referred to here as "Section 4(f) resources" or "Section 4(f) properties") unless there is no feasible and prudent avoidance alternative and the action in question includes all possible planning to minimize harm to the property in question, or the use of that property will have a *de minimis* (negligible) impact on it. The types of properties and resources protected by Section 4(f) are:

- Publicly owned land of a park or recreation area of national, state, or local significance;
- Publicly owned land of a wildlife refuge of national, state, or local significance; and
- Land from a historic site of national, state, or local significance (defined as properties that are eligible for or listed on the National Register of Historic Places [NRHP]), unless the lead federal agency determines an exception under FAA Order 1050.1F, Policies and Procedures for Considering Environmental Impacts (FAA 2015).

Using GIS, zoning maps, and field verification SWCA will determine if there are any of these properties or resources in the vicinity of project and provide a brief description of the results of these exercises for inclusion in the Environmental Submittal Package.

TASK 2. ENVIRONMENTAL SUBMITTAL PACKAGE

SWCA will prepare an environmental submittal of findings requesting the FAA to grant the projects a Categorical Exclusion under the National Environmental Policy Act (NEPA). SWCA will also provide the FAA a completed Northwest Mountain Region – Airports Division Categorical Exclusion Form, version 08/08/07 (CatEx Form), the Critical Areas Report (wetland documentation), Biological Evaluation (No Effect Letter), Cultural Resource Assessment, and 4(f) evaluation. The specific requirements are dependent on the FAA Categorical Exclusion Determination Process review for the project.

TASK 2.1 CATEGORICAL EXCLUSION PROCESS

SWCA will complete and coordinate a CatEx Form for this project. The Environmental Subconsultant will utilize available resources in the research of items within the form and document relevant findings. SWCA will collect and package together all relevant items for the FAA Categorical Exclusion Determination Process review submittal. The items that will be submitted to the FAA for their environmental review include:

- Environmental Package Summary Letter
- CatEx Form
- Critical Areas Report (Wetland Delineation Documentation)
- Biological Evaluation (No Effect Letter)
- Cultural Resource Assessment
- 60-percent Design Concept Plans – Runway Rehabilitation

It is our understanding that the FAA Categorical Exclusion Determination Process will review all of the submitted documentation, compare the 60-percent design concept plans with the wetland delineation documentation, review and compare the proposed action (project impacts to the surrounding environment) to the list of categorical exclusions, and determine if additional environmental studies or actions are required. If it is identified that extraordinary circumstances are not involved on the projects, the FAA has the option to issue and file a categorical exclusion determination.

One draft copy of the documents will be provided in electronic PDF format to the Port and FAA for review. Following review and discussion a final single hard copy and electronic copy in PDF format will be provided to the FAA and Port.

DELIVERABLES

- Draft and Final Critical Areas and Wetland Delineation Report
- Draft and Final No Effect Letter
- Draft and Final Cultural Resource Assessment Memo
- One draft electronic copy in PDF format of the Environmental Submittal Package
- One final hard copy and one final electronic copy in PDF format of the Environmental Submittal Package

ASSUMPTIONS

- SWCA will have access to the airport on our preferred schedule. Assuming SWCA will need to be accompanied by airport staff, if SWCA's preferred schedule does not meet the airport staff schedule, a minimum of one week's notice will be given.
- Only one site visit will be required.
- If weather conditions prevent the completion of the site visit and an additional site visit is required, a change order would be requested.
- All permit fees will be assumed by the Port.
- Standard permit drawings will be provided by the Port of Reid Middleton
- The project is not anticipated to affect ESA-listed species or Critical Habitat.
- Buildings within the project area are not eligible for the National Register of Historic Places (NRHP), and a site visit will not be required
- No archaeological resources are anticipated to be within the current project footprint.

COST ESTIMATE

SWCA proposes that the above tasks be completed on a Time and Materials/Not to Exceed basis for a total of \$17,455 subject to the assumptions outlined above.

Task	Cost
1. Site Visit	
1.1 Waters of the State and U.S.	\$10,622
1.1A Delineation	\$5,193
1.1B Critical Areas and Wetland Delineation Report	\$3,756
(Optional) 1.1C Joint Aquatic Resources Permit Application	\$1,673
1.2 Biological Evaluation	\$2,229
1.2A. Species Identification	\$426
1.2B. No Effect Letter	\$1,235
1.2C Agency Consultation	\$568
1.3 Cultural Resources Assessment	\$2,287
1.3A Background Research	\$575
1.3B Technical Memo	\$1,712
1.4 Section 4(f) Evaluation	\$426
2. Environmental Submittal Package	
2.1 Categorical Exclusion Process	\$1,891
Total	\$17,455



April 27, 2018

Reid Middleton
728 134th Street SW, Suite 200
Everett, Washington 98204

Attn: Ms. Shannon Kinsella, PE

Transmitted via e-mail to: skinsella@reidmidd.com

**Re: Proposed Scope of Services and Cost Estimate
Geotechnical Engineering Services - Final Design Support
Jefferson County International Airport Runway 9/27 Rehabilitation
Jefferson County, Washington**

Dear Ms. Kinsella:

Landau Associates, Inc. (LAI) is pleased to provide this proposed scope of services and cost estimate for geotechnical engineering services to support final design of the runway pavement section and provide general input on the design of a stormwater infiltration pond for the Port of Port Townsend's (Port) proposed Jefferson County International Airport (JCIA) Runway 9/27 Rehabilitation project in Jefferson County, Washington.

Project Background

The Port plans to rehabilitate the runway surface at JCIA in fiscal year 2019 and has authorized Reid Middleton to perform design services for the runway surface rehabilitation. LAI has previously performed geotechnical engineering services to support the pre-design phase of the project, as detailed in our proposal dated June 2, 2017 and our draft geotechnical report dated December 15, 2017.

Proposed Scope of Services

We propose to provide geotechnical engineering support related to the final design of the Runway 9/27 pavement section and an associated stormwater infiltration pond. We have assumed that this support will require up to 6 hours at the Principal level and up to 18 hours at the Senior Staff level. We also assume that no site visits will be required as part of this scope of work and that all of the supplemental geotechnical recommendations that we develop will be documented via emails only (i.e., our cost estimate assumes that our scope of services does not include preparing letters, technical memoranda, or revised reports).

Estimated Cost

We estimate the cost for our proposed scope of services will be approximately \$5,000. We propose to provide the above-described services on a time-and-expenses basis in accordance with the budget set forth herein and the attached compensation schedule. In the event that project requirements change or unexpected conditions are disclosed that appear to require further field effort, study, or analysis, we will bring these to your attention and seek your written approval for an addendum to the scope of services and costs prior to performing additional services.

Authorization

We anticipate that you will develop a subconsultant agreement consistent with other agreements between Reid Middleton and LAI to formalize our working relationship on this project. Please let us know how we can assist you in that process.

We appreciate the opportunity to work with Reid Middleton on this project. Please contact me if you have any questions about our proposed scope of services and budget for this project.

LANDAU ASSOCIATES, INC.



Sean M. Gertz, EIT
Senior Staff Geotechnical EIT



Steven R. Wright, PE
Principal

SMG/SZW/rgm

2018-5971

\\edmdat02\Proposals\P_Port_Townsend\JCIA Final Design Support Services\LAI JCIA Final Design Support Proposal.docx

Attachment: 2018 Compensation Schedule

COMPENSATION SCHEDULE – 2018



Personnel Labor	Hourly Rate
Senior Principal	260
Principal	240
Senior Associate	220
Associate	200
Senior	180
Senior Project	165
Project	150
GIS Analyst	150
Senior Staff / CAD Designer	135
Staff / Senior Technician II	120
Data Specialist	120
CAD / GIS Technician	120
Project Coordinator	110
Assistant / Senior Technician I	100
Technician	81
Support Staff	69

Expert professional testimony in court, deposition, declaration, arbitration, or public testimony is charged at 1.5 times the hourly rate.

Rates apply to all labor, including overtime.

Equipment

Field, laboratory, and office equipment used in the direct performance of authorized work is charged at unit rates. A rate schedule will be provided on request.

Subcontractor Services and Other Expenses

Subcontractor billing and other project expenses incurred in the direct performance of authorized routine services will normally be charged at a rate of cost plus a twelve percent (12%) handling charge. A higher handling charge for technical subconsultants and for high-risk field operations may be negotiated on an individual project basis; similarly, a lower handling charge may be negotiated on projects requiring disproportionally high subconsultant involvement.

Invoices

Invoices for Landau Associates' services will be issued monthly. Interest of 1½ percent per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days.

Term .

Unless otherwise agreed, Landau Associates reserves the right to make reasonable adjustments to our compensation rates over time (e.g., long-term continuing projects).

ELCON ASSOCIATES, INC.

16300 Christensen Rd, Suite 330
Seattle, Washington 98188

ENGINEERS - CONSULTANTS

Phone: 206.243.5022

Fax: 206.243.5205

www.elcon.com

May 3, 2018

Ms. Shannon Kinsella
Reid Middleton
728 134th St SW, STE#200
Everett, WA 98204

Dear Shannon,

This is a proposal for electrical engineering services for the Jefferson County International Airport improvements as described herein. Elcon Associates will be the single point of electrical consultant services.

Project Scope:

1. Project consists of a final design for runway rehabilitation.
2. Electrical design scope includes the following.
 - a. Investigate performance issues for existing airfield lighting
 - b. Modify runway edge lighting and controls as required for runway modifications and reliability.
 - c. Relocate REILs if required.
 - d. Relocate PAPI if required.

Scope of Electrical Design Work:

The expected Scope of Work is as follows, with an attendant level of effort as detailed on the attached Fee Estimates.

1. Project Administration
2. 90-percent Level Submittal Set
 - a. Design Drawings
 - b. Specifications
 - c. Engineer's Opinion of Probable Construction Cost
 - d. Review Meeting/Site Inspection
3. 100-percent (Final) Level Submittal Set
 - a. Design Drawings
 - b. Specifications
 - c. Engineer's Opinion of Probable Construction Cost
 - d. Input on Design Report
 - e. Review Meeting (Conference Call)
4. Bid Documents
 - a. Design Drawings
 - b. Specifications
 - c. Engineer's Opinion of Probable Construction Cost
5. Bid Services
 - a. Attend Kickoff Meeting
 - b. Respond to RFIs

- c. One change order/addendum
- d. Review of bids

Assumptions:

- 1. Lighting vault replacement is not included in the expected scope of work.
- 2. Backup generator design is not included in the expected scope of work.
- 3. Helipad lighting is not included in the expected scope of work.
- 4. Design to be prepared per FAA standards and requirements.
- 5. Design contract is on a time-and-materials basis with a not-to-exceed value as detailed on the attached Fee Estimate.
- 6. Any modifications to this scope will be documented in writing prior to the work (email will suffice for a notice to proceed).
- 7. Construction Support is not included.

Deliverables:

- 1. 90% Design Drawings, Specifications, Cost Estimate, and Design Report
- 2. 100% Design Drawings, Specifications, Cost Estimate, and Design Report
- 3. Bid Document Drawings, Specifications, Cost Estimate

Schedule:

All design services to be complete by December 2018. Elcon Associates will provide timely execution of all project responsibilities, with the following response being considered typical:

- 1. Drawings and Specifications – 3 weeks following receipt of all backgrounds, design direction, comments and similar.

Thank you for the opportunity to propose on this work. Please contact me at 206-267-3047 if you have any questions.

We look forward to working with you on this project.

Sincerely,
ELCON ASSOCIATES, INC



Dean C. Ralphs, P. E.
Project Manager

Enclosures: JCIA Final Design Fee Estimate 180503

Estimate for Engineering Services				ELCON ASSOCIATES, INC.				
Project: JCIA Runway Improvements				ENGINEERS - CONSULTANTS				
Client No:								
Elcon No: 5667-08000								
Phase: Final Design/Bid								
Revision: 5/3/2018				Budgeted Labor By Category in Manhours				
ENGINEERING SERVICES		Project Manager	Senior Engineer	Engineer	Senior Designer	CADD Operator	Admin	Total
1	Project Administration		4				2	6
2	90-percent Level Submittal Set							
2.a	Design Drawings		18			12		30
2.b	Specifications		8					8
2.c	Cost Estimate		2					2
2.d	Review Meeting/Site inspection		10					10
3	100-percent (Final) Level Submittal Set							
3.a	Design Drawings		10			8		18
3.b	Specifications		4					4
3.c	Cost Estimate		2					2
3.d	Design Report		4					4
3.e	Review Meeting (telecom)		2					2
4	Bid Documents							
4.a	Design Drawings		10			8		18
4.b	Specifications		4					4
4.c	Cost Estimate		2					2
5	Bid Services							
5.a	Kickoff Meeting		6					6
5.b	RFIs (4 @ 2hrs ea)		8					8
5.c	Change Order/Addendum		6			4		10
5.d	Bid Review		4					4
Total Labor Hours:			104			32	2	138
Labor Rate:		\$160.00	\$155.00	\$135.00	\$120.00	\$105.00	\$85.00	
Total Labor Cost:			\$16,120			\$3,360	\$170	\$19,650
EXPENSES								
		Travel	2 trips of		202	miles @	\$0.545	\$220
			2 Per diem x			\$/Day	\$15.00	\$30
		Postage, Courier						
		Total Expenses						
		\$250						
TOTAL ESTIMATED FEE								\$19,900

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	August 22, 2018
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. C) Leasing Policy Advisory Committee (LAPC) – Review and Selection of Applicants
STAFF LEAD	Eric Toews
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Informational Memo B. Applicant List

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 8/22/2018
TO: Commission
FROM: Eric Toews
SUBJECT: Leasing Policy Advisory Committee (LPAC): Review and Selection of Applicants

ISSUE

Per direction from the Commission at the August 8, 2018 Business Meeting, staff was directed to solicit applications for potential LPAC candidates via the Port's website. Specifications for those candidates are as follows:

- **Current Port Tenants** - Two (2) members, one with a tenancy in District #1, and another with a tenancy in either District #2 or #3;
- **Private Sector Commercial/Industrial Tenant** – One (1) member who is a lessee of commercial or industrial property in Jefferson County;
- **Private Sector Landlord** - One (1) "Lessor" of commercial or industrial property in Jefferson County; and
- **Local Financial/Lending Institution** - One (1) commercial loan officer or similar individual familiar with financing local businesses.

DISCUSSION

An overview of applicant provided details/qualifications are provided on the following page. Full applications can be provided upon request.

RECOMMENDATION

For the Commission to nominate and formally appoint members to the Leasing Policy Advisory Committee.

APPLICANTS
Ad-Hoc Leasing Advisory Committee

Applicant Name	Membership Category	Details/Qualifications
Baird, Ernie	Current Port Tenant, District 1	<p>I currently hold a lease for land located in the uplands at Boat Haven. I have held that lease since 1988. My employment at the Port began in 1979 when I went to work for Mark Burn at Port Townsend Boatworks. I have been continuously in some sort of business relationship at the Port ever since.</p> <p>In 1988 I established Baird Boat Company and contracted work under that name until 2004. In the course of business I built two buildings on the land leased from the Port. In 2004, with the approval of the Port Commissioners, I rented those buildings to Haven Boatworks, LLC, a corporation established by some of my employees.</p> <p>In 2014 the Port extended the boundaries of my leasehold so that an addition could be built onto one of those buildings. The addition was constructed to house the operation of Shoreline Marine Diesel, recently purchased by Haven Boatworks.</p> <p>My experience with the Port and in the regional marketplace inform my understanding of doing business on a leasehold, financing such a business through bank loans, and successful competition for construction, repair and refit work in the fishing, yachting, sail training, and government fleets.</p> <p>I have also participated in the successful transfer of my operation to Haven Boatworks. Together, we have provided the Port with a reliable revenue stream for 30 years.</p> <p>Additionally, in collaboration with then Port Executive Director Lloyd Cahoon, I proposed the 3% surcharge on work invoiced to vessels hauled with the 300 ton Travel Lift as a method for the Marine Trades to contribute to the purchase of the 300 ton lift and the construction of its finger dock. That proposal was accepted by the Marine Trades and the Port Commission.</p>
Berger, Carl	Current Port Tenant, District 1	<p>Before retiring two years ago, I spent 30 years in construction management, working on industrial projects throughout the country. Although lacking extensive leasing experience, I have assisted in negotiating several leases from a tenant perspective for my wife's business in southern Nevada.</p>

Applicant Name	Membership Category	Details/Qualifications
Jochems, Mark	Current Port Tenant, District 1	<p>Presently serving as a planning commissioner for Jefferson County. 3 years</p> <p>11 years economic development. Past president Jefferson County economic development council. 1994 - 2005.</p> <p>23 years marine trades, business owner in POPT Lease holder at POPT.</p> <p>Property management with tenants.</p>
Berson, William	Current Port Tenant, District 2	<p>My experience is that of a former airport business leaseholder, including the negotiating of airport lease terms and rates.</p> <p>Currently, Treasurer for Tri-Area RC Flyers.</p>
Jones, Chris	Current Port Tenant, District 2	<p>Hatchery Operations Manager for the Coast Seafoods Hatchery in Quilcene.</p> <p>Coast Seafoods has been a commercial tenant of the Port of Port Townsend for many years.</p> <p>Knowledge in current leasing policy practices, expertise in business and financial matters, and understanding the Quilcene community.</p>
Taylor, Eric	Current Port Tenant, District 2	<p>I think it is important that the airport leaseholders be represented on this committee.</p> <p>I have served as the business manager of my hangar condo group for over 15 years and am very familiar with our own lease with the Port, as well as several other JCIA hangar pad leases.</p>
Kanieski, Charley	Private Sector Landlord	<p>I presently own two commercial buildings in Port Townsend and have owned commercial rental buildings since the 1970's in various places.</p> <p>As a CPA, I have hundreds of clients who own literally hundreds of rentals and act as their advisor as to rates and terms and relationships with tenants. I have acted in this role in Port Townsend for 28 years, so feel like I have a good handle on how leases work in Port Townsend.</p>

Applicant Name	Membership Category	Details/Qualifications
Murock, Jon	Local/Financial Lending Institution	<p>I have a broad range of banking experience with 21 years working in Port Townsend.</p> <p>I have worked in a retail branch as a branch manager, residential lender, commercial lender and currently manage the Secondary Market Department at First Federal.</p> <p>My knowledge of commercial leases comes from working with commercial borrowers at Washington Mutual and First Federal.</p> <p>My current role incorporates supporting commercial lenders and working with many different financial contracts.</p> <p>Part of my role is to buy and sell commercial loans as well as preview current commercial production so my knowledge of commercial leases is needed to perform my job. I believe my knowledge would be helpful to the committee.</p> <p>I also volunteer on two Jefferson County boards. The Main Street HUD Loan Board and Treasurer of REPAH (Jefferson County Association of Realtors non-profit 501© 3 organization) that helps low income homeowners with health and safety improvements to their homes.</p>
Whitmire, Susan	Local/Financial Lending Institution	<p>I have 33 years of banking experience with over 20 of those years in the commercial lending area.</p> <p>I have been with Kitsap Bank here in Port Townsend since 2005 and have made several loans in the Port of Port Townsend over that time.</p> <p>I do a lot of SBA lending as well as direct commercial loans where leases play an integral part in the loan process.</p>
Langley, Pete	Private Sector Business Owner & Tenant (not Port-related)	<p>I can contribute business knowledge learned for 38 years of business in Port Townsend and Jefferson County.</p> <p>Our company has had leases with the Port of Port Townsend and with private lease holders.</p> <p>We can bring an industrial/manufacturing prospective and understanding of the leasing process and how it can benefit both parties.</p>

Applicant Name	Membership Category	Details/Qualifications
Hayes, Ron	---	<p>As a user of the Port facilities and a concerned citizen of Jefferson County, I hope to help the Port implement their new Leasing Policy and gain the public support that this policy will need to effectively manage and procure tenants for all their properties. As evidenced by the recent economic study by Martin & Associates our marine sector is a viable and important sector of our local economy and our community fabric. The Port needs to offer consistent and fair rates to current tenants and have the ability and provide the Port of PT with sufficient rent revenues to cover costs and provide funds for future capital expenditures.</p> <p>I have been in Jefferson County since 1999, living here full-time since 2004. I started attending Port Commission meetings when the A&B Dock replacement project got underway. I served on the 2013 PSAC (Port Strategic Advisory Committee) and continued my support for the Port. Over the years, I have attended many Port Commission meetings and reviewed Port financial data and commented on what I saw as important trends and opportunities. I hope to be able to contribute and collaborate with the other members of the Advisory Committee. I have over 40 years working experience with large and small companies as an Accountant, Controller & CFO. My work history included Del Monte Corp., Rainer Brewing Company, TAPCO, INTERPACE, CASCO and Redfern Consultants. My education included: BA in Business Administration, major in Accounting from the Univ. of Washington and Masters of Business Administration from Golden Gate University.</p> <p>I think my extensive financial and accounting experience would bring fiscal responsibility to the committee.</p>
King, David	---	<p>I arrived in Port Townsend in 1978 as a tailgater. I was most recently a Port of Port Townsend tenant as CFO and Managing Partner of Townsend Bay Marine from 1999 - 2015. Prior to that I was General Manager of Admiral Marine. Prior to that I was sole proprietor of Port Townsend Yachtbuilders (where Admiral Ship Supply is now.)</p> <p>Graduated Valley Forge Military Academy 1967; Graduated Harvard College in 1971; Port Townsend City Council 2008-2015; Port Townsend Mayor 2012-2015</p> <p>Prior to serving on Council I served on the City's Lodging Tax Advisory Committee (LTAC); Prior to serving on Council I served on the City's Shoreline Master Program Advisory Committee; Served on the Port of Port Townsend Strategic Plan Advisory Committee</p>
Yount, George	---	<p>I have port administrative experience, eight years as manager of the Port of Port Townsend and five years as Deputy Director of Airport and Marina Operations for the Port of Olympia. I have written a considerable number of the leases for Port Townsend and I am familiar leasing policies, terms and conditions. I have a 38-year long commitment to community service activism in the areas of economic and environmental development in our community. I am a skilled and experienced environmental mediator, resolving disputes in Idaho and Washington State including the location of a ferry terminal in Port Townsend and resolving the location of a general utility airport in Jefferson County.</p>

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	August 22, 2018
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. D) Public-Private Partnership for Development and Operation of Pumpout Boat
STAFF LEAD	Greg Englin
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Info Memo B. Draft Budget – Pumpout Vessel C. Proposed Collaborative Grant Proposal re: Pumpout Boat

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 8/17/2018
TO: Commission
FROM: Greg Englin, Director of Operations and Business Development
CC: Eric Toews, Acting Executive Director
SUBJECT: Public-Private Partnership for Development and Operation of Pumpout Boat

ISSUE

The Northwest School for Wooden Boat Building (NWSBB) along with University of Washington / Washington Sea Grant have approached the Port to collaborate on a program to design, construct, and operate a pumpout vessel for Port Townsend. The NWSBB would construct the vessel and then the vessel would be turned over to the Port of Port Townsend to operate the vessel (Scenario A) or the vessel could be operated by a third-party contractor (Scenario B).

BACKGROUND

The program comes from the Clean Vessel Act, which the U.S. Congress passed in 1992 to help reduce pollution from vessel sewage discharges. The act established a federal pumpout grant program administered by the U.S. Fish & Wildlife Service and the Sport Fish Restoration Act, which authorizes funds for use by states.

The program is administered at the state level by the Washington State Department of Parks and Recreation, which funds 75 percent of operating costs for private pumpout companies, with local communities or marinas responsible for the remaining 25 percent.

ATTACHMENTS

- Northwest School of Wooden Boatbuilding – Memo Regarding Pumpout Boat (June 19, 2018)
- Application to State of Washington for Boat Sewage Disposal Facility
- Spreadsheets of Estimated Costs for Each Scenario

DISCUSSION

Betsy Davis of the NWSWBB and Aaron Barnett of Washington Sea Grant will be available to answer questions about the background for this proposed project. *Refer to attachments.*

FISCAL IMPACT

Vessel construction costs would be zero to the Port. The State would cover 75% of the construction costs and the NWSBB will cover the remaining 25% of costs. Operating costs to the Port are captured under the following two scenarios.

SCENARIO A: Port Operates Vessel.

The Port would need to cover and budget operational expenses when the vessel is due for delivery (beginning in 2020) and through the useful life of the asset. Total estimated operating expenses

could \$16,000 per year. The State of Washington would cover 75% and the Port would cover the remaining 25% of costs. *Refer to attached spreadsheet with estimated budget.*

SCENARIO B: Contractor (Terry Durfee and Sons) Operates Vessel.

Overall annual contractor's operating costs have been about \$150K annually. A 25% Port match would equal \$37.5K. Costs could be shared with other parties potentially but yet to be determined if and who other parties would be.

RECOMMENDATIONS

All assumptions where information could be collected have been included here. Information is imperfect and multiple other considerations could not be anticipated at this time. For example, determining if the operating costs could be significantly less if the vessel were to be electrically powered versus running off gas or diesel fuel. Neither scenario includes cost sharing with any other organization or any shared sponsorship for operating the vessel except State .

Scenario A (Port Operated) would cost an estimated **\$16K** annually given the assumptions provided.

Scenario B (Contractor Operated) would cost an estimated **\$30K** annually given the assumptions provided.

Commission will need to determine if the Port will partner with the Northwest School of Wooden Boat Building and the State of Washington to manage the construction and operation of a pumpout vessel for the Port of Port Townsend.

DRAFT BUDGET - PUMPOUT VESSEL

	MATCH	NOTES	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	TOTAL
		13	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Number of Pumpouts			1,200	1,500	1,700	1,900	2,100	2,400	2,600	2,800	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Revenues - Operating		1,2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA STATE PARK Match - 75%		5,10,11,12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor - Outsourced Vessel Ops	Yes		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	600,000
Labor - Direct Vessel Ops	No	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor - Maintenance	Yes	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Moorage	Yes	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	Yes	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
R&M - Parts, Supplies	Yes	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste Disposal Costs	Yes	10	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	2,086
Capital Expenses (Pump System)	Yes	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE		6,9	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	30,104	602,086
NET OPERATING REVENUE (LOSS)		3	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(30,104)	(602,083)
																							(30,104)

NOTES

- 1 Pumpout charges is limited to \$5 fee per pumpout by state law. Option to not charge means no reporting costs for tracking etc. Labor costs for maintenance are included in O&M so reimbursable at 75%.
- 2 Assume number of pumpouts starts at 1,200 per year and increases by only 10% annually.
POFH pumped out 2,650 vessels in 2017. Maybe too conservative. Marinas see > 6,000 vessels visits annually plus Port Hadlock use.
- 3 Total pumpouts needed to break even annually is about 3,000 if we exclude moorage costs. Saves environment. 3,055
- 4 Assumes 20 year life of asset. POFH had major rebuild on pumpout system at 12 years. 11,500 0.75 8,625
- 5 Labor 600 hours = \$11,500 - 75% Labor costs for operating the boat are NOT reimbursable. ASK AL W AGAIN TO CLARIFY
Terry Durfee has contract with state. We can outsource the labor costs due to operating th vessel except Durfee will want us to pay his costs estimated at \$30,000 per year. POGH is looking at cost share between Port and City.
Terry Durfee's contract with state allows his company to get some reimbursement from state for labor. Port (and / or City / County) needs to make up shortfall.
Overall annual cost's have been about \$150K annually. A 25% Port match would equal \$37.5K. Costs could be shared but yet to be determined if and who other parties would be.
- 6 POGH had estimated OpExp of \$30K annually from private operator.
- 7 Start saving for capital expenses from Day 1. POFH had major refit for \$14K at 12 years. \$18K fund would be available at 12 years.
- 8 Based on POFH actuals.
- 9 Moorage was not included as an opportunity cost (about \$300 per month).
- 10 POFH pumped 41,000 gallons. POPT assumes 53% (POPT 1200 pumpouts vs POFH 2260 pumpouts) of 41,000 gals or 21,770 gals at Utility rate of \$4.79 per 1000 gals.
- 11 Disposal costs do qualify as reimbursable expenses since they are part of the Operating & Maintenance (O&M) Expenses
- 12 0.530973 2,260
- 11 If the Port is only able to depreciate he boat over 10 years then no matching the remaining 10 years of life.
- 12 Is insurance qualify as a reimbursable expense?
- 13 The asset qualifies for depreciation for the useful life or 20-25 years - whichever is greater.

DRAFT BUDGET - PUMPOUT VESSEL

	MATCH	NOTES	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	TOTAL
		13	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Number of Pumpouts			1,200	1,500	1,700	1,900	2,100	2,400	2,600	2,800	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Revenues - Operating		1,2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
WA STATE PARK Match - 75%		5,10,11,12	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	228,064
TOTAL REVENUE			11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	11,403	228,064
Port Administrative	No		500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	10,000
Labor - Direct Vessel Ops	No	5	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	230,000
Labor - Maintenance	Yes	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Moorage	Yes	9	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	72,000
Insurance	Yes	12	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	80,000
R&M - Parts, Supplies	Yes	8	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	120,000
Waste Disposal Costs	Yes	10	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	2,086
Capital Expenses (Pump System)	Yes	7	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	30,000
TOTAL EXPENSE		6,9	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	27,204	544,086
NET OPERATING REVENUE (LOSS)		3	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(326,018)
																							(16,301)

NOTES

- 1 Assume Port does not charge this nominal fee. It is often more cost effective to not charge for pumping and submit to State for 75% of the costs that qualify for State reimbursement.
- 2 Pumpout charges is limited to \$5 fee per pumpout by state law. Option to not charge means no reporting costs for tracking etc. Labor costs for maintenance are included in O&M so reimbursable at 75%. Assume number of pumpouts starts at 1,200 per year and increases by only 10% annually.
- 3 POFH pumped out 2,650 vessels in 2017. Maybe too conservative. Marinas see > 6,000 vessels visits annually plus Port Hadlock use.
- 4 Total pumpouts needed to break even annually is about 3,000 if we exclude moorage costs. Saves environment.
- 5 Assumes 20 year life of asset. POFH had major rebuild on pumpout system at 12 years.
- 6 Labor 600 hours = \$11,500 - 75% Labor costs for operating the boat are NOT reimbursable.
- 7 Terry Durfee has contract with state. We can outsource the labor costs of operating the vessel except Durfee will want us to pay his costs estimated at \$30,000 per year. POGig Harbor is looking at cost share between Port and City.
- 8 Terry Durfee's contract with state allows his company to get some reimbursement from state for labor. Port (and / or City / County) needs to make up shortfall.
- 9 POGH had estimated OpExp of \$30K annually from private operator.
- 10 Start saving for capital expenses from Day 1. POFH had major refit for \$14K at 12 years. \$18K fund would be available at 12 years.
- 11 Based on POFH actuals.
- 12 Moorage was not included as an opportunity cost (about \$300 per month).
- 13 POFH pumped 41,000 gallons. POPT assumes 53% (POPT 1200 pumpouts vs POFH 2260 pumpouts) of 41,000 gals or 21,770 gals at Utility rate of \$4.79 per 1000 gals.
- Disposal costs do qualify as reimbursable expenses since they are part of the Operating & Maintenance (O&M) Expenses
- 0.530973 2,260
- If the Port is only able to depreciate the boat over 10 years then no matching the remaining 10 years of life.
- Is insurance qualify as a reimbursable expense?
- The asset qualifies for depreciation for the useful life or 20-25 years - whichever is greater.

To: Port of Port Townsend
From: Betsy Davis, Executive Director, Northwest School of Wooden Boatbuilding
Date: June 19, 2018
Re: Proposed Collaborative Grant Proposal re: Pumpout Boat

The Northwest School of Wooden Boatbuilding proposes a collaborative project including the Port of Port Townsend. The pumpout grant program managed by Washington State Parks provides matching money for a community to acquire and operate a pumpout vessel to provide free pumpouts to recreational boaters. The boat school would submit a grant to Washington State Parks requesting a grant to fund the school's construction of a state-of-the-art pump out vessel in the school's educational programs. The completed vessel would then go to the Port to operate the pumpout program.

High Level Concept



Locally Designed, Locally Engineered, Locally Built

- Up to 26' long (see hull shape in photo at right)
- Built from wood, using contemporary methods (e.g. cold-molded hull)
- Custom- designed locally to meet both educational and usage requirements
- State-of-the-art -- the vessel will incorporate sustainable, environmentally friendly appropriate hybrid electric and solar technology for both propulsion and systems power needs



How this Supports Northwest School of Wooden Boatbuilding

- Will be designed to provide a wide range of building techniques, benefitting students that include:
 - Cold molded construction
 - Vacuum infusion
 - Finishing
 - Working with a designer
 - Working with new propulsion technology
 - State of the art contemporary boatbuilding
 - Introduction to CNC production
- Sharpens connections between school and local marine businesses
- Enables a pilot project – it may become the catalyst for commissions from other communities in the future
- Builds visibility for the school which helps promote enrollment and employment opportunities for graduates

How this Supports Community

- Provides free pumpout services for recreational boats
- Promotes environmental stewardship by making pumpouts easy
- Supports local marine trades through purchases of services and equipment
- Promotes visibility for maritime innovation happening in Jefferson County

Logistics

- The Northwest School of Wooden Boatbuilding would submit the grant, then a three-way agreement would be signed between the two organizations and State Parks.
- State Parks would reimburse the school for up to 75% of the cost to design and build the boat. The school's 25% match can include in-kind work, such as the instructor's time overseeing the project.
- State Parks would reimburse the Port for up to 75% of the costs of operating it as a pumpout boat (that does not include salaries for operators). The Port could consider moorage and maintenance as a portion of their 25% portion. The commitment would be to operate the boat for usable life of the equipment – that based on the state's depreciation schedule for workboats – perhaps around 10 years.
- Once completed, the Port of Port Townsend could make the vessel available for people learning about innovation in marine technology.
- <https://parks.state.wa.us/758/Pumpout-Grant-Program>

Use this page to provide the cost estimate for your project				
Marina name:	Port Townsend Bay / Port Ludlow / Port Angeles			
Date:		Do not enter in these columns		Enter amounts in this column
Eligible Activity/Equipment	Name of supplier or contractor (if known)	State Parks Funding (75% of Project)	Applicant Match (25% of Project)	Enter Total Estimated Costs
Program Coordination (up to 15% of project total)	NWSWB Project Management	\$33,750.00	\$11,250.00	\$45,000.00
Engineering (up to 15% of project total)	Local Naval Architect	\$22,500.00	\$7,500.00	\$30,000.00
Permits (list)		\$0.00	\$0.00	\$0.00
Float/Space		\$0.00	\$0.00	\$0.00
Piling		\$0.00	\$0.00	\$0.00
Pumpout Equipment		\$0.00	\$0.00	\$0.00
Dump Station Equipment		\$0.00	\$0.00	\$0.00
Boat & Trailer	Construction and Systems Installation at NWSWB	\$221,250.00	\$73,750.00	\$295,000.00
Forward Lift Station		\$0.00	\$0.00	\$0.00
Grinder Pump		\$0.00	\$0.00	\$0.00
Back Flow Prevention Valve		\$0.00	\$0.00	\$0.00
Flow meter / Telemetry Unit		\$0.00	\$0.00	\$0.00
Pipe & plumbing materials		\$0.00	\$0.00	\$0.00
Plumbing Labor		\$0.00	\$0.00	\$0.00
Electrical Materials		\$0.00	\$0.00	\$0.00
Electrical Labor		\$0.00	\$0.00	\$0.00
Lumber/Construction materials		\$0.00	\$0.00	\$0.00
Protective Covering Box		\$0.00	\$0.00	\$0.00
Sewer Hookup		\$0.00	\$0.00	\$0.00
Up land holding tank		\$0.00	\$0.00	\$0.00
Signs (required signs are provided by Clean Vessel Program)	Required signs include large pumpout symbol at marina entrance and logo with Sport Fish Program and State Parks logos at pumpout	\$0.00	\$0.00	\$0.00
Misc. Costs (nuts, bolts, paint, etc.)		\$0.00	\$0.00	\$0.00
Shipping		\$0.00	\$0.00	\$0.00
Taxes		\$24,975.00	\$8,325.00	\$33,300.00
Totals:		\$302,475.00	\$100,825.00	\$403,300.00



WASHINGTON STATE PARKS & RECREATION COMMISSION
OPERATIONS

APPLICATION FOR BOAT SEWAGE DISPOSAL FACILITY

CLEAN VESSEL ACT 75% FUNDING

To: **Washington State Parks & Recreation Commission**
Clean Vessel Grant Program
1111 Israel Road SW
Olympia, WA 98504-2654

From: **Northwest School of Wooden Boatbuilding (Port of Port Townsend to Operate)**
Name of Marina, Company, Individual, Tribe, or Agency

Ownership of Marina: ☒ Public ☒ Private ☐ Tribal

Marina Owner / Project Coordinator / Contact Name & Position Title: Betsy Davis, Executive Director, Northwest School of Wooden Boatbuilding		Telephone Number 360-385-4948	
Mailing Address (P.O. Box if applicable for mailing): 42 N Water St	City: Port Hadlock	State: WA	Zip + 4: 98339-8706
Physical Address (If different from Mailing Address):	City:	State:	Zip + 4:
Fax Number:	E-Mail Address: betsy@nwswb.edu		
Federal ID: 91-1122839	UBI Number: 600 383 380		

1.) Scope of work to be accomplished. (Check all that apply):

- ☐ Add Boat Sewage Disposal System to new marina construction
- ☒ Add Boat Sewage Disposal System to existing marina
- ☐ Add equipment to an existing system
- ☐ Placing Floating Restroom
- ☒ Request for operation & maintenance funding (subject to availability of funds)
- ☐ Equipment replacement
- ☐ Equipment repair

2.) Equipment to be purchased. (Check all that apply):

- ☐ Pumpout and Dump Station
- ☐ Pumpout Only
- ☐ Dump Station Only
- ☐ Barge Unit with pumpout, dump station, and/or restroom
- ☐ Portable Pumpout
- ☐ Floating Restroom (**May not be attached to shore or to any device that is attached to shore.**)
- ☒ Other (*dock space, sewer hookup, holding tanks, etc.*)
- ☐ Request for operation & maintenance funding **only** (subject to availability of funds)

3.) Describe the proposed project; what are the benefits for the public and the environment?

(1) Promotes water quality (Washington Sea Grant studies have shown mobile is seen as most convenient) (2) Provides rich educational experience during construction of the vessel and as a model of state-of-the-art electric propulsion technology (3) Strengthens connections between Boat School and local marine businesses (4) Promotes visibility of marine innovation in Jefferson County.

Note:

In submitting this application for Clean Vessel Funds, we are aware that the grant/contract, if approved, will be paid on a reimbursement basis on acceptance of the project by State Parks. We hereby certify availability of the necessary matching contributions through project expenditures, in-kind services, and/or volunteer contributions. We agree to furnish the initial funding to complete the entire project identified in this application.

We are also aware that this document is a grant application only and does not authorize expenditure of funds. A completely executed contract must be on file with WA State Parks before any expenditure that is incurred.

The construction and/or Operation and Maintenance agreement may be cancelled at any time by State Parks should federal grant funding no longer be available.

We certify that, to the best of our knowledge, the information contained in this application is true and correct.

Signature of Authorized Representative

Date

Print Name and Title

I. General Information

Marina NOAA Chart Coordinates (at center of harbor area):

Latitude: 48.117039 Longitude: -122.760447 GPS Latitude: 122.760447 GPS Longitude: 122° 45' 37.6092" W

Facility Use:

Number of Slips: 420 Annual Use: Under 26': ?? Over 26': ??

If your facility is not open year-round, give dates when opening and closing:

☒ Open Year Round Opening Date: _____ Closing Date: _____

Commercial services available at or near marina:

☒ Gas ☒ Repairs ☒ Food ☒ Upland Restroom ☒ Restaurant

☐ Other: _____

If you are just replacing existing equipment, you may contract with a vendor to provide the equipment and installation, or purchase the equipment from a vendor and have someone else who is qualified put the equipment in place.

If you will need additional funding for electrical wiring, plumbing, new floats, repairing existing dock or float, cover for new equipment, or any other item which will be necessary to complete this project, please indicate the amount on the Estimated Cost sheet, page 5.

II. Evaluation Questions

The following information, along with your project design, will be used by the Boating Environmental Committee to evaluate your application.

1. Nearest pumpouts / dump stations to this facility:

Name: Port of Port Townsend (Boat Haven and Point Hudson)	Distance: 0
Name: Port Hadlock Marina	Distance: 6 mi
Estimated moorage within one mile: 420	Estimated launch sites within one mile: 2

2. Will you be participating with any other entities (private businesses, non-profit organizations, or governmental agencies) to operate and maintain this facility?

☒ Yes, Name of Organization: **Port of Port Townsend will operate** ☐ No

3. Will this facility be an innovative project in some way (i.e. first barge unit in your local area; or a facility which allows more than the usual single user of pumpout at one time, etc.)?

☒ Yes, Describe Innovation below ☐ No

State of the art design will include appropriate hybrid electric and solar technology for both propulsion and systems power needs.

4. Is Project in a county that is listed in the Boat Sewage Facility Inventory of 2001?

☐ Yes ☐ No ☐ Unknown

If it is not listed, will it contribute to the statewide network of facilities or provide equipment to use during times of peak marina use?

☐ Yes ☐ No

5. Is facility in an environmentally sensitive area as designated by State Parks?

☒ Yes ☐ No

Or, describe the body of water your facility is located on and indicate any of the following Resource Sensitivity Characteristics. (**Check All That Apply**):

Name of Body of Water: **Port Townsend Bay**

☒ Limited Flushing

☒ Shallow Water

☒ Commercial or Recreational Shellfish beds

☐ Swimming Area

☐ Absence of Pollution

☐ Polluted area needing cleanup

☐ Diverse Species Inhabiting Area

☐ Other: _____

☐ Other: _____

6. An important factor is our ability to place facilities for the lowest cost to the greatest number (cost benefit ratio). There are several ways in which a project might qualify. For example: as project sponsor, you are willing to put in more of your own funds to complete the project which allows the federal funding we administer to be used in more projects; or, you might be able to combine the installation of the pumpout equipment with another project and save money this way. Projects which have a cost savings to either the state or the project sponsor provide a cost savings.

Will this project provide a cost savings either to the state or the project sponsor? ☐ Yes ☐ No

Please explain:

There is a savings to the state because the Northwest School of Wooden Boatbuilding is contributing the salaries of the instructors overseeing the construction of the pumpout boat including the installation of systems.

III. Permits

One or more of the following permits may be needed for your project. It is your responsibility to be sure you have the necessary permits. Permits **do not** have to be in your possession prior to applying but must be in your possession prior to beginning the construction portion of the project. **If required, you must attach a copy of the first page showing submittal date.**

Corps of Engineers Permit ☐ Yes ☒ No

Hydraulic Project Approval ☐ Yes ☒ No

Environmental Review ☐ Yes ☒ No

Documentation of SEPA Compliance

Letter of Exemption or Determination from Local Jurisdiction ☐ Yes ☒ No

(Please attach a copy)

Shoreline Management Act Permits ☐ Yes ☒ No

Contact person at Local Jurisdiction Office who is responsible for SEPA determinations:

Name:		Title:	
Local Jurisdiction Office:			
Address:		City:	State: Zip + 4
E-Mail:		Phone Number:	

EXAMPLE OF HOW TO FILL OUT THE ESTIMATED PROJECT COST SHEET

To complete the cost sheet, first determine the cost of the item and then the percentages:

New pumpout Total Equipment Cost	\$9,000
Match funds are 25% (\$ 2,250)	<u>X .25</u>
	\$ 2,250 Total Applicant Match
	<u>\$9,000</u>
	<u>- 2,250</u> Total Applicant Match
	\$6,750 Total State Funds requested.

Example of Estimated Project Cost Sheet

Examples of Eligible Activity / Equipment	Name of Supplier or Contractor (If known)	State Parks Funding (75% of Project)	Applicant Match (25% of Project)	Enter Total Estimated Costs
Engineering (15% of project max)	Pumpout Installations, Inc.	\$2,250	\$750	\$3,000
Pumpout Equipment	XYZ Company	\$6,750	\$2,250	\$9,000
Labor to Install	Marina Staff	\$1,500	\$500	\$2,000
TOTAL		\$8,250	\$2,750	\$14,000

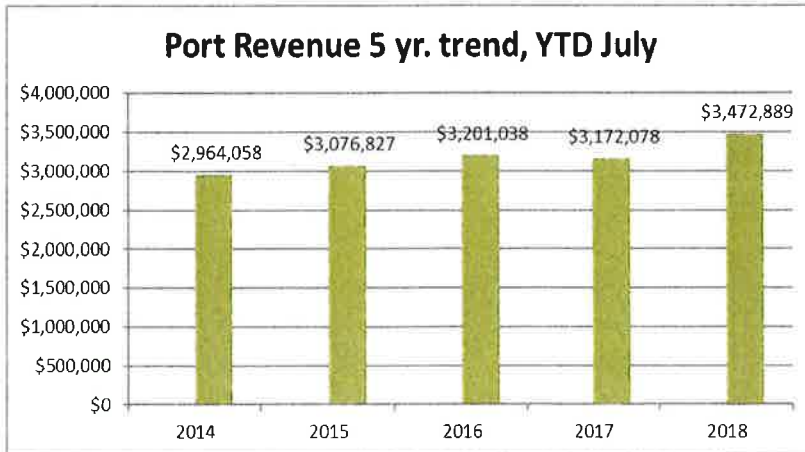
See attached O-405-A Estimated Project Cost Sheet

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

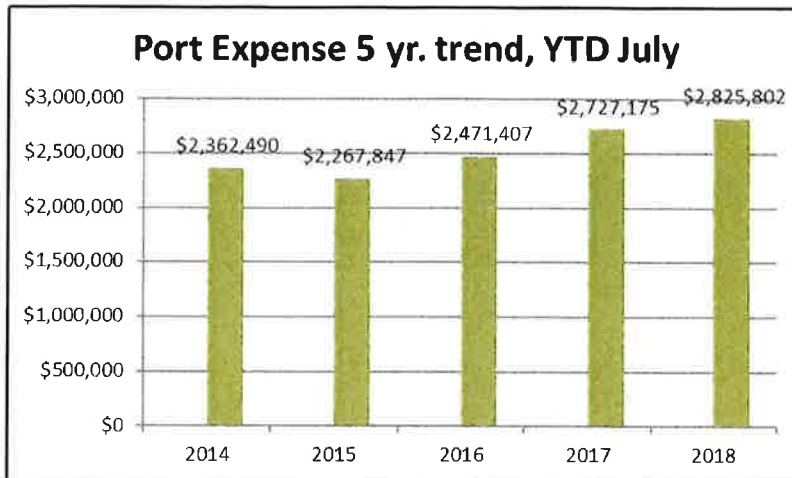
MEETING DATE	August 22, 2018
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. E) July 2018 Financials
STAFF LEAD	Abigail Berg, Director of Finance & Administration
REQUESTED	<input type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	A. Port Operating Results as of July 31, 2018

DATE: August 17, 2018
TO: Commissioners and Directors
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: Port Operating Results as of July 31, 2018



Revenue Highlights:

- ✓ Operating Revenues continue to surpass YTD revenues when compared to 2017, as well as the last four (4) years. July YTD 2018 are ahead of 2017 by \$300,811 or 9.5%.
- ✓ Total Operating Revenues are ahead of YTD Budget by \$41,014.
- ✓ Marinas & RV Parks revenue are the sector lead in revenues, not only from the rate increase implemented in January, but the new vision in maximizing capacity in all marinas and the Point Hudson RV park, as led by the Director of Operations and carried out by staff. Compared to 2017, Marinas & RV Parks revenue are ahead by \$186,120 and are ahead of budget by \$103,230.
- ✓ Yard revenues continue to be ahead of the prior year, by \$113,952, but short of budget by \$58,331. Ambitious goals were set for the Yard and though shy of YTD budget, are doing quite well.
- ✓ Ship Yard Hoist revenues are ahead of last year by \$36,225, and ahead of budget by \$17,759.
- ✓ Ship Yard revenues are ahead of last year by \$23,419, and below budget by \$47,611.
- ✓ Work Yard Hoist revenues continue to be ahead of last year, by \$13,584, while also being ahead of budget by \$11,453.
- ✓ Work Yard revenues also continue to be ahead of 2017, by \$16,392, though short of budget by \$16,356.
- ✓ Property Leases & Use Revenues continue to be less than the prior year (\$8,755); this gap decreased in July by \$2,504. Even though PTBH Properties are more than 2017 by \$18,057, this increase is offset by the decrease in Point Hudson Properties (\$31,387) which is primarily due to tenant vacancies at Point Hudson. Clearly vacancies need to be filled.
- ✓ Fuel Sales & Leases continue to lag when compared to YTD 2017 (decrease of \$2,457) and is short of budget by \$1,647. Both PTBH and JCIA are doing well historically and in alignment with budget, but Quilcene is falling short. Some of this is due to the shut-down of about a month and a half when there was a necessary fuel dispenser part replacement and there was difficulty obtaining the parts.
- ✓ Ramp revenues are less than YTD 2017 by \$2,560 and less than budget by \$4,007. For both PTBH and Quilcene, this decrease is due to timing of tribal openings which cannot be predicted by the Port. These are reflected in reductions in Commercial Use Fees. June of 2017 had openings whereas 2018 did not have any until July.
- ✓ Utilities Revenue are ahead of last year by \$14,510 and ahead of budget by \$11,250.



Expense Highlights:

- ✓ Total YTD 2018 Operating Expenses are more than 2017 by \$98,628, yet below budget by \$216,795. Just over half of this is from staffing shortages, totaling \$120,269, which are slowly getting filled. Due to filling vacant positions and changes in Port leadership, these "savings" will be used up by year end and may even exceed budget.
- ✓ The remainder of the budget variance of Operating Expenses is related to the timing of Consulting Services (\$56,003), Contract Services (\$21,067), projections of Bad Debt *that have not occurred* (\$9,873) and Marketing (\$25,922) which is due to the website design contract that was recently entered into. The projected use of Contract Services, Consulting Services, Legal & Auditing, Utilities and Facilities & Operations are expenses whose timing isn't always predictable.
- ✓ It should be noted that \$68,680 in total Personnel expenses were budgeted for capital work in 2018 based on historical annual averages and planned capital work. YTD July 49% (\$33,472) has been expensed for capital work.
- ✓ The consultant with whom the Port contracted, in part, for capital work was budgeted at 100% in Operations (\$90,000), however, YTD June 13% of those expenses (\$4,418) have been charged to capital work with the remainder in Operations. YTD July, \$30,733 has been charged to Operations and 39% of the total contract has been used.
- ✓ Facilities & Operations expenses are more than 2017 by \$29,739 and compared to budget are less by \$50,597. Though there are other offsets to the YTD budget comparisons of Facilities & Operations expenses, Repair and Maintenance is the largest at \$78,263 below budget. In the next month, it is estimated that approximately \$38,000 of that will be used on the New Day Fisheries roof repair.
- ✓ Utilities continue to be higher in 2018 than 2017 (\$32,320) and more than projected budget (\$36,827).
- ✓ Cost of Goods – Fuel is less in 2018 than 2017 by \$3,668, which is in alignment with the comparative decrease in fuel sales noted on the revenue side (Quilcene).

YTD Net Operating Income is \$647,087 which is a \$202,183 increase from YTD 2017. When including Non-Operating Revenues and Expenses, there is a Net Profit of \$1,253,615 which is a \$376,032 increase from YTD 2017.

Non-Operating Revenues:

- ✓ Capital Contributions / Grants revenue are up from last year due to the increased activity on the JCIA Runway Rehab project and the Point Hudson South Jetty project. The jetty project has been put on hold, and as such, no further grant billings have been prepared and submitted. The actual timing of grant reimbursement revenue is not in alignment with budget, however, this is not unusual.

Non-Operating Expenses:

- ✓ It should be noted that the Miscellaneous Non-Operating expense for 2017 includes Quilcene Feasibility Study expenses.
- ✓ In addition, in accordance with the amortization of current debt, the Port's bond interest is less in 2018 when compared to 2017.

Capital Projects:

This month, the Port expended \$28,727 in WIP (capital project "Work in Progress"). All these expenses are for the JCIA Runway Rehab Project.

Capital Purchases:

There were no capital purchases made during July.

Debt Service Obligations:

On July 1st, the Port paid \$487,825 in principle and interest on the 2015 LTGO Bond. For the remainder of 2018, the following debt service obligations must be met:

- ✓ November 1st - \$209,372 for principal and interest on the 2013 Revenue Bond (*final payment*)
- ✓ December 1st - \$338,619 for principal and interest on the 2010 LTGO Bond

Together the remaining debt service payments for 2018 total \$547,991 (\$441,278 of this amount is principal).

Cash & Investment balances:

End of month, the cash and investment balances were \$2,008,733. Reserve balances totaled \$942,234 and Unreserved Cash & Investments totaled \$1,066,499.

Port of Port Townsend
Summary of Operating & Non-Operating Revenues & Expenses
2018 Activity with Comparison to Prior Year and Budget

	YTD July 2017	YTD July 2018	Variance to prior year - 2017 v 2018	notes	YTD Budget 2018	Variance to Budget YTD
REVENUES						
Marinas and RV Parks	1,441,842	1,627,962	186,120		1,524,732	103,230
Yard Operations	867,967	981,919	113,952		1,040,250	(58,331)
Property Leases & Use	655,528	646,774	(8,755)		656,255	(9,482)
Fuel Sales & Leases	24,760	22,303	(2,457)		23,950	(1,647)
Ramp Use	45,353	42,793	(2,560)		46,800	(4,007)
Utilities	136,628	151,138	14,510		139,888	11,250
Total Operating Revenues	3,172,078	3,472,889	300,811		3,431,875	41,014
OPERATING EXPENSES						
Salaries & Wages	1,206,186	1,189,847	(16,339)		1,242,210	(52,363)
Payroll Taxes	123,285	123,687	402		174,015	(50,328)
Employee Benefits	412,876	434,754	21,878		453,332	(18,578)
Uniform Expense	4,221	1,481	(2,740)		5,466	(3,985)
Contract Services	173,393	150,975	(22,418)		172,042	(21,067)
Consulting Services	37,355	40,248	2,893		96,250	(56,003)
Legal & Auditing	61,334	105,357	44,023		75,600	29,757
Facilities & Operations	370,055	399,795	29,739		450,391	(50,597)
Utilities	281,808	314,038	32,230		277,211	36,827
Marketing	18,129	26,769	8,640		52,691	(25,922)
Economic Development	15,000	15,000	-		15,000	-
Travel & Training	13,465	18,067	4,602		18,589	(522)
Cost of Goods - Fuel	9,453	5,785	(3,668)		9,800	(4,015)
Community Relations	615	-	(615)		-	-
Total Operating Expenses	2,727,175	2,825,802	98,628		3,042,598	(216,795)
Income from Operations w/o Depr	444,904	647,087	202,183		389,278	257,809
Non-Operating Revenue						
Capital Contributions/Grants	17,632	113,039	95,407		163,176	(50,137)
Interest	26,687	28,451	1,764		20,000	8,451
Property & other taxes	585,290	613,147	27,856		605,169	7,978
Misc Non-Operating Revenue	25,966	34,415	8,449		20,625	13,790
Total Non-Operating Revenues	655,575	789,051	133,476		808,970	(19,919)
Non-Operating Expenses						
Bond Interest	204,129	182,172	(21,957)		193,746	(11,574)
Bond Mgmt, Issuance & Misc Exp	18,766	350	(18,416)		800	(450)
Election Expense	-	-	-		-	-
Total Non-Operating Expenses	222,895	182,522	(40,373)		194,546	(12,024)
Net Non-Operating Income (Expense)	432,679	606,529	173,849		614,424	(7,895)
Net Income (Loss)	877,583	1,253,615	376,032		1,003,702	249,914

Notes: none

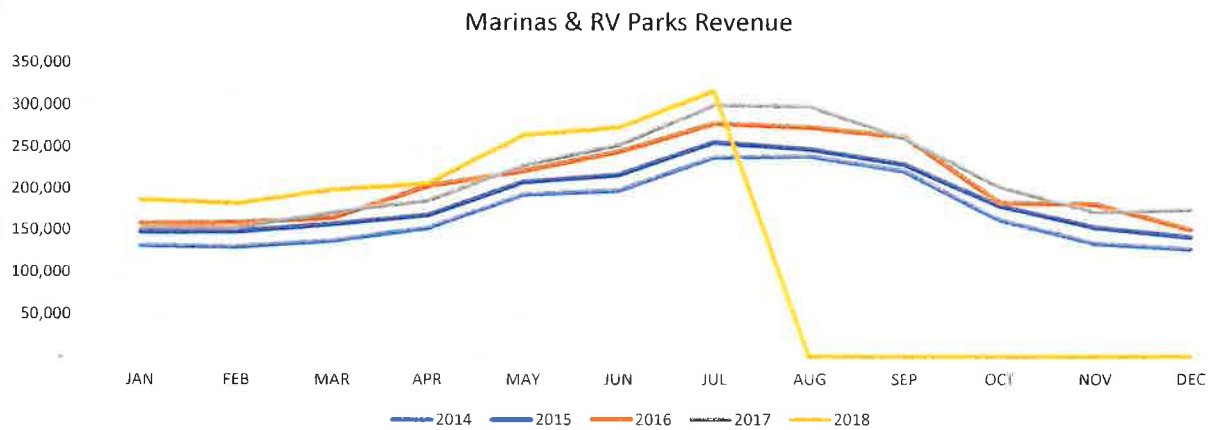
Port of Port Townsend Cashflow Report

	<u>YTD July 2018</u>
Net Income w/out Depreciation	1,253,615
Net Change in Accruals from Balance Sheet*	<u>(72,784)</u>
Less: Capital Expenses:	
Storm-water Rx project	(46,126)
Point Hudson South Jetty project	(171,854)
JCIA Runway Rehabilitation project	(87,994)
Yard/Moorage Office Remodel project	-
PTBH Restroom	-
PTBH Water Meters project	(1,900)
Land	-
Buildings	-
Improvements	(31,092)
Equipment replacement	(25,485)
Total Capital Expenses	<u>(364,451)</u>
Less: Principal Payments on Debt:	
Point Hudson Marina Refunding Bond (2015 LTGO Bond)	(430,000)
PTBH Marina Bond (2010 LTGO Bond)	-
Administrative Building Bond (2013 Revenue Bond)	(203,229)
Total Principal Payments	<u>(633,229)</u>
Increase (Decrease) in Cash Y-T-D	183,151
Beginning Cash at 1/1/2018	1,825,582
Ending Cash at 7/31/18	<u><u>2,008,733</u></u>

**These are current assets and current liabilities.*

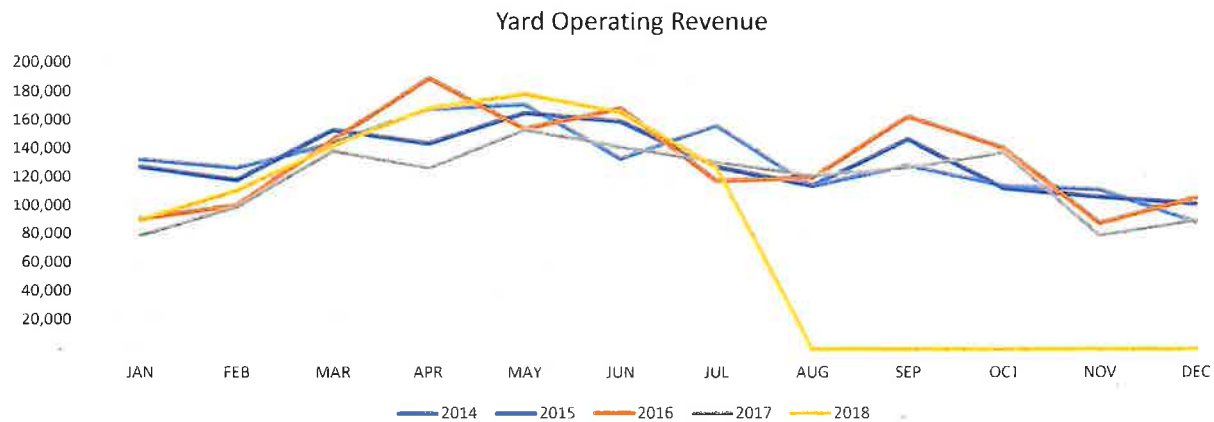
5 Year Trend of Marinas & RV Parks Revenue
Monthly as of July 31, 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
2014	131,442	130,010	137,478	152,463	192,635	197,895	237,634	238,748	220,935	161,991	134,187	127,526	2,062,944
2015	147,223	147,807	157,043	167,880	208,212	216,181	255,773	247,654	229,114	179,008	153,353	141,406	2,250,653
2016	157,265	158,331	163,963	203,332	220,872	244,026	277,638	273,082	261,784	183,088	181,166	150,375	2,474,924
2017	152,782	152,116	171,046	185,589	227,879	252,290	300,140	298,660	260,479	202,271	171,786	174,849	2,549,888
2018	186,647	182,326	198,837	205,993	264,186	273,174	316,799	-	-	-	-	-	1,627,962



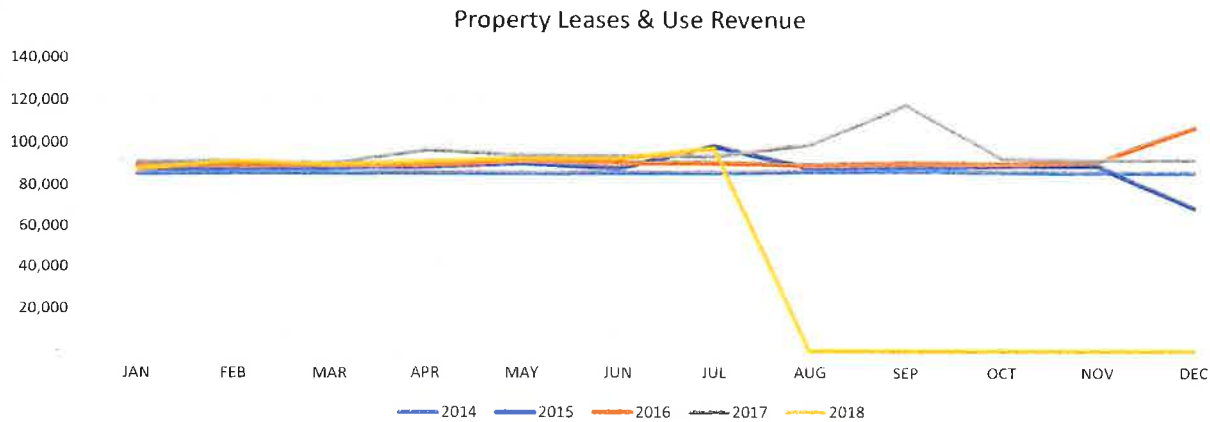
5 Year Trend of Yard Operations Revenue
Monthly as of July 31, 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
2014	132,619	126,635	143,522	168,012	171,379	133,169	156,301	113,562	128,294	113,904	111,279	88,565	1,587,241
2015	127,251	117,863	152,896	143,637	165,218	159,055	127,153	113,746	146,730	111,944	106,145	101,239	1,572,877
2016	90,417	99,886	145,797	189,397	153,684	168,270	117,066	119,277	162,539	140,141	87,340	105,067	1,578,880
2017	78,933	98,866	138,350	126,487	153,294	141,390	130,648	121,164	126,737	137,261	79,024	89,555	1,421,708
2018	89,837	110,536	141,804	168,726	178,411	165,553	127,052	-	-	-	-	-	981,919



5 Year Trend of Property Lease & Use Revenue
Monthly as of July 31, 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
2014	85,890	86,326	86,320	86,669	86,472	86,789	86,766	87,365	87,686	87,270	86,928	87,055	1,041,536
2015	87,810	88,194	88,643	89,442	91,186	88,736	99,242	89,007	89,305	90,179	90,171	69,730	1,061,642
2016	89,711	89,635	90,229	90,033	92,443	91,418	91,229	90,283	91,269	90,832	92,128	108,091	1,107,302
2017	91,556	91,567	90,785	97,382	95,026	94,826	94,386	100,135	118,635	93,935	92,896	93,218	1,154,349
2018	88,048	91,706	90,256	91,831	93,216	93,436	98,281	-	-	-	-	-	646,774



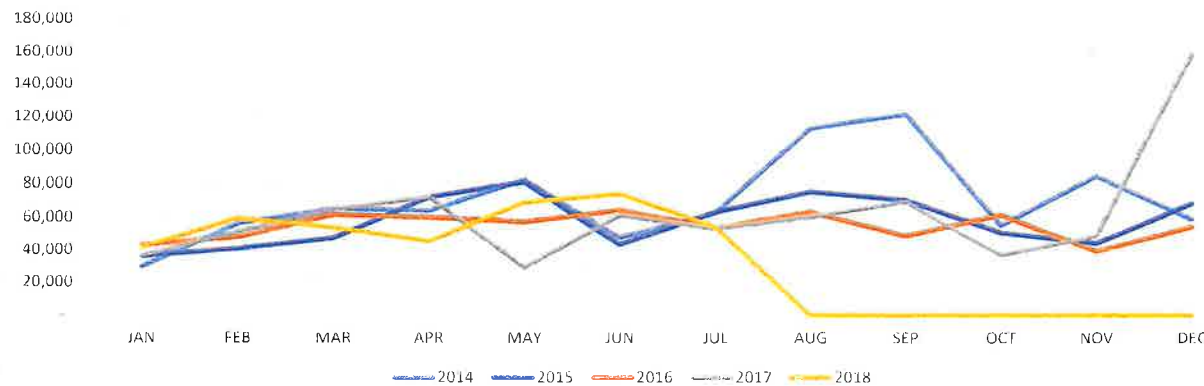
Notes:

1. The spike in September 2017 is related to use of Port property for the Wooden Boat Festival.
2. The December decrease in 2015 is related to the bankruptcy of Goldstar Marine.
3. The December increase in 2016 is related to the signing of the US Coast Guard lease renewal (three months were accrued in Dec.)

5 Year Trend of Facilities & Operations Expenses
Monthly as of July 31, 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
2014	29,839	56,517	65,559	64,363	82,858	48,211	62,921	113,527	122,041	55,721	84,978	59,474	846,009
2015	36,245	41,069	47,666	72,576	81,413	43,890	63,676	75,664	70,823	51,195	44,727	68,942	697,886
2016	43,158	47,960	61,900	60,036	57,397	64,456	53,711	63,541	49,065	61,925	39,658	54,646	657,453
2017	36,397	51,607	64,959	72,566	29,450	61,584	53,492	60,565	69,786	37,229	49,229	158,891	745,755
2018	41,842	59,782	54,138	45,869	69,193	74,217	54,754	-	-	-	-	-	399,795

Facilities & Operations Expense Trends



Notes:

1. December 2017 has a sharp increase in this expense line item as the result of the Bad Debt written-off by the Commission in December in the amount of \$97,075. Without this write off, the total line item would be \$648,680 for 2017. The 2017 Bad Debt write-off relates to Revenues recognized in previous years that was identified as uncollectible. The breakdown by year is as follows:

2014	2015	2016	2017	Total
\$ 16,568	\$ 67,315	\$ 6,083	\$ 7,109	\$ 97,075

2. Spike in August 2014 was the settlement payment to Caicos Construction.

3. Spike in September 2014 was an adjustment for expenses erroneously charged to the Point Hudson Breakwater project. These were minor repairs to the breakwater as the result of an accident (paid to Orion Marine Group).

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	August 22, 2018
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. F) Award of Workyard Resurfacing Contract 2018-08-01
STAFF LEAD	Eric Toews, Marc Horton
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Info Memo B. Workyard Resurfacing Drawings

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 8/22/2018
TO: Port Townsend Port Commission
FROM: Port Executive Staff
SUBJECT: Award of Workyard Resurfacing Contract 2018-08-01

ISSUE

A critical part of obtaining compliance with the Port's Stormwater Permit is maintenance of the Workyard surface. Since construction in the mid-1990's, very little has been done. The result is a deteriorated surface of fine material which moves with stormwater, is difficult to filter, and has attached metals. Discharge of metals needs to be controlled under the Stormwater Permit. It is important to have Commission action at this meeting because of the need to get work done in September (before the rainy season).

BACKGROUND

In 2016, the Department of Ecology issued an Administrative Order requiring the Port to improve treatment of stormwater by removing metal contamination. The Port completed evaluation, engineering and construction in 2017. Since then, while improvements have been demonstrated, compliance with discharge "benchmarks" has not been attained. Continued effort is needed.

DISCUSSION

Focus for the coming rainy season is on two aspects of the system. On the treatment side, the Port is preparing for a demonstration effort of metal removal using a coagulant "Chitosan" added before filtration. This will hopefully improve treatment efficiency for metals associated with fine particulates. Secondly, this resurfacing project, is a form of source control, by restricting the suspension and transport of the fine material. This is accomplished through creation of a gravel surface which provides a surface separating and filtering the fines so they do not move as easily with stormwater. The effectiveness of this approach was demonstrated with the 2017 Workyard Resurfacing effort. Areas targeted for resurfacing are in those areas showing the highest contribution of metals to the Port system.

FISCAL IMPACT

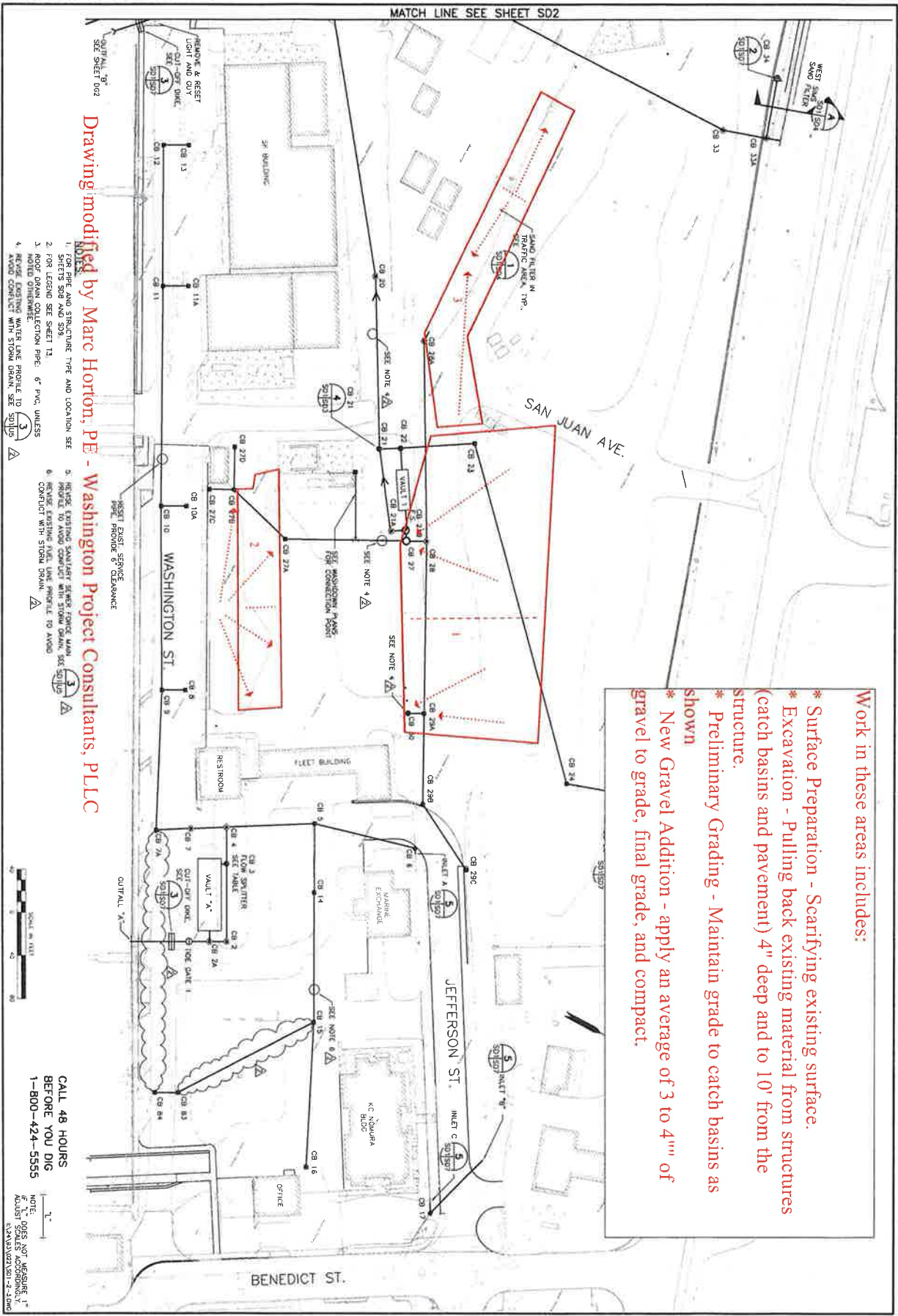
This project is about half the size of last year's (2017) effort. The approved Capital Budget contains a project constraint of \$100,000.

RECOMMENDATION

Commission authorization to conditionally award the contract to the apparent low bidder. The Commission authorization is conditioned that the contract may only be awarded if the apparent low bidder satisfies Port due diligence inquiry.

ATTACHMENTS

Project drawings.



Drawing modified by Marc Horton, PE - Washington Project Consultants, PLLC

1. FOR PIPE AND STRUCTURE TYPE AND LOCATION SEE SHEETS S02 AND S03
2. FOR LEGEND SEE SHEET 11
3. NOTED OTHERWISE
4. ACCORDING TO THE LINE PROFILE TO SEE SHEET S02
5. REVERSE EXISTING SANITARY SEWER FORCE MAIN, SEE SHEET S02
6. REVERSE EXISTING FIRE LINE PROFILE TO AVOID CONFLICT WITH STORM DRAIN, SEE SHEET S02

CALL 48 HOURS BEFORE YOU DIG
1-800-424-5555

NOTE: 1" DOES NOT MEASURE 1" ADJUST SCALES ACCORDINGLY
1" = 10'

Work in these areas includes:

- * Surface Preparation - Scarifying existing surface.
- * Excavation - Pulling back existing material from structures (catch basins and pavement) 4" deep and to 10' from the structure.
- * Preliminary Grading - Maintain grade to catch basins as shown
- * New Gravel Addition - apply an average of 3 to 4" of gravel to grade, final grade, and compact.

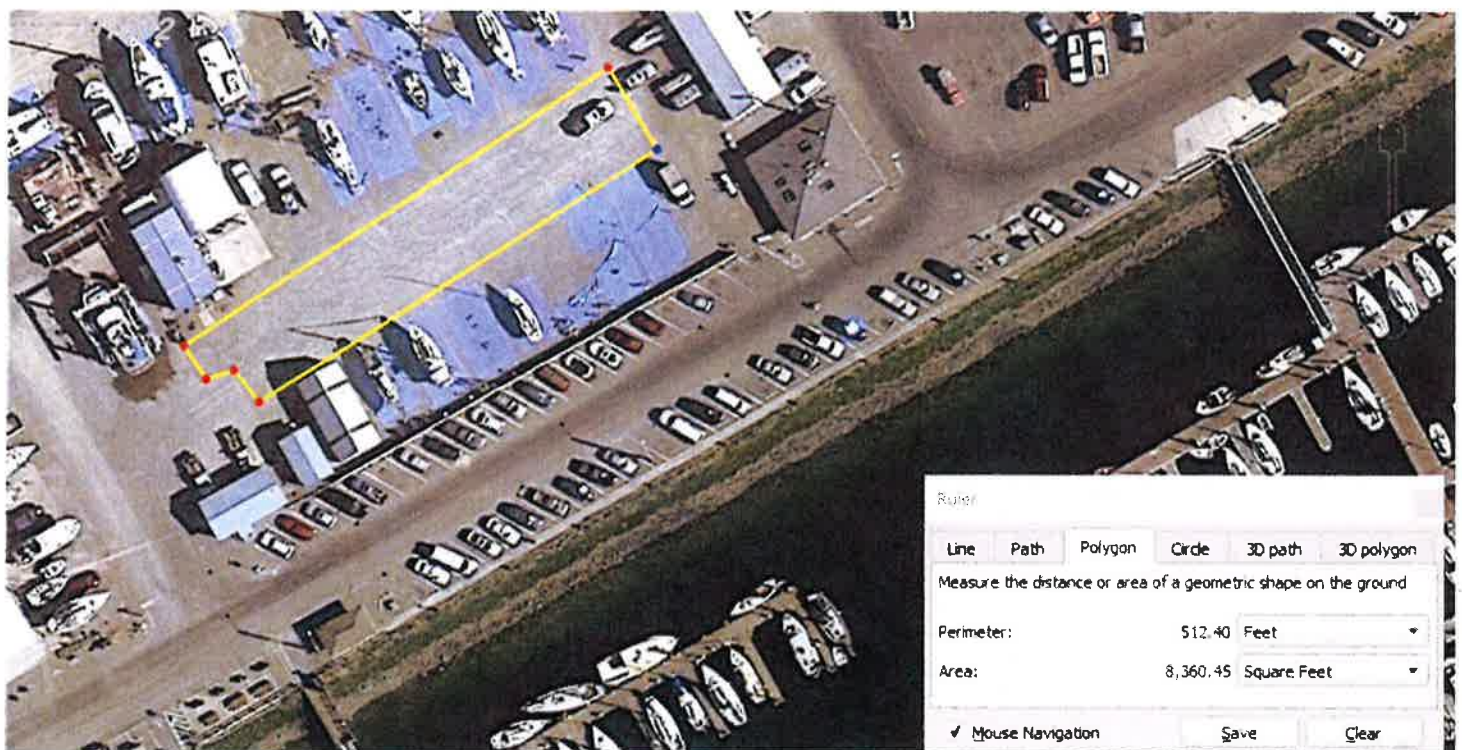


Drawing modified by Marc Horton, PE - Washington Project Consultants, PLLC

Areas for Resurfacing

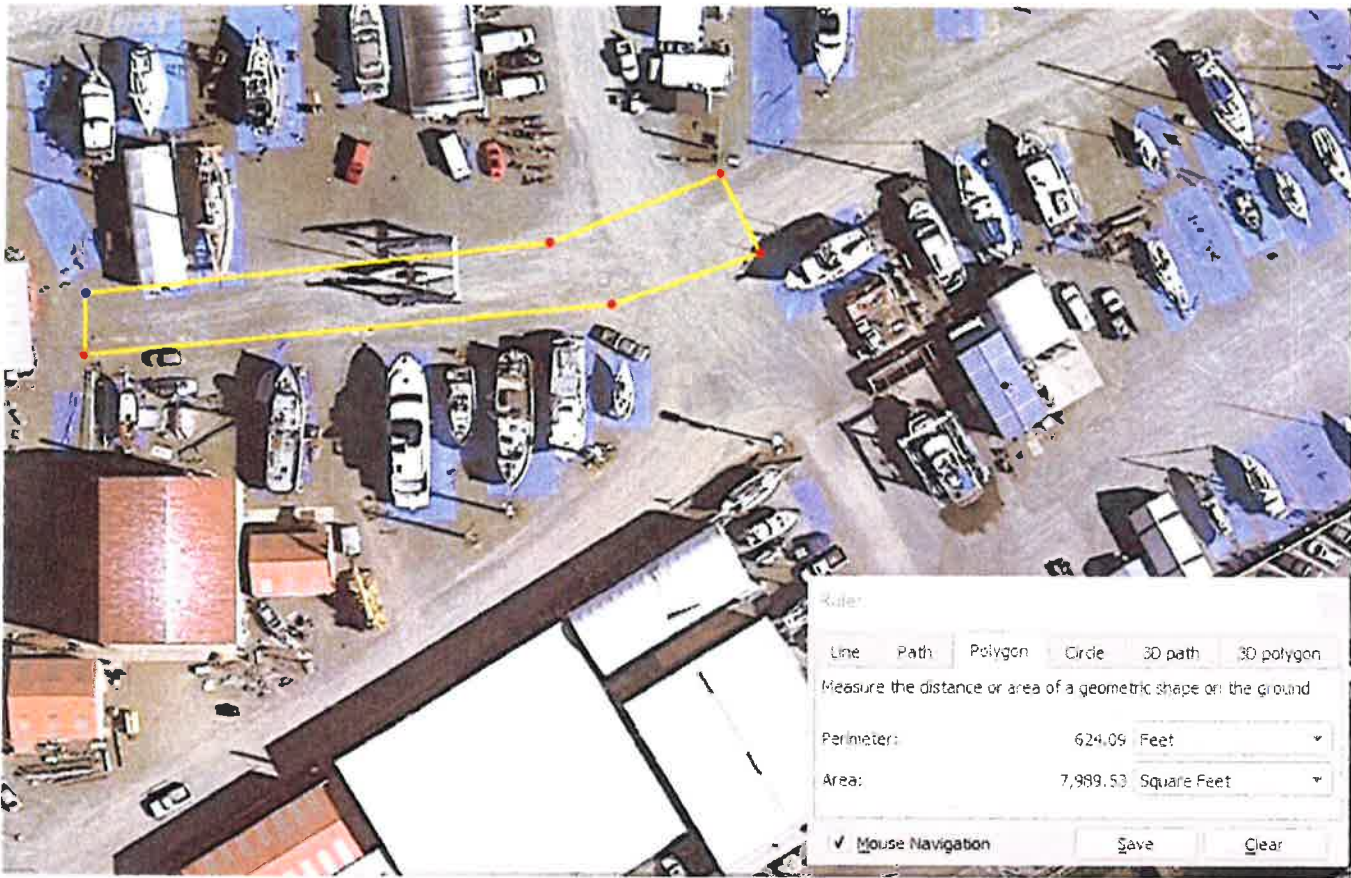


Area1.JPG



Area2.JPG

Areas for Resurfacing



Area3.JPG



Area4.JPG

Areas for Resurfacing



Area5.JPG