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**Port of Port Townsend
1st Monthly Business Meeting
Wednesday, July 10, 2019, 1:00 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 (related to/not related to the agenda)
- IV. Consent Agenda
 - A. Approval of Public Workshop Minutes – June 26, 2019.....1-2
 - Approval of Regular Business Meeting Minutes – June 26, 2019.....3-6
 - B. Approval of Warrants
- V. Second Reading
- VI. First Reading
 - A. 2020 Operating & Capital Budget Development Schedule (Draft).....7-8
- VII. Regular Business
 - A. 2020 Seattle Boat Show Participation.....9-11
 - B. Resolution 704-19, Rescinding Resolution No. 698-19, Multi-year Levy.....12-18
 - C. Quarter 2 Project Status.....19
 - D. Mott MacDonald Contract Amendment #1.....20-27
 - E. Parametrix Contract Amendment.....28
 - F. Workyard Resurfacing Contract Award.....29-38
- VIII. Staff Comments
- IX. Commissioner Comments
- X. Next Regular Business Meeting:
Thursday, July 25, 2019. Meeting at 5:30 pm
Port Commission Building, 333 Benedict Street, Port Townsend, WA
- XI. Executive Session
- XII. Adjournment

PORT COMMISSION PUBLIC WORKSHOP – June 26,2019

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

Present: Commissioners Putney, & Tucker
Executive Director Pivarnik
Finance Director & Port Auditor Berg
Deputy Director Toews
Recorder Nelson

Excused: Commissioner Hanke

I. CALL TO ORDER:

Commissioner Putney called the Workshop to order at 3:01 p.m.

II. AGENDA:

Refer to attached workshop agenda for items discussed.

IV. ADJOURNMENT:

The Workshop adjourned at 4:38 p.m.

ATTEST:

William W. Putney III, President

Stephen R. Tucker, Secretary

Peter W. Hanke, Vice President

**Port of Port Townsend
Public Workshop
Wednesday, June 26, 2019, 3:00 pm
Port Commission Building
333 Benedict Street
Port Townsend, WA**

AGENDA

- **Citizen Advisory Committees**
Discussion on the structure and purpose and the process for formation.
- **JCIA Garbage**
Discuss possible solutions to garbage issue at the airport.

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

PORT COMMISSION REGULAR BUSINESS MEETING – June 26, 2019

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

Present: Commissioners –Putney, Hanke & Tucker
Executive Director Pivarnik
Finance Director & Port Auditor Berg
Deputy Director Toews
Minutes – Nelson
Attorney Chmelik (via Skype & phone audio/visual)

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Putney called the meeting to order at 5:30 p.m.

II. APPROVAL OF AGENDA:

Commissioner Hanke moved to approve the Agenda as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

III. PUBLIC COMMENTS (00:00:54):

Bertram Levy commented and made suggestions on Citizens Advisory Committees.

IV. CONSENT AGENDA (00:02:00):

A. Approval of Regular Meeting Minutes – June 12, 2019

B. Approval of Warrants

Warrant #060671 through #060681 in the amount of \$15,981.76 for Payroll & Benefits

Electronic Payment in the amount of \$64,538.67 for Payroll & Benefits

Warrant #060682 through #060734 in the amount of \$87,015.33 for Accounts Payable

Electronic Debit in the amount of \$12,881.15 for WA State Dept. of Revenue Combined

Excise Tax Return for May 2019

Warrant #058292 as a VOID

Commissioner Tucker moved to approve the Consent Agenda as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

V. SECOND READING (Action Items):

VI. FIRST READING (Discussion Only):

VII. REGULAR BUSINESS:

A. Resolution No. 704-19 – Rescinding Resolution No. 698-19, Multi-year Levy (00:02:17):

Commissioner Hanke believes it's a mistake to rescind the resolution (698-19). He stated if the community chooses not to tax itself, the community is losing out on many jobs. He believes though, that it is a mistake to not let the community discuss the IDD and vote.

Commissioner Putney expressed his concerns regarding the cost to the Port of \$10K to have the IDD on the ballot, and the fact that the public can campaign for their cause, but the Port is prohibited to campaign. Mr. Pivarnik corrected the amount the Port may spend.

Commissioner Tucker stated from the start he was opposed to putting the IDD resolution out the way it was introduced. His desire was to involve the community for a year or so and then introduce the resolution. He would like to see it run like a fire district or school bond.

Commissioner Hanke believes many petitioners didn't sign in opposition to the tax but did want the opportunity to vote.

Commissioner Tucker stated there needs to be a level of communication with the community. He would like to see it on the November ballot, but does not want to see it fail. He would rather hold off and educate the public first.

Commissioner Putney expressed his dismay at the people collecting signatures, who he said, had a lot to lose in their communities. He discussed the future of the jetty, among others, if the IDD was delayed one to two years. He would like to support jobs here and create jobs in other districts, but it cannot be done without money.

Commissioner Hanke stated he respects Mr. Neuenschwander for putting the petition out. Discussion ensued.

Commissioner Tucker asked Attorney Chmelik what the Port could do legally to support the IDD.

Mr. Chmelik stated the Port could put out an article in the Port's newsletter, but it would have to be objective stating positive and negative aspects of the proposed initiative without opinion. He discussed further.

The Commission asked whether a commissioner or staff could give their opinion on the local radio show. Further discussion included free speech, public funds, number of meetings allowed, etc.

Mr. Pivarnik reminded this would be brought back to next commission meeting. He added a resolution needs to be adopted by the Jefferson County Board of Commissioners by August 6 to be placed on the ballot.

B. Direction re Citizens Advisory Committee (00:32:06):

Commissioner Putney announced this was discussed at this morning's workshop. Commissioner Tucker added the differences were discussed between an "ad hoc" and a "standing" committee. Attorney Chmelik provided further clarification.

Commissioner Tucker explained his reasons for preferring a standing committee.

Commissioner Hanke discussed past problems with the PSAC (Port Strategic Advisory Committee) standing committee and did not want a repeat.

Mr. Pivarnik recommended forwarding the previous PSAC resolution and bylaws to the commission for review. Questions need to be answered as to what is staff's role/the commission's role?

Commissioners commented on a parking committee.

Chris Brignoli provided his opinion on committees, based on his past committee involvement as a Shipwright's Co-op member.

Mr. Toews stated he has a sense from listening to the Commission and the public, of a draft resolution, which he would present at the July 10 meeting.

C. May 2019 Financials (00:50:10):

Ms. Berg reported the Port is doing well compared to the prior year. In summary, operating revenues are ahead of budget. Operating expenses are down compared to last year and budget. Non-operating revenue is up (runway grant reimbursements and sale of New Day Fisheries buildings). She stated cash numbers are up and the Port is moving in the right direction.

VIII. STAFF COMMENTS (00:52:36):

Ms. Nelson announced the Boat Haven parking lot closure July 1-3.

Ms. Berg stated staff is preparing for the new Executive Assistant. She announced she is working on the mid-year review and insurance renewals. She submitted the 2018 Annual Report, which would be published on the Port's website tomorrow.

Mr. Toews announced litigation with the Seattle Maritime Academy (SMA) for unlawful transfer and abandonment of the John Cobb vessel in 2016 has been settled. SMA paid the Port \$212K. The suit will be dismissed with no avenue for appeal. For the record, he provided his gratitude to Attorneys Seth Goodstein and Carolyn Lake of Goodstein Law for their legal counsel.

Mr. Pivarnik stated he is proud of staff for pulling together financially.

IX. COMMISSIONER COMMENTS (00:58:05):

Commissioner Putney discussed his participation on the Broadband committee.

X. NEXT PUBLIC WORKSHOP/REGULAR BUSINESS MEETING:

Wednesday, July 10, 2019. Workshop at 9:30 a.m., meeting at 1:00 p.m. in the Port Commission Building, 333 Benedict St, Port Townsend.

XI. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 6:33 p.m. to discuss Real Estate, pursuant to RCW 42.30.110 (b) and Personnel, pursuant to RCW 42.30.110 (g), duration of thirty minutes with potential action.

XII. RECONVENING & ADJOURNMENT:

The meeting reconvened at 7:01 p.m.

Commissioner Putney moved to extend the Executive Director's contract through June 30, 2019.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

The meeting adjourned at 7:06 p.m. there being no further business to come before the Commission.

ATTEST:

Stephen R. Tucker, Secretary

William W. Putney III, President

Peter W. Hanke, Vice President

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input checked="" type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input type="checkbox"/> Regular Business
AGENDA TITLE	VI. A) 2020 Operating & Capital Budget Development Schedule (Draft)
STAFF LEAD	Abigail Berg, Director of Finance & Administration
REQUESTED	<input type="checkbox"/> Motion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	A. 2020 Draft Budget Schedule

Port of Port Townsend
2020 Operating & Capital Budget Development Schedule
DRAFT

*	July 10, 2019	1:00	Draft 2020 Budget Schedule and process discussed at Commission meeting.
	July 15-19, 2019	TBD	<i>Group work sessions with Department Managers and Port Directors to discuss budget.</i>
*	July 25, 2019	5:30	Revised Budget Schedule reviewed & final approved by Commission.
*	August 14, 2019	9:30	Workshop session - discuss issues, goals & assumptions, with review of preliminary 2019 mid-year budget results. Include Business, Yard & Maintenance Managers.
	August 19-23, 2019	TBD	<i>Individual budget work sessions with Department Managers and Port Directors.</i>
	August 28, 2019	9:00	<i>Group work session with Department Managers and Port Directors to discuss budget, as needed.</i>
*	August 28, 2019	5:30	2020 Budget status and potential issues discussed at Commission meeting, as needed.
*	September 11, 2019	9:30	Workshop session - continue discussion of 2020 Budget issues, and review revenue projections. County Assessor will be in attendance to provide presentation of recommended budgeted tax levy for 2020.
*	September 25, 2019	5:30	1st draft of budget and cash flow presented to Commissioners and public.
	September 25, 2019		<i>1st draft of budget posted on Port website, for public comment.</i>
*	October 9, 2019	1:00	2nd review of draft 2020 Budget and Cash Flow projection.
	October 9-20, 2019		<i>Advertise budget hearings in Leader & PDN, once per week for two (2) consecutive weeks, per RCW 53.35.020</i>
*	October 23, 2019	5:30	1st public hearing and public comment period on 2020 Budget.
*	November 13, 2019	1:00	2nd public hearing and public comment period on 2020 Budget, as necessary, or adopt final 2020 Budget and requisite resolutions.
*	November 26, 2019	1:00	If 2020 Budget not adopted previously, adopt final 2020 Budget, including requisite resolutions.
	November 29, 2019		<i>Tax levy resolutions and adopted budget due to Jefferson County, per RCW.</i>

* Commission Meetings

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. A) 2020 Seattle Boat Show Participation
STAFF LEAD	Abigail Berg, Director of Finance & Administration
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Seattle Boat Show Cost Comparison Memo

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 7/5/2019
TO: Commission
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: Seattle Boat Show Cost Comparison

ISSUE

Should the Port spend resources needed to attend the Seattle Boat Show in January 2020?

BACKGROUND

Historically, the Port has attended the Seattle Boat Show held at Centurylink Field annually in January. It is difficult to determine the benefit gained by the Port by attending this show that lasts approximately two (2) weeks. Staff and Commissioners are stationed at the event booth to greet customers and vendors and market the Port's facilities. Costs are incurred for compensation, travel, promotional items, and raffled services. In addition, there is typically a raffle for a 70 or 75 ton and/or 300-ton Yard haul-out and two (2) night's moorage at both Point Hudson and Boat Haven.

DISCUSSION

Attached is a cost comparison of the Port's participation at the Seattle Boat Show over the last several years. In addition, the understanding is that if the Port chooses not to participate in the 2020 show, and in the future decided to participate, the Port will have lost their preferred space at the show. Based on this information and the attached comparison, should the Port move forward with participation in the 2020 show?

FISCAL IMPACT

If staffed similarly to 2019, the cost for the 2020 Seattle Boat Show is estimated to be approximately \$14,000.

RECOMMENDATIONS

We request direction from the Commission on whether, or not, the Port should participate in the 2020 Seattle Boat Show.

Port Costs to participate in annual Seattle Boat Show

Description	2016	2017	2018	2019
NWMTA Booth w/tables	\$ 1,389	\$ 1,421	\$ 1,470	\$ 1,388
Staffing	9,567	8,673	9,916	7,931
Travel	2,808	1,869	2,027	1,652
Display	2,257	-	-	-
Display items (a)	-	-	851	-
Ad Display w/NWMTA	-	-	950	-
Promotional items	144	325	-	163
Passes/tickets	230	330	300	170
Drawing - free 70 or 75 ton Haul-out (b)	-	500	500	500
Drawing - free 330 ton Haul-out (b)	-	1,200	1,200	1,200
Drawing - 2 nights Point Hudson Moorage (b)	110	110	110	110
Drawing - 2 nights Boat Haven Moorage (b)	110	110	110	110
total	\$ 16,615	\$ 14,538	\$ 17,433	\$ 13,224

Notes:

a.) Linens, pamphlet displays, floor coverings and digital photo display purchased for re-use.

b.) Estimates based on averages; actuals are based on vessel size when redeemed.

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. B) Resolution No. 704-19 – Rescinding Resolution No. 698-19, Multi-year Levy
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Memo (dated 6/21/19) from June 26, 2019 Commission Meeting B. Resolution No. 704-19

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 6/21/2019
TO: Port Commission
FROM: Eric Toews, Deputy Director
SUBJECT: Industrial Development District (IDD) – Discussion Regarding Whether the Commission Should Rescind Resolution No. 698-19 that Approved Use of a Second Multi-Year Levy Period

BACKGROUND: On March 27, 2019, the Port Commission adopted Resolution No. 698-19, expressing the Commission's intent to impose levies over a second multi-year levy period of up to twenty (20) years under RCW 53.36.160. The Commission adopted the resolution in recognition of: a) the unique role the Port plays in sustaining the economic health of Jefferson County; and b) the critical need for additional revenue to rehabilitate core Port infrastructure that supports more than 2,200 direct, indirect and induced jobs in our community.

The Port used this unique taxing authority once before, between 1967 and 1972. That first exercise of its Industrial Development District (IDD) taxing authority was councilmanic and subject to neither voter pre-approval nor the opportunity for a voter petition process followed by referendum. However, under the relevant statute, RCW 53.36.160, the second levy period may (subject to the timely filing of a petition containing the requisite number of valid signatures of registered voters with the County Auditor) be placed on the ballot at the next election.

On June 19, 2019, the County Auditor contacted Port staff to report that a petition containing between 2,100 and 2,200 signatures had been timely filed, and that the Auditor's Office was initiating the process to verify signatures and determine statutory compliance. The formula for ascertaining the requisite number of signatures is found in RCW 53.36.160(2). That statutory provision states that the signatures of registered voters equivalent to or greater than eight percent (8%) of the total votes cast countywide in the last gubernatorial election must be collected in order to place the matter before the voters. Our last governor's election was November of 2016, when 20,539 votes were cast in Jefferson County (including 90 write-in ballots and 1 over-vote). Eight percent (8%) of 20,539 is 1,643. Thus, the petition would appear (pending certification by the Auditor) to contain more than enough signatures to place the proposition of an additional multi-year levy period on the November election ballot.

DISCUSSION: Resolution No. 704-19 (see attached) would rescind Resolution No. 698-19 which authorized a second multi-year levy period of up to twenty years to complete projects within the boundaries of the IDD. The resolution indicates the following:

- If placed on the November 2019 ballot, it is unlikely that the voters of Jefferson County would approve a second multi-year levy period to fund improvements to core Port

infrastructure – absent substantial additional information, analysis, public outreach, and discussion of the proposition;

- It would be imprudent to proceed to such a vote without presenting the information and engaging in the public discussion outlined above;
- There is insufficient time between now and November of 2019 to organize and implement such an effort; and
- If requesting voter authorization, it may be more prudent to seek a permanent levy lid lift under the authority of RCW 84.55.050, which would provide an enduring and stable source of additional revenue to the Port, in lieu of the time-limited IDD levy authority under RCW 53.36.160.

As has been stated numerous times on the public record, the Port faces more than \$20,000,000 in core infrastructure rehabilitation needs that must be addressed in order to maintain existing lines of business, Jefferson County's employment base, and our working waterfront character. As the Commission knows, the Port currently receives less than \$1,000,000 annually in taxes from Jefferson County residents. The rest of the Port's revenues are provided via lines of business such as Boat Yard operations, moorage facilities and land and building leases. Thus, the situation poses a strategic question: If voter assent is to be required to generate additional tax revenue, would it not be a potentially more effective strategy to ask the voters to approve a permanent levy lid lift? A permanent levy lid lift would, if approved, offer a more effective and enduring path to addressing the Port's capital needs and long-term financial sustainability, and safeguard our community's economic health and vitality.

RECOMMENDATION: For discussion only. However, if the Jefferson County Auditor's Office verifies that the petition submitted on June 19 contains a sufficient number of signatures to place the multi-year IDD levy authorized under Resolution No. 698-19 on the November ballot, staff would recommend that Resolution No. 704-19 be reintroduced, and adopted, at the Commission's July 10, 2019 regular meeting. Note: as neither Resolution No. 698-19, nor proposed Resolution No. 704-19 involve policy matters, a first and second reading of the proposed resolution to rescind the Resolution No. 698-19 would not be required.

ATTACHMENTS: Draft Resolution No. 704-19.

RESOLUTION NO. 704-19

**A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF
PORT TOWNSEND RESCINDING RESOLUTION 698-19 WHICH
AUTHORIZED A MULTIYEAR LEVY PERIOD**

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, the Commission of the Port of Port Townsend established an industrial development district ("IDD") in 1966 and levied taxes between 1967 and 1972 to assist in funding the improvement of harbor facilities within the district consistent with RCW 53.36.100;

WHEREAS, on March 27, 2019, and following publication of the required notice, the Commission of the Port of Port Townsend adopted Resolution No. 698-19 setting forth its intent to impose levies over a second multi-year period pursuant to the provisions of RCW 53.36.160; and

WHEREAS, RCW 53.36.160(2) specifies a process by which the signatures of a requisite number of registered voters may be gathered, and a petition filed with the county auditor, in order that the proposition to impose levies over a second multi-year levy period may be submitted to the voters of the port district at a special election, and that no levy may be made unless approved by a majority of the voters at said special election; and

WHEREAS, a petition was duly filed with the Jefferson County Auditor on June 19, 2019, containing more than 2,150 signatures, which, if certified as sufficient, would meet the requisite number of signatures specified under RCW 53.36.160(2) thereby necessitating a special election to put the proposition of whether or not the Port should carry out a second multi-year levy period before the voters of Jefferson County; and

WHEREAS, it is unlikely that the voters of Jefferson County will choose to approve a second multi-year levy period to fund improvements to core Port infrastructure within the IDD absent substantial additional information, analysis, outreach and public discussion of the proposition; and

WHEREAS, the Commission of the Port of Port Townsend does not wish to incur the expense of, or proceed with, a special election on a proposed second multi-year levy period without presenting substantial additional information and analysis, and conducting public outreach, education and permitting further public discussion of the proposal; and

WHEREAS, there is insufficient time to organize and implement such an effort prior to an anticipated special election to be conducted in November of 2019; and

WHEREAS, the Commission believes it may be in the Port's and community's long-term interest to ask the voters of Jefferson County to approve a permanent (single-year) levy lid lift under RCW 84.55.050 as an enduring and stable source of revenue to fund the renewal of Port infrastructure into the future, in lieu of the narrow special taxing authority under RCW 53.36.160;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF PORT TOWNSEND, WASHINGTON, as follows:

Section 1. Resolution No. 698-19 expressing the Commission's intent to impose levies over a second multi-year period pursuant to the provisions of RCW 53.36.160 is hereby rescinded and said Resolution is no longer of any validity or effect whatsoever.

Section 2. Staff is hereby directed to conduct further research, gather relevant information, and report back to the Commission within three (3) months of the passage of this Resolution No. 704-19 on the process and timeline(s) governing the placement of a permanent levy lid lift proposition before the voters of Jefferson County pursuant to RCW 84.55.050.

Section 3. This resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED at a regular meeting of the Commission of the Port of Port Townsend, Washington held this 10th day of July 2019.

ATTEST:

Stephen R. Tucker, Secretary

William W. Putney III, President

Peter W. Hanke, Vice President

APPROVED AS TO FORM:

Port Attorney

CERTIFICATE

I, the undersigned, Secretary of the Port Commission of the Port of Port Townsend, Washington (the "Port") and keeper of the records of the Port Commission (the "Commission"), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 704-19 of the Port Commission (the "Resolution"), duly adopted at a regular meeting thereof held on the 10th day of July 2019.

2. That said meeting was duly convened and held in all respects in accordance with law, due and proper notice of such meeting was given, that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of July 2019.

Stephen R. Tucker, Secretary
Port Commission

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. C) Quarter 2 Project Status
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Motion <input type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	

To be presented.

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. D) Mott MacDonald Contract Amendment #1
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Memo B. Mott Mac Donald Scope of Services for Final Engineering, PH Jetty, South C. Budget Detail, Tasks 1 & 2

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 7/5/2019
TO: Port Commission
FROM: Eric Toews, Deputy Director
SUBJECT: Point Hudson Jetty – Amendment to Mott MacDonald Professional Services Agreement for South Breakwater Design

ISSUE: Should the Commission authorize the Executive Director to execute an amendment to the Professional Services Agreement with Mott MacDonald Engineering, Inc. (dated April 19, 2019) to permit the revised project design to proceed to final engineering and preparation of bid documents?

BACKGROUND: On April 19 of this year, the Port executed a standard Professional Services Agreement with Mott MacDonald Engineering, Inc. to provide marine engineering services relating to the South Breakwater protecting the Point Hudson Marina. Mott MacDonald was selected in accordance with Chapter 39.80 RCW and the Port's applicable procedures.

The initial phase of design work involved a review of existing information, development of the applicable design parameters (i.e., basis of design), identification of the preferred conceptual design alternative, and preparation of preliminary design drawings to facilitate permit review.

DISCUSSION: In order for the project to remain on schedule, it is now necessary to proceed with the final engineering design (i.e., 30% through to final design and bid specifications). The project involves engineering for the progressive rehabilitation/replacement of the 258-foot long batter-pile and armor rock South Jetty. The revised project design calls for construction of a steel batter-pile and stainless-steel mesh lagging system around the existing deteriorated structure. The creosote-treated timber piles of the existing structure will then be removed, the existing rock allowed to settle, and the remaining void backfilled with granite quarry spalls. Thereafter, the pile tops will be connected with a combination of steel cable ties and bracing capable of accommodating a future pedestrian walkway.

FISCAL IMPACT: To complete the work outlined in the attached Scope of Services, an additional \$154,400 is required (i.e., increasing the existing contract upset limit of \$24,855 to \$179,255). Earlier this year, the Port was successful in obtaining a Public Infrastructure Fund (PIF) grant award of \$150,000 to assist in funding this additional design and engineering work.

RECOMMENDATION: Authorize the Executive Director to amend the existing Professional Services Agreement with Mott MacDonald Engineering, Inc. as to both scope and budget to

Port of Port Townsend
July 10, 2019

20190710MottMacDonald

allow completion of the design and engineering for the progressive replacement/rehabilitation of the Point Hudson Jetty (South).

ATTACHMENTS:

1. Scope of Services for Final Engineering Design – Point Hudson Jetty (South); and
2. Budget Detail (note: the requested authorization relates only to Tasks 1 & 2; Proposed Task 3 (Construction Administration) would require subsequent Commission review and consent).



Point Hudson Marina – Breakwater Rehabilitation Scope of Work

Introduction

This scope of work describes the tasks, deliverables, schedule and budget for Mott MacDonald (MM) to provide final engineering design services for rehabilitation of the south leg entrance breakwater structure at the Point Hudson Marina facility. Mott MacDonald (MM), formally Coast & Harbor Engineering, was previously scoped by the Port for an assessment, alternative evaluation, and preliminary design for the rehabilitation of the south leg of the breakwater. Project scope elements include the new steel pipe piles, stainless steel cable mesh and armor rock between the new and existing structure, designed to accommodate a future walkway. Work includes engineering design and construction phase engineering support assistance.

Assumptions

This scope of work is based on the following assumptions:

- **Data Collection.** No new topographic or hydrographic survey data collection or eelgrass surveys are required. MM will utilize existing base map for final design work.
- **Permitting.** Permit assistance assumed to be 8 hours of staff time. Assumed permitting process will not result in any changes to design or criteria.
- **Geotechnical Data.** No new geotechnical investigation will be required. Previous in-water soil borings will be used for an updated Geotechnical Engineering Report to be used for final design.
- **Wave Modeling.** No new wave modeling is needed, and final design of the concept will be based upon results of wave modeling from the prior breakwater replacement phase of work.
- **Stakeholder Involvement.** Port will be the lead on outreach to community and stakeholders.
- **Contracting.** Bidding documents to be developed for a Design-Bid-Build contracting method.
- **Bid & Construction Phase Support.**
 - Bidding and construction phase services are provided with an estimated cost for assumed level of effort (such as part-time onsite assistance during construction).
 - Port will be the lead for construction administration. MM to provide on-call technical support consisting of submittal review and periodic onsite special inspection work.

Scope Tasks:

Task 1 – 70% Design Engineering

Objective: Conduct refinement of the preliminary breakwater design concepts to create 70% design documents for Port review.

Scope:

- Update design concepts and plans from previous permit application development phase.
- Conduct site visit to review site conditions relative to the new concept design to assist in developing the more refined and detailed design.
- Do a drone survey overview of the breakwater to help determine pile layout for constructability.
- Incorporate comments and requirements obtained from regulatory agencies during permit process.
- Provide updated construction cost estimate and phasing plan.
- Review prior phase wave analysis and modeling to develop criteria for finalizing the pile and wire mesh design components.
- Conduct constructability review and early contractor involvement to aid in final structure concept development and construction phasing plan.
- Use previous borings for an updated Geotechnical Report based on the new proposed structure.
- Revise the Basis of Design using updated requirements and information gathered during permitting.
- Develop 70% design drawing set in 11x17 size pdf format.
- Conduct updated structural engineering analysis to refine structure member sizes in development of the 70% design drawings.
- Develop a 70% set cost estimate.
- Develop a 70% project technical specifications index in CSI format.
- One in person meeting in Edmonds to review 70% Port comments.

Deliverables:

- Revised Basis of Design Document.
- Geotechnical Report addendum memorandum.
- 70% Design Drawings in 11x17 pdf format.
- 70% Specifications outline.
- 70% Cost Estimate.

Schedule:

- Submit Revised Basis of Design 4 weeks after NTP.
- Submit Geotechnical Report 6 weeks after NTP.

- Submit 70% drawings, spec and cost estimate 10 weeks after receiving comments and approval of the Basis of Design.

Task 2 – Final Engineering and Bidding Documents

Objective: This task consists of performing engineering analysis and design details to produce final drawings and technical specifications suitable for the Port to solicit bids for construction.

Scope:

- Incorporate comments from the Port during the 70% review.
- Conduct engineering analysis and perform calculations required to complete the design.
- Evaluate and design south breakwater to accommodate a future walkway.
- Evaluate scour along the toe of breakwater to aid in development of final design.
- Coordinate with Port regarding project phasing, critical boating operations and festivals to ensure continuous use and operation of the marina.
- Produce 90% and 100% Drawings and Technical Specifications for the Port review.
- Incorporate the Port comments on the drawings, estimate and specifications.
- Produce Final Drawings and Technical Specifications suitable for bidding.
- Provide Final Engineer's Estimate of Construction Cost.
- One in person meeting in Edmonds to go over 90% review comments, one conference call at 100% submittal and one in person meeting in Edmonds when needed.

Deliverables:

- 90% Drawings and Technical Specifications in .pdf format.
- Final Drawings and Technical Specifications in AutoCAD, Adobe Acrobat .pdf, and MS Word Formats.
- Bid Item Table, Bid Item descriptions, Contractor qualifications and experience requirements in MS Word format.
- Final Engineer's Estimate of Construction Cost in MS Excel Format.
- Two hard copy versions (full size or half size drawings) of the drawings for use by the Port in soliciting contractor bids.

Schedule:

- 70% Design submittal 10 weeks after NTP.
- 90% drawings, spec and cost estimate 8 weeks after NTP. Schedule dependent upon having received comments back from the 70% review and receipt of a final Geotechnical Engineering Report. 90% design work will be initiated at a time after regulatory permit process has progressed to indicate no major changes will occur to the design concept.
- Submit 100% Documents 6 weeks after receiving comments back from the 90% review.

Task 3 – Bid & Construction Phase Engineering Support

Objective: This task provides engineering services to provide technical assistance to the Port during the bidding and construction phase of the project.

Scope:

- Bid Phase services including the following:
 - Participation in pre-bid conference.
 - Responses to questions from bidders.
 - Clarification or interpretations of the bidding documents.
 - Bid tabulation and evaluation.
 - Prepare and distribute addenda as may be required during bidding and including supplementary drawings, specifications, instructions, and notice(s) of changes in the bidding schedule and procedure.
- Construction Phase services include the following:
 - Attendance at a pre-construction conference.
 - Review pre-construction contractor submittals and RFIs up to 40 hours of review.
 - Conduct (4) site visits to observe critical phases of construction to review the work for general conformance with the contract documents. Develop a report of each visit and furnish to the Port.
 - Attend via teleconference up to (12) weekly construction progress meetings.
 - Provide on-call office engineering technical support up to 80 hours during construction.

Deliverables:

- Site visit summary reports.
- Review comments on contractor submittals and RFIs

Schedule:

- Dependent on construction schedule.

Fee Estimate:

Estimated fee to complete the scope of work above is summarized below. Work will be conducted on a Time & Materials, Not to Exceed Basis (T&M NTE) per the attached rate table (see Attachment A). Work shall not exceed the estimated fee without advanced written approval by the Port.

Table 1. Fee Estimate Summary

Task	Fee
1 – 70% Design Engineering	\$73,600
2 - Final Engineering and Construction Documents	\$80,800
Subtotal	\$154,400
3 – Bid & Construction Phase Assistance (future phase)	\$40k-80k

Port of Port Townsend - Point Hudson Breakwater Rehabilitation

By: EDE/SP
Date: 6/25/2019

FINAL ENGINEERING DESIGN & CONSTRUCTION PHASE

Tasks	Principal Engineer II	Project Manager	Coastal Engineer	Structural Engineer	CAD Designer	Sub Consultant & Expenses	TOTAL HOURS	LABOR (\$) plus 10% sub markup	Total (\$)
	\$255.00	\$155.00	\$159.00	\$108.00	\$108.00				
Tasks									
Task 1 - 70% Design Engineering									\$73,600
1.1 - Project Management	4	8					12	\$2,260	
1.2 - Construction & Constructability Review (Tom C)	2	4		8		\$ 1,000	1,014	\$3,094	
1.3 - Site Visit	8	8					16	\$3,280	
1.4 - Meeting with manufactures & contractors (2 meetings, & Tom C)	6	8		8		\$ 1,100	22	\$4,844	
1.5 - Revised Basis of Design	2	8	2	6			18	\$2,716	
1.6 - Updated Geotechnical Report (Landau)	1	8		4		\$ 4,000	13	\$6,327	
1.7 - Civil, Structural Engineering Analysis	4	16	8	24			52	\$7,364	
1.8 - Wave Analysis - Forces, Scour, Reflection	8	4	32		8		52	\$8,612	
1.9 - Data Collection Survey Drone	2	4				\$ 4,000	6	\$5,530	
1.10 - 70% Drawings	10	32		40	40		122	\$16,150	
1.11 - 70% Spec List	1	4		4			9	\$1,307	
1.12 - 70% Cost Estimate (Tom Coultas)	1	8		12		\$ 4,000	21	\$7,191	
1.13 - Review meeting in Port Townsend	8	8					16	\$3,280	
1.13 - Regulatory Permitting Assistance	4	4					8	\$1,640	
Task 2 - Final Design Engineering									\$80,800
2.1 - Project Management	4	12					16	\$2,880	
2.2 - Final Structural Engineering Analysis	4	12		40			56	\$7,200	
2.3 - Future Walkway Analysis	1	8		12			21	\$2,791	
2.4 - Project Phasing Analysis	4	12		4			20	\$3,312	
2.5 - 90% Drawings	8	44		64	40		156	\$20,092	
2.6 - 90% Specs	8	60		60			128	\$17,820	
2.7 - 90% Cost Estimate	2	8		18			28	\$3,694	
2.8 - Final Drawings	4	20		20	24		68	\$8,872	
2.9 - Final Specs	2	12		12			26	\$3,666	
2.10 - Final Cost Estimate	2	4		4			10	\$1,562	
2.11 - Review meeting in Edmonds	3	6		2			11	\$1,911	
2.12 - Corrosion Design (Subconsultant)	1	8				\$ 5,000	9	\$6,995	
TOTAL	104	330	42	342		19,100			\$ 154,400
Task 3 - Construction Administration									
3.1 - Bidding Support (Attend Pre-bid, assist w/ RFI's)	6	24		16			46	\$6,978	
3.2 - Preconstruction Submittal and RFI Review (120 hours)	4	54		60			118	\$15,870	
3.3 - Office Engineering Support (80 hours)	4	40		40			84	\$11,540	
3.4 - Onsite Assistance (4 day trips)	8	40		16		\$ 600	64	\$10,610	
3.5 - Weekly Progress meetings (12 weekly)	8	24					32	\$5,760	
Task 3 Total									\$40,800

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. E) Parametrix Contract Amendment
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	

To be presented.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 7/8/2019
TO: Port Commission
FROM: Eric Toews, Deputy Director
SUBJECT: Boat Haven Stormwater – Amendment to Parametrix Personal Services Agreement for Infiltration Feasibility Study

ISSUE: Should the Commission authorize the Executive Director to execute an amendment to the Professional Services Agreement with Parametrix, Inc. (dated February 22, 2019) to increase the contract upset limit to address unanticipated expenses related to field testing and rental equipment?

BACKGROUND: On February 22 of this year, the Port executed a standard Professional Services Agreement with Parametrix, Inc. to provide professional engineering services relating to the feasibility of a stormwater infiltration system at Boat Haven. Consistent with the Delegation of Authority Resolution 694-19 and policy (Section IV(D)), the contract upset limit was established at \$25,000.00. The work conducted by Parametrix (now complete) has exceeded the authorized contract amount by \$622.24. Staff requires Commission authorization to amend the upset limit of the contract in order to reimburse Parametrix for these expenses.

DISCUSSION: A high priority of the Port this year was achieving compliance with the requirements of the Boatyard General Stormwater Permit for Boat Haven and improving the Port's relationships with the Department of Ecology. Part of this effort involved exploring the feasibility of a stormwater infiltration system that could be pursued in the event that system improvements undertaken in 2017 proved unsuccessful. Parametrix, Inc. was selected by the Port to conduct this feasibility analysis. Their work has demonstrated that such a system is unworkable at Boat Haven due to a number of issues including depth to groundwater and infiltration rates. Their feasibility analysis was included in an updated Level 3 Engineering Response Report (prepared by Landau) that was forwarded to Ecology on June 24, 2019. The Port is now in a good position with respect to stormwater compliance, thanks in part to the work accomplished by Parametrix. Most importantly, the Department of Ecology is pleased with the Port's diligent and successful stormwater compliance efforts.

FISCAL IMPACT: Approval of the requested contract amendment would increase the upset limit of the Parametrix contract by \$622.24 and allow their final invoice to be paid in full.

RECOMMENDATION: Authorize the Executive Director to amend the upset limit of the existing Professional Services Agreement with Parametrix, Inc. to allow them to be fully compensated for their work on stormwater infiltration system feasibility.

ATTACHMENTS:

1. None.

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	July 10, 2019
AGENDA ITEM	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	VII. F) Workyard Resurfacing Contract Award
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion
ATTACHMENTS	A. Memo B. Bid Tabs, 2019-21 Boatyard Resurfacing C. Boatyard Resurfacing Figures

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 7/5/2019
TO: Port Commission
FROM: Eric Toews, Deputy Director
SUBJECT: Conditional Award of Workyard Resurfacing Unit Priced Contract No. 2019-06-01

ISSUE: A critical part of achieving compliance with the Port's Stormwater Permit is maintenance of the Workyard surface. From initial construction in the mid-1990's to 2017, very little resurfacing work was done. The result is a deteriorated surface of fine material that moves with stormwater, is difficult to filter, and has attached metals (e.g., copper and zinc). 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 complete a portion of the work before the end of September (i.e., 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. In August of 2018, the Port completed a subsequent phase of partial Workyard resurfacing and introduced chitosan lactate as a coagulant to assist in removing metals. Together, these efforts have resulted in significant improvements in stormwater quality; compliance with discharge "benchmarks" has now been attained. However, continued effort is required.

DISCUSSION: The work to be completed before the coming rainy season involves a re-surfacing (scarifying, placement of new gravel, grading and compaction) in various areas of the Boatyard, and grading/compaction of roadways (travel-ways). The project is a form of source control which will restrict the suspension and transport of metal-laden fines. This is accomplished through creation of a gravel surface which separates and filters the fines so they do not move as easily with stormwater. The effectiveness of this approach was demonstrated with the Workyard Resurfacing efforts carried out in 2017 and 2018. Areas that will be targeted for resurfacing are in those areas showing the highest contribution of metals to the stormwater system.

This has been bid as a Unit Priced Contract issued under the new legislative authority set forth in RCW 53.08.120 (3) (the first such contract entered into by the Port). Under this authority, the contract is for an indefinite quantity of work at defined unit prices for the period 2019-2021. The contract may also be extended for an additional year, through 2022. Because this contract is a Unit Priced Contract, work will be directed under task authorizations based on the unit prices bid by the contractor.

FISCAL IMPACT: The approved Capital Budget contains a project constraint of \$100,000 for 2019, with \$100,000 also anticipated in 2020.

RECOMMENDATION: Authorize the Executive Director to conditionally award a Unit Priced Contract for Workyard Resurfacing to the lowest responsible and responsive bidder. The Commission authorization is conditioned that the contract may only be awarded if the apparent low bidder satisfies the Port's due diligence inquiry.

ATTACHMENTS:

1. Bid Tabulation for the 2019-2021 Boatyard Resurfacing Unit Priced Contract, with Seton Construction highlighted in green as the apparent low bidder; and
2. Boatyard Resurfacing Figures, depicting areas anticipated to be addressed by one or more specific task authorization(s) expected in 2019.

2019-21 Boatyard Resurfacing
2019-06-01

Bid Form			Nordland Construction NW			Seton Construction			Engineers Estimate (without contingency)		
Item Number	Item	Amount	ea	Cost	Total	ea	Cost	Total	ea	Cost	Total
1	Excavation	600	\$10.00	\$6,000.00		\$6.00	\$3,600.00		\$10.00	\$6,000.00	
2	Top Course	500	\$39.00	\$19,500.00		\$32.00	\$16,000.00		\$35.00	\$17,500.00	
3	Base Course	1500	\$39.00	\$58,500.00		\$32.00	\$48,000.00		\$35.00	\$52,500.00	
4	Grading	30	\$300.00	\$9,000.00		\$3.00	\$90.00		\$250.00	\$7,500.00	
				Annual	\$93,000.00			\$67,690.00			\$83,500.00
				3 Year	\$279,000.00		3 Year	\$203,070.00		3 Year	\$250,500.00

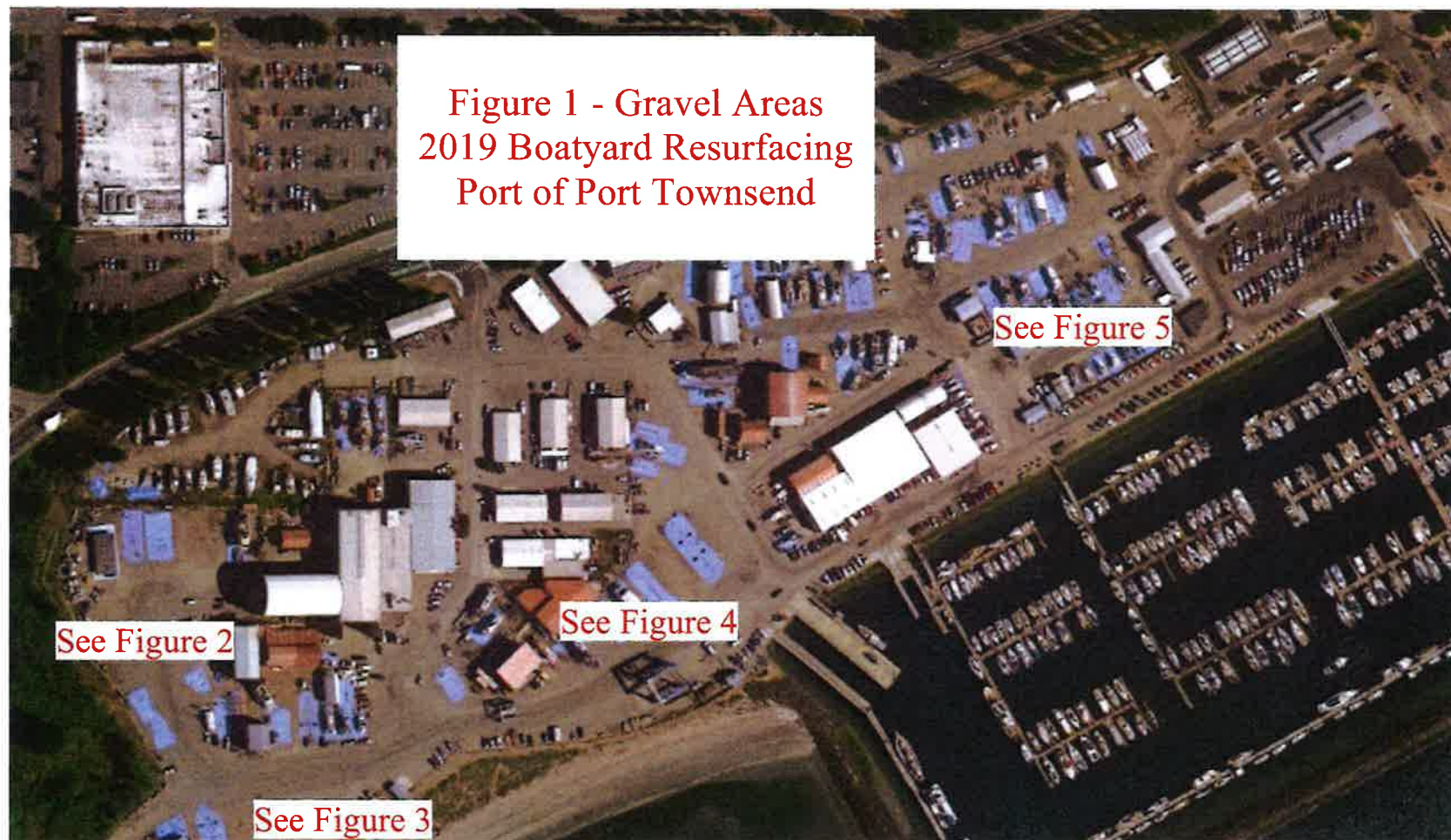


Figure 2
Port of Port Townsend
2019 Boatyard Resurfacing
Contract No. 2019-06-01

Ruler

Line	Path	Polygon	Circle	3D path	3D polygon
Measure the distance or area of a geometric shape on the ground					
Perimeter:		1,359.97	Feet		
Area:		1.11	Acres		
<input checked="" type="checkbox"/> Mouse Navigation					
				Save	Clear

Google Earth

Figure 3
Port of Port Townsend
2019 Boatyard Resurfacing
Contract No. 2019-06-01



Ruler

Line Path Polygon Circle 3D path 3D polygon

Measure the distance or area of a geometric shape on the ground

Perimeter: 857.45 Feet

Area: 0.67 Acres

☒ Mouse Navigation

Save Clear



Figure 4
Port of Port Townsend
2019 Boatyard Resurfacing
Contract No. 2019-06-01

Ruler

Line Path Polygon Circle 3D path 3D polygon

Measure the distance or area of a geometric shape on the ground

Perimeter: 756.64 Feet

Area: 0.55 Acres

☒ Mouse Navigation

Save Clear

Google Earth



Figure 5
Port of Port Townsend
2019 Boatyard Resurfacing
Contract No. 2019-06-01

Ruler

Line	Path	Polygon	Circle	3D path	3D polygon
Measure the distance or area of a geometric shape on the ground					
Perimeter:		626.98		Feet	
Area:		0.41		Acres	
<input checked="" type="checkbox"/> Mouse Navigation			Save		Clear

Figure 6
Port of Port Townsend
2019 Boatyard Resurfacing
Contract No. 2019-06-01

Roadway Grading

