

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, April 8, 2020

The Port of Port Townsend Commission met for a regular business session via Zoom online.

Present via Zoom online video: Commissioners Hanke, Petranek and Putney
Executive Director Berg
Deputy Director Toews
Former Executive Director Pivarnik
Finance Director & Port Auditor Berg
Port Recorder Erickson
Port Attorney Reardanz

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE (00:01:07)

Commissioner Hanke called the meeting to order at 1:22 PM.

II. APPROVAL OF AGENDA (00:02:00)

**Commissioner Putney moved to approve the Agenda.
Commissioner Petranek seconded the motion.
Motion carried by unanimous vote.**

III. PUBLIC COMMENTS (00:0:34)

Comments sent in via email and read aloud:

Chris Brignoli, of Port Townsend Shipwrights Co-op, commented that Governor Inslee's Stay at Home order has left many of the Marine trades wondering how their businesses can survive, and he was thankful that the Port has offered to help with this. He presented PTSC's own Covid-19 safety guidelines, including using a smaller work force, working on essential business operations, and maintaining strict safety protocols for when they do work. He asked the Port to offer some guidance to businesses that must remain open, and asked other Port businesses to be diligent in how they work and bring vessels, boat owners, and crew into the Port.

Joshua Wheeler, live-aboard in Point Hudson Marina, commented that he was worried about a recent emergency order stating he would have to leave the marina by May 5, because he doesn't have anywhere to go in the current pandemic situation. He hoped that there would be a way to stay in place, and asked for someone with authority to contact him.

Joel Kawahara commented in support of a tenant relief program as a way to promote resilience in the Port's moorage customer base, and gave an example of the Port of Bellingham's policy of tenant rent deferral. He also described how the pandemic is disrupting the fishing industry.

Comments given during Zoom meeting:

Brian Kuh, Executive Director with EDC Team Jefferson, commented about an email that he'd sent outlining resources and information for businesses during the Covid-19 Economic Crisis. He encouraged all who received it to pass it on to others and get the word out about how the EDC can help businesses get through this crisis.

IV. CONSENT AGENDA (00:14:37)

A. Approval of Regular Business Meeting Minutes – March 25, 2020⁽¹⁾

B. Approval of Warrants⁽¹⁾⁽²⁾

Warrant #061857 through #061869 in the amount of \$42,494.89 and Electronic Payment in the amount of \$150,971.83 for Payroll & Benefits.

Warrant #061870 through #061994 in the amount of \$114,672.89 for Accounts Payable.

C. JeffCo PUD Easement at JCIA⁽¹⁾

D. Termination of lease agreement with JeffCo Solar Array⁽¹⁾

E. Ratification of Emergency Orders 2020-03, -04, & -05⁽²⁾

**Commissioner Putney moved to accept the Consent Agenda.
Commissioner Petranek seconded the motion. Motion carried by unanimous vote.**

V. SECOND READING -- none

VI. FIRST READING -- none

VII. REGULAR BUSINESS (00:15:16)

A. Revisit extending Work Yard seasonal rate through May⁽¹⁾

Executive Director Berg reminded Commission that they had voted to extend the reduced winter work yard rates through April, and had planned to discuss extending further through May at this meeting. He recommended the Commission consider this extension, since the work yard is currently at 40% capacity, and some Port customers are stranded on the dry, waiting to get work done and could use the reduced rate while they wait for the Governor to lift sanctions on non-essential work.

Commissioner Hanke moved to extend seasonal rates through the end of May, 2020.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

B. Covid-19 Update with Proposed Amendment to Res. 719-20, Emergency Powers Delegation⁽²⁾ (00:20:20)

Executive Director Berg gave the Commission an update on the Port's response to Covid-19 since their last meeting, giving clear details about what boats the Port is hauling -- those deemed essential, those being worked on by essential businesses, and those in an emergency situation. He summarized the updates in Emergency Order 2020-06, especially Item 8 (re who should avoid Port property during the Covid-19 crisis), Item 10 (seeking an exception to the daily deposit of collection requirements), and Item 11 (re deferred moorage payment agreements for commercial & liveaboard tenants). He gave a concise update on the Port's 2020 budget, saying it would be a difficult year, and that budget models suggest that the Port should be planning for a about a \$1,000,000 reduction in revenue this year. With that in mind, the Port is looking for ways to keep costs down. As soon as possible the Port will bring the 2020 IDD budget to the Commission focused on the core projects the Port plans to achieve, along with some ideas for how to maintain the Port with a potential reduction in revenue.

Commissioner Hanke asked staff to provide a cash flow statement at the April 22 meeting showing what's going on with operation costs and revenues. Commission would like a weekly rundown of the trends showing how the budget is progressing, dating back to March and projecting out through the summer what the Port thinks the trends indicate. He stressed that he was requesting high-level indicators of what's going on, including how deferment of rent is affecting the budget.

Executive Director Berg gave an update on the JCIA 9/27 runway project, which is on track for a May 4 mobilization; however, before work begins, Port staff want to ensure that the Port, the contractor and the FAA all have a common understanding about how the pandemic could affect the project. He stated that although the Commission had authorized a change order of an early-completion incentive for the contractor (Scarcella), the Port feels that under the current circumstances this change order should not be executed, in order to save as much money as possible.

Commissioner Hanke asked about how closure of the airport during the pandemic would affect the emergency plan for the county. Executive Director Berg explained that the EOC anticipates need for the helipad, which will be available throughout the project; however, if an emergency landing of a fixed wing aircraft were necessary, there is the possibility that the parallel taxiway could be used.

Executive Director Berg described Resolution 720-20, which modifies leases in a narrow area. It allows the Port to enter into a short-term rental agreement with tenants that find themselves out of business, and are looking to store their equipment somewhere until they can re-open. If certain conditions are met, this would essentially be a storage fee of 25¢/ft² for the few tenants who qualify.

Commissioner Putney moved to ratify and confirm Emergency Orders 2020-03, 2020-04, 2020-05, and 2020-06 issued by the Executive Director.

Commissioner Petranek seconded the motion.

Motion carried by unanimous vote.

Commissioner Hanke moved to adopt Resolution 720-20 amending the delegation of authority and granting additional administrative authority to the Executive Director.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

VIII. STAFF COMMENTS (00:39:09)

Executive Director Berg had nothing new to add, stating he would follow up with each commissioner 1:1 about information they'd like to have regarding the Port's revenue projections in advance of the next meeting.

IX. COMMISSIONER COMMENTS (00:39:43)

Commissioner Petranek commented that she's been talking to tenants about their key priorities like safety, finances, and wanting communication from the Port. She has been talking with City Manager, John Mauro, and is in close communication with what the city is doing. She's communicating with County Commissioners about what the County and Port are doing. She's been talking to Executive Director Berg daily, and she is acting as liaison between the Port and tenants about what's going on, because changes are happening daily. One highlight last week was an interview with Executive Director Berg on KPTZ. She emphasized that communication is key right now between the City, County, the Port and its tenants.

Commissioner Putney asked about whether she was working with Greg Brotherton at the County level regarding public sanitation, as it was something he'd been working to resolve, and was particularly constrained during the current situation, since other options are closed. He stated it is a humanitarian problem and he was glad she was having those discussions.

Commissioner Petranek replied that they'd been talking about the possibilities, and an immediate solution had surfaced -- the American Legion Hall has agreed to open during the day for showers; and homeless people have been relocated to various hotels. She said that the City, County, and Port need to look at a long-term solution to this problem.

Commissioner Hanke thanked Commissioner Petranek for this important work, and gave a shout out to Brian Kuh in his work to get the word out about the resources EDC Team Jefferson has during this time. He asked everyone to be patient, and be sure to call the Commission if you have any questions.

X. Next Public Regular Business Meeting:
Wednesday, April 22, 2020. Meeting at 5:30 PM, Via Zoom

XI. EXECUTIVE SESSION - none

XII. ADJOURNMENT (00:49:12)

The meeting adjourned at 2:08 p.m., there being no further business to come before the Commission.


ATTEST:



Pamela A. Petranek, Secretary



Peter W. Hanke, President



William W. Putney III, Vice President

Please note: Governor's Proclamation 20-28 re Open Public Meetings Act states, "Subject to the conditions for conducting any meeting as required above, agencies are further prohibited from taking "action," as defined in RCW 42.30.020, unless those matters are necessary and routine matters or are matters necessary to respond to the COVID-19 outbreak and the current public health emergency, until such time as regular public participation under the Open Public Meetings Act is possible." Agenda items are marked with numbers to show which of these criteria they meet: (1) necessary & routine matters (2) matters necessary to respond to the COVID-19 outbreak and the current public health emergency

