



**Port of Port Townsend  
Regular Commission Meeting Agenda  
Wednesday, May 27, 2020, at 5:30 p.m.**

**Via <https://zoom.us/> – or call (253) 215 8782 – and use Webinar ID: 870 0824 7507**

*This meeting will only be accessible remotely, as per Governor's Proclamation 20-28.*

I.	Call to Order	
II.	Approval of Agenda	
III.	Public Comments	
IV.	Consent Agenda <sup>(1)</sup>	
	A. Approval of Approval of meeting minutes for Regular Business Meeting & May 13, 2020, and Special Business Meeting, May 19, 2020.	1-6
	B. Approval of Warrants	8-17
	C. PUD Easement for Fiber near Commission Building	18-19
	D. JCIA Project Update with Change Orders	20-21
	E. Acceptance of the Point Hudson Hospital Building Ventilation project	22
V.	Second Reading	
	A. Approval of rate for newly acquired covered yard space <sup>(1)</sup>	23-24
VI.	First Reading	
VII.	Regular Business	
	A. YTD April Financials <sup>(1)</sup>	25-31
	B. Covid-19 Update; Ratification of E.O. 2020-08 <sup>(2)</sup>	32-35
	C. JCIA Leasing Update <sup>(1)</sup>	36-39
VIII.	Staff Comments	
IX.	Commissioner Comments	
X.	Next Public Workshop / Regular Business Meeting: Wednesday, June 10, 2020. Workshop at 9:30 AM, Meeting at 1:00 PM; place TBD	
XI.	Executive Session	
XII.	Adjournment	
	<b>Informational Items:</b>	<b>40</b>
	• April 2020 Statement of Activity Detail	41-44
	• April Operations Report	45-49

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.

## PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, May 13, 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 Chmelik

- I. CALL TO ORDER (00:00:00)  
Commissioner Hanke called the meeting to order at 1:02 PM.
- II. APPROVAL OF AGENDA (00:00:14)  
Executive Director Berg asked for item VII. D. JCIA Runway Project Update with request for authorization of two Change Orders.  
**Commissioner Putney moved to accept the amended Agenda.**  
**Commissioner Petranek seconded the motion.**  
**Motion carried by unanimous vote.**
- III. PUBLIC COMMENTS (00:01:08) sent in via email and read aloud:  
Eric Taylor, President, A Hangar Condo Assn. & Treasurer, Jefferson County Pilots Assn., commented on the discovery of issues with the substrata under the runway; he encouraged the Port to minimize any increase to the existing closure schedule, even if it costs a little more.
- IV. CONSENT AGENDA (00:04:22)
  - A. Approval of Regular Business Meeting Minutes – April 22, 2020<sup>(1)</sup>
  - B. Approval of Warrants<sup>(1)(2)</sup>  
Warrant #062107 through #062117 in the amount of \$41,016.19 and Electronic Payment in the amount of \$152,783.70 for Payroll & Benefits.  
Warrant #062118 through #062293 in the amount of \$97,814.60 for Accounts Payable.  
Void of Warrants 059678 (\$146.06) and 059980 (\$270).  
**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 (00:04:44)
  - A. Approval of rate for newly acquired covered yard space  
Former Executive Director Pivarnik described the newly acquired covered space attached to the Goldstar Marine building, a type of space the Port has not had before, and therefore requiring a new rate. After some research, staff suggested a charge of \$1.15/ft/day for the 70' space, or \$80.50/day, plus daily kWh for electrical usage, and a non-refundable deposit of \$100 reservation fee, to ensure this space was filled. It would require the usual leasehold tax for 30 days or more. Mr. Pivarnik asked for discussion & direction on these rates.

Discussion ideas included a fee of \$100/day reserved, with a 5-day cap; 30-day reservation prepaid for a reduced, non-refundable amount; and no deposit fee, but cancellations filled with those on a wait list. Commission asked Port Staff to check with Yard staff about these ideas and bring another proposition to them at the next meeting.

VII. REGULAR BUSINESS (00:21:52)

A. Covid-19 Update - Request for Ratification of Emergency Order 2020-07<sup>(2)</sup>

Executive Director Berg gave 3 highlights to Order 2020-07:

- (1) No guest nightly RV or Moorage customers – extended through May 31;
- (2) Haulouts only for commercial vessels, private vessels using marine trades to do the work, or for emergencies extended through May 31, and including new Covid-19 rules as part of best management practices, giving the Port authority to enforce; and
- (3) a modified rate for a small group of people who hauled their boats right before the Governor's stay home order – the trades they were using have closed and they can no longer do their own work, so they're essentially stuck – the rate would be similar to the long-term storage rate in the non-working yard.

As next steps, Port staff could allow local owners of boats moored at Port marinas to haul out, and more outdoor dining space for the restaurants located on Port property could be considered.

There was a discussion about people living on their boats while working on them; boat owners sign agreements that allow them to live aboard for up to 3 months while working on their boat, and this can be renewed month-to-month up to 6 months. However, there have been some incidents of folks making the Work Yard their home over winter.

**Commissioner Hanke moved to ratify and confirm Emergency Order 2020-07.**

**Commissioner Petranek seconded, and motion carried unanimously.**

B. New Lease for Hanson of Port Townsend, Inc.<sup>(1)</sup> (00:33:33)

Deputy Director Toews spoke about this new lease for Chris Hanson, a tenant in good standing since 2007, operating the Dive Shop. The proposed term is for two (2) years with three one (1)-year options on a 500 ft<sup>2</sup> retail shop with associated storage of diving equipment at \$0.68/ft<sup>2</sup>, consistent with the Port's current lease policy.

**Commissioner Petranek moved to approve the proposed lease.**

**Commissioner Hanke seconded, and motion carried unanimously.**

C. Discussion and recommendation to Jefferson County Public Health Board about possible variance and reopening plan (late materials)<sup>(2)</sup> (00:36:00)

Executive Director Berg brought this agenda item to the Commission so that they could hear from their constituents on this topic and have a discussion about a possible variance plan, so that they could be well prepared for the joint meeting planned for May 19 with County Commission, City Council, Jeffco PUD Council, and the County Board of Health. He stated that he would like to allow public comment limited to the Port's perspective – specific concerns like ramps, safety, RV park, etc. He stressed that the Ports objective is to balance safety with economic stability for the community.

Chris Brignoli of Port Townsend Shipwrights sent in his public comment, which was read aloud. He stated that the decision to open our county to certain phase 2 operations must balance our economic well being, mental health, and caring for our vulnerable

population. He described PT Shipwrights safety guidelines, and stated that it is too soon to open the Port to haul-outs of recreational vessels from outside of county but supported a controlled allowance of haul outs for boats that are locally owned, with the expectation that they will follow Covid-19 safety guidelines.

Ernie Baird commented that it was a great idea to include safety measures as part of the best management practices, and wondered if there were any plans for the Port to get contact information from boaters in order to enable contact tracing later. He suggested tolerance for tenants who are responsible for providing PPE to their crews to avoid getting the virus, and warned about liability exposure if a tenant or Port employee contracts the virus and is negligent in following the rules.

Commissioner Hanke noted that he attend the joint board meeting last week and felt that the decision boils down to either waiting for until we have a vaccine to re-open, or taking a risk; that the key to understanding the level of risk we are taking depends on healthcare capacity, and that Jefferson Healthcare appears to have enough space and PPE to allow the county to open a little and see how it goes.

Commissioner Putney expressed concern for our vulnerable population, and felt that opening earlier than the counties around us would attract people from those areas that are still in phase 1, and put our county at risk with no legitimate way of policing that. He felt that perhaps we could open it to locals first, and see how it goes.

Commissioner Petranek felt it important for the Port to be a part of the City and County discussion, and had listened to all of Dr. Locke's recommendations and mentioned a few important things to consider: Washington senators are saying we have a long way to go before we're ready to open; the 10 counties who were allowed to request to move to phase 2 have met online and discussed what is needed for reopening (being respectful, following social distancing rules, providing extra restrooms, extra hygiene and PPE, enforcement of rules); special consideration for the 37% of Jefferson County's population that is over age 65; our proximity to Seattle metropolitan area of 4 million people; and Covid-19 levels were down and they're rising again with travel. She stated that many marine trades in Boat Haven were able to work and were focusing on personal and community safety first, and then on how and when to reopen. She noted that with the delay for deliberation time, the county may move to Phase 2 at the same time as the rest of the state.

Commissioner Putney stated that although we can't wait for a vaccine to reopen, we should have treatments available so that people can recover. He pointed out that moving to Phase 2 does not mean opening everything. The Port operates within a City and a County and this meeting is an opportunity to let them know what we and our constituents would like to see happen.

There was a discussion about different aspects of a reopening plan, including:

- It is not possible to close the roads or police who comes in, so it is important to remember that although the Seattle Metro area has a large population, their number of cases, percentage wise, is rather small.
- It would be more comfortable for Jefferson County to open simultaneously with other counties around us.

- Recreational boating: people may go out on pleasure boats, but shouldn't stray so far that they can't go home at night, because they're not technically allowed to come ashore away from home. Travelling more broadly will probably be a part of phase 3. We are currently not allowing overnight stays on vessels on the hard.
- The decision to move to allowing recreational boaters to haul and work on their own boats should be decided with Executive Order, as is current practice.
- RVs: the Port will base its rules on State campgrounds, where camping will be okay in Phase 3. Currently the Port's RV park is at 50% capacity with the winter-overs, one healthcare worker, and 2 JCIA runway project workers.
- Some businesses, like restaurants, are informed more by state rules than county or Port rules.
- With outdoor recreation opening, it was suggested that more portable toilets be installed at all three marinas for the increase of day-use visitors.

There was a discussion about the joint meeting with County Commission, City Council, Jeffco PUD Council, and the County Board of Health, including:

- Commission wants to be sure it is a valuable and active contributor to the discussion with the City and County boards.
- A possible public workshop regarding the Port's reopening, so that the Commission could be well informed for the joint meeting; however, a discussion held at the May 27 meeting would be informed by and have the benefit of other joint meetings scheduled between now and then.
- Puget Sound ports have all interpreted the Governor's order differently and are varied as to what is open and what is closed.
- We need to be mindful that there are a small number of businesses that are not open at all, and these business owners are not speaking up at public forums, but instead are slowly leaving our community.
- Executive Director Berg noted that the 4 CEOs of these county entities are actively working and meeting together about a broader effort for a more collaborative environment between these entities, and they are planning a meeting in June.

D. Update on JCIA Runway (change to agenda)<sup>(2)</sup> (01:33:00)

Deputy Director Toews gave a brief update on the JCIA runway, which is going well and is ahead of schedule, with the pavement already removed. However, there is a need for two (2) Change Orders.

1. Contractor Scarcella Brothers have found soft subgrade material on eastern ¼ of the runway 9/27 which will require additional excavation and extra sub-base to meet FAA design criteria for compaction. The Port is communicating and coordinating with FAA for source of funding for this change order which could cost \$80,000 - \$85,000. The Port requests the Commission to authorize the Executive Director to execute a change order to address this soft-grade issue.

Executive Director Berg reminded the commission that the early completion incentive was not executed; the Port is negotiating scope, costs and working days on

this change order. Commissioner Hanke suggested that Warren Hendricksen could help with this process.

**Commissioner Hanke moved to authorize the Executive Director to execute this change order for up to \$100,000 in spending. Commissioner Putney seconded, and motion carried unanimously. (01:41:45)**

2. With the runway removed, and the original water main from 1928 exposed, the City of Port Townsend would like to check the old main, and install a new 30" water carrier (conduit) under the end of the runway, to enable a future water main replacement. If this change order is within the City's budget of \$75-80,000, this would be a reimbursement agreement with the City.

Commissioner Putney noted that the line was likely to break during an earthquake, which is a critical time for emergency use of the runway.

**Commissioner Putney moved to authorize the Executive Director to execute a change order of up to \$75,000 for installation of a 30" watermain carrier beneath the 9 end of the runway, to be funded on a reimbursement basis by the City. Commissioner Hanke seconded, and motion carried unanimously.**

#### VIII. STAFF COMMENTS (01:48:00)

Executive Director Berg commented that he'd been attending lots of Zoom meetings with entities like the Maritime Center, the Marine Science Center, and Moorage Tenants Assoc. There was follow-up proposal from Artifacts Consulting concerning Point Hudson and how the Port may qualify for funds for historical preservation. Port staff is busy putting together a document that lays out the cost, permits, timeframe, and funding options for Point Hudson, including potential needs like a breakwater, infrastructure, and buildings; he is conferring with all groups and perspectives involved to be sure that everyone is on board. He also noted that this was a strange time for transitioning, but former Executive Director Pivarnik's time is running short; May 27 will be his last official meeting as a Port employee.

Port Attorney Chmelik commented that classes relevant to the Port are currently available through WPPA online Tuesdays at 11:00.

#### IX. COMMISSIONER COMMENTS (01: 53:00)

Commissioner Petranek encouraged everyone to communicate with the Commission.

Commissioner Hanke commented that having recently travelled through SeaTac, he noticed very few other travelers in the terminal, but no social distancing on the plane. He thanked former Executive Director Pivarnik for coming on as interim director and complimented him on how well the Port is doing now because of his work.

- X. Next Public Regular Business Meeting (01:57:44):  
Wednesday, May 27, 2020, Meeting at 5:30 PM, Via Zoom

#### XI. EXECUTIVE SESSION - none

#### XII. ADJOURNMENT (01:59:18)

The meeting adjourned at 3:00 p.m., there being no further business to come before the Commission.

ATTEST:

---

Peter W. Hanke, President

---

Pamela A. Petranek, Secretary

---

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<sup>(1)</sup> or are matters necessary to respond to the COVID-19 outbreak and the current public health emergency<sup>(2)</sup>, 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.

PORT COMMISSION attended a Joint Special Meeting of Jefferson County Board of County Commissioners, Port Townsend City Council, Port of Port Townsend, Public Utility District #1, and Jefferson County Board of Health on Tuesday, May 19, 2020 at 5:00 p.m.

This meeting was held live online at [www.co.jefferson.wa.us](http://www.co.jefferson.wa.us) following the links under “Quick Links: Videos of Meetings”. You may find the recorded video of this meeting there.

Present: Commissioners Hanke, Petranek & Putney  
Executive Director Berg

I. CALL TO ORDER:

Jefferson County Board of County Commissioners, Port Townsend City Council members, **Commissioners of the Port of Port Townsend**, Commissioners of the Public Utility District #1, and Jefferson County Board of Health **called the Special Meeting to order beginning at 5:00 PM.**

II. AGENDA:

- |  |                                      |
|--|--------------------------------------|
| 1. <b>Calls to Order</b>   | Chairs/Mayor                         |
| 2. <b>Introduce members, staff &amp; guests</b>  | Chair Brotherton, Chairs/Mayor       |
| 3. <b>Purpose of Meeting, Jefferson County’s Phase 2 Process, and Health Officer’s Initial Phase 2 Recommendations under the Governor’s Safe Start Washington plan (5 min)</b> | Chair Brotherton                     |
| 4. <b>Brief Reports (up to 5 min each):</b>  |                                      |
| • EDC Team Jefferson   | Brian Kuh                            |
| • Jefferson County Chamber of Commerce   | Arlene Alen                          |
| • North Hood Canal Chamber of Commerce   | NHCCC Representative                 |
| • Fort Worden Public Development Authority   | Dave Robison                         |
| 5. <b>Reflections on Phase 2, Submitted Public Comments and Today’s Brief Reports (up to 15 min each):</b>   |                                      |
| • Port Commission  |                                      |
| • PUD Commission   |                                      |
| • City Council   |                                      |
| 6. <b>Comments by Public Health Officer</b>  | Dr. Tom Locke                        |
| 7. <b>Next Steps to consider a Phase 2 Variance Application (5min)</b>   | Chair Brotherton                     |
| 8. <b>Board of Health Comments (up to 15 min)</b>  | Board of Health                      |
| 9. <b>Future Community Recovery &amp; Resilience Collaboration (10 min)</b>  | County, City, Port, PUD Chairs/Mayor |
| <b>Adjourn</b>   | Chairs & Mayor                       |

III. ADJOURNMENT:

The Special Meeting adjourned at 7:19 PM.

ATTEST:

---

Pamela A. Petranek, Secretary

---

Peter W. Hanke, President

---

William W. Putney III, Vice President





PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

## **WARRANT/ELECTRONIC PAYMENT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims are just due and unpaid obligation against the Port of Port Townsend, that we are authorized to authenticate and certify to said claim and that these claims, in Warrant No 062294 through No. 062301 in the amount of \$14,691.88 and Electronic Payment in the amount of \$71,771.28, are approved for payment for a total amount of \$86,463.16 on this 27th day of May, 2020.

For: **Payroll and Benefits**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

## **WARRANT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that these claims, in Warrant No 062302 through No. 062372, are approved for payment in the amount of \$105,480.08 on this 27th day of May, 2020.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

**Check Register**

**Journal Posting Date: 5/27/2020**

**Register Number: CD-000818**

**Port of Port Townsend (PTA)**

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount	
062302	5/27/2020	ADM002	Admiral Ship Supply Inc.					Check Entry Number: 001
			4/30/2020 STATEMENT	4/30/2020	286.65	0.00	286.65	
062303	5/27/2020	AIR010	Air Flo Heating Co.					Check Entry Number: 001
			12354396 11/29/19	11/29/2019	4,020.07	0.00	4,020.07	
062304	5/27/2020	AKL040	John Aklonis					Check Entry Number: 001
			REFUND 5/5/2020	5/5/2020	244.16	0.00	244.16	
062305	5/27/2020	ARM030	Armstrong Consolidated LLC					Check Entry Number: 001
			2842	5/14/2020	335.62	0.00	335.62	
062306	5/27/2020	BAN005	Bank of America					Check Entry Number: 001
			5/5/2020 STATEMENT	5/5/2020	1,096.90	0.00	1,096.90	
062307	5/27/2020	BOE020	Barbara Boersema					Check Entry Number: 001
			REFUND 05/06/2020	5/6/2020	22.00	0.00	22.00	
062308	5/27/2020	BUD030	Eileen Budge					Check Entry Number: 001
			REFUND 05/06/2020	5/6/2020	10.00	0.00	10.00	
062309	5/27/2020	CEN035	CenturyLink					Check Entry Number: 001
			05/05/2020 STATEMENT	5/5/2020	798.32	0.00	798.32	
062310	5/27/2020	CIT050	Mike Citti					Check Entry Number: 001
			REFUND 05/06/20020	5/6/2020	20.00	0.00	20.00	
062311	5/27/2020	COA050	Mott MacDonald					Check Entry Number: 001
			100339-9	5/7/2020	35,768.58	0.00	35,768.58	
062312	5/27/2020	COK030	John Coker					Check Entry Number: 001
			REFUND 05/08/2020	5/8/2020	11.00	0.00	11.00	
062313	5/27/2020	DAL070	Tobin Dale					Check Entry Number: 001
			REFUND 05/06/2020	5/6/2020	10.00	0.00	10.00	
062314	5/27/2020	DAY045	Jeff Day					Check Entry Number: 001
			REFUND 05/06/2020	5/6/2020	11.00	0.00	11.00	
062315	5/27/2020	DUN030	Dungeness Enviromental Solutions Inc					Check Entry Number: 001
			20-098	5/7/2020	2,693.90	0.00	2,693.90	
062316	5/27/2020	END040	enduris Washington					Check Entry Number: 001
			R20-318-4	5/5/2020	971.00	0.00	971.00	
062317	5/27/2020	ETZ020	Brit & Jan Etzold					Check Entry Number: 001
			REFUND 05/01/2020	5/1/2020	11.00	0.00	11.00	
062318	5/27/2020	FAM001	Ferguson Enterprises #3007					Check Entry Number: 001
			8226492	5/14/2020	347.15	0.00	347.15	
062319	5/27/2020	FIS020	Fish N Hole					Check Entry Number: 001
			4/2020	5/27/2020	68.78	0.00	68.78	
062320	5/27/2020	FIS050	John Fisker-Anderson					Check Entry Number: 001
			REFUND 05/06/20020	5/6/2020	10.00	0.00	10.00	
062321	5/27/2020	FLE085	Richard Fletcher					Check Entry Number: 001
			REFUND 05/14/2020	5/14/2020	37.37	0.00	37.37	
062322	5/27/2020	GAT040	Jody Gatz					Check Entry Number: 001
			REFUND 05/05/20020	5/5/2020	10.00	0.00	10.00	
062323	5/27/2020	GRA005	Grainger					Check Entry Number: 001
			9526107066	5/7/2020	339.08	0.00	339.08	
062324	5/27/2020	HAT070	Sean Hatt					Check Entry Number: 001
			REFUND 05/06/2020	5/6/2020	10.00	0.00	10.00	
062325	5/27/2020	HEA055	Lynn Heath					Check Entry Number: 001
			REFUND 05/01/20200	5/1/2020	400.00	0.00	400.00	
062326	5/27/2020	HEN004	Port Townsend Garden Center					Check Entry Number: 001
			67896	5/8/2020	249.47	0.00	249.47	

Run Date: 5/21/2020 12:47:55PM

A/P Date: 5/27/2020

Page: 1

User Logon: DLF

**Check Register**

**Journal Posting Date: 5/27/2020**

**Register Number: CD-000818**

**Port of Port Townsend (PTA)**

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
062327	5/27/2020	HEN006	Quilcene Henery's Hardware				
			2005-091025	5/7/2020	58.85	0.00	58.85
062328	5/27/2020	HIG020	Highway Specialties LLC				
			2005157	5/5/2020	69.76	0.00	69.76
062329	5/27/2020	JAC045	Dylan Jackson				
			REFUND 05/06/2020	5/6/2020	10.00	0.00	10.00
062330	5/27/2020	KAL055	Mike Kalmbach				
			REFUND 05/12/2020	5/12/2020	130.59	0.00	130.59
062331	5/27/2020	KID003	Kidder Mathews				
			21812	5/8/2020	10,000.00	0.00	10,000.00
062332	5/27/2020	KRE075	Chris Kresge				
			REFUND 05/11/2020	5/11/2020	11.00	0.00	11.00
062333	5/27/2020	LAR050	Keith Larrabee				
			BOAT SHOW 2020	5/11/2020	479.40	0.00	479.40
062334	5/27/2020	LES050	Les Schwab				
			37900394939	5/12/2020	239.58	0.00	239.58
			37900395107	5/13/2020	190.73	0.00	190.73
<b>Check 062334 Total:</b>					430.31	0.00	430.31
062335	5/27/2020	LIN080	Stephen Linzel				
			REFUND 05/11/2020	5/11/2020	10.00	0.00	10.00
062336	5/27/2020	MUR035	James Murray				
			REFUND 05/01/2020	5/1/2020	22.00	0.00	22.00
062337	5/27/2020	NAT020	National Fisherman Magazine				
			INV050575	4/28/2020	1,292.00	0.00	1,292.00
062338	5/27/2020	NOR002	Northwest Marine Trade Assn				
			96659	4/24/2020	460.00	0.00	460.00
062339	5/27/2020	O'RE030	O'Reilly Auto Parts				
			3939-434557	5/6/2020	14.16	0.00	14.16
062340	5/27/2020	OES001	OESD 114				
			1920001264	5/15/2020	3,944.00	0.00	3,944.00
062341	5/27/2020	OLY001	Olympic Equipment Rentals Inc				
			235858	5/7/2020	65.30	0.00	65.30
			236589	5/12/2020	130.75	0.00	130.75
<b>Check 062341 Total:</b>					196.05	0.00	196.05
062342	5/27/2020	OLY002	The Home Depot Pro Institutional				
			544402340	4/1/2020	407.33	0.00	407.33
			546657115	4/15/2020	9,681.00	0.00	9,681.00
			546657123	4/15/2020	42.84	0.00	42.84
<b>Check 062342 Total:</b>					10,131.17	0.00	10,131.17
062343	5/27/2020	ONE030	Stacey Oneal				
			REFUND 05/06/2020	5/6/2020	10.00	0.00	10.00
062344	5/27/2020	PAN020	Bob & Colleen Panerio				
			REFUND 05/1/2020	5/11/2020	11.00	0.00	11.00
062345	5/27/2020	PAP020	Pape Material Handling Exchang				
			8371529	4/29/2020	24.75	0.00	24.75
062346	5/27/2020	PER040	Performance Marine				
			REFUND 05/11/2020	5/11/2020	10.00	0.00	10.00
062347	5/27/2020	PET025	Petrick Lock & Safe				
			18319	5/15/2020	82.30	0.00	82.30
			18321	5/19/2020	398.61	0.00	398.61

**Run Date: 5/21/2020 12:47:55PM**

**A/P Date: 5/27/2020**

**Page: 2**

**User Logon: DLF**

## Check Register

Journal Posting Date: 5/27/2020

Register Number: CD-000818

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
<b>Check 062347 Total:</b>					480.91	0.00	480.91
062348	5/27/2020	PIT015	Curtis Pitts				<b>Check Entry Number: 001</b>
			REFUND 05/06/2020	5/6/2020	11.00	0.00	11.00
062349	5/27/2020	PUD001	Pud District #1				<b>Check Entry Number: 001</b>
			05/11/20	5/11/2020	25.65	0.00	25.65
			05/11/2020 STATEMENT	5/11/2020	18,786.93	0.00	18,786.93
			5/4/2020	5/4/2020	17.25	0.00	17.25
<b>Check 062349 Total:</b>					18,829.83	0.00	18,829.83
062350	5/27/2020	QUI001	Quill Corporation				<b>Check Entry Number: 001</b>
			6545951 6585338 6641	4/27/2020	166.26	0.00	166.26
			6748848	5/6/2020	53.37	0.00	53.37
<b>Check 062350 Total:</b>					219.63	0.00	219.63
062351	5/27/2020	RIC010	Bill Richey				<b>Check Entry Number: 001</b>
			REFUND 05/06/2020	5/6/2020	22.00	0.00	22.00
062352	5/27/2020	ROD030	Rodda Paint				<b>Check Entry Number: 001</b>
			44153309	5/8/2020	302.14	0.00	302.14
062353	5/27/2020	ROT015	Roth Diving Services				<b>Check Entry Number: 001</b>
			QUILCENE	5/27/2020	3,000.00	0.00	3,000.00
062354	5/27/2020	SAN060	Cindy Sanz				<b>Check Entry Number: 001</b>
			REFUND 05/16/2020	5/16/2020	33.00	0.00	33.00
062355	5/27/2020	SHE080	Sherwin-Williams				<b>Check Entry Number: 001</b>
			6940-3	5/6/2020	649.21	0.00	649.21
062356	5/27/2020	SMI075	Robert Smith				<b>Check Entry Number: 001</b>
			REFUND 05/11/2020	5/11/2020	11.00	0.00	11.00
062357	5/27/2020	SNE020	S-Net Communications				<b>Check Entry Number: 001</b>
			1662003	5/11/2020	545.56	0.00	545.56
062358	5/27/2020	SNY020	Dave Snyder				<b>Check Entry Number: 001</b>
			REFUND 05/06/2020	5/6/2020	10.00	0.00	10.00
062359	5/27/2020	SOU070	Sound Storage GC				<b>Check Entry Number: 001</b>
			05/12/2020	5/12/2020	188.00	0.00	188.00
062360	5/27/2020	STR025	Dean Strong				<b>Check Entry Number: 001</b>
			REFUND 05/06/2020	5/6/2020	11.00	0.00	11.00
062361	5/27/2020	SUM040	Summit Law Group PLLC				<b>Check Entry Number: 001</b>
			113441	5/19/2020	231.00	0.00	231.00
062362	5/27/2020	SWA020	Bill Swander				<b>Check Entry Number: 001</b>
			REFUND 05/06/2020	5/6/2020	11.00	0.00	11.00
062363	5/27/2020	TIP030	David Tippets				<b>Check Entry Number: 001</b>
			REFUND 05/01/2020	5/1/2020	110.00	0.00	110.00
062364	5/27/2020	TWI001	Spectra Laboratories - Kitsap				<b>Check Entry Number: 001</b>
			20-02753	5/12/2020	58.00	0.00	58.00
			20-02838	5/13/2020	1,186.00	0.00	1,186.00
			20-02996	5/20/2020	1,186.00	0.00	1,186.00
<b>Check 062364 Total:</b>					2,430.00	0.00	2,430.00
062365	5/27/2020	UNG070	Tad Unger				<b>Check Entry Number: 001</b>
			REFUND 05/11/2020	5/11/2020	10.00	0.00	10.00
062366	5/27/2020	UPS020	The UPS Store				<b>Check Entry Number: 001</b>
			5772	4/9/2020	45.34	0.00	45.34
062367	5/27/2020	US0001	United States Postal Service				<b>Check Entry Number: 001</b>
			2QTR 2020	5/27/2020	1,500.00	0.00	1,500.00

Run Date: 5/21/2020 12:47:55PM

A/P Date: 5/27/2020

Page: 3  
User Logon: DLF

**Check Register****Journal Posting Date: 5/27/2020****Register Number: CD-000818****Port of Port Townsend (PTA)**

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
062368	5/27/2020	VAN055	Matt Van Lier				
			REFUND 05/06/2020	5/6/2020	11.00	0.00	11.00
062369	5/27/2020	WA0501	Employment Security Department				
			Q1 2020	5/27/2020	227.00	0.00	227.00
062370	5/27/2020	WAG070	Dave Waggoner				
			REFUND 05/12/2020	5/12/2020	10.00	0.00	10.00
062371	5/27/2020	WAV040	Wave Broadband				
			103263301-0008119	5/1/2020	1,473.37	0.00	1,473.37
062372	5/27/2020	WEI030	Chris Weicht				
			REFUND 05/11/2020	5/11/2020	11.00	0.00	11.00
<b>Report Total:</b>					<b>105,480.08</b>	<b>0.00</b>	<b>105,480.08</b>

**Run Date: 5/21/2020 12:47:55PM****A/P Date: 5/27/2020****Page: 4****User Logon: DLF**



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

### **ELECTRONIC DEBIT – Kitsap Bank**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation of the Port of Port Townsend, that we are authorized to authenticate and certify said claim, and that the Electronic Debit from the Port Checking Account held at Kitsap Bank is approved for payment in the amount of **\$5,064.97** on this **27th** day of **May**, 2020.

For: Washington State, Department of Revenue

Combined Excise Tax Return – for ***April, 2020*** in the amount of ***\$5,064.97***

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
and Administration

**Washington State Department of Revenue**

Your Return has been submitted and your confirmation number is **0-014-162-583**

Below is information from your Monthly Return for the period ending April 30, 2020

<b>Filing Date</b>	May 16, 2020
<b>Account Id</b>	161-000-044
<b>Primary Name</b>	BOAT HAVEN FUEL DOCK
<b>Payment Method</b>	ACH Debit/E-Check
<b>Payment Effective</b>	May 26, 2020
<b>Total Tax</b>	5,064.97
<b>Total Due</b>	5,064.97

Check the status of your return from the **Submissions** tab.

Print a copy of your return below. You can always "Print" your return by navigating to the "Submissions" tab and finding this request.

Give us your feedback





# Combined Excise Tax Return

161-000-044  
BOAT HAVEN FUEL DOCK  
PORT OF PORT TOWNSEND

Filing Period: April 30, 2020

Due Date: May 26, 2020

Filing Frequency: Monthly

## Business & Occupation

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retailing	43,569.31	0.00	43,569.31	0.004710	205.21
Service and Other Activities (\$1 million or greater in prior year)	32,616.07	0.00	32,616.07	0.017500	570.78
<b>Total Business &amp; Occupation</b>					<b>775.99</b>

## State Sales and Use

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retail Sales	43,569.31	0.00	43,569.31	0.065000	2,832.01
Use Tax	1,775.00	0.00	1,775.00	0.065000	115.38
<b>Total State Sales and Use</b>					<b>2,947.39</b>

## Public Utility Tax

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Other Public Service Business	7,887.93	0.00	7,887.93	0.019260	151.92
Water Distribution	1,063.60	0.00	1,063.60	0.050290	53.49
<b>Total Public Utility Tax</b>					<b>205.41</b>

## Deductions

Tax Classification	Deduction	Amount
<b>Business &amp; Occupation</b>		
Retailing	Motor Vehicle Fuel Tax	0.00
<b>State Sales and Use</b>		
Retail Sales	Motor Vehicle Fuel Sales	0.00

## Local City and/or County Sales Tax

Location	Taxable Amount	Tax Rate	Tax Due
1600 - JEFFERSON COUNTY	1,151.95	0.025000	28.80
1601 - PORT TOWNSEND	42,417.36	0.025000	1,060.43
<b>Total Local City and/or County Sales Tax</b>			<b>1,089.23</b>

**Local City and/or County Use Tax/Deferred Sales Tax**

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	1,775.00	0.025000	44.38
<b>Total Local City and/or County Use Tax/Deferred Sales Tax</b>			<b>44.38</b>

**Transient Rental Income**

Location	Income
1601 - PORT TOWNSEND	128.44
Total Transient Rental Income	128.44

**Special Hotel/Motel**

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	128.44	0.020000	2.57
<b>Total Special Hotel/Motel</b>			<b>2.57</b>

<b>Total Tax</b>	<b>5,064.97</b>
<b>Subtotal</b>	<b>5,064.97</b>
<b>Total Amount Owed</b>	<b>5,064.97</b>

**Prepared By:** Donna Frary  
**E-Mail Address:** donna@portofpt.com  
**Submitted Date:** 5/16/2020  
**Confirmation #:** 0-014-162-583

**Payment Type:** ACH Debit/E-Check  
**Amount:** \$5,064.97  
**Effective Date:** 5/26/2020

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 5/22/2020  
**TO:** Port Townsend Port Commission  
**FROM:** Eric Toews, Deputy Director  
**SUBJECT:** Grant of Easement to PUD for Fiber Optic Cable – Boat Haven Commission Building

---

**ISSUE PRESENTED:** Should the Commission authorize the Executive Director to execute a fiber optic cable utility easement with Jefferson County Public Utility District No. 1 (PUD) to support the provision of service to the Commission Building at Boat Haven?

**BACKGROUND & DISCUSSION:** The PUD will be renting the Commission Building on a month-to-month basis until their new facilities are completed on Four Corners Road (likely November of this year). They have been working to improve fiber optic service within the vicinity at Boat Haven. As part of this effort, they propose to extend fiber optic service from the southwest corner of the intersection of Jefferson and Benedict Streets to the Commission Building. This would improve the property both for the PUD's near-term use as well as the Port's long-term future use. Fiber would be extended in a 2-inch underground conduit along the alignment depicted on Attachment #1 to this Staff Report. The easement would be ten feet in width. The expectation is that this utility improvement project would be undertaken immediately and would necessitate temporary short-term closure of the gravel parking lot located adjacent and to the east of the Skookum Building.

If granted, the PUD would be responsible for maintaining the fiber optic cable within the easement. It is anticipated that the easement will be in a form substantially similar to the two prior PUD easements authorized by the Commission this year. However, this easement would be limited to fiber optic cable only and would incorporate language allowing the easement and fiber utility to be relocated (at PUD expense) if the current location conflicts with any future development of the property.

**FISCAL IMPACT:** None. The Port would require nominal consideration from the PUD in return for a grant of easement that would facilitate extension of fiber service which would substantially improve the Port's property.

**RECOMMENDATION:** Staff recommends that the Commission authorize the Executive Director to execute an easement as described above to be recorded with the Jefferson County Auditor's office.

**MOTION:** None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute an easement with the Jefferson County PUD. The form will be substantially similar to the prior two (2) PUD easements authorized by the Commission this year.

**ATTACHMENTS:** Map Depicting Proposed Easement Alignment/Location





X: 1165796.982, Y: 410478.707

(<http://www.nisc.coop>)



# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 5/22/2020  
**TO:** Port Townsend Port Commission  
**FROM:** Eric Toews, Deputy Director  
**SUBJECT:** JCIA Runway Project Status; Request for Authorization/Ratification of Change Order for Soft Subgrade Repair; Request for Advance Authorization to Execute Change Order for Additional Asphalt Paving Work

---

### **QUESTIONS PRESENTED:**

1. Have the project modifications authorized by the Commission at the last regular meeting affected the project completion date?
2. Should the Commission authorize, or ratify and confirm (as applicable) Change Order to address repair of soft subgrade areas?

**BACKGROUND & DISCUSSION:** Although Scarsella Brothers Construction continues to make good progress with the project, the soft-subgrade and water main “carrier” issues discussed with the Commission on May 13 have substantially expanded the scope of required work and now appear likely to affect the project schedule. Damp weather on May 20 and 21 also aggravated the soft-subgrade conditions and impeded repair work, although work continues to proceed as rapidly as site conditions allow.

This soft sub-grade repair work is critically necessary in order to meet the FAA’s design criteria for soil compaction characteristics. The areas requiring repair are not the result of the early season construction start, but rather, the natural condition of the sub-grade discoverable only after demolition and removal of the previous runway surface and sub-base. On May 13 staff requested, and the Commission granted, authorization to execute a change order of up to \$100,000 to address this issue.

As work proceeded during the period May 14 through 21, proof rolling of the sub-grade revealed significant additional areas that require repair to meet FAA design criteria. The extent of these areas has now been confirmed by geotechnical investigations conducted by Landau & Associates. The updated area and quantity calculations, which are still being refined and finalized, indicate that the additional labor and materials will necessitate a change order of up to \$325,000. Moreover, this repair work, which involves over excavation of soft sub-grade, placement of geo-textile fabric and importation of additional sub-base course material will necessitate additional time to complete. The current contract deadline is Sunday, June 14, 2020. Negotiations with the contractor over the amount of additional time to be granted past this deadline are ongoing at the time of this writing.

Staff have been assured that the FAA will fund this entirely necessary work. The Seattle ADO is persuaded by the justification and documentation submitted by the Port and is moving forward with an amendment to the 2018 Supplemental Grant to fully fund the requested change with as yet unallocated (and soon to expire) 2018 monies.

In addition to the repair work outlined above, the contractor is moving ahead with the change order authorized by the Commission on May 13 to install a “carrier” as an alternate/contingent water main route for the Olympic Gravity Water System. The Commission authorized “up to” \$75,000 for this work, which is being conducted at the request of the City of Port Townsend. The final change order cost proposal indicates that installation of the carrier will require \$35,207, within the previously authorized spending limit. This work will be fully funded by the City on a reimbursement basis.

Finally, staff has submitted two requests to the contractor for change order cost proposals as follows:

- **Parking Lot Paving:** A cost proposal has been requested for additional asphalt work south of the loop road in the parking lot area around the Spruce Goose Restaurant. The additional work, if authorized, would augment the asphalt “test strip” in order to ensure that a continuous finished paved parking area is provided. If this cost proposal falls within the Executive Director’s spending authority (\$25,000 or under), a change order will likely be authorized.
- **Removal of T-Hangar Pads:** A cost proposal has also been requested for the demolition/removal of three unused T-hangar pads located in the area north of Port Townsend Aircraft Services. The work would include minor regrading and hydroseeding. This work is likely to fall well within the Executive Director’s spending authority and is likely to be authorized via change order.

**FISCAL IMPACT:** FAA staff have stated that they are satisfied with the justification for the soft sub-grade change order request and will seek to amend the Supplemental Grant to fully fund this additional work. Additionally, the City of Port Townsend will be funding the water line “carrier” installation on a reimbursement basis. The two potential change orders cited above would only be carried out if within the \$25,000 limit set forth in the Delegation of Authority to Port Management. Cumulatively, these two change orders would not be expected to exceed \$30,000.

**RECOMMENDATION/PROPOSED ALTERNATIVE MOTIONS:**

1. In the event this fully funded FAA change order has been finalized prior to the Commission meeting on May 27: ***“Move to ratify and confirm the Change Order executed by the Executive Director regarding excavation and repair soft sub-grade areas necessary to meet FAA design criteria.”***

OR

2. In the event this fully funded FAA change order has not yet been finalized by the prior to the Commission meeting on May 27: ***“Move to authorize the Executive Director to execute a change order not to exceed \$325,000 to excavate additional sub-grade material and import and place additional sub-base material as necessary to meet FAA design criteria.”***

**ATTACHMENTS:** None.

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 5/27/2020  
**TO:** Port Commission  
**FROM:** Abigail Berg, Director of Finance & Administration  
**SUBJECT:** Acceptance of the Point Hudson Hospital Building Ventilation project

---

### **BACKGROUND/DISCUSSION**

In accordance with RCW 60.28.051 – Duties of disbursing officer upon completion of contract, the Port Auditor notified the Department of Revenue, Employment Security Department and the Department of Labor and Industries in April 2020 that this project had been completed and requested a release from those state agencies.

The final of such releases was received by the Port on Wednesday, May 20, 2020. With these Washington State agency releases, the Port Commission is now authorized to release contract retainage to the contractor. Official acceptance of the project completion by the Port Commission is required in accordance with RCW 39.08.030 Conditions of Bond – Notice of Claim – Action on Bond – Attorney’s fees before such release can be made.

### **FISCAL IMPACT**

Commission approval of this project will allow staff to release retainage in the amount of \$4,020.07.

### **RECOMMENDATION**

We recommend and request the Commission accept the completed work of the Point Hudson Hospital Building Ventilation project.

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	May 27, 2020
<b>AGENDA ITEM</b>	<input type="checkbox"/> First Reading <input checked="" type="checkbox"/> Second Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational Items
<b>AGENDA TITLE</b>	V.A. Rate for newly acquired covered yard space
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	Staff Memo



# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 5/27/2020  
**TO:** Commission  
**FROM:** Eron Berg  
**SUBJECT:** Rate for newly acquired covered yard space

---

### **BACKGROUND**

With the acquisition this year of the structures formerly owned by the Shipwrights Co-op, the Port now has a covered yard space that can be rented on a daily basis. This could be rented to our marine trades or do-it-yourselfers. This is the only covered space that the Port currently owns, and we have yet to establish a rate for its use.

### **DISCUSSION**

This is the second reading for this rate change. Discussions at the last Commission meeting about what type of deposit should be charged were vetted with operations staff. Operations staff believes that there must be some sort of checkpoint as to how this structure is scheduled and operated. We have many customers who, with all good intentions, reserve a haul-out and then for various reasons can't make it. This structure is unique, and creating a wait list is just not feasible. Staff believes that a \$500 deposit is probably the best solution. Of course, this deposit will be credited to the haul-out, if the customer follows through with their scheduled haul-out dates. Having a covered yard space to rent on a daily basis is a very attractive asset. However, most of the customers will use the structure multiple days and sometimes even months, which makes scheduling difficult. This is a space that is 70 feet long but can accommodate up to a 90-foot boat. Staff's goal is to offer this valuable asset at a fair price that will remain full most of the time. We believe that charging \$1.15 per foot per day would be the right rate. This rate is 1.5 times the daily yard rate and in line with our present shipyard rates. This would equate to \$80.50 per day, assuming a 70-foot boat with the addition of leasehold tax charged for any stays longer than 29 days. KWH used would be charged, as well as an environmental fee based on flat rate of \$52.50.

### **RECOMMENDATION**

Motion to authorize the proposed new rate for covered yard space of \$1.15 per foot per day with a non-refundable \$500 deposit that is fully creditable to the customer's haul-out.

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	May 27, 2020
<b>AGENDA ITEM</b>	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational Items
<b>AGENDA TITLE</b>	VII.A. April 2020 YTD Financial Report
<b>STAFF LEAD</b>	Abigail Berg, Director of Finance & Administration
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	April 2020 YTD Financial Report

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 5/21/2020  
**TO:** Port Commission  
**FROM:** Abigail Berg, Director of Finance & Administration  
**SUBJECT:** April 2020 YTD Financial Report - NOTES

---

### **ISSUE**

#### **BACKGROUND & DISCUSSION**

The Port changed to Cash Basis as of the 2018 Annual Report, but because the software conversion was not possible until February 2020, the transition to cash with monthly reporting is still in process. As such, the 2019 to 2020 YTD comparisons, especially revenues, are not truly comparable. To provide the Commission a different, more accurate, view of these comparisons, we developed a 2019 to 2020 month-to-month comparison of actual cash deposited.

These comparisons are included in the April YTD Financial Report (pages 4-5) as a table and a graph.

#### **FISCAL IMPACT**

NA

#### **RECOMMENDATION**

For information only.

**Port of Port Townsend**  
**Summary of Operating & Non-Operating Revenues & Expenses**  
**2020 Activity with Comparison to Prior Year and Budget**

	YTD Apr 2019	YTD Apr 2020	Variance to prior year - 2019 v 2020	notes	YTD Budget 2020	Variance to Budget YTD
<b>REVENUES</b>				<b>a</b>		
Boat Haven Moorage	589,116	543,900	(45,216)		610,508	(66,608)
Yard Operations	596,586	548,214	(48,372)		622,279	(74,065)
Boat Haven Properties	231,529	225,007	(6,522)		203,449	21,558
Pt. Hudson Marina, RV & Prop	388,049	342,964	(45,085)		413,570	(70,606)
Quilcene	49,339	46,496	(2,843)		49,071	(2,575)
Ramps	17,154	11,750	(5,404)		17,450	(5,700)
JCIA	51,681	50,481	(1,200)		50,149	332
<b>Total Revenues</b>	<b>1,923,454</b>	<b>1,768,811</b>	<b>(154,643)</b>		<b>1,966,476</b>	<b>(197,665)</b>
<b>EXPENSES</b>						
Salaries & Wages	557,615	742,665	185,050	<b>b</b>	753,100	(10,435)
Payroll Taxes	59,627	78,335	18,709		75,000	3,335
Employee Benefits	187,507	203,782	16,275	<b>c</b>	266,002	(62,220)
Uniform Expense	3,434	4,659	1,225		2,928	1,731
Contract Services	84,640	90,229	5,589	<b>d</b>	84,003	6,226
Consulting Services	19,538	-	(19,538)		12,500	(12,500)
Legal & Auditing	45,064	4,776	(40,288)	<b>e</b>	33,332	(28,556)
Insurance	671	228	(443)		-	228
Facilities & Operations	136,266	150,859	14,594	<b>f</b>	131,719	19,141
Utilities	223,021	206,167	(16,853)		215,864	(9,697)
Marketing	15,749	15,823	74		18,091	(2,268)
Travel & Training	11,879	3,954	(7,925)	<b>g</b>	10,150	(6,196)
Cost of Goods - Fuel	5,138	2,035	(3,103)		5,600	(3,565)
Community Relations	35	5,728	5,693	<b>h</b>	-	5,728
<b>Total Expenses</b>	<b>1,350,183</b>	<b>1,509,242</b>	<b>159,058</b>		<b>1,608,289</b>	<b>(99,047)</b>
<b>Income from Operations w/o Depr</b>	<b>573,271</b>	<b>259,570</b>	<b>(313,701)</b>		<b>358,188</b>	<b>(98,618)</b>
<b>Non-Operating Revenue</b>						
Capital Contributions/Grants	196,726	164,551	(32,175)	<b>i</b>	70,000	94,551
Interest	10,195	6,748	(3,446)		8,800	(2,052)
Property & other taxes	537,734	914,338	376,604	<b>j</b>	554,802	359,536
Misc Non-Operating Revenue	9,697	5,726	(3,971)		9,060	(3,334)
<b>Total Non-Operating Revenues</b>	<b>754,351</b>	<b>1,091,364</b>	<b>337,012</b>		<b>642,662</b>	<b>448,702</b>
<b>Non-Operating Expenses</b>						
Bond Interest	-	44,625	44,625	<b>k</b>	44,625	-
Bond Mgmt, Issuance & Misc Exp	200	200	-		415	(215)
Election Expense	-	15,674	15,674	<b>l</b>	-	15,674
<b>Total Non-Operating Expenses</b>	<b>200</b>	<b>60,499</b>	<b>60,299</b>		<b>45,040</b>	<b>15,459</b>
<b>Net Non-Operating Income (Expense)</b>	<b>754,151</b>	<b>1,030,864</b>	<b>276,713</b>		<b>597,622</b>	<b>433,242</b>
<b>Net Income (Loss)</b>	<b>1,327,422</b>	<b>1,290,434</b>	<b>(36,988)</b>		<b>955,810</b>	<b>334,625</b>

**Notes:**

- (a) *This report is based on the accrual model, not CASH. The Cash report will be rolled out in the next month or so. When comparing 2019 to 2020 Revenues, understand that the 2019 revenues were accrued, and all in 2020 but January are not. The adjustment for January is in process, but is very tedious. Expenses year to year are approximate since we do not hold Port payables.*
- (b) *Comparing 2019 to 2020, there is a large variance which is due to the recording timing of PR (2019 4/30 PR is not included and amounts to ~\$84,000 ) and two (2) new positions implemented approximately mid-year 2019 (Lease & Contracts Admin., Enviro Spec.) and Custodian in Jan. 2020. However, the variance of YTD to Budget is on target.*
- (c) *The comparison of 2019 to 2020 Benefits is as expected to be higher due to the added positions mentioned in item (b), as well as, having a replacement Executive Director and the former still on salary. The YTD 2020 benefits budget is greater than actual due to the timing of these expenses which are always paid after the last pay period of the month, in the subsequent month. It will true up by year end.*
- (d) *Variance to prior year and budget is directly related to four (4) months of back-charges from Skookum for September - December in the amount of \$26,424. During that time, the Port was in negotiations with them regarding ongoing custodial contract for services.*
- (e) *In 2019, approximately \$25,000 was spent on the Seattle Maritime Academy litigation, in addition, YTD 2020 reflects less use/need of this service.*
- (f) *The year to year variance in the amount of almost \$14,000 in Facilities & Operations is primarily due to the customer refunds paid YTD for Point Hudson reservations. We expect up to another \$5,500 may be paid in May.*
- (g) *YTD 2019 Travel & Training was higher than 2020 due to the timing of staff travel reimbursement submittals and payments, HAZWOPPER training (which cost ~\$4,200), and WPPA conferences attended in 2019 that have been cancelled in 2020 due to the Covid-19 pandemic.*
- (h) *2020 costs were higher for Community Relations when comparing to 2019 and Budget due to Deck the Docks event held in December, the rental deposit paid for the Executive Director candidate meet and greet held at the NWMC in January, and the sponsorship of the high school sailing team for the Race to Alaska.*
- (i) *The variance between YTD 2019 to YTD 2020 Capital Contributions/Grants is to be expected dependent on grant billing and receipt.*
- (j) *When comparing 2019 to 2020, as well as to budget, the amount of Property & Other Taxes line item increase in 2020 is primarily due to the IDD Levy. YTD receipts for that levy is \$399,516.*
- (k) *Bond interest for January 2019 was paid in December 2018.*
- (l) *These are the shared election costs for last November's elections. The direct costs were billed in 2019, December.*

# Port of Port Townsend YTD Cashflow report

		YTD April 2020
	notes	
<b>Net Income</b>		<b>1,290,434</b>
<b>Net Change in Accruals from Balance Sheet*</b>		<b>(142,389)</b>
<b>Less: Capital Expenses:</b>		
WorkYard Resurfacing 2019		(665)
JCIA Runway Replacement project		(12,980)
BH Breakwater Repair 2019		(15,589)
PH South Jetty 2019-2020		(55,978)
PH 375 Hudson St. - Air Quality Imprvmnts 2019		(30,349)
WorkYard Resurfacing 2020		(332)
Improvements		(1,000)
Equipment replacement	a	(39,938)
<b>Total Capital Expenses</b>		<b>(156,831)</b>
<b>Less: Principal Payments on Debt:</b>		
PTBH Marina - 2010 LTGO Bond		-
Point Hudson - 2015 LTGO Refunding Bond		-
<b>Total Principal Payments</b>		<b>-</b>
<b>Increase (Decrease) in Cash Y-T-D</b>		<b>991,214</b>
<b>Beginning Cash at 1/1/2020</b>	b	<b>3,203,898</b>
<b>Ending Cash at 4/30/2020</b>		<b>4,195,112</b>
<i>Ending Reserves - Other</i>		<i>1,307,495</i>
<i>Ending Reserve - IDD</i>		<i>399,516</i>
<i>Ending Unreserved</i>		<i>2,488,101</i>

\*These are current assets and current liabilities.

**Notes:**

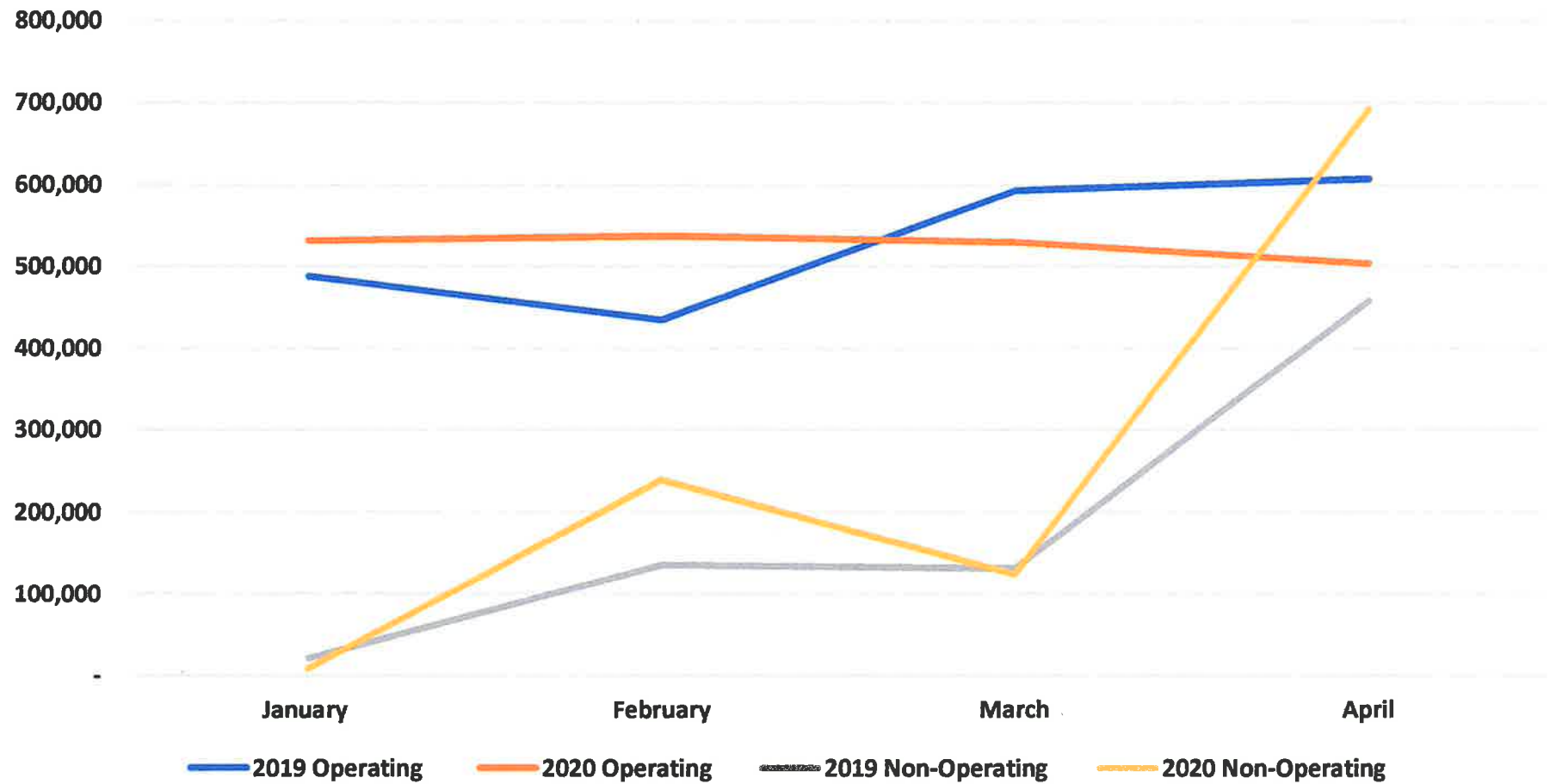
(a) Purchase of Yard Jack Stands - Jan. & Apr.

(b) Since the March 2020 Cashflow, the Annual Report is being prepared. This has resulted in a decrease in Beginning Cash in 2020 of \$22,837.

### Comparison of YTD Cash Deposits to the Port - month to month - for 2019 and 2020

Month	2019 Operating	2020 Operating	Increase (Decrease)	2019 Non- Operating	2020 Non- Operating	Increase (Decrease)	Grand total 2019	Grand Total 2020	Increase (Decrease)
January	488,411	532,252	43,841	20,998	8,603	(12,395)	509,409	540,855	31,446
February	435,227	538,034	102,807	136,179	239,933	103,754	571,406	777,967	206,561
March	593,496	530,782	(62,714)	131,979	124,818	(7,161)	725,475	655,600	(69,875)
April	608,011	504,154	(103,857)	458,435	692,342	233,907	1,066,446	1,196,496	130,050
YTD totals	\$ 2,125,145	\$ 2,105,222	\$ (19,923)	\$ 747,591	\$ 1,065,696	\$ 318,105	\$ 2,872,736	\$ 3,170,918	\$ 298,182

## 2019-2020 Cash Deposit Comparison





# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	May 27, 2020
<b>AGENDA ITEM</b>	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational Items
<b>AGENDA TITLE</b>	VII.B. COVID-19 pandemic update & fiscal impact
<b>STAFF LEAD</b>	Eron Berg, Executive Director & Abigail Berg, Finance Director
<b>REQUESTED</b>	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ul style="list-style-type: none"> <li>• Staff Memo</li> <li>• E.O. 2020-08</li> </ul>

# PORT OF PORT TOWNSEND

## AGENDA MEMO

**DATE:** 5/27/2020  
**TO:** Commission  
**FROM:** Eron Berg, Executive Director & Abigail Berg, Finance Director  
**SUBJECT:** COVID-19 pandemic update & fiscal impact

---

### **ISSUES**

1. Provide the Commission with an update on the Port's response to the COVID-19 pandemic.
2. Should the Commission ratify Emergency Order 2020-08?

### **BACKGROUND**

This is the fifth memo providing updated information related to the COVID-19 pandemic, its impact on Port operations and the Port's response. One additional emergency order has been issued as of the date this memo was written (May 22, 2020). In addition to updates to the items mentioned in the prior COVID-19 memos, the primary purpose of this memo is to provide the Commission with information related to possible fiscal impacts of this pandemic on the Port, details on actions already taken and to discuss planned actions for 2020.

### **DISCUSSION**

Brief updates since May 13, 2020, report:

1. The Port has entered into seven (7) Deferred Rent Agreements for lease tenants (with two (2) more anticipated in the near-term), no requests for Deferred Moorage Agreements, and one Month-to-Month Storage Agreement (converting a holdover lease into a short-term storage arrangement in lieu of termination/vacation of premises).
2. Restaurant tenants have been offered the temporary use of adjoining parking or open space for outdoor seating to allow for more socially distanced capacity upon reopening.
3. The PUD is installing fiber optic to Boat Haven and Point Hudson to support free, publicly accessible WiFi.
4. The County, City, Port and PUD participated in a joint meeting, along with the Board of Health, on May 19, 2020, to discuss plans for reopening Jefferson County. Planning efforts remain underway for additional intergovernmental collaboration, specifically related to COVID-19 recovery efforts.

### **COVID-19 MODEL UPDATE**

The Commission was presented with three scenarios for the recovery phase of April 22, 2020: Quick, Moderate and Extended. Staff recommended and the Commission agreed to use the Moderate Recovery Scenario as the basis for the assumptions in the model that was also presented at that meeting. As a reminder, here are those assumptions:

## MODERATE RECOVERY ASSUMPTIONS

### PTBH

- Reduce perm moorage by 10% Apr-Dec
- Reduce nightly guest by 40% Apr-June
- Reduce nightly guest July-Dec

### YARD

- Reduce 2020 yard overall by 40% Apr-June
- Reduce shipyard laydays by trade with Shipwrights' Coop

### PT HUDSON

- Reduce perm moorage by 10% Apr-Dec
- Reduce moorage nightly by 100% Apr-June
- Reduce moorage nightly by 50% July-Dec
- Delete cruise ships, Event Fac & Passenger Fees (Apr-Oct)
- Reduce bldg. leases by 25% (Apr-Dec)
- Increase** RV Monthly May-June (offset from Nightly)
- Reduce RV nightly same as moorage - 100% Apr-June
- Reduce RV nightly same as moorage - 50% July-Dec

### PTBH PROP

- Reduce lease revenue by 25% (Apr-Dec)

### RAMPS

- Reduce by 50%

Revenue decreases from this scenario total \$1,038,045.

The detailed model, with April actual numbers is not ready for presentation at this time. It may be ready as late materials, but also may not be ready until your June meeting. We are working through the model to ensure that the projected year-end projections are accurate.

### **EXECUTIVE SUMMARY OF COVID-19 MODEL WITH APRIL ACTUALS**

Projected Revenues:	\$387,902
Actual Revenues:	<u>\$422,722</u>
Exceeded projections:	\$ 34,820
Projected Expenses:	\$392,336
Actual Expenses:	<u>\$539,651</u>
Exceeded Projections:	\$147,315*

Adjusting for the timing of payments discussed below, the net difference between the April model and the April actuals is that the Port's net revenue was \$8,019 less than predicted.

\*NOTE: March 30<sup>th</sup> payroll costs were recognized in the beginning of April (this has since been corrected as to standard procedure for end-of-month payroll to be recorded in the month to which it applies).

March 30<sup>th</sup> payroll, including taxes total \$99,016. If that were in March, the variance in April falls to \$48,299. Additional January to March expenses of approximately \$6,000 were paid in April.

**FISCAL IMPACT**

As discussed herein.

**ATTACHMENTS**

1. Emergency Order 2020-08.

**RECOMMENDATIONS**

1. Provide direction, if any, related to the Port's response to the COVID-19 pandemic.
2. Motion to ratify Emergency Order 2020-08.

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	May 27, 2020
<b>AGENDA ITEM</b>	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational Items
<b>AGENDA TITLE</b>	VII.C. Potential Development of JCIA Hangar Pads; Reformation of Certain Leases
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ul style="list-style-type: none"> <li>• Staff Memo</li> <li>• JCIA Hangar Map</li> </ul>

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 5/22/2020  
**TO:** Port Townsend Port Commission  
**FROM:** Eron Berg, Executive Director  
**SUBJECT:** Potential Development of JCIA Hangar Pads; Reformation of Certain Leases

---

**BACKGROUND:** The adopted Airport Layout Plan (ALP) depicts a number of hangar pads at the Jefferson County International Airport (JCIA) that have yet to be developed. In the mid-2000s, the hangar areas located to the northeast of Taxiway B were developed. A total of eight (8) sites were readied for hangar construction (see attachment).

In April of 2007, the Port adopted and published design and construction standards for aircraft hangar development. In May of 2007 the Port Commission directed staff to move forward with a lottery system to enter into lease agreements for seven (7) of the (8) hangar sites, holding back the southwestern-most site, future hangar #6 for the Port. The notion was that the lottery process would be used to award all seven (7) sites, and then enter into long-term ground lease agreements with each lottery winner for aircraft hangar construction. This process resulted in agreements being executed for hangar sites 1-4 and 7-8. The table below summarizes the current status of these hangar sites.

JCIA HANGAR SITES: SUMMARY OF CURRENT DEVELOPMENT STATUS				
(Please see attached site plan/map)				
Site Number	Lessee/Developer	Developed or Undeveloped?	Infrastructure Development Fees	Lease Terms Met?
#1	LBG (Leavitt, Biggs, Grant)	Undeveloped	Paid	No
#2	NW Hangars (Dave Ward)	Undeveloped	Paid	No
#3	LBG	Undeveloped	Paid	No
#4	Rhody Drive Development	Developed	Paid	Yes
#5	None	Undeveloped	N/A	N/A
#6	None/Retained by Port	Undeveloped	N/A	N/A
#7	NW Hangars	Developed	Paid	Yes
#8	NW Hangars	Developed	Paid	Yes

An infrastructure development charge equivalent to \$2.50 per square feet was required as a pre-condition to execution of the long-term ground lease agreements. As the table shows, only three (3) of the hangar pads that were leased in 2007 were actually developed: two (2) by NW Hangars, and one (1) by Rhody Drive Development. One (1) of the sites leased by NW Hangars (Site #2) and both (2) of the sites leased by LBG (Sites #1 & #3) were not developed, although infrastructure development fees appear to have been paid by both of these lessees.

**DISCUSSION:** After years of little to no interest in additional hangar development, the Port has been approached by several different parties in recent weeks and months expressing a desire to enter into new or modified leases to construct hangars. This interest may be related to the reconstruction of runway 9/27, as well as overall growth and demographic changes over the past 10+ years. Obviously, implementation of the ALP and the development envisioned in the Airport Master Plan would be desirable and would contribute the vitality of the JCIA and county in general.

Assuming the Commission wishes to move forward with new/amended leases and hangar construction, a number of issues will require resolution:

1. Would the Commission wish to consider leasing site #6 which it had previously reserved for Port development?
2. If the answer to question #1 is “yes”, would the Commission wish to consider adopting a different/higher rate per square foot (e.g., \$0.06 versus \$0.05 psf) for this “prime” location?
3. If a prior lessee has not met required lease terms for moving forward with construction of hangars and payment of rent, does the Commission support termination or amendment of the agreements?
4. Should the Port allow previously paid infrastructure development fees to be transferred from one hangar site to another? Or, does the fee “run with the land”? Alternatively, is the fee nonrefundable if hangar construction did not proceed as required under the lease?
5. Does the Commission expect that future leases and hangar construction will be subject to the development fee requirements adopted by the Commission in 2007?
6. What system should be employed to ensure that a fair and level playing field is afforded to all prospective hangar developers showing interest in the same site or sites? Should a lottery system be used as was the case in 2007? Or, should the Port entertain competitive bids to obtain the best price, as was recommended by the Port’s General Counsel in 2007?

**RECOMMENDATION:** None. This item is presented to facilitate discussion and direction. Based on the Commission’s direction, staff would determine next steps and outline a strategy for Commission consideration at your regular meeting on June 10, including, possibly a lease agreement.

**ATTACHMENTS:** Map showing hangar development sites referenced in memo.





# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	May 27, 2020
<b>AGENDA ITEM</b>	<input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational Items
<b>AGENDA TITLE</b>	Informational Items
<b>STAFF LEAD</b>	
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	1. April 2020 Statement of Activity Detail 2. April 2020 Operations Report

**Port of Port Townsend**  
**Summary of Operating & Non-Operating Revenues & Expenses**  
**2020 Activity with Comparison to Prior Year and Budget**

	YTD Apr 2019	YTD Apr 2020	Variance to prior year - 2019 v 2020	notes	YTD Budget 2020	Variance to Budget YTD
<b>REVENUES</b>				<b>a</b>		
PTBH - Permanent Moorage	385,838	392,530	6,691		397,903	(5,373)
PTBH - Liveaboard Fee	6,760	7,575	814		7,171	404
PTBH - Work Float/Lift Pier Usage	5,155	1,029	(4,126)		3,000	(1,971)
PTBH - Monthly Guest	100,584	71,210	(29,374)		105,796	(34,586)
PTBH - Nightly Guest	36,317	28,618	(7,699)		40,788	(12,171)
PTBH - Miscellaneous Revenue	5,972	4,165	(1,807)		5,800	(1,635)
PTBH - Showers	2,874	2,571	(303)		2,900	(329)
PTBH - Restroom Key Fobs	-	145	145		200	(55)
PTBH - Laundry	1,775	1,535	(240)		1,700	(165)
PTBH - Promotional Sales	202	60	(142)		200	(140)
PTBH - Electric	43,639	34,464	(9,175)		45,050	(10,586)
Boat Haven Moorage	589,116	543,900	(45,216)		610,508	(66,608)
Yard - Liveaboard Fee	306	863	557		308	555
Yard - Miscellaneous Revenue	9,053	(1,683)	(10,736)		1,492	(3,175)
Yard - Work Yard Port Labor	-	-	-		1,700	(1,700)
Yard - Ship Yard Port Labor	-	1,065	1,065		2,600	(1,535)
Yard - Enviro Violations & Clean up	-	2,210	2,210		-	2,210
Yard - Work Yard Enviro Fee	12,360	16,940	4,580		15,800	1,140
Yard - Ship Yard Enviro Fee	2,220	4,765	2,545		7,500	(2,735)
Yard - 70/75 Ton Hoist Revenue	99,645	66,247	(33,398)		101,757	(35,510)
Yard - 300 Ton Hoist Revenue	65,698	80,690	14,992		63,035	17,655
Yard - Washdown Revenue	24,427	21,441	(2,987)		24,400	(2,959)
Yard - Bilge Water Revenue	2,881	1,332	(1,549)		3,226	(1,894)
Yard - Work Yard Revenue	173,460	178,831	5,371		176,898	1,933
Yard - Ship Yard Revenue	148,372	115,854	(32,519)		146,795	(30,941)
Yard - L/T Storage	25,109	20,608	(4,501)		25,268	(4,660)
Yard - Blocking Rent	12,527	12,025	(502)		21,200	(9,175)
Yard - Off Port Property Tarp Fee	990	1,008	18		500	508
Yard - Refundable Misc. Deposits	-	1,000	1,000		-	1,000
Yard - Work Yard Electric	191	11,424	11,234		11,640	(216)
Yard - Ship Yard Electric	18,938	13,594	(5,344)		18,160	(4,566)
Yard - Garbage	409	-	(409)		-	-
Yard Operations	596,586	548,214	(48,372)		622,279	(74,065)
PTBH Prop - Lease Revenue	211,710	204,396	(7,314)		184,123	20,273
PTBH Prop - Storage Unit Revenue	3,270	3,189	(80)		3,012	177
PTBH Prop - Fuel Dock Lease	4,459	4,343	(116)		4,300	43
PTBH Prop - Refundable Security Dep.	-	3,277	3,277		-	3,277
PTBH Prop - Electric	882	762	(120)		950	(188)
PTBH Prop - Stormwater Fees	2,542	3,933	1,392		2,600	1,333
PTBH Prop - Other Util, Wtr, Swr, Garbg	8,668	5,107	(3,561)		8,464	(3,357)
Boat Haven Properties	231,529	225,007	(6,522)		203,449	21,558
Pt Hudson - Permanent Moorage	43,740	40,284	(3,456)		45,366	(5,082)
Pt Hudson - Liveaboard Fee	3,658	3,746	89		3,768	(22)
Pt Hudson - Monthly Guest	63,015	61,763	(1,252)		64,914	(3,151)

Pt Hudson - Nightly Guest	21,280	7,829	(13,451)		17,850	(10,021)
City Pier & Union Wharf Usage	2,030	-	(2,030)		2,292	(2,292)
Pt Hudson - Monthly R.V.	40,517	35,744	(4,773)		41,739	(5,995)
Pt Hudson - Nightly R.V.	51,767	27,737	(24,030)		60,476	(32,739)
Pt Hudson - Kayak Racks	4,059	3,827	(232)		4,151	(324)
Pt Hudson - Reservation Fee	10,380	5,577	(4,803)		10,500	(4,923)
Pt Hudson - Showers	2,512	1,825	(686)		2,250	(425)
Pt Hudson - Laundry	3,401	3,418	17		3,440	(22)
Pt Hudson - Passenger Fee	423	-	(423)		1,476	(1,476)
Pt Hudson - Rfndbl RV Park Dep	-	7,252	7,252		-	7,252
Pt Hudson - Rfndbl Moorage Dep	-	1,941	1,941		-	1,941
Pt Hudson - Miscellaneous	624	301	(323)		600	(299)
Pt Hudson - Promotional Sales	130	105	(25)		100	5
Pt Hudson - Enviro Clean up	-	212	212		-	212
Pt Hudson - Building Leases	116,470	121,243	4,773		128,948	(7,705)
Pt Hudson - Rfndbl Security Dep.	-	2,066	2,066		-	2,066
Pt Hudson - Parking	573	627	54		700	(73)
Pt Hudson - Event Facility Rev	200	536	336		500	36
Pt Hudson - Property Utility Reimb	13,882	9,180	(4,702)		14,400	(5,220)
Pt Hudson - Electric	9,389	7,750	(1,639)		10,100	(2,350)
Pt. Hudson Marina, RV & Prop	388,049	342,964	(45,085)		413,570	(70,606)
Quilcene - Permanent Moorage	11,459	14,259	2,800		12,219	2,040
Quilcene - Monthly Moorage	316	-	(316)		-	-
Quilcene - Liveaboard Fee	60	1,122	1,062		312	810
Quilcene - Nightly Moorage	1,011	99	(912)		320	(221)
Quilcene - Showers	881	1,190	309		899	291
Quilcene - Reservations	280	121	(159)		300	(179)
Quilcene - Miscellaneous Revenue	-	-	-		20	(20)
Quilcene - Lease Revenue	20,637	21,297	660		21,230	67
Quilcene - Fuel Sales	6,135	2,794	(3,341)		4,935	(2,141)
Quilcene - Recreational Ramp Fees	1,598	1,133	(465)		2,190	(1,057)
Quilcene - Commercial Use Fees	1,600	-	(1,600)		1,400	(1,400)
Quilcene - Water	4,787	3,364	(1,422)		4,800	(1,436)
Quilcene - Electric	576	1,118	542		446	672
Quilcene	49,339	46,496	(2,843)		49,071	(2,575)
Ramp Fees	15,564	11,274	(4,290)		16,500	(5,226)
PTBH Ramp - Commercial Use Fees	200	-	(200)		-	-
PTBH Ramp - Dinghy Float Revenue	1,390	476	(914)		950	(474)
Ramps	17,154	11,750	(5,404)		17,450	(5,700)
JCIA - Miscellaneous Revenue	530	-	(530)		33	(33)
JCIA - Lease Revenue	39,991	37,658	(2,333)		37,484	174
JCIA - Hangar Revenue	8,865	10,468	1,603		10,724	(256)
JCIA - Vehicle Parking Revenue	511	238	(273)		180	58
JCIA - Aircraft Parking	196	903	708		225	678
JCIA - Fuel Lease Revenue	653	469	(183)		823	(354)
JCIA - Electric	935	744	(191)		680	64
JCIA	51,681	50,481	(1,200)		50,149	332
<b>Total Revenues</b>	<b>1,923,454</b>	<b>1,768,811</b>	<b>(154,643)</b>		<b>1,966,476</b>	<b>(197,665)</b>
<b>EXPENSES</b>						
Salaries & Wages	557,615	742,665	185,050	<b>b</b>	753,100	(10,435)
Payroll Taxes	59,627	78,335	18,709		75,000	3,335
Employee Benefits	187,507	203,782	16,275	<b>c</b>	266,002	(62,220)

Uniform Expense	3,434	4,659	1,225	d	2,928	1,731
Contract Services	84,640	90,229	5,589		84,003	6,226
Consulting Services	19,538	-	(19,538)	e	12,500	(12,500)
Legal & Auditing	45,064	4,776	(40,288)		33,332	(28,556)
Insurance	671	228	(443)	f	-	228
Office/Computer Supplies	242	1,994	1,752		1,400	594
Operating Supplies	29,136	18,029	(11,107)		21,623	(3,594)
Enviro Materials/Supplies	1,657	8,612	6,955		1,250	7,362
Tarp Pool Expense	6,808	8,421	1,613		7,600	821
Empl Recog/Relations	503	-	(503)		100	(100)
Postage	515	566	51		1,482	(916)
Janitorial Supplies	8,662	3,209	(5,452)		7,839	(4,630)
Fuel & Lubricants	9,516	6,636	(2,881)		7,910	(1,274)
Permits & Licenses	4,031	1,725	(2,306)		4,100	(2,375)
Equipment Rental	-	-	-		3,300	(3,300)
Claims & Damages	-	-	-		1,500	(1,500)
Membership & Dues	11,581	10,974	(607)		10,930	44
Bank Charges	21,424	26,796	5,372		24,266	2,530
Excise Tax	5,702	5,543	(159)		5,413	130
Bad Debt	-	(200)	(200)		-	(200)
Miscellaneous Expense	660	14,531	13,871		759	13,772
Repair & Maintenance Supplies	35,830	44,023	8,194		32,247	11,776
Facilities & Operations	136,266	150,859	14,594		131,719	19,141
Utilities	223,021	206,167	(16,853)		215,864	(9,697)
Advertising (Legal 2018)	2,349	3,491	1,142	g	2,340	1,151
Marketing	8,838	11,372	2,533		11,451	(79)
Promotion	4,561	960	(3,601)	h	4,300	(3,340)
Marketing	15,749	15,823	74		18,091	(2,268)
Economic Development	-	-	-	i	-	-
Travel & Training	11,879	3,954	(7,925)		10,150	(6,196)
Cost of Goods - Fuel	5,138	2,035	(3,103)	j	5,600	(3,565)
Community Relations	35	5,728	5,693		-	5,728
<b>Total Expenses</b>	<b>1,350,183</b>	<b>1,509,242</b>	<b>159,058</b>		<b>1,608,289</b>	<b>(99,047)</b>
<b>Income from Operations w/o Depr</b>	<b>573,271</b>	<b>259,570</b>	<b>(313,701)</b>		<b>358,188</b>	<b>(98,618)</b>
<b>Non-Operating Revenue</b>						
Grants - FAA	185,862	69,836	(116,027)	k	-	69,836
Grants - RCO	-	-	-		70,000	(70,000)
Grants - WA State & Jeff Co	10,864	41,835	30,971	l	-	41,835
Grants - Jefferson County	-	52,881	52,881		-	52,881
Capital Contributions/Grants	196,726	164,551	(32,175)	m	70,000	94,551
Investment Interest	10,195	6,748	(3,446)		8,800	(2,052)
Interest	10,195	6,748	(3,446)	n	8,800	(2,052)
Operating Tax Levy	493,105	485,234	(7,871)		536,972	(51,738)
IDD Tax Levy	-	399,516	399,516	o	-	399,516
State Forest Revenues	29,054	16,396	(12,659)		7,000	9,396
State Timber Excise Tax	13,297	10,570	(2,728)	p	8,000	2,570
Leasehold Excise Tax	2,277	2,623	345		2,830	(207)
Property & other taxes	537,734	914,338	376,604	q	554,802	359,536
Insurance Recovery	-	1,150	1,150		-	1,150
Finance Charges	9,653	4,577	(5,076)	r	8,800	(4,223)
Other Non-Operating Revenues	44	-	(44)		260	(260)

Misc Non-Operating Revenue	9,697	5,726	(3,971)		9,060	(3,334)
<b>Total Non-Operating Revenues</b>	<b>754,351</b>	<b>1,091,364</b>	<b>337,012</b>		<b>642,662</b>	<b>448,702</b>
<b>Non-Operating Expenses</b>						
Interest Exp - 2015 LTGO Refund Bond	-	44,625	44,625		44,625	-
Bond Interest	-	44,625	44,625	k	44,625	-
Bond Management Fees	-	-	-		250	(250)
Investment Fees	200	200	-		165	35
Bond Mgmt, Issuance & Misc Exp	200	200	-		415	(215)
Election Expense	-	15,674	15,674	l	-	15,674
<b>Total Non-Operating Expenses</b>	<b>200</b>	<b>60,499</b>	<b>60,299</b>		<b>45,040</b>	<b>15,459</b>
<b>Net Non-Operating Income (Expense)</b>	<b>754,151</b>	<b>1,030,864</b>	<b>276,713</b>		<b>597,622</b>	<b>433,242</b>
<b>Net Income (Loss)</b>	<b>1,327,422</b>	<b>1,290,434</b>	<b>(36,988)</b>		<b>955,810</b>	<b>334,625</b>

Port Operating Results as of April 30, 2020

**Notes:**

(a) This report is based on the accrual model, not CASH. The Cash report will be rolled out in the next month or so. When comparing 2019 to 2020 Revenues, understand that the 2019 revenues were accrued, and all in 2020 but January are not. The adjustment for January is in process, but is very tedious. Expenses year to year are approximate since we do not hold Port payables.

(b) Comparing 2019 to 2020, there is a large variance which is due to the recording timing of PR (2019 4/30 PR is not included and amounts to ~\$84,000 ) and two (2) new positions implemented approximately mid-year 2019 (Lease & Contracts Admin., Enviro Spec.) and Custodian in Jan. 2020. However, the variance of YTD to Budget is on target.

(c) The comparison of 2019 to 2020 Benefits is as expected to be higher due to the added positions mentioned in item (b), as well as, having a replacement Executive Director and the former still on salary. The YTD 2020 benefits budget is greater than actual due to the timing of these expenses which are always paid after the last pay period of the month, in the subsequent month. It will true up by year end.

(d) Variance to prior year and budget is directly related to four (4) months of back-charges from Skookum for September - December in the amount of \$26,424. During that time, the Port was in negotiations with them regarding ongoing custodial contract for services.

(e) In 2019, approximately \$25,000 was spent on the Seattle Maritime Academy litigation, in addition, YTD 2020 reflects less use/need of this service.

(f) The year to year variance in the amount of almost \$14,000 in Facilities & Operations is primarily due to the customer refunds paid YTD for Point Hudson reservations. We expect up to another \$5,500 may be paid in May.

(g) YTD 2019 Travel & Training was higher than 2020 due to the timing of staff travel reimbursement submittals and payments, HAZWOPPER training (which cost ~\$4,200), and WPPA conferences attended in 2019 that have been cancelled in 2020 due to the Covid-19 pandemic.

(h) 2020 costs were higher for Community Relations when comparing to 2019 and Budget due to Deck the Docks event held in December, the rental deposit paid for the Executive Director candidate meet and greet held at the NWMC in January, and the sponsorship of the high school sailing team for the Race to Alaska.

(i) The variance between YTD 2019 to YTD 2020 Capital Contributions/Grants is to be expected dependent on grant billing and receipt.

(j) When comparing 2019 to 2020, as well as to budget, the amount of Property & Other Taxes line item increase in 2020 is primarily due to the IDD Levy. YTD receipts for that levy is \$399,516.

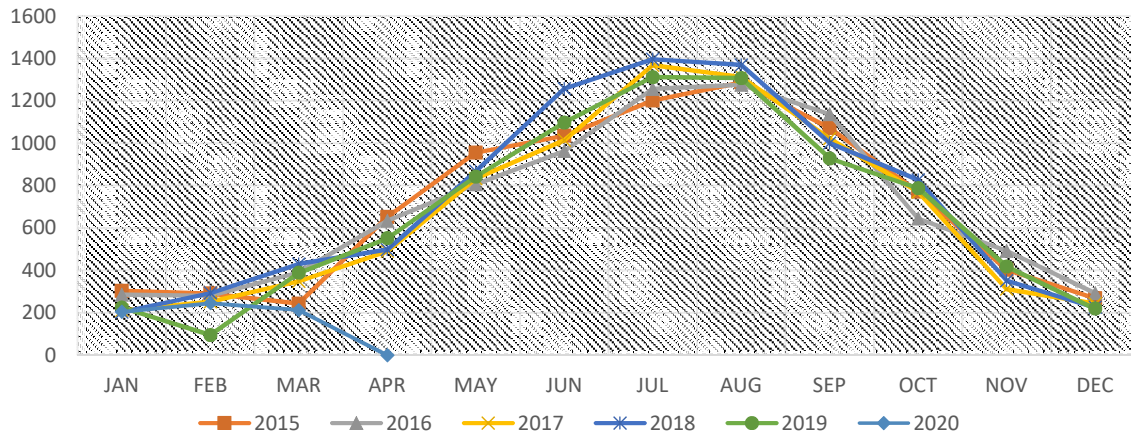
(k) Bond interest for January 2019 was paid in December 2018.

(l) These are the shared election costs for last November's elections. The direct costs were billed in 2019, December.

# Port of Port Townsend

## Five Year Comparisons

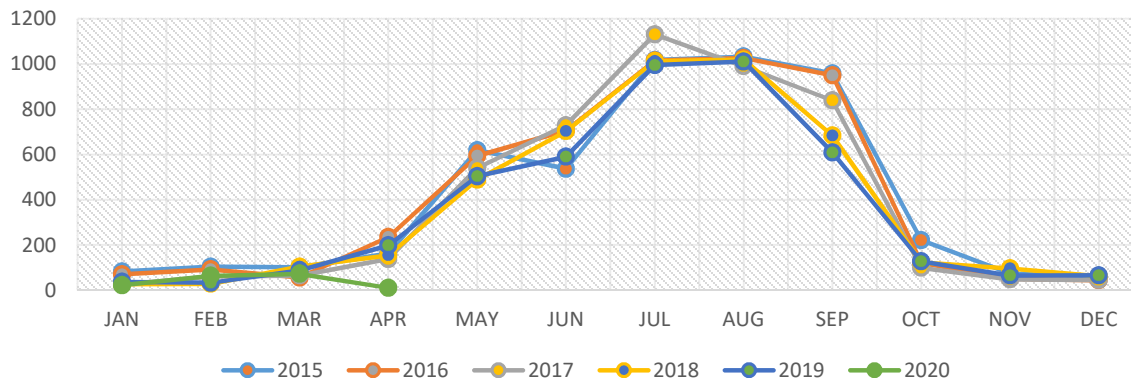
### Point Hudson RV Nightly



### POINT HUDSON RV PARK - Nightly Count

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOT
2015	304	291	244	652	955	1036	1202	1287	1072	771	403	269	8486
2016	286	281	392	634	806	963	1256	1276	1137	645	492	293	8461
2017	211	253	349	491	833	1015	1368	1314	1022	770	312	243	8181
2018	204	294	430	498	868	1258	1396	1369	1001	828	352	226	8724
2019	225	96	389	552	843	1098	1312	1307	928	788	419	220	8177
2020	205	246	213	0									664

### Point Hudson Moorage Nightly



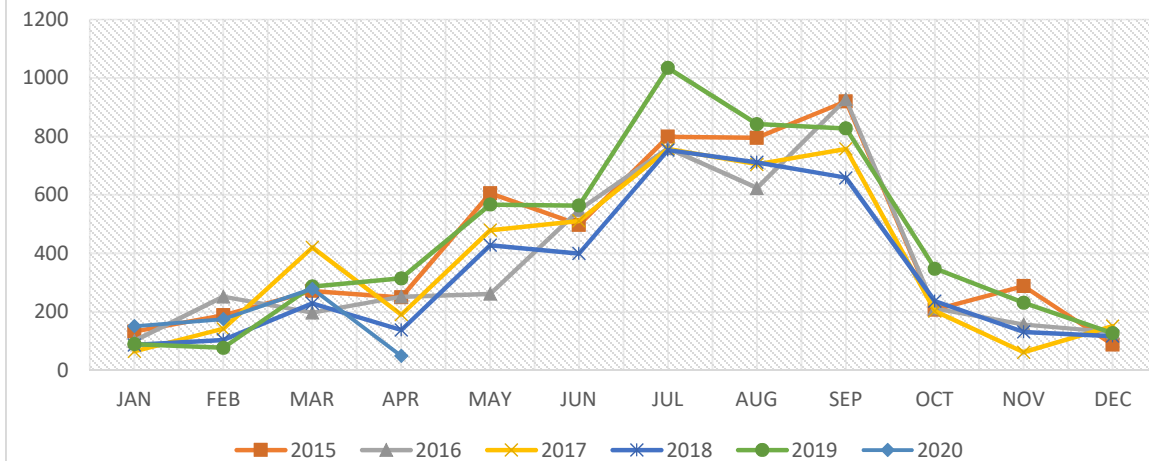
### POINT HUDSON MARINA - Nightly Count

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOT
2015	83	104	101	163	619	537	1018	1033	958	221	73	60	4970
2016	70	92	56	235	594	706	1015	1026	950	122	51	44	4961
2017	25	60	65	138	540	729	1131	990	839	99	48	45	4709
2018	27	28	104	154	489	703	1013	1019	683	123	96	62	4501
2019	37	33	88	198	504	590	995	1011	609	127	65	66	4323
2020	22	64	72	10									168

# Port of Port Townsend

## Five Year Comparisons

### Boat Haven Moorage Nightly



### BOAT HAVEN MARINA - Nightly Count

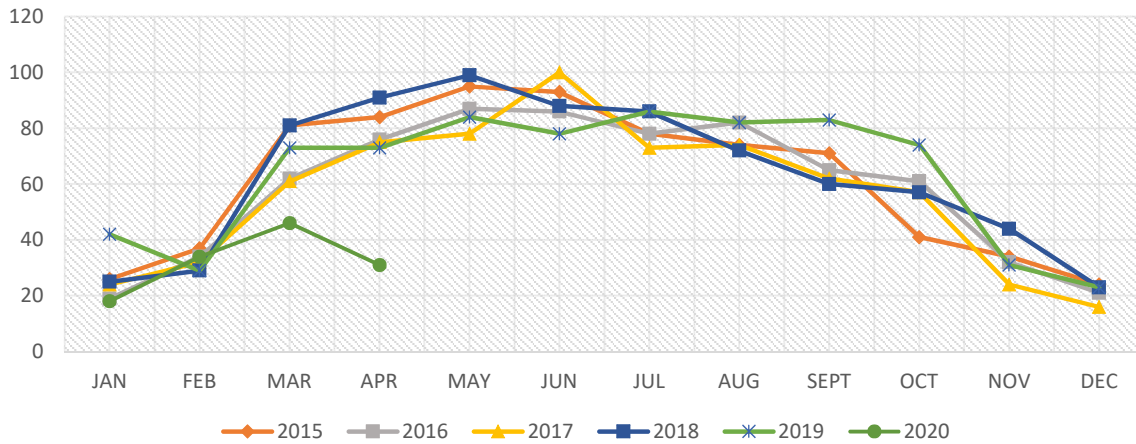
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOT
2015	132	188	271	249	605	497	799	795	920	206	287	87	5036
2016	100	251	196	251	261	548	759	623	927	211	156	129	4412
2017	64	141	420	190	479	511	757	704	757	202	61	150	4436
2018	86	103	228	137	427	399	753	711	658	236	131	116	3985
2019	89	76	286	314	567	563	1034	842	827	347	230	126	5301
2020	150	174	278	48									650



# Port of Port Townsend

## Five Year Comparisons

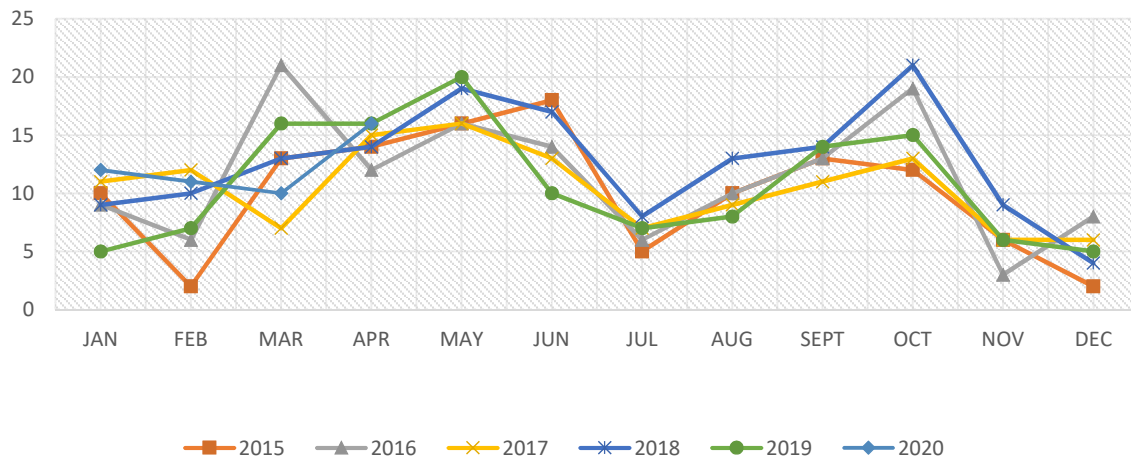
### Workyard 75T Haul Outs



### WORKYARD - 75T Haul Outs

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOT
2015	26	37	81	84	95	93	78	74	71	41	34	24	738
2016	19	34	62	76	87	86	78	82	65	61	32	21	703
2017	24	32	61	75	78	100	73	74	62	57	24	16	676
2018	25	29	81	91	99	88	86	72	60	57	44	23	755
2019	42	29	73	73	84	78	86	82	83	74	31	23	758
2020	18	34	46	31									129

### Shipyard 300T Haul Outs



### SHIPYARD - 300T - Haul Outs

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOT
2015	10	2	13	14	16	18	5	10	13	12	6	2	121
2016	9	6	21	12	16	14	6	10	13	19	3	8	137
2017	11	12	7	15	16	13	7	9	11	13	6	6	126
2018	9	10	13	14	19	17	8	13	14	21	9	4	151
2019	5	7	16	16	20	10	7	8	14	15	6	5	129
2020	12	11	10	16									49



## OPERATIONS & OCCUPANCY REPORT

<b>MOORAGE &amp; RV'S</b>	<b>JAN</b>		<b>FEB</b>		<b>MAR</b>		<b>APR</b>		<b>MAY</b>		<b>JUN</b>		<b>JUL</b>		<b>AUG</b>		<b>SEPT</b>		<b>OCT</b>		<b>NOV</b>		<b>DEC</b>		Total Units	Units
PTBH - SLIPS	93%	278	93%	277	94%	281	92%	277		0		0		0		0		0		0		0		0	299	SLIPS
PTBH - LINEAL	77%	2070	83%	2231	71%	1908	65%	1747		0		0		0		0		0		0		0		0	2,688	FT
PTBH - CONSTRAINED	19%	130	19%	130	16%	109	20%	137		0		0		0		0		0		0		0		0	683	FT
PTBH - LIMITED	65%	20	63%	19	68%	20	20%	6		0		0		0		0		0		0		0		0	30	SLIPS
PTBH - COM. RAFTING	111%	511	129%	593	122%	561	123%	566		0		0		0		0		0		0		0		0	460	FT
PH- SLIPS 1-12	59%	499	61%	512	72%	604	63%	533		0		0		0		0		0		0		0		0	840	FT
PH - SLIPS 13-32	82%	16	87%	17	89%	18	76%	15		0		0		0		0		0		0		0		0	20	SLIPS
PH - LINEAL	104%	879	100%	850	101%	856	100%	846		0		0		0		0		0		0		0		0	848	FT
PH - LIMITED	49%	573	51%	596	60%	701	60%	701		0		0		0		0		0		0		0		0	1,169	FT
PH - KAYAK	63%	25	58%	23	60%	24	68%	27		0		0		0		0		0		0		0		0	40	SLIPS
PH - RV	55%	25	57%	26	60%	27	40%	18		0		0		0		0		0		0		0		0	46	SITES
QUIL - SLIPS	45%	14	44%	14	44%	14	47%	15		0		0		0		0		0		0		0		0	32	SLIPS
QUIL -LINEAL	42%	88	42%	88	54%	113	41%	86		0		0		0		0		0		0		0		0	210	FT
QUIL - LIMITED	0%	0	0%	0	0%	0	0%	0		0		0		0		0		0		0		0		0	190	FT
WORKYARD	82%	98	91%	109	97%	116	82%	98		0		0		0		0		0		0		0		0	120	SLIPS
SHIPYARD	82%	18	88%	19	92%	20	122%	27		0		0		0		0		0		0		0		0	22	SLIPS
LONGTERM	92%	32	96%	34	91%	32	88%	31		0		0		0		0		0		0		0		0	35	SLIPS

\*Percentages reflect monthly averages. Averages are calculated from a combination of lineal feet or slips/spaces occupied compared to the overall capacity of feet/space.

### Monthly Counts

#### POINT HUDSON

Permanent/Business	11
Limited Access	28
Winter RV Monthlies	17
Monthly Moorage	30
Reservation Fees	-183

#### BOAT HAVEN

Permanent	304
Monthly Moorage	39
Credit System	6
Annual Ramp	3
Daily Ramp	8

#### QUILCENE

Permanent	17
Nightly	0
Annual Ramp	2
Daily Ramp	5
	0

#### YARD

One way Lifts	0
Re-blocks	1
Work Yard OPP	19.8
Ship Yard OPP	4.5
(OPP - Vessels off port property)	

# Port of Port Townsend Monthly Counts - 2020

## POINT HUDSON

	LIMITED	RV MONTHLY	BUSINESS/ PERMANENT	MOORAGE MONTHLY	RES. FEES
JAN	21	18	11	30	238
FEB	21	19	11	33	249
MAR	23	21	11	31	24
APRIL	28	17	11	30	-183
MAY					
JUNE					
JULY					
AUG					
SEPT					
OCT					
NOV					
DEC					

## BOAT HAVEN

	PERMANENT	MOORAGE MONTHLY	CREDIT SYSTEM	A - RAMP	D - RAMP
JAN	307	43	8	48	6
FEB	300	39	8	52	36
MAR	305	39	22	20	15
APRIL	304	39	6	3	8
MAY					
JUNE					
JULY					
AUG					
SEPT					
OCT					
NOV					
DEC					

## QUILCENE

	BUSINESS/ PERMANENT	MOORAGE NIGHTLY	A - RAMP	DAILY RAMP
JAN	16	0	5	6
FEB	15	1	3	0
MAR	16	1	0	2
APRIL	17	0	2	5
MAY				
JUNE				
JULY				
AUG				
SEPT				
OCT				
NOV				
DEC				

## 2019

## POINT HUDSON

	LIMITED	RV MONTHLY	BUSINESS/ PERMANENT	MOORAGE MONTHLY	RES. FEES
JAN	26	21	11	32	265
FEB	28	21	11	31	145
MAR	30	20	11	31	287
APRIL	37	16	11	30	369
MAY	38	10	11	1	435
JUNE	40	0	11	1	462
JULY	43	0	11	1	622
AUG	40	0	11	1	529
SEPT	37	0	11	1	356
OCT	27	10	11	26	213
NOV	26	10	11	35	169
DEC	21	17	11	33	96

## BOAT HAVEN

	PERMANENT	MOORAGE MONTHLY	CREDIT SYSTEM	A - RAMP	D - RAMP
JAN	301	49	6	59	64
FEB	293	47	7	14	20
MAR	294	52	23	13	98
APRIL	302	53	20	19	57
MAY	307	59	36	39	160
JUNE	306	64	40	31	185
JULY	308	68	59	51	365
AUG	314	72	66	11	165
SEPT	310	67	55	6	182
OCT	317	53	13	2	71
NOV	311	46	11	0	26
DEC	300	46	8	11	23

## QUILCENE

	BUSINESS/ PERMANENT	MOORAGE NIGHTLY	A - RAMP	DAILY RAMP
JAN	12	6	6	3
FEB	13	0	1	11
MAR	13	0	6	4
APRIL	18	40	5	39
MAY	37	21	15	195
JUNE	27	49	4	121
JULY	36	43	6	89
AUG	36	22	6	102
SEPT	30	17	0	28
OCT	15	0	0	3
NOV	13	0	0	1
DEC	13	0	0	6