



Port of Port Townsend Commission Workshop

Wednesday, December 9, 2020, 9:30 a.m.

Via <https://zoom.us/>

or call (253) 215-8782 – and use Webinar ID: **862 6904 3651**, Password: 911887

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

Workshop Agenda

- ❖ EDC¹ Team Jefferson Annual Update presentation
Brian Kuh, Executive Director

- ❖ 2021 Organizational Topics
 - Commission Officers
 - Committee Assignments
 - Commission Meeting Procedures & Calendar
 - Delegation of Authority
 - Annual Retreat in 2021 – timing and topics

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

¹ Economic Development Council



Report of EDC Activity to Port Commission January - November 2020

Recruitment and Marketing Activities	3
<i>Unique, first-time contacts with businesses seeking to relocate.</i>	
Business Retention and Expansion Activities	523
<i>Outreach interactions initiated with existing businesses.</i>	
Business Assistance Including Start-Ups	411
<i>Businesses, including start-ups, seeking technical assistance.</i>	
Readiness and Capacity / Asset Building	457
<i>Engagements with other org's and local governments to build community capacity / assets.</i>	
Other Activities	
Inquiries Sent to help@edcteamjefferson.org	856
Assistance Inquiries Received via Phone	269
LION Applications Processed	43
Grant Applications Processed	269
Grant Awards Processed (#)	184
Grant Dollars Processed (\$)	\$ 446,861

2020 EDC Milestones

- Established dedicated PTAC for Jefferson County
- Established Jefferson County on the North Olympic Legislative Alliance
- Re-established an SBDC Advisor for Jefferson County
- Maintained Community Lean Resource for Jefferson County
- Maintained Emerald Cost Opportunity Zone / Investment Inquiries
- Co-Chaired the Economic Recovery Ad Hoc Committee
- Co-Chaired the ICC Economy & Jobs Committee
- Facilitated the Jefferson Broadband Action Team
- Facilitated the CEO Breakfast Meetings
- Serve on the NOLA Steering Committee
- Serve on the ICC Broadband Committee
- Serve on the North Olympic Development Council Board / Treasurer
- Serve on the Olympic Workforce Development Council
- Serve on the Jefferson Chamber Board

EDC Requests of the Port

- 1) Participate in planned discussions re: June 2021 ADO designation (in partnership with the County, City, PUD, and others)
- 2) Consider participation in proposed EDC "Public Sector Cabinet" in 2021
- 3) Restore partial EDC funding to support critical capacity expansion (~\$15,000)

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 12/9/2020
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: 2021 Organizational Topics

ISSUES

In preparation for 2021:

1. Who will serve as president, vice president and secretary for the Commission?
2. Who will serve on which committees?
3. What changes, if any, would the Commission like in its meeting procedures?
4. What changes, if any, would the Commission like in its delegation of authority resolution?
5. When should the annual retreat be scheduled and what topics would the Commission like to have on the agenda?

BACKGROUND

Annually, in January, the Commission addresses a number of organizational topics. I thought it would be good to have a preliminary discussion at the December workshop meeting so the Commission may consider drafts now prior to the January 13, 2021 meeting.

DISCUSSION

Commission officers: Attached for your information is a table with detail from the last decade. This item is on your agenda now to give the Commission an opportunity to discuss prior to action on January 13, 2021.

Committee assignments: Attached are current assignments as well as a blank 2021 assignment page that includes the addition of NOLA. I have included proposed staff assignments to committees on the 2021 draft.

Commission meeting procedures: A redline draft of the current procedures is attached and includes changes intended to reflect the way the Commission is currently running meetings, more detail on the annual calendar to ensure that all planned meetings are regular meetings under the OPMA, and the planned elimination of three regular meetings (2nd meetings in July, August & December in honor of sunshine and the Christmas holiday, respectively). Do these changes make sense to the Commission? Does the Commission want to adjust the time for meetings or continue to have one afternoon and one evening meeting? Does the Commission want any other changes to the meeting procedures?

Delegation of authority: Attached are two documents, a redline of the current delegation and the Port of Bellingham's delegation. The redline is intended to clarify inconsistencies and reflect current practices, but not fundamentally change or expand delegated authority. The Bellingham example is

provided as a more modern, comprehensive delegation. What would the Commission like to see in a draft proposed delegation on January 13, 2021?

Annual retreat: When would the Commission like to schedule this meeting? The list of topics that we have been tracking includes the following:

- Capital projects update & plan
- Marketing marine trades
- Shoreline Master Program policies
- Identification of new economic opportunities
- Economic development planning/consideration of Associate Economic Development Organization (ADO) designation from Jefferson County

What topics would the Commission like to have on the annual retreat agenda?

Again, all of these items are on the workshop agenda for a more detailed discussion now, to better inform the drafts that will be presented next month.

FISCAL IMPACT

None identified herein.

ATTACHMENTS

1. 2010-2020 Commission officers
2. 2020 Committee Assignments
3. Draft 2021 Committee Assignments
4. Draft redline updated Commission meeting procedures
5. Draft 2021 Commission Meetings Calendar
6. Draft redline updated delegation of authority
7. Example Delegation Resolution: Port of Bellingham Resolution No. 1106-W

RECOMMENDATIONS

1. Provide direction to staff; these items will be on the Commission's January 13, 2021 regular business agenda for possible action.

Port of Port Townsend Commissioners and titles 2010-2020

YEAR	PRESIDENT	VICE PRESIDENT	SECRETARY	Exec. Director
2020	Pete Hanke	Bill Putney	Pam Petranek	Jim Pivarnik / Eron Berg
2019	Bill Putney	Pete Hanke	Steve Tucker	Jim Pivarnik
2018	Steve Tucker	Pete Hanke	Bill Putney	Sam Gibboney / Jim Pivarnik
2017	Pete Hanke	Brad Clinefelter	Steve Tucker	Sam Gibboney
2016	Pete Hanke	Steve Tucker	Brad Clinefelter	Larry Crockett / Sam Gibboney
2015	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett
2014	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett
2013	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2012	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2011	Dave Thompson	Leif Erickson	John Collins	Larry Crockett
2010	John Collins	Dave Thompson	Leif Erickson	Larry Crockett

**PORT OF PORT TOWNSEND
2020 COMMITTEE ASSIGNMENTS**

COMMITTEE NAME	REPS	FREQUENCY
CEO Breakfast Group	Executive Director	Monthly
Chamber of Commerce – Jefferson County (Luncheons)	Bill Putney	Second Mondays
Chamber of Commerce – North Hood Canal <i>Meets alternately in Quilcene and Brinnon</i>	Pete Hanke	3 rd Mondays 5:30 PM
Climate Action Committee	Eric Toews Pete Hanke	Quarterly
East Jefferson Underground Coordinating Council	Chris Sparks	As called
Fort Worden Advisory Committee – Pete plans to get informal updates with Brian Hageman, Ranger	Pete Hanke	3rd Thursday, 12:00-1:30, odd- # months
Jefferson Co. Joint Growth Management Steering Committee	Eric Toews	As called
Jefferson County IMT (Incident Management Team) (360) 385-9368 jcdem@co.jefferson.wa.us	Terry Taylor	1 st Wednesdays 10-Noon
Jefferson County Local Food System Council Logan Fields logan.e.fields@gmail.com 3/4/2020: Pam “talked with Jim about dropping this from the port commission committee assignments, as this group is not really relevant right now.”	Pam Petranek	2 nd Thursday 5:30-7:30 PM
Jefferson County Marine Resources Committee (MRC) https://www.jeffersonmrc.org/meetings-events/	Pam Petranek	1 st Tuesdays 6-8:00
Jefferson County Pilots Association	Pete Hanke	As called
Jefferson County Public Infrastructure Fund Committee (PIF)	Pete Hanke	As called
Jefferson County Solid Waste Advisory Council	Terry Khile	As called
North Olympic Development Council (NODC)	Bill Putney	4 th Thursdays 2:00-4:00 PM
Pacific Coast Congress of Port Managers & Harbormasters Board	Terry Khile	As called
Port Townsend Marine Trades Association	Executive Director, commissioner, <i>as invited</i>	Every other Monday
Port Townsend Moorage Tenants Union	Pam Petranek	As invited
Puget Sound Anglers, East Jefferson Chapter	Pam Petranek	2 nd Tuesdays 7:00 PM
WAMA – WA Airport Management Association	Bill Putney and Pete Hanke	As called
Wash. Public Ports Assoc. – Board of Trustees	Bill Putney	Spring & Annual Conferences
Washington Finance Officers Association	Abigail Berg	As called
WPPA - Finance & Administration Committee	Abigail Berg	As called
WPPA - Legislative Committee (+ <i>All 3 Commissioners</i>)	Eric Toews	As called
WPPA – Other Committees (Aviation, Economic Development, Environmental, Marina, and Public Relations)	<i>All 3 Commissioners</i>	As called

**PORT OF PORT TOWNSEND
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North Olympic Legislative Alliance (NOLA)	Eron Berg	As called
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APPENDIX A to Resolution _____-2-
Port of Port Townsend Commission Meeting Procedures

The Commission Meeting Procedures have been adopted by Resolution 714-20, amending Resolutions 326-00, 344-01, 363-02, 367-02, 390-03, 392-03, 471-06, 487-07, 532-10, 553-11, 558-11, 561-11, 594-13, 604-14, 624-15, 639-16, 654-17, 674-18, 675-18, ~~and 694-19~~ and 714-20. Any changes or deletions will require an amendment to the Resolution.

COMMISSION MEETINGS

TIME AND LOCATION OF MEETINGS

1. Effective January ~~1322~~, 202~~10~~, with the exception~~s of the December schedule~~ outlined in paragraph 2 immediately below, regular business meetings of the Port of Port Townsend will occur twice a month - on the second Wednesday of each month at 1:00 p.m. and on the fourth Wednesday of each month at 5:30 p.m. ~~in the Port Commission Building, 333 Benedict Street, Port Townsend, Washington~~ via Zoom, unless otherwise indicated. Public Workshops will occur on the second Wednesday of each month at 9:30 a.m. Meeting and workshop schedules and locations are subject to change with a minimum 24-hour notice to the local newspaper and the Port's website.
2. Any meeting that falls on a holiday will be held the following regular business day. To accommodate the December holiday schedule, only one regular business meeting will be held in December on the second Wednesday of the month, December 9, 2020 at 1:00 p.m. Thanksgiving, the 2nd meeting in November shall be held on Tuesday, November 23, 2021 at 1:00 P.M. There is no regular meeting scheduled for the 2nd Wednesday in July, August or December, 2021.

RULES OF TRANSACTION OF BUSINESS

1. Order of Business shall be as follows:
 - I. Call to Order
 - II. Approval of Agenda
 - III. Public Comments Related to/not related to the agenda (limited to total of thirty (30) minutes; three (3) minutes per person)
 - IV. Consent Agenda
 - ~~IV.~~V. Special Guests & Presentations
 - ~~V.~~VI. Second Reading (Action Items)
 - ~~VI.~~VII. First Reading (Discussion Only)
 - ~~VII.~~VIII. Regular Business
 - ~~VIII.~~IX. Staff Comments
 - ~~IX.~~X. Commissioner Comments
 - ~~X.~~XI. Next Meeting

~~XI.~~XII. Executive Session, (If ~~any~~called)

~~XII.~~XIII. Adjournment

2. All matters which, in the judgment of the Commission, are of a legislative character~~and~~ shall be embodied in the form of Resolutions. Resolutions shall be numbered consecutively, and the original copy shall be signed by the President and Vice President and attested by the Secretary~~in open session~~. Resolutions shall be filed by the Executive Assistant and shall be recorded in a book or books kept for such purpose, which shall be public records.
3. Organization of Workshops:
 - a. Shall have an agenda at the beginning of the workshop.
 - b. Will have minutes recording topics discussed either in written and/or audio format.
 - c. Will be used for discussion only, with no binding decisions made by the Commissioners.
 - d. Rules governing written and spoken input from members of the public for business meetings will not apply to workshops.
4. Organization of Regular Business Meetings:
 - a. A Call to Order ~~may~~will begin with the Pledge of Allegiance.
 - b. Shall have an agenda approved at the beginning of the meeting.
 - c. Will have minutes recording topics discussed and actions taken either in written and/or audio format.
 - d. Will make any information to be presented before the Commission for consideration to the public in advance of the meeting. This information will be part of the agenda and meeting packet posted on the Port's website pursuant to RCW 42.30.077.
 - e. Will allow presentations by each member of the public indicating a desire to address the Commission, of no more than three (3) minutes, (maximum of thirty minutes per meeting) for Public Comment period on any appropriate topic. Each speaker must state their name and the subject of their comment before beginning. Written comments are encouraged.
 - f. When, in the opinion of the Commission's presiding officer, significant information has been presented to the Commission which was not made available to the public in advance, the presiding officer may allow additional public comment at a time and limited in a fashion the presiding officer will make clear.
 - g. No public comment will be entertained once a motion for action has been called and the Commission's deliberation has begun.
 - h. Public comments and presentations shall adhere to common norms of civility and may be cut off by the presiding officer if in his or her judgment these norms of

civility are violated. Disruptions of Port Commission meetings are prohibited. Disruptions include, but are not limited to the following:

- i. Failure of a speaker to comply with the allotted time established for the individual speaker's comment;
- ii. Addressing the audience, rather than the commission, by a member of the public who has been recognized by the presiding officer for public comment;
- iii. Outbursts (e.g., clapping, shouting, cheering) from members of the public who have not been recognized by the presiding officer for public comment;
- iv. Holding or placing a banner or sign in the Commission Room in a way that endangers others or obstructs the free flow of meeting attendees or the view of others attending the meeting; or
- v. Behavior that intentionally disrupts or otherwise impedes the orderly conduct of Commission business.

5. Conduct of Regular Business Meetings:

- a. The Port Commission, as a governing body, is charged with making decisions that advances the mission of the Port and which are based on sound information and analysis, respect for views of the public, and each Commissioner's best disinterested judgment.
- b. With only 3 elected Commissioners, the Commission can operate with a high degree of informality and need not be bound to all the provisions spelled out in standard codes of parliamentary procedure. However, some formal procedures need to be followed to respect the rights of all 3 Commissioners to participate equally and fully in all Commission business.
- c. Some fundamental principles for conducting Commission meetings include (taken from The Standard Code of Parliamentary Procedure, by Alice Sturgis):
 - i. All Commissioners have equal rights, privileges, and obligations.
 - ii. The majority vote decides.
 - iii. The rights of the minority must be protected.
 - iv. Full and free discussion of every proposition presented for decision is an established right of the members.
 - v. Every member has the right to know the meaning of the question before the Commission and what its effect will be.
 - vi. All meetings must be characterized by fairness and by good faith.
- d. Routine and ordinary business may be approved and/or rejected by the Commission by placing it on either the "Consent Agenda", or as an item of "Regular Business". Examples of items typically placed on the "Consent Agenda" are approval of warrants, ~~and~~ meeting minutes, lease amendments, contracts and items that have already come before the Commission.

Examples of items considered as “Regular Business” include lease agreements, significant contracts, and grant agreements. Matters of routine and ordinary business may be voted on at the same meeting at which they are introduced. ~~Any one Commissioner may delay the vote on a specific item and request additional information before completing its consideration.~~

- e. To facilitate sufficient time for reflective consideration of proposals by Commissioners and members of the public and staff, all proposals for policies* which impact members of the public shall be voted on no sooner than the immediate next regular business meeting following introduction of the proposal ~~in the form of a motion moved by a Commissioner.~~ The introduction of a proposal at a Commission meeting is the “first reading” and ~~the vote is the~~ any subsequent meeting where the proposal is considered is the “second reading”. This requirement may be waived by a unanimous vote of the Commission.
 - ~~i. A policy proposal, once moved as a motion, may be discussed at subsequent Commission meetings without a vote required and may be amended at subsequent meetings.~~
 - ~~ii. At any subsequent Commission meeting, and Commissioner may move “To vote immediately” on the policy proposal. This motion is not debatable and requires a two-thirds affirmative vote.~~
 - ~~iii. The chair may call for a vote on the policy proposal at any subsequent Commission meeting and may proceed with a vote in the absence of any objections by other Commissioners.~~

*Examples of policy actions include adoption of the budget, adoption of strategic and/or comprehensive plans.

- f. All motions require a second. In the absence of a second, the motion is declared dead.
 - g. Minor amendments to a motion may be accepted as a “friendly amendment” by the maker of the original motion without a vote on the amendment.
 - h. The presiding officer of the Commission meeting shall have the right to participate fully in the discussion and shall cast a vote on all motions.
 - i. The standard priorities and requirements for main, subsidiary, and privileged motions shall be used.
6. The draft agenda may be available by Friday of the week previous.
7. The Executive Director or his designee would be responsible for keeping track of each issue.

- ~~8.~~ All public comments and questions should be directed to the Commissioners. If the Commissioners so desire, they may refer the question to the Executive Director, Port Attorney, and/or other Port Staff in attendance.

~~9. SMOKING~~

~~Smoking is prohibited during the Commission meetings.~~

MINUTES

1. Additions and ~~and~~ or corrections to the Minutes will be recorded and become a part of the revised and approved consent agenda. Minutes are to be available to the Commissioners prior to the meetings.
2. Minutes are recorded according to RCW 42.32.030

VOUCHER APPROVAL

~~It shall be the policy of the Port of Port Townsend Commissioners to approve vouchers for payment and authorize the issuance of warrants by signing a list which will indicate the voucher number, to whom paid, amount and purpose of the payment.~~ Voucher ~~and warrant~~ approval is incorporated under "Consent Agenda". See also Resolution 737-20 for details on the issuance and approval of checks and warrants.

COMMISSIONER'S COMPENSATION

Each Commissioner shall be reimbursed or compensated for actual attendance at general meetings and for performance of other services in behalf of the Commission up to the maximum rate allowed in accordance with RCW 53.12.260.



The Port of Port Townsend Commission will meet on the 2nd Wednesdays at 1:00 p.m. and 4th Wednesdays at 5:30 p.m. Workshops are set to be at 9:30 a.m. on the 2nd Wednesday of each month. Please find below a list of meetings for 2021.

Date	Port of Port Townsend Commission Meetings and Workshops	Location
January 13	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
January 27	5:30 p.m. Meeting	"
February 2	WPPA Port Day	Olympia
February 10	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
February 24	5:30 p.m. Meeting	"
March 10	9:30 a.m. Workshop & 1:00 p.m. Meeting	"
March 24	5:30 p.m. Meeting	"
April 14	9:30 a.m. Workshop & 1:00 p.m. Meeting	"
April 28	5:30 p.m. Meeting	"
May 12	9:30 a.m. Workshop & 1:00 p.m. Meeting	"
May 19-21	WPPA Spring Meeting	Davenport Hotel, Spokane
May 26	5:30 p.m. Meeting	Zoom webinar until further notice
June 9	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
June 16-18	WPPA Finance & Administration Seminar	Alderbrook Inn, Union
June 23	5:30 p.m. Meeting	Zoom webinar until further notice
July 7-9	WPPA Directors' Seminar <i>not firm dates or location</i>	Alderbrook Inn, Union
July 14	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
July 19-21	WPPA Commissioners' Seminar	Marcus Whitman Hotel, WallaWalla
August 11	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
September 8	9:30 a.m. Workshop & 1:00 p.m. Meeting	"
September 22	5:30 p.m. Meeting	"
Sept. 22-24	Environmental Seminar - <i>not booked yet</i>	Alderbrook Resort, Union
October 13	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
Oct. 20-22	WPPA Small Ports Seminar - <i>not booked yet, dates not firm</i>	Enzian Inn, Leavenworth
October 27	5:30 p.m. Meeting	Zoom webinar until further notice
November 10	9:30 a.m. Workshop & 1:00 p.m. Meeting	"
November 23	5:30 p.m. Meeting <i>(Tuesday before Thanksgiving)</i>	"
Dec. 1-3	WPPA Annual Meeting	Hyatt Regency Hotel, Bellevue
December 8	9:30 a.m. Workshop & 1:00 p.m. Meeting	Zoom webinar until further notice
TBA	5:00 p.m. Special Meeting: PoPT, Jeff. Co. Board of Commissioners, Jeffco PUD Commission, and Port Townsend City Council	

Commission
Annual Retreat
via Zoom on
___/___/2021

Possible Meeting Locations:

JCIA (Aero Museum), 105 Airport Rd, Port Townsend
Marina Room, 103 Hudson Street, Port Townsend
Maritime Center, 431 Water Street, Port Townsend

PTYC, 2503 Washington St, Port Townsend
Quilcene Community Center, 294952 US-101, Quilcene
Tri-county Community Ctr, 10 West Valley Rd, Chimacum
Zoom Webinar

**PORT OF PORT TOWNSEND SPECIFIC ~~POLICY DIRECTIVES OF~~
~~ADMINISTRATIVE DELEGATION OF~~ AUTHORITY TO THE PORT DISTRICT EXECUTIVE
DIRECTOR**

January 13, 2021

The Commission of the Port of Port Townsend adopts the following policy for the purpose of establishing the Administrative Authority of the Executive Director (ED), who is responsible for ~~normal~~ Port operations. The phrase “~~normal~~ Port operations” as used herein, means regular day-to-day business transactions involving personnel, materials and funds. The Commission shall retain an ED to implement the objectives of the Port, which shall be established by the Commission. The ED derives authority from the Commission acting as the governing body. The ED shall regularly inform and consult with the Commission regarding significant information and business transactions by a method mutually agreeable to the Commission and the ED. Commission directives or initiatives shall be made through the ED and shall be made only by the Commission acting as a body. The ED shall serve as the primary spokesperson for ~~management~~the Port.

Consistent with RCW 53.12.270 and Ssubject to the limitations identified in this Delegation of Authority Resolution, the ED shall be responsible for:

1. Operation, maintenance, administration, and use of the Port’s boat yard, airport, marinas, RV park, and properties, and all facilities;
2. Implementation of construction work and alterations, repairs and improvements to real estate and physical facilities controlled and operated by the Port;
- ~~3.~~ Administration of day-to-day ~~normal~~ Port operations which may include personnel administration, task and project assignments, hiring, firing, discipline, and training;
- ~~3.4.~~ Management of Port operations during emergencies, including all statutory authority to manage operations and to minimize the risk of injury to people and property, including the authority to issue emergency orders, provided, that all emergency actions will be reported to the Commission at its next Regular meeting;
- ~~4.5.~~ Execution of contracts and other documents related to ~~normal~~ Port operations that are related to or pursuant to a project or matter authorized by the Commission, ~~or~~ otherwise authorized in this Administrative Authority Policy or other Commission adopted resolution;
- ~~5.6.~~ Applications to relevant jurisdictions for development permits, land and shoreline use entitlements, and land and shoreline use text amendments of any kind associated with Port facilities or projects, provided that all applications for area-wide land or shoreline use designation changes shall require prior Commission approval;
- ~~6.7.~~ Application for and acceptance of grants or other funds from federal, state, or local governments, subject to the approval of Commission if required per Section XIV herein;
- ~~7.8.~~ Delivery of services essential to the Port’s mission: financial and accounting related matters; legal matters;

and all other administrative matters;

~~8.9.~~ Certain elements of this policy require annual approval per RCW. Therefore, this Administrative Authority Policy shall be reviewed and readopted annually.

I. UTILIZATION OF PORT CREWS

The Port District ED shall retain professional staff, who shall operate and manage according to directives from the ED. The ED is authorized to administer day-to-day operations which include personnel administration (task & project assignments, hiring, firing, setting salary & benefits, training, grievance procedures, employee enrichment & improvement, Union negotiations, etc.) within positions created and approved by the Commission.

~~A. — Performance of Work by Port Crews~~

~~Prior Commission approval shall not be required where individual capital or maintenance projects are to be carried out by Port crews or day labor (when deemed appropriate) and do not exceed Twenty five Thousand Dollars (\$25,000.00) exclusive of applicable taxes. The ED may inform the Commission at the next scheduled meeting of all actions under this section.~~

II. RULES AND / OR PROCEDURES

The ED is authorized to adopt and amend administrative rules and regulations necessary for the efficient operation of the Port so long as such rules and regulations ~~are reported to the Commission and~~ are consistent with Commission policy. All such adoptions and amendments ~~to the rules and regulations established therein may hereafter be made by the ED, so long as such amendments do not exceed the authority of the ED, as granted elsewhere herein, and are~~ shall be reported to the Commission in a timely manner.

The ED may delegate to appropriate Port staff such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the ED's authority. In the event the Executive Director is unavailable, due to absence, temporary leave, and/or due to conflict of interest and/or appearance of fairness reasons, the authority of the ED shall be delegated as follows: (a) operations matters to the Port's Deputy Director, (b) internal administrative matters (Finance and Human Resources) to the Director of Finance and (c) all other matters delegated first to the Deputy Director, second to the Director of Finance. In the event of questions, dispute or disagreement with the delegation, the staff named hereinabove shall consult with the Port's Attorney for a final determination. To implement delegations or authority to Port staff, the ED shall promulgate policy and procedure manuals, monetary delegations authority and employee position descriptions, affirmative action plans and office manuals which shall include such delegations as appropriate. The responsibility for all administration and day-to-day operations of the Port rests with the ED.

III. SALE OF PERSONAL PROPERTY

The Port District ED, with prior Commission approval, is authorized pursuant to RCW 53.08.090 to sell and

convey surplus personal property of the Port pursuant to the requirements of RCW 53.08.090-092 (as amended or succeeded). The ED is authorized to sell and convey surplus personal property of the Port of Port Townsend subject to the following conditions:

- A. That the value of such personal property does not exceed the dollar limits authorized under RCW 53.08.090-092 (as amended or succeeded).
- B. Prior to any such sale or conveyance, the ED shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for district purposes.
- C. Any large block of such property having a value in excess of the limits authorized under RCW 53.08.090 (as amended or succeeded) shall not be broken down into components of a lesser value and sold unless done so by public competitive bid.
- D. That offers for purchase are solicited from at least three (3) parties when no bids are received from the public competitive bidding process; unless waived by the Commission on a case-by-case basis.
- E. No real property or facility which is part of the comprehensive ~~scheme plan~~ of harbor improvement (CHSI) ~~or modification thereof~~ shall be disposed of until the ~~comprehensive plan~~ CHSI has been modified pursuant to RCW 53.20.010 and such real property or facility is found to be surplus to Port needs.

IV. CONTRACTS FOR PERFORMANCE OF WORK

A. Contract Awards for Construction and Maintenance:

- 1. The Port District ED may, without prior Commission approval, execute on its behalf contracts where the total estimated contract price does not exceed Twenty-five Thousand Dollars (\$25,000.00) exclusive of applicable taxes, and so long as all statutory procedures are followed, including bid and performance surety requirements. All contracts awarded under this section will be reported to the Commission at the next scheduled meeting. Public discussions with the Commission regarding ~~planned~~ projects will take place with the adoption of the annual capital budget unless an emergency exists.
- 2. The Port District ED may execute on behalf of the Port contracts for large projects that have been properly approved including costs at a public Port meeting, and all statutory procedures must be followed. Upon proper approval from the Commission, the Port District ED may publish a notice calling for bids; award of contract or rejections of all bids will be done by vote of the Commission at a public meeting.
- 3. ~~When any emergency shall require the immediate execution of a contract for work the Port District ED, pursuant to the procedures of RCW 39.04.020 (as it may be amended or succeeded), is authorized to make a finding of the existence of such emergency and execute any contracts necessary to respond to the existing emergency, provided that the Port District ED~~

~~shall at the first opportunity contact a Commissioner, and at the first Port Commission meeting following the finding of the existence of an emergency, request the Port Commission ratification of the finding of emergency and any contracts awarded and or executed pursuant to that finding.~~

B. Change Orders:

Where a contract for the performance of work has been awarded and under which the work is in progress, and individual changes in plans or specifications are necessitated in order to properly accomplish the work, the ED is authorized, without prior Commission approval, to execute on its behalf individual change orders to the contract if all of the following conditions are met:

- ~~1.~~ The estimated cost of the aggregate changes in plans or specifications, in~~ex~~clusive of applicable taxes, will not exceed ~~Twenty Five Thousand Dollars (\$25,000.00).~~
- ~~2.1.~~ For contracts of \$1 million dollars or more, the change order shall not exceed Twenty five Thousand Dollars (\$25,000.00) the authorized budget for the project.
- ~~3.2.~~ The contract provides for the issuance of change orders.
- ~~4.3.~~ The individual change order has been approved and certified by the project architect or engineer as being necessary to the proper accomplishment of the work called for in the basic contract.
- ~~5.4.~~ The ED shall inform the Commission at the next scheduled meeting of all actions undertaken under this section.

C. Professional Services / Consulting Services:

The ED shall be responsible for the initiation of appropriate procedures to obtain professional or consultant services where deemed necessary in carrying out normal Port operations. ~~When necessary, Port Legal Counsel shall be consulted with respect to statutory procedures in connection with these services.~~ The ED may arrange for these services, without prior Commission approval, when the cost of the proposed service for any single project will not exceed Twenty-five Thousand Dollars (\$25,000). If the fee for such services is estimated to exceed Twenty-five Thousand Dollars (\$25,000), prior Commission approval shall be required. The ED shall inform the Commission at the next scheduled meeting of all actions undertaken under this section.

D. Architectural, Engineering & Technical Surveying Services:

The ED is authorized to contract with qualified architect~~ural~~, engineer~~ing~~ and ~~technical testing & inspection firms~~surveyors licensed in the State of Washington to provide such services as required for maintenance, preliminary engineering work, design, construction administration or ~~small other~~ projects of the Port. Arrangements for obtaining such services shall follow all required statutory procedures and shall be consistent with normal established fees paid for such services. If the fee on any single project or ~~closely related work~~task order is estimated to exceed Twenty-five Thousand Dollars (\$25,000), Commission approval shall be required. The ED shall inform the Commission at the next scheduled meeting of actions undertaken under this section.

E. Declarations of Emergency:

1. An emergency is defined as an unforeseen circumstances beyond the control of the Port that either present a real, immediate threat to the proper performance of essential functions; or may result in a material loss or damage to property, bodily injury, or loss of life if immediate action is not taken (see RCWs 39.04.020, 39.04.280 and 53.19.010(04). Emergencies allow for the waiver of state procurement requirements.
2. The Executive Director is authorized to make a finding of the existence of an emergency, to authorize spending of Port resources and funds, to waive competitive bidding requirements and to execute any contracts necessary to respond to the emergency in accordance with RCW 39.04.020, 39.04.280, 53.19.010 and 53.19.010.
 - a) As soon as possible following a declaration of emergency, and in no case more than 24 hours following such declaration, the ED shall individually inform each Commissioner of the action taken. The ED shall also notify the Commission of having made such emergency declaration at its next regularly scheduled meeting.
 - b) If a public works or purchased goods or services contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency shall be filed with the Commission and made public on the Port's website no later than two weeks following the award of the contract.
 - c) If a personal services contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency shall be filed with the Commission and made public on the Port's website within seven working days following the commencement of a work or execution of the contract, whichever occurs first. Documented justification for emergency contracts shall be provided to the Commission when the contract is filed.
 - d) As used herein, "filed with the Commission" means any of the following:
 - (1) Delivery to the Executive Assistant to the Commission for distribution to each Commissioner; or
 - (2) Noting the matter for Consent or Action on the Meeting Agenda for the next scheduled meeting of the Commission.

F. Reports:

Notwithstanding the authorities granted in the preceding sections A –E, the ED shall keep the Commission advised of all contracts, reports and activities.

V. ACQUISITION OF UTILITIES, MATERIALS, EQUIPMENT, SUPPLIES, AND SERVICES.

The ED shall have the responsibility for following all statutory requirements and procedures in connection with all acquisition of utilities, materials, equipment, supplies and services. Utilities, materials, equipment, supplies and services may be acquired on the open market, or by competitive bidding when necessary for the

normal maintenance and operations of the Port, and no prior Port Commission approval shall be required but shall, where appropriate, be approved as part of normal monthly expenses and shall be within authorized budgets. The Port District ED may acquire utilities, materials, equipment, supplies and services subject to the following conditions:

- A. The purchase price does not exceed Twenty-Five Thousand (\$25,000.00) Dollars or has been pre-approved by Commission, or if specifically identified while developing the annual budget and does not exceed the budgeted amount.
- B. In the event of competitive bidding all statutory regulations must be followed.
- C. The ED is authorized to establish a system to control purchase of materials, supplies and services. Such system should take into consideration the nature of the purchases, and that the invoices have been properly processed and approved in accordance with Port Policies and Procedures.

VI. REAL & PERSONAL PROPERTY RENTALS OR LEASES

All real & personal property belonging to the Port, when available for rent or lease, shall, except as otherwise provided herein below, be leased only under an appropriate written lease instrument, approved by the Commission, and accompanied by a lease bond or other form of security in accordance with RCW 53.08.085. The term lease as used herein may refer to rental agreements, operating agreements or use agreements. However, the Executive Director, or two management level Directors authorized in writing by the ED, may execute short-term leases (i.e., terms of one (1) year or less) subject to the following conditions:

- A. The appropriate lease surety must be in place consistent with statutory requirements and the Port's standard form lease, with the exception of State and Federal leases that require use of the tenant's lease form, as long as the content of the lease form does not materially change the intent expressed in the Port's standard lease form.
- B. The arrangements for the short-term occupancy shall be evidenced by the Port's standard form lease (except that any clearly inapplicable provision or provisions inconsistent with the policy set forth herein may be deleted from the standard form).
- C. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with applicable land and shoreline use regulations and any standards of use adopted by the Commission for the same or similar Port property or properties.

~~D. The lease may not be renewed or otherwise extended beyond one (1) year without prior Commission approval.~~

VII. LITIGATION

The ED, in coordination with Port Counsel (appointed by the Commission), shall be responsible for the procedures necessary for management and supervision of litigation in which the Port has an interest, directly or indirectly. For purposes of this section, "litigation" shall mean the assertion of any position, right or responsibility by or against the Port that has been filed in any court of general jurisdiction, be it State or

Federal, or any quasi-judicial or administrative forum. The ED shall ~~inform the Commission at the next regular meeting~~ keep the Commission informed of all actions undertaken under this section.

VIII. ADJUSTMENT TO ACCOUNTS RECEIVABLE OR UNCOLLECTIBLE ACCOUNTS

The Port District ED is authorized to establish procedures to:

- 1) Make adjustments to accounts receivable for valid business reasons which do not constitute a gift of public funds, or
- 2) Remove from the general ledger uncollectible accounts with prior approval from the Commission.

Prior to classifying any account receivable as a "doubtful account", the ED shall be satisfied that every reasonable effort has been made by Port staff to resolve or accomplish the collection of the account. For those accounts that fail to make payment, the ED shall authorize Port Legal Counsel to bring action in courts of law, or appropriate steps for possible collection. The Ports accounting records shall reflect that any account more than one hundred twenty (120) days past due is a "doubtful account". The ED shall review the doubtful accounts periodically (at least annually); recommend to the Commission which accounts should be deemed as "uncollectible" and removed from the Port's General Ledger. The Port may take collection action more quickly than set forth in the doubtful accounts collection procedure, or may exercise other remedies if available. The classification of an account as "doubtful" or "uncollectible" shall not waive any rights or release any claim against the Account Debtor. The ED shall inform the Commission at the next regular meeting of all actions undertaken under this section.

IX. PROPERTY ACQUISITION AND SALE OF REAL PROPERTY

When the Commission authorizes the acquisition of real property by purchase or condemnation, the ED shall take all necessary steps including, but not limited to obtaining appraisals / market analyses, to secure title of such property for the Port. The acquisition price shall be established based on appraisals, market analyses and negotiations and shall be approved by the Commission prior to any finalization of the purchase, ED shall sign all necessary documents.

When the Commission authorizes the sale of real property, the ED shall take all necessary steps to complete the transaction including, but not limited to obtaining appraisals, accepting deposits and opening escrow accounts for the Port. The sale price shall be established based upon factors including, without limitation, negotiations, appraisals/market analyses, special benefits to the Port and community, and employment generated by the project, and shall be approved by the Commission prior to any finalization of the sale. ED shall sign all necessary documents.

X. INSURANCE PROGRAMS

The ED shall be authorized to ~~work with an insurance broker, pre-approved by the Commission, to~~ negotiate and obtain appropriate policies of insurance to cover Port property, liability, Commissioner and employee

coverage, vehicle and other areas appropriately included within a comprehensive insurance program. The ED is authorized to approve from time to time changes or modifications within the insurance policies. These changes shall be promptly reported to the Commission at the next scheduled meeting so as to keep Commission informed of basic changes in the overall insurance program of the Port.

XI. EMPLOYEE TRAVEL, EDUCATION & CONFERENCE ATTENDANCE

The ED is authorized to approve travel and attendance of conferences or education opportunities by employees, without prior Commission approval. The limits of such authorization shall be for travel within the continental United States and the total costs shall not exceed \$1,000.00. Estimated costs in excess of \$1,000.00 shall require Commission approval prior to travel. Travel costs must be within the current budget. The ED will review all requests for travel to conferences or education to assure that it is applicable to the Port or Port operations.

XII. BANKING SERVICES AND INVESTMENT OF TEMPORARILY IDLE PORT FUNDS

The ED is authorized to negotiate for banking services and enter into agreements for such services; provided, however, unless approved in advance by the Commission, such agreements shall be terminable by the Port, without penalty. Procedures shall be established for the deposit / disbursal of Port funds recognizing the requirements cited in RCW 53.36.010 and that such procedures shall provide for an adequate system of internal control. Such banking service agreements shall be reported to the Commission at the next regular meeting.

For purposes of this section, "Temporarily Idle Funds" shall mean those funds which are not required for immediate expenditure. The Port District ED is authorized to develop procedures to direct the Port Treasurer, in accordance with applicable law relating to the investment of public funds, in the investments of temporarily idle Port funds. These directives include, but shall not be limited to, investments in public fund approved vehicles of investment, sale of such investments, and necessary inter-fund transfers. A summary of all financial activities shall be provided at Port Commission meetings.

XIII. TRADE DEVELOPMENT PROGRAMS

The ED is authorized, consistent with budget and statutory limitations, to develop and carry out programs of trade development (which may include tourism and tourism promotion), advertising, and promotion of the Port, including its properties, facilities and services. Such programs shall be reviewed by the Commission from time to time.

XIV. GRANTS AND APPROPRIATIONS

E.D. Grants:

1. The Executive Director is authorized to apply for grant funds for the Port.

2. The Executive Director is authorized to accept grants where the grant award obligates the Port to provide a cash match of no more than Twenty-five Thousand Dollars (\$25,000.00).
3. In cases where the grant award obligates or has the potential to obligate the Port to provide a cash match greater than Twenty-five Thousand Dollars (\$25,000.00), Commission authorization is required prior to grant acceptance.
4. The Executive Director is authorized to accept and manage any grant funding that is secured for projects that have previously been authorized by the Commission.

~~F.E.~~ All ~~appropriation~~ requests for legislative or congressional appropriations shall be approved by (regardless of value) will come before the Commission ~~for approval~~ prior to submission.

XV. ~~AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT~~NON-DISCRIMINATION

~~It is the basic policy of the Port to provide equal opportunity to the users of all Port services and facilities, all contracting entities, Port employees and applicants for employment, and to assure that there be absolutely no discrimination against any person on the grounds of race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap. This policy is to be implemented by the Executive Director~~Port officers and employees are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity. The Port is an equal opportunity provider and employer.

XVI. ~~ADMINISTERIAL~~CHECKS AND WARRANTS

~~The Executive Director is authorized to approve checks and warrants issued in the nature of administerial expenses for the efficient and proper management of port district operations as delegated in this resolution or reasonably implied from the same. The ED is not authorized to approve checks and warrants in the nature of claims or non-administerial obligations. The ED shall cause the checks and warrants issued under this section to come before the commission for review and approval as to the nature and amount of administerial checks and warrants issued at the next regular meeting following issuance. The Port shall provide for bonding required for faithful discharge of the Executive Director's duties.~~See Resolution 737-20.



MEMORANDUM

AGENDA

ACTION ITEM #

1

TO: Commission

DATE: January 22, 2020

FROM: Rob Fix

SUBJECT: Resolution No. 1106-W, Delegation of Powers

ACTION REQUESTED

Motion: Approve Resolution No. 1106-W, delegating certain administrative powers and duties to the Executive Director.

BACKGROUND

January 8, 2019 the Port Commission adopted Resolution No. 1106-U, a delegation of powers resolution for the Executive Director, which was due to expire January 31, 2019.

August 13, 2019 the Port Commission approved the revisions to the Port of Bellingham's Purchasing Guidelines (Res. No. 1106-V, 1279-A, and 1358-B).

This action will supersede that action, replacing Resolution No. 1106-V with the proposed Resolution No. 1106-W. Resolution No. 1106-W will sunset on January 31, 2021.

FISCAL IMPACT

None

RECOMMENDATION

Approval of action requested

RESOLUTION NO. 1106-W

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF BELLINGHAM DELEGATING ADMINISTRATIVE POWERS AND DUTIES OF THE EXECUTIVE DIRECTOR AND DESIGNEES, REPEALING ALL PRIOR RESOLUTIONS DEALING WITH THE SAME SUBJECT MATTER. (SUPERSEDING RESOLUTIONS NO. 828, 1074 and 1106 A through V)

WHEREAS, RCW 53.12.270 authorizes the Commission to delegate administrative powers and duties to the Executive Director, and

WHEREAS, the Commission of the Port of Bellingham has in the past adopted policy directives delegating administrative powers and duties to the Executive Director and designees for the purpose of expeditious administration of the Port, and

WHEREAS, the Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port, and

WHEREAS, the Commission now wishes to provide an updated master policy directive on the delegated administrative powers and duties of the Executive Director and designees and to repeal all prior resolutions dealing with the same subject matter;

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

Section 1. The master policy directive of the Commission of the Port of Bellingham as set forth herein, is adopted for the purpose of establishing the delegated administrative powers and duties of the Executive Director and designees. This policy directive will remain in effect until January 31, 2021, unless it is extended prior to that date.

Section 2. All portions of resolutions heretofore approved by the Commission pertaining to the subject matters contained in this resolution are hereby repealed.

Section 3. The Revised Code of Washington 53.08.090 authorizes the Commission to delegate by resolution to the Executive Director the authority to sell and convey Port personal property.

Section 4. The following policy directive on the delegated administrative powers and duties of the Executive Director is hereby adopted.

I. PREAMBLE

A. The following policy is adopted by the Commission of the Port of Bellingham for the purpose of establishing the administrative powers and duties of the Executive Director who is responsible for Port operations. The Executive Director may delegate to Port personnel such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the Executive Director's powers and duties.

B. This policy sets forth specific delegations of power and duties from the Commission to the Executive Director. This policy shall not be interpreted to limit the duties or responsibilities of the Executive Director as those duties are determined from time-to-time by the Commission. In case of absence, the Executive Director may designate one or more senior Port staff to act in the place of the Executive Director with regard to the powers and duties herein. Subject to the limits within this delegation, the responsibility for all administration and Port operations of the Port rests with the Executive Director.

C. To implement delegations of authority to Port personnel, the Executive Director shall promulgate policy and procedural manuals, monetary and budgetary directives and other such documents as personnel position descriptions, affirmative action plans, safety manuals, etc. which shall provide a clear span of authority and responsibility to the designees of the Executive Director.

D. Any Commission directives or initiatives shall be made through the Executive Director and shall be made only by the Commission acting as a body of the whole. Those directives include, but are not limited to, the separately adopted travel policy, tariff schedules, financial guidelines, promotional hosting policy, and standard rental rates/practices.

E. The phrase "administration and Port operations", as used herein, means the regular day-to-day business of the Port, including but not limited to, operating, maintaining, and administering all of its properties, leasehold properties, facilities services and programs; including the implementation of construction work, alterations, repairs, maintenance, and improvements of the Port's real estate and physical facilities; and, the necessary planning incidental thereto; the conduct of financial accounting and legal matters as they relate to the Port's operation; the administration of all other operations which include personnel administration (i.e., hiring, firing, salary and benefits, training, grievance procedures, task and project assignments, employee training and incentive programs, etc.); the execution and administration of contracts; publish legal notices; moorage agreements, and, all other pertinent functions.

F. The Executive Director shall inform the Commission regarding significant information, incidents, and business transactions by methods agreeable to the Commission. The Executive Director shall report to the Commission those actions as

within this delegation. The Executive Director is the managing official of the Port, appointed by the Commission, and holds office as their representative. Nothing herein should be construed in any way as abrogating the duties and the responsibilities of the Commission.

II. POLICY GOVERNING REAL PROPERTY AND MARINE TERMINALS

A. Lease Arrangements: All real property when available for leasing shall, except as otherwise provided herein below, be leased only under an appropriate written lease instrument, executed by the Commission, and accompanied by a lease bond or other form of security in accordance with law. However, the Executive Director may execute short term leases (terms of five years or less) subject to all of the following conditions:

1. The appropriate lease surety must be in place consistent with statutory requirements and the Port's standard form of lease, with the exception of State and Federal leases that require the use of the tenant's lease form as long as the content of the lease form does not materially change the Port's intent in its standard lease form.

2. The arrangements for short term occupancy shall be evidenced by the Port's standard form of lease (except that any clearly inapplicable provision or provisions inconsistent with the policy herein set out shall be deleted from the standard form).

3. The amount of the rental shall be in accordance with the rental revenue standards adopted by the Commission for similar Port property of the same or similar class and type and devoted to similar uses.

4. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the Commission for the same or similar Port property or properties.

5. The lease may not be renewed or otherwise extended beyond five years without Commission approval.

B. Sublease Procedures: Leases, concession agreements, operating agreements, and related contracts between the Port and its tenants, concessionaires, and other parties shall include restrictions on the subleasing and require at a minimum the prior written consent of the Port to such subleases. Subject to the provisions of the lease or agreement, the Executive Director is authorized to grant consents to subleases, which for the purposes hereof shall include sub-operating agreements and sub-concession agreements.

C. Other Lease Documents: The Executive Director is authorized to execute the following property instruments, subject to the terms specified herein:

1. Temporary and permanent easements for purposes of utility installation and maintenance, access, rights of entry and signage only.
2. Business Licenses and Licenses to Operate.
3. Aquatic land leases with the Washington State Department of Natural Resources to accommodate leasehold property leases consistent with the Port Management Agreement.
4. Binding site plans and short plats consistent with Port master plans in order to activate leasehold interests.
5. Changes in name of responsible party to the lease if all other conditions, including primary ownership, remain the same.
6. Lease assignments for purposes of collateral, including Waiver of Landlord Lien Agreements.
7. Lease assignments for purposes of a single condominium unit conveyance (change of ownership) where there is an established condominium association as the Lessee
8. Response to estoppels and attornments.
7. Lease assignments for purposes of a single condominium unit conveyance (change of ownership) where there is an established condominium association as the Lessee.
8. Estoppel and attornment agreements.
9. Use Permits.
10. Rental and Storage Agreements.

D. Lease Renewals: The Executive Director is authorized to renew leases for terms that are five years or less provided such renewals are provided for in the basic lease; all other substantive terms of the lease remain unchanged; rental adjustments provided for in the lease are made; and, the lease is in good standing.

E. Lease Enforcement and Lease Terminations: The Executive Director is authorized to enforce all terms and conditions of Port leases. The Executive Director is authorized to issue all appropriate notices of default and/or notices of termination with regard to Port leases. The Executive Director is authorized to terminate any lease under the terms and conditions therein. Upon termination, the Executive Director is authorized to take all steps necessary to retake possession of the leasehold and recover for the Port all sums due the Port pursuant to the lease and the law. The Executive Director shall keep the Commission informed with respect to lessees that are issued default

notices or termination notices.

F. Realtors Compensation Program: The Executive Director is authorized to make payments for real estate services consistent with the Commission adopted Realtors Compensation Program and within the lease authority of Section II, A.

G. Lay Berth Agreements at Marine Terminals: The Executive Director is authorized to execute Lay Berth Agreements for a Term not to exceed one year. The Executive Director shall keep the Commission informed with respect to these agreements.

H. Cargo Throughput Agreements: The Executive Director is authorized to negotiate terms, conditions and charges for services related to moving cargo across the Bellingham Shipping Terminal which deviate from the published Tariff when (i) in the course of business it is necessary to deviate from the Tariff to capture new revenue or retain existing business relationships and (ii) such agreements will not require the expenditure of any unbudgeted capital improvements or operating funds and (iii) the term of the agreements shall not exceed one year. The Executive Director shall keep the Commission informed with respect to these agreements.

I. Bellingham Shipping Terminal Tariff: The Executive Director is authorized to update the BST Tariff as needed and after appropriate consultation with the Northwest Marine Terminal Association. All updates are to be posted on the Port's website and reported to the Commission in a timely manner.

III. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK

A. Public Work Contract Awards: The Executive Director shall have the responsibility for following all required statutory procedures in connection with all public work contracts. The Executive Director is authorized to carry out all procedures required by applicable statutes preliminary to the acts required to be performed by the Commission at an open meeting. The Executive Director may, without prior Commission approval, execute on behalf of the Port public work contracts for \$300,000 or less, so long as the expenditure is within the limits of overall budgetary authority. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, public work contracts for public work identified in a specific budgetary line item and where the contract price and all other charges do not exceed the amount authorized in that specific budgetary line item by ten percent (10%), but in no case in excess of \$50,000.

- i. **Budgeted Public Works Contracts of \$300,000 or less:** The Executive Director may delegate Director-level Staff the authority to execute on behalf of the Port, public works contracts for public work identified in a specific budgetary line item where the contract price and all other charges do not exceed \$300,000.

B. Emergency Public Work Contracts: When any emergency shall require the immediate execution of a public work contract, the Executive Director, pursuant to the procedures of RCW 39.04.020 (and as amended), is authorized to make a finding of the existence of such emergency and execute any public work contract necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any such public work contracts executed to remedy the emergency. Emergency public work contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

C. Change Orders: In the instances where public work contracts have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized, without prior Commission approval, to execute individual change orders to the contract if the following conditions are met:

1. The estimated cost of the aggregate changes in plans and/or specifications and all other charges will not exceed the specific budgetary line item, or, in cases requiring Commission approval for public works contracts, the authorized amount.
2. The contract provides for issuance of change orders.

IV. POLICY GOVERNING CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT, SUPPLIES and SERVICES

A. Items Acquired for Normal Maintenance and Operation in the Open Market: The Executive Director shall have the responsibility for following all required statutory procedures, where applicable, in connection with all contracts for the acquisition of utilities, materials, equipment, supplies, and services provided, however, that where utilities, materials, equipment, supplies, and services are acquired on the open market or pursuant to published tariffs and used or are necessary in normal maintenance and operations of the Port, no prior approval shall be required but shall

where appropriate be approved as a part of normal monthly expenses, and further, provided that in all cases where a statutory requirement exists for award of contracts following competitive bidding.

B. Budgeted Acquisitions or Acquisitions of \$100,000, or less: The Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment and supplies (where the acquisition does not meet the criteria of Section A above) for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, supplies, and services identified in a specific budgetary line item and where the contract price does not exceed the amount authorized in that specific budgetary line item by ten percent (10%). The Executive Director may authorize budget transfers to/from specific budgetary line items where the amount transferred does not exceed 10% of the budgeted line item, up to \$25,000.

- i. **Budgeted Acquisitions of \$50,000 or less:** The Executive Director may delegate Director-level Staff the authority to execute on behalf of the Port, contracts for acquisitions identified in a specific budgetary line item where the contract price and all other charges do not exceed \$50,000.

C. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services: When an emergency shall require the immediate acquisition of materials, equipment, supplies, and services, the Executive Director is authorized to make a finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services (subject to the Port of Bellingham's Purchasing Procedures) necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any contracts executed to remedy the emergency. Emergency acquisition contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

V. **POLICY GOVERNING ADJUSTMENT AND SETTLEMENT OF CLAIMS AND PENALTIES EXCEPTING THOSE COVERED BY PARAGRAPH XIV BELOW:**

A. Procedure for Settling Claims: The Executive Director shall be responsible for the implementation of necessary procedures for the settlement of all claims, either

against or on behalf of the Port. Procedures in the handling of such claims shall, at a minimum, include the following:

1. For purpose of this Paragraph V, "claim" shall mean the assertion of any position, penalty, right or responsibility by or against the Port, its Commissioners or employees, but not including uncollectible accounts only to the extent as covered in Paragraph X herein.
2. No claims against the Port shall be considered unless and until proper written notice has been provided to the Port.
3. All claims for or against the Port may be processed in all respects (except for their final approval and payment) by the Executive Director or Legal Counsel.
4. Except as provided under Section B below, no claims shall be finally approved for settlement except by the Commission and no claim shall be paid except as authorized by the Commission.

B. Executive Director's Authority to Settle Claims: The Executive Director may, with the written concurrence of legal counsel, negotiate and settle claim(s) asserted against the Port or claims asserted by the Port for an amount not to exceed \$25,000 for a single incident; provided that the claim(s) seek only money damages and do not personally name or assert a claim against a Commissioner. The Executive Director may settle claims against the Port or claims asserted by the Port arising from operations for an amount not exceeding \$10,000 without consultation of Legal Counsel. All claims when settled shall be reported to the Commission.

VI. POLICY GOVERNING ARRANGEMENTS FOR PROFESSIONAL AND CONSULTANT SERVICES

A. Procedure: The Executive Director shall be responsible for the Port's compliance with RCW 53.19 and the Port of Bellingham Personal Service Agreement and Contracting Policy as adopted by the Commission pursuant to Resolution No. 1279A (i.e. professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement) and the initiation of appropriate procedures to obtain professional services specified RCW 39.80 (i.e., architectural, engineering, landscape architects and land surveyors) where deemed necessary in carrying out Port operations.

B. Executive Director's Authority: When necessary in the conduct of Port operations, the Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for professional and consultant services for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints in compliance with the Port of Bellingham Personal Service Agreement and Contracting Policy as adopted by the Commission pursuant to Resolution No. 1279A. In addition, the Executive Director may, without prior Commission approval, execute on behalf of

the Port, contracts for professional services specified in RCW 39.80 identified in a specific budgetary line item and where the contract price does not exceed the amount authorized in that specific budgetary line item by ten percent (10%), but in no case in excess of \$50,000.00.

- i. **Budgeted Agreements of \$100,000 or less:** The Executive Director may delegate Director-level Staff the authority to execute on behalf of the Port, Consultant agreements identified in a specific budgetary line item where the contract price and all other charges do not exceed \$100,000.

VII. POLICY GOVERNING TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT

A. Executive Director's Authority: The Executive Director is authorized to approve travel within the United States by employees and/or other authorized representatives of the Port in order to effectuate necessary Port operations, in conformity to the travel policy adopted by the Commission, provided that the travel expenses are within the annual budget approved by the Commission. The Commission shall approve all requests for and prior to any travel outside the United States (excluding Canada) by employees and/or other authorized representatives of the Port.

VIII. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION

A. Executive Director's Authority: The Executive Director shall have the authority to manage all personnel matters for Port employees and staff which includes hiring, firing, training, grievance procedures, employee benefits, and administration of the employee salary schedule and incentive programs. The Executive Director shall carry out these responsibilities according to guidelines and policies to be established by the Executive Director and within overall budgetary constraints.

IX. POLICY GOVERNING EXECUTIVE DIRECTOR'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES

A. Authority of the Executive Director for Acquisitions Authorized by the Commission: When the Port Commission authorizes the acquisition of real property by purchase or condemnation, the Executive Director shall take all necessary steps, including the securing of appraisals, to secure title of such property for the Port. Acquisition price of individual properties (or ownerships) shall in no case exceed the Port's appraisal by 10% (ten percent), nor shall the total price paid for all properties exceed the estimates of the Port Commission's authorization without further specific Commission authorization.

B. Execution of Documents of Sale: The sale of real property is reserved to the specific Commission authorization. When the Commission authorizes the sale of

real property, the Executive Director shall take all necessary steps to complete the transaction, including but not limited to, accepting deposits, opening escrow and signing all necessary documents.

X. POLICY GOVERNING DISPOSITION OF UNCOLLECTIBLE ACCOUNTS

A. Definition of "Write-off": The term "write-off" means the adjustment of the accounting records of the Port to reflect the fact that the account is uncollectible in the normal course of operations. The Executive Director may authorize Legal Counsel to initiate or continue with legal action to collect an account without regard to whether the account has been written off the accounting records of the Port.

B. Procedures: The Executive Director is authorized to establish procedures for and to write off any uncollectible account in the amount of .05% of annual operating revenues of the last complete fiscal year or less subject to the following general guidelines:

1. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the account.
2. Any account in excess of .05% of annual operating revenues of the last complete fiscal year which is deemed to be uncollectible shall be referred to the Port Commission for final write-off.

XI. POLICY GOVERNING LEASE SURETY, SURETY BONDS, RENTAL DEPOSITS, AND INSURANCE POLICIES

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission in connection with lease surety, lease surety bonds, assignments of accounts, rental deposits, or insurance coverage required pursuant to any leases of the Port, including any of the following actions:

1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided.
2. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.
3. To approve any substitute or modifications of surety or insurance coverage, and to release any surety or insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease

of the Port.

XII. POLICY GOVERNING SALE OF PERSONAL PROPERTY

A. Sale of Property Pursuant to RCW 53.08.090: The Executive Director or his designee is authorized, pursuant to RCW 53.08.090, to sell and convey surplus personal property of the Port subject to the following conditions:

1. that the market value of such personal property does not exceed \$10,000; and
2. that prior to any such sale or conveyance, the Executive Director shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for Port purposes; and
3. that offers for purchase are solicited from at least three (3) parties whenever possible; and
4. that any large block of such property having a value in excess of \$10,000 shall not be divided into components of a lesser value and sold unless done so by public competitive bid, and
5. that no property which is part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and until such property is found to be surplus to Port needs, and
6. that in no case shall surplus personal property be sold to any Port official or employee or members of their families without the specific approval of the Commission.

B. The Executive Director shall develop and implement policies and practices regarding the circumstances in which Port officials, employees, or members of their families, may participate in the purchase of surplus personal property.

XIII. POLICY GOVERNING INVESTMENT OF TEMPORARILY IDLE PORT FUNDS

A. Authority of the Executive Director: For purposes of this paragraph, "Temporarily Idle Port Funds" shall mean those funds which are not required for immediate expenditure. In accordance with applicable law relating to the investment of public funds, the Executive Director is authorized to direct the investment of temporarily idle Port funds. These directives shall permit, but shall not be limited to, investments in authorized government securities, sale of such investment and necessary interfund transfers. A summary report of all investments, sales, and interfund transfers shall be provided to the Commission quarterly.

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XIV. LITIGATION

A. Management and Supervision of Litigations: The Executive Director and the Port's Legal Counsel (appointed by the Commission) shall be responsible for the procedures necessary for management and supervision of all litigation in which the Port has an interest, direct or indirect. For purposes of this section, "litigation" shall mean the assertion or potential assertion of any position, right or responsibility by or against the Port, including actions which have been filed in any court or any quasi-judicial or administrative forum.

B. Special Legal Services: The Executive Director, on consultation with the Port's Legal Counsel, is authorized to retain other such special counsel at fees as may be negotiated to assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port, within overall budgetary constraints.

C. Engagement of Experts: The Executive Director may engage or cause to be engaged through Legal Counsel, such experts as may be necessary for the orderly support of claims or litigation in which the Port has a direct or indirect interest, without limitations otherwise prescribed in Paragraph X of this resolution. Such engagement shall be upon authorization given by Legal Counsel after having satisfied himself that such expenditure is necessary to the adequate preparation and representation of the Port's position in such litigation or claim and shall, wherever practicable, include evaluation of the litigation or claim and an estimate of the probable cost of such experts.

D. Consultation with Commission: In instances of litigation in which the value has, or is likely to exceed .05% of annual operating revenues of the last complete fiscal year, the Executive Director will in conjunction with the Port's Legal Counsel consult with the Commission regarding strategy and the economic impact of litigation.

XV. POLICY GOVERNING INTERLOCAL AGREEMENTS FOR USE OF PORT PROPERTY FOR TRAINING PURPOSES AND EVENT SITE USE AGREEMENTS FOR ONE DAY EVENTS

A. Executive Director's Authority: The Executive Director is authorized to execute agreements with other public agencies for purposes of conducting training exercises related to police, fire and public health and safety issues.

B. Executive Director's Authority: The Executive Director is authorized to execute event and site use agreements with organizations for one-day events conducted by the organizations on Port property.

XVI. POLICY GOVERNING APPLICATION AND ACCEPTANCE OF GRANTS

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission to prepare and submit applications for grants or loans from programs including, but not

limited to, the Economic Development Investment (EDI) program, Community Economic Revitalization Board (CERB), the Recreation Conservation Office (RCO), and grants from the Washington Department of Ecology, Washington Department of Natural Resources, State or Federal Department of Commerce, Federal Aviation Administration (FAA), US Army Corps of Engineers, Environmental Protection Agency and State or Federal Legislative appropriations. The Executive Director shall notify the Commission of the amount and purpose of all grant or loan applications and upon request shall provide copies of such applications.

B. Acceptance of Loans or Grants: The Executive Director shall consult with the Commission prior to accepting or appropriating any grant or loans awarded to the Port, and shall prepare a budget amendment for Commission approval to accept and appropriate any grant or loan funding or expenditure which was not specifically identified in the approved annual budget.

XVII. POLICY GOVERNING PERMIT APPLICATIONS AND NOTICES OF INTENT

A. Executive Director's Authority: The Executive Director is authorized to take all necessary actions to prepare and submit applications and notices of intent for coverage under state, local and federal regulatory permits including but not limited to, National Pollution Discharge Elimination System (NPDES) permits, Joint Aquatic Resources Permit Application (JARPA), and Hydraulic Project Approval (HPA) permits.

ADOPTED by the Board of Commissioners of the Port of Bellingham this 22nd day of January 2020, and duly authenticated in open session by signatures of the Commissioners voting in favor thereof and the seal of the Commission duly affixed.

PORT OF BELLINGHAM COMMISSION

Michael Shepard, President

Bobby Briscoe, Vice President

Ken Bell, Secretary