

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, January 13, 2021

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
Finance Director & Port Auditor Berg
Capital Projects Director & Port Engineer Love
Port Recorder Erickson
Port Attorney Woolson

I. CALL TO ORDER (00:00:03)

Commissioner Hanke called the meeting to order at 1:00 p.m.

II. APPROVAL OF AGENDA (00:00:11)

Commissioner Petranek asked to move agenda item VII. IDC to follow VII. Regular Business.

Commissioner Petranek moved to approve the Agenda with this change. Commissioner Putney seconded the motion. The agenda was approved by unanimous vote.

III. PUBLIC COMMENTS (00:01:23) -- None

IV. CONSENT AGENDA (00:01:38)

A. Approval of Workshop & Business Meeting Minutes from December 9, 2020

B. Approval & Ratification of Warrants

Warrants #063215 through #063219 in the amount of \$10,169 and Electronic Payment in the amount of \$91,529.69 for Payroll & Benefits. (12/23/20).

Warrants #063220 through #063253 in the amount of \$72,271.12 for Accounts Payable. (12/23/20).

Electronic Debit in the amount of \$5,363.50 to WA Dept. of Revenue for Combined Excise Tax.

Warrants #063254 through #063262 in the amount of \$34,310.94 and Electronic Payment in the amount of \$154,595.98 for Accounts Payable (12/30/20).

Warrants #063264 through #063315 in the amount of \$75,512.53 for Accounts Payable.

Warrants #063316 through #063318 in the amount of \$5,200.00 for Accounts Payable.

Electronic Debit in the amount of \$19,305.56 to WA Dept. of L&I for 4th Quarter Taxes.

Electronic Debit in the amount of \$1,485.57 to WA State Paid Family Medical Leave for Qtr 4, 2020.

C. Stormwater Media Replacement for Boat Haven Aquip Units 1 & 2

Commissioner Putney moved to accept the Consent Agenda. Commissioner Petranek seconded the motion. Consent agenda was approved by unanimous vote.

V. SECOND READING ~ none

VI. FIRST READING ~ none

VIII. REGULAR BUSINESS (00:04:19)

A. Point Hudson Jetty Funding

Executive Director Berg reviewed with Commission funding offered by EDA for a \$15 million project, including design phase work. EDA funding would be just over \$7 million, and the Port's match for the other \$7 million is committed to in the form of a single-issue tax-exempt bond represented by the revolving line of credit (LOC) from Cashmere Valley Bank. The idea is to have the LOC available for the Port Commission to commit to this project, which satisfies EDA's requirements.

Finance Director Berg said this bond gives the Port the flexibility of going to the legislature and perhaps getting \$2 million which would free this money up to use in other areas. She said that we would also be using some of our regular tax levy to the loan. In addition, if current callable debt (i.e. the 2010 LTGO bonds) are paid down in any amount, the resulting savings on future 2010 bond payments could be used for 2021 LOC payments.

1. Resolution 740-21 re EDA Funding

Commissioner Putney moved to adopt Resolution 740-21. Commissioner Petranek seconded the motion. Resolution adopted by unanimous vote.

2. Resolution 741-21 to New Line of Credit

Commissioner Putney moved to adopt Resolution 741-21. Commissioner Petranek seconded the motion, and Resolution was adopted by unanimous vote.

B. 2021 Organizational Topics (00:12:41):

1. Election of Commission Officers:

Commissioner Petranek referred to a discussion on this topic at the December meeting

and said she agreed that Commissioner Hanke serving for two years as president made sense. She suggested that she serve as Vice President and Commissioner Putney serve as Secretary, based on the idea that she would be President in 2022 and continue in one-year rotations after that. Commissioner Hanke asked Commissioner Petranek chair the Strong Towns meeting coming up on February 4 as a start to her Vice Presidency.

Commissioner Putney moved to accept this slate of commission officers for 2021.

Commissioner Hanke seconded and the motion carried by unanimous vote.

2. Committee Assignments (00:17:14):

Executive Director presented a list of committees with proposed assignment of commissioners, based on discussions he has had with Commissioners. Commissioner Putney asked if Commissioner Petranek could serve as alternate for WPPA board of trustees, so that she could attend with him to see how the board works.

Commissioner Putney moved to adopt Committee Assignments with changes noted.

Commissioner Petranek seconded the motion. Motion carried unanimously.

3. Resolution 742-21 Commission Meeting Procedures (00:23:17)

Discussion on point F. 4. Commissioner Petranek suggested that each agenda item be presented by staff, followed by questions from the commission, public comments, and finally, deliberation and vote by the commission. Commissioner Putney felt that this would take up too much time, and the way F.4. was written, a commissioner could ask for public comment if they deemed it necessary. Commissioner Hanke said he doesn't want to limit the public's ability to comment, but also wants to be fair and allow for meetings to be more efficient; he suggested that folks call or email him with comments outside the meeting. Commissioner Putney agreed with this and said he really enjoyed and encouraged public discourse, and public meetings don't allow for good discussions. Commission agreed that the way F.4. was worded, it allowed for commissioners to decide in the moment to allow more public comment, if needed.

Commissioner Petranek moved to adopt Resolution 742-21 Commission Meeting Procedures. Commissioner Putney seconded, and Resolution was adopted by unanimous vote.

4. Resolution 743-21 Delegation of Management Authority to the Executive Director (00:48:14)

Executive Director Berg explained that this draft resolution was based on one written for the Port of Bellingham, which they had reviewed at the last meeting, modified to fit Port of Port Townsend. He explained that the intent with this delegation resolution is to allow for true day-to-day operations at the Port, for example the Aquip units needed for the boatyard stormwater treatment. He assured the commission that it is based on commission policy and could always be changed, if needed. Commissioner Putney commented that this agreement had prudent control and oversight. Commissioner Petranek clarified on a few points. Commissioner Hanke commented on the litigation settlement section, and said it was a good agreement.

Commissioner Putney moved to adopt Resolution 743-21. Commissioner Petranek seconded the motion and Resolution was adopted by unanimous vote.

5. COMMISSION ANNUAL RETREAT (00:58:58)

The Commission had a short discussion about when and how to have a retreat, and what to include on the agenda. Executive Director Berg reminded the Commission in his memo that the list of topics they had been tracking included:

- 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

Commissioners all agreed that there were urgent matters to discuss, and to wait until it might be possible to meet in person would be too late in the year for most of these agenda items. They felt that a retreat on the date set aside (2/17/21) via Zoom would work as a start, having an agenda beginning with presentations from staff on elements of the Port. Any of the five topics above not covered at the retreat could be moved to a Commission Workshop later in the year. They did not rule out an in-person retreat later in the year.

C. STORMWATER UPDATE (01:14:04)

Port Engineer Love reminded the Commission that the Port's Boatyard Permit, regulated by the Dept. of Ecology, requires that stormwater treatment be monitored and reported to DOE. Staff were concerned about recent test results and found that the filter media needed to be replaced (the last time it was replaced was in 2017). New filter media was placed in one vault, and it worked well in the last big rainstorm. Staff will replace media in the second vault as soon as possible. He stated that everyone working in the yard needed to be aware and use Best Management Practices. Commissioner Petranek mentioned that the Marine Trades Association was having a board meeting on 1/19/21 and stormwater was on the agenda, and the goal is to work together, and for the community to partner with trades "beyond BMPs". Port Engineer Love said he'd be glad to attend, and perhaps Environmental Specialist Taylor could also attend. He said that Port staff were having a stormwater meeting weekly and he would let Mr. Taylor know about the meeting. Commissioner Hanke suggested that the Port create a check list (like pilots have to check before takeoff) for boaters to use as they approach the haul-out slip to help them remember all the things they needed to do before their boat leaves the water and before they do work in the yard.

VII. RECESS TO A MEETING OF THE INDUSTRIAL DEVELOPMENT CORPORATION (IDC) OF THE PORT OF PORT TOWNSEND (01:23:23)

Commissioner Hanke recessed from Port Commission meeting and called the IDC meeting to order at 2:25 PM.

Election of Year 2021 IDC Officers: Commissioner Hanke asked if anyone wanted to propose a slate of officers. Commissioner Petranek suggested the IDC officers be the same as the Commission officers for 2021. Commissioner Putney suggested the following slate of officers: Commissioner Putney to serve as President, with Commissioner Hanke as Vice President and Commissioner Petranek as Secretary.

Commissioner Putney moved to approve this slate. Commissioner Petranek seconded and slate of officers was approved by unanimous vote.

Approval of January 8, 2020 IDC Minutes

Commissioner Hanke moved to accept the minutes and Commissioner Petranek seconded. Minutes were accepted by unanimous vote.

IDC Officers reviewed the IDC Financial Report. Commissioner Putney adjourned the IDC meeting at 2:29 PM, and Port Commission meeting resumed at 2:30 PM.

IX. STAFF COMMENTS (01:27:37)

Executive Director Berg commented that there would be an ICG meeting on February 4th from 5:00-7:00 p.m. for the first of a Community Conversation series. Chuck Marohn, author of Strong Towns, will be guest speaker. The next regular ICG meeting is February 18. Mr. Berg spoke about the airport closure on 1/14/21 from 8:00 a.m. to 4:00 p.m. for runway profilographing to meet FAA specifications, along with runway shoulder work. He mentioned that there was a report of geese being attracted to retained water at one end of the runway, and said Port staff were taking this concern seriously and were working to address this issue. Mr. Berg also mentioned that he'd met with Betsy Davis of the NW School of Wooden Boats and they talked about ways to work together for the future of maritime trades in the Port, including a possibility of locating a classroom and/or dorm rooms in the Skookum building at Boat Haven. He informed the commission that Craftsman United is vacating the Port at the end of April. He continues to meet weekly with the administrators.

Finance Director Berg commented that losing a great employee in Brittany Bolling was going to make things tough going forward. She said that the Port successfully launched Molo on Monday, 1/4/21, after working a 3-day holiday weekend to make sure it was ready. This included:

- Inputting all the "prior system balances" to Molo, which could be up to 4 entries per customer, to ensure the Accounts Receivable Aging in TMP at 12/31 matched Molo at 1/1.
- Figuring out how to input negative Accounts receivable balances for those customers that like to pay in advance.
- Entering statement preferences in accordance with the old system, TMP.
- Entering property billings in accordance with the leases
- Starting to enter the auto pay info that had been received from customers.

She said customer notices about the switch to Molo went out with statements in November and December with information about what to expect; also, a notice was posted on Molo, along with a list of FAQs on the website, which will be updated later this week. The whole team has been

pulling together to respond to phone calls and emails from customers on questions they have. Most of the customer responses have been good. She said the next step is to open reservations online on 2/1/21. Meanwhile, staff are busy entering new credit card authorizations, answering questions about statements, and processing many requests for the 5% discount from permanent moorage customers paying for the year in advance.

Commissioner Putney asked how it was going with the integration of Molo with Port accounting system. Finance Director Berg answered that this was something they're working on; they'll know more at the end of the month, and it is looking promising. She explained that with Molo, staff produce a report online and then download it directly into Excel and then the information can be sorted as needed, and then uploaded to the Port's accounting system.

Finance Director Berg also mentioned that the FAA had paid the Port the \$1.3 million, which will pay off the 2020 Line of Credit for the construction at the airport.

Port Engineer Love commented that with the winter wind and rainstorms staff were often in fire-drill mode, and he is looking at permanent fixes to these problems to stay out of reactive mode. He said staff were expecting the excavator to show up this week, and it will be used right away for 480 power, storm drainage work at the airport, and maintenance in the yard for stormwater.

X. COMMISSIONER COMMENTS (01:44:04)

Commissioner Putney commented that he'd been working in the background with folks on affordable housing projects. He's had discussions with County Commissioner Kate Dean and Executive Director Berg about the fact that the lack of affordable housing is one of the roadblocks that we need to overcome.

Commissioner Petranek commented that she planned to attend the Marine Trades Association meeting on January 19 and stormwater is on the agenda. PTYC has a scholarship offer and applications are due by 2/8/2021 for any marine-trade related education. She attended the Marine Resource Committee meeting this past week and volunteered for eelgrass buoy work, and kelp bed survey. The guest speaker at this meeting spoke about impacts of the Navy using shorelines for training. There will be a special meeting tomorrow 1/14/21 at 6:00 PM to review impacts to our shorelines and advise the County Commission, then making a resolution to Washington State Parks Board of Commissioners advising them on whether to allow Special Ops increasing use from 5 to 28 parks, with the main impact on Jefferson county – they're asking for the contiguous shoreline of most of Jefferson County.

Commissioner Hanke gave a shout out to staff working through the holiday weekend on setting up Molo. He predicted that this would be a great move and thanked all staff for their hard work implementing it.

XI. NEXT REGULAR BUSINESS MEETING (01:53:02)

The next Regular Business meeting will be on Wednesday, January 27, 2020 at 5:30 p.m., via Zoom, with a Special Meeting regarding the Port Audit beginning at 5:00 p.m. via Zoom.

XII. Executive Session - none


XIII. ADJOURNMENT

Commissioner Hanke adjourned the meeting at 2:55 PM, there being no further business before the Commission.

ATTEST:



William W. Putney III, Secretary



Peter W. Hanke, President



Pamela A. Petranek, Vice President