

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, March 24, 2021

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

Present via Zoom online video: Commissioners Petranek and Putney
Executive Director Berg
Finance Director Berg
Port Engineer Love
Port Recorder Erickson
Port Attorney Woolson

I. CALL TO ORDER (00:00:01): Commissioner Hanke called the meeting to order at 5:30 p.m.

II. APPROVAL OF AGENDA (00:00:20)

Commissioner Putney moved to accept the Agenda; Commissioner Petranek seconded the motion, and the motion carried unanimously.

III. PUBLIC COMMENTS (00:00:28) comments sent in via email, and read aloud for the record:

Carl Berger commented that the Commission should rethink their decision made at their March 10 meeting requesting Jefferson County to consider the Port for the Associate Development Organization (ADO) designation for the next biennium.

Regarding the ADO designation, Eric Taylor commented that the Port already had a pretty full plate and urged the Port to leave ADO business to EDC Jefferson and strive to excel at those things that are already a part of the Port's responsibilities.

Charley Kanieski and Liz Hoenig Kanieski commented that the Port should not get distracted by who should take on the role of ADO, because it has all the authority it needs right now to act on behalf of Jefferson County citizens regarding economic development. They encouraged the Port to plan ahead for 2022 and work with the County on the current ADO, stating that another reason not to pursue this is that this is not in the Port's budget this year.

IV. CONSENT AGENDA (00:06:05)

A. Approval of Workshop & Business Meeting Minutes from March 10, 2021.

B. Approval & Ratification of Warrants

Warrants #063532 through #063536 in the amount of \$10,134.25 and Electronic Payment in the amount of \$80,558.20 for Payroll & Benefits.

Warrants #063537 through #063583 in the amount of \$121,717.61 for Accounts Payable.

Electronic Debit in the amount of \$6,433.27 to WA Dept. of Revenue for Combined Excise Tax.

Commissioner Putney moved to accept the Consent Agenda and Commissioner Petranek seconded the motion.

Commissioners Hanke and Putney asked Finance Director Berg about a few warrant payments, and being satisfied with descriptions, moved to a vote.

The Consent Agenda was approved unanimously as presented.

V. SECOND READING ~ none

VI. FIRST READING ~ none

VII. REGULAR BUSINESS (00:08:00)

A. January Financials

Finance Director Berg said her informational memo provides details that will not be part of the financial statement itself; for instance, the year-to-date capital expenses, purchases, and ending cash balances for that month. She plans to create a report on the IDD tax levy funds for the next Commission meeting that would include income since the beginning of the levy and Commission-approved expenses paid out of the levy. Ms. Berg referred to the financial report which was in the format used before the COVID-19 model created last year, which gives a comparison to the same month of the prior year and comparison to the budget. She referred the Commission to page 44 of the packet if they were interested in reviewing line-item details of the financial report.

Commissioner Petranek asked about outstanding expenses from the airport runway project, and this was discussed with Finance Director Berg and Port Engineer Love.

Commissioner Hanke said he found this format easy to understand, and that he liked to see consistent reports to make it easy to compare.

Commissioner Petranek asked how it was going with the Molo software implementation. Ms. Berg replied that Molo had fixed the confirmation email, which now contains the dates and the space reserved. She said Port staff were using Molo as though they were customers in order to test it this week, and that the RV reservation site should be ready go live to the public on April 1.

Executive Director Berg gave a quick demo on how it would look from a customer point of view to make an RV reservation, and then gave a quick preview of the new website and talked about potential camera placement for webcams.

Commissioner Hanke said he heard we were the only port in Washington to use Molo and wondered if we could help promote the use of Molo to get a discount next year from Molo. Executive Director Berg said it was true that other marinas were only using Molo for marina slip reservations, so we were the only port to use it to this extent. He then gave a tour of how it looked to reserve an RV spot using the link from the Port's new (not yet live) website.

B. Associate Development Organization (ADO) Designation (00:29:43):

Executive Director Berg referred to his staff memo on this agenda item which gives details on the action thus far on the ADO designation for Jefferson County, and said the Port's position had pivoted from the last meeting, where we were going to ask to be the designated ADO. After that meeting, the Jefferson County Board met, and a majority of the Commission signaled that they'd like to maintain the current ADO designation and modifying the model to address some of the concerns raised by the community. After checking with all three Port Commissioners separately, Mr. Berg sent a letter to the County indicating that the Port would no longer pursue ADO designation and would shift gears to negotiate a five-party biennial agreement that would address each party's level of support and expectations. He asked for affirmation of this letter, and then what should be included in the five-party agreement.

Commissioner Hanke said that he appreciated and agreed with all the public comments, and with Port Attorney Chmelik's comment that there is a lot we can do as a port already. He felt that if a big company were looking to come to the county, the Port would be a good place to start looking at a place to put their business and create jobs. He said for the agreement, he would like to see the designated ADO produce real dollars for Jefferson County, meaning industry that will bring in jobs for a higher tax base.

Commissioner Putney said that he is not necessarily interested in who the ADO is, but that the ADO needs to perform. He thought it could be a very positive approach using a five-party oversight with a strong, enforceable agreement, including the rescission of the ADO designation if performance doesn't meet expectations.

Executive Director Berg said that the funding piece is a five-party agreement (County, City, Port, PUD & service provider) that outlines what level of support is provided--cash or other in-kind activities--as well as performance expectations.

Commissioner Putney said that the ideas for what the ADO in Jefferson County should do are more expansive than what one human being can accomplish. He suggested the Port hire a person with an economic development background as its in-kind contribution.

Commissioner Petranek moved to affirm the direction in the letter sent to Jefferson County on March 17, 2021. Commissioner Putney seconded.

Commissioner Petranek said that she liked the wording in Executive Director Berg's memo of shifting from the "who" to the "what and how," and didn't see anything that needed changing.

Commissioner Hanke said comments from the marine-trades businesses stating that the Port should concentrate on boats and marinas led him to ask, "what is the role of the Port in the community?" Does the community want the Port to work on economic development that is non-traditional, areas that don't require being a designated ADO to accomplish, like cold storage, agriculture, etc.? He asked what the Port's role should be in all such ventures and said that the IDD vote plays into this decision and suggested that perhaps the commission should discuss these non-traditional opportunities at a retreat.

Commissioner Putney said there was a need for diversity, not monoculture and although it may be okay for the City of Port Townsend to have only two lines of business, that doesn't play well in the county.

Commissioner Petranek thought it would be good to include organizations that are small and working on diverse things, and there is a fantastic opportunity to include those organizations at the table to have a voice in our economic vision. Instead of sending a large number of ideas at them, she said the Port needs to help EDC Team Jefferson take little steps, so they can concentrate on small wins. She said she had other suggestions for the EDC for the planning process but asked if this was a good time to talk about those, or if Commission should have a workshop for this purpose, including perhaps a meeting of the intergovernmental group to talk about a plan for this.

Commissioner Hanke agreed that a workshop or a meeting with ICG would be a better venue and asked if the commission needed to nail down the funding tonight. Executive Director Berg said that wasn't necessary; the Port could discuss what it would like to have (or not have) in the agreement for deliverables. For funding, maybe look at a range of \$30,000 to \$50,000 consistent with our prior commitment, and potentially using office space as an in-kind contribution. He asked commission to give Port staff direction on what to include in the contract, and then staff would draft an agreement and bring it back to commission at a workshop to discuss further.

Commissioner Hanke said that for deliverables he would like to see a report on the number of people employed or the increase of tax dollars by new businesses brought to Jefferson County.

Commissioner Petranek suggested that this discussion would be better had at a workshop.

A vote was taken on the earlier motion and motion passed unanimously.

VIII. STAFF COMMENTS (00:51:48)

Executive Director Berg commented on the Congressional House version of the capital budget which includes \$1 million for the Point Hudson Jetty project and the recommended funding for the Gardiner ramp from RCO; and that the senate version was coming out in a couple of weeks. He reported that the Port had submitted a request to Rep. Kilmer last Friday. There were five projects from this county that he was aware of: the county's Hadlock sewer, the City's Olympic Discovery Trail extension, the PUD's fiber project, the NWMC's maritime classroom to be built on Port property, and the Port's stormwater project. Mr. Berg said he would send letters of support for the four other projects and each of these partners would provide a letter of support for our project. The stormwater project is the Port's top priority in the Kilmer request, because of its constructability in 2022.

Executive Director Berg also commented that Jeanie McMacken would be kicking off the survey work for the Quilcene Planning Process. He said he was working on a revised Wooden Boat Festival use license for Point Hudson, to shift from fee basis to a percentage of net proceeds with a cap, to share in some of the risk in having this event. He reported on a fun meeting with the moorage tenants' association last week. They are trying to capture the wooden boat culture at our marinas by doing wooden boat profiles including photos and bios of the boats and owners. These profiles would live on the Port's website, appear in an expanded summer newsletter, and hopefully a walking tour focused on historic wooden boats would be created in collaboration with the museum. He then screen-shared the NW Maritime Center's pictorial vision for classroom space at the Port's Landfall site (at the corner of Water and Jackson streets).

Port Engineer Love commented that the Port maintenance crew had demolished six derelict boats since receiving the new excavator. He reported that three new kayak racks had been installed, one each at Point Hudson, Boat Haven and Quilcene, and his crew were busy with the Nomura Building remodel and the remodel of bathrooms in the building where the Shanghai restaurant is located. He reported that Maintenance had moved a pre-settling tank into the boatyard which is ready to test in addition to the Port's filtration system with the goal of reducing the amount of copper and zinc coming out of the filtration systems and hopefully meet the change in upcoming Dept. of Ecology regulations.

IX. COMMISSIONER COMMENTS (01:15:40)

Commissioner Putney commented that he had been working on broadband issues and talking with people about the ADO designation. He reported one constituent issue: Sally Robins wrote to say she spends time at Point Hudson on her walker and says that the walkways have become gravelly, and this is a handicap issue; he said he would forward her email to Port staff to take care of this.

Commissioner Petranek commented on three meetings she had attended. On Monday, 3/22, she attended the North Hood Canal Chamber meeting where they discussed promoting the many businesses in south county that are not as well known (because they don't have storefronts on busy streets) with a story map and a walking tour. Most of these businesses are tied to natural resources which fits with Quilcene's motto "the Pearl of the Peninsula". Another business would like to do a carbon footprint inventory, a resource extraction story, forest management, climate change. The third meeting was about the Snake River Dam issue, led by Mike Simpson; looking at a proposal to bring the east and west side economics together and focus on infrastructure funds available at the federal level.

Commissioner Hanke commented on the timing issue emerging, with federal recovery funds possibly being available to help us resolve our boatyard needing to meet a higher standard than drinking water. He said this was evolving quickly and the Port needs to pay close attention to that.

Executive Director Berg commented that the Port is fighting for boatyard and marine trades, and that a viable way around this might be to pass through a sewer system.

X. NEXT REGULAR BUSINESS MEETING (01:29:42)

Next Workshop & Regular Business Meeting: Wednesday, April 14, 2021; Workshop at 9:30 a.m. & Meeting at 1:00 p.m., via Zoom


XI. EXECUTIVE SESSION – none

XII. ADJOURNMENT

Meeting was adjourned at 7:00 p.m., there being no further business before the Commission.

ATTEST:


William W. Putney III, Secretary


Peter W. Hanke, President


Pamela A. Petranek, Vice President