

## PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, April 14, 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 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 1:00 p.m.

II. APPROVAL OF AGENDA (00:00:19)

**Commissioner Hanke** asked to add an item to the agenda as VII.C. Asking the Executive Director to write a letter to County Health Officer Locke regarding opening offices and clarification on open public meetings being held in person.

**Executive Director Berg** asked to add an item to the agenda as VII.D. Proposed Resolution 744-21 ratifying the acceptance of a grant from the FAA.

**Commissioner Putney moved to accept the Agenda with these two additional items; Commissioner Petranek seconded the motion, and the motion carried unanimously.**

III. PUBLIC COMMENTS (00:01:57) comments sent in via email, and read aloud for the record:

Linda Fitzgerald of Gardiner wrote about concerns for expanding/improving the Gardiner Boat ramp that included safety for an area not well patrolled, and preserving clam & oyster beds.

Connie Gallant, President of the Olympic Forest Coalition, wrote to apprise the commission of comments the coalition had made to the Washington Dept. of Ecology on the matter of the NPDES permit for Pacific Seafoods (Coast), a tenant of the Port.

IV. CONSENT AGENDA (00:05:03)

A. Approval of Workshop & Business Meeting Minutes from March 24, 2021.

B. Approval & Ratification of Warrants

Warrant #063584 through #063590 in the amount of \$35,797.67 and Electronic Payment in the amount of \$163,326.03 for Payroll & Benefits.

Warrants #063591 through #063656 in the amount of \$92,892.99 for Accounts Payable.

Warrant #063563 in the amount of \$42.00 declared void.

Electronic Debit in the amount of \$1,456.84 to WA State Employment Security Dept. for Family Medical Leave.

Electronic Debit in the amount of \$18,012.18 to WA State Dept. of Labor & Industries for 4<sup>th</sup> Quarter Taxes.

**Commissioner Putney moved to accept the Consent Agenda as presented; Commissioner Petranek seconded and the motion carried unanimously.**

V. SECOND READING ~ none

VI. FIRST READING ~ none

VII. REGULAR BUSINESS (00:05:34)

A. February Financials

Finance Director Berg introduced her report by noting she'd added information in her memo for accounts payable based on Commission comments about the outstanding Scarcella Bros. invoice. Normally accounts payable is not reported on, because it is a part of the reconciliation of cash. She included it for this report because there is not yet a final billing for this invoice, which is still being negotiated with the FAA, Reid Middleton, the Port and Scarcella. Based on the numbers she'd been given to that point, she posited that the highest it would be is \$611,586. Ms. Berg continued discussing her report, saying that most of the capital expenses had not changed much over the year-to-date for February. She mentioned that the Port did purchase the mini excavator and had already put it to good use, adding that 3 new vehicles have been ordered for operations staff (1 each for security, environmental, and Operations Manager) to be delivered sometime around August. She said she would be adding total debt services and the annual debt service to the next monthly report, so that the long-term Port obligations are front and center.

Commissioner Hanke noted that with the next report comparing March 2021 to last March, the effects of the pandemic will be evident, which will be interesting to follow.

B. IDD Budget Report (00:12:19)

Finance Director Berg briefed the commission on this comprehensive report on the IDD funds—the total receipts levied and received to date, and how the money was spent. She said

this was the first draft and she would adjust with recommendations and comments from Commissioners.

Commissioner Hanke asked whether the IDD money had to be spent on larger capital projects (industrial development), or is it okay to spend it on maintaining infrastructure?

Deputy Director Toews said he was aware of no statutory limitation, as long as the money is spent on capital projects within the industrial development district boundaries. He said the Port had given the public the idea that the intent was not to spend it all on repair and rehabilitation of existing infrastructure.

Commissioner Putney said that repair to capital infrastructure can be interpreted as industrial job preservation and therefore industrial development, since it is not industrial devolution.

Commissioner Petranek said she would like to see these reports on a quarterly basis, with the projects outlined both financially and time wise. Commissioner Hanke agreed.

Commissioner Putney cautioned that the Port should not become accustomed to IDD money as income, because it is not permanent. If used for new projects with new revenue sources, that benefit goes on. Commissioner Hanke agreed.

Commissioner Petranek summarized what the Port said when asking the public to support the IDD, “to support infrastructure and facilities to enable the Port to maintain the infrastructure to meet the challenges posed.”

C. Letter to Health Commissioner Locke (00:22:45)

**Commissioner Hanke moved to ask Executive Director Berg to write a letter to Dr. Locke, Public Health Officer for Jefferson County, clarifying whether the Port can go with the State’s Health policy. Commissioner Putney seconded the motion.**

Commissioner Putney asked whether the Port is bound by the local health strictures and Port Attorney Woolson said that the County Health Director’s authority is broad enough to control the citizens of the county, and holding public meetings in person, counter to his directive, would certainly set up a confrontation with him.

Commissioner Putney said he’d like to request that Dr. Locke consider modifying his Public Health Order dated May 29, 2020, prohibiting any public agency in Jefferson County subject to the OPMA from meeting in person, congruent with his relaxation of other meetings and gatherings in the county.

Commissioner Petranek stated that this will be a topic of discussion at the Board of County Commissioners’ meeting on Friday and said she’d prefer to work together on this with other government entities to coordinate a county-wide response.

Commissioner Hanke stated that he wasn’t advocating for the Port to go against Dr. Locke’s orders, but to ask him for clarification, which he thinks is merited and would add to the conversation on Friday.

Executive Director Berg reminded Commissioners that the Board of County Commissioners has no authority in this matter, and that he had asked Dr. Locke about opening our RV Park last year during similar restrictions for camping in the county.

Port Attorney Woolson said other Ports in counties not under the same restrictions as Jefferson County had begun to have their open public meetings in person (and continued using an online forum for these meetings as well).

**Vote was taken, with Commissioners Hanke and Putney voting for and Commissioner Petranek voting against. Motion passed 2 to 1.**

D. Authorize Executive Director to Accept FAA Grant (00:32:32)

Deputy Director Toews said that the Port had inadvertently executed a grant agreement with the FAA—stimulus money sent to many small airports throughout the state getting the same amount (\$13,000) to be used for COVID response, personnel and debt service. Although this was a small amount, the Port would like a resolution before Commission for the authority to accept these funds. He said that the resolution before the Commission today would ratify the action, and the funds would be used to defray personnel costs associated with maintenance of the airport.

**Commissioner Petranek moved to approve Resolution 744-21 ratifying the action of the Executive Director in executing ARCPG Grant Number 0S9-NMG-3-53-0134. Commissioner Putney seconded. Motion passed unanimously.**

VIII. STAFF COMMENTS (00:34:43)

Executive Director Berg shared with the Commission that the Port had turned the keys over to the Boat School for their tenancy in the Nomura Building. He reported that the Port had selected Tetra Tech to support a pyrolysis investigation. He said staff were working on updating language to improve the delegation of authority resolution and will bring it to Commission soon.

Deputy Director Toews updated Commission on the draft Boatyard General Permit proposed by the State Dept. of Ecology that would govern stormwater discharge requirements here at Boat Haven; the new permit would go into effect August 1, 2021. He said the comment deadline for the draft permit closes at midnight this coming Friday; new guidelines have dropped the level of copper permitted from 147 micrograms per liter down to 15, lowering the benchmarks for zinc & lead and has added a turbidity monitoring requirement. Port staff joined others in a Zoom meeting to ask Ecology for the rationales supporting some of these changes and to clearly communicate the compliance challenge this represents for the Port, both substantively and financially. Staff have pulled together preliminary engineering cost estimates for the improvements required for the Port to reliably meet these new standards, and Mr. Toews said that number is approximately \$2.5 million. He added that he was working on a comment to be submitted before the deadline, and that the Port had submitted a request to State Rep. Tharinger for a \$2 million capital appropriation in this year's state budget to help fund these improvements and help defend the 400+ jobs here at Boat Haven.

Commissioner Hanke asked whether it was feasible to challenge the Dept. of Ecology legally on this; the standards they're requiring are better than drinking water. Deputy Director Toews stated that the Permit is in draft form, and that the Port must submit comments and see what changes Ecology might make before it becomes final and appealable. Port Attorney Woolson agreed and stated the Port needs to participate in this comment period first, see what action Ecology takes, and the appeal period would follow.

On Quilcene Planning, Deputy Director Toews commented that the Port now has Jeannie McMacken under contract to assist Port staff with a survey of the community. He said that they will meet with each commissioner for input on questions to include and any names of stakeholders they would like to reach out to before finalizing the survey. Mr. Toews spoke about the Boat Haven Yard planning group had met a couple of times. This group includes Mark Burns, Steven Gale, Dave Griswold, Bertram Levy, and Gwendolyn Tracy, Jim Pivarnik and with staff (Eron Berg, Eric Toews, & Terry Khile) and their focus is on: (1) goals and objectives with emphasis on sustaining the long-term viability of Boat Haven, increasing marine trades jobs and increasing both Port operating income and revenues generated by marine trades; and (2) identifying immediate, near- and long term action items—operational and capital—to achieve the identified goals as well as obstacles to these goals so they can prioritize what action items to recommend to the Commission. He added that in order to ensure the interests and concerns of everyone in the yard, they had added small business representation to the group with Dave Thompson.

Finance Director Berg commented that the Port is still looking to fill the 2 seasonal moorage clerks for this summer. She reported that after two weeks of having Molo online for RV reservations it was going really well and is a huge improvement to operations. In order to assist Point Hudson staff with the volume of calls, the Port implemented a voicemail to email text that is working so well, staff is working to implement the same thing at the Boat Haven office. The planned rollout for online moorage reservations through Molo is May 1. Ms. Berg said she had just completed the Enduris renewal application for the Port's general liability and property insurance policy and also submitted the same data to Clear Risk Solutions (who are contracted by CIAW) to compare costs.

Port Engineer Love commented that the Port maintenance crew had begun mowing earlier this year and had already made a few passes at the airport. He said work was done at the Nomura building, and crew was now focused on a remodel of the office adjacent to the Point Hudson moorage office and transitioning the space in the Pavilion building to allow its use for Commission meetings and other events. He gave an update on the Point Hudson Jetty project: good response on our joint aquatic permit, but we still have not been assigned a biologist through Fish & Wildlife. We need the permit so we can get the funding agreement, and this stretches things out, so we're currently looking at a season of 2022 and in 2023-24 for work being done on both the north and south jetty.

#### IX. COMMISSIONER COMMENTS

Commissioner Putney commented that the weather had been so nice this week, he had finally been able to work on his airplane.

Commissioner Petranek commented that she had attended the MRC meeting where a kelp biologist had spoken about a significant decline of kelp beds in the Salish Sea. She thought this would be an opportune time for the Port to take environmental leadership and join with other ports to talk about conservation in the Salish Sea. She announced at the meeting that the Port is working on Quilcene Planning and heard from many people who are interested in participating. Commissioner Petranek said she will be helping the MRC to set up the "no anchor" buoys this month, and mentioned that she would be giving a Working Waterfront interview on Friday that would focus on welcoming the Boat School as a Port tenant. She mentioned meeting with a citizens' advisory group every Monday at 5:00 p.m. and welcomed anyone who is interested to join her. She spoke about finding a guest speaker for a Workshop – Jacques White. [Commissioner Hanke said that Sarah at Puget Sound Express knows him well and could help with this.]

Commissioner Hanke commented that he had just returned from vacation on the Outer Banks in North Carolina and he was impressed with the huge public works projects there rebuilding complicated bridges to connect the banks.

X. Next Regular Business Meeting (00:58:34): Wednesday, April 28, 2021 at 5:30 p.m., via Zoom

XI. Executive Session – *none*

XII. Adjournment: Meeting adjourned at 1:58 PM

ATTEST:

  
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William W. Putney III, Secretary

  
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Peter W. Hanke, President

  
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Pamela A. Petranek, Vice President