

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, May 12, 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
Port Engineer Love
Port Recorder Erickson
Port Attorney Woolson

I. CALL TO ORDER (00:00:05): Commissioner Petranek called the meeting to order at 1:00 p.m.

II. APPROVAL OF AGENDA (00:00:42)

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

III. PUBLIC COMMENTS (00:00:53)

Comment sent in via email, and read aloud for the record:

Diana Talley said farewell email to Dan Wiggins of Craftsmen United, Inc.

Received too late to read aloud, but included here as public comment:

Lois Venarchick commented on the Landfall site and asked that any new building that is built in conjunction with the Maritime Center include parking.

IV. CONSENT AGENDA (00:04:02)

A. Approval of Public Meeting Minutes from April 28, 2021.

B. Approval & Ratification of Warrants

Warrant #063706 through #063714 in the amount of \$37,470.62 and Electronic Payment in the amount of \$157,199.52 for Payroll & Benefits.

Electronic Debit in the amount of \$11,012.00 for Combined Excise Tax return.

Warrants #063715 through #063764 in the amount of \$75,972.56 for Accounts Payable.

Commissioner Putney moved to accept the Consent Agenda as presented; Commissioner Petranek seconded. Commissioner Patranek clarified 2 warrants and asked that Mott McDonald Jetty design updates be included with Point Hudson Jetty updates in the future.

Vote was taken and the motion carried unanimously.

V. SECOND READING (00:08:05)

A. Organizational Chart update with additional custodian

Port Engineer Love reminded Commission of the discussion from the last meeting about what the Maintenance Department has been working on and the need they have for current restrooms and custodial work. He said that this discussion is about opening more restrooms to the public, which requires adding a custodian to the Maintenance Department to continue the high-quality service to all Port restrooms.

Commissioner Petranek commented that Maintenance Manager Sparks had put together a stellar maintenance team and she thought it was a good move for them to have more support, since maintaining Port assets is a high priority.

Commissioner Putney asked what the current utilization of the custodial staff was. Port Engineer Love said 70 staff hours is spent cleaning per week, using one full-time custodian and a part-time custodian/part-time maintenance tech; if needed, they can pull from maintenance for more cleaning. This new fulltime custodian would give Maintenance the flexibility to get the bigger maintenance projects completed.

Commissioner Putney said he knew in spring the grass grows more and the Port is busier, but didn't want to lay a person off when things slow down. He thought it would be better to back-fill with a temporary position, unless there is a predictable, consistent level of custodial work.

Executive Director Berg said post COVID staffing for restrooms will remain because tenants and visitors like the higher level of cleanliness. As to mowing, he said he'd like to have a seasonal team that would come on in spring and ride the mowers – a great summer job for a high-school or college grad. This would free up the skilled workers to work on the long list of maintenance projects. Port Engineer Love agreed and said he and Maintenance Manager Sparks had carefully studied the situation for longevity of this position before asking to add it.

Commissioner Petranek moved to approve a new hire in the position of custodian and to update of the Organizational Chart to include this new position. Commissioner Putney seconded, and motion carried.

VI. FIRST READING (00:19:32): none

VII. REGULAR BUSINESS (00:19:38)

A. Marketing & Communications Update by Scott Wilson (no materials – presentation only)

Scott Wilson reviewed the work he's been doing for the Port to increase business:

- Getting more deeply into social media: shifting \$5,000 from print to social media & search-engine marketing, targeting ads to launch in August and aimed at skippers of larger vessels with haul-out plans at end of season.
- Guest moorage outreach – particularly at Pt. Hudson, with ads in the PT Leader visitor guide that saturates Jefferson County shops and hotels year-round.
- Outreach to commercial fishing fleet in partnership with PTMTA members: Full-page ads in the 3 biggest commercial publications; ads grouped together promoting the strengths of the Port (haul-out facility, boatyard, place for DIY) as well as marine trades tenants, with cost split between Port and trades.
- Quarterly Port Report – 8-page tabloid newsletter about what’s going on at the Port aimed at our constituents in Jefferson County. The next addition is being put together in cooperation with moorage tenants and focuses on wooden boats in Port Townsend. It will be a larger edition (12 pages) out in time for the Wooden Boat Festival.
- Ads planned in annual cruising and tide guides – promotes the entire port.

Commission Petranek thanked Mr. Wilson for working with tenants on these ads and said she was thrilled with the work.

Commissioner Putney asked about the visitor’s guide distribution (outside of the ferries, it is only distributed in county). Executive Director Berg said the backstock on these would be good to use in the packs planned as giveaways to Point Hudson visitors.

Commissioner Petranek asked how many returning customers the Port has in the yard or guest moorage. Executive Director Berg said that at this point he didn’t know but hoped the Port could harvest this useful information from Molo in the future. He said there was a plan to hand out packs to visitors with new web addresses on them that point directly to the Port’s Point Hudson webpage; then count the hits on these new pages would show how much traffic is coming from these ads. Mr. Wilson said if the Port wants to know where ads work, it would be good to ask each visitor to the Port where they heard of us.

B. NW Maritime Center Lease Term Sheet & proposal (00:42:00)

Executive Director Berg introduced the draft term sheet for a long-term lease by saying that this has been a long-time conversation about what to do with the Landfall site and specifically how it could be used by the Northwest Maritime Center (NMC). Because of a congressional request and the need for additional space, NMC approached the Port about a long-term lease, because the site is one of only a few possible locations within WiFi and walkable distance from the NMC building across the street. For the Port, that space has been functioning as 18 public parking spots on a seasonal basis and hasn’t brought in much money. Mr. Berg said that he felt it was time to move forward with existing tenant use, and who better than a neighbor and co-collaborator whose mission is similar to that of the Port? As for parking, he stated that 18 spaces will impact existing Port tenants and downtown businesses; however, the Port is not a regulator of parking--that would be a bigger conversation between businesses and the City about requiring parking for future developments.

Jake Beatty of the NMC briefed the commission on how they would use the site, saying that before the pandemic, NMC classrooms were overflowing. Although he knows it is an odd time to ask for more space, he is thinking about a strong demand in the future for more of the hands-on, in-person education they offer after the restraints of the pandemic are past. Mr. Beatty hoped the economic impact for educational tourism would strengthen the maritime character of this community—the building is designed for net neutral energy and flexible use—and until the building is built, they could use the area for more outside classroom space.

Commissioner Putney thought NMC rental of the Landfall site was excellent use of that area over a parking lot because it fits right in with the shoreline master plan. He assumed that Executive Port Staff had worked with Mr. Beatty on these terms and asked if the terms worked for NMC. Mr. Beatty replied that the rent cost was defensible, and it would help to bundle the cost of the building in with other fund-raising requests.

Commissioner Petranek clarified that the building was designed to primarily support the offerings of the PTMA (Port Townsend Maritime Academy) which is made up of high school students, as well as a broad range of other uses. Mr. Beatty confirmed that the idea behind the building design was to make it universally useful for the long-term. She then asked whether the Mr. Beatty had thought about renting other space within the Port, and he replied that in the future they may need more space, but for now, this is what works best for NMC.

Commissioner Putney said that he saw the building as a showcase building that would draw visitors to both the NMC and the Port.

Commissioner Petranek asked about the mobile training unit mentioned in the NMC strategic plan, which would serve the south county high school students. Mr. Beatty said that the classrooms here in Port Townsend would serve as the central campus for hands-on classes, with introductory classes available at satellite programs in local high schools.

Commissioner Petranek asked whether the use of the building could be tied to what funders want. Mr. Beatty replied that the rule of thumb for foundation support or federal money is if the building they’re funding is not owned, the investment would be tied to a long-term lease.

Otherwise, philanthropy has no quid-pro-quo; if so, they would not be allowed to use it as a donation. He clarified that NMC has no current funding initiative to create this building; however, it is a future intention to do so.

Commissioner Petranek said her intension was not to use the Landfall site as a parking lot forever; however, she wanted time to look at NMC needs, and a lease on the table in two weeks is premature. She suggested extending our word-of-mouth agreement and taking time to work towards something we can all understand together.

Executive Director Berg explained that this was a first touch on this lease agreement; staff would bring a lease agreement to Commission following discussions with the prospective tenant. He stated that staff is ready to move forward, NMC is ready to start paying rent. As this has been on the table for many years and would be putting an allowed, consistent use on a currently inconsistently used site, he asked what would be good to bring to the Commission in future to help the discussion.

Commissioner Petranek asked about the timing of the jetty work—would significant construction affect NMC plans? Mr. Beatty said that NMC could plan around it, and that could affect the lease, but that could be worked out.

Commissioner Petranek asked if the site had been appraised. Executive Director Berg said that the Port's Lease Policy doesn't require assessing everything we lease as it would be expensive to do individual commercial appraisals that don't necessarily resolve all questions.

Commissioner Putney stated that this was not a sale, which would need recent assessment of value. He said he didn't like dealing with each lease on an individual basis, unless there is a really good reason, because it would be unfair. He then asked if the Commission should shelf this until the next meeting for more discussion, or ask staff to continue to work with NMC on the lease?

Commissioner Petranek said she needed more information before she would ask staff to pursue a lease agreement: due diligence on financials, explore leasing an existing building, City zoning for this spot. Commissioner Putney thought those seemed extraordinary requests and not something the Port normally does with other tenants. He said rules like that need to be part of Port procedures. Commissioner Petranek said she received feedback that more discussion was needed, and she felt more information would help. Executive Director Berg said he would follow up with Mr. Beatty; he expected this would be on the agenda in the near future. Mr. Beatty said that what they're proposing is completely transparent, the NMC has nothing to hide, and when they applied to the appropriations committee, they had 107 letters of support from the community. He and Commissioner Petranek said they would talk.

C. Yard Rate Discount Change (01:18:10)

Executive Director Berg said this was on the agenda at the request from moorage and yard staff who were frustrated with managing an at-capacity yard as well as annoyed members of trades who are trying to get boats in the yard and work scheduled. He asked the Commission for direction and ideas on this problem. With so many folks paying in advance for the month, it leaves very little space for quick turnarounds. Hauling and yard fees bring income to the Port and near- and long-term projects to the trades. There are two problems (1) it's tough to manage an at-capacity yard, and (2) there is not much incentive for giving the discount in March, because this month has been booked--both before and after the discount was given. Mr. Berg asked Commission to think about what our goal is today with this discount and reflect on what the intent of this discount was.

Commissioner Putney said that the intent of the discount was getting 50% of yard fees was better than nothing. He wanted to see the discount tied to some activity resulting in some business for a marine trade housed at the Port, and was less enthusiastic about untethered gifts, even though this would mean more work for Port staff. He said it is best when boats are here to be worked on by marine trades in our boat yard, and not just being stored here.

Commissioner Petranek said that when the Port increased rates it created distrust in the boating community, which took a few years to reinstate. The boat task force took six months to collect data, then recommended to the Port that yard rates were more than twice as high than our surrounding competition. In moving to 50% that brought us to a competitive level, and this helped to create a full boat yard. She said the Port has also had an exceptional year with a backlog of boat owners who weren't able to get work done on their boat due to the pandemic, adding to the number of people seeking work done this season. She wanted to give the Boat Yard Planning group time to figure out how to create more spaces in the boat yard and explore getting data on how many boats are just being stored, and not worked on. She commended the yard crew for doing a stellar job and bringing in \$150,000 more in the first 3 months this year as compared to last year. She suggested a BBQ for yard staff to celebrate this and talk about how to improve things.

Commissioner Putney remembered that the high rates were discouraging boaters getting work done by the trades and said we should work on getting more business on the rates we have.

Commissioner Petranek suggested that to keep things stable and to create trust and dependability for our return customers that we hold the course on a successful program.

IX. STAFF COMMENTS (01:31:21)

Executive Director Berg commented that he was working on a new emergency order related to the pandemic intended to clarify the current status of the Port, recognize the Roadmap to Recovery Healthy Washington program and rescind prior orders 2020-01 through 2020-10. He intends to apply a common-sense approach that tenants, customers, and Port staff comply with Governor’s proclamations, guidance from the state (e.g., L&I), and any directives from the County Health Officer that apply to the Port, so that we don’t have to create something new anytime there are changes. He expects people not to visit the Port when they are sick. He would like to retain the outdoor space for the Port restaurants and plans to open the Marina Room for booking (imposing a cleaning charge to sanitize the space between users).

Mr. Berg said that he is working on two other projects with the NMC: (1) a summer high-school program that provides high-school staff to welcome guests, pick up trash, provide a first smile to visitors to marina and RV park; and (2) let NMC use a small land area with picnic table near the north jetty for additional outdoor classroom space.

Mr. Berg commented further that he met with the tenants’ association on the wooden boat inventory that will live not only in the newsletter, but also on our website. He felt that with a higher proportion of wooden boats than other marinas in the area this is part of the Port Townsend culture and the community at large, who enjoy seeing the marina and would like to know the details of the wooden boat world would enjoy the picture and stories that go with them. He went on to report that the pyrolysis study is continuing, and Tetra Tech will give Commission a report in June, which will be shared with state, ending the Ports foray into plastic recycling.

Commissioner Putney asked about the backlog for getting a permanent slip in Boat Haven.

Executive Director Berg said it was a long wait for a slip, and as an example said that we have as many 40-foot boats on the waitlist as there are 40-foot slips in the marina. Mr. Berg asked Commission if in fact a historic wooden boat is a part of the character of the marina that the Port wishes to maintain, would it be feasible to then assign a slip to the boat and not the owner? This would mean that a person could buy a wooden boat and not to leave the marina and get in line on the waitlist for a slip. Commissioner Petranek said this would be in keeping with the character of the town. Port Attorney Woolson said that this type of policy would create a market for wooden boats, making them more valuable because they came with a slip, and warned the Port to consider policy requiring the boat to remain in that slip after new owner takes it on.

X. COMMISSIONER COMMENTS (01:42:28)

Commissioner Putney commented that he had been spending more time on broadband issues—two diametrically opposed bills passed and are now on the Governor’s desk waiting for his decision on which to adopt. Mr. Putney is very curious about how the governor will decide and is anxiously awaiting the outcome. He said he would attend the WPPA broadband meeting this week, as there is lots of Port activity in broadband. He said he felt that the discussion at the workshop earlier today was great and he wish speakers like that had a larger venue than our workshop.

Commissioner Petranek commented that this morning’s workshop was a great presentation; she hoped it was a jumping-off point on taking leadership in Salish sea restoration. She reported that she had attended a quarterly meeting of the PTMA and the NW School of Wooden BoatBuilding (NWSWB). She learned that the NWSWB and Director Betsy Davis are working on how to support to the high-school program and hope they can take advantage of all the working trades in the Port, exposing students to those incredible projects they could see in our yard. Commissioner Petranek informed those present that she had plans to:

- attend the North Hood Canal Chamber (NHCC) meeting next Monday where she hopes to increase south county outreach.
- present Jefferson County Chambers Community Leadership Awards this coming Saturday, and many marine trades have been nominated.
- reset the no-anchor buoys a couple of weeks with the Marine Resource Committee to protect the eel grass in.
- give a Working Waterfront interview on Friday that will be aired on Monday.

XI. Executive Session – none.


XII. Next Regular Business Meeting (01:58:51): Wednesday, May 26, 2021 at 5:30 p.m., via Zoom

XIII. Adjournment: Meeting adjourned at 2:59 p.m.

ATTEST:



William W. Putney III, Secretary



Peter W. Hanke, President



Pamela A. Petranek, Vice President