



**Port of Port Townsend  
1<sup>st</sup> Monthly Meeting Agenda  
Wednesday, September 8, 2021, 1:00 p.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.

**Agenda**

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Public Comments
- IV. Consent Agenda
  - A. Approval of Workshop & Business Meeting Minutes from August 11, 2021..... 1-7
  - B. Approval & Ratification of Warrants ..... 8-24
  - C. Jefferson County Lease..... 25-46
  - D. Collective Bargaining Agreement Amendment ..... 47-50
- V. Second Reading ~ none
- VI. First Reading ~ none
- VII. Regular Business
  - A. July Year-to-Date Financial Report ..... 51-55
  - B. Resolution 752-21: Meeting Procedures – eliminate the second ..... 56-62
- VIII. Staff Comments
- IX. Commissioner Comments
- X. Next Commission Meeting: Wednesday, September 22, 2021, at 5:30 p.m. via Zoom
- XI. Executive Session – none as of 9/3/21
- XII. Adjournment

The Port welcomes your comments in writing before the meeting (which will be presented to the commission and made available and part of the record) or live - you can 'raise your hand' electronically during our Zoom meeting.

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- Informational Items ..... 63
    - New Lease Briefing ..... 64-65
    - Commission Contracts Update ..... 66
    - July YTD Detailed Report..... 67-71

PORT COMMISSION PUBLIC WORKSHOP – August 11, 2021

The Port of Port Townsend Commission met for a Public Workshop online via Zoom

Present: Commissioners Petranek & Putney  
Executive Director Berg  
Finance Director Berg  
Port Engineer & Director of Capital Projects Love  
Recorder Erickson

I. CALL TO ORDER:

Commissioner Petranek opened the Workshop at 9:30 a.m.

II. AGENDA:

- 2022 Budget Goals and Issues
- June Year-to-Date compared to Total 2021 Budget

III. ADJOURNMENT:

The Workshop adjourned at 10:35 a.m.

ATTEST:

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Pamela A. Petranek, Vice President

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William W. Putney III, Secretary

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Peter W. Hanke, President

## **PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, August 11, 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  
Operations Manager Khile  
Port Recorder Erickson  
Port Attorney Woolson

I. CALL TO ORDER (00:00:26): Commissioner Hanke called the meeting to order at 1:09 p.m.

II. APPROVAL OF AGENDA (00:00:54)

Commissioner Hanke noted a change to the agenda, adding to the Consent Agenda, point F. concerning the ARPA Grant Agreement, pages 88-99 of the packet. Executive Director Berg commented that the intent would be to approve this substantially in the form presented (he knew there were a few small corrections needed), in order to get the authority to receive the funds when ready. Commissioner Petranek asked if a discussion on EDC Team Jefferson's Executive Director process should be added to the agenda or held during Commissioner Comments, and Commission decided on the latter.

III. PUBLIC COMMENTS (*presented out of order*) (00:12:07)

Carrie Fiore, General Manager, Armstrong Consolidated LLC (DBA ACI Boats and Gold Star Marine), sent a comment in via email requesting that the Port support a marine trades tenant for occupancy of the 70' covered space. Given the opportunity for a long-term lease, she said her business would like to expand into this space and create a state-of-the-art marine paint facility.

Commissioner Petranek commented that she felt the Commission discussion and decision that were made on the covered space stand; and asked that concerns noted in the letter regarding ventilation and emergency exits being blocked should be investigated.

IV. CONSENT AGENDA (00:03:08)

A. Approval of Workshop and Regular Meeting Minutes from July 14, 2021.

B. Approval & Ratification of Warrants:

Warrants #063993 through #063999 in the amount of \$12,106.36 and Electronic Payment in the amount of \$88,343.99 for Payroll & Benefits.

Warrants #064000 through #064037 in the amount of \$411,152.23 for Accounts Payable.

Warrants #064038 through #064048 in the amount of \$37,206.77 and Electronic Payment in the amount of \$161,530.39 for Payroll & Benefits.

Warrants #064049 through #064100 in the amount of \$105,589.69 for Accounts Payable.

Electronic Debits in the amounts of \$1,543.88 for Paid Family Medical Leave; \$20,438.43 for Department of Labor & Industries; \$16,906.07 for Combined Excise Tax Return; and \$72.00 for Business License Update.

Warrant #064044 in the amount of \$482.27 is declared void.

C. Resolution 749-21 to Extend DNR PMA

D. Resolution 750-21 to Surplus Certain Items

E. Resolution 751-21 for FAA AIP Funding Grant

F. ARPA Grant Agreement - late materials

Commissioner Putney noted that the July 14, 2021, minutes had a typographical error: the call sign for the local radio station is KPTZ, not KPTC. Commissioner Petranek got clarification from Finance Director Berg on a few warrants.

**Commissioner Putney moved to accept the Consent Agenda with the amendments and corrections; Commissioner Petranek seconded, and motion was approved unanimously.**

- V. SPECIAL PRESENTATION: Work Anniversary for Chad Tichelaar (5 years) (00:05:49)
- VI. SECOND READING (none)
- VII. FIRST READING (none)
- VIII. REGULAR BUSINESS (00:15:08)

A. June Year-to-date Financial Report

Finance Director Berg referred to page 43 of the packet, the Quarter 2 Financial Report showing the operating revenues steadily increasing year over year (except for 2020 when we were hit with the pandemic); these increases averaged 8.7%. This year, Yard Operations had a 29% increase over the prior year totaling close to \$300,000, and Point Hudson had a 40% increase totaling \$217,000; overall actual revenues are ahead of budget by 15%. Expenses have varied for many reasons: staffing and timing of expenses; increased repair and maintenance costs due to the speed at which the Port's maintenance team is working and the equipment and environmental materials being purchased; and what appears to be the new normal in increased bank charges for credit card fees. She went on to page 44 of the packet where Accounts Payable shows that we're close to making the final payment to Scarcella Brothers—just waiting for the FAA grant to be awarded to help fund half of the overlay work on the JCIA Runway 9/27 Reconstruction Project. She discussed the bond debt, which was added so Commission could see where that stands overall and just for the year. She explained that on page 45 of the packet was a list of capital projects and their expenses, increased from May by \$158,000, which is the Maintenance Crew doing a lot of capital work during the dry weather. She also discussed cash balances in reserves, comparing 2020 to 2021.

Commissioner Putney mentioned possible electrical rate increases and said he thought perhaps we should think of the impact that might have on rate increases for tenants. Ms. Berg said that Port staff keeps on top of both base rates and consumption numbers and that our rate sheets state that those rates are subject to change based on those third-party rate changes.

Finance Director Berg referenced page 46 of the packet for a look at the consolidated financial statement which shows the Port is doing well with revenues up 18% from prior year and ahead of budget year-to-date by 13%; expenditures are up about 8% and over budget by 2%. The bottom-line increase is basically from operating revenues which are strong this year. Net income is ahead of budget by about \$200,000.

Commissioner Petranek looked at net operating income from past years, and half-way through 2021 we are doing better after 6 months than we did in a whole year in 2018 and 2019.

B. IDD & Capital Projects Report (00:27:31)

Finance Director Berg presented the report (page 50 of the packet) which is a quarterly update on where the Port stands with IDD levy receipts, as well as capital expenditures to be paid for with IDD funds. She said 2021 budgeted receipts are \$1.6 million, with actuals at over half that at about \$941,000; costs to date are well below budget, but keep in mind that June is the beginning of the working season for maintenance crew with substantial work done in July and those items will be added to this list. IDD reserves as of July 23 are \$1,492,882.

Commissioner Petranek said she was keeping in mind the amount needed for the Point Hudson Jetty repair in 2022. Commissioner Putney said the longer before we start that project, the more expensive it is, and asked if the Port were asymptotically approaching the

point where it is affordable. Executive Director Berg said that budget recommendations would be to increase the IDD levy amount to leverage funds for not just the big jetty project but other projects as well. He said Port staff is estimating the timing of costs, because having IDD funds along with a line of credit for these projects is important and uses IDD funds for what the voters' intended.

C. Capital Projects Quarter 2 update (00:31:37)

Port Engineer & Director of Capital Projects Love said this was a Quarter 2 update as of June 2021 of the Port's capital projects, using the Quarter 1 summary of projects and status with changes highlighted. He mentioned that the Point Hudson breakwater replacement is one of two "hot button" projects. Optimistically, the Port will obtain permits for this work by end of 2021 which will allow Port staff to work on grant agreements with the goal of being done by March 2022, allowing the Port to go to bid on the project in April 2022. The Port has authorized consultant Mott McDonald to present a 90% complete design in October with final design to be completed during in the permitting process.

Mr. Love said the other "hot button" project (page 72) is the Boat Haven breakwater project, which NOAA grouped with 10 other projects for a determination of impact—not just temporary impacts but also long-term impacts. This minor repair of the rock on Boat Haven's breakwater has a negative 200 points, and the Port would need to come up with mitigation to counterbalance these negative impacts with positive environmental work like removal of creosote. (For instance, Point Hudson's project has a positive impact (+2) because of the creosote we're removing.) He said this could be a couple of million dollars of mitigation work to fix a \$240,000 sea wall.

Commissioner Petranek asked if removing the old ferry landing to mitigate for this project would be possible.

Commissioner Hanke asked about the emergency repair on the breakwater, repairing something that is there already, and how that could be considered an impact to the environment. Mr. Love said they were considering how that structure would permanently affect the environment for its life, and if there is no obvious mitigation work, we can do to counterbalance the negative rating, they're asking us to look for mitigation work. Deputy Director Toews said National Incident Management System (NIMS) is signaling that the cost of doing business is going to increase substantially, all driven by their calculator which is something of a black box. This is an opportune time to raise questions as to the validity of this decision.

Commissioner Petranek asked if the Gardiner boat ramp project was on hold because of this mitigation requirement. Mr. Love replied that for any in-water work, the Port should expect to run up against some of these mitigation measures in addition to what we've been thinking of; however, the project isn't on hold, we just need to keep these factors in mind.

Mr. Love then gave a presentation of capital projects and small-works projects accomplished by the Port Maintenance Staff that included before and after photos of the Sperry Buildings, the Pavilion Building, Boat Haven Commercial dock, parking lot changes to Point Hudson prior to the Wooden Boat Festival, and tires and lift cables on the 300-ton lift. He announced that the Port had hired Ty Taylor as the new custodial staff person, and his work frees up other maintenance staff to do more. He also showed the Port's new mower that arrived a couple of weeks ago, which he said will be very useful in the future. Another small project achieved by Maintenance Crew was the recently installed new locking system to the bathrooms in Quilcene with the fob type readers that will cut down on unwarranted use of those facilities.

Commissioner Petranek asked about the Quilcene restrooms and how the Port was letting the community know that they can still use the bathrooms if they become tenants. Executive Director Berg said there was signage that directed folks to buying an annual boat ramp pass for \$100 to become a tenant.

IX. STAFF COMMENTS (01:04:24)

Executive Director Berg commented that Mike Love is planning to move on from the Port, and through his work we have learned that the Port could use a full-time engineer. Commissioners gave approval for Mr. Berg to seek a full-time person for this position.

Mr. Berg said that he is continuing to work with the PUD and the City on the removal of Poplar trees from Port property along Sims Way and, sharing renderings of how underground power with new fencing and trees might look, said that moving the Port's fencing out would gain almost an acre of useful space for Yard Operations. He said that there were many steps with multiple partners in this endeavor and suggested that the three parties might collaborate with each other and possibly make this a PIF project.

Deputy Director Toews commented that Port staff were anticipating a grant offer to be coming from the FAA this week to help fund half of the overlay work on the JCIA Runway 9/27 Reconstruction Project, which was done in October 2020. He informed Commission that Port staff are actively exploring the opportunity for another grant application with the Economic Development Administration. This would be an EDA grant for tourism impacted by the pandemic, and he said that staff are thinking about the scope and shape of one or two of the remaining phases beyond the jetty project at Point Hudson; this would be an 80/20% funded project and staff are exploring other potential partners to help with the 20% match, including the Washington State Legislature.

X. COMMISSIONER COMMENTS (01:12:33)

Commissioner Petranek commended Executive Director Berg for signing a letter of support (page 82 of the packet) for a grant that partially helps fund PTMTA to have an office for the first time and puts the Port more in partnership with the Marine Trades Assoc., the Northwest School of Wooden Boatbuilding, the North Olympic Development Council, and EDC Team Jefferson by providing office space in the Nomura building.

Commission Petranek then said that regarding EDC Team Jefferson, she is on their board with three other elected folks—Jeff Randall (PUD), Michelle Sandoval (City Council), and Kate Dean (County Commission)—and had received the hiring selection process for the Executive Director of the EDC, who is involved and the time frame. She said that between Labor Day weekend and the Wooden Boat Festival, a panel interview process would take place, with the EDC executive staff (Brian Kuh, Ben Bauermeister, Heather Dudley-Nollette and Arendt Speser) would make the final decision on the director from the resulting 5 candidates. She stated that she had concerns about how this panel is going to convene during that short timeframe at the busiest time in Port Townsend, and about the executive staff making the final selection by mid September. She planned to bring her concerns to the board meeting in a couple of weeks and would also like to take any suggestions from fellow Commissioners.

Commissioner Hanke said he thought that this was terrible representation for the county at large, because none of the executive staff lives outside the city of Port Townsend and they are the four people who will make the final call on who the director will be. He said he thought the whole push was to move the EDC away from being Port Townsend centric into being more county centric, and that was the very reason that the Port wanted to be the designated ADO because we are county centric, so he said he was really disappointed to hear how that decision process was moving. He thought the board should be presented with 2 or 3 nominees to interview like the interview process the Port Commissioners did with the Executive Director candidates.

Commissioner Putney asked if the public at large were involved anywhere in this process.

Executive Director Berg said that there were essentially five groups of people: the EDC executive staff and four different committees that would each be involved in an interview process and in providing feedback to the executive staff: (1) Public Sector Cabinet, including the 4 public Administrators; (2) EDC elected board members, including commissioner Petranek;

(3) community selected members, including Pete Langley, Richard Tucker, Siobhan Canty, Cliff Moore; and (4) public community representatives still TBD with a note that stronger District 2 & 3 representatives are being sought. He said he thought it has been a challenge for the board to draw in the broader representation.

Commissioner Hanke commented that this seemed too complicated and that there were too many layers to understand where a person would get their representation, and to get it right and involve everyone it would take months to get all the interviews done, making it an interesting flop, and the week for these interviews being held on the busiest week of the year made it a double flop.

Commissioner Petranek read the five criteria for the Executive Director:

1. Experience with the legislative process;
2. Understanding and engagement in our community;
3. Proactive economic creativity and innovation;
4. Charismatic, engaging, inclusive social skills; and
5. Proven leadership.

She said she'd like to send this information to the whole commission so they could get their comments to the board. She asked for any further comments, and Commissioner Hanke said that it wasn't too late to say that they had gotten this process wrong and maybe they could back up and look for a way to improve the process.

Commissioner Petranek then asked Port Counsel how she could be on the EDC board representing both the Port and the people of Jefferson County, when the EDC Board Bylaws state, "Confidentiality: all information discussed amongst EDC Team Jefferson volunteers, board members, and staff at meetings and throughout daily operations will be considered confidential unless otherwise stated." Port Attorney Woolson said that those were their bylaws and told Ms. Petranek that she should have a discussion with the rest of the board letting them know that she is not in a position to keep those kinds of things confidential because she is there representing the Port, a public agency, and she's reporting back to her fellow commissioners and to the public on her representation and participation in that board. She needs to make it clear to them that that kind of confidentiality won't work.

Ending on a good note, Commissioner Petranek said that they did an interview with Dave Thompson the day before for another KPTZ Working Waterfront, which will be aired at noon on Friday. She said Dave is a star: a two-time Port commissioner and a yard worker with an incredible story to tell.

Commissioner Putney asked about the general aviation event at JCIA. Executive Director Berg said the General Aviation Manufacturer Association (GAMA) Conference in Port Ludlow would involve private "Recreational Aviation Foundation" pilots flying with the representatives of the manufacturers attending the conference, and their planes would be parked at the airport; so folks should expect to see a few more aircraft in the center tie down area, a longer wait for pies at the Spruce Goose, and a little more aircraft operations.

- XI. Next Workshop & Regular Business Meeting: Wednesday, September 8, 2021, with workshop at 9:30 a.m. and meeting at 1:00 p.m., via Zoom
- XII. Executive Session: to discuss real estate with legal counsel representing the Port - RCW 42.30.110(1)(c)  
Commissioner Hanke closed the meeting and moved to Executive Session at 2:49 p.m., estimating that the Executive Session would last approximately 15 minutes with no action to be taken.
- XIII. Adjournment: Meeting was adjourned at 3:00 p.m. there being no further business before the Commission.

ATTEST:

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Peter W. Hanke, President

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William W. Putney III, Secretary

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Pamela A. Petranek, Vice President





PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

## **WARRANT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the labor performed and the services provided, as described herein, and that the claim is a just and unpaid obligation of the Port of Port Townsend, and that this claim, in Warrant No. 064101 is approved for payment in the amount of \$434.09 is ratified

Signed and Authenticated on this 8th day of September, 2021.

For: Accounts Payable

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

**Check Register****Journal Posting Date: 8/12/2021****Register Number: CD-000873****Port of Port Townsend (PTA)**

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064101	8/12/2021	CIT010	City of Port Townsend	8/12/2021	434.09	0.00	434.09
		PERMIT					
				<b>Report Total:</b>	<u>434.09</u>	<u>0.00</u>	<u>434.09</u>

Check Entry Number: 001



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656  
3988

Operations: (360) 385-2355

Fax: (360) 385-

### **WARRANT/ELECTRONIC PAYMENT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims are just, due and unpaid obligations against the Port of Port Townsend, that we are authorized to authenticate and certify to said claim and that payment of these claims, in Warrant No. 064102 through No. 064108 generated on July 15th, 2021 in the amount of \$11,432.41 and Electronic Payment in the amount of \$83,548.48, for a total amount of \$94,980.89 is **ratified.**

**Signed and Authenticated** on this 8th day of September, 2021.

**For: Payroll and Benefits**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

### **ELECTRONIC DEBIT – Kitsap Bank**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation of the Port of Port Townsend, that we are authorized to authenticate and certify said claim, and that the Electronic Debit from the Port Checking Account held at Kitsap Bank is approved for payment in the amount of **\$17,196.54 is ratified.**

**Signed and Authenticated** on this **8th** day of **September**, 2021.

For: Washington State, Department of Revenue

Combined Excise Tax Return – for ***July, 2021*** in the amount of ***\$17,196.54.***

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

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Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
and Administration

**Washington State Department of Revenue**

Your Return has been submitted and your confirmation number is **0-021-861-328**

Below is information from your Monthly Return for the period ending July 31, 2021

<b>Filing Date</b>	August 18, 2021
<b>Account ID</b>	161-000-044
<b>Primary Name</b>	BOAT HAVEN FUEL DOCK
<b>Payment Method</b>	ACH Debit/E-Check
<b>Payment Effective</b>	August 25, 2021
<b>Total Tax</b>	17,196.54
<b>Total Due</b>	17,196.54



# Combined Excise Tax Return

161-000-044  
BOAT HAVEN FUEL DOCK  
PORT OF PORT TOWNSEND

Filing Period: July 31, 2021

Due Date: August 25, 2021

Filing Frequency: Monthly

## Business & Occupation

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retailing	127,493.58	0.00	127,493.58	0.004710	600.49
Service and Other Activities (\$1 million or greater in prior year)	173,958.40	0.00	173,958.40	0.017500	3,044.27
<b>Total Business &amp; Occupation</b>					<b>3,644.76</b>

## State Sales and Use

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retail Sales	127,493.58	0.00	127,493.58	0.065000	8,287.08
Use Tax	2,000.00	0.00	2,000.00	0.065000	130.00
<b>Total State Sales and Use</b>					<b>8,417.08</b>

## Public Utility Tax

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Other Public Service Business	10,421.16	0.00	10,421.16	0.019260	200.71
Water Distribution	2,328.45	0.00	2,328.45	0.050290	117.10
<b>Total Public Utility Tax</b>					<b>317.81</b>

## Deductions

Tax Classification	Deduction	Amount
<b>Business &amp; Occupation</b>		
Retailing	Motor Vehicle Fuel Tax	0.00
<b>State Sales and Use</b>		
Retail Sales	Motor Vehicle Fuel Sales	0.00

## Local City and/or County Sales Tax

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	127,493.58	0.026000	3,314.83
<b>Total Local City and/or County Sales Tax</b>			<b>3,314.83</b>

**Local City and/or County Use Tax/Deferred Sales Tax**

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	2,000.00	0.026000	52.00
<b>Total Local City and/or County Use Tax/Deferred Sales Tax</b>			<b>52.00</b>

**Transient Rental Income**

Location	Income
1601 - PORT TOWNSEND	72,502.84
Total Transient Rental Income	72,502.84

**Special Hotel/Motel**

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	72,502.84	0.020000	1,450.06
<b>Total Special Hotel/Motel</b>			<b>1,450.06</b>

<b>Total Tax</b>	<b>17,196.54</b>
<b>Subtotal</b>	<b>17,196.54</b>
<b>Total Amount Owed</b>	<b>17,196.54</b>

**Prepared By:** Donna Frary  
**E-Mail Address:** donna@portofpt.com  
**Submitted Date:** 8/18/2021  
**Confirmation #:** 0-021-861-328

**Payment Type:** ACH Debit/E-Check  
**Amount:** \$17,196.54  
**Effective Date:** 8/25/2021



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

## **WARRANT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that these claims, in Warrant No 064109 through No. 064152, for a total amount of \$338,394.72 **is ratified.**

**Signed and Authenticated** on this 8th day of September, 2021.

**For: Accounts Payable**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration



**Check Register**  
**Journal Posting Date: 8/20/2021**  
**Register Number: CD-000875**

**Port of Port Townsend (PTA)**

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064109	8/20/2021	A+E001	A+ Equipment Rentals, Inc				Check Entry Number: 001
			71199-1	7/15/2021	196.11	0.00	196.11
0000064110	8/20/2021	ADM002	Admiral Ship Supply Inc.				Check Entry Number: 001
			7/31/2021 STATEMENT	7/31/2021	646.31	0.00	646.31
0000064111	8/20/2021	ALL025	Alliant Insurance Services, Inc - NPB Main				Check Entry Number: 001
			1728664	8/15/2021	4,094.00	0.00	4,094.00
0000064112	8/20/2021	BAN005	Bank of America				Check Entry Number: 001
			8/5/21 STATEMENT	8/5/2021	11,439.14	0.00	11,439.14
0000064113	8/20/2021	BEN040	Jason Benton				Check Entry Number: 001
			REFUND 8/7/2021	8/7/2021	413.75	0.00	413.75
0000064114	8/20/2021	BER045	Eron Berg				Check Entry Number: 001
			7/2021 EXPENSE	7/31/2021	490.87	0.00	490.87
0000064115	8/20/2021	BRI035	Jim Briggs				Check Entry Number: 001
			REFUND 8/6/2021	8/6/2021	11.00	0.00	11.00
0000064116	8/20/2021	CEN035	CenturyLink				Check Entry Number: 001
			8/1/21 STATEMENT	8/1/2021	125.00	0.00	125.00
			8/8/21 STATEMENTS	8/8/2021	803.14	0.00	803.14
Check 0000064116 Total:					928.14	0.00	928.14
0000064117	8/20/2021	COA050	Mott MacDonald				Check Entry Number: 001
			100339-22	8/12/2021	12,611.50	0.00	12,611.50
0000064118	8/20/2021	DLL010	D L Logos				Check Entry Number: 001
			3708	8/4/2021	95.46	0.00	95.46
0000064119	8/20/2021	END040	enduris Washington				Check Entry Number: 001
			R22-318-1	8/4/2021	261,829.00	0.00	261,829.00
0000064120	8/20/2021	FER001	Ferrellgas				Check Entry Number: 001
			5006450777	7/26/2021	119.21	0.00	119.21
0000064121	8/20/2021	FIN060	Rob Fingerson				Check Entry Number: 001
			REFUND 8/5/2021	8/5/2021	11.00	0.00	11.00
0000064122	8/20/2021	FIS090	Yvonne Fish				Check Entry Number: 001
			REFUND 8/6/21	8/6/2021	11.00	0.00	11.00
0000064123	8/20/2021	GAI040	Jose Gaitan				Check Entry Number: 001
			REFUND 8/14/2021	8/14/2021	67.20	0.00	67.20
0000064124	8/20/2021	HAD001	Hadlock Building Supply				Check Entry Number: 001
			7/25/21 STATEMENT	7/25/2021	59.31	0.00	59.31
0000064125	8/20/2021	HEN025	Phillip Henault				Check Entry Number: 001
			REFUND 8/7/2021	8/7/2021	11.00	0.00	11.00
0000064126	8/20/2021	ICS001	ICS Support, Inc.				Check Entry Number: 001
			22510	8/12/2021	1,600.00	0.00	1,600.00
0000064127	8/20/2021	JC0003	Jefferson County - Public Work				Check Entry Number: 001
			180010 8/2021	8/20/2021	2,203.52	0.00	2,203.52
0000064128	8/20/2021	KAY030	Edmond Kay				Check Entry Number: 001
			REFUND 8/10/2021	8/10/2021	11.00	0.00	11.00
0000064129	8/20/2021	KEL025	Christopher Kellner				Check Entry Number: 001
			REFUND 7/28/2021	7/28/2021	11.00	0.00	11.00
0000064130	8/20/2021	KUS070	Stacy Kusler				Check Entry Number: 001
			REFUND 7/16/2021	7/16/2021	11.00	0.00	11.00
0000064131	8/20/2021	LEM040	Lemay Mobile Shredding				Check Entry Number: 001
			4710723	8/1/2021	12.88	0.00	12.88
0000064132	8/20/2021	LIS080	Skriva LLC				Check Entry Number: 001
			0011	8/16/2021	9,625.00	0.00	9,625.00

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## Check Register

Journal Posting Date: 8/20/2021

Register Number: CD-000875

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064133	8/20/2021	MUR002	Murray's Disposal Co, Inc.				Check Entry Number: 001
			8/1/2021 STATEMENTS	8/1/2021	8,642.79	0.00	8,642.79
0000064134	8/20/2021	OLY002	The Home Depot Pro Institutional				Check Entry Number: 001
			631241775	7/27/2021	842.80	0.00	842.80
			631533122	7/28/2021	1,220.55	0.00	1,220.55
Check 0000064134 Total:					2,063.35	0.00	2,063.35
0000064135	8/20/2021	OLY003	Olympic Springs, Inc.				Check Entry Number: 001
			7/31/2021 STATEMENT	7/31/2021	17.35	0.00	17.35
0000064136	8/20/2021	OLY006	Olympic Boat Transport LLC				Check Entry Number: 001
			1893	8/5/2021	2,800.00	0.00	2,800.00
0000064137	8/20/2021	PEN005	Peninsula Fire Inc				Check Entry Number: 001
			62448	8/10/2021	316.39	0.00	316.39
0000064138	8/20/2021	PET025	Petrick Lock & Safe				Check Entry Number: 001
			20402	8/5/2021	463.73	0.00	463.73
			20403	8/5/2021	18.00	0.00	18.00
Check 0000064138 Total:					481.73	0.00	481.73
0000064139	8/20/2021	PIC035	Gale Picker				Check Entry Number: 001
			REFUND 7/31/2021	7/31/2021	11.00	0.00	11.00
0000064140	8/20/2021	PIN010	Pinnacle Investigations Corp				Check Entry Number: 001
			75951	8/16/2021	48.35	0.00	48.35
0000064141	8/20/2021	POR005	Port Townsend Leader				Check Entry Number: 001
			107769	8/2/2021	1,912.00	0.00	1,912.00
0000064142	8/20/2021	PUD005	PUD #1 of Jefferson County				Check Entry Number: 001
			08/11/21 STATEMENTS	8/11/2021	101.94	0.00	101.94
0000064143	8/20/2021	QUI001	Quill Corporation				Check Entry Number: 001
			18341077	7/27/2021	64.07	0.00	64.07
			18543921	8/4/2021	70.77	0.00	70.77
Check 0000064143 Total:					134.84	0.00	134.84
0000064144	8/20/2021	SAF001	Safeway, Inc.				Check Entry Number: 001
			8/7/2021 STATEMENT	8/7/2021	1,979.69	0.00	1,979.69
0000064145	8/20/2021	SEC010	Security Services				Check Entry Number: 001
			117416	8/1/2021	190.85	0.00	190.85
0000064146	8/20/2021	SOU055	Sound Publishing, Inc				Check Entry Number: 001
			8032725	7/31/2021	84.00	0.00	84.00
0000064147	8/20/2021	SUM040	Summit Law Group PLLC				Check Entry Number: 001
			128019	8/6/2021	1,000.00	0.00	1,000.00
0000064148	8/20/2021	TER030	Terrapin Architecture PC				Check Entry Number: 001
			21-249	7/7/2021	4,277.56	0.00	4,277.56
			21-286	8/1/2021	4,670.74	0.00	4,670.74
Check 0000064148 Total:					8,948.30	0.00	8,948.30
0000064149	8/20/2021	TRA045	Karen Trahan				Check Entry Number: 001
			REFUND 8/6/2021	8/6/2021	11.00	0.00	11.00
0000064150	8/20/2021	ULI040	ULINE				Check Entry Number: 001
			136939603	8/3/2021	2,659.09	0.00	2,659.09
0000064151	8/20/2021	VEN070	VenTek International				Check Entry Number: 001
			128195	8/1/2021	103.65	0.00	103.65
0000064152	8/20/2021	WAS003	Washington Public Ports Assn.				Check Entry Number: 001
			021-563	8/2/2021	380.00	0.00	380.00
Report Total:					338,394.72	0.00	338,394.72

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Check Register  
Journal Posting Date: 8/20/2021  
Register Number: CD-000875

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
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PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656  
3988

Operations: (360) 385-2355

Fax: (360) 385-

### **WARRANT/ELECTRONIC PAYMENT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims are just, due and unpaid obligations against the Port of Port Townsend, that we are authorized to authenticate and certify to said claim and that payment of these claims, in Warrant No. 064153 through No. 064163 generated on July 15th, 2021 in the amount of \$38,161.86 and Electronic Payment in the amount of \$159,942.32, for a total amount of \$198,104.18 is **ratified.**

**Signed and Authenticated** on this 8th day of September, 2021.

For: **Payroll and Benefits**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

## **WARRANT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that these claims, in Warrant No 064164 through No. 064215, are approved for payment in the amount of \$96,583.08 on this 8th day of September, 2021.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

## Check Register

Journal Posting Date: 9/8/2021

Register Number: CD-000877

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064164	9/8/2021	ADA040	Jim Adams				Check Entry Number: 001
			REFUND 0/25/2021	8/25/2021	711.85	0.00	711.85
0000064165	9/8/2021	AIR070	Airside Solutions, Inc				Check Entry Number: 001
			34219	8/20/2021	284.04	0.00	284.04
0000064166	9/8/2021	AMB001	AMB Tools & Equipment Co				Check Entry Number: 001
			T327355	8/23/2021	60.22	0.00	60.22
			T327399	8/26/2021	86.44	0.00	86.44
			Check 0000064166 Total:		146.66	0.00	146.66
0000064167	9/8/2021	ARR010	Arrow Lumber Port Townsend				Check Entry Number: 001
			75090	7/29/2021	8.39	0.00	8.39
			75174	8/2/2021	33.82	0.00	33.82
			75241	8/4/2021	46.78	0.00	46.78
			75387	8/10/2021	277.00	0.00	277.00
			75409	8/11/2021	139.39	0.00	139.39
			75435	8/11/2021	83.77	0.00	83.77
			75482.2	8/12/2021	611.31	0.00	611.31
			75530	8/16/2021	417.77	0.00	417.77
			75539	8/16/2021	230.17	0.00	230.17
			75553	8/17/2021	152.18	0.00	152.18
			75597	8/18/2021	37.30	0.00	37.30
			75609	8/18/2021	80.23	0.00	80.23
			75661	8/19/2021	30.08	0.00	30.08
			75735	8/23/2021	46.89	0.00	46.89
			75782	8/24/2021	32.72	0.00	32.72
			75872	8/27/2021	337.25	0.00	337.25
			75874	8/27/2021	150.68	0.00	150.68
			Check 0000064167 Total:		2,715.73	0.00	2,715.73
0000064168	9/8/2021	BMC010	BMC East LLC				Check Entry Number: 001
			6912614900	8/18/2021	11,262.05	0.00	11,262.05
0000064169	9/8/2021	BOT040	Botero & Son Electrical LLC				Check Entry Number: 001
			17-2304	8/5/2021	18,565.39	0.00	18,565.39
0000064170	9/8/2021	CEN010	Central Welding Supply				Check Entry Number: 001
			PT 137116	8/17/2021	364.30	0.00	364.30
0000064171	9/8/2021	CEN030	CenturyLink				Check Entry Number: 001
			8/2021 STATEMENT	8/1/2021	125.00	0.00	125.00
0000064172	9/8/2021	CEN035	CenturyLink				Check Entry Number: 001
			8/4/2021 STATEMENTS	8/4/2021	803.14	0.00	803.14
0000064173	9/8/2021	CHM030	Chmelik Sitkin & Davis P.S.				Check Entry Number: 001
			7/2021	8/18/2021	1,072.50	0.00	1,072.50
0000064174	9/8/2021	CIT001	City Of Port Townsend				Check Entry Number: 001
			8/2021 STATEMENTS	8/31/2021	11,727.81	0.00	11,727.81
0000064175	9/8/2021	CPC020	CP Communications				Check Entry Number: 001
			POPT060121	8/23/2021	665.00	0.00	665.00
0000064176	9/8/2021	ERI040	Karen Erickson				Check Entry Number: 001
			8/2021 EXPENSE	8/31/2021	16.13	0.00	16.13
0000064177	9/8/2021	FOX030	Fred Fox				Check Entry Number: 001
			REFUND 08/19/2021	8/19/2021	222.49	0.00	222.49
0000064178	9/8/2021	G00002	Good Man Sanitation				Check Entry Number: 001
			8/16/2021 STATEMENT	8/16/2021	1,880.00	0.00	1,880.00
0000064179	9/8/2021	GUA080	Guardian Security Systems, Inc.				Check Entry Number: 001

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Check Register  
Journal Posting Date: 9/8/2021  
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Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied Payment Amount
			1160749	8/5/2021	8,299.51	0.00 8,299.51
			1167522	9/1/2021	147.29	0.00 147.29
			1167523	9/1/2021	223.65	0.00 223.65
			<b>Check 0000064179 Total:</b>		8,670.45	0.00 8,670.45
0000064180	9/8/2021	HAD001	Hadlock Building Supply			<b>Check Entry Number: 001</b>
			8/25/21 STATEMENT	8/25/2021	202.14	0.00 202.14
0000064181	9/8/2021	HAR085	Ken Harrington			<b>Check Entry Number: 001</b>
			REFUND 08/12/21	8/12/2021	127.95	0.00 127.95
0000064182	9/8/2021	HEN002	Henery Hardware			<b>Check Entry Number: 001</b>
			715785	7/27/2021	13.74	0.00 13.74
			715788	7/27/2021	10.46	0.00 10.46
			715795	7/27/2021	150.69	0.00 150.69
			715826	7/28/2021	1.95	0.00 1.95
			715843	7/28/2021	15.18	0.00 15.18
			715898	7/29/2021	18.74	0.00 18.74
			715910	7/29/2021	31.61	0.00 31.61
			715931	7/29/2021	5.64	0.00 5.64
			715936	7/29/2021	5.44	0.00 5.44
			715965	7/30/2021	22.42	0.00 22.42
			716080	8/2/2021	45.81	0.00 45.81
			716093	8/2/2021	80.69	0.00 80.69
			716140	8/3/2021	5.86	0.00 5.86
			716337	8/6/2021	41.37	0.00 41.37
			716393	8/6/2021	53.06	0.00 53.06
			716394	8/6/2021	110.09	0.00 110.09
			716460	8/9/2021	72.17	0.00 72.17
			716546	8/10/2021	15.26	0.00 15.26
			716674	8/12/2021	43.63	0.00 43.63
			716734	8/13/2021	197.06	0.00 197.06
			716767	8/13/2021	146.18	0.00 146.18
			716859	8/16/2021	1.95	0.00 1.95
			716864	8/16/2021	126.53	0.00 126.53
			716875	8/16/2021	167.94	0.00 167.94
			716879	8/16/2021	66.69	0.00 66.69
			716897	8/16/2021	43.55	0.00 43.55
			716906	8/16/2021	11.99	0.00 11.99
			716968	8/17/2021	107.39	0.00 107.39
			717036	8/18/2021	74.06	0.00 74.06
			717072	8/19/2021	55.62	0.00 55.62
			717117	8/19/2021	30.54	0.00 30.54
			717281	8/23/2021	9.80	0.00 9.80
			717391	8/24/2021	20.67	0.00 20.67
			717395	8/24/2021	4.52	0.00 4.52
			717421	8/25/2021	75.25	0.00 75.25
			717473	8/25/2021	37.13	0.00 37.13
			<b>Check 0000064182 Total:</b>		1,920.68	0.00 1,920.68
0000064183	9/8/2021	HEN006	Quilcene Henery's Hardware			<b>Check Entry Number: 001</b>
			8/25/21 STATEMENT	8/25/2021	130.94	0.00 130.94
0000064184	9/8/2021	INS070	Insight Strategic Partners, LLC			<b>Check Entry Number: 001</b>
			3486	8/31/2021	2,750.00	0.00 2,750.00

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## Check Register

Journal Posting Date: 9/8/2021

Register Number: CD-000877

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied Payment Amount
0000064185	9/8/2021	JEF040	Jefferson County Historical Society			Check Entry Number: 001
			02182023 - REPRINT	7/14/2021	483.00	483.00
0000064186	9/8/2021	LES050	Les Schwab			Check Entry Number: 001
			37900461554	8/18/2021	1,103.60	1,103.60
			37900463521	8/31/2021	196.37	196.37
			37900463532	8/31/2021	32.73	32.73
Check 0000064186 Total:					1,267.24	1,267.24
0000064187	9/8/2021	MCC065	Todd & Cindy McClain			Check Entry Number: 001
			REFUND 8/27/21	8/27/2021	11.00	11.00
0000064188	9/8/2021	MCM015	McMacken Creative/Marketing			Check Entry Number: 001
			8/2021	9/2/2021	1,600.00	1,600.00
0000064189	9/8/2021	NIC090	Will Nickum			Check Entry Number: 001
			REFUND 8/20/2021	8/20/2021	15.20	15.20
0000064190	9/8/2021	NOR040	Northwest Maritime Center			Check Entry Number: 001
			20188923	8/20/2021	1,155.00	1,155.00
0000064191	9/8/2021	NOR096	Northwest Maritime Center			Check Entry Number: 001
			REFUND 8/24/2021	8/24/2021	202.06	202.06
0000064192	9/8/2021	OLY001	Olympic Equipment Rentals Inc			Check Entry Number: 001
			280552	8/26/2021	266.13	266.13
0000064193	9/8/2021	PAC075	Pacific Fishing LLC			Check Entry Number: 001
			10967	8/16/2021	2,000.00	2,000.00
0000064194	9/8/2021	PEN003	Peninsula Daily News			Check Entry Number: 001
			2021 RENEWAL	9/8/2021	160.72	160.72
0000064195	9/8/2021	PEN030	Peninsula Paint Co.			Check Entry Number: 001
			F0197460	8/18/2021	82.73	82.73
0000064196	9/8/2021	PET025	Petrick Lock & Safe			Check Entry Number: 001
			20446	8/26/2021	143.22	143.22
0000064197	9/8/2021	PFU040	Gale Pfueller			Check Entry Number: 001
			REFUND 8/24/2021	8/24/2021	58.89	58.89
0000064198	9/8/2021	PHE050	Marda Phelps			Check Entry Number: 001
			REFUND 8/24/2021	8/24/2021	65.84	65.84
0000064199	9/8/2021	PIT001	Pitney Bowes Global Fin. Svcs.			Check Entry Number: 001
			3314116735	8/26/2021	537.17	537.17
0000064200	9/8/2021	PLA040	PLATT			Check Entry Number: 001
			1W82791	8/19/2021	54.72	54.72
			1X02996	8/25/2021	109.46	109.46
			1X27966	8/25/2021	109.46	109.46
Check 0000064200 Total:					273.64	273.64
0000064201	9/8/2021	POR005	Port Townsend Leader			Check Entry Number: 001
			196965	8/30/2021	47.00	47.00
0000064202	9/8/2021	POR065	Port of Port Townsend			Check Entry Number: 001
			FRED FOX MOORAGE	8/19/2021	115.36	115.36
0000064203	9/8/2021	POW030	Elisabeth Powers			Check Entry Number: 001
			REFUND 8/28/2021	8/28/2021	66.40	66.40
0000064204	9/8/2021	PUD005	PUD #1 of Jefferson County			Check Entry Number: 001
			8/11/2021 STATEMENTS	8/11/2021	12,373.21	12,373.21
			8/18/21 STATEMENTS	8/18/2021	515.50	515.50
Check 0000064204 Total:					12,888.71	12,888.71
0000064205	9/8/2021	QUI001	Quill Corporation			Check Entry Number: 001
			18679542	8/10/2021	113.68	113.68

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Journal Posting Date: 9/8/2021

Register Number: CD-000877

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied
			18849686	8/17/2021	153.96	0.00
						153.96
			<b>Check 0000064205 Total:</b>		267.64	0.00
						267.64
0000064206	9/8/2021	SET015	Seton Construction			<b>Check Entry Number: 001</b>
		247		8/19/2021	411.00	0.00
						411.00
0000064207	9/8/2021	SHO010	Shold Excavating Inc			<b>Check Entry Number: 001</b>
		62576		8/19/2021	1,374.56	0.00
						1,374.56
0000064208	9/8/2021	SNO040	Lawrence Snow			<b>Check Entry Number: 001</b>
		REFUND 8/22/2021		9/8/2021	4,902.48	0.00
						4,902.48
0000064209	9/8/2021	TAC001	Tacoma Screw Products, Inc			<b>Check Entry Number: 001</b>
		140017972-00		8/19/2021	169.88	0.00
						169.88
0000064210	9/8/2021	TWI001	Spectra Laboratories - Kitsap			<b>Check Entry Number: 001</b>
		21-06483		8/31/2021	81.00	0.00
						81.00
0000064211	9/8/2021	ULI040	ULINE			<b>Check Entry Number: 001</b>
		137226598		8/10/2021	846.33	0.00
						846.33
0000064212	9/8/2021	VER001	Verizon Wireless, Bellevue			<b>Check Entry Number: 001</b>
		9886352273		8/15/2021	517.95	0.00
						517.95
0000064213	9/8/2021	WA0503	State of Washington-Dept.of			<b>Check Entry Number: 001</b>
		FY 2022		9/8/2021	1,976.00	0.00
						1,976.00
0000064214	9/8/2021	WAV040	Wave Broadband			<b>Check Entry Number: 001</b>
		043328901-0009003		8/23/2021	147.75	0.00
						147.75
0000064215	9/8/2021	WES006	Westbay Auto Parts, Inc.			<b>Check Entry Number: 001</b>
		8/25/21 STATEMENT		8/25/2021	84.93	0.00
						84.93
			<b>Report Total:</b>		96,583.08	0.00
						96,583.08



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

## **WARRANT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the material has been furnished, the labor performed and the services provided, as described herein, and that this claim is a just and unpaid obligation of the Port of Port Townsend, and that this claim, in Warrant No. 064013 in the amount of \$483.00 is declared **void** on this on this 8th day of September, 2021.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

**Manual Check and Payment Register**  
**Journal Posting Date: 8/25/2021**  
**Register Number: MC-000258**

**Port of Port Townsend (PTA)**

**Bank:** W WARRANTS PAYABLE

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number Invoice Amount		Discount	Distribution Amount	Check Amount
0000064013	REV 7/23/2021	JEF040	Jefferson County Historical Society			483.00-
<b>Check Comment:</b> Lost Warrant						
CK000006401301						
	7/23/2021		483.00-	0.00		
<b>G/L Account:</b>	761-4125-19		OPERATING SUPPLIES: P. H. MARINA & RV		483.00-	
	<b>Bank W Total:</b>		483.00-	0.00	483.00-	483.00-
	<b>Report Total:</b>		483.00-	0.00	483.00-	483.00-



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Administration: (360) 385-0656

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## **WARRANT APPROVAL**

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the material has been furnished, the labor performed and the services provided, as described herein, and that this claim is a just and unpaid obligation of the Port of Port Townsend, and that this claim, in Warrant No. 064116 in the amount of \$928.14 is declared **void** on this on this 8th day of September, 2021.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner William W. Putney III

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

Manual Check and Payment Register  
Journal Posting Date: 8/20/2021  
Register Number: MC-000257

Port of Port Townsend (PTA)

Bank: W WARRANTS PAYABLE

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number	Invoice Amount	Discount	Distribution Amount	Check Amount
0000064116 CK000006411601	REV 8/20/2021	CEN035	CenturyLink			928.14-
	8/20/2021		928.14-	0.00		
G/L Account:	721-8800-02		UTILITIES - TELEPHONE: MOOR		60.81-	
G/L Account:	711-8800-22		UTILITIES - TELEPHONE: JCIA		175.93-	
G/L Account:	721-8800-05		UTILITIES - TELEPHONE: WORK YD		64.03-	
G/L Account:	721-8800-02		UTILITIES - TELEPHONE: MOOR		280.06-	
G/L Account:	721-8800-02		UTILITIES - TELEPHONE: MOOR		64.03-	
G/L Account:	761-8900-19		UTILITIES - CABLE/IT SVCE:P. H. MARINA & RV		68.77-	
G/L Account:	781-8800-28		UTILITIES - TELEPHONE: EXEC		89.51-	
G/L Account:	761-8800-20		UTILITIES - TELEPHONE: QUIL		125.00-	
Check 0000064116 Total:			928.14-	0.00	928.14-	928.14-
Bank W Total:			928.14-	0.00	928.14-	928.14-
Report Total:			928.14-	0.00	928.14-	928.14-

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	September 8, 2021		
<b>AGENDA ITEM</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational		
<b>AGENDA TITLE</b>	IV.C. Lease Agreement – Jefferson County		
<b>STAFF LEAD</b>	Eric Toews, Deputy Director		
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion		
<b>ATTACHMENTS</b>	1. Info Memo 2. Term Sheet 3. Lease Agreement with Exhibit 'A'		

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 9/2/2021  
**TO:** Port Commission  
**FROM:** Sue Nelson, Lease & Contracts Administrator, and Eric Toews, Deputy Director  
**SUBJECT:** Lease Agreement – Jefferson County

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**ISSUE:** Should the Commission authorize the Executive Director to enter into a lease agreement with Jefferson County for the “Commission Building” at Boat Haven?

**BACKGROUND:** Jefferson County has been seeking to accommodate their growing office space needs as department staff expand. In early July, Matt Court, of the Jefferson County Central Services Department, contacted Port staff and expressed interest in negotiating a term lease for the “Commission Building” located at 333 Benedict Street.

**DISCUSSION:** On April 20, 2021, Jefferson County PUD’s occupancy of the Commission Building ended. Soon thereafter, “Building for Lease” ads were placed in The Leader and Peninsula Daily News and advertised on the Port’s website. After sitting vacant for several months, the County has proposed leasing the building for a single five (5) year term (i.e., no options). The building would house the County Auditor and related finance staff.

The County has requested two changes to the Port’s standard lease provisions that would deviate from the Commission’s adopted Lease Policy: 1) reduce the required security from rent equivalent to three (3) months plus leasehold excise tax (LHT) to one (1) month plus LHT; and 2) include language allowing either party to early terminate the lease upon 180 days’ written notice to the other. Due to the unique government-to-government nature of the relationship, staff believe that one (1) month’s security is adequate given the risk profile of Jefferson County. Similarly, the reciprocal early termination language provides the County with the opportunity to relocate should changing departmental needs warrant it. In all other material respects, the proposed lease agreement is consistent with, and helps to implement, the adopted Lease Policy.

Rent would begin at \$1.28/sf for the 1,350 square foot building, while appurtenant building access areas (ramp, stairs, deck) would be priced at. \$0.26/sf. The resulting “blended rate” would be \$1.18/sf, which would be subject to annual CPI-U adjustments throughout the lease term.

**RECOMMENDATION:** Authorize the Executive Director to execute the attached Lease Agreement with Jefferson County.

**MOTION:** None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the lease with Jefferson County.

### **ATTACHMENTS**

- Summary of Key Terms, consisting of two (2) pages; and
- Jefferson County Lease (including Exhibit “A”), consisting of eighteen (18) pages.

**PORT OF PORT TOWNSEND:**  
**Summary of Key Terms**  
**Boat Haven Building Lease**  
**(August 23, 2021)**

1. **LESSEE:** **Jefferson County**, a municipal corporation of the State of Washington.
2. **PREMISES:** An approximately 1,350 square foot commercial office building, commonly referred to as the "Commission Building", plus approximately 143 square feet of appurtenant building access (ramp, stairs, and deck), located at 333 Benedict Street, Port Townsend, WA, in the Port's Boat Haven facility.
3. **TERM:** Five (5) years, beginning on October 1, 2021, and ending on September 30, 2026. Notification to extend the Lease to be done in writing ninety (90) days prior to the end of the lease or any extended term. Additionally, the agreement shall be terminable by either party upon 180 days' (6 months) written notice.

*[Note: This "terminable at will" language, available to both County and Port, would provide both parties with greater flexibility; it would grant the County with flexibility to early terminate, while also allowing the Port to accommodate marine trades' demands if market conditions warrant.]*

4. **RENT: One Thousand Seven Hundred Sixty-Five Dollars and Eighteen Cents (\$1,765.18)** per month + all applicable taxes (building @ \$1.28/sf x 1,350 sf = \$1,728.00; ramp/stairs/decks @ \$0.26 x 143 sf = \$37.18). CPI-U applied at the beginning of year (two) 2 and each year thereafter in any extended lease term. Market rate adjustment may be applied at beginning of year (five) 5, and every five years after.
5. **HOLDING OVER:** In the event Lessee allows the lease to expire without negotiating a new agreement with the Port, the tenancy will roll over into a month-to-month basis, with all other provisions of the lease agreement remaining in effect, except that the rent will increase to 125% of the rent due in the month preceding the holdover.
6. **USE OF PREMISES:** Office space for government-related general office functions.
7. **SECURITY:** One month security + all applicable taxes would be required at lease inception **One Thousand Seven Hundred Sixty-Five Dollars and Eighteen Cents (\$1,765.18)**.
8. **UTILITIES:** All utilities, including but not limited to electricity, water, sewer, garbage, and communications are the responsibility of the Lessee.



9. **MAINTENANCE & REPAIR:** Lessee is responsible for maintaining and repairing all interior walls, floors, ceilings, doors, interior and exterior windows and fixtures, exposed electrical, plumbing and sewerage systems, and for repairing damage caused to any portion of Port-owned buildings.
10. **INSURANCE:** Per Port policy. Commercial General Liability of \$2,000,000 combined single limit; Workers Compensation Insurance of not less than \$1,000,000 per occurrence; insurance certificates naming the Port as an additional insured; proof of insurance must be provided prior to occupancy.
11. **ASSIGNMENT/SUBLEASE:** Permitted only by prior written consent of the Port.
12. **DEFAULTS/TERMINATION:** Time is of the essence. Failure to pay rent, or to abide by the covenants/agreements contained in the lease, may serve as a basis for termination. Lessee will be provided with fifteen (15) days' written notice to cure defaults. Port may also terminate upon one hundred and twenty (120) days' written notice, at its sole discretion, for public or private use in connection with the operation of the business of the Port.

## PORT OF PORT TOWNSEND BOAT HAVEN BUILDING & LAND LEASE

**THIS LEASE AGREEMENT** made this \_\_\_\_ day of September 2021, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and **Jefferson County**, a municipal corporation organized and existing under the laws of the State of Washington, hereinafter referred to collectively as "Lessee,"

### WITNESSETH:

FOR AND IN CONSIDERATION of the mutual promises, covenants, and conditions hereinafter set forth, the parties agree as follows:

1. **LEASED PREMISES:** The Port hereby leases to Lessee, and Lessee hereby hires and leases from the Port, the following described premises situated in Jefferson County, State of Washington:

A 1,350 square foot (approx.) commercial office building, commonly referred to as the "Commission Building", together with 143 square feet of appurtenant building access areas (ramp, stairs, and decks), located at 333 Benedict Street, Port Townsend, WA, in the Port's Boat Haven facility,

hereinafter referred to as "the premises." The premises are depicted on Exhibit "A" which is attached hereto and which by this reference is incorporated herein as if fully set forth herein.

2. **TERM:** The term of this Lease is five (5) years, beginning October 1, 2021, and ending at midnight, September 30, 2026, unless sooner terminated as provided in this Lease. Notification to extend the Lease to be done in writing ninety (90) days prior to the end of the Lease or any extended term.

3. **RENT:**

- a. Lessee agrees to pay as rental for the leased premises the sum of **One Thousand Seven Hundred Sixty-Five Dollars and Eighteen Cents (\$1,765.18)<sup>1</sup>**, plus all applicable taxes, per month.
- b. The rental rate beginning in year two (2) and annually throughout the term of the lease will be adjusted by an amount equal to the accumulative amount found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics.

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<sup>1</sup> Calculated as follows: building space @ \$1.28 per s.f. x 1,350 = \$1,728.00; land @ \$0.26 per sq. ft. x 143 = \$37.18; \$1,728.00 + \$37.18 = \$1,765.18.

- c. In no event shall any rent adjustment result in a reduction in rent from the rate paid in the prior year.
  - d. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term and shall be payable at such place as the Port may hereinafter designate.
4. **LATE CHARGE:** In the event that any installment of rent remains unpaid more than twenty (20) days after it is due, then Lessee shall also be obliged to pay a "late charge" as per the Port of Port Townsend Rate Schedule then in effect.
5. **DEPOSIT:** Lessee shall deposit with the Port at lease inception, one month security in the amount of **One Thousand Seven Hundred Sixty-Five Dollars and Eighteen Cents (\$1,765.18)**, plus all applicable taxes. The deposit shall be held by the Port as security for Lessee's faithful performance of all its obligations under this Lease. Any interest earned on amounts deposited shall be retained by the Port. The deposit shall be returned to Lessee upon termination of this Lease, less any charges owing to the Port or expenses incurred by the Port in repairing damage caused by Lessee or restoring the leased premises to the condition required upon termination of this Lease.
6. **USE OF PREMISES:** Lessee shall use the premises for government-related general office functions and shall not use them for any other purpose without the prior written consent of the Port. Lessee shall use the entire premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease, with the exception of temporary closures for such periods as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's reasonable control. Lessee agrees that it will not disturb the Port or any other tenant of the Port's by making or permitting any disturbance or any unusual noise, vibration, or other condition on or in the premises.
7. **CONDUCT COVENANTS AND WARRANTIES:** In addition to all other covenants and warranties set forth herein, Lessee specifically represents to the Port as follows:
- a. Quiet Conduct. The conduct of Lessee and such others for whom Lessee is responsible shall not, in any manner, disturb the quiet enjoyment of other Tenants, invitees, or visitors, in or near where the Premises are located, including common areas.
  - b. Damage. The conduct of Lessee and such others for whom Lessee is responsible shall not result in or cause destruction or damage to the Premises, or any part thereof including, but not limited to any and all common areas, or the property of other Tenants, their invitees, and visitors.
8. **UTILITIES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all utility services furnished to the premises, including, but not limited to light, heat, electricity, gas, water, sewerage, garbage disposal, and communications. Wi-Fi and/or fiber services are not included in the rent.

9. **ACCEPTANCE OF PREMISES:** Lessee has examined the leased premises and accepts them in their present condition "as is" and without further maintenance liability on the part of the Port. The Port makes no representations or warranties with respect to the condition, suitability, zoning restrictions, or usability, except the Port's right to grant a lease of the premises. Lessee acknowledges that Lessee has fully inspected the premises and is not relying on any statement or representation made by the Port or the Port's agents with respect to the condition of the premises, and Lessee assumes the responsibility and risks of the same, including any defects or conditions that cannot be observed by casual inspection.
10. **MAINTENANCE AND REPAIR:** Maintenance and repair of the premises shall be the sole responsibility of Tenant. Accordingly, at the expiration or sooner termination of this Agreement, Tenant shall return the premises to the Port in the same condition in which received (or, if altered by Tenant with the Port's consent, then the premises shall be returned in such altered condition), reasonable wear and tear and damage by fire or unavoidable casualty excepted. Tenant's obligation to make repairs shall not extend to any structural parts of the building, including the foundations, bearing and exterior walls, subflooring and roofs, the unexposed electrical, plumbing and sewerage systems (including those portions of the systems lying outside the premises), exterior siding, doors, window frames, gutters, downspouts, and the heating, and the ventilation system serving the premises, unless such repairs are necessitated by Tenant's negligence or failure to maintain the interior. Tenant shall, at its' own expense, and at all times:
- a. Keep the premises, and the adjoining roadways and sidewalks, neat, clean and in a safe and sanitary condition.
  - b. Maintain and keep the rented premises in a good state of repair; and
  - c. Not commit waste of any kind.
11. **ALTERATIONS AND IMPROVEMENTS:** Lessee shall make no alterations or improvements to or upon the premises or install any fixtures (other than trade fixtures which can be removed without injury to the premises) without first obtaining written approval from the Executive Director of the Port. Such written approval shall also include agreement for disposition of the improvements upon termination of this Lease.
12. **INSPECTION - "FOR RENT" SIGNS:** The Port reserves the right to inspect the leased premises at any and all reasonable times throughout the term of this Lease, PROVIDED, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the premises and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For Rent" signs in conspicuous places on the premises for thirty (30) days prior to the expiration or sooner termination of this Lease.

**13. DAMAGE OR DESTRUCTION:**

- a. Should the premises or the buildings or structures of which the premises are a part be damaged by fire or other casualty, and if the damage is repairable within four (4) weeks from the date of the occurrence (with the repair work and the preparations therefore to be done during regular working hours on regular work days), the premises shall be repaired with due diligence by the Port, and in the meantime the monthly minimum rental shall be abated in the same proportion that the untenable portion of the premises bears to the whole thereof, for the period from the occurrence of the damage to the completion of the repairs.
- b. Should the premises or any buildings or structures of which the premises are a part be completely destroyed by fire or other casualty, or should they be damaged to such an extent that the damage cannot be repaired within four (4) weeks of the occurrence, the Port shall have the option to terminate this Lease on thirty (30) days' notice, effective as of any date not more than sixty (60) days after the occurrence. In the event that this paragraph shall become applicable, the Port shall advise Lessee within thirty (30) days after the happening of any such damage whether the Port has elected to continue the lease in effect or to terminate it. If the Port shall elect to continue this Lease in effect, it shall commence and prosecute with due diligence any work necessary to restore or repair the premises. If the Port shall fail to notify Lessee of its election within said thirty (30) day period, the Port shall be deemed to have elected to terminate this Lease, and the lease shall automatically terminate sixty (60) days after the occurrence of the damage. For the period from the occurrence of any damage to the premises to the date of completion of the repairs to the premises (or to the date of termination of the lease if the Port shall elect not to restore the premises), the monthly minimum rental shall be abated in the same proportion as the untenable portion of the premises bears to the whole thereof.

**14. INDEMNIFICATION AND HOLD HARMLESS:** The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained, or alleged to have been sustained by the Lessee or by others as a result of any condition (including existing or future defects in the premises) or occurrence whatsoever related in any way to the premises and the areas adjacent thereto or related in any way to Lessee's use or occupancy of the premises and of the areas adjacent thereto. Lessee agrees to defend and to hold and save the Port harmless from all liability or expense of litigation) in connection with any such items of actual or alleged injury or damage.

**15. LIMITED WAIVER OF IMMUNITY UNDER WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW AND OTHER SIMILAR INDUSTRIAL INSURANCE SCHEMES:** For purposes of the indemnification provision set forth in Paragraph 14, above, and only to the extent of claims against Lessee by the Port under such indemnification provision, Lessee specifically waives any immunity it may be granted under the Washington State

Industrial Insurance Act, Title 51 RCW, The United States Longshore and Harbor Workers Compensation Act, 33 USC §901-950, or any other similar workers' compensation schemes. The indemnification obligation under this lease shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The foregoing provision was specifically negotiated and agreed upon by the parties hereto.

- 16. INSURANCE:** Lessee agrees to maintain during the lease term liability insurance as set forth below, at Lessee's sole expense. All such insurance shall name the Port of Port Townsend as an additional insured and shall be with insurance companies acceptable to the Port.
- a. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$2,000,000.00 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, contractual liability, and products/completed operations liability.
  - b. Workers Compensation Insurance as will protect tenant's employees from claims under Washington Workers Compensation Act as well as all Federal Acts applicable to the tenant's operations at the site such as but not limited to U.S. Longshoremen and Harborworkers Act, Jones Act, and Federal Employers Liability section of the Washington Workers Compensation Policy and all Federal Acts Insurance shall not be less than \$1,000,000.00 for each occurrence.

The Lessee agrees to supply the Port with appropriate evidence to establish that its insurance obligations have been met, and that the insurance policy or policies are not subject to cancellation without at least thirty (30) days advance written notice to the Port. The conditions set forth in subparagraphs a, b and c of this Paragraph 16 shall be met prior to inception of this Lease Agreement.

- 17. WAIVER OF SUBROGATION:** The Port and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance contracts, including any extended coverage endorsements thereto, PROVIDED, that this Paragraph 17 shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Port or Lessee.
- 18. INCREASE IN COST OF INSURANCE:** Lessee shall not use the demised premises in such a manner as to increase the existing rates of insurance applicable to the buildings or structures of which the premises are a part. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port with respect to the buildings or structures of which the leased premises are a part, and to the extent allocable to

the term of this Lease, may be added to the amount of rental hereinabove specified and shall be paid by Lessee to the Port upon the monthly rental day next thereafter occurring.

- 19. TAXES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the premises, and all taxes on property of Lessee on the leased premises and any taxes on the leased premises or leasehold interest created by this Lease Agreement.
- 20. COMPLIANCE WITH PORT REGULATIONS AND WITH ALL LAWS:** Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the building or other realty of which the premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees, and the general public. Lessee also agrees to comply with all applicable federal, state, and municipal laws, ordinances, and regulations. Lessee further agrees that all buildings, structures, or other improvements, approved by the Port, will be properly permitted by Jefferson County. Any fees for any inspection of the premises during or for the lease term by any federal, state, or municipal officer and the fees for any so-called "Certificate of Occupancy" shall be paid by Lessee.
- 21. ASSIGNMENT OR SUBLEASE:** Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this Lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this Lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this Lease within the meaning of this paragraph. If the Port shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent. The Port's consent will not unreasonably be withheld.
- 22. DEFAULTS:** Time is of the essence of this Lease Agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the Port may elect to terminate this Lease and reenter and take possession of the premises with or without process of law, PROVIDED, however, that Lessee shall be given fifteen (15) days' notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said fifteen (15) day period. If upon such reentry there remains any personal property of Lessee or of any other person upon the leased premises, the Port

may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. The Port shall have the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to the Port any deficiency arising from a re-letting of the leased premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port. Any failure by the owners, officers, or principals of Lessee to pay rentals, storage fees, moorage or any other charges owed to the Port under separate contract shall constitute default under provisions of this Lease Agreement.

- 23. EARLY TERMINATION BY EITHER PARTY:** Notwithstanding the term set forth in Paragraph 2 of this Lease, both the Port and Lessee reserve the right, independent of any alleged default hereunder, to early terminate this Lease at any time by providing 180 or more days (6 months) advance written notice to the other party of such termination.
- 24. TERMINATION FOR GOVERNMENT USE:** In the event that the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the premises or any part thereof, the Port may, at its option, terminate this Lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this Lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 25. TERMINATION BECAUSE OF COURT DECREE:** In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease, then either party hereto may terminate this Lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this Lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 26. SIGNS:** No signs or other advertising matter, symbols, canopies, or awnings shall be attached to or painted on or within the leased premises, including the windows and doors thereof,



without the approval of the Executive Director of the Port first had and obtained. At the termination or sooner expiration of this Lease, all such signs, advertising matter, symbols, canopies, or awnings attached to or painted by Lessee shall be removed by Lessee at its own expense, and Lessee shall repair any damage or injury to the premises, and correct any unsightly condition, caused by the maintenance and removal of said signs, etc.

- 27. INSOLVENCY:** If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the premises or on any personal property kept or maintained on the premises by Lessee, the Port may at its option, terminate this Lease.
- 28. WAIVER:** The acceptance of rental by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of Paragraph 22 hereof.
- 29. PROMOTION OF PORT COMMERCE:** Lessee agrees that throughout the term of this Lease it will, insofar as practicable, promote and aid the movement of passengers and freight through facilities within the territorial limits of the Port. Lessee further agrees that all incoming shipments of commodities that it may be able to control or direct shall be made through facilities within the territorial limits of the Port if there will be no resulting cost or time disadvantage to Lessee.
- 30. SURRENDER OF PREMISES – ATTORNEY'S FEES:**
- a. At the expiration or earlier termination of the term, Lessee shall surrender to the Port the possession of the premises and all improvements. Surrender or removal of fixtures, trade fixtures and improvements shall be as directed in Paragraph 11 of this Lease on ownership of improvements at termination. Lessee shall leave the surrendered premises and any other property in broom-clean condition except as provided to the contrary in provisions of this Lease on maintenance and repair of improvements. All property that Lessee is required to surrender shall become the Port's property at termination of this Lease. All property that Lessee is not required to surrender but that Lessee does abandon shall, at the Port's election, become the Port's property at termination. If Lessee fails to surrender the premises at the expiration or sooner termination of this Lease, Lessee shall defend and indemnify the Port from all liability and expense resulting from the delay or failure to surrender, including, without

limitation, claims made by any succeeding tenant founded on or resulting from Lessee's failure to surrender.

- b. In the event that either party shall commence legal action to interpret or to enforce any of the provisions of this Lease, the substantially prevailing party shall be entitled to an award for all reasonable costs and attorney fees incurred in any such action. Any action brought under the terms of this Lease shall be maintained in Jefferson County, Washington.

**31. HOLDING OVER:** Any holding over by the Lessee after the expiration of this Lease shall be construed as a tenancy at sufferance (unless such occupancy is with the written consent of the Port) in which event the Lessee will be a tenant from month to month, upon the same terms and conditions of this Lease, except at a rent for such holdover period of 125% of the rental rate in effect for the month preceding such holdover. Acceptance by the Port of rent after such termination shall not constitute a renewal.

**32. ADVANCES BY PORT FOR LESSEE:** If Lessee shall fail to do anything required to be done by it under the terms of this Lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.

**33. LIENS AND ENCUMBRANCES:** Lessee shall keep the leased premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item which would or might constitute the basis for such a lien on the leased premises if not paid.

**34. NOTICES:** All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor: THE PORT OF PORT TOWNSEND  
Attn: Lease & Contracts Administrator  
P.O. Box 1180  
Port Townsend, Washington 98368

To Lessee: JEFFERSON COUNTY  
Attn: County Commissioners  
PO Box 1220  
1820 Jefferson Street  
Port Townsend, WA 98368

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when

properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

- 35. JOINT AND SEVERAL LIABILITY:** Each and every party who signs this Lease, other than in a representative capacity, as Lessee, shall be jointly and severally liable hereunder.
- 36. "LESSEE" INCLUDES "LESSEES", ETC.:** It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this Lease, regardless of the number, gender, or fact of incorporation of the party who is, or of the parties who are, the actual Lessee or Lessees under this Lease Agreement.
- 37. CAPTIONS:** The captions in this Lease are for convenience only and do not in any way limit or amplify the provisions of this Lease.
- 38. SEVERABILITY:** If any term or provision of this Lease Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.
- 39. NON-DISCRIMINATION SERVICES:** The Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, creed, color, sex, sexual orientation, or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby.
- It is agreed that the Lessee's noncompliance with the provisions of this clause shall constitute a material breach of this Lease. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this Lease, or may pursue such other remedies as may be provided by law.
- 40. NON-DISCRIMINATION EMPLOYMENT:** The Lessee covenants and agrees that in all matters pertaining to the performance of this Lease, Lessee shall at all times conduct its business in a manner which assures fair, equal and non-discriminatory treatment of all persons without respect to race, creed or national origin and, in particular:
- a. Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
  - b. Lessee will comply strictly with all requirements of applicable federal, state, or local laws or regulations issued pursuant thereto relating to the establishment of non-discriminatory requirements in hiring and employment practices and assuring the

service of all patrons or customers without discrimination as to any person's race, creed, color, sex, sexual orientation, or national origin.

- 41. EASEMENTS:** The Parties recognize that the Port facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port or its agents shall have the right to enter the demised premises of the Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair, and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the lease premises of the Lessee, without any additional cost to the Port for the purposes expressed hereinabove; PROVIDED however, that the Port by virtue of such use does not permanently deprive the Lessee from its beneficial use or occupancy of its leased area.

In the event that the Port does permanently deprive the Lessee from such beneficial use or occupancy, then an equitable adjustment in rent or in the cost required to modify its premises to allow the Lessee to operate its business, will be negotiated and paid by the Port to the Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse the Lessee for the cost required to modify its premises for the temporary period that the Lessee is inconvenienced by such Port entry. The Port will not be responsible to the Lessee for any reduced efficiency, or loss of business occasioned by such entry.

- 42. ENTIRE AGREEMENT:** This Lease Agreement contains all of the understandings between the parties. Each party represents that no promises, representations, or commitments have been made by the other as a basis for this Lease which have not been reduced to writing herein. No oral promises or representations shall be binding upon either party, whether made in the past or to be made in the future, unless such promises or representations are reduced to writing in the form of a modification to this Lease executed with all necessary legal formalities by the Commission of the Port of Port Townsend.

Lease Agreement dated this \_\_\_\_ day \_\_\_\_\_ 2021 as approved by the Port of Port Townsend Port Commission, on the \_\_\_\_ day of \_\_\_\_\_ 2021 and effective upon the receipt of a deposit and liability insurance documentation from the Lessee.

THIS AGREEMENT HAS BEEN NEGOTIATED BETWEEN THE PARTIES AND CONTAINS A LIMITED WAIVER OF IMMUNITY UNDER TITLE 51 RCW, AN INDEMNIFICATION AND A RELEASE.

**LESSEE – JEFFERSON COUNTY**

\_\_\_\_\_  
Kate Dean  
Chair, Commissioner

\_\_\_\_\_  
Heidi Eisenhour  
Commissioner

\_\_\_\_\_  
Greg Brotherton  
Commissioner

**ATTEST:**

**LESSOR - PORT OF PORT TOWNSEND**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Eron Berg  
Executive Director

\_\_\_\_\_  
Port Attorney

**STATE OF WASHINGTON  
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that Kate Dean signed this instrument and that she is authorized to execute the instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

Signature of  
Notary Public: \_\_\_\_\_

My Appointment Expires: \_\_\_\_\_

**STATE OF WASHINGTON  
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that Heidi Eisenhour signed this instrument and that she is authorized to execute the instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

Signature of  
Notary Public: \_\_\_\_\_

My Appointment Expires: \_\_\_\_\_

**STATE OF WASHINGTON  
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that Greg Brotherton signed this instrument and that he is authorized to execute the instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

Signature of  
Notary Public: \_\_\_\_\_

My Appointment Expires: \_\_\_\_\_



**STATE OF WASHINGTON  
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that Eron Berg signed this instrument and that he is authorized to execute the instrument as Interim Executive Director of the Port of Port Townsend and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

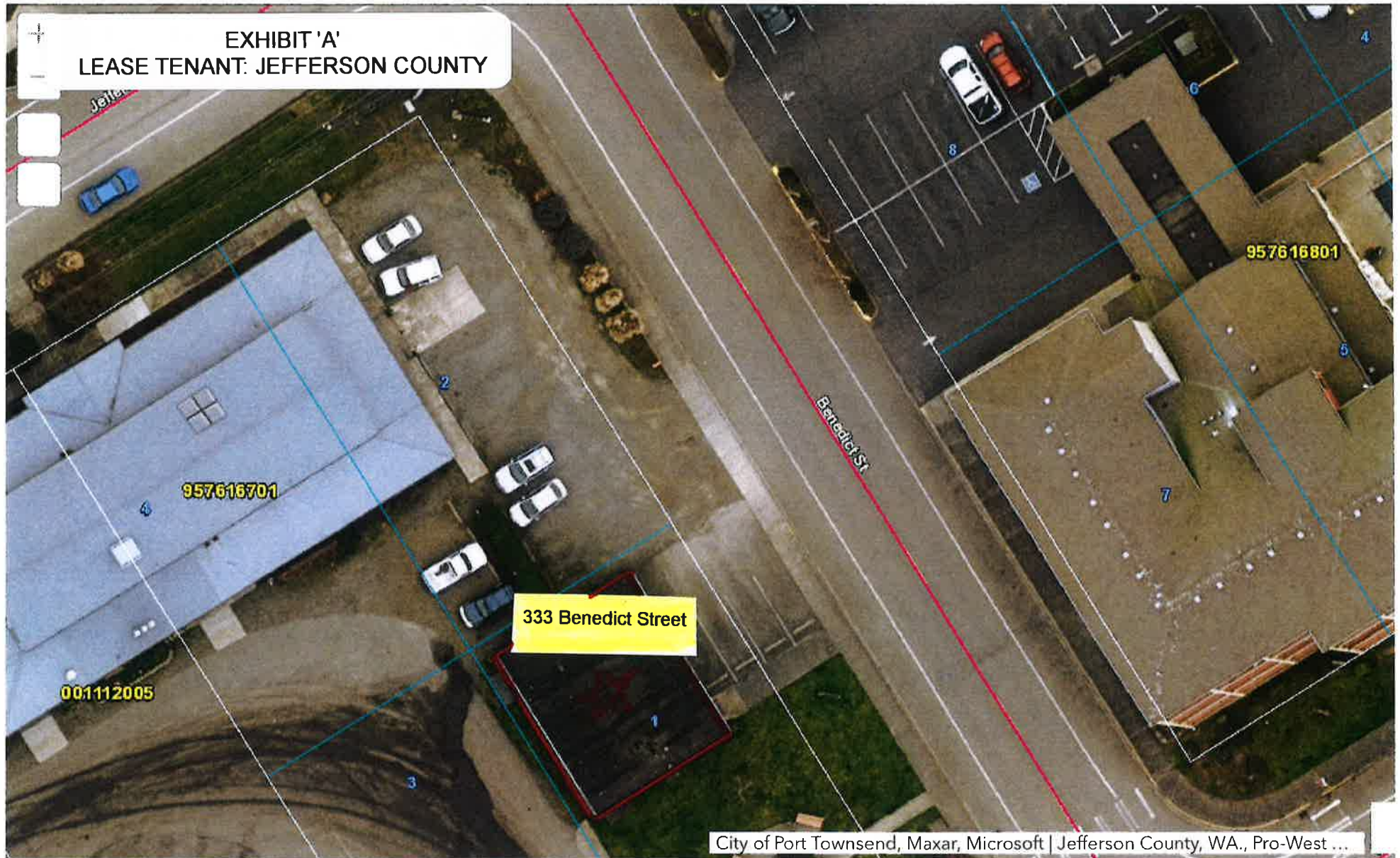
Signature of  
Notary Public: \_\_\_\_\_

My Appointment Expires: \_\_\_\_\_



## Tax Parcel Viewer

Jefferson County, Washington Open Data Portal



-122.77491 48.10840 Degrees



INTERIOR REMODEL FOR THE PORT OF PORT TOWNSEND

# 333 BENEDICT STREET

**PROJECT DESCRIPTION:**  
INTERIOR REMODEL FOR NEW MEETING SPACE  
WITH COFFEE BAR AND CLOSETS.

**SITE ADDRESS:**  
333 BENEDICT STREET  
PORT TOWNSEND, WA 98368

**OWNER:**  
PORT OF PORT TOWNSEND  
PO BOX 1180  
PORT TOWNSEND, WA 98368  
CONTACT: JIM PAVARNK - 360-385-0656

**CONTRACTOR:**  
PORT OF PORT TOWNSEND

**DESIGN CRITERIA:**  
ZONE: M-11 (A)  
BUILDING TYPE: V-B  
OCCUPANCY: B  
OCCUPANT LOAD:  
ASSEMBLY W/ 0 FIXED SEATS, UNCONCENTRATED  
734 SQ. FT. / 15 NET - 49 OCCUPANTS  
HEIGHT OF BUILDING: 11'-0"  
# OF STORIES: 1

**TAX PARCEL NUMBER & PROPERTY DESCRIPTION:**  
957616701  
1 EASTING 2ND ADDITION BLK 167 LOTS 1 THRU 4  
W/IN VAC WASH ST FRIG LOTS 1 & 3 ALSO  
1 FTN VAC WATER ST LYING WLY OF BENEDICT ST ORD#2487

**CODE DATA:** THIS PROJECT SHALL COMPLY  
WITH THE FOLLOWING CODES: 2009 IBC, 2009 IRC,  
2009 IMC, 2009 IFG, 2009 IAPMO UPC,  
ANSI A117.1, 2009 WSEC, 2009 WATER CONS. STDS.

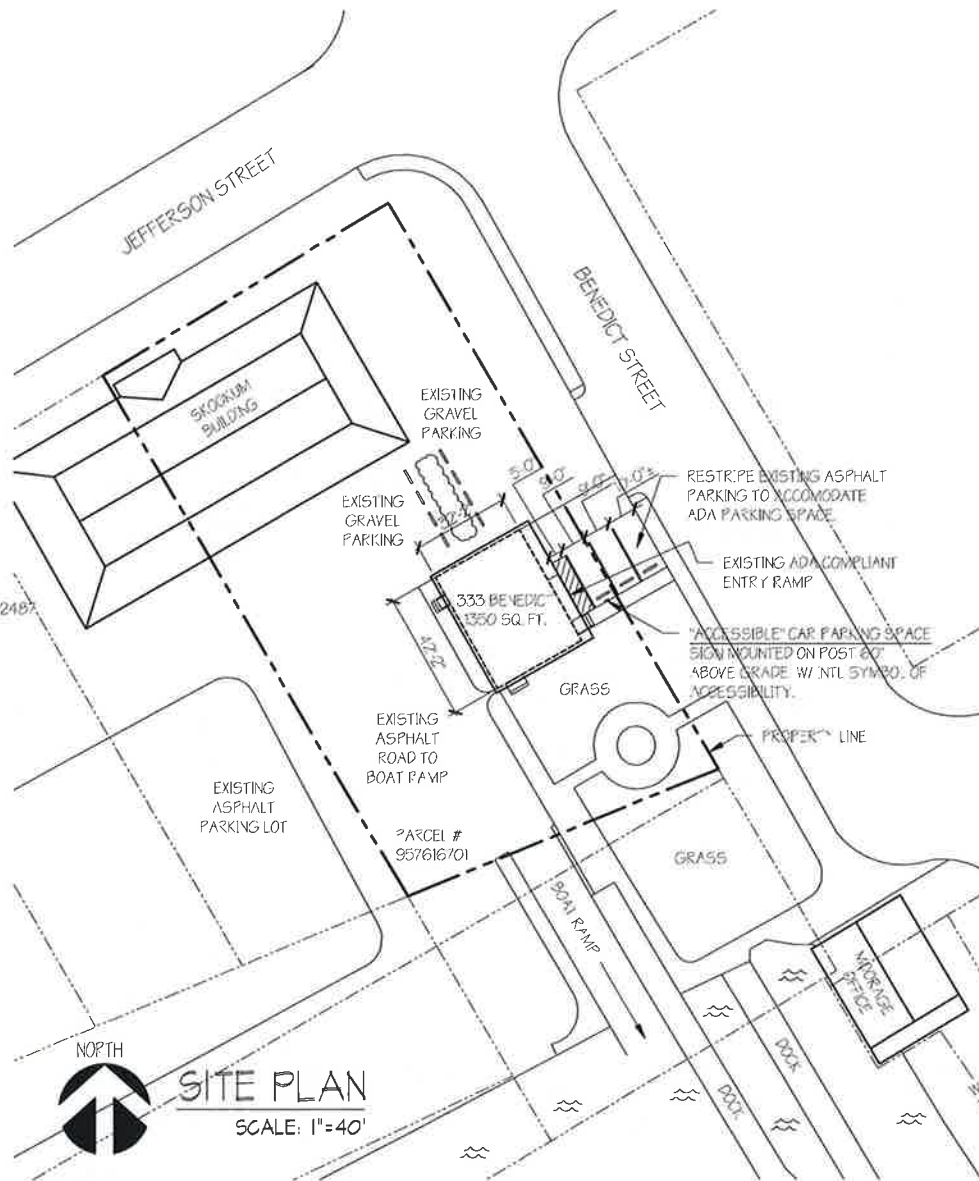
**2009 WSEC COMPLIANCE**  
LIGHTING: SEE ATTACHED  
ENVELOPE: NO CHANGES PROPOSED

**DESIGN LOADS**  
SNOW: 25 PSF  
WIND: 85 MPH  
SEISMIC: D2  
EXPOSURE: C

**NO CHANGE IN IMPERVIOUS SURFACES**  
PARCEL SIZE: 22,900 SQ. FT.  
TOTAL IMPERVIOUS SURFACES: 20824 SQ. FT.

**NO CHANGE IN BUILDING COVERAGE**  
FOOTPRINT 1350 SQ. FT.

**NO CHANGE IN FLOOR AREA**  
MAIN FLOOR - HEATED 1350 SQ. FT.  
COVERED ENTRY RAMP & STAIR 95 SQ. FT.  
SIDE AND BACK DECK 48 SQ. FT.



REV	DATE	DESCRIPTION

© TERRAPIN ARCHITECTURE, P.C., 2012

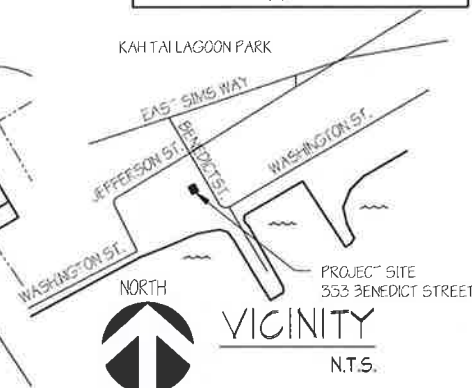
## INDEX TO DRAWINGS

A1.0	SITE PLAN & PROJECT INFORMATION
A2.0	DEMOLITION PLAN
A2.1	FLOOR PLAN
A3.0	FOUNDATION PLAN
A4.0	ELECTRICAL PLAN

## NOTE TO OWNERS, CONTRACTORS AND BUILDING OFFICIALS:

1. THESE PLANS ARE INTENDED TO CONTAIN ALL INFORMATION REQUIRED TO DEMONSTRATE COMPLIANCE WITH APPLICABLE BUILDING AND ZONING CODES. IN CASE OF ANY INFORMATION THAT APPEARS TO BE LACKING, PLEASE CONTACT THE ARCHITECT IMMEDIATELY.

2. THESE PLANS CONTAIN THE MAJORITY OF THE INFORMATION REQUIRED TO BUILD THE STRUCTURE SHOWN ON THE PLANS. HOWEVER, IT IS NOT POSSIBLE TO ANTICIPATE EVERY PIECE OF INFORMATION NEEDED FOR CONSTRUCTION. THE ARCHITECTS HAVE MADE A GOOD FAITH EFFORT TO STRIKE A REASONABLE BALANCE BETWEEN PROVISION OF INFORMATION AND COST OF THE PLANS. THE PLANS WILL INEVITABLY CONTAIN MINOR DISCREPANCIES AND ARE AS LACKING IN SPECIFIC INFORMATION. DURING THE COURSE OF CONSTRUCTION, AS THESE AREAS EMERGE, THEY WILL REQUIRE ATTENTION AND RESOLUTION. THE BEST RESOLUTION OF ISSUES OF THIS TYPE IS MOST OFTEN ACHIEVED THROUGH A JOINT DECISION MAKING PROCESS INVOLVING THE OWNERS, ARCHITECT AND CONTRACTOR(S).



BY: AD  
DATE: 9-21-12  
SCALE:  
VARIES

**TERRAPIN ARCHITECTURE PC**  
719 TAYLOR STREET  
PORT TOWNSEND, WA 98368  
(360) 379-8090

**PROJECT INFORMATION AND SITE PLAN**

**PORT OF PORT TOWNSEND  
OLD ADMIN. BLDG.  
333 BENEDICT STREET  
PORT TOWNSEND, WA 98368**

**SHEET:  
A1.0**

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	September 8, 2021
<b>AGENDA ITEM</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	IV.D.   Collective Bargaining Agreement Amendment
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Info Memo</li> <li>2. Collective Bargaining Agreement Amendment</li> </ol>

# PORT OF PORT TOWNSEND

## AGENDA MEMO

**DATE:** 9/8/2021  
**TO:** Commission  
**FROM:** Eron Berg, Executive Director  
**SUBJECT:** Proposed Amendment to CBA with Teamsters Local Union 589

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### **ISSUES**

1. Should the Commission authorize the executive director to sign an amendment with the Teamsters Local Union 589 to revise the wage table and extend the collective bargaining agreement (CBA) by one year?

### **BACKGROUND**

The Port and the Teamsters are parties to a CBA that currently expires on December 31, 2023. Following a request from the Port, the parties met and tentatively agreed to the attached amendment that consolidates the wage table and extends the CBA by one year.

### **DISCUSSION**

The current wage table includes 12 grades and separates yard staff from maintenance staff, by grade. It also separates yard laborers, custodians, and the combination of the two into separate grades. In an effort to address internal equity issues and better align work responsibilities and duties with pay grades, the Port proposed consolidating the 12 grades into 5 and aligning yard with maintenance as well as adding an 11<sup>th</sup> step to allow for merit increases for long-serving employees in the future. For a small entity, this consolidated and improved wage table will more fairly compensate Port staff with comparable responsibilities. It will also help the Port keep up with the escalating market on the Olympic Peninsula by increasing starting pay from \$18.16 to \$21.40/hour. Staff wholeheartedly recommends approval of this amendment which has already been unanimously ratified by the union membership.

### **FISCAL IMPACT**

2021: Approximately \$5,000

2022 and annually thereafter: Approx. \$21,000 and increasing with COLA annually

### **ATTACHMENTS**

1. Amendment to the CBA.

### **RECOMMENDATIONS**

1. Motion to ratify and authorize the Executive Director to execute the attached amendment to the CBA between the Port and Teamsters Local Union 589.

# Amendment to the Collective Bargaining Agreement between the Teamsters Local Union 589 and the Port of Port Townsend

WHEREAS, Teamsters Local Union 589 and the Port of Port Townsend are parties to a collective bargaining agreement (CBA) dated September 21, 2020, and

WHEREAS, the parties met and bargained proposed amendments to the CBA, and

WHEREAS, the parties desire to adjust certain terms of the CBA,

NOW THEREFORE, the CBA is amended as follows:

1. Article 27 is amending to read as follows:

## ARTICLE 27 - TERM OF AGREEMENT

27.1 This agreement shall be effective upon its execution and shall continue in full force and effect to and including December 31, 2024. Should either party desire to modify or terminate this agreement on December 31, 2024, it shall serve written notice at least one-hundred eighty (180) days prior to this date. This agreement may be extended by mutual agreement through the end of 2025.

2. The first sentence and A.3 of Appendix A are amended to read as follows:

This wage table will be increased by 100% of the Seattle Tacoma Bellevue CPI-U Bi-Monthly Data June to June, on January 1, 2021, and January 1, 2022, and January 1, 2023, and January 1, 2024, with 2% Minimum to a Maximum of 5%. This will continue for the life of the agreement.

### A.3 Wage table:

Union Wage Table  
Effective October 1, 2021

Grade	85%		95%		100%	Merit Based Steps						Position Title
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	
10	\$21.40	\$22.04	\$22.70	\$23.38	\$24.09	\$24.81	\$25.55	\$26.32	\$27.11	\$27.92	\$28.76	Yard Laborer, Yard Laborer/Custodian, Custodian (a)
11	\$22.98	\$23.67	\$24.38	\$25.11	\$25.86	\$26.64	\$27.44	\$28.26	\$29.11	\$29.98	\$30.88	Customer Service Representative, Quilcene Facility Attendant, Hoist Operator I (a)
16	\$25.78	\$26.55	\$27.35	\$28.17	\$29.01	\$29.88	\$30.78	\$31.70	\$32.65	\$33.63	\$34.64	Customer Service Representative II, Hoist Operator II, Enviro Specialist, Maintenance Tech II (b)
23	\$29.04	\$29.91	\$30.81	\$31.73	\$32.68	\$33.67	\$34.68	\$35.72	\$36.79	\$37.89	\$39.03	Hoist Operator III, Maintenance Tech II - Specialist (c)
29	\$33.94	\$34.96	\$36.01	\$37.09	\$38.20	\$39.35	\$40.52	\$41.74	\$42.99	\$44.28	\$45.61	Maintenance Lead - Mechanic II (c)

(a) Grades 7-9 have been consolidated to Grade 10. Hoist Operator I was moved from Grade 10 to Grade 11.

(b) Grades 17 and 18 were consolidated to Grade 16, which is higher pay due to previous adjustments to the Wage Table over the years.

(c) Grades 21 and 22 were consolidated into Grade 23. Maintenance Lead - Mechanic II, Grade 29, replaced the position of Maintenance - Mechanic in 2018. The former position would now be considered a "specialist" position as a Maintenance Tech II - Specialist (as Mechanic II). Other "Specialist" positions are Carpenter and Electrician and do not have to be filled until deemed necessary.

2021 Wage Table was updated by consolidating Grades 7-9 into Grade 10, consolidating Grades 17 and 18 into Grade 16, and consolidating Grades 21 and 22 into Grade

3. Appendix B is amended to read as follows:

**APPENDIX "B"**

<u>Classification</u>	<u>Range</u>
Yard Laborer	10
Yard Laborer/Custodian (a, b)	10
Custodian (b)	10
Hoist Operator I	11
Customer Service Representative	11
Quilcene Facility Attendant	11
Hoist Operator II	16
Customer Service Representative II	16
Environmental Specialist	16
Maintenance Tech II	16
Maintenance Tech II/Mechanic I	16
Hoist Operator III	23
Maintenance Tech II/Specialist	23
Maintenance Lead/Mechanic II (c)	29

4. All other provisions of the CBA shall remain unchanged.

Signed this \_\_\_\_\_ day of September, 2021.

TEAMSTERS LOCAL UNION 589

PORT OF PORT TOWNSEND

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Secretary Treasurer Mark Fuller

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Executive Director Eron Berg

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	September 8, 2021
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	VII.A. July Year-to-Date Financial Report
<b>STAFF LEAD</b>	Abigail Berg, Director of Finance and Administration
<b>REQUESTED</b>	<input type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Info Memo</li> <li>2. July 2021 Year-to-date Financial Report</li> </ol>

*Detailed July 2021 YTD Financial Report provided under Informational Items.*



# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 8/31/2021  
**TO:** Commission  
**FROM:** Abigail Berg, Director of Finance & Administration  
**SUBJECT:** July 2021 Financial Report

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Attached is the July YTD 2021 financial report of Port activities. This is a consolidated report that shows the variance between the current period as compared to the last year as well as the variance to budget year-to-date. The following is additional information not included in the financial report, but key in fully understanding the Port's financial status:

### Accounts Payable

All outstanding checks are already accounted for when reporting on a cash basis (unencumbered cash), and the Port pays invoices as they are received. However, due to the issues of the JCIA Runway Reconstruction project, there is a final, outstanding payment due to Scarsella Brothers. After execution of Change Order (CO) #4 in the amount of \$559,922, the total contract was revised to \$3,959,436. Total payments to-date are \$3,389,315 leaving an outstanding balance due of \$570,121. A grant application for approximately 50% of the CO #4 was awarded by FAA, and a wire to pay Scarsella will be completed in September.

### 2021 Capital Project Expenses

JCIA Runway Rehabilitation	\$ 100,319
Point Hudson Jetties	57,350
D-Dock Renovation	7,115
BH Breakwater Repair	12,751
Yard Stormwater Pump Replacement	53,497
Yard – Electrical Vault install (PUD)	15,385
Commercial Dock Repair – New Day	16,967
Sperry Bldg. #2 Improvements (PT Brewery)	16,482
Sperry Bldg. #3 Improvements (Sunrise Coffee)	9,537
Point Hudson Pavilion Bldg. Remodel	34,412
Nomura Bldg. Remodel	50,671
FEMA grant – Yard Stormwater Mtrls Rplcmt	2,359
FEMA grant – City Dock repair	635
FEMA grant – JCIA Asbestos Roof	12,687
Total Capital Expenses YTD	<u>\$ 390,167</u>

### 2021 Capital Purchases

Pape 50G Compact Excavator	\$ 76,898
Kendrick Equipment – 35% deposit 75 Ton Travelift	<u>214,288</u>
Total Capital Purchases YTD	<u>\$ 291,186</u>

Ending Cash Balances as of July 31	2021	2020
Reserved Cash & Investments - Other	\$ 2,224,462	\$ 1,349,994
Reserved Cash & Investments – IDD	1,501,753	\$ 491,708
Unreserved Cash & Investments	2,048,797	\$ 1,201,796
Total Cash & Investments	<u>\$ 5,775,012</u>	<u>\$ 3,043,498</u>

<u>*Other Reserves detail:</u>	<u>Current balance</u>	<u>Target balance</u>
Unemployment Reserve	\$ 10,000	na
Operating Reserve (a)	638,440	\$ 1,316,701
Boat Haven Renovation Reserve (b)	457,706	na
Emergency Reserve	450,000	500,000
Port-Wide Capital Reserve (c)	<u>668,316</u>	na
Total Other Reserves	<u>\$ 2,224,462</u>	

(a) The target for the Operating Reserve is 25%, or three (3) months, of operating expenses. See resolution 692-19 for more detail.

(b) The plan for this reserve is to use it on Boat Haven Moorage projects until it is extinguished. It was replaced by the Port-Wide Capital Reserve in resolution 693-19.

(c) Resolution 693-19 does not set a target for this reserve. The 2022 budget process may be a good time to focus on amending the resolution with targeted purposes and timelines.

#### Debt Service for the Year

##### 2010 LTGO Bond

June 1 – interest only	\$ 87,719
December 1 – principal and interest	397,719

##### 2015 LTGO Refunding Bond

July 1 – principal and interest	512,725
December 31 – interest only	<u>30,600</u>

Total Debt Service for 2021 \$ 1,028,763

#### Remaining Debt for years 2022-2029

2010 LTGO Bond – principal and interest	\$ 3,811,038	payoff December 2029
2015 LTGO Bond – principal and interest	<u>2,164,650</u>	payoff July 2025
Total	<u>\$ 5,975,688</u>	

#### **DISCUSSION**

As requested by Commission.

#### **FISCAL IMPACT**

NA

#### **RECOMMENDATIONS**

For discussion only.

**Port of Port Townsend**  
**2021 Summary of Fund Resources & Uses with Comparison to Prior 2 Years and Budget**

	YTD July 2019	YTD July 2020	YTD July 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
<b>REVENUES</b>							
Boat Haven Moorage	1,109,788	1,090,417	1,128,428	38,011	a	1,094,627	33,801
Yard Operations	1,116,130	1,124,679	1,431,052	306,373	a, b	1,107,002	324,050
Boat Haven Properties	420,626	416,606	471,493	54,887	a	440,448	31,045
Pt. Hudson Marina, RV & Prop	837,920	716,283	960,635	244,352	a, c	799,593	161,042
Quilcene	100,775	98,178	101,912	3,734		94,660	7,252
Ramps	41,318	40,252	42,210	1,957		37,831	4,379
Jeff. County Int'l Airport	88,098	86,772	96,320	9,548		91,226	5,094
(Increase)/Decrease in Accts. Receivable	58,757	(36,901)	(31,232)	5,669	a	-	(31,232)
<b>Total Revenues</b>	<b>3,773,413</b>	<b>3,536,286</b>	<b>4,200,817</b>	<b>664,531</b>	d	<b>3,665,387</b>	<b>535,430</b>
<b>EXPENSES</b>							
Salaries & Wages	1,172,588	1,302,702	1,349,179	46,478		1,370,764	(21,584)
Payroll Taxes	129,021	137,203	137,732	529		146,228	(8,496)
Employee Benefits	380,845	486,944	482,215	(4,729)		515,910	(33,695)
Uniform Expense	3,962	4,279	3,452	(828)		5,262	(1,810)
Contract Services	157,014	140,427	141,431	1,003		174,840	(33,409)
Consulting Services	48,249	-	-	-		-	-
Legal & Auditing	75,526	12,762	54,326	41,564	e	38,942	15,384
Insurance	547	1,199	(769)	(1,968)		-	(769)
Facilities & Operations	246,602	270,076	406,714	136,638	f	267,170	139,545
Utilities	331,563	305,511	334,361	28,850		340,577	(6,216)
Marketing	35,660	28,457	33,268	4,811		30,427	2,841
Travel & Training	19,950	8,517	1,800	(6,716)		7,544	(5,744)
Cost of Goods - Fuel	10,113	2,035	-	(2,035)		-	-
Community Relations	35	6,496	3,847	(2,649)		1,500	2,347
<b>Total Expenses</b>	<b>2,611,675</b>	<b>2,706,608</b>	<b>2,947,557</b>	<b>240,948</b>	g	<b>2,899,163</b>	<b>48,394</b>
<b>Net Operating Income (Loss)</b>	<b>1,161,737</b>	<b>829,678</b>	<b>1,253,261</b>	<b>423,583</b>	h	<b>766,224</b>	<b>487,036</b>
<b>Other Increases in Fund Resources</b>							
Deposits & Retainage Collected	50,270	51,186	74,817	23,631		46,033	28,784
Taxes Collected	464,383	346,444	398,484	52,040		349,443	49,041
Capital Contributions/Grants	226,856	497,354	114,343	(383,011)		655	113,688
Debt Proceeds - Line of Credit	-	400,000	-	(400,000)		-	-
Interest	34,715	24,710	34,427	9,717		23,000	11,427
Property & other taxes	648,658	1,130,025	1,624,060	494,035		1,609,478	14,582
Misc Other Incr. in Fund Resources	248,680	12,049	14,447	2,397		9,325	5,122
<b>Total Other Incr. in Fund Resources</b>	<b>1,673,562</b>	<b>2,061,768</b>	<b>2,260,578</b>	<b>198,810</b>	i	<b>2,037,934</b>	<b>222,644</b>
<b>Other Decr. In Fund Resources</b>							
Deposits & Retainage Paid	15,229	2,592	20,818	18,226		7,084	13,734
Taxes Remitted	535,575	394,284	483,945	89,662		432,316	51,629
Debt Principal & Interest	600,294	598,244	852,009	253,765		638,169	213,840
Debt Mgmt, Issuance & Misc Exp	350	9,776	59,178	49,402		800	58,378
Election Expense	-	15,674	-	(15,674)		-	-
<b>Total Other Decr. In Fund Resources</b>	<b>1,151,448</b>	<b>1,020,570</b>	<b>1,415,951</b>	<b>395,380</b>	j	<b>1,078,369</b>	<b>337,582</b>
<b>Net Other Incr./Decr. Fund Resources</b>	<b>522,114</b>	<b>1,041,198</b>	<b>844,628</b>	<b>(196,570)</b>		<b>959,565</b>	<b>(114,937)</b>
<b>Net Income/(Expense)</b>	<b>1,683,852</b>	<b>1,870,876</b>	<b>2,097,889</b>	<b>227,013</b>	k	<b>1,725,790</b>	<b>372,099</b>

**Notes:**

(a) In Qtr. I, 2020 a Bad Debt Write-off was approved by Commission and recorded in the accounting system. This is a GAAP convention, and though we are Cash Based now, we chose to reinstitute an Accounts Receivable (AR) account in the accounting system (the detailed tracking is done in the marina billing software). As such, the revenues recorded should be adjusted by any Bad Debt write-offs as well as changes in the AR balance. There have been no AR write-offs YTD 2021 and are planning one for September. There is a new line item as of April 2021 showing the Operating Revenues adjusted for YTD changes in the AR balance.

(b) Yard Revenues continue to reign strong over YTD 2020 as well as budget. Most of this increase is from the 70/75 Ton Yard Storage. Year to year comparison is up 63%, or \$192,116 and compared to budget is up 66%, or \$214,101.

(c) Point Hudson has made a rebound from last year after the beginning of the pandemic. Most of the increase is Nightly RV and Nightly Moorage revenues which represents 82%, or \$199,941, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 20% higher, or \$161,042.

(d) Operating Revenues overall increased by 19%, or \$664,531, when compared to 2020 and were 14%, or \$535,430, higher than budgeted for YTD this month.

(e) The increase in Legal & Auditing Expense this year when compared to 2020 is in part due to the final billing of the 2018 & 2019 Financial Statement and Accountability audits for approximately \$14,000 and partly due to increased Legal in 2021 due to a now resolved litigation issue. This amount is also more than budgeted by \$15,384.

(f) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$136,638, and more than Budget by \$139,545. Part of the significant jump in prior year comparisons from last month is the correction of removing "Bad Debt Expense" from 2020 because it is already reduced from Operating Revenues. Otherwise, the highest variances year to year from highest to lowest are Repair/Maintenance costs for \$67,410, Bank Charges for \$21,561, Environmental Materials/Supplies for \$16,728 and Operating Supplies for \$12,242. Bank Charges have increased due to the new software, Molo, that directs customers online to pay electronically. This is a huge plus to the Port because we receive funds more quickly, and we don't have to rely on staff to process the paper money and checks. In addition, there was difficulty getting staffed up for summer, so the increase in efficiency via electronic payments was very helpful and worth the price.

(g) Overall, Operating Expenses increased by \$240,948, or 9%, when compared to 2020 and are more than budget by \$48,394, or 2%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Legal & Auditing, Salaries/Wages, Environmental Materials/Supplies, Operating Supplies & Bank Charges. It should be kept in mind that although this appears to be a significant increase in expenses, they are more in alignment when compared to the budget with a 2% variance.

(h) Net Operating Income is more than YTD in 2020 by \$423,583, or 51%, and more than budget by \$487,036, or 64%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.

(i) The year to year variance of \$198,810 for Total Other Increases in Fund Resources is related to increased tax revenues, totaling \$494,035, but is lessened by the reduction in grant project funds of \$383,011; other increased revenues offset the difference. When compared to YTD budget, this total is more by \$222,644. Most of this is increases in grant funds not budgeted, 51% or \$113,688, and 42% of the increase is due to taxes collected for state remittance (which is based on operating revenues), property and other related taxes, as well as, revenues that tend to vary and are hard to budget - collections of lease deposits.

(j) Both the year to year and budget to actual variance for Total Other Decreases in Fund Resources, \$488,999 and \$337,582, respectively, are related to the payoff of the 2020 LTGO Bond Line of Credit (\$251,565), increased taxes paid as the result of more business (\$89,662), increased Deposits & Retainage Paid (\$18,226), and the \$49,402 increase in Debt Mgmt, Issuance & Miscellaneous Expense. The Miscellaneous Expense is the main driver with the cost of facilitating the Ecology Recycling Grant work (\$49,795).

(k) Overall, the increase of \$133,394 when comparing 2020 to 2021 for Net Income/(Expense), yet is \$372,099 more when comparing budget to actual YTD. It is important to compare to prior year, but just as important, if not more, to compare to budget because the budget is where we expect to be based on anticipated changes, increases, initiatives, etc. A significant part of this increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020 which was not anticipated in the budget.

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	September 8, 2021
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	VII.B. Resolution 752-21: Meeting Procedures – eliminate the need for seconding a motion
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	1. Info Memo 2. Draft Resolution 752-21 re Meeting Procedures

# PORT OF PORT TOWNSEND

## AGENDA MEMO

**DATE:** 9/8/2021  
**TO:** Commission  
**FROM:** Eron Berg, Executive Director  
**SUBJECT:** Proposed Amendment to the Commission's meeting procedures

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### **ISSUES**

1. Should the Commission adopt Resolution 752-21, amending the Commission's meeting procedures to eliminate the requirement of a second for motions?

### **BACKGROUND**

The Commission requested this update to the meeting procedures at a prior meeting.

### **DISCUSSION**

In an effort to give equal voice to all three commissioners, the Commission expressed a desire to eliminate the requirement for a second to motions. This is consistent with Robert's Rules of Order (i.e., standard parliamentary practice) for small boards.

The sole change to the meeting procedures is the removal of the requirement of a second under Section 5.f in Appendix A.

### **FISCAL IMPACT**

n/a

### **ATTACHMENTS**

1. Resolution 752-21 with Appendix A.

### **RECOMMENDATIONS**

1. Motion to adopt Resolution 752-21, revising the Commission's meeting procedures.

## RESOLUTION NO. 752-21

### A Resolution of the Commission of the Port of Port Townsend

#### READOPTING COMMISSION MEETING PROCEDURES

**WHEREAS,** The Port of Port Townsend did establish and approve, in public session, “Commission Meeting Procedures” by Resolution No. 42-87 dated November 18, 1987, and;

**WHEREAS,** The Port of Port Townsend did rescind Resolution No.42-87, and adopted new Commission Meeting Procedures which were more efficient and beneficial for both the Commission and participating public, by Resolution No. 326-00 on July 26, 2000, and which was subsequently amended by Resolution No. 344-01 on March 14, 2001; by Resolution No. 363-02 on February 27, 2002; by Resolution No. 367-02 on March 27, 2002; by Resolution No. 390-03 on January 22, 2003; Resolution No. 392-03 on April 9, 2003; by Resolution No. 471-06 on July 26, 2006; by Resolution No. 487-07 on April 25, 2007; by Resolution No. 532-10 on January 27, 2010; by Resolution No. 553-11 on January 12, 2011; by Resolution No. 558-11 on March 23, 2011; by Resolution No. 561-11 on June 8, 2011; by Resolution No. 594-13 on May 8, 2013; Resolution No. 604-14 on January 22, 2014; by Resolution 624-15 on January 14, 2015; Resolution No. 639-16 on January 27, 2016; by Resolution No. 654-17 on January 11, 2017; Resolution No. 674-18 on January 24, 2018; by Resolution No. 675-18 on February 28, 2018; by Resolution No. 695-19 on January 24, 2019; by Resolution No. 714-20 on January 22, 2020; and by Resolution 742-21 on January 13, 2021; and

**WHEREAS,** the Port Commission wishes to modify the meeting procedures as noted in Appendix A, established on January 13, 2021, via Resolution No. 742-21.

**NOW, THEREFORE BE IT HEREBY RESOLVED** by the Port Commission of the Port of Port Townsend, that Resolution No. 742-21 shall be rescinded, and the Commission Meeting Procedures, as shown in the attached “Appendix A”, shall be adopted in their place.

**ADOPTED** this 8<sup>th</sup> day of September 2021, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

#### 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

APPROVED AS TO FORM:

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Port Attorney

**APPENDIX A to Resolution 752-21**  
**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, 694-19, 714-20 and 742-21. Any changes or deletions will require an amendment to the Resolution.

**COMMISSION MEETINGS**

**TIME AND LOCATION OF MEETINGS**

1. Effective January 13, 2021, with the exceptions 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's Pavilion Building, 355 Hudson Street, Port Townsend, Washington, 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 Thanksgiving, the 2<sup>nd</sup> meeting in November shall be held on Tuesday, November 23, 2021 at 1:00 P.M. There is no regular meeting scheduled for the 2<sup>nd</sup> Wednesday in July, August or December.

**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
  - V. Special Guests & Presentations
  - VI. Second Reading (Action Items)
  - VII. First Reading (Discussion Only)
  - VIII. Regular Business
  - IX. Staff Comments
  - X. Commissioner Comments
  - XI. Next Meeting
  - XII. Executive Session, (If any)
  - XIII. Adjournment
2. All matters which, in the judgment of the Commission, are of a legislative character 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. 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;
  - 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; and
  - d. Rules governing written and spoken input from members of the public for business meetings will not apply to workshops, but public comment may be invited.
4. Organization of Regular Business Meetings:
  - a. A Call to Order will begin with the Pledge of Allegiance.
  - b. The meeting agenda shall be approved at the beginning of the meeting.
  - c. Minutes will record topics discussed and actions taken either in written and/or audio format.
  - d. Any information to be presented before the Commission for consideration will be made available 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. Presentations will be allowed by any 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 a Commissioner, significant information has been presented to the Commission which was not made available to the public in advance, or upon the request of a Commissioner to hear from the public on a particular agenda item or topic, public comment may be allowed 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 meeting 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 advance 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, meeting minutes, lease amendments, contracts and items that have already come before the Commission.

Examples of items considered as "Regular Business" include monthly financial reports, 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.

- 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 Port

customers or members of the public shall be voted on no sooner than the immediate next regular business meeting following introduction of the proposal. The introduction of a proposal at a Commission meeting is the “first reading” and any subsequent meeting where the proposal is considered is the “second reading”. This requirement may be waived by a unanimous vote of the Commission.

\*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.~~  
Motions do not require a second.
- 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.

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.

## **MINUTES**

- 1. Additions 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**

Voucher 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 official meetings of the district and for other official services or duties on behalf of the district up to the maximum rate allowed in accordance with RCW 53.12.260.

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	September 8, 2021
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
<b>AGENDA TITLE</b>	Informational Items
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. New Lease Briefing</li> <li>2. Commission Contracts Update</li> <li>3. July YTD Detailed Report</li> </ol>

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** September 1, 2021  
**TO:** Commissioners  
**FROM:** Sue Nelson, Lease & Contracts Administrator  
**SUBJECT:** September 8, 2021, Commission Meeting: Lease Briefing

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### New Agreements:

- Quilcene Village Store – 1-year lease for exclusive use of an entire kayak rack and the land it sits on at the Herb Beck Marina in Quilcene

### Leases Soon to Expire:

- Sunrise Coffee, exp. 9/30/21. Received their 90-day notice to negotiate a new lease agreement. Proposed Term Sheet provided for a 10-year, plus two 5-year options. If a new lease has not been negotiated and approved by September 30, 2021, per their current lease agreement, they will roll into “holdover” status and rent would increase 125% on October 1, 2021. *A meeting has been scheduled for 9/2/21 to discuss lease terms.*
- Blue Moose Café, exp. 10/31/21. Received 90-day notice to negotiate a new lease. Proposed Term Sheet was provided for a 5-year with one 5-year option. If a new lease has not been negotiated and approved by October 31, 2021, per their current lease agreement, they roll into “holdover” status and rent increases 125% on November 1, 2021. *Kettles are reviewing terms and will contact me later.*
- Rubicon Yachts, exp. 11/30/21. Received their 90-day notice to negotiate a new lease. Mr. Miner requests a 1-year lease, as business has been a bit slow in Port Townsend. Permission was granted to offer Rubicon a 1-year lease, effective 12/1/21. Rubicon invested quite a bit in the remodel of the building (former moorage office, 2601 Washington) so they would like to keep it going.
- Jeffco Hangar Associates, exp. 11/30/21. 90-day notice provided to negotiate a new lease. Proposed Term sheet provided to tenant, and their board is reviewing. Proposed term is 10-year with one 10-year option, dependent on specified capital improvements to be performed by the tenant within a 5-year timeframe and performing required maintenance of adjoining ramps and aprons. *Meeting scheduled for 9/10/21 to discuss lease terms.*
- Marina Café, exp. 12/31/21. Ms. Takaki provided notice a year or so ago, that she would like a new lease upon expiration of her current one. Term sheet provided to Ms. Takaki for a 5-year lease, beginning January 1, 2022. Current rent for the Café has been based on the industrial rate. The new lease recategorizes the building space to retail/commercial, increasing the rent. Rent will be stepped. Beginning October 1, Ms. Takaki will be renting land for outdoor dining.

**Expired Lease:**

Johnson Fabrication lease expired July 1, 2021. A Term Sheet was provided to Mr. Johnson on August 3, 2021, for a month-to-month rental. His current lease was written for 750 square feet, and he has expanded the premises without authorization. The proposed terms are for the actual space occupied; however, the occupied space has increased dramatically, increasing the rent substantially. Mr. Johnson had been informed previously that the Port would be re-measuring his space and he was offered opportunities to consolidate space. The proposed rent is a bit lower than the low end of the industrial rate, due to the deteriorated building condition, (poor roof).

Mr. Johnson met with Mr. Toews and I on 9/1/21 to discuss the terms. A one-year lease was verbally agreed to, giving the Port the authority to terminate with 120 days' notice if the premises is needed for public or private use. Mr. Johnson was also advised to begin looking for a new location due to the deteriorated building condition. Signing of the Lease will occur on September 7, 2021, as Mr. Johnson was leaving town this afternoon and would be returning September 6.

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** September 2, 2021

**TO:** Commissioners

**FROM:** Sue Nelson, Lease & Contracts Administrator

**CC:** Eron Berg, Executive Director

**SUBJECT:** **September 8, 2021 Commission Meeting** – Commission Update: New/Amended Contracts Under \$50,000, Approved by Executive Director Eron Berg, per Delegation of Authority Resolution No. 746-21

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Name	Dates	Description	Amount Not to Exceed:
Cowling & Co., LLC d/b/a Widener & Assoc.	7/27/2021–7/31/2023	FEMA procedures & documentation services for damaged infrastructure	\$33,240.00
Terrapin Architecture, PC	Exp. <del>3/31/22</del> 6/30/22	Amend #1-PH buildings- design & permitting: Date extension & incr. amount	<del>\$10,000.00</del> \$20,000.00

**Port of Port Townsend**  
**2021 Summary of Fund Resources & Uses with Comparison to Prior 2 Years and Budget**

	YTD July 2019	YTD July 2020	YTD July 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
<b>REVENUES</b>							
PTBH - Permanent Moorage	667,508	721,680	710,709	(10,971)		714,835	(4,126)
PTBH - Liveaboard Fee	13,322	15,629	13,114	(2,515)		15,069	(1,955)
PTBH - Liveaboard Background Check	-	-	60	60		-	60
PTBH - Work Float/Lift Pier Usage	6,630	1,788	11,105	9,317		2,884	8,221
PTBH - Monthly Guest	191,063	166,054	140,001	(26,054)		178,962	(38,961)
PTBH - Nightly Guest	150,354	110,031	165,777	55,746		101,406	64,371
PTBH - Electric	66,118	63,380	62,282	(1,099)		63,933	(1,651)
PTBH - Miscellaneous Revenue	9,130	8,505	14,411	5,906		7,688	6,723
PTBH - Showers	6,157	5,002	4,954	(48)		5,662	(708)
PTBH - Restroom Key Fobs	850	260	140	(120)		404	(264)
PTBH - Laundry	3,644	3,406	4,330	923		3,503	827
PTBH - Kayak Racks	-	-	54	54		-	54
PTBH - Promotional Sales	481	107	183	76		213	(30)
PTBH - Port Labor	-	97	1,310	1,213		68	1,242
Reduction for Bad Debt Write-off	(5,469)	(5,523)	-	5,523		-	-
Boat Haven Moorage	1,109,788	1,090,417	1,128,428	38,011	a	1,094,627	33,801
Yard - 70/75 Ton Hoist Revenue	203,163	164,417	207,687	43,270		186,479	21,208
Yard - 70/75 Ton Yard Revenue	361,120	373,961	566,077	192,116		351,976	214,101
Yard - 70/75 Ton Yard Enviro Fee	22,600	33,425	45,805	12,380		27,971	17,834
Yard - 70/75 Ton Yard Electric	191	22,509	25,546	3,037		20,602	4,944
Yard - 70/75 Ton Yard Port Labor	-	6,141	2,559	(3,582)		409	2,150
Yard - 300 Ton Hoist Revenue	115,933	127,641	137,181	9,540		125,798	11,383
Yard - 300 Ton Yard Revenue	251,011	254,654	275,845	21,191		224,799	51,046
Yard - 300 Ton Yard Enviro Fee	3,680	10,600	7,786	(2,814)		10,206	(2,420)
Yard - 300 Ton Yard Electric	29,148	30,310	30,325	14		28,997	1,328
Yard - 300 Ton Yard Port Labor	-	3,465	2,038	(1,428)		2,546	(509)
Yard - L/T Storage	41,029	52,407	45,003	(7,403)		42,194	2,809
Yard - Blocking Rent	20,201	23,856	28,003	4,147		26,883	1,120
Yard - Off Port Property Tarp Fee	1,245	2,674	925	(1,749)		1,809	(884)
Yard - Washdown Revenue	49,820	50,458	52,307	1,849		49,651	2,656
Yard - Bilge Water Revenue	5,242	2,769	863	(1,906)		2,782	(1,919)
Yard - Liveaboard Fee	538	1,504	2,002	498		1,113	889
Yard - Enviro Violations & Clean up	-	2,977	1,100	(1,877)		1,773	(673)
Yard - Miscellaneous Revenue	10,642	3,657	-	(3,657)		1,014	(1,014)
Yard - Garbage	648	-	-	-		-	-
Reduction for Bad Debt Write-off	(80)	(42,746)	-	42,746		-	-
Yard Operations	1,116,130	1,124,679	1,431,052	306,373	a, b	1,107,002	324,050
PTBH Prop - Lease Revenue	383,031	379,684	431,341	51,657		404,032	27,309
PTBH Prop - Fuel Dock Lease	10,405	10,109	9,802	(306)		10,600	(798)
PTBH Prop - Other Util, Wtr, Swr, Garbg	15,238	14,376	15,365	989		12,307	3,058
PTBH Prop - Stormwater Fees	4,926	7,170	5,709	(1,461)		6,407	(698)
PTBH Prop - Storage Unit Revenue	5,452	5,118	6,357	1,239		4,496	1,861
PTBH Prop - Electric	1,573	628	2,819	2,190		2,606	213
PTBH Prop - Miscellaneous	-	-	100	100		-	100
Reduction for Bad Debt Write-off	-	(479)	-	479		-	-
Boat Haven Properties	420,626	416,606	471,493	54,887	a	440,448	31,045
Pt Hudson - Permanent Moorage	81,754	81,154	93,040	11,886		85,306	7,734
Pt Hudson - Monthly Guest	70,590	80,671	71,667	(9,004)		74,708	(3,041)



Pt Hudson - Nightly Guest	124,968	89,770	144,265	54,495		112,673	31,592
City Pier & Union Wharf Usage	8,956	1,416	5,004	3,589		2,527	2,477
Pt Hudson - Monthly R.V.	45,639	53,155	47,261	(5,894)		43,501	3,760
Pt Hudson - Nightly R.V.	197,685	100,789	246,235	145,446		172,768	73,467
Pt Hudson - Kayak Racks	7,635	8,507	10,334	1,827		8,846	1,488
Pt Hudson - Electric	18,700	19,757	19,572	(186)		19,551	21
Pt Hudson - Reservation Fee	25,450	19,372	25,397	6,025		19,022	6,375
Pt Hudson - Liveaboard Fee	3,658	4,288	5,424	1,136		4,128	1,296
Pt Hudson - Liveaboard Backgrnd Ck	-	180	120	(60)		-	120
Pt Hudson - Showers	4,744	3,367	3,932	565		3,865	67
Pt Hudson - Laundry	6,151	5,524	6,202	677		5,741	461
Pt Hudson - Passenger Fee	5,382	429	4,604	4,174		1,449	3,155
Pt Hudson - Miscellaneous	1,401	2,569	1,368	(1,201)		425	943
Pt Hudson - Promotional Sales	620	267	411	144		380	31
Pt Hudson - Building Leases	206,155	223,197	244,586	21,390		221,893	22,693
Pt Hudson - Property Utility Reimb	24,518	19,745	18,244	(1,501)		20,965	(2,721)
Pt Hudson - Event Facility Rev	900	185	379	194		-	379
Pt Hudson - Parking	6,173	1,687	12,592	10,905		1,845	10,747
Pt Hudson - Port Labor	-	67	-	(67)		-	-
Pt Hudson - Enviro Clean up	-	212	-	(212)		-	-
Reduction for Bad Debt Write-off	(3,159)	(26)	-	26		-	-
Pt. Hudson Marina, RV & Prop	837,920	716,283	960,635	244,352	a, c	799,593	161,042
Quilcene - Permanent Moorage	27,452	31,817	39,364	7,547		30,927	8,437
Quilcene - Monthly Moorage	316	-	-	-		-	-
Quilcene - Liveaboard Fee	293	2,064	2,024	(40)		1,563	461
Quilcene - Nightly Moorage	2,833	1,444	1,488	44		1,525	(37)
Quilcene - Showers	1,821	2,145	1,651	(494)		1,780	(129)
Quilcene - Electric	845	1,909	2,884	976		1,698	1,186
Quilcene - Reservations	630	28	275	247		352	(77)
Quilcene - Recreational Ramp Fees	8,525	7,771	8,002	231		7,084	918
Quilcene - Commercial Use Fees	2,400	1,416	-	(1,416)		1,718	(1,718)
Quilcene - Empty Trailer Storage	-	-	130	130		-	130
Quilcene - Miscellaneous Revenue	-	-	410	410		45	365
Quilcene - Lease Revenue	36,114	37,270	38,202	932		40,485	(2,283)
Quilcene - Water	8,458	8,024	7,483	(541)		7,483	(0)
Quilcene - Fuel Sales	11,089	4,291	-	(4,291)		-	-
Quilcene	100,775	98,178	101,912	3,734		94,660	7,252
Ramp Fees	34,808	36,829	33,674	(3,155)		34,617	(943)
PTBH Ramp - Commercial Use Fees	4,100	2,383	7,682	5,298		2,427	5,255
PTBH Ramp - Dinghy Float Revenue	1,960	1,040	854	(186)		787	67
Ramp Fees - Failure to Pay	450	-	-	-		-	-
Ramps	41,318	40,252	42,210	1,957		37,831	4,379
JCIA - Lease Revenue	67,896	64,424	68,261	3,838		68,068	193
JCIA - Hangar Revenue	15,986	18,993	19,878	885		19,337	541
JCIA - Vehicle Parking Revenue	342	444	241	(203)		497	(256)
JCIA - Aircraft Parking	831	1,293	490	(803)		1,190	(700)
JCIA - Fuel Lease Revenue	1,435	630	1,113	483		1,116	(3)
JCIA - Electric	1,078	988	804	(184)		939	(135)
JCIA - Miscellaneous Revenue	530	-	5,533	5,533		79	5,454
Jeff. County Int'l Airport	88,098	86,772	96,320	9,548		91,226	5,094
(Increase)/Decrease in Accts. Receivable	58,757	(36,901)	(31,232)	5,669	a	-	(31,232)
<b>Total Revenues</b>	<b>3,773,413</b>	<b>3,536,286</b>	<b>4,200,817</b>	<b>664,531</b>	<b>d</b>	<b>3,665,387</b>	<b>535,430</b>
<b>EXPENSES</b>							
Salaries & Wages	1,172,588	1,302,702	1,349,179	46,478		1,370,764	(21,584)

Payroll Taxes	129,021	137,203	137,732	529		146,228	(8,496)
Employee Benefits	380,845	486,944	482,215	(4,729)		515,910	(33,695)
Uniform Expense	3,962	4,279	3,452	(828)		5,262	(1,810)
Contract Services	157,014	140,427	141,431	1,003		174,840	(33,409)
Consulting Services	48,249	-	-	-		-	-
Legal & Auditing	75,526	12,762	54,326	41,564	e	38,942	15,384
Insurance	547	1,199	(769)	(1,968)		-	(769)
Office/Computer Supplies	7,213	2,774	12,329	9,554		3,904	8,425
Operating Supplies	50,417	34,831	47,073	12,242		49,111	(2,038)
Enviro Materials/Supplies	2,115	20,028	36,756	16,728		14,900	21,856
Tarp Pool Expense	15,965	13,460	16,297	2,837		17,000	(703)
Empl Recog/Relations	738	184	1,907	1,723		1,087	820
Publications	95	-	-	-		-	-
Postage	2,492	2,711	3,003	293		2,863	140
Janitorial Supplies	15,216	13,942	15,688	1,746		14,479	1,209
Fuel & Lubricants	18,634	13,002	20,568	7,566		14,177	6,391
Permits & Licenses	4,085	1,985	2,490	505		3,900	(1,410)
Equipment Rental	-	1,722	5,240	3,517		2,451	2,789
Claims & Damages	-	-	-	-		700	(700)
Membership & Dues	12,277	15,334	17,917	2,583		17,954	(37)
Bank Charges	46,240	48,531	70,091	21,561		50,051	20,040
Excise Tax	14,094	10,363	15,398	5,035		13,234	2,164
Miscellaneous Expense	660	19,585	2,925	(16,661)		870	2,055
Repair & Maintenance Supplies	56,361	71,623	139,034	67,410		60,489	78,545
Facilities & Operations	246,602	270,076	406,714	136,638	f	267,170	139,545
Utilities	331,563	305,511	334,361	28,850		340,577	(6,216)
Advertising (Legal 2018)	4,658	3,491	2,866	(625)		2,988	(122)
Marketing	17,432	23,099	27,564	4,466		25,839	1,725
Promotion	13,570	1,867	2,837	970		1,600	1,237
Marketing	35,660	28,457	33,268	4,811		30,427	2,841
Travel & Training	19,950	8,517	1,800	(6,716)		7,544	(5,744)
Cost of Goods - Fuel	10,113	2,035	-	(2,035)		-	-
Community Relations	35	6,496	3,847	(2,649)		1,500	2,347
<b>Total Expenses</b>	<b>2,611,675</b>	<b>2,706,608</b>	<b>2,947,557</b>	<b>240,948</b>	g	<b>2,899,163</b>	<b>48,394</b>
<b>Net Operating Income (Loss)</b>	<b>1,161,737</b>	<b>829,678</b>	<b>1,253,261</b>	<b>423,583</b>	h	<b>766,224</b>	<b>487,036</b>
<b>Other Increases in Fund Resources</b>							
Yard Deposits Collected	1,000	7,939	22,781	14,841		8,110	14,671
PTBH Prop Lease Deposits Collected	10,264	18,548	14,524	(4,023)		11,672	2,852
PH Prop Lease Deposits Collected	6,913	4,248	12,904	8,657		2,800	10,104
JCIA Prop Lease Deposits Collected	399	-	3,345	3,345		-	3,345
PH Marina/RV Deposits Collected	31,694	20,452	21,264	811		23,451	(2,187)
Deposits & Retainage Collected	50,270	51,186	74,817	23,631		46,033	28,784
Sales Tax Collected	48,789	35,980	55,881	19,902		35,800	20,081
Leasehold Tax Collected	411,560	308,407	337,415	29,008		310,093	27,322
Hotel/Motel Tax Collected	4,034	2,057	5,188	3,131		3,550	1,638
Taxes Collected	464,383	346,444	398,484	52,040		349,443	49,041
Grants - FAA	212,587	376,547	37,546	(339,001)		-	37,546
Grants - Indirect FEMA (Jeff. County)	-	-	8,494	8,494		-	8,494
Grants - WSDOT - JCIA	-	8,014	105	(7,908)		655	(550)
Grants - Washington State	14,270	-	68,198	68,198		-	68,198
Grants - Jefferson County	-	112,794	-	(112,794)		-	-
Capital Contributions/Grants	226,856	497,354	114,343	(383,011)		655	113,688
Debt Proceeds - Line of Credit	-	400,000	-	(400,000)		-	-

ARRA Bond Interest Subsidy	16,388	16,441	32,951	16,511		16,000	16,951
Investment Interest	18,327	8,269	1,476	(6,793)		7,000	(5,524)
Interest	34,715	24,710	34,427	9,717		23,000	11,427
Operating Tax Levy	578,584	595,688	613,345	17,657		613,972	(627)
IDD Tax Levy	-	491,708	982,328	490,620		966,361	15,967
State Forest Revenues	36,662	22,637	2,503	(20,134)		14,000	(11,497)
State Timber Excise Tax	31,135	15,290	20,592	5,302		11,000	9,592
Leasehold Excise Tax	2,277	4,703	5,292	589		4,145	1,147
Property & other taxes	648,658	1,130,025	1,624,060	494,035		1,609,478	14,582
Insurance Recovery	-	8,309	-	(8,309)		-	-
Finance Charges	16,220	3,403	11,114	7,711		8,750	2,364
Other Non-Operating Revenues	232,460	337	3,333	2,996		575	2,758
Misc Other Incr. in Fund Resources	248,680	12,049	14,447	2,397		9,325	5,122
<b>Total Other Incr. in Fund Resources</b>	<b>1,673,562</b>	<b>2,061,768</b>	<b>2,260,578</b>	<b>198,810</b>	i	<b>2,037,934</b>	<b>222,644</b>
<b>Other Decr. In Fund Resources</b>							
Retainage Paid	3,858	-	3,906	3,906		1,000	2,906
Yard Deposits Returned	-	-	3,080	3,080		1,523	1,557
PTBH Prop Lease Deposits Returned	2,580	-	10,945	10,945		-	10,945
PH Prop Lease Deposits Returned	-	710	2,886	2,176		1,061	1,825
JCIA Prop Lease Deposits Returned	379	-	-	-		-	-
PH Deposits Refunded or Applied	8,412	1,883	-	(1,883)		3,500	(3,500)
Deposits & Retainage Paid	15,229	2,592	20,818	18,226		7,084	13,734
Sales Tax Remitted	41,571	29,116	47,995	18,879		30,300	17,695
Leasehold Tax Remitted	490,978	364,007	432,146	68,139		399,316	32,830
Hotel/Motel Tax Remitted	3,026	1,161	3,804	2,643		2,700	1,104
Taxes Remitted	535,575	394,284	483,945	89,662		432,316	51,629
Interest Exp - 2010 LTGO Bond	98,919	93,619	87,719	(5,900)		87,719	-
Principal Pmt - 2015 LTGO Rfdg Bond	450,000	460,000	475,000	15,000		475,000	-
Interest Exp - 2015 LTGO Rfdg Bond	51,375	44,625	37,725	(6,900)		75,450	(37,725)
Principal Pmt - 2020 Line of Credit	-	-	250,000	250,000		-	250,000
Interest Exp - 2020 Line of Credit	-	-	1,565	1,565		-	1,565
Debt Principal & Interest	600,294	598,244	852,009	253,765		638,169	213,840
Debt Management Fees	-	-	-	-		500	(500)
Debt Issue Costs	-	9,500	9,300	(200)		-	9,300
Investment Fees	350	276	83	(193)		300	(217)
Other Non-Oper Exp	-	-	49,795	49,795		-	49,795
Debt Mgmt, Issuance & Misc Exp	350	9,776	59,178	49,402		800	58,378
Election Expense	-	15,674	-	(15,674)		-	-
<b>Total Other Decr. In Fund Resources</b>	<b>1,151,448</b>	<b>1,020,570</b>	<b>1,415,951</b>	<b>395,380</b>	j	<b>1,078,369</b>	<b>337,582</b>
<b>Net Other Incr./Decr. Fund Resources</b>	<b>522,114</b>	<b>1,041,198</b>	<b>844,628</b>	<b>(196,570)</b>		<b>959,565</b>	<b>(114,937)</b>
<b>Net Income/(Expense)</b>	<b>1,683,852</b>	<b>1,870,876</b>	<b>2,097,889</b>	<b>227,013</b>	k	<b>1,725,790</b>	<b>372,099</b>

**Notes:**

(a) In Qtr. I, 2020 a Bad Debt Write-off was approved by Commission and recorded in the accounting system. This is a GAAP convention, and though we are Cash Based now, we chose to reinstitute an Accounts Receivable (AR) account in the accounting system (the detailed tracking is done in the marina billing software). As such, the revenues recorded should be adjusted by any Bad Debt write-offs as well as changes in the AR balance. There have been no AR write-offs YTD 2021 and are planning one for September. There is a new line item as of April 2021 showing the Operating Revenues adjusted for YTD changes in the AR balance.

(b) Yard Revenues continue to reign strong over YTD 2020 as well as budget. Most of this increase is from the 70/75 Ton Yard Storage. Year to year comparison is up 63%, or \$192,116 and compared to budget is up 66%, or \$214,101.

(c) Point Hudson has made a rebound from last year after the beginning of the pandemic. Most of the increase is Nightly RV and Nightly Moorage revenues which represents 82%, or \$199,941, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 20% higher, or \$161,042.

(d) Operating Revenues overall increased by 19%, or \$664,531, when compared to 2020 and were 14%, or \$535,430, higher than budgeted for YTD this month.

(e) The increase in Legal & Auditing Expense this year when compared to 2020 is in part due to the final billing of the 2018 & 2019 Financial Statement and Accountability audits for approximately \$14,000 and partly due to increased Legal in 2021 due to a now resolved litigation issue. This amount is also more than budgeted by \$15,384.

(f) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$136,638, and more than Budget by \$139,545. Part of the significant jump in prior year comparisons from last month is the correction of removing "Bad Debt Expense" from 2020 because it is already reduced from Operating Revenues. Otherwise, the highest variances year to year from highest to lowest are Repair/Maintenance costs for \$67,410, Bank Charges for \$21,561, Environmental Materials/Supplies for \$16,728 and Operating Supplies for \$12,242. Bank Charges have increased due to the new software, Molo, that directs customers online to pay electronically. This is a huge plus to the Port because we receive funds more quickly, and we don't have to rely on staff to process the paper money and checks. In addition, there was difficulty getting staffed up for summer, so the increase in efficiency via electronic payments was very helpful and worth the price.

(g) Overall, Operating Expenses increased by \$240,948, or 9%, when compared to 2020 and are more than budget by \$48,394, or 2%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Legal & Auditing, Salaries/Wages, Environmental Materials/Supplies, Operating Supplies & Bank Charges. It should be kept in mind that although this appears to be a significant increase in expenses, they are more in alignment when compared to the budget with a 2% variance.

(h) Net Operating Income is more than YTD in 2020 by \$423,583, or 51%, and more than budget by \$487,036, or 64%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.

(i) The year to year variance of \$198,810 for Total Other Increases in Fund Resources is related to increased tax revenues, totaling \$494,035, but is lessened by the reduction in grant project funds of \$383,011; other increased revenues offset the difference. When compared to YTD budget, this total is more by \$222,644. Most of this is increases in grant funds not budgeted, 51% or \$113,688, and 42% of the increase is due to taxes collected for state remittance (which is based on operating revenues), property and other related taxes, as well as, revenues that tend to vary and are hard to budget - collections of lease deposits.

(j) Both the year to year and budget to actual variance for Total Other Decreases in Fund Resources, \$488,999 and \$337,582, respectively, are related to the payoff of the 2020 LTGO Bond Line of Credit (\$251,565), increased taxes paid as the result of more business (\$89,662), increased Deposits & Retainage Paid (\$18,226), and the \$49,402 increase in Debt Mgmt, Issuance & Miscellaneous Expense. The Miscellaneous Expense is the main driver with the cost of facilitating the Ecology Recycling Grant work (\$49,795).

(k) Overall, the increase of \$133,394 when comparing 2020 to 2021 for Net Income/(Expense), yet is \$372,099 more when comparing budget to actual YTD. It is important to compare to prior year, but just as important, if not more, to compare to budget because the budget is where we expect to be based on anticipated changes, increases, initiatives, etc. A significant part of this increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020 which was not anticipated in the budget.