



**Port of Port Townsend
1st Monthly Meeting Agenda
Wednesday, December 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
 - II. Approval of Agenda
 - III. Public Comments
 - IV. Consent Agenda
 - A. Approval of Business Meeting Minutes from November 23, 2021 1-5
 - B. Approval & Ratification of Warrants 6-11
 - V. Special Presentations:
 - A. Outgoing Commissioner William W. Putney III 12
 - B. 20-year anniversary for Port staff: Sue Nelson, Lease & Contracts Administrator ... 13
 - VI. Second Reading: none
 - VII. First Reading: none
 - VIII. Regular Business
 - A. October Year-to-date Financial Report 14-18
 - B. Quilcene Report Out 19
 - C. Potential Award of HVAC Contract for Point Hudson Pavilion Building 20-23
 - IX. Staff Comments
 - X. Commissioner Comments
 - XI. Next Public Workshop & Regular Business Meeting: January 12, 2022, Workshop at 9:30 a.m. and Meeting at 1:00 p.m.
 - XII. Executive Session – *none as of 12/3/21*
 - XIII. Adjournment
-
- Informational Items: 24
- Lease Briefing 25
 - Detailed October year-to-date Financials 26-30

PORT COMMISSION REGULAR BUSINESS MEETING – Tuesday, November 23, 2021

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

Present via Zoom online video: Commissioners Hanke, Petranek and Putney
Executive Director Berg
Deputy Director Toews
Finance Director & Port Auditor Berg
Director of Capital Projects and Port Engineer Klontz
Port Recorder Erickson
Port Attorney Woolson

- I. CALL TO ORDER (00:00:02)
Commissioner Hanke called the meeting to order at 5:30 p.m.
- II. APPROVAL OF AGENDA (00:00:26)
Commissioner Putney moved to accept the agenda and motion passed by unanimous vote.
- III. PUBLIC COMMENTS (00:00:51)
Fred Nussbaum sent an open letter to the City of Port Townsend, Jefferson County PUD #1 and Port of Port Townsend regarding Sims Way Trees, saying the reasons for cutting them down are baseless.
- IV. CONSENT AGENDA (00:02:06)
 - A. Approval of Workshop & Business Meeting Minutes from November 10, 2021, and Special Meeting Minutes from November 18, 2021 ICG meeting.
 - B. Approval & Ratification of Warrants
Warrant #064472 through #064476 in the amount of \$10,051.78 and Electronic Payment in the amount of \$88,915.59 for Payroll & Benefits.
Warrant #064477 through #064522 in the amount of \$85,997.06 for Accounts Payable.
Electronic Debit in the amount of \$11,428.19 to Dept. of Revenue Combined Excises Tax Return.
 - C. Resolution 759-21 authorizing submission of an application for a Community Economic Revitalization Board (CERB) grant
 - D. Ratification of purchase and sale agreement**Commissioner Putney moved to accept the Consent Agenda as presented.**
Commissioners commented on the purchase of about an acre of land adjacent to the Larry Scott Trail.
Executive Director Berg commented that Port maintenance staff had been keeping it mowed.
Vote was called and motion carried by unanimous vote.
- V. SECOND READING: LEGISLATIVE PRIORITIES (00:03:40)
Commissioner Petranek said that she was excited about the third item regarding the derelict vessel removal program, which consists of 2 parts: 1) removal and deconstruction and 2) the opportunity to get funding for recycling. She said that there is a lot of interest in the community to keep this in a closed loop – not only deconstruction but also salvaging and recycling parts. She said the Port of Ilwaco has a recycling program and has a building partially funded by a DNR-sponsored project for “rural area economic development and environmental protection”, and she thought this was a possible avenue for the Port next year.
Commissioner Petranek moved to approve the 2022 Legislative Agenda for the Port of Port Townsend. Motion was approved unanimously.
- VI. FIRST READING ~ NONE
- VII. REGULAR BUSINESS
 - A. Quilcene Report Out (00:06:35)
Executive Director Berg said he’d let his written report suffice and introduced two participants (Sharon Redmon & Ron Jones) to report out from the meeting, where 25 people from the Quilcene community attended the in-person meeting that he thought was positive and creative. He said they all planned to meet again in Quilcene on December 7.

Ron Jones reported a significant amount of distrust and feelings of unkept promises and a marina that has not received the support it is due. He said meetings like the one on November 16 go a long way towards repairing these feelings, and there is a lot of interest on the part of Quilcene citizens to help however they can. Significant concerns were: to keep the beach public property, and to allow the yacht club to continue to operate. He said proposed solutions (staff addressed some immediate concerns at the meeting) were: a proposal for online fee collection for some services, private/public projects with Pacific Seafood to improve the condition of the Port's property, and a campaign to increase Quilcene resident's knowledge of resources at the marina in order to increase utilization and thereby justify improvements to the marina.

Sharon Redmon said the community really appreciated the Port staff coming down and thought it was nice to have the community together in person. She reported that Quilcene citizens feel that maintenance has been neglected and would like it to be brought up to a level that is sustainable moving forward, with a plan that incorporates the triple bottom line (economic development, social impact on the community, and environmental impact). She said another important issue was making sure that the community has access to the bathrooms, especially during the summer months. She added that the community appreciates staff coming to their community to speak with them about these issues.

Commissioner Hanke asked if it was more productive to have Port staff meet without commissioners. He said he would like to meet in Quilcene when possible to do so in person, but it seemed that the meetings are more effective at this point when only staff are there. Ron Jones said the point of these meetings was to come up with a long-range plan to propose to the commissioners, and the less the commission is involved until they have something to share, the better. He felt it would be far more beneficial to meet when there was a finished product to discuss.

Commissioner Putney felt that informal meetings with staff are better than the formal meetings with Commission with all the rules about how the meetings are to be run. He asked if there were another venue that would be available that is big enough for a larger, more spread-out crowd, for a future in-person Port Commission meeting in Quilcene. Sharon Redmon said that her husband Frank is the superintendent of the Quilcene School District, and he is willing to open up the Multi-Purpose Room to the community; it is larger than the Community Center and their internet is good. She said that she agreed that the more formal meetings can create anxiety in the community and suggested that before you meet with the community, that the commission should have some action items that can be pointed to as being done – these successes would go a long way in a meeting.

Commissioner Petranek thought that these informal meetings allowed more time for the community voices to be heard and thought that ideally these meetings would create some action items for the commission and then meet again, give feedback and more action items, etc.

Ron Jones agreed that a future meeting with the commission would be welcomed, but it would be better to have a list of accomplishments to share at that meeting. He said he'd been working with Deputy Director Toews on grant opportunities.

Commissioner Petranek referred to the November 16 agenda item III. A. Develop a Long-term Vision for the Facility, and B. Identify Actions to Improve the Facility, and asked if that was done at the meeting or if that was still being worked on. Ron Jones said that they had addressed a few immediate action items, and started fleshing out some of the longer-term items. He felt that if the next meeting came with a hard list of things to be actively addressed now as well as a list of longer-term items, it would increase the productivity of the meeting even more than the earlier meeting. Sharon Redmon said one hot topic was dredging and coming to the table with some ideas was important, because the community members know what they want, but don't have the technical expertise about how these things get done.

Executive Director Berg said that hopefully they had received his email that he sent addressing many issues that came up during the Nov. 16 meeting and said that many items would have a multi-layered approach, but they all need to start with mutual understanding. He said one of the lowest hanging fruits was addressing the parking lot issue and reported that gravel had been delivered that day. He had also shared lease and maintenance requests and he said he would keep addressing these. He said it was

important to have these meetings and together create a plan that would guide the Port's development of the Quilcene facility in the future and work towards shared goals with the community.

B. IDD Quarterly Report (00:36:01)

Finance Director Berg said this was the third quarter IDD Report, which included year-to-date (YTD) activity as of September 30, the activity for this year's levy receipts, capital expenditures that were approved by the Commission, and a YTD balance of the reserve as it stands as of November 17, 2021. She reminded commission that since this is a September report, it is before October activity, which is a big property-tax receipt month.

Commissioner Hanke asked whether the Balance of IDD Reserve Account as of November 17, 2021, was actually as of September 30. Ms. Berg answered that it was as of September 30, less the amount that was transferred in November for IDD reconciliation as of September.

Commissioner Petranek noted that the report was very clear and thanked Ms. Berg.

C. Capital Projects Quarterly Report (00:38:32)

Port Engineer Klontz said he was thankful for all the good work that happened before he arrived and wanted to acknowledge Mike Love for his work in getting the Port to these project successes. He spoke of the successful Public Infrastructure Fund (PIF) grant for \$1 M for the joint City/Port/PUD Sims Gateway Project and boatyard expansion project, and said the project is proceeding. He reported that there would be a public meeting on December 15 to continue the conversation and said that this was a time for the community to help provide input on a public engagement process to look at the aesthetics of the corridor (plantings, what the boatyard fence will look like, etc.).

Mr. Klontz then gave a short Capital Project Update to highlight current projects--a snapshot of where the Port is today. He said that there were many projects currently underway: much progress has been made on the Pavilion Building remodel and the Port is targeting January to begin HVAC work.

Commissioner Putney asked if there were discussions about what kind of events would be held there besides Commission Meetings. Executive Director Berg replied that Commission meetings were the primary driver of it being a public space for Port use; in addition, it would be a really creative space for public engagement, including other government partners (City, County, PUD) using it on occasion. He said since Commission meetings are only twice a month, staff would work on ways the Pavilion could be utilized for non-profits (maritime exhibitions, artistic uses consistent with our mission) and for a higher-price, events like weddings, reunions, clubs.

Port Engineer Klontz went on to describe the Coast Guard Building renovation (to be relocated near the restrooms to serve as the moorage/yard office) and the Moorage/Yard office building to be relocated to JCIA to serve as the airport terminal. He said that architectural design and permitting are planned, Port staff have met with local pilots about the possibility of the terminal building, and that he hoped that this would all be accomplished by the third quarter of 2022.

Commissioner Hanke asked if that were a reasonable estimate; he said that the commission had approved funding for a terminal building a year and a half ago and nothing had happened. Mr. Klontz said that Port maintenance crews were focusing on these two facilities. Commissioner Putney clarified that the current Moorage office was a portable building and said that this would make it easier to get permitting for that move to JCIA. Commissioner Hanke reminded those present that the Commission had approved a budget of \$74,000 for a new terminal building at the airport and said it didn't make sense to spend over \$110,000 for a second-hand building. Executive Director Berg said that he thought the moorage office was bigger than the earlier proposed terminal building (a park model for \$74,000), and would also be a more durable, complete building. He said that the estimated cost was for the move, staff time, and the septic issue (something that became an issue with permitting earlier).

Commissioner Hanke brought up a problem that needs to be added to list for the dock restoration at Point Hudson: the bull rail on the linear float is failing and needs to be addressed. Port Engineer Klontz said he would add it to the list.

Commissioner Petranek asked Port Engineer Klontz if he would be able to give an update on the Point Hudson Jetty to the Marine Resources Committee in early January. Port Engineer Klontz said that the

Port is in the midst of National Environmental Policy Act (NEPA) review with the U.S. Fish and Wildlife but that he would still be able to attend and give an update on the project status.

VIII. STAFF COMMENTS (00:59:45)

Executive Director Berg commented on the following regarding JCIA:

- He sent an email to airport tenants last week addressing garbage issues, asking them to self-police their use of our garbage facility
- He will send another email tomorrow addressing FAA assurance with aircraft use and timing it with the Based Aircraft Inventory request that would feed the next biennial National Plan of Integrated Airport Systems update. The FAA Assurance requires (for past, present and future grants) that airport hangars have airplanes in them. The Port is aware that some hangars do not house airplanes so we're asking tenants to a) send Port staff their tail number and which hangar it is in, or b) on January 14, 2022, participate in a hangar door-up day for inspection. We're asking for a response by Dec. 10 so the Port can respond to the FAA by their deadline of December 15.
- Met with informal pilots' group along with Commissioner Hanke and introduced Port Engineer Klontz and Commissioner-elect Hasse. It was a good meeting with a tour of the museum afterwards

He reported he had met with the Moorage Tenants that morning along with Customer Service Rep Ferrero for a lively discussion and an active list of items and said they had worked through a number of issues.

Mr. Berg said it was his goal to take moorage staff on a couple of field trips to moorage tenants' favorite marinas that are not too far away, in order to see what it's like there to arrive by boat and see what it looks like from a boater's perspective: signage, tie-ups, greetings by moorage staff; they could also make connections with staff there and ask how it works from their perspective.

Otherwise he said he'd been busy talking about poplars and public records requests.

Deputy Director Toews commented that he and Executive Director Berg had attended a workshop with the Board of County Commissioners (BoCC) regarding the future of the Moderate Risk Waste (MRW) facility; it was a good first discussion on this subject with the BoCC, and he was hopeful that there would be an agreement on an early termination of the Interlocal Agreement and lease agreement with the County. He reported that the Port is moving forward with the Community Economic Revitalization Board (CERB) planning board on the site design and initial phase of permitting for expansion of Boat Haven yard. With the poplar tree removal on the expansion of the yard to north, the stormwater improvements, and the westward expansion, staff will stage these projects so as to minimize disruptions to operations in the yard.

Commissioner Putney said he remembered a concrete ductway or ditch between the fence and the poplars that was part of the stormwater system, and asked if it were still there, and if so, if it were going to be an impediment to the expansion project to the north. Deputy Director Toews said that trench remains there and is responsible for treating between 5 & 10% of the stormwater. He said the Port is investigating the best way to maintain compliance with our boatyard permit while constructing new stormwater infrastructure during expansion of the yard.

Port Attorney Woolson commented that he would be at the WPPA Annual meeting the following week and looked forward to seeing others from this meeting there.

IX. COMMISSIONER COMMENTS (01:14:47)

Commissioner Hanke commented (at 00:59:47 before he left the meeting) that he was very excited about what Executive Director Berg and Deputy Director Toews had accomplished in Quilcene; expectations are being met with well grounded logic, and the community and Port will benefit, and most importantly things will get done. He thanked staff for taking this on and said he was looking forward to the outcome.

Commissioner Putney commented that it had been fairly quiet; he attended the IGC meeting earlier in the week. He reported on the subject of broadband that the PUD has received a huge grant for rural broadband. He said he would attend the WPPA meeting next week.

Commissioner Petranek commented that she is on the EDC Team Jefferson board, and the next meeting is next Thursday December 2, and asked if anyone from District 3 is interested in being on the board to let

her know so she can let them know how to apply. She has thought of a lot of topics to work on in the future with the Port and suggested a workshop roundtable where Commissioners and the public can bring up and discuss things to work on in 2022.

- X. NEXT REGULAR BUSINESS MEETING (01:20:15):
Wednesday, December 8, 2021; Workshop at 9:30 a.m. & Meeting at 1:00 p.m., via Zoom
- XI. EXECUTIVE SESSION ~ none
- XII. ADJOURNMENT (01:20:20) meeting adjourned at 7:46 p.m., there being no further business before the Commission.

ATTEST:

Peter W. Hanke, President

William W. Putney III, Secretary

Pamela A. Petranek, Vice President



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 064523 through No. 064532 generated on December 1st, 2021 in the amount of \$39,299.82 and Electronic Payment in the amount of \$154,133.35, for a total amount of \$193,433.17 is ratified.

Signed and Authenticated on this 8th day of December, 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 064533 through No. 064581, are approved for payment in the amount of \$140,349.23 on this 8th day of December, 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: 12/8/2021

Register Number: CD-000893

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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			34720	11/19/2021	532.16	0.00	532.16	
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			77958	11/16/2021	92.59	0.00	92.59	
			78005	11/17/2021	142.44	0.00	142.44	
			78146	11/23/2021	233.91	0.00	233.91	
			78149	11/23/2021	23.39	0.00	23.39	
			78190	11/24/2021	87.27	0.00	87.27	
			K78072	11/19/2021	7.86	0.00	7.86	
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			21-22-1941	11/12/2021	910.00	0.00	910.00	
0000064538	12/8/2021	BLU040	Blue Moose Cafe					Check Entry Number: 001
			REFUND 11/29/21	11/29/2021	122.30	0.00	122.30	
0000064539	12/8/2021	BRO040	Brother's Plumbing, Inc					Check Entry Number: 001
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0000064540	12/8/2021	BUR075	Scott Burns					Check Entry Number: 001
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0000064541	12/8/2021	CAR001	Carl's Building Supply					Check Entry Number: 001
			2110-927694	10/4/2021	65.89	0.00	65.89	
			2110-928129	10/5/2021	200.39	0.00	200.39	
			2111-935087	11/2/2021	44.92	0.00	44.92	
			2111-938520	11/17/2021	1,321.11	0.00	1,321.11	
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			10/2021	11/17/2021	3,408.50	0.00	3,408.50	
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			11/2021 STATEMENTS	11/30/2021	11,224.46	0.00	11,224.46	
0000064544	12/8/2021	COA050	Mott MacDonald					Check Entry Number: 001
			100339-25	11/16/2021	38,560.50	0.00	38,560.50	
0000064545	12/8/2021	COW020	Cowling and Co. LLC					Check Entry Number: 001
			440	10/31/2021	2,774.40	0.00	2,774.40	
			441	10/31/2021	3,748.80	0.00	3,748.80	
			442	10/31/2021	15,798.22	0.00	15,798.22	
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			075436554X211128	11/28/2021	419.50	0.00	419.50	
0000064547	12/8/2021	EDE005	Edensaw Woods, LTD					Check Entry Number: 001
			0000540367-001	11/19/2021	17.40	0.00	17.40	
0000064548	12/8/2021	FAM001	Ferguson Enterprises #3007					Check Entry Number: 001
			9960578	12/1/2021	2,997.28	0.00	2,997.28	
0000064549	12/8/2021	FRE010	Jean Jameson					Check Entry Number: 001
			11/2021 EXP	11/23/2021	22.70	0.00	22.70	
0000064550	12/8/2021	GRA015	Grant Steel Buildings and					Check Entry Number: 001

Run Date: 12/3/2021 1:15:33PM

A/P Date: 12/8/2021

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User Logon: DLF

Check Register

Journal Posting Date: 12/8/2021

Register Number: CD-000893

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE

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			721230	11/4/2021	25.71	0.00	25.71
			721272	11/4/2021	14.17	0.00	14.17
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			721297	11/5/2021	7.19	0.00	7.19
			721553	11/9/2021	132.39	0.00	132.39
			721579	11/10/2021	3.91	0.00	3.91
			721600	11/10/2021	16.35	0.00	16.35
			721604	11/10/2021	132.55	0.00	132.55
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			721899	11/16/2021	26.37	0.00	26.37
			721917	11/16/2021	139.54	0.00	139.54
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			6768	12/1/2021	548.00	0.00	548.00
0000064557	12/8/2021	LES050	Les Schwab				Check Entry Number: 001
			37900476039	11/22/2021	202.83	0.00	202.83

Run Date: 12/3/2021 1:15:33PM

A/P Date: 12/8/2021

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Journal Posting Date: 12/8/2021

Register Number: CD-000893

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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			11/21 STATEMENTS	12/1/2021	9,615.57	0.00	9,615.57	
0000064559	12/8/2021	NWA020	NWA Environmental					Check Entry Number: 001
			1564	11/21/2021	430.00	0.00	430.00	
0000064560	12/8/2021	PAT050	Mtthew Prrick					Check Entry Number: 001
			REFUND 11/9/21	11/9/2021	112.90	0.00	112.90	
0000064561	12/8/2021	PEN060	Peninsula Pest Control, Inc					Check Entry Number: 001
			58860	11/18/2021	92.74	0.00	92.74	
0000064562	12/8/2021	PET025	Petrack Lock & Safe					Check Entry Number: 001
			20596	11/22/2021	1,241.67	0.00	1,241.67	
0000064563	12/8/2021	PHI045	Martin Phipps					Check Entry Number: 001
			CLOTHING EXP	11/29/2021	307.43	0.00	307.43	
0000064564	12/8/2021	PIN010	Pinnacle Investigations Corp					Check Entry Number: 001
			77386	12/1/2021	35.00	0.00	35.00	
0000064565	12/8/2021	PIT001	Pitney Bowes Global Fin. Svcs.					Check Entry Number: 001
			3314704528	11/25/2021	537.17	0.00	537.17	
0000064566	12/8/2021	PLA050	KC Platzer					Check Entry Number: 001
			REFUND	12/8/2021	33.00	0.00	33.00	
0000064567	12/8/2021	POR002	Auditor's Revolving Fund - Kitsap Bank					Check Entry Number: 001
			PERMIT REV 4 PAVILIO	12/8/2021	1,427.01	0.00	1,427.01	
0000064568	12/8/2021	PUD005	PUD #1 of Jefferson County					Check Entry Number: 001
			11.18.2021	11/18/2021	32.65	0.00	32.65	
			11.24.21 STATEMNTS	11/24/2021	448.53	0.00	448.53	
			11/24/2021	11/24/2021	450.00	0.00	450.00	
Check 0000064568 Total:					931.18	0.00	931.18	
0000064569	12/8/2021	PUT010	Bill Putney					Check Entry Number: 001
			11/2011 EXP	11/30/2021	102.68	0.00	102.68	
0000064570	12/8/2021	QUI001	Quill Corporation					Check Entry Number: 001
			21071530	11/17/2021	130.36	0.00	130.36	
0000064571	12/8/2021	RUB020	Rubicon Yachts LLC					Check Entry Number: 001
			REFUND 11.24.21	11/24/2021	1,873.70	0.00	1,873.70	
0000064572	12/8/2021	SAF001	Safeway, Inc.					Check Entry Number: 001
			11/21/2021	11/21/2021	2,457.96	0.00	2,457.96	
0000064573	12/8/2021	SHO010	Shold Excavating Inc					Check Entry Number: 001
			64784	11/24/2021	352.57	0.00	352.57	
			64785	11/24/2021	646.17	0.00	646.17	
			64786	11/24/2021	345.19	0.00	345.19	
Check 0000064573 Total:					1,343.93	0.00	1,343.93	
0000064574	12/8/2021	SNE020	S-Net Communications					Check Entry Number: 001
			118717	12/8/2021	376.72	0.00	376.72	
0000064575	12/8/2021	TWI001	Spectra Laboratories - Kitsap					Check Entry Number: 001
			21-08740	11/23/2021	1,044.00	0.00	1,044.00	
			21-08777	11/24/2021	1,044.00	0.00	1,044.00	
			21-08778	11/24/2021	116.00	0.00	116.00	
Check 0000064575 Total:					2,204.00	0.00	2,204.00	
0000064576	12/8/2021	ULI040	ULINE					Check Entry Number: 001
			141170142	11/10/2021	212.02	0.00	212.02	
			141552601	11/18/2021	1,824.58	0.00	1,824.58	
Check 0000064576 Total:					2,036.60	0.00	2,036.60	

Run Date: 12/3/2021 1:15:33PM

A/P Date: 12/8/2021

Page: 3

User Logon: DLF

Check Register**Journal Posting Date: 12/8/2021****Register Number: CD-000893****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	
0000064577	12/8/2021	VER001	Verizon Wireless, Bellevue					Check Entry Number: 001
			9892929843	11/15/2021	499.33	0.00	499.33	
0000064578	12/8/2021	WAS003	Washington Public Ports Assn.					Check Entry Number: 001
			2022 DUES	11/19/2021	11,173.00	0.00	11,173.00	
0000064579	12/8/2021	WAS017	Marc Horton - Washington Project Consultants					Check Entry Number: 001
			113021-8	12/1/2021	1,045.00	0.00	1,045.00	
0000064580	12/8/2021	WES006	Westbay Auto Parts, Inc.					Check Entry Number: 001
			11/24/2021	11/24/2021	314.58	0.00	314.58	
0000064581	12/8/2021	WES020	Westside Marine					Check Entry Number: 001
			11/19/2021	11/19/2021	218.15	0.00	218.15	
Report Total:					<u>140,349.23</u>	<u>0.00</u>	<u>140,349.23</u>	

Run Date: 12/3/2021 1:15:33PM**A/P Date: 12/8/2021****Page: 4****User Logon: DLF**

MEETING DATE	December 8, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
AGENDA TITLE	V.A. Special Presentations for Outgoing Commissioner William W. Putney III
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	No Materials

MEETING DATE	December 8, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
AGENDA TITLE	V.A. Special Presentation: Sue Nelson, Lease & Contracts Administrator
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	No Materials

MEETING DATE	December 8, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	VIII.A. October Year-to-date Financials
STAFF LEAD	Abigail Berg, Director of Finance and Administration
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Informational Memo 2. October YTD Financials

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/8/2021
TO: Commission
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: October YTD 2021 Financial Report

Attached is the October 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 two (2) years 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:

2021 YTD Capital Project Expenses

JCIA Runway Rehabilitation	\$ 654,590
Point Hudson Jetties	95,850
D-Dock Renovation	8,622
BH Breakwater Repair	14,635
Yard Stormwater Pump Replacement	53,497
Yard – Electrical Vault install (PUD) (completed)	15,385
Commercial Dock – New Day Repair (completed)	20,565
Sperry Bldg. #2 – PT Brewery	16,891
Sperry Bldg. #3 – Sunrise Coffee (completed)	10,177
PH Pavilion Bldg. Remodel	161,908
Nomura Bldg. Remodel (Phase I completed)	54,355
FEMA Grant – Yard Stormwater Materials Replacement	3,655
FEMA Grant – City Dock	2,529
FEMA Grant – JCIA Asbestos Roof	57,257
Reconstruct Old Coast Guard Building	<u>203</u>
Total Capital Expenses YTD	<u>\$ 1,170,119</u>

2021 Capital Purchase

Pape 50G Compact Excavator	\$ 76,898
Kendrick Equipment, Inc. (deposit 75 Ton lift)	214,288
Town & Country Tractor (riding mower)	17,107
Kendrick Equipment, Inc. (75 Ton remote replacement)	<u>13,278</u>
Total Capital Purchases YTD	<u>\$ 321,571</u>

<u>Ending Cash Balances as of October 31</u>	<u>2021</u>	<u>2020</u>
Reserved Cash & Investments – Other*	\$2,378,626	\$1,434,995
Reserved Cash & Investments – IDD	2,005,291	\$774,546
Unreserved Cash & Investments	1,902,952	<u>\$1,172,281</u>
Total Cash & Investments	\$6,286,869	<u>\$3,381,822</u>

<i><u>*Other Reserves detail:</u></i>	<i><u>Current balance</u></i>	<i><u>Target balance</u></i>
Unemployment Reserve	\$ 10,000	na
Operating Reserve (a)	750,940	\$ 1,316,701
Boat Haven Renovation Reserve (b)	457,706	na
Emergency Reserve	450,000	500,000
Port-Wide Capital Reserve (c)	<u>709,981</u>	na
Total Other Reserves	\$ 2,378,626	

(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.

Debt Service for the Year

2010 LTGO Bond – (83% paid A/B Dock Reconstruction, 17% paid 75 Ton Lift Pier)

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

2015 LTGO Refunding Bond- (paid for Point Hudson Marina Reconstruction – 2005 LTGO Bonds refunded in 2015)

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 Oct. 2019	YTD Oct. 2020	YTD Oct. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES							
Boat Haven Moorage	1,617,170	1,597,483	1,627,864	30,381	a	1,571,044	56,820
Yard Operations	1,613,512	1,659,911	2,019,107	359,196	b	1,572,074	447,033
Boat Haven Properties	589,488	589,598	677,139	87,541		627,960	49,179
Pt. Hudson Marina, RV & Prop	1,291,652	1,181,934	1,483,776	301,841	c	1,192,483	291,293
Quilcene	141,838	142,451	149,245	6,794		137,367	11,878
Ramps	49,196	50,623	50,912	288		48,279	2,633
Jeff. County Int'l Airport	125,464	122,961	138,836	15,874		130,160	8,676
(Increase)/Decrease in Accts. Receivable	149,552	(64,480)	(14,289)	50,191	a	-	(14,289)
Total Revenues	5,577,872	5,280,482	6,132,589	852,107	d	5,279,367	853,222
EXPENSES							
Salaries & Wages	1,696,128	1,848,651	1,952,173	103,522		1,973,628	(21,455)
Payroll Taxes	187,264	196,329	198,250	1,920		211,547	(13,297)
Employee Benefits	578,634	686,631	679,449	(7,181)		744,581	(65,132)
Uniform Expense	6,032	5,123	4,787	(336)		7,522	(2,735)
Contract Services	204,360	189,461	217,751	28,290		247,002	(29,251)
Consulting Services	49,769	18,000	-	(18,000)		-	-
Legal & Auditing	85,293	24,203	60,825	36,622	e	61,083	(258)
Insurance	276,150	309,220	365,552	56,332	f	316,857	48,695
Facilities & Operations	374,860	411,002	579,919	168,917	g	396,070	183,849
Utilities	439,456	430,194	463,802	33,607		461,658	2,144
Marketing	49,763	38,197	45,690	7,493		46,128	(438)
Economic Development	-	-	15,000	15,000		-	15,000
Travel & Training	22,930	10,803	4,158	(6,646)		15,916	(11,758)
Cost of Goods - Fuel	12,424	2,035	-	(2,035)		-	-
Community Relations	35	6,896	3,997	(2,899)		4,069	(72)
Total Expenses	3,983,098	4,176,746	4,591,353	414,607	h	4,486,061	105,291
Net Operating Income (Loss)	1,594,774	1,103,737	1,541,237	437,500	i	793,306	747,931
Other Increases in Fund Resources							
Deposits & Retainage Collected	87,116	78,773	101,261	22,488		58,616	42,645
Taxes Collected	493,890	504,978	569,809	64,831		509,725	60,084
Capital Contributions/Grants	335,481	2,130,397	277,343	(1,853,054)		655	276,688
Debt Proceeds - Line of Credit	-	1,650,000	-	(1,650,000)		-	-
Interest	40,218	25,559	52,165	26,606		43,200	8,965
Property & other taxes	686,536	1,775,182	2,452,414	677,232		2,495,358	(42,944)
Misc Other Incr. in Fund Resources	251,791	123,858	52,550	(71,307)		14,740	37,810
Total Other Incr. in Fund Resources	1,895,032	6,288,747	3,505,543	(2,783,204)	j	3,122,294	383,249
Other Decr. In Fund Resources							
Deposits & Retainage Paid	287,391	40,937	20,818	(20,119)		9,544	11,274
Taxes Remitted	579,245	554,874	658,573	103,700		592,118	66,455
Debt Principal & Interest	600,294	2,007,337	852,009	(1,155,328)		600,444	251,565
Debt Mgmt, Issuance & Misc Exp	450	10,917	60,260	49,343		1,150	59,110
Election Expense	-	15,674	-	(15,674)		-	-
Total Other Decr. In Fund Resources	1,467,380	2,629,738	1,591,661	(1,038,078)	k	1,203,256	388,405
Net Other Incr./Decr. Fund Resources	427,652	3,659,009	1,913,882	(1,745,127)		1,919,038	(5,156)
Net Income/(Expense)	2,022,426	4,762,745	3,455,119	(1,307,627)	l	2,712,344	742,775

Notes:

- (a) The "Reduction for Bad Debt Write-off" was removed as a line item since the impact of such write-offs are reflected in the "(Increase)/Decrease in Accts. Receivable" line item just above the total Operating Revenue totals. These numbers are calculated by taking the beginning of the year accounts receivable balance and reducing it by the month end accounts receivable balance for the month reported. When bad debt is written off, it reduces the accounts receivable balance once approved by the Commission and is therefore already adjusted for.
- (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 Revenue. Year to year comparison is up 46%, or \$252,616 and compared to budget is up 59%, or \$297,830.
- (c) Point Hudson has made a strong rebound from last year after the beginning of the pandemic. Most of the increase is Nightly RV and Nightly Moorage revenues which represents 44%, or \$653,260, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 24% higher, or \$291,293.
- (d) Overall, Operating Revenues increased by 16%, or \$852,107, when compared to 2020 and were 16%, or \$853,222, higher than budgeted for YTD this month.
- (e) The increase in Legal & Auditing Expense this year when compared to both 2020 and the budget 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.
- (f) Insurance is more than both the prior year and budget by \$56,332 and \$48,695, respectively.
- (g) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$168,917. Comparison to budget is approximately \$184,000. The highest variances year to year from highest to lowest are Repair/Maintenance costs for \$59,595, Bank Charges for \$26,862, Environmental Materials/Supplies for \$18,341, Membership/Dues for \$18,008, and Operating Supplies and Equipment Rental coming in at \$15,712 and \$15,281, respectively.
- (h) Overall, Operating Expenses increased by \$414,607, or 10%, when compared to 2020 and are more than budget by \$105,291 which is 2%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Insurance, Legal & Auditing, Contract Services, Bank Charges, Operating Supplies & Equipment Rental. It should be kept in mind that although this appears to be a significant increase in expenses, they are more closely aligned when compared to the budget.
- (i) Net Operating Income is more than YTD in 2020 by \$437,500, or 40%, and more than budget by \$747,31, or 94%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.
- (j) The year to year variance of \$2,783,204 for Total Other Increases in Fund Resources is directly related to the Line of Credit (2020 LTGO) draw in 2020 for \$1,650,000, the 2021 increased taxes collected, and decreases in grant project funds, and the increase in the IDD levy. Property and other related taxes, and revenues that tend to vary, such as collections of deposits, and are hard to budget.
- (k) The year to year variance for Total Other Decreases in Fund Resources is \$1,038,078 and is related to the 2020 payoff of the 2020 LTGO Bond Line of Credit in the amount of \$1,400,000. The budget to actual variance is due to the pay off of the 2020 LOC for \$250,000 in January of 2021 and the cost of the Ecology Recycling feasibility grant.
- (l) Overall, the YTD decrease of \$1,307,627 when comparing 2020 to 2021 for Net Income/(Expense) is directly related to the \$1,400,000 principal payment on the 2020 Line of Credit made in October 2020. For the YTD actual compared to budget, we are \$742,775 ahead of budget. This increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020.

MEETING DATE	December 8, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	VIII. B. Quilcene Report Out
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	No Materials

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 8, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	VII.C. Pavilion Building HVAC Contract
STAFF LEAD	Matt Klontz, Capital Projects Director and Port Engineer
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Informational Memo 2. Official Bid Tabulation

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/8/2021
TO: Commissioners
FROM: Matt Klontz
CC: Eron Berg, Eric Toews, Abigail Berg
SUBJECT: Award of HVAC contract for the Point Hudson Pavilion Building, 2021

ISSUE

Staff is recommending the Port Commission award the construction contract for the Point Hudson Pavilion building's heating, ventilation, and air conditioning (HVAC) system to the lowest priced, responsive, and responsible bidder.

BACKGROUND

Due notice of the Call for Bids was given as required by law. The Port advertised the contract for the HVAC system on November 8, 2021, through the Municipal Research and Service Center Small Works Roster. Five (5) bids were electronically received by the Port on or before 2:00 p.m. on November 23, 2021. Port Staff has evaluated the responsiveness and responsibility of bidders. The apparent low bidder was Miller Sheetmetal, of Bremerton, for their bid in the amount of \$99,700.

DISCUSSION

The new HVAC system at the Pavilion building is necessary to provide a comfortable space year-round for public and private events. Other improvements made at the Pavilion building include installing new windows, doors, interior paint, flooring, finish trim, an additional bathroom, and a kitchenette. When completed, the Pavilion Building will be an improved asset with great benefit to the Port and the larger Port Townsend community. Additionally, the renovation work at the Pavilion Building illustrates the capabilities of Port Maintenance staff to restore facilities, breathing new life into an asset that is largely thought to be irreplaceable due to costs, complex permitting and restrictive land-use codes, and given the historical character of the building.

The contract for the HVAC system was advertised twice. The first round resulted in a single bid in the amount of \$164,747 which greatly exceeded the engineer's estimate of \$60,000. Consequently, staff elected to solicit bids a second time which resulted in five (5) bids being submitted. Miller Sheetmetal provided the lowest priced bid in the amount of \$99,700. Note, the original engineer's estimate for the HVAC was not revised for the second advertisement. Staff anticipated bids being greater than \$60,000 and determined Miller Sheetmetal's bid was fair and reasonable based on the three lowest bids being separated by a relatively small margin of about of \$8,000.

FISCAL IMPACT

The 2021 Capital Improvement Budget planned for \$148,434 to complete this project. However, the project cost has increased due to 1) greater material and equipment costs, 2) added costs associated with Port Labor and 3) a low original engineer's estimate. Compared to the original engineer's estimate, the items of work contributing to the cost increase include the HVAC +\$40K,

Electrical +\$50K, Port Labor +\$40K, and Paint +\$20K. Staff anticipates the final project cost to be closer to \$350,000; however, the Port has sufficient funds to cover the cost increase and still maintain healthy account balances.

RECOMMENDATION

Motion to award the HVAC contract in the amount of \$99,700.00 to Miller Sheetmetal. Additionally, motion to authorize the Port Director, or their designee, to enter to into contract with Miller Sheetmetal and authorize a 10% Port-held construction contingency above the award amount.

ATTACHMENTS

1. Official Bid Tabulation



Serving all of Jefferson County

Schedule A

ENGINEERS ESTIMATE

[illegible]

TOTAL CONSTRUCTION COST SCHEDULE A

\$60,000.00

Miller Sheetmetal

[illegible]

\$99,700.00

Air Management Solutions

[illegible]

\$106,102.47

Hoch Construction

[illegible]

\$107,552.19

Air Flo Heating Co

[illegible]

\$129,923.00

Apex Mechanical LLC

[illegible]

\$184,500.00

Note

Bid Proposal error corrected.

Electronic bids were received & opened at the Port of Port Townsend, 2701 Jefferson Street, Port Townsend, WA 98368 on Wednesday, November 23, 2021 at 2:00 p.m.

I hereby certify that, to the best of my knowledge, the above tabulations are true and correct transcriptions of the unit prices and total amounts bid.


Matt Klontz, P.E., Port Engineer


Eric Toews, Dep. Dir.

MEETING DATE	December 8, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
AGENDA TITLE	Informational Items
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> • Lease Briefing • Detailed October Year-to-date Financials

DATE: December 2, 2021
TO: Commissioners
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: Lease Briefing for **December 8, 2021, Commission Meeting**

Nothing much new in the lease department.

Blue Moose has terminated their outdoor dining rental agreement as they could not find a contractor to erect a temporary shelter over the area. The owners are removing the barricades and the tables are now open to anyone. The Blue Moose most likely will rent the outdoor area again in early spring 2022 when the weather is better.

Asked for an update from the Sail Loft tenants on their decision whether to form an LLC and take over management of the entire Armory Building.

Director Berg has asked me to collect tail numbers and hangar numbers from tenants. On January 14, 2022, he has scheduled a "doors up" inspection of hangars to check for FAA compliance. The past several days, my focus has been on collecting tail and hangar numbers from hangar tenants, as well as updating the FAA's Based Aircraft site for Jefferson County International Airport. I have received an incredible response, and most all tenants support this project. I have run across so many scenarios...pilots who live part time in our area, with their aircraft based at more than one airport; folks who have purchased aircraft but haven't completed the registration process; folks who recently sold their aircraft and are in the market for a new one; folks who say they intend on buying an aircraft, but will be "out of state" during the "doors up" inspection; pilots rebuilding their aircraft, etc. I have collected mounds of information from hangar tenants to sort through. My plans are to write up a summary for Eron. I'm currently entering JCIA-based aircraft in the Based Aircraft site and comparing the tail number/aircraft type/owner on the FAA N-number site. After entering all the collected info on the FAA Based Aircraft site, staff will need to review the aircraft registered on the site back in 2007 to see whether the aircraft is still based at JCIA. I'm more than happy to work on this project and connect with our airport tenants again. Many I knew from working for PT Air and Island Air over 20 years ago!

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

	YTD Oct. 2019	YTD Oct. 2020	YTD Oct. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES					a		
PTBH - Permanent Moorage	951,321	1,022,616	1,008,779	(13,837)		1,012,557	(3,778)
PTBH - Liveaboard Fee	20,129	23,003	18,619	(4,385)		22,333	(3,715)
PTBH - Liveaboard Background Check	-	60	60	-		-	60
PTBH - Work Float/Lift Pier Usage	7,540	1,970	13,015	11,044		4,119	8,896
PTBH - Monthly Guest	274,428	240,035	197,795	(42,240)		260,702	(62,907)
PTBH - Nightly Guest	246,400	197,583	269,856	72,273		162,772	107,084
PTBH - Electric	87,162	83,204	82,983	(221)		82,316	667
PTBH - Miscellaneous Revenue	13,108	14,801	20,255	5,454		11,040	9,215
PTBH - Showers	9,129	7,604	8,126	522		8,836	(710)
PTBH - Restroom Key Fobs	1,195	350	185	(165)		584	(399)
PTBH - Laundry	5,773	5,171	6,587	1,416		5,432	1,155
PTBH - Kayak Racks	-	-	54	54		-	54
PTBH - Promotional Sales	541	107	242	135		285	(43)
PTBH - Port Labor	445	980	1,310	330		68	1,242
Boat Haven Moorage	1,617,170	1,597,483	1,627,864	30,381		1,571,044	56,820
Yard - 70/75 Ton Hoist Revenue	308,269	261,523	312,724	51,201		264,638	48,086
Yard - 70/75 Ton Yard Revenue	531,855	553,543	806,159	252,616		508,329	297,830
Yard - 70/75 Ton Yard Enviro Fee	32,520	47,966	64,027	16,061		40,473	23,554
Yard - 70/75 Ton Yard Electric	3,332	31,694	35,786	4,092		28,452	7,334
Yard - 70/75 Ton Yard Port Labor	4,361	8,905	5,172	(3,732)		609	4,563
Yard - 300 Ton Hoist Revenue	163,264	170,166	186,826	16,660		165,254	21,572
Yard - 300 Ton Yard Revenue	335,214	334,206	371,736	37,530		324,608	47,128
Yard - 300 Ton Yard Enviro Fee	5,260	13,874	11,662	(2,212)		15,366	(3,704)
Yard - 300 Ton Yard Electric	35,536	37,362	39,449	2,087		36,990	2,459
Yard - 300 Ton Yard Port Labor	5,744	4,665	2,486	(2,179)		2,890	(404)
Yard - L/T Storage	56,400	69,287	62,839	(6,448)		60,278	2,561
Yard - Blocking Rent	26,923	32,850	37,967	5,117		37,147	820
Yard - Off Port Property Tarp Fee	1,830	3,666	1,009	(2,657)		2,586	(1,577)
Yard - Washdown Revenue	75,557	75,360	76,199	839		74,535	1,664
Yard - Bilge Water Revenue	6,237	3,400	1,078	(2,322)		4,389	(3,311)
Yard - Liveaboard Fee	1,003	1,925	2,488	563		1,590	898
Yard - Enviro Violations & Clean up	185	3,777	1,300	(2,477)		2,534	(1,234)
Yard - Miscellaneous Revenue	13,292	5,743	200	(5,543)		1,406	(1,206)
Yard - Garbage	6,732	-	-	-		-	-
Yard Operations	1,613,512	1,659,911	2,019,107	359,196	b	1,572,074	447,033
PTBH Prop - Lease Revenue	530,211	531,220	617,422	86,203		573,563	43,859
PTBH Prop - Fuel Dock Lease	18,523	18,129	15,863	(2,266)		17,829	(1,966)
PTBH Prop - Other Util, Wtr, Swr, Garbg	21,986	21,573	22,799	1,226		17,547	5,252
PTBH Prop - Stormwater Fees	7,475	9,895	8,093	(1,803)		9,154	(1,061)
PTBH Prop - Storage Unit Revenue	7,750	7,292	9,261	1,969		6,422	2,839
PTBH Prop - Electric	1,897	1,290	2,986	1,696		3,445	(459)
PTBH Prop - Miscellaneous	1,646	200	716	516		-	716
Boat Haven Properties	589,488	589,598	677,139	87,541		627,960	49,179
Pt Hudson - Permanent Moorage	118,019	120,901	131,879	10,978		123,406	8,473
Pt Hudson - Monthly Guest	87,688	100,143	92,385	(7,758)		92,346	39
Pt Hudson - Nightly Guest	208,035	192,273	242,492	50,219		190,798	51,694
City Pier & Union Wharf Usage	17,093	3,111	16,920	13,809		4,422	12,498
Pt Hudson - Monthly R.V.	50,691	60,358	53,033	(7,326)		48,323	4,710

Pt Hudson - Nightly R.V.	329,034	244,026	410,768	166,742		290,299	120,469
Pt Hudson - Kayak Racks	10,085	12,905	16,163	3,258		11,613	4,550
Pt Hudson - Electric	26,741	32,958	26,643	(6,315)		29,323	(2,680)
Pt Hudson - Reservation Fee	36,460	32,546	45,274	12,728		27,897	17,377
Pt Hudson - Liveaboard Fee	4,358	5,250	6,719	1,469		4,969	1,750
Pt Hudson - Liveaboard Backgrnd Ck	-	2,160	1,500	(660)		-	1,500
Pt Hudson - Showers	7,173	5,377	6,081	704		5,963	118
Pt Hudson - Laundry	9,067	8,061	9,599	1,538		8,556	1,043
Pt Hudson - Passenger Fee	13,713	2,538	18,471	15,933		3,691	14,780
Pt Hudson - Miscellaneous	1,763	5,005	2,893	(2,111)		602	2,291
Pt Hudson - Promotional Sales	914	514	515	1		620	(105)
Pt Hudson - Building Leases	299,698	322,234	353,420	31,187		316,990	36,430
Pt Hudson - Property Utility Reimb	34,807	28,053	28,832	779		29,750	(918)
Pt Hudson - Event Facility Rev	24,879	(170)	949	1,119		78	871
Pt Hudson - Parking	11,434	2,892	19,239	16,347		2,837	16,402
Pt Hudson - Port Labor	-	587	-	(587)		-	-
Pt Hudson - Enviro Clean up	-	212	-	(212)		-	-
Pt. Hudson Marina, RV & Prop	1,291,652	1,181,934	1,483,776	301,841	c	1,192,483	291,293
Quilcene - Permanent Moorage	41,585	50,495	57,963	7,467		47,195	10,768
Quilcene - Monthly Moorage	316	-	-	-		-	-
Quilcene - Liveaboard Fee	527	2,945	2,509	(436)		2,235	274
Quilcene - Nightly Moorage	3,532	2,340	1,876	(464)		2,065	(189)
Quilcene - Showers	2,981	2,885	2,291	(594)		2,756	(465)
Quilcene - Electric	1,332	2,737	3,478	740		2,256	1,222
Quilcene - Reservations	770	160	352	192		387	(35)
Quilcene - Recreational Ramp Fees	10,175	10,091	11,150	1,059		10,054	1,096
Quilcene - Commercial Use Fees	2,400	1,616	2,200	584		1,818	382
Quilcene - Kayak Racks	-	-	135	135		-	135
Quilcene - Empty Trailer Storage	-	-	1,196	1,196		-	1,196
Quilcene - Miscellaneous Revenue	20	32	128	96		77	51
Quilcene - Lease Revenue	51,592	53,243	54,795	1,553		57,834	(3,039)
Quilcene - Water	11,858	11,615	11,172	(444)		10,690	482
Quilcene - Fuel Sales	14,750	4,291	-	(4,291)		-	-
Quilcene	141,838	142,451	149,245	6,794		137,367	11,878
Ramp Fees	41,226	45,774	41,576	(4,198)		42,675	(1,099)
PTBH Ramp - Commercial Use Fees	5,500	3,783	8,482	4,698		4,427	4,055
PTBH Ramp - Dinghy Float Revenue	2,110	1,066	854	(212)		1,177	(323)
Ramp Fees - Failure to Pay	360	-	-	-		-	-
Ramps	49,196	50,623	50,912	288		48,279	2,633
JCIA - Lease Revenue	95,971	90,680	99,247	8,567		97,241	2,006
JCIA - Hangar Revenue	23,864	27,133	28,726	1,593		27,626	1,100
JCIA - Vehicle Parking Revenue	542	650	354	(296)		742	(388)
JCIA - Aircraft Parking	1,136	1,803	1,284	(519)		1,762	(478)
JCIA - Fuel Lease Revenue	2,267	1,412	1,942	531		1,521	421
JCIA - Electric	1,134	1,284	1,149	(135)		1,156	(7)
JCIA - Miscellaneous Revenue	550	-	6,133	6,133		112	6,021
Jeff. County Int'l Airport	125,464	122,961	138,836	15,874		130,160	8,676
(Increase)/Decrease in Accts. Receivable	149,552	(64,480)	(14,289)	50,191	a	-	(14,289)
Total Revenues	5,577,872	5,280,482	6,132,589	852,107	d	5,279,367	853,222
EXPENSES							
Salaries & Wages	1,696,128	1,848,651	1,952,173	103,522		1,973,628	(21,455)
Payroll Taxes	187,264	196,329	198,250	1,920		211,547	(13,297)
Employee Benefits	578,634	686,631	679,449	(7,181)		744,581	(65,132)
Uniform Expense	6,032	5,123	4,787	(336)		7,522	(2,735)

Contract Services	204,360	189,461	217,751	28,290	e f	247,002	(29,251)
Consulting Services	49,769	18,000	-	(18,000)		-	-
Legal & Auditing	85,293	24,203	60,825	36,622		61,083	(258)
Insurance	276,150	309,220	365,552	56,332		316,857	48,695
Office/Computer Supplies	8,231	6,286	15,113	8,826	g	5,104	10,009
Operating Supplies	68,888	51,569	67,281	15,712		83,375	(16,094)
Enviro Materials/Supplies	5,358	20,028	38,369	18,341		23,258	15,111
Tarp Pool Expense	22,903	19,669	24,857	5,188		21,500	3,357
Empl Recog/Relations	738	184	1,907	1,723		2,087	(180)
Publications	282	201	233	32		-	233
Postage	4,488	4,788	5,049	261		3,698	1,351
Janitorial Supplies	22,514	19,101	19,511	410		22,653	(3,142)
Fuel & Lubricants	26,813	20,745	27,709	6,964		19,427	8,282
Permits & Licenses	6,378	3,758	4,965	1,207		5,500	(535)
Equipment Rental	297	1,722	17,003	15,281		2,951	14,052
Claims & Damages	5,485	-	1,136	1,136		1,515	(379)
Membership & Dues	12,277	15,484	33,492	18,008		20,254	13,238
Bank Charges	75,750	79,435	106,297	26,862		76,354	29,943
Excise Tax	22,757	21,576	26,663	5,087		21,202	5,461
Miscellaneous Expense	8,160	19,585	3,870	(15,715)		1,265	2,605
Repair & Maintenance Supplies	83,544	126,871	186,466	59,595		85,927	100,539
Facilities & Operations	374,860	411,002	579,919	168,917		396,070	183,849
Utilities	439,456	430,194	463,802	33,607		461,658	2,144
Advertising (Legal 2018)	3,607	3,867	4,095	228		4,417	(322)
Marketing	31,168	32,055	38,563	6,508		39,282	(719)
Promotion	14,988	2,275	3,032	757		2,429	603
Marketing	49,763	38,197	45,690	7,493	h	46,128	(438)
Economic Development	-	-	15,000	15,000		-	15,000
Travel & Training	22,930	10,803	4,158	(6,646)		15,916	(11,758)
Cost of Goods - Fuel	12,424	2,035	-	(2,035)		-	-
Community Relations	35	6,896	3,997	(2,899)		4,069	(72)
Total Expenses	3,983,098	4,176,746	4,591,353	414,607	i	4,486,061	105,291
Net Operating Income (Loss)	1,594,774	1,103,737	1,541,237	437,500		793,306	747,931
Other Increases in Fund Resources							
Retainage Collected	-	-	1,970	1,970		(5,812)	7,782
Yard Deposits Collected	22,000	20,877	45,670	24,793		11,110	34,560
PTBH Prop Lease Deposits Collected	16,576	20,626	20,598	(28)		16,675	3,923
PH Prop Lease Deposits Collected	8,448	10,984	13,693	2,709		4,000	9,693
Quilcene Prop Lease Deposits Collected	-	-	125	125		-	125
JCIA Prop Lease Deposits Collected	399	-	3,345	3,345		-	3,345
PH Marina/RV Deposits Collected	39,693	26,287	15,861	(10,426)		32,643	(16,782)
Deposits & Retainage Collected	87,116	78,773	101,261	22,488		58,616	42,645
Sales Tax Collected	75,751	62,804	86,861	24,057		60,800	26,061
Leasehold Tax Collected	411,424	437,173	474,280	37,107		442,990	31,290
Hotel/Motel Tax Collected	6,715	5,001	8,668	3,667		5,935	2,733
Taxes Collected	493,890	504,978	569,809	64,831		509,725	60,084
Grants - FAA	321,211	2,014,218	50,546	(1,963,672)		-	50,546
Grants - Indirect FEMA (Jeff. County)	-	-	158,494	158,494		-	158,494
Grants - WSDOT - JCIA	-	8,014	105	(7,908)		655	(550)
Grants - Washington State	14,270	-	68,198	68,198		-	68,198
Grants - Jefferson County	-	108,166	-	(108,166)		-	-
Capital Contributions/Grants	335,481	2,130,397	277,343	(1,853,054)		655	276,688
Debt Proceeds - Line of Credit	-	1,650,000	-	(1,650,000)		-	-

ARRA Bond Interest Subsidy	16,388	16,441	49,427	32,986		32,000	17,427
Investment Interest	23,829	9,118	2,738	(6,380)		11,200	(8,462)
Interest	40,218	25,559	52,165	26,606		43,200	8,965
Operating Tax Levy	603,867	933,348	935,199	1,851		980,500	(45,301)
IDD Tax Levy	-	774,546	1,485,866	711,320		1,470,083	15,783
State Forest Revenues	36,908	36,660	2,818	(33,842)		20,000	(17,182)
State Timber Excise Tax	41,137	23,274	20,592	(2,682)		18,000	2,592
Leasehold Excise Tax	4,625	7,354	7,940	585		6,775	1,165
Property & other taxes	686,536	1,775,182	2,452,414	677,232		2,495,358	(42,944)
Insurance Recovery	-	115,761	-	(115,761)		-	-
Finance Charges	19,343	6,090	17,249	11,158		13,950	3,299
Other Non-Operating Revenues	232,449	2,006	35,302	33,296		790	34,512
Misc Other Incr. in Fund Resources	251,791	123,858	52,550	(71,307)		14,740	37,810
Total Other Incr. in Fund Resources	1,895,032	6,288,747	3,505,543	(2,783,204)	j	3,122,294	383,249
Other Decr. In Fund Resources							
Retainage Paid	3,858	-	3,906	3,906		1,000	2,906
Yard Deposits Returned	-	20,000	3,080	(16,920)		1,523	1,557
PTBH Prop Lease Deposits Returned	270,709	4,062	10,945	6,883		-	10,945
PH Prop Lease Deposits Returned	709	3,649	2,886	(762)		2,061	825
PH Deposits Refunded or Applied	12,115	13,226	-	(13,226)		4,960	(4,960)
Deposits & Retainage Paid	287,391	40,937	20,818	(20,119)		9,544	11,274
Sales Tax Remitted	70,637	55,565	81,958	26,393		55,300	26,658
Leasehold Tax Remitted	502,378	494,882	568,624	73,742		531,583	37,041
Hotel/Motel Tax Remitted	6,230	4,427	7,992	3,565		5,235	2,757
Taxes Remitted	579,245	554,874	658,573	103,700		592,118	66,455
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)		37,725	-
Principal Pmt - 2020 Line of Credit	-	1,400,000	250,000	(1,150,000)		-	250,000
Interest Exp - 2020 Line of Credit	-	9,093	1,565	(7,528)		-	1,565
Debt Principal & Interest	600,294	2,007,337	852,009	(1,155,328)		600,444	251,565
Debt Management Fees	-	1,098	1,014	(85)		750	264
Debt Issue Costs	-	9,500	9,300	(200)		-	9,300
Investment Fees	450	318	146	(172)		400	(254)
Other Non-Oper Exp	-	-	49,800	49,800		-	49,800
Debt Mgmt, Issuance & Misc Exp	450	10,917	60,260	49,343		1,150	59,110
Election Expense	-	15,674	-	(15,674)		-	-
Total Other Decr. In Fund Resources	1,467,380	2,629,738	1,591,661	(1,038,078)	k	1,203,256	388,405
Net Other Incr./Decr. Fund Resources	427,652	3,659,009	1,913,882	(1,745,127)		1,919,038	(5,156)
Net Income/(Expense)	2,022,426	4,762,745	3,455,119	(1,307,627)	l	2,712,344	742,775

Notes:

- (a) The "Reduction for Bad Debt Write-off" was removed as a line item since the impact of such write-offs are reflected in the "(Increase)/Decrease in Accts. Receivable" line item just above the total Operating Revenue totals. These numbers are calculated by taking the beginning of the year accounts receivable balance and reducing it by the month end accounts receivable balance for the month reported. When bad debt is written off, it reduces the accounts receivable balance once approved by the Commission and is therefore already adjusted for.
- (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 Revenue. Year to year comparison is up 46%, or \$252,616 and compared to budget is up 59%, or \$297,830.
- (c) Point Hudson has made a strong rebound from last year after the beginning of the pandemic. Most of the increase is Nightly RV and Nightly Moorage revenues which represents 44%, or \$653,260, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 24% higher, or \$291,293.
- (d) Overall, Operating Revenues increased by 16%, or \$852,107, when compared to 2020 and were 16%, or \$853,222, higher than budgeted for YTD this month.
- (e) The increase in Legal & Auditing Expense this year when compared to both 2020 and the budget 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.
- (f) Insurance is more than both the prior year and budget by \$56,332 and \$48,695, respectively.
- (g) 2021 costs are higher for Facilities & Operations when compared to 2020 by \$168,917. Comparison to budget is approximately \$184,000. The highest variances year to year from highest to lowest are Repair/Maintenance costs for \$59,595, Bank Charges for \$26,862, Environmental Materials/Supplies for \$18,341, Membership/Dues for \$18,008, and Operating Supplies and Equipment Rental coming in at \$15,712 and \$15,281, respectively.
- (h) Overall, Operating Expenses increased by \$414,607, or 10%, when compared to 2020 and are more than budget by \$105,291 which is 2%. As already mentioned, these year to year increases are due to increases in spending for Repair/Maintenance, Insurance, Legal & Auditing, Contract Services, Bank Charges, Operating Supplies & Equipment Rental. It should be kept in mind that although this appears to be a significant increase in expenses, they are more closely aligned when compared to the budget.
- (i) Net Operating Income is more than YTD in 2020 by \$437,500, or 40%, and more than budget by \$747,31, or 94%. Actual YTD Operating Revenues have clearly out-paced budget as actual YTD Operating Expenses are very close to budget.
- (j) The year to year variance of \$2,783,204 for Total Other Increases in Fund Resources is directly related to the Line of Credit (2020 LTGO) draw in 2020 for \$1,650,000, the 2021 increased taxes collected, and decreases in grant project funds, and the increase in the IDD levy. Property and other related taxes, and revenues that tend to vary, such as collections of deposits, and are hard to budget.
- (k) The year to year variance for Total Other Decreases in Fund Resources is \$1,038,078 and is related to the 2020 payoff of the 2020 LTGO Bond Line of Credit in the amount of \$1,400,000. The budget to actual variance is due to the pay off of the 2020 LOC for \$250,000 in January of 2021 and the cost of the Ecology Recycling feasibility grant.
- (l) Overall, the YTD decrease of \$1,307,627 when comparing 2020 to 2021 for Net Income/(Expense) is directly related to the \$1,400,000 principal payment on the 2020 Line of Credit made in October 2020. For the YTD actual compared to budget, we are \$742,775 ahead of budget. This increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020.