

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, December 8, 2021

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

Present via Zoom online video: Commissioners Petranek and Putney
Executive Director Berg
Deputy Director Toews
Director of Capital Projects and Port Engineers Love & Klontz
Port Recorder Erickson
Port Attorney Woolson

- I. CALL TO ORDER (00:00:33)
Commissioner Petranek called the meeting to order at 1:00 p.m.
- II. APPROVAL OF AGENDA (00:00:40)
Commissioner Putney moved to accept the Agenda; motion was approved unanimously.

III. PUBLIC COMMENTS (00:01:18) ~ none submitted via email or given during the meeting.

IV. CONSENT AGENDA (00:01:48)

- A. Approval of Regular Business Meeting Minutes from November 23, 2021.
- B. Approval of Warrants
Warrant #064523 through #064532 in the amount of \$39,299.82 and Electronic Payment in the amount of \$154,133.35 for Payroll & Benefits.
Warrant #064533 through #064581 in the amount of \$140,349.23 for Accounts Payable.

Commissioner Putney moved to accept the Consent; motion carried unanimously.

V. SPECIAL PRESENTATIONS (00:02:21)

A. Outgoing Commissioner William W. Putney III

Commissioner Petranek said that before he was elected, Mr. Putney was a role model for active citizen participation—he attended so many meetings, taking notes and asking questions, that he was nick-named the 4th Port Commissioner. Since being elected he has dedicated four years to being on the Port Commission and helped navigate the Port through some very rough seas, keeping all boats afloat and contributing to a better place and Port for all now. He takes the time to listen and is thoughtful in his communication. He willingly came to Marine Trades Association meetings and was supportive of them leading the Economic Impact Study and embellished “Photos with Commissioner Putney” to help raise donations. He marshalled community support for the Port’s infrastructure through the Industrial Development District tax levy. She said she was most grateful for Mr. Putney’s leadership to seek and find great leadership for our Port and community in helping select our Executive Director, Eron Berg, and then his encouragement and endorsement of our next Port Commissioner, Carol Hasse. She said his heart and support has been a positive impact in keeping public access for our shorelines, our working waterfront and our culture, and his tribute story “Builders to Wooden Boats: From one living thing to another” for the Summer/Fall 2021 Port Newsletter was the most descriptive poetry of the arts, skills and culture of wooden boats. She then thanked “Commissioner Bill” with much appreciation.

Executive Director Berg said on behalf of the staff here at the Port, that he recognized that Commissioner Putney’s term of service began before his term of service, and his influence was broader than just Port affairs, like his work at the Port Townsend Film festival and at KPTZ as their chief engineer. He then listed a few key projects of Mr. Putney’s here at the Port: the AWOS system at the airport wouldn’t have happened without Bill, giving pilots the ability to make go/no-go decisions and for Airlift Northwest this is more than a convenience and could be a life saver; and the “wind in our sails” here at the Port every day: the IDD, a \$17 million opportunity for Port investment in the future. Mr. Berg said he appreciated Mr. Putney’s clear understanding of roles, support of staff, clear guidance and direction, articulation of a vision with a path forward in a desire to see generational viability that isn’t just to fix what we have but also do other things that we can imagine working for the next generation. He said that what Bill has done is significant in setting a course and establishing a funding mechanism to help us get there. He commended Mr. Putney for being, from a community standpoint, always open, available, and easy to access – the quintessential local, publicly elected official, happy to talk to his constituents. In an expression of sincere gratitude for his years of service, Port staff commissioned the PT Foundry to make a 3” x 5” casting of Commissioner Putney’s business card that shows his years as a commissioner.

Deputy Director Toews thanked Commissioner Putney for his years of leadership, saying he is woven into the warp and woof of this community and noted the pivotal role of the IDD to this organization going forward and that Mr. Putney’s leadership had been instrumental.

Recorder Erickson said she could not remember Commissioner Putney ever missing a Commission meeting and appreciated that he was always the first to stop by and sign documents.

Lease & Contracts Administrator Nelson also thanked Commissioner Putney reminding those present that he had also been instrumental in getting the cameras installed at the airport.

Commissioner Elect Carol Hasse thanked Commissioner Putney for encouraging her, believing in her to be ready for a new opportunity to truly be a part of this community. She said she appreciated his kind, calm, thoughtful, thorough examination of everything that is put in front of him to consider. She said she was in awe of all that he had accomplished and thanked him for his service and for his offer to call on him whenever she had a question.

Commissioner Putney said he was thankful to the people of Jefferson County for so many things and said that after moving here a decade ago, the community really took him in and he tried to give back. He said

that he appreciated all their support and help over the years. Mr. Putney said all the dialogues he's had about the Port operation and planning has been invaluable. He really thanked the Commissioners that have sat with him on the Commission—Steve Tucker, Pete Hanke and Pam Petranek—for the few minutes they get to spend together in meetings, it's been great. He started working with the Port about 7 years before he was elected and got to participate in the airport master plan exercise, has had good relationships with the executive directors the Port has had, and said he got a lot of support from staff, and tried not to step on too many toes; overall a good four years.

B. 20-year anniversary for Port staff: Sue Nelson, Lease & Contracts Administrator (00:20:16)

Commissioner Petranek said her first contact with the Port 15 years ago (and only contact for a few years) was Sue Nelson who provided the most welcoming, down-to-earth, talk-any-time, work-anything-out communications with her and she felt welcomed from the day she brought her boat here.

Commissioner Putney said that front desk is a place where people know they've arrived at the Port, and Sue had every left-over hat at the Port assigned to her, and she was kind of the Commissioner's go-fer and the organizer and tracker, and he said was pleased when we were able to find her a meaningful next step in her career, and she has done that with gusto and usual good spirit and hard work.

Deputy Director Toews said Ms. Nelson is a model public servant. He expressed his heartfelt appreciation and thanks to Sue for 20 years of tireless, dedicated service to the Port and community, saying she is indispensable to the efficient functioning of this organization. He relayed that Ms. Nelson joined the Port first in Accounting, and then served as Executive Assistant to 3 different Executive Directors, as public records officer, as port recorder, and since 2019 as the Port's Lease & Contracts Administrator—managing 100+ leases and contracts. He said she is detail-oriented and gifted in her ability to communicate messages to our tenants; she excels at every new challenge presented to her.

Executive Director Berg said he appreciates working with Ms. Nelson—she knows who's who and how to work with them, expends effort and true affection in her work with tenants, and is always standing by to pitch in and help out with all her knowledge (historical and current).

Commissioner Elect Hasse said she knew Ms. Nelson to be thoughtful, kind, and responsive to all; and is looking forward to working with her in her new role as commissioner.

Lease & Contracts Administrator Nelson said she was lucky to live in this beautiful area with a job like this, and thanked former Finance Administrator Don Taylor for hiring her, and thanked Deputy Director Toews for mentoring her and teaching her all she knows about leases.

VI. SECOND READING: *none*

VII. FIRST READING ~ *none*

VIII. REGULAR BUSINESS (00:31:18)

A. October Year-to-date Financial Report

Executive Director Berg reported that the Port's financials are looking strong. He offered to bring any questions Commissioners had to Finance Director Berg, as she was ill and could not attend.

Commissioner Putney said that there will be an adjustment to the WPPA dues that puts us in a better position. (Rates are based on the Port's income, and for Port of Port Townsend, that includes the JCIA project, putting us in a higher WPPA bracket). He was told that the WPPA reported at the annual meeting that they will cap their increase to 10% year over year.

Commissioner Petranek said she was happy with the detail in the report, and Commissioner Putney said he was happy to see that things are well tuned.

B. Quilcene Report Out (00:34:14)

Executive Director Berg reported that about 29 Quilcene citizens joined Port staff (himself, Deputy Director Toews, and Port Engineer Klontz) at the meeting in Quilcene the evening before. They shared a four-page document with three options for investment in the Port's facilities in Quilcene. He said that the meeting went well, and staff received questions and feedback. The plan is to develop alternative 3 (with the most investment in marina upland—camping, RV, better restroom, etc.) more fully before the next meeting, which is set for January 5, 2022 at 5:00 PM. He said he had been doing some historical research and found that the Port's first investment in Quilcene was in 1927. He then introduced Ray Canterbury and Ken Brotherton of Quilcene, who would be reporting on the meeting.

Ray Canterbury thanked Port staff for coming out to Quilcene and participating in the discussion, and thanked the Port for having these forums, which will guide how the community communicates and interacts with the Port in the future—a genuine partnership. He reported the following:

- The meeting style was productive; they were able to hash out concepts, and there is a renewed sense of optimism.
- The Port was expressing itself in a new way that builds trust.
- He hoped that the contrasting viewpoints would narrow down to actionable points, through this messy but necessary process; it was a very productive meeting.
- There is a desire of people in the meeting to have discussion points and Port staff brought a discussion draft of three alternatives as a handed out; meeting attendees were impressed with the detail of the discussion points and with the knowledge of staff.
- These alternatives were discussed and the most time was spent discussing alternative #3, which is the most significant change to upland Port property.
- There was broad support for a significant amount of maintenance—dredging, docks, and parking lot.

- The Quilcene Yacht Club is important to the community, and it should remain as it is now.
- Encourage Coast Seafoods to be a quieter, less-bright neighbor.
- There was support for a full-time caretaker, either an employed harbormaster or a camp-host.

Commissioner Putney said he really appreciated the community's involvement and hoped that these meetings would continue to have good participation and good results.

Ken Brotherton thanked the Port from the community for having these meetings and listening to their needs and desires and weighing all the options. He said his take-away from the meeting was the community was most excited about the revitalization of the area, but there are some sticking points – they want to preserve the Yacht Club as a community gathering place, lighten the impact and noise from Coast, etc. He said overall the meeting was a great success and he was really optimistic about moving forward.

Commissioner Petranek thanked Mr. Canterbury and Mr. Brotherton for their leadership in their community and for their reports at this meeting. She said the Port staff & Commission is excited about moving forward in cooperation with the community.

Ray Canterbury noted a change in attitude by the Port towards Quilcene, and that the survey was a productive step. He said the community is still skeptical, but he thought there was positive outcomes from the meetings, and he sensed a change and hoped for a positive movement forward.

Executive Director Berg said that the staff next meeting in Quilcene would be January 5, 2022, and at that meeting he hoped participants would get to a point where they could all imagine a path to a plan that the community and staff would jointly recommend to the Commission.

C. Potential Award of HVAC Contract for Point Hudson Pavilion Building (00:53:07)

Port Engineer Klontz said that earlier this year the Port had asked for bids on a new HVAC system for the Pavilion building at Point Hudson, and only one bid was received, which was more than double the engineer's estimate for the work. Port staff decided to request bids again and this time simplified things to make it easier for businesses in the area to put in a bid, which resulted in 5 bids. The lowest bidder was Miller Sheet Metal from Bremerton, at just under \$100,000. Although this is above the engineer's estimate, Port staff were thinking that estimate was a bit low, considering current market rate. Port staff is excited about the opportunities for using this building and the HVAC sets the stage for Port maintenance to complete the finish work on the remodel and have the building ready early in 2022.

Commissioner Putney asked if the HVAC system was forced air. Port Engineer Klontz responded that it was forced air both heating and cooling through a mini-split system.

Commissioner Petranek said she had spoken with Mr. Klontz and that he had explained that this system is easy to maintain. Port Engineer Klontz agreed and said beyond regular maintenance, the ducts would need cleaning occasionally and that many companies have the equipment for this.

Commissioner Putney moved to authorize the Port Director, or his designee, to enter to into contract with Miller Sheetmetal and authorize a 10% Port-held construction contingency above the award amount. Vote was taken and motion passed.

IX. STAFF COMMENTS (01:01:33)

Executive Director Berg commented on the following:

- He is working with the Northwest Maritime Center (NWMC) as they get closer to acquiring the Swan Hotel on an issue regarding a license. He explained that all of the decks at the Swan Hotel facing the Port are on Port property, which has been licensed through the current owner. The NWMC has asked that in addition to the decks, they also would like to be allowed to maintain the fence and hedge, so Port Staff are working on an expanded license to memorialize status quo.
- He is working with Moorage Tenants Association and Jeff Kelley is taking the lead by putting in time to prepare a grant application for additional pump-out equipment—potentially two mobile cart pump-outs – one each for Boat Haven and Point Hudson, and possibly a pump-out vessel, which other ports report are the most used at their marinas.
- The Winter 2021 Port Report is in the newspapers with fun stories about Quilcene.
- He reported on yard capacity, saying there are about 4 or 5 open spaces in the yard, which are all booked for the week of January 3rd. People asking about these empty spots cannot commit to finishing their projects before these reserved boats come in. He noted that we are still on a restricted haul-out schedule—hauling on a priority basis for marine trades and commercial boats, not for do-it-yourselfers (unless we can squeeze them in between other spaces that are spoken for).
- There will be a Town Hall meeting hosted by the City with Port & PUD participating next Wednesday December 15, online at 5:00 PM to talk about the Sims Way project, in particular the poplar tree removal, undergrounding of power, and boat yard expansion. 115,000-volt power lines require a 30' set-back and the poplar trees and boat yard are both too close. There is no way to underground the power lines in the right-of-way and keep the poplars.
- He said the next workshop and meeting of the commission would be January 12, 2022, and he suggested that the ceremonial swearing in of Commissioners Hasse and Hanke, election of officers, etc. be on the workshop agenda.

Deputy Director Toews said he had submitted a CERB planning grant application for design, planning and permitting of the 3.7-acre westward expansion to Boat Haven boat yard and said he would hear back on

whether it is successful early in 2022. The Quilcene meeting last evening was informative and helpful and he is moving to find funding sources to help the Port undertake improvements and rehabilitation of Port facilities there. The Quilcene Yacht Club has been in hold-over status for some time, and Port staff will advance a new agreement with them or find a way to continue to accommodate their meetings and events with a new license agreement.

Port Engineer Klontz said the Port would be advertising next week for an airport engineer to assist with capital improvement projects at the airport over the next five years. Once the FAA okays the Request for Qualifications, the RFQ will be advertised; after that he will begin the process of selecting a consultant.

Recorder Erickson reported that the Port had 4 positions open (Security Officer, Hoist Operator II, Environmental Specialist, and the volunteer host at the Quilcene Marina) and asked Commission to help promote these positions.

X. COMMISSIONER COMMENTS (01:19:39)

Commissioner Putney commented that he had just hours left as Commissioner. He attended the WPPA Annual Meeting in Bellevue, where he addressed the incoming class of Port Commissioners. He also participated in the Airport Communication Subcommittee and said there were a lot of things going on in funding at airports. One thing was a flight-control system that would help small airports without a tower. He said he stopped at Reid Middleton’s table at WPPA and heard from them that they are backing out of small airport engineering business; he will trust Port staff to present the right candidates for a replacement. There was a lot of talk at the WPPA meeting about workforce, living-wage housing which may be something that the Port can address in the future. He let Commissioner Elect Hasse know he would be happy to consult with her any time in the future.

Commissioner Petranek commented on three meetings:

- 1) She and Executive Director Berg did a boatyard tour this past Monday with the Port Townsend Maritime Academy (Kelly Watson and her 16 students) Chris Bricker recorded the two-hour tour and will condense it down to a 20-minute show to be broadcast this Friday. The students learned from young shipwrights about the different ways each has come to their craft, and about the abundant and varied opportunities our bustling boatyard offers to those who already possess hands-on skills or to those willing to learn them as apprentices to master craftspeople. She suggested the Commission participate in more tours like this in 2022.
- 2) She attended the Marine Resource Committee (MRC) meeting Tuesday evening and learned about some great projects they’re doing: they’re looking for an intern to watch water-levels and conditions during storm surges; they’re stepping up their eel-grass and kelp survey data collection. The MRC had questions about the jetty & permitting; Mr. Klontz will attend the next meeting on Tuesday, January 4th to give updates on the jetty. They talked about the Quilcene planning—MRC wants to get involved in data collection of the bay there. They also talked about the derelict boat recycling center—there is great interest in setting up a center in Port Townsend and keeping the recycle circle local.
- 3) She also attended an EDC Team Jefferson board meeting and welcomed new EDC director Cindy Brooks, who seeks to improve the economic well-being and quality of life for local residents. District 3 has some great leadership stepping up—there were 4 applicants for 2 positions to fill on the EDC board. The EDC was asked by Kate Dean to meet with a potential interested business, so they met with a rep from Google Global Corp. (Google Canopy) seeking to starting a cross-laminate, mass-timber manufacturing plant in the Shine area (where floating bridge piles are). The pros are additional jobs (but maybe more for Kitsap County), concerns are profits extracted by a global firm, increased environmental impact, increased reliance on global supply chain, and increased timber extraction. She said she would talk off-line with Port Attorney Woolson about an EDC by-law on confidentiality that is still pending, “all EDC board meeting discussions are open unless noted to be confidential.”

XI. Next Public Workshop & Regular Business Meeting (01:37:47): Wednesday, January 12, 2022, with workshop at 9:30 a.m. and a business meeting at 1:00 p.m. via Zoom.

XII. EXECUTIVE SESSION ~ none

XIII. ADJOURNMENT: meeting adjourned at 2:38 p.m., there being no further business before the Commission.

ATTEST:

William W. Putney III, Secretary

Peter W. Hanke, President

Pamela A. Petranek, Vice President