



1st Monthly Meeting Agenda
Wednesday, January 12, 2022, 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.

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 December 8, 2021.....	1-6
	B. Approval & Ratification of Warrants	7-29
	C. Authorization for Sale of Abandoned Vessels – Resolution 761-22	30-31
	D. FAA Grant Authorization Resolution 764-22	32-34
	E. E.O. 2021-03 - 300 Ton Marine Travelift Emergency Repair	35-38
V.	Special Presentation: State Audit Exit Conference.....	39-74
VI.	Second Reading ~ none	
VII.	First Reading ~ none	
VIII.	Regular Business	
	A. Clean Vessel Act Grant Authorization Resolution 765-22	75-92
	B. 2022 Organizational Topics.....	93-95
	1. Election of Commission Officers (Historical List).....	96
	2. Committee Assignments	97a & b
	3. Resolution 762-22 Delegation of Management Authority to the Executive Director.....	98-106
	4. Resolution 763-22 Commission Meeting Procedures	107-111
	5. Commission Annual Retreat	
	C. November 2021 YTD Financials	112-116
	D. 2022 Rates for Herb Beck Marina	117-119
IX.	Recess to a Meeting of the Industrial Development Corporation of the Port of Port Townsend.....	120
	A. Agenda & Financial Report	121-122
	B. Election of Year 2022 IDC Officers	
	C. Approval of January 13, 2021, IDC Minutes.....	123
X.	Staff Comments	
XI.	Commissioner Comments	
XII.	Next Regular Business Meeting: Wednesday, January 26, 2022; 5:30 p.m., via Zoom	
XIII.	Executive Session - To discuss with legal counsel potential litigation - RCW 42.30.110(1)(i)	
XIV.	Adjournment	
	Informational Items.....	124-168
	• Gateway Complaint from Port Townsend Poplar Alliance.....	125-162
	• November 2021 Detailed Financials.....	163-166
	• Port Contracts Update.....	167
	• Port Lease Brief	168

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 Kellety 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:

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

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 **\$6,336.74 is ratified.**

Signed and Authenticated on this **12th** day of **January**, **2022**.

For: Washington State, Department of Revenue
Combined Excise Tax Return – for **November, 2021** in the amount of
\$6,336.74.

Commissioner Pete W. Hanke

Commissioner Pam Petranek

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 **0-023-744-206**

Below is information from your Monthly Return for the period ending November 30, 2021

Filing Date	December 13, 2021
Account ID	161-000-044
Primary Name	BOAT HAVEN FUEL DOCK
Payment Method	ACH Debit/E-Check
Payment Effective	December 20, 2021
Total Tax	6,336.74
Total Due	6,336.74



Combined Excise Tax Return

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

Filing Period: November 30, 2021

Due Date: December 27, 2021

Filing Frequency: Monthly

Business & Occupation

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retailing	49,087.68	0.00	49,087.68	0.004710	231.20
Service and Other Activities (\$1 million or greater in prior year)	58,504.29	0.00	58,504.29	0.017500	1,023.83
Total Business & Occupation					1,255.03

State Sales and Use

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retail Sales	49,087.68	0.00	49,087.68	0.065000	3,190.70
Use Tax	863.97	0.00	863.97	0.065000	56.16
Total State Sales and Use					3,246.86

Public Utility Tax

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Other Public Service Business	7,632.88	0.00	7,632.88	0.019260	147.01
Water Distribution	660.60	0.00	660.60	0.050290	33.22
Total Public Utility Tax					180.23

Deductions

Tax Classification	Deduction	Amount
Business & Occupation		
Retailing	Motor Vehicle Fuel Tax	0.00
State Sales and Use		
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	49,087.68	0.026000	1,276.28
Total Local City and/or County Sales Tax			1,276.28

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

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	863.97	0.026000	22.46
Total Local City and/or County Use Tax/Deferred Sales Tax			22.46

Transient Rental Income

Location	Income
1601 - PORT TOWNSEND	17,793.87
Total Transient Rental Income	17,793.87

Special Hotel/Motel

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	17,793.87	0.020000	355.88
Total Special Hotel/Motel			355.88

Total Tax	6,336.74
Subtotal	6,336.74
Total Amount Owed	6,336.74

Prepared By: Donna Frary
E-Mail Address: donna@portofpt.com
Submitted Date: 12/13/2021
Confirmation #: 0-023-744-206

Payment Type: ACH Debit/E-Check
Amount: \$6,336.74
Effective Date: 12/20/2021



PO Box 1180 • Port Townsend, WA 98368
Serving all of Jefferson County

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 these claims are a just and unpaid obligation of the Port of Port Townsend, and

that these claims: Warrant No. **063242** in the amount of **\$ 325.09**
 Warrant No. **063295** in the amount of **\$ 139.78**
 Warrant No. **063458** in the amount of **\$ 161.19**
 Warrant No. **063518** in the amount of **\$ 105.98**

are declared **void** on this **12th** day of **January, 2022**.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

S. Abigail Berg, Director of Finance
And Administration

Manual Check and Payment Register
Journal Posting Date: 12/30/2021
Register Number: MC-000273

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
0000063242	REV 12/23/2020	QUI010	Quimper Mercantile			325.09-
Check Comment: Quimper held check&then returned in12/21						
CK000006324201						
	12/23/2020		325.09-	0.00		
G/L Account:	783-2900-25		UNIFORM EXPENSE: MAINT		325.09-	
0000063295	REV 1/13/2021	QUI010	Quimper Mercantile			139.78-
Check Comment: Quimper held check&then returned in12/21						
CK000006329501						
	1/13/2021		139.78-	0.00		
G/L Account:	721-2900-05		UNIFORM EXPENSE: WORK YARD		139.78-	
0000063458	REV 2/24/2021	QUI010	Quimper Mercantile			161.19-
Check Comment: Quimper held check&then returned in12/21						
CK000006345801						
	2/24/2021		161.19-	0.00		
G/L Account:	721-2900-05		UNIFORM EXPENSE: WORK YARD		65.23-	
G/L Account:	721-2900-05		UNIFORM EXPENSE: WORK YARD		95.96-	
Check 0000063458 Total:			161.19-	0.00	161.19-	161.19-
0000063518	REV 3/10/2021	QUI010	Quimper Mercantile			105.98-
Check Comment: Quimper held check&then returned in12/21						
CK000006351801						
	3/10/2021		105.98-	0.00		
G/L Account:	783-2900-25		UNIFORM EXPENSE: MAINT		56.94-	
G/L Account:	783-2900-25		UNIFORM EXPENSE: MAINT		49.04-	
Check 0000063518 Total:			105.98-	0.00	105.98-	105.98-
Bank W Total:			732.04-	0.00	732.04-	732.04-
Report Total:			732.04-	0.00	732.04-	732.04-



PO Box 1180 • Port Townsend, WA 98368

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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. **064578** in the amount of **\$11,173.00** is declared **void** on this on this **12th** day of **January, 2022**.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

S. Abigail Berg, Director of Finance
And Administration

Manual Check and Payment Register
Journal Posting Date: 12/21/2021
Register Number: MC-000272

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
0000064578	REV 12/8/2021	WAS003	Washington Public Ports Assn.			11,173.00-
Check Comment: Revised invoice coming in January						
CK000006457801						
	12/8/2021	11,173.00-		0.00		
G/L Account:	781-7500-28		MEMBERSHIP AND DUES: EXEC		11,173.00-	
	Bank W Total:	11,173.00-		0.00	11,173.00-	11,173.00-
	Report Total:	11,173.00-		0.00	11,173.00-	11,173.00-



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 064582 through No. 064586 generated on December 16th, 2021 in the amount of \$10,017.07 and Electronic Payment in the amount of \$86,559.36, for a total amount of \$96,576.43 is ratified.

Signed and Authenticated on this 12th day of January, 2022.

For: Payroll and Benefits

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

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 064587 through No. 064641 generated on December 17th, 2021 in the amount of \$92,598.710 is ratified.

Signed and Authenticated on this 12th day of January, 2022.

For: Accounts Payable

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

S. Abigail Berg, Director of Finance
And Administration

Check Register

Journal Posting Date: 12/21/2021

Register Number: CD-000895

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
0000064587	12/21/2021	ADM002	Admiral Ship Supply Inc.				Check Entry Number: 001
			11/30/21 STATEMENT	11/30/2021	292.07	0.00	292.07
0000064588	12/21/2021	AIR070	Airside Solutions, Inc				Check Entry Number: 001
			34720-01	12/1/2021	460.64	0.00	460.64
0000064589	12/21/2021	BAN005	Bank of America				Check Entry Number: 001
			12/5/21 STATEMENT	12/5/2021	4,039.60	0.00	4,039.60
0000064590	12/21/2021	BER040	Abigail Berg				Check Entry Number: 001
			12/2021 EXPENSE	12/21/2021	24.27	0.00	24.27
0000064591	12/21/2021	BLA065	Blake Tile & Stone, Inc.				Check Entry Number: 001
			89589	12/2/2021	453.46	0.00	453.46
0000064592	12/21/2021	BRO086	Thomas Brotherton				Check Entry Number: 001
			REFUND 12/13/21	12/13/2021	45.14	0.00	45.14
0000064593	12/21/2021	CED005	CED				Check Entry Number: 001
			5948-1012813	12/8/2021	168.89	0.00	168.89
0000064594	12/21/2021	CEN010	Central Welding Supply				Check Entry Number: 001
			PT 139596	12/1/2021	52.45	0.00	52.45
			PT 139618	12/2/2021	26.48	0.00	26.48
			PT 139762	12/9/2021	24.48	0.00	24.48
Check 0000064594 Total:					103.41	0.00	103.41
0000064595	12/21/2021	CEN030	CenturyLink				Check Entry Number: 001
			12/1/2021 STATEMENT	12/1/2021	175.00	0.00	175.00
0000064596	12/21/2021	CEN035	CenturyLink				Check Entry Number: 001
			12/5/21 STATEMENT	12/5/2021	852.28	0.00	852.28
0000064597	12/21/2021	CIN020	Cintas				Check Entry Number: 001
			5085245044	11/23/2021	246.73	0.00	246.73
0000064598	12/21/2021	COA050	Mott MacDonald				Check Entry Number: 001
			100339-26	12/10/2021	4,834.25	0.00	4,834.25
0000064599	12/21/2021	COO050	Cooper Fuel				Check Entry Number: 001
			12/1/21 STATEMENT	12/1/2021	4,965.72	0.00	4,965.72
0000064600	12/21/2021	COS020	Donielle Cossey				Check Entry Number: 001
			REFUND 12/3/21	12/3/2021	236.76	0.00	236.76
0000064601	12/21/2021	ERI040	Karen Erickson				Check Entry Number: 001
			OCT NOV EXPENSE	12/7/2021	33.15	0.00	33.15
0000064602	12/21/2021	FER001	Ferrellgas				Check Entry Number: 001
			5006676813	11/25/2021	956.46	0.00	956.46
0000064603	12/21/2021	FER070	Thomas Fergusen				Check Entry Number: 001
			REFUND 12/7/21	12/7/2021	623.64	0.00	623.64
0000064604	12/21/2021	GOO002	Good Man Sanitation				Check Entry Number: 001
			12/6/2021 STATEMENT	12/6/2021	2,063.00	0.00	2,063.00
0000064605	12/21/2021	HAS020	Carol Hasse				Check Entry Number: 001
			11/2021 10/2021 EXP	12/5/2021	1,237.18	0.00	1,237.18
0000064606	12/21/2021	HRA030	HRA VEBA Trust				Check Entry Number: 001
			YA20407 HANSON	12/21/2021	102.00	0.00	102.00
0000064607	12/21/2021	JC0003	Jefferson County - Public Work				Check Entry Number: 001
			11/2021 STATEMENT	12/1/2021	1,966.59	0.00	1,966.59
0000064608	12/21/2021	JC1001	Jefferson County Auditor				Check Entry Number: 001
			11/2/2021 ELECTIONS	12/7/2021	14,698.49	0.00	14,698.49
0000064609	12/21/2021	JEF045	Jefferson County Chamber				Check Entry Number: 001
			18070	12/13/2021	1,500.00	0.00	1,500.00
0000064610	12/21/2021	KEN010	Kendrick Equipment				Check Entry Number: 001

Run Date: 12/17/2021 4:14:04PM

A/P Date: 12/21/2021

Page: 1

User Logon: DLF

Check Register
Journal Posting Date: 12/21/2021
Register Number: CD-000895

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
			U50533	12/9/2021	72.41	0.00 72.41
0000064611	12/21/2021	KHI001	Terry Khile			Check Entry Number: 001
			12/2021 UNIFORM	12/21/2021	320.93	0.00 320.93
0000064612	12/21/2021	LEM040	Lemay Mobile Shredding			Check Entry Number: 001
			4725715	12/1/2021	13.65	0.00 13.65
0000064613	12/21/2021	LES050	Les Schwab			Check Entry Number: 001
			37900477503	12/2/2021	8.72	0.00 8.72
0000064614	12/21/2021	NAT020	National Fisherman Magazine			Check Entry Number: 001
			INV052849	7/28/2021	2,962.25	0.00 2,962.25
0000064615	12/21/2021	O'RE030	O'Reilly Auto Parts			Check Entry Number: 001
			3939+105880	12/3/2021	32.72	0.00 32.72
0000064616	12/21/2021	OES001	OESD 114			Check Entry Number: 001
			2122000535	12/15/2021	4,029.00	0.00 4,029.00
0000064617	12/21/2021	OLY002	The Home Depot Pro Institutional			Check Entry Number: 001
			653358143	11/16/2021	14.34	0.00 14.34
0000064618	12/21/2021	OLY003	Olympic Springs, Inc.			Check Entry Number: 001
			11/30/21 STATEMENT	11/30/2021	26.02	0.00 26.02
0000064619	12/21/2021	OLY035	Olympic Peninsula Communications, LLC			Check Entry Number: 001
			021	12/1/2021	1,093.75	0.00 1,093.75
0000064620	12/21/2021	PAC004	Pacific Office Equipment Co			Check Entry Number: 001
			12/1/21 STATEMENT	12/1/2021	643.74	0.00 643.74
0000064621	12/21/2021	PAC006	Pacific Coast Congress			Check Entry Number: 001
			2013078	12/1/2021	265.00	0.00 265.00
0000064622	12/21/2021	PAF050	PA Far West Machine & Hydraulics, LLC			Check Entry Number: 001
			1121-3610C	11/2/2021	767.13	0.00 767.13
0000064623	12/21/2021	PAP020	Pape Machinery			Check Entry Number: 001
			13192984	12/7/2021	202.01	0.00 202.01
0000064624	12/21/2021	PEN004	Peninsula Floors & Furnishings			Check Entry Number: 001
			59408	11/30/2021	966.83	0.00 966.83
0000064625	12/21/2021	PEN030	Peninsula Paint Co.			Check Entry Number: 001
			F0201308	12/1/2021	65.20	0.00 65.20
0000064626	12/21/2021	PET025	Petrick Lock & Safe			Check Entry Number: 001
			20615	12/6/2021	371.49	0.00 371.49
			20622	12/10/2021	102.28	0.00 102.28
Check 0000064626 Total:					473.77	0.00 473.77
0000064627	12/21/2021	PIN010	Pinnacle Investigations Corp			Check Entry Number: 001
			77587	12/15/2021	104.25	0.00 104.25
0000064628	12/21/2021	PLA040	PLATT			Check Entry Number: 001
			2E44701	12/13/2021	576.93	0.00 576.93
			2H31370	12/3/2021	192.89	0.00 192.89
Check 0000064628 Total:					769.82	0.00 769.82
0000064629	12/21/2021	POR002	Auditor's Revolving Fund - Kitsap Bank			Check Entry Number: 001
			PMA RECORDING	12/7/2021	435.00	0.00 435.00
0000064630	12/21/2021	POR005	Port Townsend Leader			Check Entry Number: 001
			108622	12/1/2021	170.00	0.00 170.00
0000064631	12/21/2021	POR085	Port Townsend Foundry LLC			Check Entry Number: 001
			5861	12/6/2021	189.47	0.00 189.47
0000064632	12/21/2021	PUD005	PUD #1 of Jefferson County			Check Entry Number: 001
			12/10/21 STATEMENT	12/10/2021	32.65	0.00 32.65
			12/10/21 STATEMENTS	12/10/2021	30,301.71	0.00 30,301.71

Run Date: 12/17/2021 4:14:04PM
A/P Date: 12/21/2021

Page: 2
User Logon: DLF

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied
				Payment Amount		
Check 0000064632 Total:					30,334.36	0.00
						30,334.36
0000064633	12/21/2021	QUI001	Quill Corporation			Check Entry Number: 001
			21294400	11/30/2021	37.05	0.00
						37.05
0000064634	12/21/2021	QUI010	Quimper Mercantile			Check Entry Number: 001
			103726	12/2/2021	124.24	0.00
						124.24
			103735	12/2/2021	183.41	0.00
						183.41
			103739	12/2/2021	201.08	0.00
						201.08
			106794	12/13/2021	304.09	0.00
						304.09
			107273	12/14/2021	103.96	0.00
						103.96
Check 0000064634 Total:					916.78	0.00
						916.78
0000064635	12/21/2021	SEC010	Security Services			Check Entry Number: 001
			119495	12/1/2021	190.85	0.00
						190.85
0000064636	12/21/2021	SHO010	Shold Excavating Inc			Check Entry Number: 001
			65060	12/10/2021	347.94	0.00
						347.94
0000064637	12/21/2021	STE075	Robert & Linda Stephan			Check Entry Number: 001
			REFUND 12/14/2021	12/14/2021	73.33	0.00
						73.33
0000064638	12/21/2021	VEN070	VenTek International			Check Entry Number: 001
			129984	12/1/2021	103.65	0.00
						103.65
0000064639	12/21/2021	WA1901	State of Washington			Check Entry Number: 001
			L145606	12/10/2021	6,729.45	0.00
						6,729.45
0000064640	12/21/2021	WAV040	Wave Broadband			Check Entry Number: 001
			043328901-0009174	11/24/2021	154.72	0.00
						154.72
0000064641	12/21/2021	WES060	West Marine Pro			Check Entry Number: 001
			008168	12/6/2021	5.84	0.00
						5.84
Report Total:					92,598.71	0.00
						92,598.71



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 064642 through No. 064649 generated on December 16th, 2021 in the amount of \$33,380.88 and Electronic Payment in the amount of \$158,716.58, for a total amount of \$192,097.46 is ratified.

Signed and Authenticated on this 12th day of January, 2022.

For: Payroll and Benefits

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

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 064650 generated on January 4th, 2022 in the amount of \$397,964.34 is ratified.

Signed and Authenticated on this 12th day of January, 2022.

For: Accounts Payable

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

S. Abigail Berg, Director of Finance
And Administration

Check Register
Journal Posting Date: 1/4/2022
Register Number: CD-000897

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
0000064650	1/4/2022	KEN010	Kendrick Equipment				
			20211228	12/28/2021	397,964.34	0.00	397,964.34
				Report Total:	397,964.34	0.00	397,964.34
				Check Entry Number: 001			



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 064651 through No. 064703, are approved for payment in the amount of \$210,322.57 on this 12th day of January, 2022.

For: Accounts Payable

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

S. Abigail Berg, Director of Finance
And Administration

Check Register
Journal Posting Date: 1/12/2022
Register Number: CD-000898

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
0000064651	1/12/2022	ADL050	Adler Tank Rentals				Check Entry Number: 001
			4569678	12/18/2021	955.80	0.00	955.80
			4572549	12/31/2021	2,334.32	0.00	2,334.32
			Check 0000064651 Total:		3,290.12	0.00	3,290.12
0000064652	1/12/2022	ADM002	Admiral Ship Supply Inc.				Check Entry Number: 001
			12/31/21 STATEMENT	12/31/2021	801.43	0.00	801.43
0000064653	1/12/2022	ARR010	Arrow Lumber Port Townsend				Check Entry Number: 001
			12/28/21 STATEMENT	12/28/2021	124.29	0.00	124.29
0000064654	1/12/2022	BER045	Eron Berg				Check Entry Number: 001
			11/2021 EXPENSE	1/12/2022	333.81	0.00	333.81
			12/2021 EXPENSE	1/12/2022	704.90	0.00	704.90
			Check 0000064654 Total:		1,038.71	0.00	1,038.71
0000064655	1/12/2022	BLA065	Blake Tile & Stone, Inc.				Check Entry Number: 001
			90332	12/23/2021	499.61	0.00	499.61
0000064656	1/12/2022	CAR001	Carl's Building Supply				Check Entry Number: 001
			12/31/21 STATEMENT	12/31/2021	459.52	0.00	459.52
0000064657	1/12/2022	CED005	CED				Check Entry Number: 001
			5948-1013197	12/27/2021	5,705.36	0.00	5,705.36
			5948-1013311	12/27/2021	131.87	0.00	131.87
			Check 0000064657 Total:		5,837.23	0.00	5,837.23
0000064658	1/12/2022	CHM030	Chmelik Sitkin & Davis P.S.				Check Entry Number: 001
			11/2021	12/20/2021	1,567.50	0.00	1,567.50
0000064659	1/12/2022	CIT001	City Of Port Townsend				Check Entry Number: 001
			12/2021 STATEMENTS	12/31/2021	10,346.17	0.00	10,346.17
0000064660	1/12/2022	COO050	Cooper Fuel				Check Entry Number: 001
			1/1/2022	1/1/2022	5,543.14	0.00	5,543.14
0000064661	1/12/2022	COW020	Cowling and Co. LLC				Check Entry Number: 001
			456	11/30/2021	4,584.00	0.00	4,584.00
			457	11/30/2021	2,708.60	0.00	2,708.60
			464	11/30/2021	480.00	0.00	480.00
			Check 0000064661 Total:		7,772.60	0.00	7,772.60
0000064662	1/12/2022	DAI001	Daily Journal of Commerce				Check Entry Number: 001
			3374176	12/22/2021	713.80	0.00	713.80
0000064663	1/12/2022	DEW050	Michelle Dew				Check Entry Number: 001
			12/2021 EXPENSE	12/20/2021	66.44	0.00	66.44
0000064664	1/12/2022	DLL010	D L Logos				Check Entry Number: 001
			3845	12/22/2021	40.91	0.00	40.91
			3846	12/22/2021	49.10	0.00	49.10
			Check 0000064664 Total:		90.01	0.00	90.01
0000064665	1/12/2022	ERI040	Karen Erickson				Check Entry Number: 001
			12/2021 EXPENSE	12/29/2021	16.13	0.00	16.13
0000064666	1/12/2022	FAM001	Ferguson Enterprises #3007				Check Entry Number: 001
			9991049	12/16/2021	102.66	0.00	102.66
			9995570	12/16/2021	897.06	0.00	897.06
			Check 0000064666 Total:		999.72	0.00	999.72
0000064667	1/12/2022	FER030	Kristian Ferrero				Check Entry Number: 001
			12/21 UNIFORM EXP	12/20/2021	190.74	0.00	190.74
0000064668	1/12/2022	GOO002	Good Man Sanitation				Check Entry Number: 001
			1/3/2022 STATEMENT	1/3/2022	1,798.00	0.00	1,798.00

Run Date: 1/7/2022 9:22:42AM
A/P Date: 1/12/2022

Page: 1
User Logon: DLF

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064669	1/12/2022	GUA080	Guardian Security Systems, Inc.				Check Entry Number: 001
			1199696	12/17/2021	1,052.03	0.00	1,052.03
0000064670	1/12/2022	HEI070	Richard Heim				Check Entry Number: 001
			12/21 UNIFORM EXP	12/21/2021	413.50	0.00	413.50
0000064671	1/12/2022	HEN002	Henery Hardware				Check Entry Number: 001
			722515	11/29/2021	6.10	0.00	6.10
			722526	11/29/2021	16.35	0.00	16.35
			722566	11/30/2021	147.27	0.00	147.27
			722631	12/1/2021	15.25	0.00	15.25
			722643	12/1/2021	15.26	0.00	15.26
			722657	12/1/2021	105.47	0.00	105.47
			722719	12/2/2021	117.11	0.00	117.11
			722735	12/2/2021	122.14	0.00	122.14
			722757	12/2/2021	75.27	0.00	75.27
			722783	12/3/2021	37.72	0.00	37.72
			722799	12/3/2021	15.26	0.00	15.26
			722802	12/3/2021	37.07	0.00	37.07
			722901	12/6/2021	26.82	0.00	26.82
			722948	12/6/2021	35.94	0.00	35.94
			722958	12/7/2021	54.21	0.00	54.21
			722975	12/7/2021	49.04	0.00	49.04
			723007	12/7/2021	23.33	0.00	23.33
			723046	12/8/2021	42.53	0.00	42.53
			723066	12/8/2021	119.96	0.00	119.96
			723120	12/9/2021	49.60	0.00	49.60
			723124	12/9/2021	81.79	0.00	81.79
			723125	12/9/2021	65.45	0.00	65.45
			723175	12/9/2021	71.53	0.00	71.53
			723198	12/10/2021	104.71	0.00	104.71
			723210	12/10/2021	139.72	0.00	139.72
			723222	12/10/2021	102.05	0.00	102.05
			723235	12/10/2021	80.00	0.00	80.00
			723269	12/11/2021	3.47	0.00	3.47
			723318	12/13/2021	36.83	0.00	36.83
			723335	12/13/2021	64.31	0.00	64.31
			723364	12/13/2021	14.99	0.00	14.99
			723401	12/14/2021	14.59	0.00	14.59
			723414	12/14/2021	5.21	0.00	5.21
			723480	12/15/2021	12.28	0.00	12.28
			723489	12/15/2021	98.17	0.00	98.17
			723490	12/15/2021	38.55	0.00	38.55
			723504	12/15/2021	7.62	0.00	7.62
			723560	12/16/2021	15.25	0.00	15.25
			723598	12/16/2021	54.54	0.00	54.54
			723627	12/17/2021	10.90	0.00	10.90
			723725	12/20/2021	61.07	0.00	61.07
			723728	12/20/2021	104.71	0.00	104.71
			723736	12/20/2021	33.80	0.00	33.80
			723803	12/21/2021	25.70	0.00	25.70
			723815	12/21/2021	34.40	0.00	34.40

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied Payment Amount
			723828	12/21/2021	31.40	0.00 31.40
			723836	12/21/2021	76.48	0.00 76.48
			723851	12/22/2021	5.01	0.00 5.01
			Check 0000064671 Total:		2,506.23	0.00 2,506.23
0000064672	1/12/2022	HEN006	Quilcene Henery's Hardware			Check Entry Number: 001
			12/25/21 STATEMENT	12/25/2021	152.19	0.00 152.19
0000064673	1/12/2022	JC0003	Jefferson County - Public Work			Check Entry Number: 001
			12/2021 STATEMENT	12/31/2021	681.06	0.00 681.06
0000064674	1/12/2022	KEN010	Kendrick Equipment			Check Entry Number: 001
			U50538	12/21/2021	355.07	0.00 355.07
0000064675	1/12/2022	LAN001	Landau Associates			Check Entry Number: 001
			0049716	12/17/2021	810.00	0.00 810.00
0000064676	1/12/2022	MON040	Jennifer Mitchell			Check Entry Number: 001
			12/21 UNIFORM EXP	12/21/2021	156.15	0.00 156.15
0000064677	1/12/2022	MUR002	Murrey's Disposal Co. Inc.			Check Entry Number: 001
			12/2021 STATEMENTS	1/1/2022	8,567.96	0.00 8,567.96
0000064678	1/12/2022	NEL001	Sue Nelson			Check Entry Number: 001
			2021 EXPENSE	12/29/2021	15.12	0.00 15.12
0000064679	1/12/2022	OLY002	The Home Depot Pro Institutional			Check Entry Number: 001
			657246799	12/8/2021	71.68	0.00 71.68
			659812663	12/22/2021	747.12	0.00 747.12
			Check 0000064679 Total:		818.80	0.00 818.80
0000064680	1/12/2022	PAC004	Pacific Office Equipment Co			Check Entry Number: 001
			12/31/2021 STATEMENT	12/31/2021	340.04	0.00 340.04
0000064681	1/12/2022	PAP020	Pape Machinery			Check Entry Number: 001
			710224101	12/19/2021	4,347.64	0.00 4,347.64
			712246	12/15/2021	15,634.32	0.00 15,634.32
			Check 0000064681 Total:		19,981.96	0.00 19,981.96
0000064682	1/12/2022	PEN050	Peninsula Heat, Inc.			Check Entry Number: 001
			957	12/15/2021	113.46	0.00 113.46
0000064683	1/12/2022	PET025	Petrick Lock & Safe			Check Entry Number: 001
			12282021	12/28/2021	12.44	0.00 12.44
			20640	12/21/2021	105.91	0.00 105.91
			Check 0000064683 Total:		118.35	0.00 118.35
0000064684	1/12/2022	PIN010	Pinnacle Investigations Corp			Check Entry Number: 001
			77749	1/1/2022	145.05	0.00 145.05
0000064685	1/12/2022	PLA040	PLATT			Check Entry Number: 001
			2121831	12/15/2021	576.93	0.00 576.93
0000064686	1/12/2022	POW070	Powerplan - OIB			Check Entry Number: 001
			13211018	12/20/2021	692.20	0.00 692.20
0000064687	1/12/2022	PUD005	PUD #1 of Jefferson County			Check Entry Number: 001
			12/17/21 STTEMENTS	12/17/2021	482.65	0.00 482.65
			12/23/21 STATEMENTS	12/23/2021	522.32	0.00 522.32
			Check 0000064687 Total:		1,004.97	0.00 1,004.97
0000064688	1/12/2022	PUT010	Bill Putney			Check Entry Number: 001
			12/2021 EXPENSE	12/29/2021	879.99	0.00 879.99
0000064689	1/12/2022	QUI001	Quill Corporation			Check Entry Number: 001
			21834296	12/22/2021	60.21	0.00 60.21
0000064690	1/12/2022	QUI010	Quimper Mercantile			Check Entry Number: 001

Check Register
Journal Posting Date: 1/12/2022
Register Number: CD-000898

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
			108272	12/17/2021	159.12	0.00 159.12
			112199	12/28/2021	320.98	0.00 320.98
			Check 0000064690 Total:		480.10	0.00 480.10
0000064691	1/12/2022	REI002	Reid Middleton Co			Check Entry Number: 001
			2112029	12/6/2021	47,864.00	0.00 47,864.00
			2112031	12/6/2021	23,481.00	0.00 23,481.00
			2112032	12/6/2021	48,124.00	0.00 48,124.00
			Check 0000064691 Total:		119,469.00	0.00 119,469.00
0000064692	1/12/2022	RSI050	RSINet			Check Entry Number: 001
			6368	12/28/2021	180.00	0.00 180.00
0000064693	1/12/2022	SAF001	Safeway, Inc.			Check Entry Number: 001
			12/21/21 STATEMENT	12/21/2021	2,045.19	0.00 2,045.19
0000064694	1/12/2022	SHE060	Nathan Sherwood			Check Entry Number: 001
			12/21 UNIFORM EXP	12/30/2021	122.65	0.00 122.65
0000064695	1/12/2022	SHO010	Shold Excavating Inc			Check Entry Number: 001
			65261	12/23/2021	357.63	0.00 357.63
0000064696	1/12/2022	SNE020	S-Net Communications			Check Entry Number: 001
			121788	12/31/2021	568.60	0.00 568.60
0000064697	1/12/2022	SUN003	Sunshine Propane			Check Entry Number: 001
			12/15/2021 STATEMENT	12/15/2021	650.04	0.00 650.04
0000064698	1/12/2022	TOW017	Town & Country Tractor, Inc			Check Entry Number: 001
			175606	12/28/2021	959.11	0.00 959.11
0000064699	1/12/2022	VER001	Verizon Wireless, Bellevue			Check Entry Number: 001
			9895163324	12/15/2021	499.33	0.00 499.33
0000064700	1/12/2022	WAS003	Washington Public Ports Assn.			Check Entry Number: 001
			021-813	12/23/2021	425.00	0.00 425.00
			021861	12/23/2021	1,715.00	0.00 1,715.00
			Check 0000064700 Total:		2,140.00	0.00 2,140.00
0000064701	1/12/2022	WAS017	Marc Horton - Washington Project Consultants			Check Entry Number: 001
			123121-8	12/31/2021	1,140.00	0.00 1,140.00
0000064702	1/12/2022	WAV040	Wave Broadband			Check Entry Number: 001
			043328901-0009227	12/23/2021	169.72	0.00 169.72
0000064703	1/12/2022	WES006	Westbay Auto Parts, Inc.			Check Entry Number: 001
			12/24/2021 STATEMENT	12/24/2021	944.77	0.00 944.77
			Report Total:		210,322.57	0.00 210,322.57



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 064704 through No. 064712, are approved for payment in the amount of \$15,401.01 on this 12th day of January, 2022.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner Carol Hasse

S. Abigail Berg, Director of Finance
And Administration

Check Register
Journal Posting Date: 1/12/2022
Register Number: CD-000899

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
0000064704	1/12/2022	ALD050	Alden Associates			Check Entry Number: 001
			0074962-IN	1/4/2022	4,904.05	0.00 4,904.05
0000064705	1/12/2022	DIR070	DirecTV			Check Entry Number: 001
			075436554X211228	12/27/2021	419.50	0.00 419.50
0000064706	1/12/2022	FIS020	Fish N Hole			Check Entry Number: 001
			5600052	1/4/2022	45.08	0.00 45.08
0000064707	1/12/2022	GUA080	Guardian Security Systems, Inc.			Check Entry Number: 001
			1207447	1/1/2022	147.29	0.00 147.29
			1207448	1/1/2022	111.83	0.00 111.83
Check 0000064707 Total:					259.12	0.00 259.12
0000064708	1/12/2022	KEN010	Kendrick Equipment			Check Entry Number: 001
			U50497	1/5/2022	7,913.11	0.00 7,913.11
0000064709	1/12/2022	QUI010	Quimper Mercantile			Check Entry Number: 001
			113093	1/3/2022	156.33	0.00 156.33
0000064710	1/12/2022	QUI050	Quigg Bros. Inc.			Check Entry Number: 001
			REFUND 1/5/2022	1/5/2022	1,408.40	0.00 1,408.40
0000064711	1/12/2022	SNO030	Laura Snodgrass			Check Entry Number: 001
			1/2022 UNIFORM EXP	1/3/2022	185.42	0.00 185.42
0000064712	1/12/2022	WAS001	Washington Airport Mgmt Assn			Check Entry Number: 001
			01979	1/1/2022	110.00	0.00 110.00
Report Total:					15,401.01	0.00 15,401.01

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	IV. C. Authorization for Sale of Abandoned Vessels
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	1. Resolution 761-22

RESOLUTION NO. 761-22

A Resolution of the Commission of the Port of Port Townsend

AUTHORIZING THE SALE OF ABANDONED VESSELS

WHEREAS: The Port of Port Townsend has in its possession two (2) boats described as follows:

<u>VESSEL</u>	<u>OWNER</u>
STAR DUST	Michael Neece
Di ALTO MARE	Gregory Cremarosa

WHEREAS: Efforts have been made to locate the true owner of each said vessel, and proper notices have been sent to the person believed to be the true owner, or to anyone who might claim an ownership interest in the boat and no person or persons or entity has responded claiming ownership and willingness to pay the charges owing for storage, and ninety (90) days have elapsed since the sending of such notices,

NOW, THEREFORE BE IT RESOLVED:

1. That the above designated vessels are declared to be abandoned; and
2. The Port Executive Director is directed to sell the said boats at public sale to the highest and best bidder for cash pursuant to the procedures set forth in RCW 53.08.320 (5); and
3. That the date of public auction shall be February 24, 2022 at 10:00 AM; and
4. Auction to be held at the Port of Port Townsend Work Yard located at 2790 Washington Street, Port Townsend, Washington.

ADOPTED this 12th day of January 2022 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:

Secretary

President

Vice President

APPROVED AS TO FORM:

Port Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	IV. D. FAA Grant Authorization Resolution 764-22
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none">1. Resolution 764-222. Staff Information Memo

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 1/5/2022
TO: Port Townsend Port Commission
FROM: Port Executive Staff
SUBJECT: FAA Airport Coronavirus Relief Grant Authorizing Resolution No. 764-22

ISSUE: Should the Commission authorize the Executive Director's action accept and execute an Airport Coronavirus Response Program Agreement in the amount of \$32,000 to offset economic impacts to the JCIA associated with the COVID-19 pandemic?

BACKGROUND/DISCUSSION: As part of the federal government's Coronavirus response, the US Department of Transportation's Federal Aviation Administration established the Airport Coronavirus Response Grant (ACRG) program to help provide economic relief to airports sustained as a result of the pandemic. Many small general aviation airports throughout the state are being granted the same amount of \$32,000 to help defray economic impacts during this extraordinary time. The funds may be used for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.

On December 16, 2021, the Port received Airport Rescue Grant Offer, Grant No. 3-53-0134-021-2022. The Port's authorized representative (e.g., Executive Director) must execute the grant, followed by the attorney's certification, by no later than January 21, 2022, for the grant to be valid. The resolution presented authorizes and directs the Executive Director to accept the funds on behalf of the Port and to expend them for any lawful purpose consistent with the grant agreement.

RECOMMENDATION: Approve the attached Resolution 764-22 authorizing the Executive Director to execute ACRG Grant No. 3-53-0134-021-2022.

MOTION: No separate motion required. This resolution is placed on the Commission's Consent Agenda for the regular meeting of January 12, 2022; adoption of the Consent Agenda operates to ratify and confirm Resolution No. 764-22.

ATTACHMENTS: One (1) attachment is included: Resolution No. 764-22.

RESOLUTION NO. 764-22

A Resolution of the Commission of the Port of Port Townsend

AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PORT OF PORT TOWNSEND TO ACCEPT & APPROVE A GRANT FROM THE US DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION (FAA), UNDER THE CORONAVIRUS RESPONSE GRANT PROGRAM (CRPG) TO PROVIDE ECONOMIC ASSISTANCE IN RESPONSE TO COVID-19 OPERATIONAL IMPACTS.

WHEREAS, the Port of Port Townsend wishes to accept and approve an Airport Coronavirus Relief Grant Agreement with the US Department of Transportation, Federal Aviation Administration, in the amount of \$32,000 to provide economic relief to the Jefferson County International Airport (JCIA) for losses experienced during the COVID-19 pandemic; and,

WHEREAS, the Port has given the grant offer and agreement all due review and consideration,

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Port of Port Townsend, as follows:

Section 1. On December 16, 2021, the Port of Port Townsend received an Airport Rescue Grant Offer, Grant No. 3-53-0134-021-2022, in the amount of \$32,000.00 from the US Department of Transportation, Federal Aviation Administration (FAA) for the Jefferson County International Airport (JCIA). Said grant offer and agreement is specifically made a part hereof by this reference.

Section 2. The Executive Director is hereby authorized and directed to accept the aforementioned grant offer from the FAA and to apply the same to any purpose for which such funds may be lawfully used.

ADOPTED this 12th day of January 2022, 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:

Secretary

President

Vice President

APPROVED AS TO FORM:

Port Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	IV. E. Emergency Order - 300 Ton Marine Travelift Emergency Repair
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Emergency Order 2021-03 2. Staff Information Memo

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: January 5, 2022
TO: Port of Port Townsend Commission
FROM: Eron Berg, Executive Director
CC:
SUBJECT: Declaration of Emergency – 300-Ton Marine Travelift Hydraulic System Components

ISSUE: Shall Commission ratify and confirm Emergency Order 2021-03 waiving competitive bidding requirements and authorizing the Executive Director to award of all necessary contracts to address this emergency situation?

BACKGROUND

RCW 39.04.280 requires that, if an emergency exists, the person designated by the governing body may declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts to address the emergency situation.

Within the delegation of authority resolution, Resolution No. 746-21, Article IV, “Policy Governing Contracts for Acquisition of Materials, Equipment, Supplies and Services”, paragraph #C, the Commission authorizes the Executive Director to make a finding of the existence of an emergency and to execute any contracts necessary to respond to the emergency. It further provides that the Executive Director shall, at the first opportunity, contact a Port Commissioner, and at the first Port Commission meeting following the finding of the existence of an emergency, request the Port Commission to ratify the finding of emergency and any contracts that have been, or may be, awarded to executed pursuant to that finding.

DISCUSSION

On December 16, 2021, the Port’s Maintenance Mechanic II, Justin Taylor, conducted an inspection of the hydraulic system on the Port’s 300-Ton Marine Travelift (“the lift”). The inspection and investigation revealed widespread hydraulic system leaks indicating the need for extensive repairs as soon as practicable to avoid a mechanical failure and a cessation of 300-ton lift operations.

Although winter is not a particularly busy time for heavy haul-out operations at Boat Haven, a substantial number of commercial vessels currently undergoing winter refits will be ready to return to the water in late winter/early spring. Ensuring that these operations are maintained without interruption is critical both to the commercial fishing vessels being refitted at Boat Haven, as well as the Port’s own lines of revenue.

As a result of the foregoing, I declared an emergency and authorized staff to immediately source, acquire and install hydraulic system components on the lift to ensure that haul-out operations at Boat Haven can continue with as little disruption as possible.

FISCAL IMPACT

The initial estimate for the hydraulic system parts is \$42,000; installation of the parts is anticipated to cost up to \$25,000.

RECOMMENDATION: Ratify and confirm Emergency Order 2021-03 waiving competitive bidding requirements and authorizing the Executive Director to award of all necessary contracts to address this emergency situation.

MOTION: No separate motion is required. This matter is placed on the Commission's Consent Agenda for the regular meeting of January 12, 2022; adoption of the Consent Agenda will ratify and confirm Emergency Order 2021-03.

ATTACHMENTS:

1. Emergency Order No. 2021-03 (consisting of 1 page), dated December 17, 2021; and
2. Quote from Kendrick Equipment for 300-Ton Marine Travellift hydraulic system parts (consisting of one (1) page), dated December 17, 2021.



EMERGENCY ORDER 2021-03:

Declaration of Emergency & Authorization to Waive Competitive Bidding Requirements

In conformance with the Delegation of Authority Resolution No. 746-21 adopted by the Commission on May 26, 2021, and Washington State statutes RCW 39.04.020, RCW 39.04.280, and RCW 53.08.120, the Executive Director of the Port of Port Townsend declares an emergency situation exists which presents a real, immediate threat to the proper performance of essential functions, or will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. Further, the Executive Director waives the competitive bidding requirements and authorizes the award of all necessary contracts to address this emergency situation.

The emergency situation exists as a result of inspections and investigations conducted by the Port's Maintenance Mechanic II, Justin Taylor, on December 16, 2021, which revealed progressive and rapid deterioration of key components of the hydraulic system on the Port's 300-Ton Marine Travelift. The inspection and investigations revealed that the valves and "spools" of the lift's hydraulic system require replacement as soon as possible to avoid mechanical failure and maintain uninterrupted haul-out operations. Because the Port's haul-out operations annually serve hundreds of large commercial vessels (75-300 tons) seeking repair and refit work at Boat Haven, and because sourcing component parts for the lifts is increasingly challenging and requires long lead-times due to unprecedented supply-chain disruptions, sourcing the replacement parts must be initiated immediately to ensure that scheduled work on vessels remains on schedule. A complete failure of the hydraulic system on the 300-Ton Marine Travelift could result in an extended period of suspended haul-out operations, and substantial financial losses to the Port and its customers.

Staff recommends that procurement and installation of new haul-out lift hydraulic system parts (i.e., spools and valves) be handled under emergency contracting provisions in order expedite repairs and minimize the potential for disruptions to scheduled haul-out operations at Boat Haven.

Signed December 17, 2021:

Eron Berg, Executive Director
Port of Port Townsend

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
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. Special Presentation: State Audit Exit Conference
STAFF LEAD	Abigail Berg, Director of Finance and Administration
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	1. PowerPoint presentation from the State Auditor's Office



Office of the Washington State Auditor

Pat McCarthy

Exit Conference: Port of Port Townsend

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following reports:

- Accountability audit for January 1, 2020 through December 31, 2020 - see draft report.
- Financial statement and federal grant compliance audits for January 1, 2020 through December 31, 2020 – see report.
- Port of Port Townsend Industrial Development Corporation attestation for January 1, 2020 through December 31, 2020 – see report.

Audit Highlights

We want to thank Abigail Berg for her cooperation and timely responses to our audit requests throughout the audit. We appreciate the hospitable and professional interactions with Port staff while working through the Port's first federal grant compliance audit and continuation of remote auditing.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Communications required by audit standards

In relation to our financial statement audit report, we would like to bring to your attention:

- There were no uncorrected misstatements in the audited financial statements.
- There were no material misstatements in the financial statements corrected by management during the audit.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: <https://portal.sao.wa.gov/SAOPortal>.

Management Representation Letter

We have included a copy of representations received from management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be \$23,800 and actual audit costs will approximate that amount.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in winter 2023 and will cover the following general areas:

- Accountability for Public Resources
- Financial Statement

The estimated cost for the next audit based on current rates is \$19,720 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

If expenditures of federal awards are \$750,000 or more in any fiscal year, notify our Office so we can schedule your audit to meet federal single audit requirements. Federal awards can include grants, loans, and non-cash assistance such as equipment and supplies.

Working Together to Improve Government

Audit Survey

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

The Center for Government Innovation

The Center for Government Innovation of the Office of the Washington State Auditor is designed to offer services specifically to help you help the residents you serve at no additional cost to your government. What does this mean? We provide expert advice in areas like Lean, peer-to-peer networking and culture-building to help local governments find ways to be more efficient, effective and transparent. The Center can help you by providing assistance in financial management, cybersecurity and more. Check out our best practices and other resources that help local governments act on accounting standard changes, comply with regulations, and respond to

recommendations in your audit. The Center understands that time is your most precious commodity as a public servant, and we are here to help you do more with the limited hours you have. If you are interested in learning how we can help you maximize your effect in government, call us at (564) 999-0818 or email us at Center@sao.wa.gov.

Questions?

Please contact us with any questions about information in this document or related audit reports.

Timothy Trail Jr., Audit Lead, (360) 845-1487, Timothy.Trail@sao.wa.gov

Cheryl Friesen, Assistant Audit Manager, (360) 845-1491, Cheryl.Friesen@sao.wa.gov

Amy Strzalka, CPA, Audit Manager, (360) 845-1476, Amy.Strzalka@sao.wa.gov

Kelly Collins, CPA, Director of Local Audit, (564) 999-0807, Kelly.Collins@sao.wa.gov

Tina Watkins, CPA, Assistant Director of Local Audit, (360) 260-6411 Tina.Watkins@sao.wa.gov



Office of the Washington State Auditor
Pat McCarthy

Preliminary Draft - Please do not duplicate, distribute, or disclose.

Accountability Audit Report

Port of Port Townsend

For the period January 1, 2020 through December 31, 2020

Published (Inserted by OS)

Report No. 1029701



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your smartphone's camera



**Office of the Washington State Auditor
Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Commissioners
Port of Port Townsend
Port Townsend, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Port operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the Port's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and value your cooperation during the audit.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

TABLE OF CONTENTS

Audit Results..... 4

Related Reports..... 5

Information about the Port..... 6

About the State Auditor's Office..... 7

AUDIT RESULTS

Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, Port operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of the Port of Port Townsend from January 1, 2020 through December 31, 2020.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the Port's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended December 31, 2020, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Accounts payable – electronic funds transfers and customer refunds
- Selected IT security policies, procedures, practices and controls protecting financial systems, IT systems, and data – patch management
- Procurement – purchasing exemptions
- Tracking and monitoring of theft sensitive assets, such as tools and equipment

RELATED REPORTS

Financial

Our opinion on the Port's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Port's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

Federal grant programs

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Port's major federal program, which is listed in the Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE PORT

The Port of Port Townsend was created in 1924 by a vote of Jefferson County citizens. The Port's primary mission is to develop economic opportunities. The Port owns industrial and commercial property, three marinas and launch ramps, an RV Park, a work yard and boat yard, an airport and three additional recreational and water use properties throughout the county.

An elected, three-member Board of Commissioners governs the Port. The Board appoints an Executive Director to manage Port operations and a Director of Finance/Port Auditor to manage the Port's finances. There are 33 employees. The county levies and collects taxes on behalf of the Port, both a general tax levy and an industrial development district (IDD) tax levy. For 2020, the Port had an authorized budget of approximately \$9.6 million.

Contact information related to this report

Address:	Port of Port Townsend 2701 Jefferson Street P.O. Box 1180 Port Townsend, WA 98368
Contact:	Abigail Berg, Director of Finance & Administration
Telephone:	(360) 379-4975
Website:	www.portofpt.com

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Port of Port Townsend at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

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As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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- [Request public records](#)
- Search BARS manuals ([GAAP](#) and [cash](#)), and find [reporting templates](#)
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- Discover [which governments serve you](#) — enter an address on our map
- Explore public financial data with the [Financial Intelligence Tool](#)

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(866) 902-3900
- Email:
webmaster@sao.wa.gov



Office of the Washington State Auditor
Pat McCarthy

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Financial Statements and Federal Single Audit Report

Port of Port Townsend

For the period January 1, 2020 through December 31, 2020

Published (Inserted by OS)

Report No. 1029626



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**Office of the Washington State Auditor
Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Commissioners
Port of Port Townsend
Port Townsend, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the Port of Port Townsend's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Port's financial condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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TABLE OF CONTENTS

Schedule of Findings and Questioned Costs..... 4

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards..... 6

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance With the Uniform Guidance 8

Independent Auditor's Report on the Financial Statements..... 11

Financial Section..... 14

About the State Auditor's Office..... 15

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Port of Port Townsend January 1, 2020 through December 31, 2020

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the Port of Port Townsend are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the Port’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Port.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Port’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>CFDA No.</u>	<u>Program or Cluster Title</u>
20.106	Airport Improvement Program
20.106	COVID-19 – Airport Improvement Program

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The Port did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Port of Port Townsend January 1, 2020 through December 31, 2020

Board of Commissioners
Port of Port Townsend
Port Townsend, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Port of Port Townsend, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Port's financial statements, and have issued our report thereon dated December 22, 2021.

We issued an unmodified opinion on the fair presentation of the Port's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the Port using accounting practices prescribed by state law and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

As discussed in Note 8 to the financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the Port is unknown.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Port's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Port's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

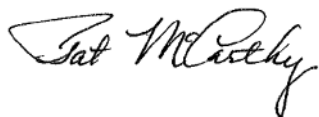
COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Port's financial statements are free from material misstatement, we performed tests of the Port's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor
Olympia, WA
December 22, 2021

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Port of Port Townsend January 1, 2020 through December 31, 2020

Board of Commissioners
Port of Port Townsend
Port Townsend, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the compliance of the Port of Port Townsend, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Port's major federal programs for the year ended December 31, 2020. The Port's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Port's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Port's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the Port's compliance.

Opinion on Each Major Federal Program

In our opinion, the Port complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the Port is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Port's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Port's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

December 22, 2021

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

Port of Port Townsend January 1, 2020 through December 31, 2020

Board of Commissioners
Port of Port Townsend
Port Townsend, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Port of Port Townsend, for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Port's financial statements, as listed on page {inserted by OS}.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Port's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing

an opinion on the effectiveness of the Port's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the Port of Port Townsend has prepared these financial statements to meet the financial reporting requirements of state law using accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and investments of the Port of Port Townsend, and its changes in cash and investments, for the year ended December 31, 2020, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the Port used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Port of Port Townsend, as of December 31, 2020, or the changes in financial position or cash flows thereof for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.

Matters of Emphasis

As discussed in Note 8 to the financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the Port is unknown. Our opinion is not modified with respect to this matter.

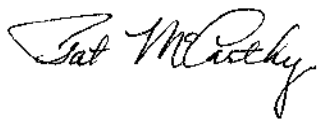
Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule of Liabilities is also presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021 on our consideration of the Port's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

December 22, 2021

FINANCIAL SECTION

Port of Port Townsend January 1, 2020 through December 31, 2020

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2020
Notes to the Financial Statements – 2020

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2020
Schedule of Expenditures of Federal Awards – 2020
Notes to the Schedule of Expenditures of Federal Awards – 2020

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ABOUT THE STATE AUDITOR'S OFFICE

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Assessment Audit Report

Industrial Development Corporation of the Port of Port Townsend

For the period January 1, 2020 through December 31, 2020

Published (Inserted by OS)

Report No. 1029622



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**Office of the Washington State Auditor
Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Commissioners
Industrial Development Corporation of the Port of Port Townsend
Port Townsend, Washington

Report on Assessment Audit

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

The attached report describes the procedures performed and conclusions for the areas we reviewed. We appreciate the opportunity to work with your staff, and value your cooperation during the assessment audit.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

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AUDIT SUMMARY

Results in brief

Based on the procedures performed, nothing came to our attention in the areas we reviewed that caused us to believe the Corporation was not in substantial compliance with applicable state laws, regulations, and its own policies, or had significant weaknesses in controls over the safeguarding of public resources. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

About the assessment audit

This report contains the results of our independent audit of the Industrial Development Corporation of the Port of Port Townsend from January 1, 2020 through December 31, 2020.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives. State law (RCW 43.09.230) also requires local governments to prepare and submit certified annual reports to our Office summarizing such things as revenues received, collections made, amounts receivable or payable, expenditures made, and debt owed.

This assessment audit was conducted under the authority of RCW 43.09.260, which requires the Office of the Washington State Auditor to examine the financial affairs of all local governments at least once every three years. Assessment audits are risk-based, limited-scope reviews of small local governments, generally defined as local governments with less than \$300,000 in annual revenues. To help minimize audit costs, our work for this engagement was conducted off-site primarily using financial and other information provided by the Corporation.

This assessment audit was limited to the following:

- Verifying that annual reports submitted to our Office were complete and filed timely in compliance with state law
- Corroborating financial information reported by the Corporation by comparing it to third-party sources

INFORMATION ABOUT THE CORPORATION

The Port of Port Townsend created the Industrial Development Corporation for the purpose of facilitating economic development in Jefferson County through the financing of industrial development facilities. The Corporation may issue tax-exempt Industrial Development Revenue bonds for qualified industrial development projects. Bonds issued through the Corporation are the debt of the private developer of the project. They are not obligations of the Corporation or the Port.

The Corporation has no employees and has no tax or operating revenue. The three Port Commissioners serve as the Directors of the Corporation.

Contact information related to this report

Address:	Industrial Development Corporation of the Port of Port Townsend 2601 Washington Street P.O. Box 1180 Port Townsend, WA 98368
Contact:	Abigail Berg, Director of Finance & Administration
Telephone:	(360) 379-4975

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Industrial Development Corporation of the Port of Port Townsend at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

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In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

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- Email:
webmaster@sao.wa.gov



December 22, 2021

Mr. Timothy Trail Jr.
Assistant State Auditor
451 S.W. Sedgwick Rd Suite 200
Port Orchard, WA 98367

To the Office of the Washington State Auditor:

We are providing this letter in connection with your audit of Port of Port Townsend for the period from January 1, 2020, through December 31, 2020. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

Certain representations in this letter are described as being limited to matters that are significant or material. Information is considered significant or material if it is probable that it would change or influence the judgment of a reasonable person.

We confirm, to the best of our knowledge and belief, having made appropriate inquiries to be able to provide our representations, the following representations made to you during your audit. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

General Representations:

1. We have provided you with unrestricted access to people you wished to speak with and made available all relevant and requested information of which we are aware, including:
 - a. Financial records and related data.
 - b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Other internal or external audits, examinations, investigations, or studies that might concern the objectives of the audit and the corrective action taken to address significant findings and recommendations.
 - d. Communications from regulatory agencies, government representatives or others concerning possible material noncompliance, deficiencies in internal control or other matters that might concern the objectives of the audit.
 - e. Related party relationships and transactions.

- f. Results of our internal assessment of business risks and risks related to financial reporting, compliance, and fraud.
2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information and have notified you whenever records or data containing information subject to any confidentiality requirements were made available.
3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements.
4. We have identified and disclosed all laws, regulations, contracts and grant agreements that could have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
5. We have complied with all material aspects of laws, regulations, contracts and grant agreements.
6. We acknowledge our responsibility for establishing and maintaining effective internal controls over compliance with applicable laws and regulations and safeguarding of public resources, including controls to prevent and detect fraud.
7. We have established adequate procedures and controls to provide reasonable assurance of safeguarding public resources and compliance with applicable laws and regulations.
8. We have no knowledge of any loss of public funds or assets or other illegal activity, or any allegations of fraud or suspected fraud involving management or employees.
9. In accordance with RCW 43.09.200, all transactions have been properly recorded in the financial records.

Additional representations related to the financial statements:

10. We acknowledge our responsibility for fair presentation of the financial statements and believe financial statements are fairly presented in accordance with the *Budgeting, Accounting and Reporting Standards Manual* (BARS Manual), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.
11. We acknowledge our responsibility for establishing and maintaining effective internal control over financial reporting.
12. The financial statements properly classify all funds and activities.

13. Revenues are appropriately classified by fund and account in accordance with the BARS Manual.
14. Expenses are appropriately classified by fund and account, and allocations have been made on a reasonable basis.
15. Ending cash and investments are properly classified as non-spendable, restricted, committed, assigned, and unassigned.
16. Significant assumptions we used in making accounting estimates are reasonable.
17. The following have been properly classified, reported and disclosed in the financial statements, as applicable:
 - a. Interfund, internal, and intra-entity activity and balances.
 - b. Related-party transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - c. Joint ventures and other related organizations.
 - d. Guarantees under which the government is contingently liable.
 - e. All events occurring subsequent to the fiscal year end through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
 - f. Effects of all known actual or possible litigation, claims, assessments, violations of laws, regulations, contracts or grant agreements and other loss contingencies.
18. We have accurately disclosed to you all known actual or possible pending or threatened litigation, claims or assessments whose effects should be considered when preparing the financial statements. We have also accurately disclosed to you the nature and extent of our consultation with outside attorneys concerning litigation, claims and assessments.
19. We acknowledge our responsibility to include all necessary and applicable disclosures required by the BARS Manual, including:
 - a. Description of the basis of accounting, summary of significant accounting policies and how this differs from Generally Accepted Accounting Principles (GAAP).
 - b. Disclosures similar to those required by GAAP to the extent they are applicable to items reported in the financial statements.
 - c. Any additional disclosures beyond those specifically required by the BARS Manual that may be necessary for the statements to be fairly presented.
20. We acknowledge our responsibility for reporting supplementary information such as the Schedule of Liabilities and the Schedule of Expenditures of Federal Awards in

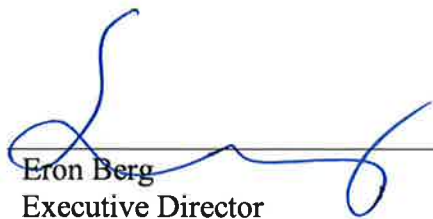
accordance with applicable requirements and believe supplementary information is fairly presented, in both form and content in accordance with those requirements.

21. We have disclosed to you all significant changes to the methods of measurement and presentation of supplementary information, reasons for any changes and all significant assumptions or interpretations underlying the measurement or presentation.
22. We believe there are no uncorrected misstatements that would be material individually and in the aggregate to the financial statements taken as a whole.
23. We acknowledge our responsibility not to publish any document containing the audit report with any change in the financial statements, supplementary and other information referenced in the auditor's report. We will contact the auditor if we have any needs for publishing the audit report with different content included.
24. We considered the qualifications of the WA Office of the State Actuary (OSA) to create an electronic tool for determining the Port's liability for PEBB other post-employment benefits (OPEB) under the GASB 75 alternative method and agree with the results of the electronic tool, which are reflected in financial statement amounts and disclosures. In using the tool, we input correct and complete information into the electronic spreadsheet and did not enter any inaccurate information with respect to the amounts or assumptions, or modify cells in the OSA spreadsheet, in an attempt to change the outcome of the calculation. Further, we are not aware of any other external matters that would have had an impact on the appropriateness of using the alternative method or assumptions used by the OSA's tool. We confirm that we are a PEBB employer, and we had fewer than 100 plan members (active and retired) as of the beginning of the reporting period and are, therefore, eligible to use the tool.

Additional representations related to expenditures under federal grant programs:

25. We acknowledge our responsibility for complying, and have complied, with the requirements of 2 CFR § 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*.
26. With regards to your audit of federal grant programs, we have made available all relevant and requested information of which we are aware, including:
 - a. All federal awards and related grant agreements (including amendments, if any), contracts with pass-through entities, service organizations and vendors, and correspondence.
 - b. All communications from federal awarding agencies, vendors, service organizations or pass-through entities concerning possible noncompliance.

- c. All information regarding corrective actions taken and management decisions or follow-up work performed by federal or pass-through agencies on any findings reported in the past.
 - d. All documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
 - e. Interpretations or other support for any situations where compliance with requirements might be questionable or unclear.
27. We have identified and complied with all direct and material compliance requirements of federal awards.
28. Management is responsible for establishing effective internal control and has maintained sufficient control over federal programs to provide reasonable assurance that awards are managed in compliance with laws, regulations, contracts or grant agreements that could have a material effect on each of our federal awards.
29. Federal program financial reports and claims for advances and reimbursements are supported by the accounting records from which the basic financial statements have been prepared and are prepared on a basis consistent with the Schedule of Expenditures of Federal Awards.
30. Copies of federal program reports provided to you are true copies of the reports submitted, or electronically transmitted, to federal agencies or pass-through agencies, as applicable.
31. We are responsible for, and will accurately prepare, the auditee section of the Data Collection Form as required by the Uniform Guidance.



Eron Berg
Executive Director



Abigail Berg
Director of Finance and Administration

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022		
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. Clean Vessel Act Grant		
STAFF LEAD	Eron Berg, Executive Director		
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion		
ATTACHMENTS	1. Staff Information Memo 2. Resolution 765-22 3. Clean Vessel Act Grant Application 4. Pump-out proposed budget		

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 1/12/2022
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: Clean Vessel Act Grant application

ISSUE

Should the Commission approve the attached resolution authorizing an application to the Clean Vessel Act Grant program for new fixed pump-out equipment, new portable pump out equipment, equipment to outfit the Port's Munson as a pump-out vessel and three years of operating costs?

BACKGROUND

The Port currently operates four fixed-location pump-out facilities, one at Point Hudson, two at Boat Haven and one at Quilcene. This grant proposal would replace all four of those older facilities, add two portable (cart-based) pumps, outfit the Port's Munson with pump-out gear and pay for pump-out vessel operating costs for three years. The goal of this effort is two-fold: (1) to maintain clean waters consistent with the Port's environmental stewardship and Clean Marina designations, and (2) to enhance customer service.

DISCUSSION

Our Moorage Tenants Association identified issues with our current pump out equipment, location and levels of service. In comparison with other Ports including for example, Friday Harbor and Anacortes, our facilities are serviceable but leave much to be desired. Jeff Kelety jumped in to take the laboring oar on researching options, matching our needs to available funding and actually preparing the attached grant program application and documentation. This would not be on your agenda today without Jeff's able assistance.

If successful, this grant would allow the Port to expand its pump out capacity with the addition of the two mobile, cart-based pump-outs which we imagine would be useful at the commercial basin and at Boat Haven and the pump-out vessel. The pump-out vessel would be used year around to provide direct service to liveaboards, other moorage tenants and visitors. While we have not developed a rate proposal, the Friday Harbor model provides tenants with up to four pump-outs a month as an included service with additional pump outs and guest pump outs costing \$5.00. The fee is designed to encourage use. Liveaboards have scheduled service.

The addition of a Port-owned and -operated pump-out boat is new to us, but one that staff believes we should try both to enhance environmental stewardship and improve customer service. The Port match annual cost of operating the pump out boat is less than \$15,000. With annual moorage revenues in Port Townsend expected to exceed \$2.4M in 2022, this small increase in cost seems well worth it to provide the enhanced service.

FISCAL IMPACT

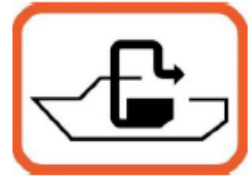
2021-23: approximately \$60,000

ATTACHMENTS

1. Resolution 765-22.
2. Clean Vessel Act Grant Program Application & narrative
3. Cost worksheet

RECOMMENDATION

Motion to approve Resolution 765-22 authorizing an application to the Clean Vessel Act Grant program for new fixed pump-out equipment, new portable pump-out equipment, equipment to outfit the Port's Munson as a pump-out vessel and three years of operating costs.



Washington Clean Vessel Act Grant Program Proposal

**Supporting Documentation Appendices for
CVA Funding Request Submitted by
The Port of Port Townsend
Jefferson County, WA
December, 2021**

Appendix 1 Project Narrative

- 1) Public Need – Explain how your project addresses a public need for marine sewage disposal facilities (MSDF).**
 - a. Is your project in an area with high recreational boat traffic?**

Yes. Appendix 4 shows our slip capacity and annual usage. In summary, between our two marinas, Boat Haven and Point Hudson, we have a total of 322 permanent and long-term slips with approximately 70 transient slips. From 1/1/21 through 12/8/21, together, both marinas have hosted a combined total 9,578 of nightly stays for an average usage of 137 nightly days per transient slip

per year. Our Herb Beck marina in Quilcene has 51 permanent slips with no guest moorage.

b. Is your project in an area where recreational boats congregate for extended periods of time (e.g., mooring buoys)?

Yes. The requested pump-out facilities would service boats docked in our Point Hudson, Boat Haven and Quilcene marinas as well as visiting boats anchored in adjacent Port Townsend Bay.

c. Is your project in an area with few pump-out and dump station options nearby?

Yes. Presently all Point Hudson, Boat Haven and Quilcene recreational vessels are served by stationary pumps at each marina. There are no portable or vessel-based pump-outs in our facilities

d. Are nearby pump-out and dump stations used to capacity or in poor condition?

The three fixed-location pump-out stations are in good working order. The motivation for this grant request is to offer a waste management solution for vessels that cannot readily get to the fixed-location pump-outs.

e. How will your project contribute to the statewide network of pump-outs and dump stations in terms of proximity to existing facilities?

Readily accessible, vessel-based and mobile pump-out facilities are available at Roche and Friday Harbors which lay approximately thirty miles to the north. Additionally, Anacortes marinas have recently deployed pump-out carts. Adding vessel and cart-based operations in addition to contemporary dock-side pump-outs at Port Townsend will provide for a continuity of similar waste-disposal services between the San Juan Islands, Anacortes and Port Townsend.

2) Water Quality Benefit – Describe how your project will improve water quality.

a. How many gallons of sewage do you anticipate collecting per year?

Based on an anticipated 50 uses per year, with an average of 30 gallons per holding tank, we anticipate collecting about 1,500 gallons of sewage per year.

b. Is your project likely to protect vulnerable waters?

Yes. One of our principal concerns is to preclude the temptation for permanently moored boats that cannot readily access the fixed pump-out sites to discharge waste directly into the marina or sensitive shore-line waters. By adding vessel and pump-out carts we are hoping to make it much easier for our boaters to do the right thing by not discharging wastes into our local waters.

c. Is your project located:

i. within the Puget Sound No Discharge Zone?

Yes.

ii. near a Commercial Shellfish Harvest Area or Recreational Shellfish Harvest beach?

No.

iii. in sensitive areas (e.g., areas on State 303(d) list for dissolved oxygen)

Neither Port Townsend's Boat Haven nor Point Hudson marine are near listed 303d sites for dissolved oxygen. However, our Boat Haven marina is designated as a Category 5 303(d) listing per Appendix 4. Additionally, several points on our shore-line between Point Hudson and Boat Haven marinas are designated as eel-grass protection areas

3) Public Benefit – Describe how your project will result in measurable benefits for the recreational boating community?

a. List the times your MSDF is proposed to be available for use by the public (e.g., operating hours, days, months).

It is anticipated that the proposed mobile pump-out options will be available to the public during normal business hours, staffed by Port personnel. This would be five days a week, 8AM-4:30PM during high season (June-August), and three days a week, 8AM-4:30 PM during the remaining months.

b. What is the expected use of your proposed MSDF project (e.g., how many boats will your project serve a day or week)? Explain how you arrived at this estimate?

The Port of Friday Harbor reported about 80 uses of their portable pump-outs. The Port of Anacortes reported about 30 hours of use a year. Based on their experience Port Townsend anticipates something on the order of 50 uses of our carts per year.

c. Provide a description of the type of recreational boats you anticipate serving with your project (e.g., cruisers, regular tenants, combination).

It is anticipated that the proposed pump out options, fixed and mobile, will serve cruisers and regular tenants as well as vessels moored in our marinas for maintenance and visiting boaters anchored out in adjacent Port Townsend Bay.

4) Cost Benefit – Describe how your project will be implemented to provide the greatest cost benefit ratio.

a. If the work in this project is part of a larger undertaking with other components and funding, present a brief overview of the larger project and the role CVA grant funding will play.

At the Port's Boat Haven marina, the implementation of a mobile pump-out cart will be paired with the marina staff's transition to a new office facility. The deployment of the vessel-based skid will be deployed to an existing and upgraded utility boat.

b. Explain how the project or implementation of the project shows a reasonable and justifiable use of federal grant funds.

The implementation of the proposed mobile pump-out carts and vessel pump-out seem to align very well with the objective of the state's Clean Vessel Act by providing mobile waste disposal resources similar to those available in other public marina's in the area. The provision of these resources should serve to discourage illegal discharge in our local protected waters. This should readily qualify the project to show a reasonable and justifiable use of federal funds.

c. Explain the cost benefit of your project (i.e., how much money you are requesting vs. how many boats you anticipate serving per year)?

Appendix 2 provides the estimated project costs that are being requested. Over the anticipated 15-year lifespan of the equipment, we anticipate that the investment of \$40,000 over should prevent 22,500 gallons of waste from being discharged in either our marina or local non-discharge waters. This represents a cost of \$1.78 per gallon of sewage prevented from being discharged into our local waters.

d. Do you plan to charge for pump-out or dump station use? If yes, how much will you charge? Federal rules limit the per-use fee to \$5 maximum.

The use of the mobile pump-out carts and dock-side pump-outs will be at no charge. Vessel-based waste discharge will be free to moorage tenants. Visiting boaters will be asked to pay \$5.00 per pump-out.

5) Partnerships and Project Support – Describe monetary and non-monetary support secured to help implement your project.

a. Describe support you have from the community, interest groups, volunteers, public agencies, etc.

This initiative is supported by the Jefferson County Moorage Tenant Association.

b. List all organizations and agencies partnering with you on the project. Partnerships are groups or individuals providing financial assistance to the project as grants, cash, donated labor, goods, or materials. Include a contact person, address, phone number and their contribution to the project. Letters of support are required to verify financial support. See *Part VI. Supporting Documents*.

The acquisition and support of the proposed mobile pump-out carts is to be funded completely out of POPT capital funds. No partnering agencies are anticipated.

c. Is there known opposition to your project? Explain.

There is no known opposition to the project.

6) Site Suitability and Project Design –Describe how your project demonstrates good design and feasibility.

- a. Describe proposed pumpout location(s). If applicable, indicate intended placement of equipment (e.g., fuel dock, public dock, etc.). Maps and visuals are required. See *Part VI. Supporting Documents*.**

The proposed pump-out carts will be housed in an purpose-built compartment adjacent to the moorage offices at both the Pt Hudson and Boat Haven marinas. Their locations are shown circled in yellow on the maps in Appendix 2. The dock-side pump-outs will be stationed as shown in red circles in the maps in Appendix 2.

- b. If the project will include the purchase of equipment or a vessel, include manufacturer information, model and year. Vendor quotes are required and should be less than 12 months old. See *Part VI. Supporting Documents***
Refer to Appendix 5 providing vendor quotes for the proposed equipment.

- c. If equipment is being replaced, describe: N/A**

- i. Why the equipment is being replaced.**

All dock-side pump-outs are at the end of their useful lives

- ii. When the existing equipment was purchased.**

- iii. If the equipment being replaced was purchased with a previous CVA grant, then provide the project name, year of grant and the HIN or serial number for equipment being replaced.**

- d. Provide a useful life for any equipment being purchased or capital improvements being made with this project. Useful life is a best estimate based on knowledge of the equipment being used and the demand placed on that equipment by the location. This information is often available from the manufacturer**

- i. Pump-out cart useful life**

According to the manufacturer, the targeted portable pump-out carts have an approximate lifespan of 10-15 years requiring the following replacement parts and maintenance: Rebuild pump every 4-5 years; Replace suction hose assembly every 2-3 years.

- ii. Dock-side pump-out useful life**

- iii. Vessel skid-based pump-out useful life**

- e. Describe where collected sewage shall be discharged:**

- i. Direct connection to a wastewater treatment facility.**

All collected waste will be discharged directly into the Port's municipal sewer connection.

- ii. A holding tank where sewage is stored until it is taken to a wastewater treatment facility.**

- iii. Directly to an on-site septic system**

The map illustrates the Port Townsend Harbor with various docks and facilities. Key features include:

- Streets:** Jefferson Street, Washington Street, Benedict Street, Star Juan Avenue.
- Docks and Slips:**
 - 300 Ton Travelift Pier** (top left)
 - 75 Ton Travelift Pier** (top center)
 - 75 Ton Travelift Staging** (left side)
 - Recreational Basin** (center)
 - "D" Dock** (bottom left)
 - "C" Dock** (bottom center)
 - "B" Dock** (center right)
 - "A" Dock** (right center)
 - Commercial Basin** (far right)
- Facilities:**
 - Mobile Pumpout** (top center)
 - Fuel Dock** (right center)
 - Public Launch Ramp** (center right)
 - Coast Guard** (bottom right)
 - Coast / Guard Float** (bottom right)
- Other Labels:**
 - Slips 400-418** and **Slips 700-734** (bottom center)
 - Limited Access Moorage** (bottom center)
 - Shipyard** (top left)
 - Bookyard** (top center)
 - West Office & Moorage** (top center)
 - Port of Port Townsend Administration** (top center)
 - Ramp Parking Vehicle Parking** (top center)
- Compass Rose:** Located in the bottom right corner, indicating North (N).

Mileage From Point Hudson

Advertiser	140	Rehoboth	41
Aspen	80 + Ferry	Quabbin	39
Bellingham	70 + Ferry	Seaside	38
Bremerton	17	Seaside	38
Clatsop	114	Shirley	33
Coos Bay	190	Tillamook	30
Gold Harbor	15 + Ferry	Victoria, BC	121 + Ferry
Olympia	103	Victoria, BC	40 + Ferry
Portland, OR	318	Yakima	195
Port Angeles	15		

We are glad to see you here.
Please enjoy your stay!
POINT HUDSON MARINA & RV PARK

Admiralty Inlet

Mobile Pumpout

Port Townsend Bay

LEGEND

- Phone
- Restrooms
- Showers
- Laundromat
- Chapman

Facilities and Areas: Event Parking Area, Coast Guard & Korean War Museum, Washington State University, Sea Marine Boat Yard, RV Park, Parking Area, Boat Ramp, Seaside, Port Townsend, City Parking Lot, Skateboard Park, Phone Booth, House & Co. Sales, Port Townsend Canoe, City of Port Townsend, Northern Puget Sound, Moorage Office, Monitor VHF Channel 9, Wi-Fi, QR Code, 24 Hr. Live Webcam, 24 Hr. Webcam, 5, 103 Hudson Street, P.O. Box 1180, Port Townsend, WA 98348, Jefferson County, Phone: 360-385-2828 • 800-228-2803, Fax: 360-385-7331, E-mail: porttownsend@portownsend.com, 103 Hudson Street, P.O. Box 1180, Port Townsend, WA 98348, Jefferson County, Phone: 360-385-2828 • 800-228-2803, Fax: 360-385-7331, E-mail: porttownsend@portownsend.com

83



Figure 2.3 Dock-side location in Quilcene Marina in red circle.

Appendix 3. Budget Summary

Project	Cost Category	Task/Item	Unit Cost	Grant Funds Requested	Matching Funds	Total Cost
Pump-out Carts	Equipment	2 - 910-Series Keco Portable Pumps				
		2 - 909 1.5 HP Wash-down Motor				
		2 - 50' hose assemblies				
		2 - Heavy-duty isolation valve for suction hose				
		2 - Quick-connect fitting package				
		Crating fee				
		Shipping				
Pump-out Cart Storage Sheds	Personnel & Salaries	Administration/Coordination	\$ 500.00	\$ 375.00	\$ 125.00	\$ 500.00
		Construction	\$ 2,000.00	\$ 1,500.00	\$ 500.00	\$ 2,000.00
	Supplies	Building materials	\$ 5,000.00	\$ 7,500.00	\$ 2,500.00	\$ 10,000.00
Pumpout Cart Project 3-Year Totals:			\$ 32,296.11	\$ 27,972.08	\$ 9,324.03	\$ 37,296.11
Stationary Pump-outs	Equipment	4 - PER900.M34-D0C-SL dockside pumping systems				
		Related components	\$ 53,424.29	40068.2175	\$ 13,356.07	\$ 53,424.29
		Crating and shipping				
	Personnel & Salaries	Administration/Coordination	\$ 500.00	\$ 375.00	\$ 125.00	\$ 500.00
		Installation	\$ 750.00	\$ 2,250.00	\$ 750.00	\$ 3,000.00
	Supplies	??				
	Other	??				
Pump-out Vessel Project 3-Year Totals:			\$ 54,674.29	\$ 42,693.22	\$ 14,231.07	\$ 56,924.29
Pump-out Vessel	Personnel & Salaries	Administration/Coordination	\$ 2,000.00	\$ 1,500.00	\$ 500.00	\$ 2,000.00
		Pumpout boat operator-at \$30./hr. for 1112 hours per year for 3 years.	\$ 20.00	\$ 50,040.00	\$ 16,680.00	\$ 66,720.00
	Equipment	M0700.SKD pump-out skid				
		PER900.M34-G pump w gas engine				
		D1054.5HP 900-M34 Honda 5 HP Electric Start 4 Stroke Gasoline Engine				
		DG-C322P90.40.7 gear box	\$ 25,741.80	\$ 19,306.35	\$ 6,435.45	\$ 25,741.80
		225 Gallon Horizontal Tank				
		Additional hoses and fittings				
		Crating and Shipping				
		Honday 115HP, installation and associated components	\$ 22,523.70	\$ 5,630.93	\$ 16,892.78	\$ 22,523.70
	Supplies	Vessel fenders	\$ 50.00	\$ 675.00	\$ 225.00	\$ 900.00
		Docking lines	\$ 50.00	\$ 150.00	\$ 50.00	\$ 200.00
		Gloves, towels, cleaners, hoses for 3 years	\$ 600.00	\$ 450.00	\$ 150.00	\$ 600.00
	Contractual	Vessel moorage for 3 years, 25' slip	\$ 3,000.00	\$ 6,750.00	\$ 2,250.00	\$ 9,000.00
	Other	Fuel (assumes average of 6 hours a day for 184 days of operation a year for 3 years at 3 GPH)	\$ 12,916.80	\$ 9,687.60	\$ 3,229.20	\$ 12,916.80
Pump-out Vessel Project 3-Year Totals:			\$ 66,902.30	\$ 105,451.73	\$ 35,150.58	\$ 140,602.30
Total Combined Project Costs For Three Years:				\$ 176,117.03	\$ 58,705.68	\$ 234,822.70

Appendix 4. Slips/usage

Marina	Number permanent/long-term slips	Average number of transient/guest slips*	Nightly guest/transient stays	Average nightly stays per transient slip
Boat Haven	327	35	5,063	145
Point Hudson	85	34	4,515	133
Herb Beck	51	N/A	N/A	N/A
Total	463	69	9,578	139

Appendix 5. Vendor Quotes

Armstrong Consolidated LLC
2900 Washington Street
Port Townsend, WA 98368

Estimate

Date	Estimate #
12/22/2021	850

Name / Address
Port of Port Townsend PO Box 1180 Port Townsend, WA 98368

Ship To
Port of Port Townsend

P.O. No.	Terms	Boat Name
	Due on receipt	

Description	Qty	Rate	Total
Parts:BF115JXRA Honda 115 HP Four Stroke Motor 25" shaft Remote mechanical	1	10,495.00	10,495.00T
Parts: Rigging - Honda top mount binnacle control, harnesses, gauge, and SS prop	1	2,000.00	2,000.00T
Labor: De-rig old Honda engine, controls, rigging	8	125.00	1,000.00T
Labor: Rigging new engine, controls, rigging	10	125.00	1,250.00T
Parts: BF10DKELHS Honda 9.9 HP Four stroke Motor 20" with tiller elec. Start	1	3,400.00	3,400.00T
			18,145.00
Recommended to replace the steering system with new			
Parts: Steering - new hydraulic steering system	1	1,500.00	1,500.00T
Labor: install new hydraulic steering system	8	125.00	1,000.00T
			2,500.00
		Subtotal	\$20,645.00
		Sales Tax (9.1%)	\$1,878.70
		Total	\$22,523.70

Figure 5.1 Pump-out vessel outboard



KECO Pump and Equipment

P.O Box 80308 San Diego, CA. 92138
Phone: 619-298-3800 Fax: 619-298-3300

www.pumpahead.com / www.kecopump.com

Sales Quotation # 25041

Quote Date: 12/22/21

Valid Until: 01/22/21

Bill To: L001446
Port of Port Townsend PO Box 1180
Port Townsend WA 98368 USA

Ship To:
Port Townsend Boat Haven 2601 Washington Street
Port Townsend WA 98368 USA

Quote Total:
\$ 24,796.11 Prices In U.S Dollars

Contact: Jeff Kelety
Phone: 360-821-9320
Fax:
Email: Ptcommerce@hotmail.com

Shipping Method: Shipping Included

Payment Terms: Net 30
Prepared By: Alex Bleier
Sales Rep: House

Qty:	Item #	Description	Unit Price	Total
2.000	PER910.055	Model 910 Portable Peristaltic PumpOut Cart W/ 55 Gallon Holding Tank Capacity, Heavy Duty Aluminum Portable Cart With Suction Hose Storage Rack. Stainless Steel Locking Wheels With 18" Pneumatic All Terrain Tires For Movement Over All Surfaces. Single Switch Fill/Empty Operation With Auto Off Timer, Overfill Protection & Overpressure Protection. NEMA 4X Solid State Control Variable Frequency Drive Control Panel 115/230V (50/60Hz) GFI Circuit Breaker Approved. Single Hose To Fill Or Empty Holding Tank, Includes Connections For Offload By Land Based PumpOut.	\$ 11,150.000	\$ 22,300.00
2.000	PERD0909.150	1.5 HP Wash-down Motor (Super High Efficiency).		
2.000	H0050.015 HD	50' Heavy Duty Suction & Discharge Hose Assembly with Crush Resistant Lexan® Site Glass (MNPT) and Male Q.C Adapter. Non Marking, Vacuum Rated (30 Hg.) & Pressure Rated (100 PSI) EPDM Suction/Discharge Hose with Factory Installed Stainless Steel Hose Clamps.	\$ 375.000	\$ 750.00
2.000	C6008.BNJ	Heavy Duty Suction Isolation Valve. 1 1/2" FNPT w/ Stainless Steel Hardware, Viton Seals & Teflon Seat.	\$ 45.000	\$ 90.00
2.000	C0011.PKG	Quick Connect Fitting Package for Holding Tank Connection – Includes Brass Reinforced Universal Suction Nozzle (straight) w/ Splash Shield, 1-1/2" & 1-1/4" Male Adapter(S), QC Coupler & QC Potty Wand.	\$ 80.000	\$ 160.00
1.000	Crating Fee	Crating and Miscellaneous Packaging Materials.	\$ 500.000	\$ 500.00

Notes: Optional Upgrades:

- Line-X Protective Coating - Add \$895.00
 - Trailer Hitch Attachment - Add \$695.00
 - Gasoline Engine In Lieu Of Electric - Add \$595.00
- (Note: Gas Driven Models do not Offer Reversing Capabilities.)

Quote Subtotal: \$ 23,800.00
Discount:
Sales Tax:
Shipping Estimate: \$ 996.11
Quote Total: \$ 24,796.11

Figure 5.2 Pump-out carts



KECO Pump and Equipment

P.O Box 80308 San Diego, CA. 92138
Phone: 619-298-3800 Fax: 619-298-3300

www.pumpahead.com / www.kecopump.com

Sales Quotation # 25071

Quote Date: 12/22/21

Valid Until: 01/22/22

Bill To: L001446
Port of Port Townsend PO Box 1180
Port Townsend WA 98368 USA

Ship To:
Port Townsend Boat Haven 2601 Washington Street
Port Townsend WA 98368 USA

Quote Total:
\$ 25,741.80
Prices In U.S Dollars

Contact: Jeff Kelety
Phone: 360-821-9320
Fax:
Email: Ptcommerce@hotmail.com

Shipping Method: Shipping Included

Payment Terms: Net 30
Prepared By: Alex Bleier
Sales Rep: House

Qty:	Item #	Description	Unit Price	Total
1.000	M0700.SKD	Custom Aluminum Skid Major Individual Components Itemized Below. Skid Is Delivered Ready To Use And Includes Overfill Protection, Tank Offload Capability, Hose Storage, Electrical & Plumbing Required For A Complete Useable PumpOut System.	\$ 20,500.000	\$ 20,500.00
1.000	PER900.M34-G	0-18 GPM Peristaltic Pump W/ Gasoline Engine Drive. Stainless Steel Pump Frame W/ Epoxy Coated Cast Aluminum Pump Head. Clear Viewing Window, Leak Detection Shut Down. Direct Drive Heavy Duty Gearbox W/ Universal Adapter Drive Mount		
1.000	D1054.5HP 900-M34	Honda 5 HP Electric Start 4 Stroke Gasoline Engine (GX 160 Series) Factory Installed, 900G M34 models. Complete Assembly Includes Mounting Adapter, Fasteners, Battery W/ Enclosure.		
1.000	DG-C322P90.40.7	Two Stage Coxial Gearbox.		
1.000	T2700.225	225 Gallon Horizontal Tank, Poly, UV Stabilized.		
1.000	EC004001.00	Electronic Overfill Protection For Honda Gasoline Drive Pumps.		
1.000	H0025.015	25' Suction Hose Assembly with Crush Resistant Site Glass.	\$ 195.000	\$ 195.00
1.000	C6008.BNJ	Heavy Duty Isolation Valve for Suction Hose.	\$ 45.000	\$ 45.00
1.000	C0011.PKG	Quick Connect Fitting Package for Holding Tank Connection.	\$ 80.000	\$ 80.00
1.000	ORD-34141	- 96" Lifting/Spreader Beam, 1,000 lb Max. Includes Top Lifting Shackle and Two Load Shackles. - 1ea 3' Polyester Flat Eye Web Sling 1" @ 1200lbs - 4ea 5' Nylon Flat Eye Web Sling 1" @ 950lbs - 8ea Stainless Steel Screw Pin Shackles 3/8" Thick @ 1500lbs - 4ea Stainless Steel Eyebolt with Nut 1" Diameter Eyebolt @ 2150lbs - 4-6ea Marineized Placards "Only Lift When Empty"	\$ 2,350.000	\$ 2,350.00
1.000	Crating Fee	Crating and Miscellaneous Packaging Materials.	\$ 500.000	\$ 500.00

Notes: 225 Gallon Custom Aluminum Skid Assembly, Standalone Operation | Complete Ready To Use

Keco to Provide Design Comps for Customer Approval Review Prior to Production

Quote Subtotal: \$ 23,670.00
Discount:
Sales Tax:
Shipping Estimate: \$ 2,071.80
Quote Total: \$ 25,741.80

Figure 5.3 Vessel-based pump-out skid



KECO Pump and Equipment

P.O Box 80308 San Diego, CA. 92138
Phone: 619-298-3800 Fax: 619-298-3300
www.pumpahead.com / www.kecopump.com

Sales Quotation # 25070

Quote Date: 12/22/21
Valid Until: 01/22/22

Bill To: L001446
Port of Port Townsend PO Box 1180
Port Townsend WA 98368 USA

Ship To:
Port Townsend Boat Haven 2601 Washington Street
Port Townsend WA 98368 USA

Quote Total:
\$ 53,424.29 Prices In U.S Dollars

Contact: Jeff Keley
Phone: 360-821-9320
Fax:
Email: Ptcommerce@hotmail.com

Shipping Method: Shipping Included

Payment Terms: Net 30
Prepared By: Alex Bleier
Sales Rep: House

Qty:	Item #	Description	Unit Price	Total
4.000	PER900.M34-DOC-SL	KECO Model 900D - Slimline Series: Peristaltic "Dockside" Pumping System. 20+ Gallons Per Minute (87.5 RPM) Direct Drive Gearbox, Clear Viewing Window, Leak Detection w/ Auto Shut Down, Stainless Steel Pump Frame, Aluminum Pump Housing - Vertical Orientation with Rear Inlet/Discharge Piping, Pulse Reduction Inlet/Outlet, Stainless Fasteners & 3 Year Warranty.	\$ 11,250.000	\$ 45,000.00
4.000	DM-0200.1PH.01.A	2HP TEFC Motor With Thermal Protection & Auto Reset.		
4.000	EP01.0A120-240.1PH	Universal PumpOut Control Panel, 120/208-240V 1PH. Includes Solid State Logic Controller (DC Control Circuit 12/24V) Large Backlight LCD Display (Visible Without Removing Pump Enclosure). NEMA 4X Enclosure with Acrylic Window, Visible Hour Meter, Cycle Counter, Service Reminder, Countdown Timer. Local Off Remote Selector Switch Auto Shut Off.		
4.000	PERF01002.000	Fiberglass Pump Enclosure 28" X 36". Includes Lifting Handles & Hose Rack.		
4.000	EC003201.07	Color Coded Pump Activation - Push To Start / Stop With Security Key Lockout.	\$ 450.000	\$ 1,800.00
4.000	H0050.015	50' Suction Hose Assembly with Crush Resistant Lexan® Site Glass (MNPT) and Male Q.C Adapter. Non Marking, Vacuum Rated (30 Hg.) EPDM Suction (Only) Hose with Factory Installed Stainless Steel Hose Clamps.	\$ 275.000	\$ 1,100.00
4.000	C6008.BNJ	Heavy Duty Isolation Valve for Suction Hose.	\$ 45.000	\$ 180.00
4.000	C0011.PKG	Quick Connect Fitting Package for Holding Tank Connection - Includes Brass Reinforced Universal Suction Nozzle (straight) w/ Splash Shield, 1-1/2" & 1-1/4" Male Adapter(S), QC Coupler & QC Potty Wand.	\$ 80.000	\$ 320.00
4.000	PERA0100.M34.PVC	Pulsation Dampener Assembly, Factory Installed.	\$ 495.000	\$ 1,980.00
1.000	Crating Fee	Crating and Miscellaneous Packaging Materials.	\$ 1,500.000	\$ 1,500.00

Notes: Discharge Estimated at 100' Linear with 25' Vertical Through 3".
110V Power Supply Confirmed.

Quote Subtotal: \$ 51,880.00
Discount:
Sales Tax:
Shipping Estimate: \$ 1,544.29
Quote Total: \$ 53,424.29

Figure 5.4 Dock-side pump-out
systems

Project	Cost Category	Task/Item	Unit Cost	Grant Funds Requested	Matching Funds	Total Cost				
Pump-out Carts	Equipment	2 - 910-Series Keco Portable Pumps	\$ 27,652.11	\$ 20,739.08	\$ 6,913.03	\$ 27,652.11				
		2 - 909 1.5 HP Wash-down Motor								
		2 - 50' hose assemblies								
		2 - Heavy-duty isolation valve for suction hose								
		2 - Quick-connect fitting package								
		Crating fee								
		Shipping								
Pump-out Cart Storage Sheds	Personnel & Salaries	Administration/Coordination	\$ 500.00	\$ 375.00	\$ 125.00	\$ 500.00				
		Construction	\$ 2,000.00	\$ 1,500.00	\$ 500.00	\$ 2,000.00				
	Supplies	Building materials	\$ 5,000.00	\$ 7,500.00	\$ 2,500.00	\$ 10,000.00				
Pumpout Cart Project 3-Year Total			\$ 35,152.11	\$ 30,114.08	\$ 10,038.03	\$ 40,152.11				
Stationary Pump-outs	Equipment	4 - PER900.M34-DOC-SL dockside pumping systems	\$ 59,649.89	44737.4175	\$ 14,912.47	\$ 59,649.89				
		Related components								
		Crating and shipping								
	Personnel & Salaries	Administration/Coordination	\$ 500.00	\$ 375.00	\$ 125.00	\$ 500.00				
		Installation	\$ 750.00	\$ 2,250.00	\$ 750.00	\$ 3,000.00				
	Supplies	??								
	Other	??								
Pump-out Vessel Project 3-Year Totals:			\$ 60,899.89	\$ 47,362.42	\$ 15,787.47	\$ 63,149.89				
Pump-out Vessel	Personnel & Salaries	Administration/Coordination	\$ 2,000.00	\$ 1,500.00	\$ 500.00	\$ 2,000.00				
		Pumpout boat operator-at \$30./hr. for 1112 hours per year for 3 years.	\$ 30.00	\$ 75,060.00	\$ 25,020.00	\$ 100,080.00				
	Equipment	M0700.SKD pump-out skid	\$ 28,582.20	\$ 21,436.65	\$ 7,145.55	\$ 28,582.20				
		PER900.M34-G pump w gas engine								
		D1054.5HP 900-M34 Honda 5 HP Electric Start 4 Stroke Gasoline Engine								
		DG-C322P90.40.7 gear box								
		225 Gallon Horizontal Tank								
		Additional hoses and fittings								
		Crating and Shipping								
		Honday 115HP, installation and associated components					\$ 22,523.70	\$ 5,630.93	\$ 16,892.78	\$ 22,523.70
		Vessel fenders					\$ 50.00	\$ 675.00	\$ 225.00	\$ 900.00
	Docking lines	\$ 50.00	\$ 150.00	\$ 50.00	\$ 200.00					
	Supplies	Gloves, towels, cleaners, hoses for 3 years	\$ 600.00	\$ 450.00	\$ 150.00	\$ 600.00				
	Contractual	Vessel moorage for 3 years, 25' slip	\$ 3,000.00	\$ 6,750.00	\$ 2,250.00	\$ 9,000.00				
	Other	Fuel (assums average of 6 hours per day, 184 days of operation per year, for 3 years at 3 GPH)	\$ 12,916.80	\$ 9,687.60	\$ 3,229.20	\$ 12,916.80				
Pump-out Vessel Project 3-Year Totals:			\$ 69,752.70	\$ 132,602.03	\$ 44,200.68	\$ 176,802.70				
Total Combined Project Costs For Three Years:				\$ 210,078.53	\$ 70,026.18	\$ 280,104.70				

Pumpout vessel hours of operation

Months	Number of Weeks	Days In Service Per Week	Total Days	Hours Per Day	Total Hours
June-Aug	14	5	70	8	560
May & Sept	8	3	24	8	192
Oct-April	30	3	90	4	360
Total days/ hours			184		1112
Total labor cost per year@\$30 per hour fully loaded:					\$ 33,360.00
Total labor cost for 3 years:					\$ 100,080.00

RESOLUTION NO. 765-22

A Resolution of the Commission of the Port of Port Townsend

AUTHORIZING THE EXECUTIVE DIRECTOR TO FILE AN APPLICATION WITH THE WASHINGTON STATE PARKS AND RECREATION COMMISSION BOATING PROGRAM, SEEKING CLEAN VESSEL ACT (CVA) GRANT PROGRAM FUNDING TO SUPPORT ACQUISITION OF NEW PORTABLE VESSEL PUMP-OUT EQUIPMENT, EQUIPMENT TO RETROFIT THE PORT'S MUNSON WORK BOAT AS A PUMP-OUT VESSEL, AND TO OFFSET OPERATING COSTS FOR SUCH EQUIPMENT FOR THREE YEARS.

WHEREAS, the Port of Port Townsend is a municipal corporation established in 1924 under Title 53 of the Revised Code of Washington; and

WHEREAS, the Port presently operates four fixed-location Marine Sewage Disposal Facilities (MSDFs) at its marinas (i.e., one each at Point Hudson and Quilcene, and two at Boat Haven), but offers a generally low level of service compared to many marinas in the region, and no mobile marine sewage pump-out services; and

WHEREAS, the Port of Port Townsend desires to increase the level of service it offers to the boating public at its facilities, while fulfilling its role as an environmental steward by maintaining and enhancing marine water quality in the region; and

WHEREAS, if successful, the project would provide mobile waste disposal facilities commensurate with those provided by other public marinas in the region, while decreasing the likelihood of illegal discharges of sewage into the marine waters of Jefferson County; and

WHEREAS, federal Clean Vessel Act (CVA) grant funds are available via the Washington State Parks and Recreation Commission Boating Program to support the acquisition, installation and operation of new pump-out carts, and equipment to retrofit the Port's work vessel as a mobile pump-out vessel; and

WHEREAS, the Port wishes to apply for a CVA grant of up to \$281,000.00 to help fund the acquisition, installation and operation of the necessary equipment for a period of three (3) years; and

WHEREAS, the proposed funding request conforms to the CVA program eligibility requirements set forth in Code of Federal Regulations, 50 CFR Part 85, Clean Vessel Act Grant Program; and

WHEREAS, the required minimum match of 25% is satisfied by the Port's proposed match of up to \$70,250.00 of direct funding of the total project cost;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Port Townsend, as follows:

Section 1. Port Executive Director, Eron Berg, or his designee, is authorized to submit an application to the Washington State Parks and Recreation Commission Boating Program ("State Parks"), Clean Vessel Act Grant Program, for funding in the amount of \$281,000.00 for the proposed project, to provide such additional information as may be necessary to secure approval of such application, and to enter into an agreement for funding assistance with State Parks.

Section 2. Any grant assistance received by the Port will be used for direct costs associated with implementation of the project referenced above.

Section 3. The Port certifies that its matching share of the project funding will be derived from Port of Port Townsend General Funds, and that the Port is responsible for supporting all non-cash commitments to this project should they not materialize.

Section 4. This Resolution shall become part of a formal application to State Parks.

Section 5. The Port provided appropriate opportunity for public comment on this application.

ADOPTED this 12th day of January 2022, 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:

Secretary

President

Vice President

Consistent with Governor's Proclamation 20-28, this Applicant Resolution was adopted by our organization during a remotely accessible meeting (via ZOOM) on January 12, 2022.

APPROVED AS TO FORM:

Port Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
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. 2022 Organizational Topics
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Information Memo 2. Historical List of Commission officers 3. Draft list of 2022 Committee Assignments 4. Resolution 762-22 – Delegation of Management Authority 5. Resolution 763-22 – Commission Meeting Procedures 6. Appendix A for Res. 763-22

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 1/12/2022
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: 2022 Organizational Topics

ISSUES

In preparation for 2022:

1. Who will serve as president, vice president and secretary for the Commission?
2. Who will serve on which committees?
3. Should the Commission adopt updated meeting procedures?
4. Should the Commission adopt the attached delegation of authority resolution?
5. When should the annual retreat be scheduled and what topics would the Commission like to have on the agenda?

BACKGROUND

All five of these topics are discussed annually. They are on your agenda today for possible action consistent with the Commission's practice of annual review, update, and adoption of these organizational topics.

DISCUSSION

Commission officers: Attached for your information is a table with detail from the last decade.

Committee assignments: Attached are the 2021 committee assignment sheet along with a draft 2022 assignment list with staff recommendations and requests made by commissioners.

Commission meeting procedures: A updated draft of the meeting procedures is attached and includes very minor changes identified in track changes format.

Delegation of authority: A updated draft of delegation is attached and includes very minor changes identified in track changes format.

Annual retreat: When would the Commission like to hold an annual retreat? And in what format (hope for in person/hybrid or plan for Zoom). The list of topics that we have been tracking includes the following:

- Strategic Plan update
- Capital projects update & plan
- Marketing marine trades
- Shoreline Master Program policies
- Identification of new economic opportunities

Other topics that may be of interest, either at the annual retreat, at workshop meetings or business meetings include:

- Addressing the seasonal Workyard discount
- Lease policy as it relates to selection of tenants and prioritization of uses for certain properties
- Communication plan & strategies to maximize engagement
- Separate from the capital projects update, a detailed discussion of the boat yard western expansion project

FISCAL IMPACT

None identified herein.

ATTACHMENTS

1. 2010-2021 Commission officers
2. 2021 Committee Assignment
3. Draft 2022 Committee Assignments
4. Draft updated Commission meeting procedures
5. Draft updated delegation of authority

RECOMMENDATIONS

1. Motion(s) to elect a President, Vice President and Secretary for the Commission to serve through 2022 or until succeeded.
2. Motion to approve the attached list of committee assignments for 2022.
3. Motion to adopt Resolution 763-22 readopting commission meeting procedures.
4. Motion to adopt Resolution 762-22 delegating administrative powers and duties to the executive director.
5. Please provide direction on the annual retreat.

Port of Port Townsend Commissioners and titles 2010-2022

YEAR	PRESIDENT	VICE PRESIDENT	SECRETARY	Exec. Director
2022				Eron Berg
2021	Pete Hanke	Pam Petranek	Bill Putney	Eron Berg
2020	Pete Hanke	Bill Putney	Pam Petranek	Jim Pivarnik / Eron Berg
2019	Bill Putney	Pete Hanke	Steve Tucker	Jim Pivarnik
2018	Steve Tucker	Pete Hanke	Bill Putney	Sam Gibboney / Jim Pivarnik
2017	Pete Hanke	Brad Clinefelter	Steve Tucker	Sam Gibboney
2016	Pete Hanke	Steve Tucker	Brad Clinefelter	Larry Crockett / Sam Gibboney
2015	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett
2014	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett
2013	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2012	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2011	Dave Thompson	Leif Erickson	John Collins	Larry Crockett
2010	John Collins	Dave Thompson	Leif Erickson	Larry Crockett

**PORT OF PORT TOWNSEND
2021 COMMITTEE ASSIGNMENTS**

COMMITTEE NAME	REPS	FREQUENCY
CEO Breakfast Group	Eron Berg	Monthly
Chamber of Commerce – Jefferson County (Luncheons)	Bill Putney	Second Mondays
Chamber of Commerce – North Hood Canal <i>Meets alternately in Quilcene and Brinnon</i>	Pete Hanke	3 rd Mondays 5:30 PM
Climate Action Committee	Eric Toews	Quarterly
East Jefferson Underground Coordinating Council	Chris Sparks	As called
Fort Worden Advisory Committee –	Bill Putney	3rd Thursday, 12:00-1:30, odd- # months
Jefferson Co. Joint Growth Management Steering Committee	Eric Toews	As called
Jefferson County IMT (Incident Management Team) (360) 385-9368 jcdem@co.jefferson.wa.us	Terry Taylor	1 st Wednesdays 10-Noon
Jefferson County Food Resilience Committee	Pam Petranek	As called
Jefferson County Marine Resources Committee (MRC) https://www.jeffersonmrc.org/meetings-events/	Pam Petranek	1 st Tuesdays 6-8:00
Jefferson County Pilots Association	Pete Hanke & Eron Berg	As called
Jefferson County Public Infrastructure Fund Committee (PIF)	Pete Hanke	As called
Jefferson County Solid Waste Advisory Council		As called
North Olympic Development Council (NODC)	Bill Putney	4 th Thursdays 2:00-4:00 PM
North Olympic Legislative Alliance (NOLA)	Eron Berg	As called
Pacific Coast Congress of Port Managers & Harbormasters Board	Terry Khile	As called
Port Townsend Marine Trades Association	Executive Director, commissioner, <i>as invited</i>	Every other Monday
Port Townsend Moorage Tenants Union	Eron Berg	As invited
WAMA – WA Airport Management Association	Bill Putney and Pete Hanke	As called
Wash. Public Ports Assoc. – Board of Trustees	Bill Putney	Spring & Annual Conferences
Washington Finance Officers Association	Abigail Berg	As called
WPPA - Finance & Administration Committee	Abigail Berg	As called
WPPA - Legislative Committee (+ <i>All 3 Commissioners</i>)	Eric Toews	As called
WPPA – Other Committees (Aviation, Economic Development, Environmental, Marina, and Public Relations)	<i>All 3 Commissioners</i>	As called

**PORT OF PORT TOWNSEND
2022 COMMITTEE ASSIGNMENTS**

COMMITTEE NAME	REPS	FREQUENCY
CEO Breakfast Group	Eron Berg	Monthly
Chamber of Commerce – Jefferson County (Luncheons)		Second Mondays
Chamber of Commerce – North Hood Canal <i>Meets alternately in Quilcene and Brinnon</i>	Pete Hanke	3 rd Mondays 5:30 PM
Climate Action Committee	Carol Hasse	Quarterly
East Jefferson Underground Coordinating Council	Chris Sparks	As called
EDC Team Jefferson – Board of Directors	Pam Petranek	Monthly
EDC Team Jefferson – Public Sector Cabinet	Eron Berg	Quarterly
Fort Worden Advisory Committee –		3rd Thursday, 12:00-1:30, odd- # months
Jefferson Co. Joint Growth Management Steering Committee	Eric Toews	As called
Jefferson County IMT (Incident Management Team) (360) 385-9368 jcdem@co.jefferson.wa.us	Terry Taylor	1 st Wednesdays 10-Noon
Jefferson County Food Resilience Committee	Pam Petranek	As called
Jefferson County Marine Resources Committee (MRC) https://www.jeffersonmrc.org/meetings-events/	Pam Petranek	1 st Tuesdays 6-8:00
Jefferson County Pilots Association	Pete Hanke & Eron Berg	As called
Jefferson County Public Infrastructure Fund Committee (PIF)	Pete Hanke	As called
Jefferson County Solid Waste Advisory Council		As called
North Olympic Development Council (NODC)	Carol Hasse	4 th Thursdays 2:00-4:00 PM
North Olympic Legislative Alliance (NOLA)	Eron Berg	As called
Pacific Coast Congress of Port Managers & Harbormasters Board	Kristian Ferraro	As called
Port Townsend Marine Trades Association	Executive Director, commissioner, <i>as invited</i>	Every other Monday
Port Townsend Moorage Tenants Union	Eron Berg	As invited
WAMA – WA Airport Management Association	Pete Hanke	As called
Wash. Public Ports Assoc. – Board of Trustees	Carol Hasse	Spring & Annual Conferences
Washington Finance Officers Association	Abigail Berg	As called
WPPA - Finance & Administration Committee	Abigail Berg	As called
WPPA - Legislative Committee (+ <i>All 3 Commissioners</i>)	Eric Toews	As called
WPPA – Other Committees (Aviation, Economic Development, Environmental, Marina, and Public Relations)	<i>All 3 Commissioners</i>	As called

RESOLUTION NO. 762-22

A Resolution of the Commission of the Port of Port Townsend

**DELEGATING ADMINISTRATIVE POWERS AND DUTIES TO THE EXECUTIVE DIRECTOR AND DESIGNEES,
REPEALING ALL PRIOR RESOLUTIONS DEALING WITH THE SAME SUBJECT MATTER. (SUPERSEDING
RESOLUTION NO. 746-21)**

WHEREAS RCW 53.12.270 authorizes the Commission to delegate administrative powers and duties to the Executive Director, and

WHEREAS the Commission of the Port of Port Townsend has in the past adopted policy directives delegating administrative powers and duties to the Executive Director and designees for the purpose of expeditious administration of the Port, and

WHEREAS the Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port, and

WHEREAS the Commission now wishes to provide an updated master policy directive on the delegated administrative powers and duties of the Executive Director and designees and to repeal all prior resolutions dealing with the same subject matter;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Port of Port Townsend as follows:

Section 1. The master policy directive of the Commission of the Port of Port Townsend as set forth herein, is adopted for the purpose of establishing the delegated administrative powers and duties of the Executive Director and designees. This policy directive will remain in effect until January 31, 202~~32~~, unless it is extended prior to that date.

Section 2. All portions of resolutions heretofore approved by the Commission pertaining to the subject matters contained in this resolution are hereby repealed.

Section 3. The Revised Code of Washington 53.08.090 authorizes the Commission to delegate by resolution to the Executive Director the authority to sell and convey Port personal property.

Section 4. The Port Commission hereby delegates to the Executive Director the authority to undertake the management operations of the Port.

Section 5. The following policy directive on the delegated administrative powers and duties of the Executive Director is hereby adopted.

I. PREAMBLE

A. The following policy is adopted by the Commission of the Port of Port Townsend for the purpose of establishing the administrative powers and duties of the Executive Director who is responsible for Port operations. The Executive Director may delegate to Port personnel such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the Executive Director's powers and duties.

B. This policy sets forth specific delegations of power and duties from the Commission to the Executive Director. This policy shall not be interpreted to limit the duties or responsibilities of the

Executive Director as those duties are determined from time-to-time by the Commission. In case of absence, the Executive Director may designate one or more senior Port staff to act in the place of the Executive Director with regard to the powers and duties herein. Subject to the limits within this delegation, the responsibility for all administration and Port operations of the Port rests with the Executive Director.

C. To implement delegations of authority to Port personnel, the Executive Director shall promulgate policy and procedural manuals, rules and procedures, monetary and budgetary directives and other such documents as personnel position descriptions, affirmative action plans, safety manuals, etc. which shall provide a clear span of authority and responsibility to the designees of the Executive Director.

D. Any Commission directives or initiatives shall be made through the Executive Director and shall be made only by the Commission acting as a body of the whole. Those directives include, but are not limited to, the separately adopted rate schedules, financial guidelines, promotional hosting policy, and standard lease policy.

E. The phrase “administration and Port operations”, as used herein, means the regular day-to-day business of the Port, including but not limited to, operating, maintaining, and administering all of its properties, leasehold properties, facilities services and programs; including the implementation of construction work, alterations, repairs, maintenance, and improvements of the Port’s real estate and physical facilities; and, the necessary planning incidental thereto; the conduct of financial accounting and legal matters as they relate to the Port’s operation; the administration of all other operations which include personnel administration (i.e., hiring, firing, salary and benefits, training, grievance procedures, task and project assignments, employee training and incentive programs, etc.); the execution and administration of contracts; publishing legal notices; moorage agreements, and, all other pertinent functions.

F. The Executive Director shall inform the Commission regarding significant information, incidents, and business transactions by methods agreeable to the Commission. The Executive Director shall report to the Commission those actions as within this delegation. The Executive Director is the managing official of the Port, appointed by the Commission, and holds office as their representative. Nothing herein should be construed in any way as abrogating the duties and responsibilities of the Commission.

II. POLICY GOVERNING REAL PROPERTY

A. Lease Arrangements: All real property when available for lease shall, except as otherwise provided herein below, be leased only under an appropriately written lease instrument, approved by the Commission, and accompanied by a lease bond or other form of security in accordance with the law and the Port’s Lease Policy. However, the Executive Director may execute short-term leases (terms of one year or less) subject to all of the following conditions:

1. The appropriate lease surety must be in place consistent with statutory requirements and the Port’s standard form of lease, with the exception of State and Federal leases that require the use of the tenant’s lease form as long as the content of the lease form does not materially change the Port’s intent in its standard lease form.
2. The arrangements for short-term occupancy shall be evidenced by the Port’s standard form of lease (except that any clearly inapplicable provision or provisions inconsistent with the policy herein set out shall be deleted from the standard form).

3. The amount of the rental shall be in accordance with the rental revenue standards adopted by the Commission for similar Port property of the same or similar class and type and devoted to similar uses.

4. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the Commission for the same or similar Port property or properties.

5. The lease may not be renewed or otherwise extended beyond five years without Commission approval.

B. Sublease Procedures: Leases, licenses, operating agreements, and related contracts between the Port and its tenants, licensees, and other parties shall include restrictions on the subleasing and require at a minimum the prior written consent of the Port to such subleases. Subject to the provisions of the lease or agreement, the Executive Director is authorized to grant consents to subleases, which for the purposes hereof shall include sub-operating agreements and sub-licensee agreements.

C. Other Lease Documents: The Executive Director is authorized to execute the following property instruments, subject to the terms specified herein:

1. Temporary and permanent easements for purposes of utility installation and maintenance, access, rights of entry and signage only.
2. Business Licenses and Licenses to Operate.
3. Aquatic land leases with the Washington State Department of Natural Resources to accommodate leasehold property leases consistent with the Port Management Agreement.
4. Binding site plans and short plats consistent with Port master plans in order to activate leasehold interests.
5. Changes in name of responsible party to the lease if all other conditions, including primary ownership, remain the same.
6. Lease assignments for purposes of collateral, including Waiver of Landlord Lien Agreements.
7. Lease assignments for purposes of a single condominium unit conveyance (change of ownership) where there is an established condominium association as the Lessee.
8. Response to estoppels and attornments.
9. Estoppel and attornment agreements.
10. Use Permits.

11. Rental and Storage Agreements.

~~11-12.~~ Minor amendments intended to correct errors or oversights that are consistent with the intent of the Commission-approved lease.

D. Lease Enforcement and Lease Terminations: The Executive Director is authorized to enforce all terms and conditions of Port leases. The Executive Director is authorized to issue all appropriate notices of default and/or notices of termination with regard to Port leases. The Executive Director is authorized to terminate any lease under the terms and conditions therein. Upon termination, the Executive Director is authorized to take all steps necessary to retake possession of the leasehold and recover for the Port all sums due the Port pursuant to the lease and the law. The Executive Director shall keep the Commission informed with respect to lessees that are issued default notices or termination notices.

III. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK

A. Public Work Contract Awards: The Executive Director shall have the responsibility for following all required statutory procedures in connection with all public work contracts. The Executive Director is authorized to carry out all procedures required by applicable statutes preliminary to the acts required to be performed by the Commission at an open meeting. The Executive Director may, without prior Commission approval, execute on behalf of the Port public work contracts for \$300,000 or less, so long as the expenditure is within the limits of overall budgetary authority. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, public work contracts for public work identified in a specific budgetary line item and where the contract price and all other charges do not exceed the amount authorized in that specific budgetary line item.

B. Emergency Public Work Contracts: When any emergency shall require the immediate execution of a public work contract, the Executive Director, pursuant to the procedures of RCW 39.04.020 (and as amended), is authorized to make a finding of the existence of such emergency and execute any public work contract necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any such public work contracts executed to remedy the emergency. Emergency public work contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

C. Change Orders: In the instances where public work contracts have been awarded and under which the work is in progress and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized, without prior Commission approval, to execute individual change orders to the contract if the following conditions are met:

1. The estimated cost of the aggregate changes in plans and/or specifications and all other charges will not exceed the specific budgetary line item, or, in cases requiring Commission approval for public works contracts, the authorized amount.
2. The contract provides for issuance of change orders.

IV. POLICY GOVERNING CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT, SUPPLIES AND SERVICES

A. Items Acquired for Normal Maintenance and Operation in the Open Market: The Executive Director shall have the responsibility for following all required statutory procedures, where applicable, in connection with all contracts for the acquisition of utilities, materials, equipment, supplies, and services provided; however, where utilities, materials, equipment, supplies, and services are acquired on the open market or pursuant to published tariffs and used or are necessary in normal maintenance and operations of the Port, no prior approval shall be required but shall, where appropriate, be approved or ratified as a part of the normal warrant process, and further, provided that in all cases where a statutory requirement exists for award of contracts following competitive bidding.

B. Budgeted Acquisitions or Acquisitions of \$100,000, or less: The Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, and supplies (where the acquisition does not meet the criteria of Section A above) for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port contracts for materials,

equipment, supplies, and services identified in a specific budgetary line item and where the contract price does not exceed the amount authorized in that specific budgetary line item by ten percent (10%).

1. Budgeted Acquisitions of \$25,000 or less: The Executive Director may delegate Director-level Staff the authority to execute on behalf of the Port, contracts for acquisitions identified in a specific budgetary line item where the contract price and all other charges do not exceed \$25,000.

C. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services: When an emergency requires the immediate acquisition of materials, equipment, supplies, and services, the Executive Director is authorized to make a finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services (subject to the Port of Port Townsend's Purchasing Procedures) necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any contracts executed to remedy the emergency. Emergency acquisition contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

V. POLICY GOVERNING ADJUSTMENT AND SETTLEMENT OF CLAIMS AND PENALTIES EXCEPTING THOSE COVERED BY PARAGRAPH XIV BELOW:

A. Procedure for Settling Claims: The Executive Director shall be responsible for the implementation of necessary procedures for the settlement of all claims, either against or on behalf of the Port. Procedures in the handling of such claims shall, at a minimum, include the following:

1. For purpose of this Paragraph V, "claim" shall mean the assertion of any position, penalty, right or responsibility by or against the Port, its Commissioners or employees, but not including uncollectible accounts only to the extent as covered in Paragraph X herein.
2. No claims against the Port shall be considered unless and until proper written notice has been provided to the Port.
3. All claims for or against the Port may be processed in all respects (except for their final approval and payment) by the Executive Director or Legal Counsel.
4. Except as provided under Section B below, no claims shall be finally approved for settlement except by the Commission and no claim shall be paid except as authorized by the Commission.

B. Executive Director's Authority to Settle Claims: The Executive Director may settle claims against the Port or claims asserted by the Port arising from operations for an amount not exceeding \$5,000. All claims when settled shall be reported to the Commission.

VI. POLICY GOVERNING ARRANGEMENTS FOR PROFESSIONAL AND CONSULTANT SERVICES

A. Procedure: The Executive Director shall be responsible for the Port's compliance with RCW 53.19 and the initiation of appropriate procedures to obtain professional services specified RCW 39.80 (i.e., architectural, engineering, landscape architects and land surveyors) where deemed necessary in carrying out Port operations.

B. Executive Director's Authority: When necessary, in the conduct of Port operations, the Executive Director may, without prior Commission approval, execute on behalf of the Port contracts for professional and consultant services for \$50,000 or less so long as the expenditure is within the limits of overall budgetary constraints and in compliance with state law.

VII. POLICY GOVERNING TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT

A. Executive Director's Authority: The Executive Director is authorized to approve travel ~~within the State of Washington~~ by employees and/or other authorized representatives of the Port in order to effectuate necessary Port operations, provided that the travel expenses are within the annual budget approved by the Commission. ~~The Commission shall approve all requests for and prior to any travel outside the State of Washington by employees and/or other authorized representatives of the Port.~~

VIII. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION

A. Executive Director's Authority: The Executive Director shall have the authority to manage all personnel matters for Port employees and staff which includes hiring, firing, training, grievance procedures, managing collective bargaining agreements, including letters of agreement, employee salaries and benefits. The Executive Director shall carry out these responsibilities according to guidelines and policies to be established by the Executive Director and within overall budgetary constraints. The Commission shall approve any collective bargaining agreements and amendments thereto.

IX. POLICY GOVERNING EXECUTIVE DIRECTOR'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES

A. Authority of the Executive Director for Acquisitions Authorized by the Commission: When the Port Commission authorizes the acquisition of real property by purchase or condemnation, the Executive Director shall take all necessary steps, including the securing of appraisals, to secure title of such property for the Port. Acquisition price of individual properties (or ownerships) shall in no case exceed the Port's appraisal by 10% (ten percent), nor shall the total price paid for all properties exceed the estimates of the Port Commission's authorization without further specific Commission authorization.

B. Execution of Documents of Sale: The sale of real property is reserved to specific Commission authorization. When the Commission authorizes the sale of real property, the Executive Director shall take all necessary steps to complete the transaction, including but not limited to, accepting deposits, opening escrow and signing all necessary documents.

X. POLICY GOVERNING DISPOSITION OF UNCOLLECTIBLE ACCOUNTS

A. Definition of "Write-off": The term "write-off" means the adjustment of the accounting records of the Port to reflect the fact that the account is uncollectible in the normal course of operations. The Executive Director may authorize Legal Counsel to initiate or continue with legal action to collect an account without regard to whether the account has been written off the accounting records of the Port.

B. Procedures: The Executive Director is authorized to establish procedures for and to write off any uncollectible account in the amount of .05% of annual operating revenues of the last complete fiscal year or less subject to the following general guidelines:

1. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the account.

2. Any account in excess of .05% of annual operating revenues of the last complete fiscal year which is deemed to be uncollectible shall be referred to the Port Commission for final write-off.

XI. POLICY GOVERNING LEASE SURETY, SURETY BONDS, RENTAL DEPOSITS, AND INSURANCE POLICIES

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission in connection with lease surety, lease surety bonds, assignments of accounts, rental deposits, or insurance coverage required pursuant to any leases of the Port, including any of the following actions:

1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided.
2. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.
3. To approve any substitute or modification of surety or insurance coverage, and to release any surety or insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the Port.

XII. POLICY GOVERNING SALE OF PERSONAL PROPERTY

A. Sale of Property Pursuant to RCW 53.08.090: The Executive Director or his designee is authorized, pursuant to RCW 53.08.090, to sell and convey surplus personal property of the Port subject to the following conditions:

1. that the market value of such personal property does not exceed \$10,000; and
2. that prior to any such sale or conveyance, the Executive Director shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for Port purposes; and
3. that offers for purchase are solicited from at least three (3) parties whenever possible; and
4. that any large block of such property having a value in excess of \$10,000 shall not be divided into components of a lesser value and sold unless done so by public competitive bid; and
5. that no property which is part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and until such property is found to be surplus to Port needs; and
6. that in no case shall surplus personal property be sold to any Port official or employee or members of their families without the specific approval of the Commission.

XIII. LITIGATION

A. Management and Supervision of Litigation: The Executive Director and the Port's Legal Counsel (appointed by the Commission) shall be responsible for the procedures necessary for management and supervision of all litigation in which the Port has an interest, direct or indirect. For purposes of this section, "litigation" shall mean the assertion or potential assertion of any position, right or responsibility by or against the Port, including actions which have been filed in any court or any quasi-judicial or administrative forum.

B. Special Legal Services: The Executive Director, on consultation with the Port's Legal Counsel, is authorized to retain other such special counsel at fees as may be negotiated to assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port, within overall budgetary constraints.

C. Engagement of Experts: The Executive Director may engage or cause to be engaged through Legal Counsel, such experts as may be necessary for the orderly support of claims or litigation in which the Port has a direct or indirect interest. Such engagement shall be upon authorization given by Legal Counsel after having been satisfied that such expenditure is necessary to the adequate preparation and representation of the Port's position in such litigation or claim and shall, wherever practicable, include evaluation of the litigation or claim and an estimate of the probable cost of such experts.

D. Consultation with Commission: The Executive Director will, in conjunction with the Port's Legal Counsel, consult with the Commission regarding strategy and the economic impact of litigation.

XIV. POLICY GOVERNING INTERLOCAL AGREEMENTS FOR USE OF PORT PROPERTY FOR TRAINING PURPOSES AND EVENT SITE USE AGREEMENTS FOR EVENTS

A. Executive Director's Authority: The Executive Director is authorized to execute agreements with other public agencies for purposes of conducting training exercises related to police, fire and public health and safety issues.

B. Executive Director's Authority: The Executive Director is authorized to execute event and site use agreements with organizations for events conducted by the organizations on Port property.

XV. POLICY GOVERNING APPLICATION AND ACCEPTANCE OF GRANTS

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission to prepare and submit applications for grants and State or Federal Legislative appropriations. The Executive Director shall notify the Commission of the amount and purpose of all grant applications and upon request shall provide copies of such applications.

B. Acceptance of Grants: The Executive Director shall consult with the Commission prior to accepting or appropriating any grant awarded to the Port; and shall obtain Commission approval to accept and appropriate any grant funding or expenditure which was not specifically identified in the approved annual budget.

XVI. POLICY GOVERNING PERMIT APPLICATIONS AND NOTICES OF INTENT

A. Executive Director's Authority: The Executive Director is authorized to take all necessary actions to prepare and submit applications and notices of intent for coverage under state, local and federal regulatory permits including but not limited to, National Pollution Discharge Elimination System (NPDES) permits, Joint Aquatic Resources Permit Application (JARPA), and Hydraulic Project Approval (HPA) permits.

XVII. POLICY GOVERNING PROMULGATION OF ADMINISTRATIVE RULES AND REGULATIONS

A. Authority of the Executive Director: The Executive Director is authorized to adopt administrative rules, regulations and procedures necessary (hereinafter "rules and regulations") for the efficient operation of the Port so long as such rules and regulations are reported to the Commission and are consistent with Commission policy. All amendments to the rules and regulations established therein may hereafter be made by the Executive Director, so long as such amendments do not exceed the authority of the Executive Director, as granted elsewhere herein, and are reported to the Commission in a timely manner.

XVIII. POLICY GOVERNING AUTHORITY TO ENTER INTO NON- DISCLOSURE AGREEMENTS

A. Authority of the Executive Director: The Executive Director is authorized to enter into non-disclosure agreements on behalf of the Port of Port Townsend, provided that the non-disclosure agreement is first reviewed by legal counsel to ensure compliance with applicable law, including laws relating to public records and open public meetings.

ADOPTED by the Board of Commissioners of the Port of Port Townsend this _____ day of January, 2022 and duly authenticated in open session by signatures of the Commissioners voting in favor thereof and the seal of the Commission duly affixed.

ATTEST:

Secretary

President

Vice President

APPROVED AS TO FORM:

Port Attorney

RESOLUTION NO. 763-22

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; by Resolution 742-21 on January 13, 2021; and by Resolution 752-21 on September 8, 2021; and

WHEREAS, the Port Commission wishes to modify the meeting procedures as noted in Appendix A, established on September 8, 2021, via Resolution No. 752-21.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port of Port Townsend, that Resolution No. 752-21 shall be rescinded, and the Commission Meeting Procedures, as shown in the attached “Appendix A”, shall be adopted in their place.

ADOPTED this 12th day of January, 2022, 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:

Secretary

President

Vice President

APPROVED AS TO FORM:

Port Attorney

APPENDIX A to Resolution 763-22

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 and 752-21. Any changes or deletions will require an amendment to the Resolution.

COMMISSION MEETINGS

TIME AND LOCATION OF MEETINGS

1. Effective January 1~~23~~, 202~~24~~, 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 2nd meeting in November shall be held on Tuesday, November 2~~23~~, 202~~24~~ at 1:00 P.M. There is no regular meeting scheduled for the 2nd 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.~~ XIII. Adjournment
 - ~~XIII.~~ XIV. Informational Items
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. 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.

~~7.8. Port staff and/or general counsel may serve as parliamentarian in the event the presiding officer, commissioner or commission desire procedural assistance.~~

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

MEETING DATE	January 12, 2022
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. C. November 2021 YTD Financials
STAFF LEAD	Abigail Berg, Director of Finance
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	1. Staff Information Memo 2. November Financials

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 1/6/2022
TO: Commission
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: November YTD 2021 Financial Report

Attached is the November 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	133,202
D-Dock Renovation	8,622
BH Breakwater Repair	20,471
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	16,949
Sperry Bldg. #3 – Sunrise Coffee (completed)	10,177
PH Pavilion Bldg. Remodel	177,758
Nomura Bldg. Remodel (Phase I completed)	54,355
FEMA Grant – Yard Stormwater Materials Replacement	5,987
FEMA Grant – City Dock	2,529
FEMA Grant – JCIA Asbestos Roof	57,257
Reconstruct Old Coast Guard Building	4,371
BH Property – Electrical Split btwn Haven Boat & Johnson	14,596
Total Capital Expenses YTD	<u>\$ 1,250,311</u>

2021 Capital Purchase

Pape 50G Compact Excavator	\$ 76,898
Kendrick Equipment, Inc. (deposit on 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>

Ending Cash Balances as of November 30	2021	2020
Reserved Cash & Investments – Other*	\$ 2,368,799	\$ 1,434,995
Reserved Cash & Investments – IDD	2,123,227	\$ 853,648
Unreserved Cash & Investments	<u>2,424,152</u>	<u>\$ 2,423,014</u>
Total Cash & Investments	<u>\$ 6,916,178</u>	<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)	447,878	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. Staff will develop and recommend updated targets for this reserve that are tied to specific projects over time.

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	30,600

Total Debt Service for 2021	<u>\$ 1,028,763</u>
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Remaining Debt for years 2022-2029¹

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.

¹ The target articulated in the 2022 budget narrative is to retire all of this debt by the end of 2027.

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

	YTD Nov. 2019	YTD Nov. 2020	YTD Nov. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES							
Boat Haven Moorage	1,762,135	1,739,439	1,773,849	34,410		1,713,684	60,165
Yard Operations	1,744,342	1,806,370	2,195,618	389,247	a	1,719,849	475,769
Boat Haven Properties	643,376	654,148	749,449	95,302		689,492	59,957
Pt. Hudson Marina, RV & Prop	1,393,542	1,284,732	1,591,463	306,731	b	1,286,083	305,380
Quilcene	154,864	154,694	160,911	6,217		148,419	12,492
Ramps	49,436	51,828	52,047	218		49,879	2,168
Jeff. County Int'l Airport	138,174	135,542	153,078	17,536		142,970	10,108
(Increase)/Decrease in Accts. Receivable	154,465	(90,563)	(55,854)	34,709	c	-	(55,854)
Total Revenues	6,040,334	5,736,191	6,620,561	884,370	d	5,750,376	870,185
EXPENSES							
Salaries & Wages	1,884,292	2,036,452	2,142,113	105,661		2,159,042	(16,929)
Payroll Taxes	206,432	214,419	216,773	2,355		232,035	(15,262)
Employee Benefits	647,259	753,175	745,268	(7,907)		817,178	(71,910)
Uniform Expense	7,281	6,331	6,110	(221)		8,229	(2,119)
Contract Services	232,614	231,405	256,278	24,873		275,086	(18,808)
Consulting Services	49,769	23,500	-	(23,500)		-	-
Legal & Auditing	91,319	38,538	72,178	33,640	e	64,416	7,762
Insurance	276,190	313,259	365,552	52,293	f	316,857	48,695
Facilities & Operations	406,925	450,393	612,694	162,301	g	426,180	186,514
Utilities	507,520	475,621	516,127	40,506		512,545	3,582
Marketing	56,142	39,660	46,878	7,218		49,677	(2,799)
Economic Development	-	-	15,000	15,000		-	15,000
Travel & Training	25,774	11,188	8,994	(2,193)		20,576	(11,582)
Cost of Goods - Fuel	15,024	2,035	-	(2,035)		-	-
Community Relations	35	6,896	3,997	(2,899)		6,965	(2,968)
Total Expenses	4,406,576	4,602,871	5,007,962	405,091	h	4,888,785	119,177
Net Operating Income (Loss)	1,633,757	1,133,320	1,612,600	479,279	i	861,591	751,008
Other Increases in Fund Resources							
Deposits & Retainage Collected	97,076	92,930	104,995	12,064		62,747	42,248
Taxes Collected	540,627	553,940	623,011	69,070		558,624	64,387
Capital Contributions/Grants	335,481	2,130,397	571,576	(1,558,821)		655	570,921
Debt Proceeds - Line of Credit	-	1,650,000	-	(1,650,000)		-	-
Interest	61,796	25,772	52,416	26,645		44,600	7,816
Property & other taxes	1,082,660	1,954,767	2,741,783	787,016		2,718,564	23,219
Misc Other Incr. in Fund Resources	254,246	125,241	55,514	(69,727)		16,645	38,869
Total Other Incr. in Fund Resources	2,371,886	6,533,048	4,149,295	(2,383,753)	j	3,401,835	747,460
Other Decr. In Fund Resources							
Deposits & Retainage Paid	303,840	56,804	22,229	(34,575)		10,044	12,185
Taxes Remitted	587,525	563,333	668,035	104,702		598,818	69,217
Debt Principal & Interest	600,294	2,007,337	852,009	(1,155,328)		600,444	251,565
Debt Mgmt, Issuance & Misc Exp	1,450	10,927	60,280	49,352		1,190	59,090
Election Expense	-	15,674	-	(15,674)		-	-
Total Other Decr. In Fund Resources	1,493,109	2,654,075	1,602,552	(1,051,523)	k	1,210,496	392,056
Net Other Incr./Decr. Fund Resources	878,777	3,878,973	2,546,743	(1,332,230)		2,191,339	355,404
Net Income/(Expense)	2,512,535	5,012,293	4,159,342	(852,951)	l	3,052,930	1,106,412

Notes:

- (a) *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 43%, or \$261,526 and compared to budget is up 58%, or \$320,800.*
- (b) *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 42%, or \$673,933, of the YTD Point Hudson revenues. Compared to budget, Point Hudson YTD revenues are 24% higher, or \$305,380.*
- (c) *The "(Increase)/Decrease in Accts. Receivable" line item just above the total Operating Revenue totals is an adjustment to cash revenues. 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.*
- (d) *Overall, Operating Revenues increased by 15%, or \$884,370, when compared to 2020 and were 15%, or \$870,185, 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 \$52,293 and \$48,695, respectively.*
- (g) *2021 costs are higher for Facilities & Operations when compared to 2020 by \$162,301. Comparison to budget is approximately \$186,514. The highest variances year to year from highest to lowest are Repair/Maintenance costs for \$46,789, Environmental Materials/Supplies for \$22,396, Equipment Rental for \$21,616, and Membership/Dues and Bank Charges coming in at \$18,861 and \$18,198, respectively. It should be noted, however, that as of November, the Port has not received the credit card or Molo charges for September or October; these were received in December and total approximately \$29,000. We are working with Molo to ensure we receive more timely invoicing.*
- (h) *Overall, Operating Expenses increased by \$405,091 or 9%, when compared to 2020 and are more than budget by \$119,177 which is 3%. 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 year to year, they are more closely aligned when compared to the budget.*
- (i) *Net Operating Income is more than YTD in 2020 by \$479,279, or 42%, and more than budget by \$751,008, or 87%. 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 \$2,383,753 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 \$1,051,523 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 of almost \$50,000.*
- (l) *Overall, the YTD decrease of \$852,951 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 \$1,106,412 ahead of budget. This increase is due to the strong rebound the Port had to Operating Revenues after the pandemic hit in 2020.*

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
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. D. 2022 Rates for Herb Beck Marina
STAFF LEAD	Eron Berg, Executive Director & Abigail Berg, Director of Finance & Administration
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	1. Staff Information Memo 2. Quilcene Rate Card

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 1/12/2022
TO: Commission
FROM: Eron Berg, Executive Director & Abigail Berg, Director of Finance & Administration
SUBJECT: 2022 Rates for Herb Beck Marina, Quilcene

ISSUE

Should the Commission adopt the attached revised 2022 rates for the Herb Beck Marina facility?

BACKGROUND

2022 rates were previously adopted by the Commission and when staff were inputting the new rates into Molo, the increases appeared to be more significant than anticipated. Following one-on-one discussions with the commissioners, staff did not implement the 2022 rates for Quilcene on January 1st, pending a discussion and possible action at this meeting.

DISCUSSION

The adopted 2022 rates sought to normalize the use policies and rates between Port marina facilities. Given that the Port is working closely with the Quilcene community on an engagement process with the intended outcome of a future adopted Commission plan for improvements to the Herb Beck Marina facility, it makes sense to maintain the current use policies and increase rates in accordance with similar Port rates, at this time. Our recommendation today is to adopt the attached revised 2022 rates for Quilcene that include the standard 5% cost-of-living adjustment that was applied to most other facilities and services except for permanent moorage rates which were increased by 3%.

FISCAL IMPACT

This will likely result in a small reduction in revenue in 2022.

ATTACHMENTS

1. Updated 2022 rates for Herb Beck Marina, Quilcene

RECOMMENDATIONS

Motion to approve the attached revised 2022 rates for the Herb Beck Marina facility.

Port of Port Townsend

2021 Rate Schedule

HERB BECK MARINA - QUILCENE

360.765.3131 or 360.385.6211

Service Rates Effective January 1, 2021

Approved by Port Commission on 11/10/2020

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

	2021 Rates
NIGHTLY MOORAGE	\$ 0.86 /ft/nt
TEMPORARY TIE-UP	\$ 6.00
over 35'	\$ 12.00
PERMANENT MOORAGE	
Up to 24 ft.	\$ 6.98 /ft/mo*
25-29 ft.	\$ 7.52 /ft/mo*
30-35 ft.	\$ 8.05 /ft/mo*
36-45 ft.	\$ 8.61 /ft/mo*
46-50 ft.	\$ 9.68 /ft/mo*
Limited Access – Up to 18'	\$ 4.84 /ft/mo*
LIVEABOARD FEE	\$ 80.95 /mo*
Background Check Fee	\$60.00
RESERVATION FEE	\$ 11.00 /reservation
ELECTRICAL FEES	
Nightly Electric	\$ 6.00
over 55'	\$ 12.00
Connect Fee	\$ 30.00
Base Electric Fee	\$ 11.00 /mo
Metered Electric @	\$0.1007 /KWH
(subject to change with utility rate increase)	

Port of Port Townsend

2022 Rate Schedule

Service Rates Effective January 13, 2022

Approved by Port Commission on 1/12/2022

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

	2022 Rates	
NIGHTLY MOORAGE	\$ 0.90	5% Change
TEMPORARY TIE-UP	\$ 6.00	no change
over 35'	\$ 12.00	no change
PERMANENT MOORAGE		
Up to 24 ft.	\$ 7.19 /ft/mo*	3% change
25-29 ft.	\$ 7.75 /ft/mo*	3% change
30-35 ft.	\$ 8.29 /ft/mo*	3% change
36-45 ft.	\$ 8.87 /ft/mo*	3% change
46-50 ft.	\$ 9.97 /ft/mo*	3% change
Limited Access – Up to 18'	\$ 4.99 /ft/mo*	3% change
LIVEABOARDS ARE NOT AVAILABLE AT THIS LOCATION		
RESERVATION FEE	\$ 11.00 /reservation	no change
ELECTRICAL FEES		
Nightly Electric	\$ 6.00	no change
over 55'	\$ 12.00	no change
Connect Fee	\$ 30.00	no change
Base Electric Fee	\$ 11.00 /mo	no change
Metered Electric @	0.1029 /KWH	PUD rate change
(subject to change with utility rate increase)		

*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

**Subject to 9.1% WA State Sales Tax

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	IX. Meeting of the Industrial Development Corporation of the Port
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	1. Industrial Development Corporation Agenda 2. January 13, 2021 IDC Meeting Minutes

INDUSTRIAL DEVELOPMENT CORPORATION OF
THE PORT OF PORT TOWNSEND
January 12, 2022, 1:00 PM via Zoom
Meeting Agenda

- I. Call to Order
- II. Election of Officers
- III. Approval of Minutes – January 13, 2021
- IV. Business
 - a. Review of 2021 financial report
- V. Next Meeting – called as needed
- VI. Adjournment

Port of Port Townsend
IDC Financial Report
fiscal year ending December 31, 2021

Beginning Cash		\$ 5,019.27
Revenues	\$ 1.18	
Expenditures	\$ -	
Net Increase in Cash & Investments	<hr/>	<hr/> \$ 1.18
Ending Cash & Investments		\$ 5,020.45

**MINUTES OF THE
INDUSTRIAL DEVELOPMENT CORPORATION OF
THE PORT OF PORT TOWNSEND
Wednesday – January 13, 2021**

The meeting of the Industrial Development Corporation of the Port of Port Townsend was held online via Zoom.

Present: Commissioner Putney
Commissioner Hanke
Commissioner Petranek
Executive Director Berg
Auditor Berg
Deputy Director Toews
Recorder Erickson
Attorney Woolson

I. CALL TO ORDER

Commissioner Hanke called the meeting to order at 2:25 p.m.

II. ELECTION OF OFFICERS:

Commissioner Putney moved to accept officers for the 2021 IDC officers as follows:

Commissioner Putney: President
Commissioner Hanke: Vice President
Commissioner Petranek: Secretary
Auditor Berg (CFO of the Port): Treasurer

Commissioner Petranek seconded the motion. Motion carried by unanimous vote.

III. APPROVAL OF MINUTES – January 8, 2020:

Commissioner Hanke moved for approval of the January 8, 2020, IDC meeting minutes as presented. Commissioner Petranek seconded the motion. Motion carried by unanimous vote.

IV. NEW BUSINESS:

None

V. NEXT MEETING:

The next scheduled meeting of the IDC will be on January 12, 2022, unless otherwise scheduled.

VI. ADJOURNMENT:

There being no further business to come before the Directors, the meeting adjourned at 2:29 p.m.

William W. Putney III, President Date

Pamela A. Petranek, Secretary Date

Peter W. Hanke, Vice President	Date
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PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 12, 2022
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	Informational Items
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	1. Gateway Complaint 2. Detailed November Financials

Complaint against the:
Port of Port Townsend
Jefferson County Public Utility District
City of Port Townsend

I. PROBLEM STATEMENT

The Port of Port Townsend (Port), Jefferson County Public Utility District (PUD), and City of Port Townsend (City) propose to expand the Port's boatyard 25' on the south side of Sims Way, cut down the historic and culturally significant poplars that line both sides of Sims Way, underground existing overhead powerline(s) on the south side, put in a sidewalk, and re-plant a different tree. The project is divided up between the 3 public agencies without a cumulative impacts analysis or meaningful public involvement. Each agency will seek permits separately, and in the case of the PUD, they've said they aren't required to get permits to cut the trees, even though these actions are part of a larger proposal.

This project is a fragmented permitting and piecemealed environmental review.ⁱ

The overall project to cut the trees, trench the powerline, put in a sidewalk, and expand the boatyard are divided up between the 3 agencies.

- The PUD will cut and dispose of the trees, trench and underground the power line, and pave the path.
- The Port will expand the boatyard.
- The City will remove the poplars on the Kah Tai side, replant, and plant replacement trees for the poplars that the PUD cuts down on the boatyard side.
- The City will then maintain the new plants; water and replace any trees that die.

There is:

- No environmental impact statement for the overall project.
- No alternatives analysis or weighing of the pros and cons of multiple alternatives.
- No environmental analysis of the potential adverse impacts to the community and environment for the loss of these historic and culturally significant trees.

There are approximately 130 trees (we are doing our own count) on both sides of the roadway, Sims Way, which is also State Hwy 20. This section of roadway has been lined with poplars for almost 100 years; planted and replanted over the decades. Poplars are peppered throughout the Port Townsend area, and one could argue are an unofficial city tree. They are a significant part of the landscape and skyline, and culturally significant as part of the Victorian seaport character.

This proposed dramatic alteration to this entryway is evolving rapidly, with community awareness occurring around September 2021, with the City indicating the trees would start coming down in "early 2022." There is conflicting information on the timing of the tree cutting, and the agencies claim that environmental review to remove these historic trees is not required. Even though this proposal has

repercussions throughout the community, public involvement is discouraged—it is tightly controlled and the residents have been told their role is limited to selecting a “replacement tree.”

This complaint demonstrates that the primary reason stated to remove the poplars—that they are a danger to the existing overhead powerline—isn’t substantiated by the record or the proposed work. Instead, the driving motivation behind this dramatic alteration to this entryway into Port Townsend is the Port of Port Townsend’s desire to expand the boatyard by 25’ into where the poplars reside today...some of which are on Port property and others within the right-of-way.

From this:



Photo courtesy of Larry Eifert

To this:



NOTE: THIS RENDERING IS INACCURATE. The agencies have provided this one and only concept drawing which shows the poplars remaining on the Kah Tai Lagoon side (the left)—but plan to cut the poplars on BOTH SIDES. This is problematic.

II. BACKGROUND

Excerpted from the adopted “Port Townsend Gateway Development [Plan](#):”

Before statehood, Port Townsend was the major seaport for commerce and settlers coming in and out of this vast edge of the country. When travel shifted from the sea to the land, with the development of roadways and trucks to carry cargo and private automobiles to transport people, the highway in and out of Port Townsend became the gateway leading away to the urban centers beyond, and the gateway leading into a uniquely lovely Victorian seaport town.

By 1987, development pressures from the greater Puget Sound area were reaching the Olympic Peninsula. Port Townsend became a destination for tourists and those who could live away from the metropolis bustle. Mayor Brent Shirley and the members of the City council recognized the need to focus the town’s attention on this important entrance to its historic downtown. These city leaders made plans for a city-wide participatory planning process: a design charrette, to discuss and decide what kind of gateway the residents wanted for their town, and to consider how to implement these decisions. The Port Townsend Gateway Project had begun.

A. Port Townsend Gateway Concept Plan – 1987-1988

Mayor Shirley recognized the importance of including the broadest possible participation in the planning process, and brought together a nine-member steering committee, including residents and elected officials, to plan the design charrette focusing on the gateway to Port Townsend.

The Steering Committee began regular discussion and planning sessions, meeting with City staff and a professional design workshop facilitator, to refine the goals for the design charrette and gather and organize information to be used at the planning session. A series of informational reports was prepared and assembled into packets for the participants. The Jefferson County-Port Townsend *Leader* published a series of stories, outlining the issues and encouraging residents to begin the discussion process leading up to the design charrette. Students from Port Townsend High School organized a video project to document the gateway corridor, to interview residents, and to record all public planning events up to the commencement of the design charrette. After several weeks of discussion, the Steering Committee established goals for the charrette and recommended a core group of thirty-three residents, representing every facet of Port Townsend life, including: owners of businesses and property along the gateway corridor: realtors, developers, educators, Planning Commission and City Council members, design and arts professionals, other professions, contractors, recreation leaders, religious leaders, design and planning consultants, public officials, students and residents-at-large.

Enthusiasm and interest grew steadily within the community as planning for the design charrette neared completion.

On April 20, 1988, all residents of Port Townsend were invited to a Town Hall Meeting, held at historic Fort Worden, to meet their representatives on the Core Group, to preview the video presentation with the high school students had prepared, to review the goals for the design charrette, and to provide public comment for consideration at the charrette sessions. The stage was set for the design charrette to commence.

The following two days and nights, April 12, and April 22, 1988, were marathon sessions of intensive, focused, highly-participatory design discussion, leading to a practical, concrete list of design priorities for the gateway corridor. Design charrettes are a rare opportunity to bring together the widest possible range of ideas, expertise, energy, and creativity, in a cooperative and constructive effort to find practical solutions to very real design challenges. The result was a high-energy, very productive process which gave the City of Port Townsend a concept plan for future development of the gateway area, which would result in a welcoming, safe and attractive introduction to the town lying beyond.

The City Council meeting the evening of May 11, 1988, was characterized as “one of the most satisfying moments in recent Port Townsend history.” The Core group participants, along with other residents, observers, students, City staff members, and elected officials, came together in the City Council Chambers, overlooking the harbor where ships had brought in the hopes and dreams of the towns forefathers more than a hundred years before, to present the plan to the City Council. The room was filled with a sense of purpose, quiet excitement and resolve, and energy as the charrette participants presented their consensus plan.

After listening to support from a noteworthy wide range of residents during the hearing, the Port Townsend City Council adopted the Port Townsend Gateway Concept plan, for shaping the gateway corridor into the kind of place which would reflect the spirit and history and vision of the town to which it leads.

B. Port Townsend Gateway Development Plan, 1990-1993

In early 1990 the City started another multi-year process to develop more specificity to the 1988 plan, and to continue the dialogue and involvement with the community in the development of the corridor,

and "to improve and preserve the overall quality of life and facilitate the creation of a graceful community for both residents and visitor."

This planning effort divided the corridor into Districts, and the subject section of Sims Way--located between [Kah Tai Lagoon Nature Park](#) (Kah Tai) and the Port Townsend boatyard--became known as the "Flats," a commercial district whose views are defined by the existing rows of poplar trees.

The Streetscape Recommendation for the Flats: "The linear corridor quality of the poplar trees can be retained, while enhancing views of the shipyards and Historic buildings. Removal of "sucker" growth of the large poplars, and selective removal of the small, individual seedlings would open up views to the lagoon and the boatyard. New poplars, spaced 20-25' apart, can be selectively planted to fill in "gaps" along Sims Way."

The Port had a representative on the steering committee, and the Port had no objection to the poplars (The author was the representative from 1990-1991). In fact, removal or retention of the poplars were debated as part of this early 1990's process and the community decided to retain them.

The Port Townsend Gateway Development Plan was adopted on August 3, 1993.ⁱⁱ

C. The Poplars – Historically and Culturally Significant

The purpose of this section is to illustrate the historical and cultural significance of the poplars with contemporary and historical photos, and a painting, and to help others to visualize why these trees are so important to the community as well as visitors.



Photo courtesy of Larry Eifert



Photo courtesy of Joyce Blankenship

As shown in the photos above, the poplars line this entryway into Port Townsend, with Kah Tai on the left and the boatyard on the right. In addition, they are planted throughout Port Townsend. Here is another photo showing more poplars along Kah Tai and on the left of the photo, by the golf course:



Photo courtesy of Larry Eifert

The poplars have been planted, died and replanted over many years. From “City of Dreams: A Guide to Port Townsend:”ⁱⁱⁱ

- 1930s The Chamber of Commerce planted the poplars.
- 1939 Wild rice was planted in the lagoon to attract wildlife.
- 1940-50’s Kah Tai Lagoon provided the town with an unparalleled scenic entrance.
- 1963 Port Commission approved an Army Corp of Engineers scheme to dispose of 231,000 yards of dredged sand into Kah Tai Lagoon. Within a week the salty fill killed the stately poplars.
- 1964 Eight acres of sand covered the southern lagoon.
- 1973 500 trees were planted including poplars
- 1976 Kah Tai Lagoon began to regenerate with varieties of grasses, trees, and shrubs and the poplars were replanted.
- 1985 Twenty one years after it was filled, ground-breaking ceremony at Kah Tai Lagoon



Photo courtesy of Jefferson County Historical Society, 1950s. The trees are already established and tall.



Photo courtesy of Jefferson County Historical Society, no date but prior to filling of Kah Tai Lagoon in 1964.



Photo courtesy of Joyce Blankenship, no date but prior to the filling of Kah Tai...by the Port which killed that generation of poplars...in the early 1960's.



Photo courtesy of Jefferson County Historical Society, 1964; the Port filling of Kah Tai.



Photo courtesy of Jefferson County Historical Society, 1964.



Photo courtesy of Jefferson County Historical Society, no date.



Painting by Melville Holmes, 1984...across Kah Tai towards Sims Way/Hwy 20

III. CURRENT PROPOSAL: Proposed in August/September 2021; trees to be cut down starting in “early 2022.”

In stark contrast to the extensive community involvement in the Gateway planning, 1987-1993, the Port, PUD, and City started planning to cut down all of the poplars – on both sides of Sims Way/Hwy 20 -- in August 2021. City Manager John Mauro said in the December City Newsletter that “the poplar trees between the boat yard and Sims Way will start coming down in early 2022.”^{iv}

The general public was not aware of this until late September, 2021. In less than 4 months, these 3 agencies developed a plan and announced to the community what they intend to do, with no community brainstorming; no consideration of alternatives; and no community buy-in to an agreed upon plan.

Their clearly stated intention is to only allow the public to help select “replacement” trees but not poplars. This abrupt 3 month timeframe is characterized by top-down messaging from these agencies, conflicting information, lack of consideration of alternatives to keep and/or replace the poplars, some misleading information, no meaningful and open public involvement, no analysis of cumulative impacts, and no clear way to be involved other than to help select...with City chosen sideboards that won’t allow replacing the poplars...replacement trees.

They say the trees will be cut on the boatyard side first, then the undergrounding of the powerlines¹, followed by the cutting of the trees on the Kah Tai side, and then the boatyard expansion. No environmental review is planned for the entirety of this proposal. It appears the trees will be cut by the PUD, and then the Port will later submit expansion applications and some agency will conduct SEPA on that project alone. The City will remove the trees on the Kah Tai side and replant on both sides, and maintain the new plantings.

Here is an aerial photograph that orients the reader to Sims Way, the poplars, Kah Tai on one side, and the boatyard on the other (this is all fill):



From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date.

These photos show the tree count:

¹ The lines are 115kV transmission lines.



From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date.

This photo illustrates how narrow the row of poplar greenspace is relative to the adjacent hardscapes:



From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date. Note the highly urbanized pavement and hard surfaces on both side of the roadway, illuminating how relatively narrow this existing greenway is, and according to the proposal, would be dramatically reduced.

At some point in history a power line was installed on the boatyard side of the poplars. Historical photos show no powerline near the trees. The PUD is the current owner. In June 2021 there was an event where tall poplars touched the powerline, causing an arc. According to the three public agencies, this event was the catalyst that prompted them to:

1. Propose to expand the boatyard 25' and remove the poplars along the boatyard, some of which are in the 100' right-of-way and some that are on Port property;
2. Cut all of the poplars down on the Kah Tai side of Sims Way/Hwy 20; although there are no power lines on that side.
3. Replace the trees with a "more appropriate" tree.

These three public agencies applied to Jefferson County for a Public Infrastructure Development Grant on October 6, 2021, in which they said "Primary goal: positive economic impact (job creation).^v This statement is found in other agency publications.^{vi}

Here is the only concept drawing provided to the public, and it is inaccurate: it incorrectly shows only the trees on the boatyard side removed; however, their plan is to cut the poplars on both sides of this remarkable entryway:



From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date.

To put greater emphasis on the deception of this rendering, it was included in the same grant application and powerpoint presentation which included a description of the scope of work to remove trees on BOTH SIDES.

We question whether the removal of the poplars on the Kah Tai meets the requirements of RCW 82, sales and use tax for economic development, statement of intent and eligible activities, the Public Infrastructure Development grant that Jefferson County awarded to these entities.^{vii} The removal of this row of poplars is not tied to the boatyard expansion or underground of powerlines, or any road improvements, or any economic development activity. It appears the City solely wants to remove these trees because they are non-native.



This photo illustrates the location of the powerlines to the poplars on the boatyard side and the trees that were burned when they touched the energized line:

From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date



From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date

IV. PROPOSAL ISSUES

Issue #1. Tightly controlled and selective public involvement.

Even though these public agency staff and elected officials were fully aware that, as the Parks Advisory Board told them, the community would "push back at the cutting of the "popular" poplar trees, they proceeded to craft a process that offered little to no public input. In an email from City Public Works Director Steve King to the other 2 agency staff, he determined no public hearing would be required:

Hi All,

I'm following up with one of my action items by checking in with our permitting folks about what is required. **One of the key things I was looking for was weather any of the permits required a hearing... which they don't.** The permit that is likely requires the most work is the Flood Dev. Permit which requires a habitat analysis... this is a FEMA requirement. The following permits apply. (emphasis added)

Flood Dev. Review Form and ESA Compliance tied to a Clearing and Grading for boat yard expansion and possibly undergrounding.

Undergrounding, path, planting of new trees requires a Street Development Permit
Public Process is not tied to a permit, but is pretty critical to this given the public interest.

Hope this helps,
Steve^{viii}

Yet these agency people were fully aware of the significant public interest, but checked to make sure no public hearing would be required as part of the permitting process:

“...This summer, it was brought to our attention that the Poplars along Sims Way are too close and causing hazards with the power lines along the Boat Haven. The PUD and Port would like to take down the Poplars. The trees currently straddle the right of way line with some entirely on the right of way and other on Port property. **As you can imagine, this is a controversial topic with the Community.**”^{ix} (emphasis added) Steve King, City Public Works Manager, email to Andy Larson, WSDOT, September 28, 2021.

All of the public agency discussions took place during COVID 19 lock-downs, with almost all Council, Commission and Advisory Committee meetings conducted remotely, with little to no community attendance or comment. There were no community meetings where the public was invited and this proposal was the exclusive topic. Many Port Townsend residents heard about the plan to cut the trees for the first time from a Port Townsend *Leader* [article](#) on September 16, 2021:

Officials look at removing poplar tree corridor along Sims Way
Proposal expected to generate strong public pushback

Chainsaws may be coming to Port Townsend’s signature tunnel of trees entryway to town.

Officials with the Jefferson County Public Utility District, city of Port Townsend, and Port of Port Townsend have been talking in recent weeks of removing the long stretches of poplar trees on both sides of Sims Way in a nearly \$2 million project that would include putting power lines underground, adding sidewalks along the Boat Haven property line, and replanting both sides of the street with more environmentally appropriate tree choices.

City, PUD, and port officials have all acknowledged during recent proposal discussions the potential public blowback the plan will create.

The tree-lined entryway into Port Townsend is an iconic feature, City Engineer Steve King acknowledged during a briefing on the proposal earlier this month to the Port Townsend Council Infrastructure and Development Committee.

“We know there is a lot of emotional attachment and concern about that,” he said of the tree-lined corridor leading to downtown.

The plan calls for the removal of 60 mature trees on the Boat Haven side of the road, and 70 that border Kah Tai Lagoon Nature Park.

King said the Parks, Recreation, and Tree Advisory Board had reviewed the plan and endorsed it, but they also warned city leaders to “get ready for some strong pushback.”

Port Townsend Councilwoman Amy Howard...dryly noted: “I would like to know why we didn’t put parking on this agenda, too, so we could become the most hated committee immediately at the gate.”

“There is going to be pushback. It’s going to be an unpopular decision one way or the other,” Howard said.

There are going to be people who are going to be unhappy with the proposal, she added.^x

And another [article](#) on September 29, 2021:

Controversial Sims Way tree removal plan continues, Local officials warn that the poplar trees along Sims Way are a safety hazard, because they are growing into power lines.

The iconic Lombardy poplar trees lining both sides of Sims Way near the entryway to downtown Port Townsend are likely to be removed in the near future, after city, port, and Jefferson County Public Utility District officials passed a resolution to start funding a \$2 million project that includes the removal and replacement of the trees.

The city council passed a resolution last week to enable the city, PUD, and Port of Port Townsend to partner and apply for grant funding to finance the removal and replacement of the trees.

The public has generally disapproved of the proposal to remove the Lombardy poplars, seeing the trees as the long-standing leafy “welcoming committee” into Port Townsend’s commercial district.

Although the poplar trees are a scenic part of the gateway, officials fear the age, positioning, and potential safety hazards of the trees are too important to ignore and must be chopped down.

With the poplar trees on Sims Way nearing the end of their lifespan (which is typically around 60 years), the trees are a potential safety hazard if any were to topple down and potentially hit a car or pedestrian on the road or sidewalk, officials said.

“As the trees get older, they’ll tend to rot in the center. Poplars have a trend to lose branches anyway,” said Public Works Director Steve King. “They also have the potential to collapse. That’s another safety hazard.”

Additionally, the poplars’ branches have started to touch nearby power lines, making them a potential fire hazard.

The Jefferson County PUD has documented problems with tree branches touching the power lines parallel to the poplars, and electricity has been seen arcing between the power lines and trees, burning leaves and branches.

“Jefferson County PUD and Port of Port Townsend approached us with complaints about the wires against trees, causing safety hazards,” King said. “You could walk down and see burnt leaves on the wires.”

The trees have also made it impossible to expand the neighboring Boat Haven boatyard, which badly needs the space to hold more ships.

The removal of the trees would benefit Port of Port Townsend and potentially add more jobs for the organization, port officials said earlier.

“If we remove these trees, it’s a big deal for the public,” King said.

King agrees with the public on the beauty and importance of the poplars, but said safety concerns outweigh the aesthetic beauty and long history of the trees.

“We agree they’re iconic to the community and that they are beautiful,” King said.

But the potential safety hazards are “not something that we can ignore. Our job is to help engage the community to figure out how, what, where to replant.”

Although the tree removal project is a new hot-button topic around town, the removal of the trees isn’t a new problem by any means. A 1986 study recommended taking out the poplar trees and replacing them with vegetation that uses less water and is native to the Puget Sound region.

“Those poplars are a detriment to native trees; they suck a lot of the water,” King said.

Additionally, the vertical shape of the Lombardy poplars is not a suitable nesting tree for many local bird species.

Another study in 1993 recommended the poplar trees be thinned out to leave a better view of Kah Tai Lagoon.

King said the improved visibility of Kah Tai would be beneficial “both for safety, and you get to realize the vision for how to enhance Kah Tai.”

Although King knows many residents are unhappy about the project, he encouraged locals to give input on the plans, and make recommendations for how the area should be replanted. King and project coordinators are “looking at different options on how replanting will look,” King said.

“I want to encourage public feedback, we learn from that.”

The planned project to remove and replace the poplars, along with expanding the boatyard, moving the power lines underground, and installing a path along the road, will cost an estimated \$2 million.

The project will involve five primary phases of construction and removal.

Phase 1 will mitigate potential safety hazards by trimming branches and leaves near power lines, and removing the poplar trees on the Boat Haven side of Sims Way.

The second step will move the power lines on Sims Way underground, and Phase 3 will involve replanting new trees where the Lombardy poplars are currently, and installing a walkway for pedestrians.

For Phase 4, the project will expand the boatyard for Boat Haven, adding space for more vessels.

The final phase will involve removing the trees on the Kah Tai side of Sims Way, along with planting new trees in their stead.

The tree removal, under-grounding of power lines, and installation of a pedestrian walkway would go through Jefferson County PUD, and would cost around \$700,000.

For Port of Port Townsend, the expansion of the Boat Haven boatyard would cost approximately \$900,000.

On the city's side, the tree removal and replanting on the Kah Tai side would cost about \$200,000, while replanting trees on the Boat Haven side would take \$170,000 to do. Combining the two, it would cost around \$370,000.

Between the city, Port of Port Townsend, and Jefferson County PUD, the cost comes out to roughly \$1.9 million.

These newspaper articles prompted an outcry, after which the public agencies felt compelled to offer a **1 hour** Zoom meeting, on November 9, 2021, in which **over 80 people** signed in. The meeting was 1 hour, and the moderator, City Manager John Mauro, talked for about 10% of that time, and the other public agency people talked for another 15%...which made it clear this was a one-way conversation. That left about 45 minutes for 80 people to have input or ask questions.

John Mauro decided who would go into which "rooms" or break-out groups, where only a few people were able to talk, and then each moderator went back to the full group reporting in a minute or two their summary after at most 10 minutes of input. In one breakout group, the moderator called on individuals by name who were known to support the removal of the poplars, while others did not get a chance to speak.^{xi}

The *Leader* ran articles on November 5, and November 10, 2021, and printed a guest article by a prominent proponent of cutting the trees down, who also serves as the Chair of the City's Parks, Recreation & Tree Advisory Board, a City Appointed position, on December 3, 2021.

According to the Jefferson County Public Infrastructure Grant application that these 3 public agencies submitted on October 6, 2021, this is the full scope of the planned public involvement:

Public Outreach Necessary

- Work with PRTAB
- Public Process Recommendations
 - Work with partners
 - Develop visualizations
 - Work through process of selecting the appropriate trees and landscaping
 - Further the Gateway Plan vision with adjustments to today's environment.

From: "Sims Way Gateway and Tree Management," powerpoint presentation, no date

Further, in the body of the grant application, the initial public outreach lists meetings with elected officials and their appointed committees, as well as newspaper articles, as the primary forms of public outreach.^{xii} No other form of public outreach is indicated, and as noted below, the City has distanced themselves from some of the newspaper articles as "inaccurate:"

From City Manager John Mauro to Julie Jaman, Nov 19, 2021

Thank you again for your thoughts, Ms. Jaman (City Council bcc'd). We will continue to record these comments as we build a record of perspectives and I'll continue to offer you the opportunity, as described during the town hall event, to be engaged as part of the public process moving forward as part of the project. I expect to be able to share more details including a date for another meeting in a week or two. **Please note that the dates and materials you reference in the Leader are inaccurate.** (emphasis added)

Thanks again for your interest and look forward to a productive, positive and civil process where we can actually work together on a solution we can all support.

Best

john

John Mauro | City Manager

City of Port Townsend | www.cityofpt.us

In other documents they have also said that the project website will also serve as public involvement.

This is problematic for the excluded residents for obvious reasons.

A second **1 hour** Zoom meeting was announced for December 15, 2021, at 5 p.m. The residents are at a significant disadvantage for three reasons: 1) due to COVID lockdowns all meetings are virtual, with no opportunity to comment or network with other concerned residents; 2) it's the holidays. Many people are distracted and/or out-of-town; and 3) the meetings are not set up for meaningful dialogue or input

and many people realize they have no way to influence the process or the plan. This has caused much frustration and cynicism as can be seen on social media comments. In this meeting, the staff talked until 5:35 p.m.; leaving 25 minutes for input, which was already constrained by the technology, the format, and the unwillingness to discuss ways to save the poplars.

There were dramatically fewer call in or log ins, down from over 80 at the November 9 meeting to just over 30.

At this second Zoom meeting, the issue of whether the trees would be cut was off the table. John Mauro would not allow any discussion or procedural concerns to be raised before breaking up people into groups that he chose. One person attempted to speak to get out contact info for anyone unsatisfied by this process, but was cut off by Mauro who said "questions only." One person tried to suggest that all people be heard in the main group, which was televised live on the local radio station, but was muted. So anyone who wanted to network with another member of the community, who they could see on the screen was logged in, was prohibited.

In addition, Mauro created surveys, where he controlled the question and all of the options available for people to select. We did not participate as our concerns were not reflected and we had no way to have input.

Issue #2. Fragmented permitting and piecemealed environmental review

The overall project to cut the trees, trench the powerline(s), put in a sidewalk, and expand the boatyard are divided up between the 3 agencies. The PUD will cut and dispose of the trees, trench and underground the power line, and pave the path on the boatyard side. The Port will expand the boatyard. The City will cut the poplars on the Kah Tai side and plant trees (no poplars allowed) on both sides of the right of way. The City will then provide on-going maintenance of the landscaping.

They do not plan to amend the adopted Gateway Development Plan, but instead have adopted it by reference into the grant application, and claim that this project is consistent with the plan.

They do not intend to do an environmental impact statement for the overall project, conduct an alternatives analysis or weigh the pros and cons of multiple alternatives including landscape designs with an option to replant poplars as has been done for almost a century. There is only one alternative: cut the trees down, underground the powerline(s) and expand the boatyard.

In fact, they do not plan to do any environmental analysis of the potential adverse impacts to the community and environment for the loss of these historic and culturally significant trees, including the functions they provide or the fact that they are established at a time when the climate is expected to dramatically change. Below are emails between the author and the PUD to this effect:

From Andrea Hegland to Annette Johnson, PUD Dec 2, 2021

Hi Annette thank you for checking. You have a very early start.

I wonder if you could have Scott email me who is cutting the trees in "early 2022" and under what permit and environmental review?

From Annette Johnson PUD to Andrea Hegland, Dec 9, 2021

Good morning,

In response to your request, Scott Bancroft had answered. There is no permit or environmental review. The trees are removed due to them being an electrical hazard that if someone was to get hurt, the PUD would be liable. There is no set plan as to when more trees will be removed. They are removed as needed when a potential hazard is seen

From Scott Bancroft PUD to Andrea Hegland, Dec 10, 2021

Scott answered my questions using my original email as follows:

1. Who is proposing to remove the trees on the south side of Sims Way?

ANS: Attached is a letter I sent to the Port on May 10, 2021. This started the process this year.

2. When are you proposing to do this?

ANS: At this time there is no scheduled date for this work. The goal of the PUD, Port and City is to collaborate with citizens establish an alternative and begin the work. There is a rendering that I have attached, I believe this is the latest drawing.

3. What permits will you be securing?

ANS: When it comes to hazard trees around power lines the PUD only needs to discuss with the owner of the property (RCW 64.12.035).

4. When will you be securing permits?

ANS: PUD will not apply for something it is legally obligated conduct.

5. Will you be conducting environmental review.

ANS: PUD will not conduct an environmental review as per RCW 64.12.035. Please remember this is a difficult decision for everyone. If you would like to discuss or go to the site I would be happy to schedule a time to meet with you. My phone number is 360 385 8363. Thanks

This is very concerning to the residents of Port Townsend.

Issue #3. What is the real reason for cutting the poplars?

Although these agencies say the catalyst for this project was an incident in late June^{xiii} when limbs touched the powerline, this email was discovered under FOIA which reveals that **this project had started approximately in April of 2020:**

This is from an August 2, 2021 email from Scott Bancroft, PUD, to Monica Mader at STL design, regarding a rendering STL was hired to prepare of the removal of the trees, expansion of the boatyard, and addition of sidewalk:

Hi Monica,

...Background:

The Port of PT came to the PUD about 16 months ago to discuss the idea of removing the poplar trees along Sims Way on Port property. The Port and the PUD feel it is in the best interest of each entity to remove the poplar trees along Sims Way on Port property. The last Port meeting there was a 3-0 vote approving the removal of the poplar trees, now we are getting ready to communicate to the public what we intend to do. PUD would like Studio STL to put together a rendering of what driving down Sims Way may look like without the poplar trees in place....^{xiv}

In addition, on October 6, 2021, the Port was moving a sailboat at the north end of the yard and the forestay/mast hit a powerline that serves the Port offices, pushing it 2 feet out of its normal position.^{xv}

The Port contracted with ESCI, Safety, Training and Consulting Services, to conduct an incident investigation. The ESCI representatives recommended, in part:

“...#3. The **fastest and most cost effective solution** to the clearance issues of the Jefferson County PUD 115 kV transmission line running along the edge of the Port Townsend Boat Yard is to:

- a. **Replace all existing poles** with 75’ poles;
- b. Replace all existing poles with 65’ poles and compact or flattop construction.

#4. ESCI understands there are potential plans and possible grant money from the government to underground the 115 kV circuit which would eliminate the problem, **but this option is very expensive and may take years to accomplish.**” (emphasis added)

This investigative report leads one to wonder, is replacing the existing line next to the poplars with taller poles an option? Or, if this were truly an emergency, couldn’t the PUD just cut the trees that are nearest the powerline, and plant new ones closer to the road?

Another questionable aspect of this project is its evolution. In May 2021 the PUD sent a letter to the Port proposing to remove the trees,^{xvi} before the tree limbs hit the line in late June 2021. The PUD proposed removing the trees to protect the overhead power lines. After the limbs hit the line the PUD proposed removing the poplars a section at a time, and replacing with a shorter tree.^{xvii} But now, the proposal is to underground the line, **which should obviate the need to cut the poplars**, but that is now their proposal.

Here’s another example of their logic, from the Public Infrastructure Development grant application that was submitted and approved by Jefferson County Commissioners:

“Removal of the poplars adjacent to the Boat Haven and growing into PUD powerlines greatly reduces outage and fire risks. Undergrounding power lines ensures that a key transmission path for electric service will be unaffected by storms, small animal intrusion, or traffic accidents.”^{xviii}

This simply does not make sense, unless the primary reason for the entire project is to expand the boatyard (or address an OSHA/NEC safe equipment operation setback from the powerlines by existing operations, but this is confusing.) This entire project has been handled in a confusing manner; the public is confused, unclear about the facts, unclear about the scope and the time, and most importantly, about the need and is now rightfully questioning the real motives.

Issue #4. Misleading and inaccurate information

The project proponents say the following:

- A. **That trenching to underground the powerline would kill the trees...**and therefore the trees have to go even though there would no longer be an overhead line. The problem with this is that it is not supported by the evidence. Upon investigation of the poplars and area, it is clear

that deep trenching has already occurred nearby, and directly adjacent to the poplars without killing them.



These electrical vaults are deep, next to several healthy trees, with no adverse impacts. See the fire hydrant which is fed by an underground high pressure water line.



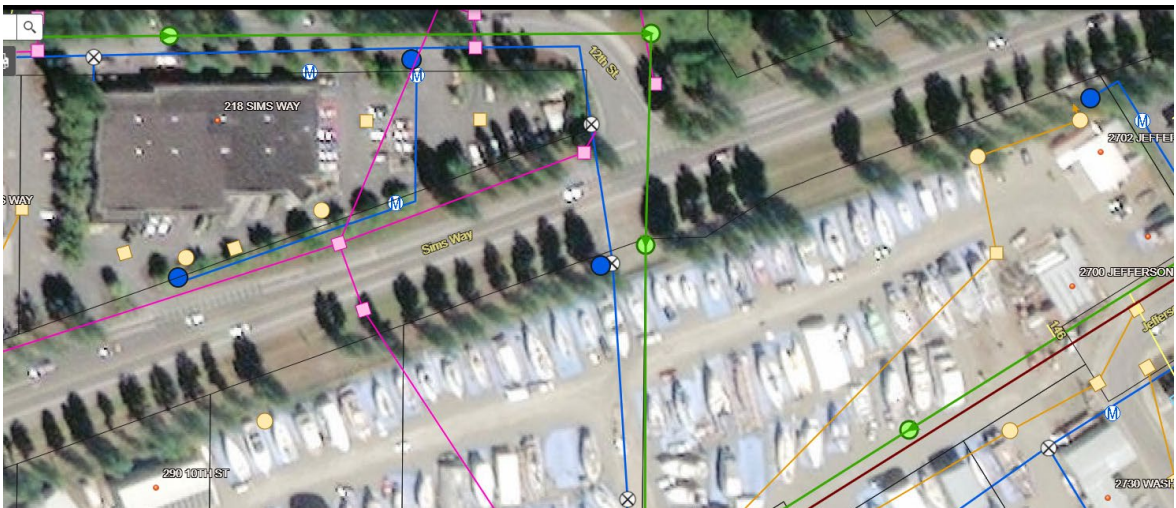
It appears from these photos that deep trenching has already occurred adjacent, to, and on top of the poplar tree roots, and the trees did not die. Cutting some roots may not kill the tree, but knock it back or shock it. In addition, if a tree did die from trenching, why not replace it with a poplar? The overhead lines would now be gone.

In addition, there are two stormwater catchment swales between the boatyard fence and the row of poplars. These swales are a little over 2' deep, and almost 100' long. The top of the swale cut is 11' from the base of the poplars. As you can see in these photos, the poplars did not die:



On the contrary, one can see that the excavation for these swales cut poplar roots...and they sent up new shoots!!

In this screenshot from the City's Utilities map, it is evident that utilities, water, sewer, and stormwater have crossed through the poplars:



- B. **That the poplars are causing pavement buckling in the road.** We could find no evidence of pavement buckling on Sims Way caused by the poplars. See photo below.



Jefferson County maintains a steep ditch very close to poplar trees on Discovery Road and Cape George Road, next to the former Chevy Chase golf course. The trees are close to the pavement and there is no evidence of pavement buckling; this also demonstrates a ditch next to trees doesn't necessarily kill them.



- C. **That the trees are causing buckling on the Kah Tai side sidewalk.** There is some damage to the asphalt sidewalk that is close to the poplar trunks on the Kah Tai side; but to put this into perspective, San Juan Avenue is buckling (photos below), and Jackman road is so damaged that cones are permanently placed to ward off vehicles.



Compare the minor damage above to conditions on other city streets: San Juan and Jackman:



- D. **That the trees are at the end of their useful life.** Believe it or not, no professional arborist has been consulted regarding the age or health of these trees. Upon actual examination, the trees are of varying sizes and likely not all the same age. Here's what an older poplar looks like (by the golf course):



Here are photos of some of the trees along the boatyard:



These poplars are young; the one on left has a diameter at breast height of only 10"



Here's yet ANOTHER young tree, and ANOTHER, nowhere near the end of their "useful life"

These poplars have not been maintained as required by the Gateway Development Plan. Even if they were at the end of their life, an option would be to plant younger trees further away from the powerlines, or not mow down suckers growing further away from the powerlines. The photo below shows a clump of poplars that were allowed to grow further from the power lines (into a phone line). Obviously the trees could be allowed to grow in this direction to obviate this issue but have not been allowed to:



In addition, according to the PUD November Newsletter, 2012, in September and October more trees and more branches caused more outages than normally occur during the worst months of winter – in fact, they had the worst September and October for outages in more than 5 years, and maybe the worst September of all time. Did a poplar tree fall on Sims Way? Not one. Did limbs cause an outage in September? No.

- E. **That the WSDOT requires native trees to be planted along state highways.** According to emails between the City and WSDOT, this section of roadway is deemed “managed access.” Under this type of designation, the WSDOT has responsibility from curb to curb, and the City has authority outside the curbs including landscaping. The WSDOT has only a courtesy review role.^{xix}

From: Archie, Cameron <ArchieC@wsdot.wa.gov>

Sent: Tuesday, September 28, 2021 11:34 AM

To: Larson, Andy <LarsonA@wsdot.wa.gov>; Rae, Connie <RaeC@wsdot.wa.gov>; Bergeman, Nate <BergemN@wsdot.wa.gov>

Subject: RE: [EXTERNAL] FW: SR 20 - Sims Way
Andy,

As per the Maintenance Manual M 51-01.11, Appendix A-7, item #4: Landscaping and irrigation systems and any decorative items are the cities responsibility. I would like to stay in the loop about the design and what is finally approved by the city. Does WSDOT have any mechanism for reviewing and approving any design prior to installation on something like this? Just wondering if we would be included in the future design sessions moving forward. Thank you again for letting me know about this proposal...

From: Larson, Andy <LarsonA@wsdot.wa.gov>

Sent: Tuesday, September 28, 2021 11:38 AM

To: Archie, Cameron <ArchieC@wsdot.wa.gov>

Cc: Rae, Connie <RaeC@wsdot.wa.gov>; Bergeman, Nate

<BergemN@wsdot.wa.gov> **Subject:** RE: [EXTERNAL] FW: SR 20 - Sims Way

Hi Cameron,

Yes, the authority to do this is theirs and it would be a courtesy review and suggestions that we could make, but the final decision would be up to the city.

Andrew Larson, PE

Development Services Engineer

- F. **That the trees are non-native and therefore don't belong there.** On the contrary, the City's policy is for the exclusive use of **non-native trees** in the right-of-way and specifically under utility lines. Out of 24 recommended street trees in the City's 1997 Engineering Design Standards Manual, all are non-native.^{xx}

- G. **That wildlife don't use the trees because of their upright habit.**



Photo by Nancy Cherry Eifert taken in Oct/21. This poplar was full, over 50, of American Bushtits.

Issue #5. Even more confusing and inaccurate information

- A. **Timing.** According to the grant application to the Jefferson County Public Infrastructure Development fund, the trees on the south side of Sims Way will be cut down in June 2022, with the poplar trees on the other side of Sims Way to be removed in December.^{xxi} But in the December City Newsletter, City Manager John Mauro stated that “the poplar trees between the boat yard and Sims Way will start coming down in early 2022.”^{xxii} In PUD’s Scott Bancroft email to Andrea Hegland on December 10, 2021, Barnard said “At this time there is no scheduled date for this work. The goal of the PUD, Port and City is to collaborate with citizens establish an alternative and begin the work. There is a rendering that I have attached, I believe this is the latest drawing.
- B. **Inaccurate concept rendering.** As noted above, the concept rendering inaccurately shows the trees on the Kah Tai remaining. If these trees were removed from the concept drawing, the community would see a dramatically different entryway. In addition, the rendering shows replacement trees of an advanced age; it will take many years to reach this size.
- C. **Extreme weather.** On a related note, the PUD said in its November Newsletter that the cause of stress on the trees and falling trees and limbs was due to extreme weather. These agencies assert that they will plant a better tree than the poplars, ones that sequester more carbon...without providing any comparative analysis. The poplar trees are likely to endure weather extremes as they are established and just rode out a severe weather year. A newly planted tree will be at a significant disadvantage, and may never reach maturity to do all of the things these agencies claim they will do.
- D. **Permits and Environmental Review.** According to the City’s Steve King, there will be no planning level SEPA, only project level SEPA, and all the permits are not known at this time:
 - “The full permitting requirements are not fully known at this time as it will depend on how the project moves forward.
 - We anticipate that a flood development permit will be needed as part of the Boat Yard expansion.
 - We anticipate that a street development permit will be required for the portion of work inside the right of way.

- We have not reviewed the SEPA thresholds yet, so the SEPA process is still to be determined. If applicable, we anticipate a project level SEPA determination will be made once the details of the scope of work are better understood.
- Before permitting can be initiated, we generally strive for a good understanding of the scope of work by performing preliminary design. Once we have preliminary design work performed, we can start the permitting process.”^{xxiii}

E. **Tree removal recommended by adopted plans.** They say that the poplar removal is “endorsed by the City of Port Townsend’s Parks, Recreation, Tree and Trails Advisory Board and this recommendation is included in the city’s tree plan. However, the adopted, and widely participatory Gateway Development Plan recommends: “The linear corridor quality of the poplar trees can be retained, while enhancing views of the shipyards and Historic buildings. Removal of "sucker" growth of the large poplars, **and selective removal of the small, individual seedlings would open up views to the lagoon** and the boatyard. New poplars, spaced 20-25' apart, can be selectively planted to fill in "gaps" along Sims Way.” (emphasis added)

This City appointed Advisory Board is not representative of the entire community, and this appears to be a back-door way to circumvent the community’s desires.

V. Is this an Emergency?

Initially these agencies claimed that there was an imminent health and safety matter with the powerlines touching tree limbs. Then we discovered, as noted previously, the Port approached the PUD 16 months prior to that event with the limb and electrical arcing. In addition, we have learned that this is a back-up line, and is currently de-energized.

There are other factors that cloud the claim that this is an emergency situation.

#1. The City, Port, and PUD have not maintained the poplars or trimmed limbs that are “growing into” the powerlines or limbs near the top that could blow into the powerlines.



#2. On October 6, 2021, the port was moving a sailboat into a seldom used area by the Port office and hit one of the 115kV powerlines that runs perpendicular to the poplars and Sims Way. The Port commissioned an incident report from a safety consultant, in which the consultant recommended immediate lifting of the line with taller poles, as there are also operational distance issues from the line to equipment that the Port needs to satisfy. In addition, there are light standards that do not meet these separation requirements.

The consultant noted the proposed undergrounding, but stated that installing taller poles would be faster, and cheaper. No action has been taken to raise the lines, and no action has been taken to underground the lines although the PUD was granted money from Jefferson County to do so. From the report:

1. Jefferson County PUD has a significant liability issue with the current clearance of its 115 kV transmission line paralleling the Port Townsend Boat Yard. ESCI highly recommends this issue be permanently correct as soon as possible.
2. The PUD should enter into a written agreement of the type of work that can be performed near the transmission line until a permanent solution can be obtained.
3. The fastest and most cost-effective solution to the clearance issues of the Jefferson County PUD 115 kV transmission line running along the edge of the Port Townsend Boat Yard is to: a. Replace all existing poles with 75' poles b. Replace all existing poles with 65' poles and compact or flattop construction.^{xxiv}
4. ESCI understands there are potential plans and possible grant money from the government to underground the 115 kV circuit which would eliminate the problem, but this option is very expensive and may take years to accomplish.

#3. The PUD has been awarded a Public Infrastructure Development Grant and in the grant application indicated that they have secured the \$350,000 necessary to underground the powerlines. If this were an emergency, wouldn't they have moved on this?

<input type="checkbox"/> Loan Request:	\$
<input checked="" type="checkbox"/> Grant Request:	\$1,000,000

What other funding will you use for this project: What source, how much, & what status?

Funding Source	Amount	Status (spent, secured, applied for, or future request)
Port of Port Townsend	\$450,000	Secured
Jefferson County PUD #1	\$350,000	Secured
City of Port Townsend (Including In-kind Labor/Eq.)	\$185,000	Secured

VI. CONCLUSION

It appears from the actions and records obtained from these public agencies that the primary reason for cutting down the iconic, historical and culturally significant poplars is for the Port to expand the boatyard 25' into where the trees reside. Undergrounding of the powerlines will make this expansion possible. If the stated reason to cut the trees is to prevent them from hitting the powerlines, then there would be no need to underground the powerlines. Conversely, if the powerlines are undergrounded, there is no need to cut the trees.

If this were an emergency, the Port and PUD could have trimmed the trees, raised the powerlines per the recommendation of its safety consultant, or immediately undergrounded the powerlines as funding has evidently been secured. They have not.

Also evident from their actions is the desire to minimize or avoid any public involvement, public comment, and environmental review; any action or decision that might offer an opportunity for meaningful comment or appeal.

On top of this, many of their claims are not supported by the facts on the ground.

Most importantly from a state law perspective, this project is a fragmented permitting and piecemealed environmental review.^{xxv} The overall project to cut the trees, trench the powerline, put in a sidewalk, and expand the boatyard are divided up between the 3 agencies. There is:

- No environmental impact statement for the overall project.
- No alternatives analysis or weighing of the pros and cons of multiple alternatives.
- No environmental analysis of the potential adverse impacts to the community and environment for the loss of these historic and culturally significant trees.

Ironically, the Port's filling of Kah Tai Lagoon in the early 1960s killed the existing poplar trees that were planted in the 1930s. Now the Port and City are evidently attempting to put in the final nail.

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<https://digitalcommons.law.seattleu.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1715&context=sulr> "On the local level, classic piecemealing typically occurs in "phased" developments. In phased developments, project proponents seek approval of plans to construct a project in a patchwork fashion over a period of time. Planning for these projects is often piecemealed as a matter of practicality because financial or planning concerns force the project proponent to proceed in phases. On occasion, deferral of a comprehensive environmental impact study appears logical because later phases of a project may be subject to change. In the absence of a concrete plan, project proponents cannot be expected to predict environmental impacts at the beginning of the planning stages." However, an appropriate circumstance for phased construction does not directly translate into an appropriate circumstance for phased environmental review." From a SEPA perspective, phasing is improper if it results in an avoidance of a cumulative impact study for the entire project or for the combination of the various phases of the project." [Emphasis added] pp 346-7.

ii City of Port Townsend, "Port Townsend Gateway Development Plan," August 2, 1993.

iii "City of Dreams: A Guide to Port Townsend," edited by Peter Simpson, [July 1, 1986, Bay Press.](#)

iv City of Port Townsend, "A Note from City Manager John Mauro," December 1, 2021.

v PUD, Port, City, "Sims Way Gateway Plan Implementation & Boat Yard Expansion Project," Jefferson County PIF Application – October 6, 2021; Port Commission Meeting – September 22, 2021; City Council Business Meeting – September 20, 2021; Council Infrastructure and Dev. Committee – Sept 1, 2021; Parks, Recreation & Tree Advisory Board Meeting – August 4, 2021. "Project Goals," no page number.

vi Town Hall virtual meeting announcement for December 15, 2021.

vii <https://www.codepublishing.com/WA/JeffersonCounty/html/JeffersonCounty03/JeffersonCounty0328.html>
<https://app.leg.wa.gov/RCW/default.aspx?cite=82.14.370>

viii Steve King, City Public Works Manager, email to Eron Berg, Port, Keven Strett, PUD, Mike Love, Port, Scott Bancroft PUD and John Maura, City. August 12, 2021.

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- ^{ix} Steve King, City Public Works Manager, email to WSDOT Andy Larson, Development Services Engineer, September 28, 2021.
- ^x Brian Kelly, "Officials look at removing poplar tree corridor along Sims Way, Proposal expected to generate strong public pushback," *The Leader*, December 10, 2021.
- ^{xi} Attendee Andrea Fontenot Hegland, interview, December 10, 2021.
- ^{xii} City, Port, and PUD Jefferson County Public Infrastructure Fund Grant Application, "Sims Way Gateway Plan Implementation and Boat Yard Expansion," October 6, 2021, page 9.
- ^{xiii} Scott Bancroft, PUD, email to David Peterson, Eron Berg (Port), and Kevin Streett (PUD), June 28, 2021.
- ^{xiv} Scott Bancroft, PUD, email to Monica Mader, STL Design, August 2, 2021.
- ^{xv} Hector Silva, ESCI Director of Operations, Edmundo Avila, Safety Manager, "Electrical Contact Incident Port Townsend Boat Yard, October 6, 2021.
- ^{xvi} Scott Bancroft, PUD, letter to Eron Berg, Port, May 10, 2021.
- ^{xvii} Scott Bancroft, PUD, email to David Peterson, Eron Berg, Kevin Streett, June 28, 2021.
- ^{xviii} City, Port, and PUD Jefferson County Public Infrastructure Fund Grant Application, "Sims Way Gateway Plan Implementation and Boat Yard Expansion," October 6, 2021, page 5.
- ^{xix} Andrew Larson, Development Services Engineer, WSDOT, email to Steve King, City, September 28, 2021.
- ^{xx} City of Port Townsend, Engineering Design Standards Manual, April 1997, Appendix D.
- ^{xxi} <https://www.ptleader.com/stories/county-oks-funding-for-pt-gateway-project-that-includes-removal-of-iconic-poplar-trees-on-sims-way,78249?>
- ^{xxii} City of Port Townsend, "A Note from City Manager John Mauro," December 1, 2021.
- ^{xxiii} Steve King, City, email to Andrea Hegland, Dec 12, 2021 (a Sunday).

^{xxiv} Hector Silva, Edmundo Avila, ESCI, November 22, 2021, Incident Report.

^{xxv}

<https://digitalcommons.law.seattleu.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1715&context=sulr> "On the local level, classic piecemealing typically occurs in "phased" developments. In phased developments, project proponents seek approval of plans to construct a project in a patchwork fashion over a period of time. Planning for these projects is often piecemealed as a matter of practicality because financial or planning concerns force the project proponent to proceed in phases. On occasion, deferral of a comprehensive environmental impact study appears logical because later phases of a project may be subject to change. In the absence of a concrete plan, project proponents cannot be expected to predict environmental impacts at the beginning of the planning stages." However, an appropriate circumstance for phased construction does not directly translate into an appropriate circumstance for phased environmental review." From a SEPA perspective, phasing is improper if it results in an avoidance of a cumulative impact study for the entire project or for the combination of the various phases of the project." [Emphasis added] pp 346-7.

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

	YTD Nov. 2019	YTD Nov. 2020	YTD Nov. 2021	Variance to prior year - 2020 v 2021	notes	YTD Budget 2021	Variance to Budget YTD
REVENUES							
PTBH - Permanent Moorage	1,053,282	1,126,091	1,114,020	(12,071)		1,114,597	(577)
PTBH - Liveaboard Fee	22,488	25,167	19,995	(5,172)		24,594	(4,599)
PTBH - Liveaboard Background Check	-	60	60	-		-	60
PTBH - Work Float/Lift Pier Usage	7,626	1,970	15,182	13,212		4,531	10,651
PTBH - Monthly Guest	297,784	256,178	212,612	(43,566)		283,200	(70,588)
PTBH - Nightly Guest	253,218	207,302	281,975	74,673		167,680	114,295
PTBH - Electric	95,720	91,254	91,282	28		90,399	883
PTBH - Miscellaneous Revenue	13,963	16,118	20,890	4,772		12,124	8,766
PTBH - Showers	9,738	8,217	8,739	522		9,594	(855)
PTBH - Restroom Key Fobs	1,250	360	195	(165)		615	(420)
PTBH - Laundry	6,081	5,635	7,159	1,524		5,975	1,184
PTBH - Kayak Racks	-	-	54	54		-	54
PTBH - Promotional Sales	541	107	257	150		307	(50)
PTBH - Port Labor	445	980	1,431	451		68	1,363
Boat Haven Moorage	1,762,135	1,739,439	1,773,849	34,410		1,713,684	60,165
Yard - 70/75 Ton Hoist Revenue	325,354	281,160	328,360	47,200		279,954	48,406
Yard - 70/75 Ton Yard Revenue	579,560	608,759	870,286	261,526		549,486	320,800
Yard - 70/75 Ton Yard Enviro Fee	35,640	52,913	69,579	16,666		45,079	24,500
Yard - 70/75 Ton Yard Electric	6,780	35,198	39,397	4,199		31,169	8,228
Yard - 70/75 Ton Yard Port Labor	4,731	9,323	5,707	(3,616)		809	4,898
Yard - 300 Ton Hoist Revenue	170,940	178,231	200,041	21,809		175,552	24,489
Yard - 300 Ton Yard Revenue	369,526	370,337	417,518	47,181		371,451	46,067
Yard - 300 Ton Yard Enviro Fee	5,700	14,936	13,418	(1,518)		19,678	(6,260)
Yard - 300 Ton Yard Electric	38,689	40,395	46,020	5,625		41,603	4,417
Yard - 300 Ton Yard Port Labor	5,809	4,665	2,486	(2,179)		3,096	(610)
Yard - L/T Storage	63,073	74,601	69,325	(5,276)		66,306	3,019
Yard - Blocking Rent	29,567	35,523	42,338	6,815		41,478	860
Yard - Off Port Property Tarp Fee	1,875	3,810	1,009	(2,801)		2,845	(1,836)
Yard - Washdown Revenue	78,830	79,404	81,672	2,267		80,335	1,337
Yard - Bilge Water Revenue	6,345	3,446	3,313	(133)		4,933	(1,620)
Yard - Liveaboard Fee	1,315	2,165	2,650	484		1,749	901
Yard - Enviro Violations & Clean up	185	3,977	1,300	(2,677)		2,787	(1,487)
Yard - Miscellaneous Revenue	13,692	7,527	1,200	(6,327)		1,539	(339)
Yard - Garbage	6,732	-	-	-		-	-
Yard Operations	1,744,342	1,806,370	2,195,618	389,247	a	1,719,849	475,769
PTBH Prop - Lease Revenue	578,114	589,315	682,227	92,912		629,826	52,401
PTBH Prop - Fuel Dock Lease	19,862	19,977	19,060	(918)		19,472	(412)
PTBH Prop - Other Util, Wtr, Swr, Garbg	23,851	23,675	25,414	1,739		19,361	6,053
PTBH Prop - Stormwater Fees	8,325	10,744	8,910	(1,835)		10,069	(1,159)
PTBH Prop - Storage Unit Revenue	8,446	8,156	10,228	2,073		7,064	3,164
PTBH Prop - Electric	1,994	2,027	2,988	961		3,700	(712)
PTBH Prop - Miscellaneous	2,095	253	623	370		-	623
PTBH Prop - Port Labor	690	-	-	-		-	-
Boat Haven Properties	643,376	654,148	749,449	95,302		689,492	59,957
Pt Hudson - Permanent Moorage	128,529	133,222	145,088	11,865		135,855	9,233
Pt Hudson - Monthly Guest	105,090	114,333	108,625	(5,708)		110,258	(1,633)
Pt Hudson - Nightly Guest	211,610	196,710	245,664	48,954		193,833	51,831
City Pier & Union Wharf Usage	17,093	3,111	16,920	13,809		4,422	12,498

Pt Hudson - Monthly R.V.	61,174	71,402	61,755	(9,647)		55,456	6,299
Pt Hudson - Nightly R.V.	346,001	259,645	428,269	168,624		301,685	126,584
Pt Hudson - Kayak Racks	11,047	14,211	17,913	3,702		12,502	5,411
Pt Hudson - Electric	28,558	35,449	28,896	(6,553)		31,744	(2,848)
Pt Hudson - Reservation Fee	38,160	35,065	47,628	12,563		29,422	18,206
Pt Hudson - Liveaboard Fee	5,289	6,211	7,771	1,560		5,832	1,939
Pt Hudson - Liveaboard Backgrnd Ck	-	2,340	2,160	(180)		-	2,160
Pt Hudson - Showers	7,565	5,848	6,599	751		6,436	163
Pt Hudson - Laundry	9,758	9,047	10,118	1,071		9,099	1,019
Pt Hudson - Passenger Fee	14,091	2,538	19,544	17,006		3,793	15,751
Pt Hudson - Miscellaneous	1,802	5,610	2,907	(2,703)		637	2,270
Pt Hudson - Promotional Sales	975	546	531	(15)		660	(129)
Pt Hudson - Building Leases	331,364	355,344	387,815	32,471		348,689	39,126
Pt Hudson - Property Utility Reimb	38,711	31,077	33,044	1,967		32,845	199
Pt Hudson - Event Facility Rev	25,129	(260)	949	1,209		78	871
Pt Hudson - Parking	11,596	3,003	19,267	16,264		2,837	16,430
Pt Hudson - Port Labor	-	67	-	(67)		-	-
Pt Hudson - Enviro Clean up	-	212	-	(212)		-	-
Pt. Hudson Marina, RV & Prop	1,393,542	1,284,732	1,591,463	306,731	b	1,286,083	305,380
Quilcene - Permanent Moorage	44,566	55,480	62,889	7,408		50,683	12,206
Quilcene - Monthly Moorage	316	-	-	-		-	-
Quilcene - Liveaboard Fee	605	3,266	2,671	(595)		2,459	212
Quilcene - Nightly Moorage	3,532	2,372	1,876	(497)		2,090	(214)
Quilcene - Showers	3,341	3,065	2,381	(684)		2,956	(575)
Quilcene - Electric	1,514	3,298	3,655	357		2,419	1,236
Quilcene - Reservations	770	160	352	192		387	(35)
Quilcene - Recreational Ramp Fees	10,175	10,151	11,150	999		10,154	996
Quilcene - Commercial Use Fees	2,400	1,616	2,200	584		1,818	382
Quilcene - Kayak Racks	-	-	162	162		-	162
Quilcene - Empty Trailer Storage	-	-	1,196	1,196		-	1,196
Quilcene - Miscellaneous Revenue	20	32	184	152		77	107
Quilcene - Lease Revenue	56,751	58,567	60,364	1,797		63,617	(3,253)
Quilcene - Water	12,835	12,397	11,832	(564)		11,759	73
Quilcene - Fuel Sales	18,040	4,291	-	(4,291)		-	-
Quilcene	154,864	154,694	160,911	6,217		148,419	12,492
Ramp Fees	41,496	46,229	42,511	(3,718)		44,275	(1,764)
PTBH Ramp - Commercial Use Fees	5,500	4,383	8,682	4,298		4,427	4,255
PTBH Ramp - Dinghy Float Revenue	2,110	1,216	854	(362)		1,177	(323)
Ramp Fees - Failure to Pay	330	-	-	-		-	-
Ramps	49,436	51,828	52,047	218		49,879	2,168
JCIA - Lease Revenue	105,344	100,425	109,779	9,354		106,966	2,813
JCIA - Hangar Revenue	26,520	29,655	31,675	2,021		30,389	1,286
JCIA - Vehicle Parking Revenue	542	650	736	86		797	(61)
JCIA - Aircraft Parking	1,639	1,861	1,343	(518)		1,847	(504)
JCIA - Fuel Lease Revenue	2,445	1,534	2,081	547		1,630	451
JCIA - Electric	1,134	1,417	1,331	(86)		1,218	113
JCIA - Miscellaneous Revenue	550	-	6,133	6,133		123	6,010
Jeff. County Int'l Airport	138,174	135,542	153,078	17,536		142,970	10,108
(Increase)/Decrease in Accts. Receivable	154,465	(90,563)	(55,854)	34,709	c	-	(55,854)
Total Revenues	6,040,334	5,736,191	6,620,561	884,370	d	5,750,376	870,185
EXPENSES							
Salaries & Wages	1,884,292	2,036,452	2,142,113	105,661		2,159,042	(16,929)
Payroll Taxes	206,432	214,419	216,773	2,355		232,035	(15,262)
Employee Benefits	647,259	753,175	745,268	(7,907)		817,178	(71,910)

Uniform Expense	7,281	6,331	6,110	(221)	e f	8,229	(2,119)
Contract Services	232,614	231,405	256,278	24,873		275,086	(18,808)
Consulting Services	49,769	23,500	-	(23,500)		-	-
Legal & Auditing	91,319	38,538	72,178	33,640		64,416	7,762
Insurance	276,190	313,259	365,552	52,293		316,857	48,695
Office/Computer Supplies	10,631	7,357	19,014	11,658	g	5,104	13,910
Operating Supplies	71,055	56,695	72,882	16,187		89,833	(16,951)
Enviro Materials/Supplies	5,358	20,028	42,424	22,396		23,258	19,166
Tarp Pool Expense	22,903	19,669	24,857	5,188		22,333	2,524
Empl Recog/Relations	738	184	1,907	1,723		2,087	(180)
Publications	282	201	233	32		-	233
Postage	4,844	5,181	5,437	255		4,433	1,004
Janitorial Supplies	23,929	21,102	20,275	(827)		25,608	(5,333)
Fuel & Lubricants	28,924	23,296	31,167	7,871		20,957	10,210
Permits & Licenses	6,378	4,301	6,052	1,751		5,500	552
Equipment Rental	297	1,722	23,339	21,616		2,951	20,388
Claims & Damages	5,697	-	1,136	1,136		1,515	(379)
Membership & Dues	12,427	15,484	34,345	18,861		20,254	14,091
Bank Charges	83,457	88,246	106,444	18,198		84,089	22,355
Excise Tax	24,296	23,446	28,630	5,184		22,887	5,743
Miscellaneous Expense	8,160	19,585	3,870	(15,715)		1,425	2,446
Repair & Maintenance Supplies	97,550	143,894	190,683	46,789		93,946	96,737
Facilities & Operations	406,925	450,393	612,694	162,301		426,180	186,514
Utilities	507,520	475,621	516,127	40,506		512,545	3,582
Advertising (Legal 2018)	5,636	4,830	4,661	(170)		4,767	(106)
Marketing	35,517	32,555	39,285	6,730		42,181	(2,896)
Promotion	14,988	2,275	2,932	657		2,729	203
Marketing	56,142	39,660	46,878	7,218	h	49,677	(2,799)
Economic Development	-	-	15,000	15,000		-	15,000
Travel & Training	25,774	11,188	8,994	(2,193)		20,576	(11,582)
Cost of Goods - Fuel	15,024	2,035	-	(2,035)		-	-
Community Relations	35	6,896	3,997	(2,899)		6,965	(2,968)
Total Expenses	4,406,576	4,602,871	5,007,962	405,091	i	4,888,785	119,177
Net Operating Income (Loss)	1,633,757	1,133,320	1,612,600	479,279		861,591	751,008
Other Increases in Fund Resources							
Retainage Collected	1,032	3,906	1,970	(1,937)		(5,812)	7,782
Yard Deposits Collected	22,000	22,877	45,670	22,793		11,110	34,560
PTBH Prop Lease Deposits Collected	19,544	22,379	34,092	11,713		18,342	15,750
PH Prop Lease Deposits Collected	9,014	11,129	10,942	(187)		4,400	6,542
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	45,087	32,639	8,852	(23,788)		34,707	(25,856)
Deposits & Retainage Collected	97,076	92,930	104,995	12,064		62,747	42,248
Sales Tax Collected	79,618	66,442	91,192	24,750		64,800	26,392
Leasehold Tax Collected	453,948	482,176	522,833	40,657		487,289	35,544
Hotel/Motel Tax Collected	7,061	5,323	8,986	3,663		6,535	2,451
Taxes Collected	540,627	553,940	623,011	69,070		558,624	64,387
Grants - FAA	321,211	2,014,218	344,779	(1,669,439)		-	344,779
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	571,576	(1,558,821)		655	570,921

Debt Proceeds - Line of Credit	-	1,650,000	-	(1,650,000)		-	-
ARRA Bond Interest Subsidy	32,829	16,441	49,427	32,986		32,000	17,427
Investment Interest	28,967	9,331	2,989	(6,342)		12,600	(9,611)
Interest	61,796	25,772	52,416	26,645		44,600	7,816
Operating Tax Levy	997,516	1,018,599	1,039,340	20,741		1,045,500	(6,160)
IDD Tax Levy	-	853,648	1,660,683	807,035		1,620,289	40,394
State Forest Revenues	37,610	43,872	2,839	(41,033)		22,000	(19,161)
State Timber Excise Tax	42,710	31,294	28,755	(2,539)		24,000	4,755
Leasehold Excise Tax	4,824	7,354	10,167	2,812		6,775	3,392
Property & other taxes	1,082,660	1,954,767	2,741,783	787,016		2,718,564	23,219
Insurance Recovery	-	115,761	-	(115,761)		-	-
Finance Charges	21,356	7,474	19,917	12,443		15,750	4,167
Other Non-Operating Revenues	232,890	2,006	35,597	33,591		895	34,702
Misc Other Incr. in Fund Resources	254,246	125,241	55,514	(69,727)		16,645	38,869
Total Other Incr. in Fund Resources	2,371,886	6,533,048	4,149,295	(2,383,753)	j	3,401,835	747,460
Other Decr. In Fund Resources							
Retainage Paid	3,858	-	3,906	3,906		1,000	2,906
Yard Deposits Returned	1,000	20,000	3,080	(16,920)		1,523	1,557
PTBH Prop Lease Deposits Returned	270,709	4,402	10,945	6,544		-	10,945
PH Prop Lease Deposits Returned	4,471	7,699	2,886	(4,813)		2,061	825
PH Deposits Refunded or Applied	23,802	24,703	1,411	(23,292)		5,460	(4,050)
Deposits & Retainage Paid	303,840	56,804	22,229	(34,575)		10,044	12,185
Sales Tax Remitted	78,257	63,330	90,659	27,329		61,300	29,359
Leasehold Tax Remitted	502,378	494,882	568,624	73,742		531,583	37,041
Hotel/Motel Tax Remitted	6,890	5,121	8,752	3,631		5,935	2,817
Taxes Remitted	587,525	563,333	668,035	104,702		598,818	69,217
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	900	1,098	1,014	(85)		750	264
Debt Issue Costs	-	9,500	9,300	(200)		-	9,300
Investment Fees	550	329	166	(163)		440	(274)
Other Non-Oper Exp	-	-	49,800	49,800		-	49,800
Debt Mgmt, Issuance & Misc Exp	1,450	10,927	60,280	49,352		1,190	59,090
Election Expense	-	15,674	-	(15,674)		-	-
Total Other Decr. In Fund Resources	1,493,109	2,654,075	1,602,552	(1,051,523)	k	1,210,496	392,056
Net Other Incr./Decr. Fund Resources	878,777	3,878,973	2,546,743	(1,332,230)		2,191,339	355,404
Net Income/(Expense)	2,512,535	5,012,293	4,159,342	(852,951)	l	3,052,930	1,106,412

PORT OF PORT TOWNSEND INFORMATIONAL MEMO

DATE: January 6, 2022

TO: Commissioners

FROM: Sue Nelson, Lease & Contracts Administrator

CC: Eron Berg, Executive Director

SUBJECT: **January 12, 2022 Commission Meeting – Contracts Update:** New/Amended Contracts Under \$50,000, Approved by Executive Director Eron Berg, per Delegation of Authority Resolution No. 746-21

Name	Dates	Description	Amount Not to Exceed:
Sage	12/1/2021-11/30/2022	Annual ACH contract renewal	\$2,804.96
Clark Land Office	12/15/2021-12/31/2024	On-call land surveying	\$50,000.00
Terrapin Architecture	Through 6/30/22 12/31/22	Amendment #2	\$50,000.00 \$20,000

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: January 6, 2022
TO: Commissioners
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: January 12, 2022 Commission Meeting - Lease Briefing

Armory Building update:

The Armory Building tenants group, who have shown interest in forming an LLC, have been given a deadline of January 14 to let us know of their decision. In the meantime, we have a long-term tenant at Point Hudson who has reminded us of their interest to rent/lease the upstairs sail loft space. I have offered to show them the space at their convenience.

I am meeting next week with the owner of **The Artful Sailor**, who wishes to increase their footprint, to discuss a month-to-month rental agreement for the small shop adjacent and to the north of their shop, located downstairs in the Armory Building, beginning February 1, 2022.

SEA Marine will be submitting plans for improvements they wish to make to the Cupola House Annex they have been renting. They would expand their canvas operations into the Annex. Currently it is being used for storage.

EDC Team Jefferson is working out details for subleasing office space on the second floor of the Nomura Building. The last I heard, they had four tenants lined up, so we should soon start to see those agreements, which will need prior approval from Director Berg.

Gus Sebastian (**Olympic Crane**) will be relocating his crane to a spot next to Peter Chaffee's shop. I'm working on a new rental agreement for him, for an effective date of February 1. This will free up space in the yard for up to two boats, once those overhead power lines come down.

I completed the **hangar audit for Jefferson County International Airport**. Currently, on the FAA Based Aircraft website, we have 123 JCIA full-time based aircraft. Twenty-three additional aircraft are not counted as home-based, as they may be based part-time at another location; they may have recently sold and the registration still shows the aircraft based at another airfield; or for other reasons.

I was in communication with most all of our pilots. I have not heard back from 11 of them, most located in the NW Hangar complexes. Approximately 6 hangars may need visiting on the January 14 "doors up" day – two have no aircraft in the hangars, and I'm not sure they plan on ever acquiring aircraft, and four hangars have aircraft, that according to the FAA website are not suitable for flying or are de-registered. We did have one hangar that held an RV. The owner said they had planned to sell it in the spring (they spend winters in the south). I told her hangars are in high demand and that she should list it now. She ended up finding a buyer just a few days later.