

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, March 23, 2022

The Port of Port Townsend Commission met for a regular business session at the Port Townsend Yacht Club, 2503 Washington Street, Port Townsend, and also online via Zoom.

Present: Commissioners Hanke, Hasse & Petranek
Executive Director Berg
Deputy Director Toews
Director of Finance & Administration Berg
Port Recorder Erickson
Port Attorney Woolson (via Zoom online video)

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (00:00:05)

Commissioner Petranek called the meeting to order at 5:30 p.m. and acknowledged that this meeting was the first in-person meeting in two years, and the first in-person meeting for Executive Director Berg, and Commissioner Hasse.

II. APPROVAL OF AGENDA (00:00:45)

Agenda was approved as amended by unanimous consent.

III. PUBLIC COMMENTS (00:02:18)

The following comments were sent in via email:

Liz Hoenig Kanieski encouraged the Commission to set a priority for Strategic Planning and adopt a Point Hudson vision that includes a working, community-centered waterfront.

Dave Neuenschwander, citizen of Quilcene, asked why the Gardiner Boat Ramp project was being prioritized over the Quilcene Marina boat ramp, when Gardiner ramp fees bring in no more money than Quilcene ramp fees. Marny “Kit” Kittredge forwarded this email to Commissioners and Executive Director Berg asking for a response from the Port. Executive Director Berg responded that the Gardiner Boat Launch was prioritized over the Quilcene, Mats Mats and Hadlock launches for last year’s grant application because of its condition and the lack of a consensus on a Quilcene plan in time for that grant cycle.

K. Kennell wrote a letter to the Commission regarding the closure of the restrooms at the Herb Beck Marina in Quilcene saying it was a resource for those less fortunate. He said he looked forward to working together with the Port to restore access to decent public sanitation there.

Richard Dandridge wrote regarding formalizing parking at Point Hudson asking the Port to acknowledge the direct link between climate change effects and carbon from transportation emissions.

Ashlyn Brown commented that the 2 areas which are casually used primarily as parking at Point Hudson for many years have not been revenue streams for the Port and have long represented a decision impasse. She wrote that Port businesses there are extremely valuable assets, but their expansion puts the Port in a difficult position—parking is a complex issue that clearly requires community partners and business leaders to work together for a solution.

The following comments were made live at the meeting:

Dave Thielk commented (*and emailed a letter*) regarding the plan to formalize current parking at Point Hudson, saying changes that must occur to move us away from car-dependent systems have to occur at the local level.

Rebecca Kimball spoke about the plan to formalize parking at Point Hudson, questioning whether it was in keeping with the Port’s mission. She said that it would be more sustainable financially to instead allow more maritime businesses there. She said that Jefferson Transit is adding a trolley that will bring visitors to Point Hudson from off-site parking. She asked Commissioners to consider the effect more parking would have on greenhouse gases and our carbon footprint.

Scott Walker, a Port Townsend resident, commented that he had been working on transportation issues his whole adult life, and suggested different marine uses for the Point Hudson “back 40” like boat maintenance and repair. He said that the Port should consider how parking subsidizes drivers, since 66% of greenhouse gases are from transportation choices. He asked Commissioners to manage the land for the community and consider shortening the lease from 5 years to 3 or 2.

There was an 11 minute, 44 second pause in the recording, due to technical (WiFi) issues. (00:14:09 to 00:25:53)

IV. CONSENT AGENDA (00:27:17)

A. Approval of Workshop & Regular Business Meeting Minutes from March 9, 2022.

B. Approval & Ratification of Warrants

Warrant #064960 through #064963 in the amount of \$6,069.04 and Electronic Payment in the amount of \$100,846.12 for Payroll & Benefits.

Warrant #064964 in the amount of \$279.28 for Accounts Payable.

Warrant #064965 through #065014 in the amount of \$142,117.05 for Accounts Payable.

Electronic Debit for \$5,210.82 to WA State Dept. of Revenue for Combined Excise Tax Return.

C. Gardiner Boat Ramp Reid Middleton Contract

Commissioner Petranek noted a small change to the minutes.

Commissioner Hanke (00:28:18) commented that he'd spoken with Linda Fitzgerald, a resident of Gardiner, who is concerned about the Gardiner Boat Ramp and process and that the Gardiner Action Plan, which included soil samples taken at the time, had not been considered in the Port's plans to rebuild the boat ramp there. Some of her concerns centered around security in the area, as a lot of vandalism occurs from the boat ramp upland towards homes there. Mr. Hanke said he'd let Ms. Fitzgerald know that the Port is at the beginning of this process, hiring Reid Middleton as a consultant on this project. Commissioner Petranek said she had also spoken to Ms. Fitzgerald and said that in addition to the Gardiner Action Plan, the community is also in the midst of plans for improvements to the Miller Peninsula State Park that should be considered in the design process.

Consent Agenda was then approved as corrected by unanimous consent.

V. SECOND READING ~ none

VI. FIRST READING ~ none

VII. REGULAR BUSINESS (00:31:19)

A. 2022 Legislative Report, Insight Strategic Partners (00:31:34)

Insight Strategic Partners Chelsea Hager and Caron Bernedetti Cargill provided an end-of-session Legislative update, including a brief session framework and a list of what the legislature discussed and considered. They then moved to the Port's legislative agenda for 2022, starting with a great outcome on the Point Hudson Jetty project - \$1.5 million in Capital Budget funding. Not much progress had been made on the Aviation Fuel Tank Removal Funding for the underground tank at JClA. They were able to get increased funding for derelict vessel remediation and full ferry service and expand ferry investments. They have not had much luck extending 0.09% sales tax (PIF) for rural counties to fund public facilities for economic development purposes; however, workforce housing has been added as an allowable use of PIF funds. There have been significant investments in broadband infrastructure, and they reported that there is now some flexibility and funding for the Model Toxics Control Act funds.

Commissioner Hasse asked about PIF funding for affordable housing, and Ms. Hager answered that once the bill passes, any entity can vote to use PIF funds for workforce housing. Ms. Hasse asked about the distinction between affordable and workforce housing. Ms. Hager said affordable housing is for people of any walk of life unable to afford housing, but workforce housing is about workers who have long commutes due to limited housing.

Deputy Director Toews noted that Insight Strategic Partners had been very successful this year and thanked them for all their hard work on the Port's behalf.

B. February Year-to-Date Financials (01:00:33)

Finance Director Berg reported that the financial status of the Port continues to be healthy. The cash balance is up almost \$2 million above its level for the same period last year, with most of the increase due to collections from the Industrial Development District levy approved by voters. She said operating revenues are up 13 percent compared to 2021 year-to-date, and up 23 percent over budget; meanwhile, operating expenses have risen 8 percent over 2021 but are 2 percent under budget for the period.

Commissioner Hanke gave kudos to staff for the increase in revenue and for keeping expenses below budget.

Commissioner Petranek remarked on the uptick in boatyard revenue this winter over last winter. She noted a lot of shower usage in all marinas where the Port provides shower usage (Ms. Berg inserted that there had been no rate increases for showers for some time).

Executive Director Berg noted that although there is good income from being busy, there were 50 boats on a waitlist to get hauled out, which is the first time ever at our Port. He said that the Port is turning away boats from our own fishing fleet right now, which is an uncomfortable place to be.

Commissioner Hasse asked how our Port compared to other ports as far as capacity and waitlists. Executive Director Berg said he thought it was a regional problem with more boats than there are spaces and asked Pat Shannon of SEA Marine at Point Hudson to weigh in. Mr. Shannon said he had a similar problem with not enough space and a haul-out waitlist. Commissioner Hanke said he thought the winter discount for boatyard work has hurt the Port more than it has helped and thought the Port had left tens of thousands of dollars on the table that could have been collected without the discount. He thought that the limited resources for

hauling boats would dictate the cost of hauling a boat across the region, and he predicted it would go up. Pat Shannon said the cost of hauling a boat on the east side of the Sound was much higher than Port Townsend rates, so neither boatyard should be shy about raising rates to remain competitive. Mr. Berg noted that this topic is on the agenda for the April Commission Workshop.

Commissioner Petranek noted for the record the seven people who had submitted written comments for this meeting, as she had neglected to note it earlier on the agenda.

VIII. STAFF COMMENTS (01:14:05)

Executive Director Berg commented that Port staff are planning to move forward on the May 18 & 19 retreat dates in person at the Pavilion building from 10:00 a.m. to 3:00 p.m. with a lunch. Mr. Berg then asked if Commissioners want to meet in Quilcene for their April meetings, with yard rates on the workshop agenda. Commission chose the PTYC for their meetings on April 13 & 27.

Mr. Berg then asked Commissioners to authorize staff to hire Puget Sound Express to take moorage staff on a port tour including Anacortes and Friday Harbor. Since he is an owner of PSE, Commissioner Hanke acknowledged that he has a conflict of interest in this decision and would not vote. Mr. Berg said there is a state law that limits ports to spending \$1,500 a month on business with a Commissioner and PSE is willing to take Port staff on this field trip for this amount. Mr. Hanke noted that his company would not profit from this excursion, since this was at cost. He said in his role as Port Commissioner he'd often mentioned that our Customer Service Reps would benefit from seeing other Port operations.

Commissioner Petranek moved to authorize Port staff to charter Puget Sound Express for staff training not to exceed \$1,500. Commissioner Hasse seconded, a vote was taken, Commissioners Petranek & Hasse voted yes, Commissioner Hanke abstained, and motion passed.

Mr. Berg said that he really appreciated the authorization because a field trip like this was something he had wanted to do for a while, and Commissioner Hanke's boat is the perfect vehicle to make it possible. He said the intent was to take the entire moorage and yard staff as well as senior staff to Friday Harbor, spend 1 ½ hours touring the marina from the customer perspective arriving, and then from the Port perspective operating, then sail to Anacortes and follow a similar approach there before returning to Port Townsend. Mr. Berg said he was excited to put into motion a staff training that will allow them to work together as a team and thinking creatively. He said that the proposed date is April 12 for this excursion. The next idea would be to take yard staff to a boatyard and do the same thing.

Deputy Director Toews commented that this kind of investment in staff not only provides opportunities for team building and creative thinking, but also demonstrates the support of the Commission for investing in its employees, an important morale booster. Mr. Toews then reported that the Dept. of Ecology will be releasing the modified draft of the Boatyard General Stormwater permit very soon after many months responding to comments and making some proposed modifications to the original draft of the permit; he anticipates having a permit in place sometime later this summer. He said this was very timely because the Port will soon be advertising for stormwater consulting help, and this news means that the standards to which we will need to design a modified stormwater treatment system will be known. Commissioner Hanke asked if this meant that the Port could move forward with its current stormwater treatment plan. Mr. Toews said that the Port had planned to make extensive modifications to its systems to meet the anticipated new benchmarks for copper and zinc in particular; however, he did not know what the effect of the comments were on the permit. Commissioner Hasse asked which engineering firms were already involved in the stormwater permit. Deputy Director Toews said that there are a number of firms in the field of stormwater treatment from whom we'd expect to hear when we advertise.

Director of Finance and Administration Berg commented that she wanted to give kudos to staff. The Port had a visit from a person she would loosely call an auditor from the Great American Insurance Company, the underwriter for the Port's Marina Operator's Legal Liability (MOLL) insurance. They toured the Point Hudson facility looking for safety issues, any potential opportunities for loss, and the Port passed with flying colors and all compliments to Port Maintenance staff who assisted in the tour.

IX. COMMISSIONER COMMENTS (01:33:20)

Commissioner Hasse commented that the Port logo was coming along; she's been meeting with artist Marian Roh, Scott Wilson, and Executive Director Berg, and she thinks it will be well liked. She wrote her first Commissioner's Corner for the next Port Report, which will focus on women in the marine trades. She commended the Port on this periodical, saying that other Ports might

like to copy us. She attended the Chamber meeting where Health Officer Dr. Allison Berry discussed case rates and suggested that concerned individuals should still wear masks.

Commissioner Petranek congratulated the Port Townsend Marine Trades Assoc. for finalizing a lease in the Normura building, where they will finally be able to get all their records together in one place and out of storage after almost 20 years. She said that having the NW School of Wooden Boatbuilding in the same building was a perfect synergy of trades and education working together. She was part of approximately 300 maritime women who gathered for a photo on the Union Dock on March 11. On March 16 the Port, PUD and City met to finalize communications process for the Sims Way Gateway project. On March 15 she participated in a half-day EDC board retreat to help set direction for the board and the new director. On March 22 she learned that the EDC is distributing an area sector analysis through contact lists; this is a community goal survey to help the EDC understand goals and priorities for economic development.

X. Next Public Workshop & Regular Business Meeting (01:39:33): Wednesday, April 13, 2022, Workshop at 9:30 a.m. & Meeting at 1:00 p.m., at PTYC & via Zoom.

XII. EXECUTIVE SESSION ~ to discuss the performance of a public employee, RCW 42.30.110(1)(g) (01:39:50) Meeting moved to executive session at 7:10 p.m. Commissioners expected to take approximately 15 minutes in Executive Session with possible action in public session afterwards.

Commissioner Petranek called the meeting to back to order at 7:25 p.m. *(Second Recording)*
Commissioner Hasse moved to give Executive Director Berg a 10 percent raise.

Commissioner Hanke seconded and commented that it was no secret in the Port Townsend community that Executive Director Berg has done a good job; he’s an articulate and transparent team member and uses a lot of ingenuity to make progress on many projects, especially the Point Hudson jetty project. He said he was pleased to compliment him in this way.


Commissioner Hasse agreed and commented that as a marine trades person for 4 decades she had seen many Executive Directors and Berg is head and shoulders above them all in his honesty, clear communication with commissioners and other governmental bodies. He understands our community’s generational viability with the boatyard, and he has found people who will help us bring in the money needed. She said that a 10 percent raise is a bargain compared to what he has done for us.

Commissioner Petranek commented that Executive Director Berg has an outstanding, exceptional working relationship with our Moorage Tenants Association and Port Townsend Marine Trades Association; he is an outstanding community leader and communicator for our Port, and he is outstanding at developing employee teamwork and a positive work culture. Outstanding focus on maintaining and building vitality and culture of our working waterfront. She has shared with Executive Director Berg a quote, “The wind and the waves are always on the side of the ableist navigator.”

Motion passed by unanimous vote.

XIII. ADJOURNMENT: meeting adjourned at 7:32 p.m., there being no further business before the Commission.

ATTEST:



Peter W. Hanke, Secretary



Pamela A. Petranek, President



Carol L. Hasse, Vice President