

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, December 14, 2022

The Port of Port Townsend Commission met for a regular business session at the Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, and also online via Zoom.

Present: Commissioners Hasse, Hanke, and Petranek  
Executive Director Berg  
Deputy Director Eric Toews  
Director of Finance and Administration Berg  
Director of Capital Projects & Port Engineer Klontz  
Lease and Contracts Administrator Nelson  
Attorney Seth Woolsen  
Harbormaster Kristian Ferrero  
Port Recorder Sanders

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (Rec. 00:00:00)  
Commissioner Petranek called the meeting to order at 1:00 p.m.

II. APPROVAL OF AGENDA (Rec. 00:01:09)

**The agenda was amended by unanimous consent with changes as follows: removal from the consent agenda to regular business of Item G. Resolution #783-22 Authorizing Executive Director to Execute all Documents Necessary to Complete the first phase of Healthier Together Planning Process. Added to the consent agenda from regular business was Item C. Personal Services Agreement for Government Relations Consulting (State/Federal Policy Priorities & Funding). Also added to regular business was Declaration of Emergency – Point Hudson Marina & RV Park Bulkhead and Shoreline Damage.**

III. PUBLIC COMMENTS (Rec. 00:04:43)

The following written comment was received as follows:

Roger Sorenson spoke about facility needs at Herb Beck marina.

IV. CONSENT AGENDA (Rec. 00:05:49)

A. Approval of Regular Business Meeting Minutes from November 22, 2022

B. Approval & Ratification of Warrants and Wire Transfer Approval

Warrant #064676 in the amount of \$156.15 and 065776 in the amount of \$6,250 are declared void

Warrant #066035 through #066050 and Electronic Payments in the total amount of \$200,971.51

Warrant #066051 through #066131 in the amount of \$159,428.37

Wire Approval for Orion Marine Contractor's Pay Estimate #03 in the amount of \$1,189,677.15

C. Northwest School of Wooden Boatbuilding (NWSWB) Lease Amendment No. 1

D. Port Townsend Sailing Association Lease Agreement

E. Resolution #781-22 Authorizing the Sale of Vessel – *Gannett*

F. Interagency Agreement for San Juan and F Street Environmental Categorization and Clean Up

G. Personal Services Agreement for Government Relations Consulting (State/Federal Policy Priorities & Funding)

H. Resolution #782-22 Establishing a Multi-Government Process for Collaborating on Issues of Mutual Importance (Intergovernmental Collaborative Group)

**Commissioner Hanke moved to approve the Consent Agenda as revised above. There were questions about the scope of work for the Port as part of the Department of Ecology on Item F., the Interagency Agreement for the San Juan property. Executive Director Berg spoke about the potential for long-term involvement. No Port physical work would be involved beyond consultant management. Motion was approved by unanimous consent.**

V. SECOND READING ~

VI. FIRST READING ~ none

## VII. REGULAR BUSINESS (Rec. 00:11:32)

## A. September 2022 YTD Financial Report

Director of Finance and Administration Berg gave a briefing on the report. She reviewed capital purchases and the comparative financial statement. Operating revenues are strong compared to last year and compared to budget. Expenditures are up about \$700,000 when compared to 2021 most of which falls into the categories of facility and operations; less than half of that is the increase when comparing to budget.

Commissioners: There was discussion of garbage and recycling services and the inappropriate uses of codes and fobs for these facilities. Regarding operating revenues, it appears Point Hudson is down from the previous year, as expected due to the jetty project. Staff also responded to questions about impacts due to peak/unprecedented use at the Point Hudson RV Park. Noting that expenses are high, there was a question of raising rates now for tenants as well as increasing the amount of electricity with a micro grid or solar power. Director Berg noted that electricity charges are borne by tenants versus the Port.

## B. Delegation of Authority and Meeting Procedures Updates (Rec. 00:26:52)

Executive Director Berg noted the intent is to solicit from the Commission any changes before the first meeting in January. Aside from a few changes in delegation, no additional changes were proposed.

Commissioners: There was discussion of whether the “two touch” system is needed with first reading and second reading when minimally used and about Meeting Procedures Item II Rules on Transaction of Business. Number 5, says the lease may not be renewed or otherwise extended beyond three years without Commission approval. A suggestion was to change to “lease may be renewed or extended.” Staff noted the language helps address lessee needs in special circumstances such as economic uncertainty. This is an opportunity and tool for informed staff to exercise judgment and use discretion. There was no further discussion.

## C. Resolution #783-22 Authorizing Executive Director to Execute All Documents Necessary to Complete the First Phase of Healthier Today Planning Process (Rec. 00:38:20)

Commissioners: Questions related to the number of expected phases and what the commitment involves. If voters are asked for facility funding, then it might have the best chance of success if the discussion is held with the Intergovernmental Collaborative Group (ICG) versus at each jurisdiction.

Executive Director Berg responded the Port commitment is \$5,000 through the design phase. The Commission would need to approve future phases. The City is leading the process and the ICG would likely be involved at a later date.

**Commissioner Hanke moved to approve Resolution #783-22 Authorizing the Executive Director to Execute all Documents Necessary to Complete the First Phase of the Healthier Together Planning Process. Motion carried.**

## D. IDD Levy Financial Report, YTD Qtr. 3, 2022 (Rec. 00:48:35)

Director of Finance and Administration Berg gave the staff report using the informational memorandum and report.

Commissioners: There was discussion about what the future commitments were for IDD money, and staff responded that the 5-Year Capital Improvement Program would be the accompanying reference for that information, and that this document shows the current year's budget with the actual activity on each project. It was suggested that a summary of the amounts budgeted in the 5-Year Capital Program might be added to these quarterly IDD reports. It was noted that staff makes adjustments to the budget if projects are not completed in the year originally budgeted.

## E. Point Hudson Jetty Update (Rec. 00:58:42)

Capital Projects Director and Port Engineer Matt Klontz reported 90 percent of the bedding stone has now been replaced. Getting an even distribution of the rocks is challenging. The contractor is on schedule.

F. Declaration of Emergency – Point Hudson Marina & RV Park Bulkhead and Shoreline Damage (Rec. 01:03:35)

Executive Director Berg gave the staff report and asked the Commission to ratify the decision in the emergency declaration. He reviewed the damage: inside the marina, logs have fallen, at the RV point there has been undermining of the beach, sand and silt have deposited into the marina, and there has also been significant undermining of the rotary centennial trail. When asked if the current jetty project modified the shoreline, Berg said staff may be monitoring more closely. There was discussion about impacts to the shoreline by the huge sharp breaking waves of large vessel traffic in the shipping lanes. It was noted there is no shoreline armoring in the Port, but hard armoring to the north might have the effects on other areas of wave scouring. Phase I is related to the disaster that this damage caused and advising on the after-storm event. Soft armoring might be a treatment at Point Hudson.

**Commissioner Hanke moved to ratify and confirm Emergency Order 2022-02 waving competitive bidding requirements and authorizing the Executive Director to award of all necessary contracts to address this emergency. Motion carried.**

IX. STAFF COMMENTS (Rec. 01:15:10)

Executive Director Berg reported that the movie on the Marine Trades in the Boat Yard shown at WPPA is posted on the Port's Facebook page and would work to get it on the Port's website. The Commission is invited to the Port's annual staff luncheon on Dec. 22 at noon.

Director of Capital Projects & Port Engineer Klontz is negotiating a scope of work with SCJ Alliance, and it would come before the Commission in January.

Lease and Contracts Administrator Nelson reported that leases were approved. Marine Surveys and Associates will be moving into the Rubicon space, following a lease approval set for the next meeting. She is also working on CPI and market rate increases to tenants. Meeting with Shipwrights Co-op to expand their property. Admiral Ship Supply may consider relocating their business.

Harbormaster Ferrero reported that staff is reviewing rules and regulations for the Port to clarify their general understanding on how they work. Alternatives may be proposed to the Commission after the first of the year. The Port is encouraging port moorage tenants to put holiday lights on their vessels.

X. COMMISSIONER COMMENTS (Rec. 01:22:12)

Commissioner Hasse reported on the Commission's attendance at last week's WPPA Annual conference in Tacoma. There was much Commission pride in Executive Director Berg's report. Referring to the WPPA Port Maintenance and Management Guide, it was recommended the Commission review one chapter a month ahead of each meeting as part of its meeting or workshop agenda.

Commissioner Hanke noted attending a session at the WPPA conference about the importance of emergency preparedness planning. A draft plan from Skagit can be referenced. In 2023, Labor and Industries review of Port operations is possible. Question about whether the Port expects an early reopening of Point Hudson.

Commissioner Petranek noted there is field safety and tenants assisting in emergency response. The Port's report at WPPA was excellent. The next hazardous waste collection event is scheduled for January 20. She was approached by the new Maritime Academy teacher Kara Jordan regarding interest in a Port tour. A marine trades member is interested in Chimacum High School students participating in a tour of the boatyard.

XI. Next Public Workshop & Regular Business Meeting (Rec. 01:36:15)

Workshop at 9:30 a.m. and Regular Business Meeting at 1 p.m. on Wednesday, January 11, 2023.

XII. EXECUTIVE SESSION (Rec. 01:36:30)

At 2:36 p.m. the Commission recessed into executive session pursuant to RCW 42.30.110(1)(c) to discuss the lease of port property and the lease rate, approximately 30 minutes with no action requested.

At 3:10 p.m., Commissioner Petranek extended the executive session for another 30 minutes.

At 3:45 p.m., the meeting came back into open session.

XIII. ADJOURNMENT (Rec. 01:38:38)

The meeting adjourned at 3:45 p.m., there being no further business before the Commission.

ATTEST:

  
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Peter W. Hanke, Secretary

  
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Pamela A. Petranek, President

  
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Carol L. Hasse, Vice President