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**Commission Meeting  
2nd Monthly Meeting Agenda  
Wednesday, January 25, 2023, 5:30 p.m.**

**Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, & via Zoom  
<https://zoom.us/> – or call (253) 215-8782 – and use Webinar ID: 862 6904 3651, Password:  
911887**

**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 January 11, 2023 and Special Business Meeting January 17, 2023 ..... 3-12
  - B. Approval & Ratification of Warrants ..... 13-25
- V. Second Reading ~ none
- VI. First Reading ~ none
- VII. Regular Business
  - A. Short's Family Farm ..... 26-32
    - i. Public Comment
  - B. November Year-to-Date Financials..... 33-38
  - C. IDD Levy Financial Report, YTD Quarter 4, 2022 ..... 39-42
  - D. Point Hudson Jetty Update.....
  - E. WPPA Port Governance Management Guide..... 43-45
- VIII. Staff Comments
- IX. Commissioner Comments
- X. Next Meetings: Wednesday, February 8, 2023 Workshop at 9:30 a.m. & Meeting at 1:00 p.m., via Zoom
- XI. Executive Session – For consideration of the minimum offering price for sale or lease of real estate if there's a likelihood that disclosure would decrease the price (RCW 42.30.110(1)(c)) and consideration of site selection or acquisition of real estate purchase or lease if likelihood that disclosure would increase price (RCW 42.30.110(1)(b))

XII. Adjournment

Informational Items ..... 46-52

- November 2022 Detailed Financials
- Port Contracts Update

## **PORT COMMISSION PUBLIC WORKSHOP – January 11, 2023**

The Port of Port Townsend Commission met for a Public Workshop  
Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend

Present:

- Commissioner Petranek
- Commissioner Hasse
- Commissioner Hanke
- Executive Director Berg
- Operation Manager Sparks
- Recorder Sanders

### I. CALL TO ORDER: (Rec. 00:00:17)

Commissioner Petranek opened the Workshop at 9:30 a.m.

### II. AGENDA: (Rec. 00:30:00)

#### **Peninsula Trails Coalition -Puget Sound to Pacific Projects (PS2P) Presentation**

Executive Director Berg introduced Steve Durrant and Jeff Bohman of the Peninsula Trails Coalition. With Port concurrence, their Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant would include Larry Scott Trail through the Port property, including a shift in the trail route with a loop through the Port.

There was general support by the Commission. Executive Director Berg responded to Commissioner questions about the interrelatedness of the west boatyard expansion planning, restroom needs, change of trail mile one marker, and the route.

#### **2023 Organizational Items (Rec. 01:08:00)**

Executive Director Berg provided an overview of items scheduled for action at the Commission meeting: election of officers, committee assignments, resolution delegating authority to Executive Director, and scheduling the Commission annual retreat.

Following discussion of each item, the Commission was supportive of moving forward as follows. There would be no recommended changes to officer positions, minor adjustments were suggested to the committee assignment, including adding the Intergovernmental Collaborative Group (ICG) and Peninsula Regional Transportation Planning Organization (PRTPO). There was no objection to the minor changes to the meeting procedures as shown in tracked changes. No additional corrections or objections were made to the proposed Resolution 786-23 regarding the delegation of authority. Staff would explore scheduling a retreat in March or April.

### III. ADJOURNMENT: (Rec. 02:07:00)

The Workshop adjourned at 11:35 a.m.

ATTEST:

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Pamela A. Petranek, President

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Peter W. Hanke, Secretary

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Carol Hasse, Vice President

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, January 11, 2023

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 Toews  
 Director of Finance & Administration Berg  
 Director of Capital Projects and Port Engineer Klontz  
 Harbormaster Kristian Ferrero  
 Operations Manager Chris Sparks  
 Lease and Contracts Administrator Sue Nelson  
 Port Recorder Sanders  
 Port Attorney Woolson

- I. CALL TO ORDER/PLEDGE OF ALLEGIANCE (Rec. 00:00:18)  
 Commissioner Petranek called the meeting to order at 1:00 p.m.
- II. APPROVAL OF AGENDA (Rec. 00:01:10)  
 Added under regular business was the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant authorization associated with Peninsula Trails Coalition.  
**Commissioner Hanke moved to accept the agenda as revised; passed by unanimous consent.**
- III. PUBLIC COMMENTS (Rec. 00:01:55)  
 Written comment received from Zach Wailand who spoke about the Short Family Farm.  
 Pete Gillis spoke about his positive experience with the boatyard crew related to his boat an Ocean Alexander. Because of the haulout costs and not allowing liveaboards, he is forced to take his boat to Seattle.
- IV. CONSENT AGENDA (Rec. 00:03:30)
  - A. Approval of Workshop & Business Meeting Minutes from December 14, 2022
  - B. Approval & Ratification of Warrants
  - C. Authorization for Sale of Abandoned Vessels – Resolution 784-23 Solarity (Ehart) and Arrow Post (Rosinbaum)
  - D. Marine Surveys and Assessments (MSA) 2601 Washington St. Building Lease
  - E. Ratify and Confirm Emergency Order 2022-03 waiving competitive bidding requirements and authorizing the Executive Director to award of all necessary contracts to address this emergency.  
**Commissioner Petranek moved to accept the Consent Agenda as written; motion passed unanimously.**
- V. SECOND READING: none
- VI. FIRST READING ~ none
- VII. REGULAR BUSINESS (Rec. 00:05:00)
  - A. October Year-to-Date Financials  
Director of Finance & Administration Berg gave the financial report noting differences between projected and actual capital expenses. Reviewing the financial statement,

operating revenues are outperforming both the prior year and budget. Expenditures are up significantly over last year, but only up 6.6% compared to budget. The variance-to-budget year to date is just \$1,467. When asked about the variance in revenues, it was noted there was space in the marina that was not utilized by nightly or monthly to accommodate Point Hudson moorage.

- B. Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant authorization associated with Peninsula Trails Coalition.

Executive Director Berg gave a briefing on the workshop discussion held earlier today on a Puget Sound to Pacific collaboration on a RAISE planning grant with 12 to 24 co-applicants. The Port is being asked to be a co-applicant.

Commissioners noted this is the beginning of the discussion on this project.

**Commissioner Hasse moved to authorize staff to coapply for a RAISE planning grant for the Larry Scott Trail realignment on port property and associated planning work for that trail connection; motion passed unanimously.**

C. 2023 Organizational Topics (Rec: 00:17:14)

1. Election of Commission Officer. **Commissioner Hasse moved to approve a slate of officers with Petranek as President, Hasse Vice President, and Hanke as Secretary to serve through 2023; motion passed by unanimous consent.**
2. Committee Assignments. Commissioners reviewed the boards on which they would serve representing the Port. **Commissioner Hanke moved to accept the committee assignments for 2023 as presented; passed by unanimous consent.**
3. Resolution 770-22 Commission Meeting Procedures. This previous resolution was provided for reference.
4. Resolution 785-23 Readopting Commission Meeting Procedures **Commissioner Hanke moved to approve Resolution 785-23 as presented; passed by unanimous consent.**
5. Resolution 786-23 Delegating Administrative Powers and Duties to the Executive Director and Designees, Repealing all Prior Resolutions Dealing with the Same Subject Matter (superseding Resolution 762-22). Executive Director Berg noted two minor proposed revisions to sections VI. B associated with professional and consultant services increasing his purchasing authority from \$50,000 to \$100,00 and XIV A. Policy regarding use of Port property allowing collaborating with other agencies.  
**Commissioner Hasse moved to approve Resolution 786-23 as presented with changes in VI. B and XIV. A as written; passed by unanimous consent.**
6. Commission Annual Retreat. Executive Director Berg confirmed the Commission directed him at the workshop to schedule a Commission retreat for March or April 2023.

D. Short's Family Farm (Rec 00:24:49).

Executive Director Berg noted the appraisal is not yet available. A special meeting is set for January 17 at 6PM to share more broadly information that the Commission has received and collect additional public comment. The Phase I executive summary states that there is no need for further analysis or Phase II environmental assessment. He received a comment that a spill occurred at an adjacent truck maintenance facility, but it is not an adjoining property.

Although there has been no contact with nearby property owners, the Port has been collecting/organizing public comment in order to categorize and prepare staff responses to questions.

Commissioner Petranek spoke about her outreach efforts to the farming community. It was noted that the agreement with the Short Family expires January 28. Steve

Dowdall introduced himself as the owner of Grey Fox Farm and representative of the Shorts.

E. Point Hudson Jetty Update (Rec. 00:38:58)

Director of Capital Projects and Port Engineer Klontz reported the contractor is in the final stretch of its in-water work January 15. After the 15<sup>th</sup>, pile caps would be added, a breakdown of the job site, and restoration of the RV park on the point. On March 1, the Port would regain access to the marina. As of February 1, Orion would still be working although there is talk about opening the marina prior to March 1. The Port could then assess the docks and make any needed repairs. Staff responded to questions about the timeline for the in-water work associated with the fish window this year and next. There was a question about the removal of the dolphin between NWMC and the south jetty by the diving community. It was noted that WDFW would be the point of contact.

VIII. RECESS TO A MEETING OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF PORT TOWNSEND. (Rev. 00:59:45)

At 2:00 p.m., the Commission recessed its meeting.

Commissioners elected Year 2023 IDC Officers, approved January 12, 2022 IDC Minutes, and reviewed the IDC Financial Report for fiscal year ending December 31, 2022, with a net increase in cash and investments of \$2.26 to \$5,022.71.

At 2:03 p.m., the Commission came back into session.

IX. STAFF COMMENTS (01:03:30)

Executive Director Berg reported on the following: Ports met with new WPPA Executive Director Eric ffitich. On December 23, the President signed National Defense Authorization Act, which included the Water Resource Development Act, including language about the Port of Port Townsend and main breakwater. A date has yet to be set for a meeting with the Army Corps of Engineers.

Director of Finance & Administration Berg reported three staff positions are open: customer service representative, janitor, and Maintenance Tech II. The Port received two Commerce grant reimbursements for the jetty project in the amount of \$2.4 million. Commissioners recognized Finance Director Berg's efforts on the excellent financial edition of the Port Report.

Director of Capital Projects and Port Engineer Klontz said consulting agreements are forthcoming with SCJ Alliance for the Sims Way Boatyard Expansion Project as well as a geotechnical engineer. King tides are expected beginning the third weekend in January.

Operations Manager Sparks relayed appreciation from staff to Finance and the Commission for support in the area of safety and maintenance equipment needed to do their work.

Harbormaster Ferrero reported RV reservations open January 17 and there is a 5% discount for paying a year's moorage in advance, and must be paid by Saturday, January 14

Lease and Contracts Administrator Nelson reported work on a lease amendment with Shipwrights Coop for increased space formerly occupied by Haven Boatworks.. Pete Stein and Erik Fahlstrom have formed a cooperative and staff is working on their lease assignment.



## X. COMMISSIONER COMMENTS (01:16:00)

Commissioner Hasse reported on the following: referencing the WPPA association Port management and governance guide and she offered to lead the Commission in a discussion one chapter a month at its workshop to best understand changing landscape of Ports and its legal requirements. She asked for ways the Port might help advertise Vessel Turn-In Program and some discussion with staff occurred on the Port's relationship with Department of Natural Resources.

Commissioner Petranek reported attending the Port Townsend Marine Trades Association meeting on an update of the 2018 economic impact study, including a subcommittee of the PTMTA assisting. The Economic Development Commission has new members and long-time members have stepped down. KPTZ Working Waterfront covered PT Maritime Academy on a two-hour tour of boat yard business (Pete Stein and Erik Fahlstrom's shop, PT Shipwrights Coop, Dave Thompson's work, and Pat Mahon boat tour).

- XI. Next Meetings: (01:36:00): Special Meeting on Short Family Farm Tuesday, January 17 at 6 pm at Chimacum Grange and Regular Business Meeting on Wednesday, January 25, 2022, at 5:30 p.m. via Zoom.

## XII. EXECUTIVE SESSION ~ None

- XIII. ADJOURNMENT: meeting adjourned at 2:40 p.m., there being no further business before the Commission.

ATTEST:

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Pamela A. Petranek, President

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Peter W. Hanke, Secretary

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Carol L. Hasse, Vice President

PORT COMMISSION SPECIAL BUSINESS MEETING – Tuesday, January 17, 2023

The Port of Port Townsend Commission met for a special business session at the Chimacum Grange #681 at 9572 Rhody Drive, Chimacum, WA and via Zoom online.

Present: Commissioners Hasse, Hanke and Petranek  
Executive Director Berg  
Deputy Director Toews  
Port Recorder Sanders

I. CALL TO ORDER (00:00:42)

Commissioner Petranek called the meeting to order at 6:02 p.m.

Executive Director Berg led the staff presentation noting the purpose of the meeting is primarily to accept public comment and especially hear from the farming community. Documents available on the Port's website do not yet include the property appraisal. It is anticipated a Commission decision on the purchase would occur early February.

Deputy Director Eric Toews noted the vision of the Port referencing a document from October of 1926 to support local agriculture. The Port desires to partner with the agriculture community, work with jurisdictions, and scale up local agriculture production.

Eric Kingfisher, Stewardship Director of the Jefferson Land Trust, presented information about the conservation easement that follows the ownership of the land in perpetuity.

II. PUBLIC COMMENTS (00:05:55)

Tony Kastella, representing the Jefferson County Sportsman's Association, spoke about the easement on the farm for duck hunting and wants to ensure hunting is included in the listed uses including the option for game management.

Francesco Tortorici spoke about the value of the current uses, including use of biochar.

Janet Welch spoke in support of the Port's broad thinking, but in opposition to this project without a plan. She suggested instead exploring existing Port property south of the airport runway.

David Seabrook commented (including written remarks) in favor of the project, about climate change, and critical systems adaptation planning.

Peter Newland urged extending the purchase option and exploring the most suitable property for the desired purpose (included written remarks).

Kevin Long of the North Olympic Salmon Coalition spoke in support of the Port acquisition.

Karen Page spoke about the importance of the Short Farm for its wildlife and urged maintaining wild fowl habitat.

Jean Ball had concerns about this particular property and what value the Port might bring in terms of environmental impact and economic benefit/viability.

Al Latham, Chair of the Conservation District, but speaking personally said he was employed early on at the Short Farm. Roughly 70-100 acres never floods and there is a lot of slab and benefit of existing waste storage.

Nicole Witham, General Manager of the Chimacum Corner Farm Stand, asked about the agriculture easement and is curious whether the Port would be successful in seeking Washington state funds given the funding that has already gone into the land. The community needs farm infrastructure, including USDA slaughter/processing and a food hub and distribution facility.

Diane Johnson, President of the Grange, spoke in support and urged reviewing the Grange farm survey. The concurred with Nicole Witham's comments as well as the need for cold storage.

Hannah, a farm worker, had concerns about flooding but also spoke of the positive aspects of wildlife and lack of a plan for flexibility and creativity in seeking options for agriculture production and resilience.

Martin Fredrickson, a neighbor farmer to the Shorts and direct marketer of livestock, spoke about land access and many creative solutions needed from the collective agricultural minds to keep lands as productive as possible.

Charlotte Fredrickson spoke in appreciation and support of the Port's willingness to explore this opportunity although uncertain this is the best business move for the Port.

Jeff Kelety was curious to hear from the farmer's desires to lease space.

Pete Langley spoke in support of the idea and was concerned about removing the property from the tax rolls and what the leasehold tax would contribute when taking this into public ownership.

Melanie Edwards, of the National Young Farmers Coalition, spoke in support of acquiring land and about opportunities of getting young farmers on the land.

Joanne Pontrello, of the Conservation Futures Committee, spoke about the Port of Skagit Viva Farms and in support of exploring opportunities.

Steve Dowdell of Gray Fox Farm, spoke in support and about access to farm land for the next generation as well as pooling resources.

Cameron Jones of the Conservation Futures Committee and of Black Lives Matter of Jefferson County spoke in support of the project and collaborating with the community on youth-based thinking -- bring this conversation into the schools.

Julie Boggs, Manager and Co-owner of Westbrook Angus, spoke in support and about the importance of conservation. The farm needs to be managed in a dryer state and be viable as farmland.

Nicole, a farmworker, spoke in support of this opportunity and exploring options for the reasons and values stated, including the farm's importance to the quality of life.

Kevin Short spoke in support of the project and needing to let farmers maintain the creek and the flow of the water. He is sorry to have to give it up.

Commissioner Petranek thanked the public for the letters and correspondence on the project and about the next Port meetings January 25 and February 8.

Roger Short, here since 1945, spoke about the importance of building infrastructure for the community and the younger farmers. He is happy to hear the many feelings shared.

Austin Bishop, who inherited his grandfather's farmland, spoke in support/understanding the Short's struggle and desire to stay on the farm. He urged the Port to consider the water problem and how addressing the water would help the farmers with their land.

Eric Kingfisher, spoke of the Trust's conservation easement and recognized the drainage situation and the Short's efforts to maintain clear drainage and how agriculture productivity is impacted by increasing flooding. The drainage system has been maintained since 1920 by the drainage district. Arriving at creative solutions as well as maintenance of the system would benefit the agriculture productivity and further community resilience.

Alexa Helbling, former worker on Dharma Ridge Farm and now running her own vegetable farm, spoke in support of the project and the supportive farming community and the difficulty connecting to land without wealth in some way.

Commissioner Hasse spoke about the importance of access to healthy food and being moved by the passion around farming, growing food, and access to land.

Commissioner Hanke thanked farmers young and old and for their collaboration. He recognized the fast process accommodating the Short Family schedule, the Port's stewardship of the public's money and said forming a committee would be important to continue the conversation.

Executive Director Berg thanked the public for attending. He reviewed the Port's limitations on using the airport for agriculture –referencing the Port of Skagit. In 2024, the Port would engage in an airport master plan.

III. ADJOURNMENT: meeting adjourned at 7:47 p.m., there being no further business before the Commission.

ATTEST:

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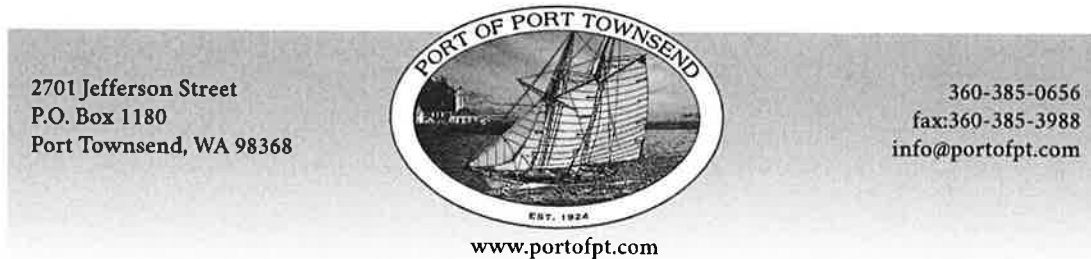
Peter W. Hanke, Secretary

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Pamela A. Petranek, President

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Carol L. Hasse, Vice President



## **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 066238 through No. 066241 generated on December 29th, 2022 in the amount of \$6,485.97 and Electronic Payment in the amount of \$97,687.91, for a total amount of \$104,173.88 is ratified.

**Signed and Authenticated** on this 25th day of January, 2023.

For: **Payroll and Benefits**

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner Carol Hasse

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration



## **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 066242 through No. 066293, are approved for payment in the amount of \$256,711.62 on this 25th day of January, 2023.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pam Petranek

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Commissioner Carol Hasse

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Commissioner Pete W. Hanke

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S. Abigail Berg, Director of Finance  
And Administration

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
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			104207	1/25/2023	1,000.00	0.00	1,000.00
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			K05573-001	1/13/2023	72.45	0.00	72.45
0000066244	1/25/2023	AWC001	Assoc. Of Washington Cities				Check Entry Number: 001
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			12/2022 EXPENSE	12/31/2022	251.57	0.00	251.57
0000066247	1/25/2023	CED005	CED				Check Entry Number: 001
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			5948-1030978	1/11/2023	294.57	0.00	294.57
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			1/1/2023 STATEMENT	1/1/2023	190.00	0.00	190.00
0000066249	1/25/2023	CEN035	CenturyLink				Check Entry Number: 001
			1/5/23 STATEMENTS	1/5/2023	408.29	0.00	408.29
0000066250	1/25/2023	CHY001	Chyna Sea Ventures, LTD				Check Entry Number: 001
			2022271	6/21/2022	1,680.00	0.00	1,680.00
0000066251	1/25/2023	CIN020	Cintas				Check Entry Number: 001
			5140437707	1/11/2023	2,385.79	0.00	2,385.79
0000066252	1/25/2023	DCB050	DC Backflow Service				Check Entry Number: 001
			12760	12/27/2022	88.00	0.00	88.00
0000066253	1/25/2023	DIR070	DirecTV				Check Entry Number: 001
			075436554X221228	12/28/2022	430.75	0.00	430.75
0000066254	1/25/2023	FER001	Ferrellgas				Check Entry Number: 001
			5007475362	12/26/2022	288.44	0.00	288.44
0000066255	1/25/2023	GOO002	Good Man Sanitation				Check Entry Number: 001
			1/2/23 STATEMENT	1/2/2023	2,336.01	0.00	2,336.01
0000066256	1/25/2023	GRE015	Greentree Communications Co				Check Entry Number: 001
			10511	1/1/2023	392.76	0.00	392.76
0000066257	1/25/2023	HIL075	Hills & Valley Catering				Check Entry Number: 001
			HP12222022	1/10/2023	821.16	0.00	821.16
0000066258	1/25/2023	INS070	Insight Strategic Partners, LLC				Check Entry Number: 001
			4463	12/31/2022	6,250.00	0.00	6,250.00
0000066259	1/25/2023	JAM040	Jamestown Networks				Check Entry Number: 001
			7397	1/1/2023	530.00	0.00	530.00
0000066260	1/25/2023	JAN050	Michael Janney				Check Entry Number: 001
			REFUND 12/30/22	12/30/2022	500.00	0.00	500.00
0000066261	1/25/2023	JC0003	Jefferson County - Public Work				Check Entry Number: 001
			12/2022 STATEMENT	1/3/2023	348.68	0.00	348.68
0000066262	1/25/2023	JOH050	John Nix - Enviro West				Check Entry Number: 001
			955	1/5/2023	282.31	0.00	282.31
0000066263	1/25/2023	KEN010	Kendrick Equipment				Check Entry Number: 001
			U51051	1/13/2023	1,024.48	0.00	1,024.48
0000066264	1/25/2023	LEM040	Lemay Mobile Shredding				Check Entry Number: 001
			4776175S185	1/1/2023	14.07	0.00	14.07
0000066265	1/25/2023	LES050	Les Schwab				Check Entry Number: 001
			37900528209	11/29/2022	156.82	0.00	156.82

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
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			221231	1/25/2023	467.50	0.00	467.50
0000066267	1/25/2023	NOP005	North Olympic Peninsula RC & D				Check Entry Number: 001
			2023 DUES	1/4/2023	1,500.00	0.00	1,500.00
0000066268	1/25/2023	OES001	OESD 114				Check Entry Number: 001
			2223000746	1/13/2023	4,311.20	0.00	4,311.20
0000066269	1/25/2023	OLY003	Olympic Springs, Inc.				Check Entry Number: 001
			12/31/22 STATEMENT	12/31/2022	30.39	0.00	30.39
0000066270	1/25/2023	OLY035	Olympic Peninsula Communications, LLC				Check Entry Number: 001
			29	1/11/2023	1,087.50	0.00	1,087.50
0000066271	1/25/2023	PAC004	Pacific Office Equipment Co				Check Entry Number: 001
			1/1/23 STATEMENT	1/1/2023	397.99	0.00	397.99
0000066272	1/25/2023	PAP020	Pape Machinery				Check Entry Number: 001
			8806102	12/28/2022	138.34	0.00	138.34
			8812113	12/28/2022	206.69	0.00	206.69
			Check 0000066272 Total:		345.03	0.00	345.03
0000066273	1/25/2023	PET020	Peters Marine Services				Check Entry Number: 001
			928929	1/4/2023	218.20	0.00	218.20
0000066274	1/25/2023	PET025	Petrick Lock & Safe				Check Entry Number: 001
			21201	1/12/2023	54.55	0.00	54.55
0000066275	1/25/2023	PIN010	Pinnacle Investigations Corp				Check Entry Number: 001
			82873	1/16/2023	105.00	0.00	105.00
0000066276	1/25/2023	POR005	Port Townsend Leader				Check Entry Number: 001
			111503	1/3/2023	2,134.13	0.00	2,134.13
0000066277	1/25/2023	POR008	Port Townsend Yacht Club				Check Entry Number: 001
			2023 AD PAYMENT	1/25/2023	135.00	0.00	135.00
0000066278	1/25/2023	PUD001	Pud District #1				Check Entry Number: 001
			1/11/23 STATMENTS	1/11/2023	34,724.12	0.00	34,724.12
			1/11/23 STMNT	1/11/2023	45.83	0.00	45.83
			1/4/23 STMT	1/4/2023	18.92	0.00	18.92
			Check 0000066278 Total:		34,788.87	0.00	34,788.87
0000066279	1/25/2023	PUT010	Bill Putney				Check Entry Number: 001
			12/21 EXP REISSUE	1/25/2023	102.68	0.00	102.68
0000066280	1/25/2023	QUI001	Quill Corporation				Check Entry Number: 001
			29830946	12/29/2022	123.22	0.00	123.22
0000066281	1/25/2023	SEC010	Security Services				Check Entry Number: 001
			126443	1/1/2023	202.30	0.00	202.30
0000066282	1/25/2023	SHA030	Charlie Shaw				Check Entry Number: 001
			12/2022 EXPENSE	1/5/2023	137.35	0.00	137.35
0000066283	1/25/2023	SHO010	Shold Excavating Inc				Check Entry Number: 001
			72249	1/4/2023	788.25	0.00	788.25
			72424	1/17/2023	649.04	0.00	649.04
			Check 0000066283 Total:		1,437.29	0.00	1,437.29
0000066284	1/25/2023	SOU055	Sound Publishing, Inc				Check Entry Number: 001
			8088836	12/31/2022	849.95	0.00	849.95
			PDN969685	1/20/2023	218.78	0.00	218.78



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
			PDN969906	1/18/2023	137.58	0.00	137.58
			PDN969907	1/18/2023	165.58	0.00	165.58
			Check 0000066284 Total:		1,371.89	0.00	1,371.89
0000066285	1/25/2023	SUM040	Summit Law Group PLLC				Check Entry Number: 001
			142648	1/18/2023	70.00	0.00	70.00
0000066286	1/25/2023	SUN003	Sunshine Propane				Check Entry Number: 001
			I017045	12/30/2022	76.37	0.00	76.37
			S0029737	11/2/2022	170.47	0.00	170.47
			U0212438	1/3/2023	1,226.85	0.00	1,226.85
			Check 0000066286 Total:		1,473.69	0.00	1,473.69
0000066287	1/25/2023	SUN020	Sunrise Coffee				Check Entry Number: 001
			20230020	1/6/2023	49.25	0.00	49.25
0000066288	1/25/2023	TWI001	Spectra Laboratories - Kitsap				Check Entry Number: 001
			23-00204	1/17/2023	64.00	0.00	64.00
0000066289	1/25/2023	VEN070	VenTek International				Check Entry Number: 001
			135918	1/1/2023	103.65	0.00	103.65
0000066290	1/25/2023	WA1803	State of Washington				Check Entry Number: 001
			4TH QTR 2023 LET	1/25/2023	157,322.10	0.00	157,322.10
0000066291	1/25/2023	WAS003	Washington Public Ports Assn.				Check Entry Number: 001
			023-064	1/11/2023	11,187.00	0.00	11,187.00
0000066292	1/25/2023	WES060	West Marine Pro				Check Entry Number: 001
			2007	1/13/2023	2.44	0.00	2.44
0000066293	1/25/2023	ZOO050	Zoom Video Communications, Inc				Check Entry Number: 001
			INV184001766	1/13/2023	3,966.29	0.00	3,966.29
			Report Total:		256,711.62	0.00	256,711.62



## **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. 064569 in the amount of \$102.68 is declared **void** on this on this 25th day of January, 2023.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner Carol Hasse

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

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	
0000064569	REV 12/8/2021	PUT010	Bill Putney				102.68-
Check Comment: Lost Warrant							
CK000006456901							
	12/8/2021		102.68-	0.00			
G/L Account: 781-7200-27			TRAVEL: COMMISSION		102.68-		
Bank W Total:			102.68-	0.00	102.68-	102.68-	
Report Total:			102.68-	0.00	102.68-	102.68-	



## **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. 066152 in the amount of \$933.02 is declared void on this on this 25th day of January, 2023.

For: **Accounts Payable**

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner Carol Hasse

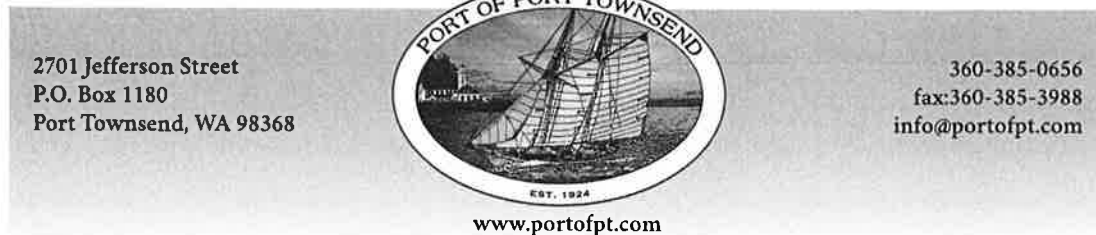
\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
And Administration

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
0000066152	REV 12/22/2022	HIL075 Hills & Valley Catering			933.02-
Check Comment: Revised Quote was lower					
CK000006615201					
	12/22/2022	933.02-	0.00		
G/L Account:	781-2400-28	EMPLOYEE BENEFITS: EXEC		933.02-	
	Bank W Total:	933.02-	0.00	933.02-	933.02-
	Report Total:	933.02-	0.00	933.02-	933.02-



## **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 **\$3,167.37 is ratified.**

**Signed and Authenticated** on this **25th** day of **January**, 2023.

For: Washington State, Department of Revenue  
Combined Excise Tax Return – for ***December, 2022*** in the amount of ***\$3,167.37.***

\_\_\_\_\_  
Commissioner Pam Petranek

\_\_\_\_\_  
Commissioner Carol Hasse

\_\_\_\_\_  
Commissioner Pete W. Hanke

\_\_\_\_\_  
S. Abigail Berg, Director of Finance  
and Administration

**Washington State Department of Revenue**

Your Return has been submitted and your confirmation number is **0-030-960-242**

Below is information from your Monthly Return for the period ending December 31, 2022

<b>Filing Date</b>	January 17, 2023
<b>Account ID</b>	161-000-044
<b>Primary Name</b>	BOAT HAVEN FUEL DOCK
<b>Payment Method</b>	Bank Account
<b>Payment Effective</b>	January 25, 2023
<b>Total Tax</b>	4,152.06
<b>Total Credits</b>	984.69
<b>Total Due</b>	3,167.37



## Combined Excise Tax Return

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

Filing Period: December 31, 2022

Due Date: January 25, 2023

Filing Frequency: Monthly

### Business & Occupation

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retailing	33,367.55	0.00	33,367.55	0.004710	157.16
Service and Other Activities (\$1 million or greater in prior year)	36,917.90	0.00	36,917.90	0.017500	646.06
<b>Total Business &amp; Occupation</b>					<b>803.22</b>

### State Sales and Use

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retail Sales	33,367.55	0.00	33,367.55	0.065000	2,168.89
Use Tax	163.65	0.00	163.65	0.065000	10.64
<b>Total State Sales and Use</b>					<b>2,179.53</b>

### Public Utility Tax

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Other Public Service Business	7,005.60	0.00	7,005.60	0.019260	134.93
Water Distribution	925.48	0.00	925.48	0.050290	46.54
<b>Total Public Utility Tax</b>					<b>181.47</b>

### Deductions

Tax Classification	Deduction	Amount
<b>Business &amp; Occupation</b>		
Retailing	Motor Vehicle Fuel Tax	0.00
<b>State Sales and Use</b>		
Retail Sales	Motor Vehicle Fuel Sales	0.00

### Credits

	Amount
Main Street Credit	803.22
Main Street Credit	181.47
<b>Total Credits</b>	<b>984.69</b>



**Local City and/or County Sales Tax**

Location	Taxable Amount	Tax Rate	Tax Due
1600 - JEFFERSON COUNTY	21.00	0.026000	0.55
1601 - PORT TOWNSEND	33,346.55	0.026000	867.01
<b>Total Local City and/or County Sales Tax</b>			<b>867.56</b>

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

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	163.65	0.026000	4.25
<b>Total Local City and/or County Use Tax/Deferred Sales Tax</b>			<b>4.25</b>

**Transient Rental Income**

Location	Income
1601 - PORT TOWNSEND	5,801.70
Total Transient Rental Income	5,801.70

**Special Hotel/Motel**

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	5,801.70	0.020000	116.03
<b>Total Special Hotel/Motel</b>			<b>116.03</b>

<b>Total Tax</b>	<b>4,152.06</b>
<b>Total Credits</b>	<b>984.69</b>
<b>Subtotal</b>	<b>3,167.37</b>
<b>Total Amount Owed</b>	<b>3,167.37</b>

**Prepared By:** Donna Frary  
**E-Mail Address:** donna@portofpt.com  
**Submitted Date:** 1/17/2023  
**Confirmation #:** 0-030-960-242

**Payment Type:** Bank Account  
**Amount:** \$3,167.37  
**Effective Date:** 1/25/2023

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	January 25, 2023
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	VII. Short's Family Farm
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ul style="list-style-type: none"> <li>Public Comment (Pearsall, Welch, Wailand)</li> </ul>

**From:** [Iris Pearsall](#)  
**To:** [Public Comments](#)  
**Subject:** Short's farm  
**Date:** Tuesday, January 17, 2023 5:23:39 PM

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My 10 acre property shares a fence line with the Short's farm. There was a large stand of trees on their side of the fence when we purchased our property, but now almost all of the remaining trees are those on our property only. Our house is relatively close to the border between the properties, due to limited good building sites. Thus, noise is a real consideration.

I would ask you to restrict activities that require machinery that generates a lot of noise on a regular basis, even if it's related to agriculture or value added production of agricultural products, at least near our home.

We hear shooting on a regular basis during hunting seasons. It is frightening and loud, for us as well as the birds, pets, and other wildlife. Please do not open the property for hunting if you acquire it.

I also would oppose the setting up of residences for farm workers right near our property line and home, due to the noise. We had an unfortunate experience when a couple was allowed to camp for a couple months on the Short's side of our fence close to our house and we could hear them yelling and arguing at all hours. This was an extreme instance, but I would still oppose housing on this small section of the Short's farm that is near our house, where sounds travel so clearly. At the other end of the Short farm would be okay.

I grow much of our food in my 2 large gardens, using organic methods. I support small scale organic farming and would be distressed if my 44 years of organic gardening was ruined by having farmers next to us contaminating my soil and water supply by spraying herbicides and/or pesticides that reached my gardens also. Thus, I'm asking for you to permit only organic farming if you acquire and lease parcels for farming.

Thank You,  
Iris Pearsall

**From:** [Janet and/or Willi](#)  
**To:** [PPT Info](#)  
**Cc:** [Public Comments](#)  
**Subject:** Short proposal  
**Date:** Wednesday, January 18, 2023 3:33:46 PM

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I was told at tonight's meeting that this letter had not been received. I received a notice today that it was not delivered. I see that the link is "publiccomments" but when you click on that link it creates the address without the s (see below). I wonder how many other letters were lost in the ether! I've sent to info just to make sure it gets through.

Janet Welch

Begin forwarded message:

**From:** Janet and/or Willi <[aloha@olympus.net](mailto:aloha@olympus.net)>  
**Subject:** Agricultural land  
**Date:** January 5, 2023 at 9:37:55 AM PST  
**To:** [publiccomment@portofpt.com](mailto:publiccomment@portofpt.com)

Dear Port Commissioners,

First, I would like to commend you on your foresight in putting the Port's considerable weight into supporting local agriculture. For the reasons you state, it is both needed and appropriate for the port to engage in activities that strengthen and broaden our agricultural sector.

So, while I am very supportive of the Port's interest in purchasing agricultural land, I could not be more opposed to the purchase of the Short property in Chimacum Valley. Though it is a large contiguous ownership, the vast majority of it is poorly suited to most agricultural uses. The flooding of most of the property is well known, and as the NOSC study linked in the project page details, the geomorphic patterns and topography are far better suited to riparian restoration than the long history of attempts to drain it to render it usable for grazing.

Another link included in the project page (thank you for providing the background information in such an easy to access format) provides information on the conservation easement. In spite of the \$800,000 that the Shorts received in exchange for that easement that precludes development on acreage that wouldn't have been developable anyway, the reach of Chimacum Creek that runs through the easement is notably one of the most degraded in the entire watershed. Even with just a windshield survey one can see that this reach of Chimacum Creek suffers from the failure on the part of the owner to participate in planting and other stream restoration efforts (vs drainage efforts) that have taken root throughout in the watershed in the past 20 years. In addition, soil compaction and erosion from decades of excessive grazing pressure is easily seen in winter months when surface water is seen clearly only on the Short side of the Finnriver/Short property line.

If the Port intends to leverage its assets on behalf of local farmers, producers, and value added manufacturing, I would hope that it wouldn't select a "Charley Brown Christmas Tree" that stands out not for its assets but for its liabilities. While the Short reach of Chimacum creek *is* in desperate need of a focused effort to restore floodplain ecologic values, I don't believe that the Port is the agency that is best suited to address that; and while an admirable objective, it seems like quite a stretch of interpretation of the Port's mission.

Since the Shorts are willing to sell, has the Port looked into their property in Beaver Valley? While it isn't as large as the Chimacum holding, the lack of flooding enables the entire parcel to be used for agricultural activities, and the lack of a restrictive easement would facilitate greater flexibility in use. And how extensive has the Port's search for suitable land been? I hope there has been a methodical query and that the Short option hasn't been simply pitched to the Port by interested parties. I suspect that there might be any number of owners of agricultural land around the county who would be delighted to know that there is an interested buyer out there. Maybe some of them have already contacted the Port; I am concerned that the Short possibility may appear to be a done deal.

I hope that you hear from farmers who can help you to understand how limiting the soils and the topography are on the Short farm; I hope you read the stories of the Shorts resistance to Environmentally Sensitive Area designations, citing them as a 'taking' in the local property rights battle; I hope you see that letting somebody else buy the property will likely result in the new property owner embracing the restoration of floodplain forests, beaver-created water bodies, fish rearing pools, and off channel features. Jefferson County taxpayers would be much better served by the Port looking at a different (even if smaller), higher quality, historically well-managed agricultural opportunity. Please pull the plug on this option and look elsewhere.

Sincerely,  
Janet Welch

## Joanna Sanders

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**From:** Janet and/or Willi <aloha@olympus.net>  
**Sent:** Friday, January 20, 2023 11:46 AM  
**To:** Public Comments  
**Subject:** Short proposal

(I'm glad the link is working now. I hope that you are able to retrieve the emails that used the flawed link.)

Dear Commissioners,

I would like to summarize some of the many thoughts that came up at the special meeting:

### Process

It came out at the public meeting that the idea was generated 'over the tailgate' in a discussion between a Port Commissioner and Roger Short. It was described, as I recall, as 'a way to help Roger out since he wanted to retire and sell the property'. Mr. Toews would know better than I, but I suspect that the process being followed for the Port to use millions of taxpayer dollars to 'help out a neighbor' would be considered inappropriate, at the very least. It would be quite different--and well considered-- if the tailgate discussion led to the idea that the Port could get involved in helping the local agricultural economy, and that idea was taken back to the Boardroom and discussed as a general concept, followed by a methodical discussion of a process, beginning with brainstorming of what the Port might want to use land for, and only then initiating a thorough search for suitable land. The public record shows the process flaws began early on and continue in the form of an unrealistic decision timeline. Unfortunately those process flaws cannot be adequately mitigated at this point, in spite of the wise decision to host a very informative special meeting of the Commission. Even extending the date of a decision would neither remedy the clearly stated preferential treatment given to one landowner by the Port nor bring clarity to the suitability of that ownership for the Port's (as yet undetermined) purposes.

A Port Commissioner said that the Port's purchase of the property would prevent somebody 'from Palo Alto' from buying it. Looking at recent purchases of acreage it appears to me that the newcomers are deeply committed to practicing agriculture while embarking on large scale restoration of degraded reaches of our watersheds. It is a slap in the face to those people that we should consider outsiders a threat to productive and sensitive utilization of land.

Finally, the idea that the Port would close on a purchase while hoping, but not knowing, that it would be funded by the State Legislature seems absolutely reckless. This process is unsalvageable.

### Suitability for agriculture

Virtually every speaker at the meeting supported the idea of the Port owning agricultural land and making land and resources available to startup and existing farming ventures. Kudos to the Commission for considering the concept.

However, the primary advantage of the Short property described by staff was the size of the contiguous ownership, it being large enough for hay and beef production. Aside from the person who is leasing adjacent property (and who advocated the Port's acquisition because he would like to lease it) most of the types of agricultural uses and resources mentioned by the public would not be possible on the Short property. As one person stated "There is no limit to the imagination, the limit is to possible uses". Indeed! Those limits are extensive. The long period of seasonal inundation and the even longer period of saturated soils (which prevent spring plowing and/or spring grazing) do not lend themselves to

field crops. The lack of available space in the building envelopes and limited suitability for septic installation would severely restrict the scale and type of potential uses such as processing, agricultural startups and other farmworker endeavors, or even farmworker housing. Conversely, there are many areas in the county that would be suitable for many of these uses, possibly including the Port's own properties. The economic potential of the Short property is clearly less than other, albeit smaller, parcels for a number of reasons.

### Drainage Woes

The elephant in the room made itself visible near the end of the comment period when a couple of speakers noted the need for a long sought after watershed-scale drainage 'remedy'. One speaker said "Don't fight this battle against flooding" and went on to give suggestions as to how to fix the bigger problem, which was to remove trees and vegetation from Chimacum Creek! Many of the attendees cheered this sentiment. The drainage district activities (e.g. dredging and channelizing of Chimacum creek and installing drain tiles in the fields) in the past century did reduce flooding of the fields for a few decades. But as the NOSC report clearly documents, the natural state of that reach of the Chimacum Creek watershed is to be NOT well drained, with geomorphology and topography suited for fish and wildlife habitat, not agriculture.

Clearly, there are many people who see the Port as a powerful entity who could, and should, champion their cause for re-invigorating a large scale drainage effort throughout the watershed. It was both inferred and spoken to directly at the meeting. However, there are many individuals, organizations, and departments who think otherwise. They did not express that side of the issue at the meeting. Purchase of the Short property would put the Port squarely in the agricultural drainage crosshairs of the Property rights vs fish conflict. Besides being an undesirable place to be, I would think that the goal of getting funding through legislative action would very much be at risk as legislators learn the habitat risks associated with the proposal.

### Fear to speak up

Many people I've talked to have said that they can't understand why the Port would consider a piece of property that is so obviously hampered by topography, flooding, and lack of upland acreage. I was surprised that that same sentiment wasn't expressed at the meeting (other than by me). I began to understand when the person sitting next to me, whom I don't know other than that she said she lived and farmed in the valley, said that she was very opposed to the selection of the Short property. I asked her if she was going to say anything and she looked around the room and, as if she would be tainted by simply talking to me, said that she couldn't say anything. Having experienced a vocal disruption by Roger Short during my presentation, I'm guessing that a lot of people may be unwilling to publicly express their opposition to this proposal. I was pleased that the meeting wasn't antagonistic, but I am concerned that the Port didn't hear from the many people who feared saying anything, e.g. the person next to me, opting to maintain peace with friends, family, and their neighborhood.

In summary, we have heard clearly and repeatedly that access to land and availability of infrastructure are the biggest barriers to farmers. The port is well positioned to address these needs. You have a good idea, you have the institutional capacity, and you see possibilities that others have not acted on, but I urge you to pull the plug on this proposal and start over with a defensible and productive process that will remove those known barriers and creatively address other ones.

Sincerely,

Janet Welch

**From:** [Haley Olson-Wailand](#)  
**To:** [Public Comments](#)  
**Subject:** Short's Farm  
**Date:** Wednesday, January 18, 2023 9:13:04 AM

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Hello Port Commissioners,

Thank you for putting on the meeting at the Grange last night. It was interesting to hear different perspectives and ideas on what could be possible at the Short's farm if the port proceeds with the purchase. What seemed to be somewhat missing from the conversation was the input from mid sized producers who are actively farming in the valley and would be positioned to take on initial management of the farmland.

The Short's farm on account of the hydrology could reasonably be split into two zones. The wetter ground would most likely want to remain as perennial pasture that could be cut for silage and hay as well as summer pasture. Remaining in cover would minimize soil washing into the creek during flood season. I believe this ground can grow multiple cuttings of quality hay without irrigation. The drier fields (sprinkler field) could be managed for higher return specialty crop production. Most of this production is tillage based so not necessarily suited for the wetter fields. Prime well drained valley soils with irrigation capabilities are rare in Chimacum. These areas, especially if the port is maintaining the pumps and ponds, could be leased at more of a premium.

Dharma Ridge farm is currently farming organic specialty crops at the Boulton farm and a section of Glendale farm. We are actively looking for a third sight between 10-40 acres to accommodate crop rotation so would be poised to take on a lease for the coming season. Maintaining management of the farm over the initial transition seems key. Longer term infrastructure improvements that would directly and immediately benefit us would be refrigeration potentially leased by the pallet space with loading dock and truck access. Having distribution able to pick up at the farm would save a huge amount of hauling of product back to our facility at the Boulton farm. This may also give other growers an opportunity to work with a wider distribution network to reach our wider regional community. Their are obvious logistical and management challenges to all of this ranging from drainage to crop and soil pest and disease management to mechanical systems operations to organic and food safety certifications that are required by distributors. These requirements seem to be attainable especially with leadership of the port as an entity with the resources equipped to navigate the various aspects of management of the Short's farm.

I would like to schedule a short meeting to talk about these items in person if possible. My number is 360-302-0143 or email at [info@dharmaridgedefarm.com](mailto:info@dharmaridgedefarm.com).

Thanks again,  
Zach Wailand  
Dharma Ridge farm

Sent from my iPhone



# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	January 25, 2023
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	VII. B. November 2022 YTD Financials
<b>STAFF LEAD</b>	Abigail Berg, Director of Finance
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Staff Information Memo</li> <li>2. November Financials</li> <li>3. Notes</li> </ol>

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 1/18/2023  
**TO:** Commission, Executive Staff  
**FROM:** Abigail Berg, Director of Finance & Administration  
**SUBJECT:** November 2022 Financial Report

Attached is the November YTD 2022 financial report of Port activities. This is a consolidated report that shows the variance between the current period as compared to the prior year and the variance to budget year-to-date. The following is additional information not included in the attached financial report, but key in fully understanding the Port's financial status:

2022 YTD Project Expenses	Budget	Year-to-date
PH Replacement of North & South Jetties	\$ 6,000,000	\$ 3,645,454
Dock Renovations & Piling Replacement	200,000	0
BH Main Breakwater Repairs	350,000	1,512
PH Pavilion Bldg. Remodel <sup>(a)</sup>	148,434	173,339
FEMA – Yard Stormwater Materials Replacement <sup>(b)</sup>	0	2,537
FEMA – City Dock <sup>(b)</sup>	0	24
FEMA – JCIA Hangar Repair	80,000	104,284
Reconstruct Old Coast Guard Building	191,250	215,082
AWOS – Replace Present Weather Sensor	30,000	26,884
FEMA - BH Marina Pavement Repair <sup>(b)</sup>	0	96,052
NORTH Yard Expansion (Sims Way)	450,000	66,435
WEST Yard Expansion (by Shipyard)	100,000	28,001
BH Stormwater Treatment	2,650,000	6,183
Gardiner Boat Ramp Renovation	0	73,669
Sperry Bldg. #4 – ACI (was Dave's Mobile Welding) <sup>(c)</sup> <b>(completed)</b>	50,000	15,061
Sperry Bldg. #6 – Pete's Marine <sup>(c)</sup> <b>(completed)</b>	50,000	15,722
JCIA – 2 <sup>nd</sup> Connector Taxiway Design	90,000	11,200
Quilcene Restoration Program <sup>(d)</sup>	100,000	5,821
Clean Vessel Build – WA State Parks & Recreation	0	35,000
<b>Total Capital Expenses YTD</b>	<b>\$ 10,389,684</b>	<b>\$ 4,522,260</b>

### Non-Capital use of funds

DNR – Vessel Destruction	<u>\$ 47,072</u>
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### 2022 Capital Purchases or Contracted Capital Services

Equipment/Vehicle replacement (total \$818,000)		
Kendrick Equipment, Inc. (final on 75-Ton lift)	\$ 398,000	\$ 403,338
Northsound Auto Group, LLC (3 RAM trucks)	90,000	86,704
Auxiliary Vehicles (2 Gators for the Yard)	30,000	26,573
Hydraulic Lift Trailer (transporter)	300,000	0
XPRT Jet – Sign Machine	0	18,089
Pape – Forklift for Yard <sup>(a)</sup>	0	83,331
Auxiliary vehicle cabs (2)	0	15,396
Small Capital Projects	50,000	

BH Enviro Center Fob system <sup>(b)</sup>	0	21,535
PH Enviro Center Fob system <sup>(b)</sup>	0	13,356
PH RV Park 3 Phase Power <sup>(b)</sup>	0	19,626
PH Offices – Heat Pump installation	0	16,500
Land Acquisition – for <b>WEST</b> Yard Expansion (by Shipyard) <sup>(e)</sup>	0	147,914
Total Capital Purchases or Contracted Capital Services YTD	<u>\$ 868,000</u>	<u>\$ 852,362</u>

Notes:

- (a) Project budgeted for 2021 and carried over into 2022 due to supply chain back logs.
- (b) FEMA - Not in the 2022 budget since the event or idea either hadn't occurred, or the certainty of the grant hadn't been determined. Small Capital Projects – unidentified at the time of budget adoption November 2021.
- (c) Two (2) Sperry buildings per year were budgeted for several years and the estimated total cost was \$100,000 annually. The true cost allocated per building is subject to each particular building's capital improvement needs.
- (d) This changed to a more specific project, Herb Beck Marina Dredge, during the 2023 budget process. The amounts spent in 2022 are towards that project which is also included in the 2023 capital budget.
- (e) Not in the 2022 "capital" budget since it is not a capital project, nor is it an operating expense, and WEST Yard Expansion Land Acquisition was expected to close by 12/31/21 but was delayed.

Ending Cash Balances as of November 30	2022	2021
Reserved Cash & Investments – Other*	\$ 3,260,744	\$ 2,368,799
Reserved Cash & Investments – IDD	4,529,571	\$ 2,123,227
Unreserved Cash & Investments	972,730	\$ 2,424,152
Total Cash & Investments	<u>\$ 8,763,045</u>	<u>\$ 6,916,178</u>

\*Other Reserves detail:

	<u>Current balance</u>	<u>Target balance</u>
Unemployment Reserve	\$ 10,000	na
Operating Reserve (a)	1,181,716	\$ 1,470,609
Boat Haven Renovation Reserve (b)	442,397	na
Emergency Reserve	500,000	\$500,000
Port-Wide Capital Reserve (c)	<u>1,126,631</u>	na
Total Other Reserves	<u>\$ 3,260,744</u>	

- (a) The target for the Operating Reserve is 25%, or three (3) months, of operating expenses, per current budget. 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 did not set a target for this reserve.

Debt Service for the Year

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

June 1 – interest only	\$ 80,744	<b>PAID</b>
December 1 – principal and interest	400,744	

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

July 1 – principal and interest	520,600	<b>PAID</b>
December 31 – interest only	<u>23,250</u>	
Total Debt Service for the year	<u>\$ 1,025,338</u>	

**Remaining Debt for years 2023-2029**

2010 LTGO Bond – principal and interest	\$ 3,329,550	payoff December 2029
2015 LTGO Bond – principal and interest	<u>1,620,800</u>	payoff July 2025
Total	<u>\$ 4,950,350*</u>	

*\*Port staff hopes to extinguish all debt obligations two years early in 2027.*

**2021 LTGO Line of Credit (LOC)**

November 2022	1 <sup>st</sup> draw to pay Orion Construction	\$2,633,967
---------------	--	-------------

The 2021 LTGO has debt repayments due in March, and September each year until the end of the bond term, March 1, 2027. This debt instrument serves as a bridge between project expenditure payments, grant reimbursements, and reconciliations with the IDD. As of 12/31/2022, a debt service amortization schedule was prepared by the County Treasurer, though the Port plans to re-pay prior to the schedule outlined in the bond issuance. There are no penalties for pre-payment. The interest rate on the LOC is 1.55% through March 1, 2025, and goes to 1.65% thereafter through the end of bond term.

**DISCUSSION**

As requested by Commission.

**FISCAL IMPACT**

NA

**RECOMMENDATIONS**

For discussion only.

**Port of Port Townsend**  
**2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget**

	YTD Nov. 2021	YTD Nov. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
<b>OPERATING REVENUES</b>						
Boat Haven Moorage	1,773,849	1,850,088	76,239		1,386,462	463,626
Yard Operations	2,195,618	2,483,011	287,394		1,511,208	971,803
Boat Haven Properties	749,449	833,847	84,398		559,451	274,396
Pt. Hudson Marina, RV & Prop	1,590,751	1,473,110	(117,641)		1,092,508	380,602
Quilcene	160,911	162,038	1,126		114,349	47,689
Ramps	52,047	47,772	(4,275)		50,243	(2,471)
JCIA	153,078	170,212	17,134		109,659	60,553
(Incr.)/Decr. In Accounts Receivable	(55,855)	32,161	88,016		-	32,161
<b>Total Operating Revenues</b>	<b>6,619,848</b>	<b>7,052,240</b>	<b>432,391</b>	<b>a</b>	<b>4,823,880</b>	<b>2,228,360</b>
<b>OPERATING EXPENDITURES</b>						
Salaries & Wages	2,141,626	2,433,431	291,805		2,441,089	(7,658)
Payroll Taxes	216,685	253,960	37,275		263,145	(9,185)
Employee Benefits	745,098	761,637	16,539		832,380	(70,743)
Uniform Expense	6,110	14,111	8,002		9,678	4,433
Contract Services	256,278	239,329	(16,949)		283,214	(43,885)
Legal & Auditing	72,178	50,728	(21,449)		46,246	4,482
Insurance	365,552	453,023	87,471		410,000	43,023
Facilities & Operations	612,500	924,152	311,652		524,684	399,468
Utilities	516,127	555,001	38,874		520,066	34,935
Marketing	46,878	57,252	10,374		63,648	(6,396)
Economic Development	15,000	30,000	15,000		30,000	-
Travel & Training	8,994	27,709	18,714		27,684	25
Community Relations	3,997	1,276	(2,722)		6,965	(5,689)
<b>Total Operating Expenditures</b>	<b>5,007,023</b>	<b>5,801,609</b>	<b>794,586</b>	<b>b</b>	<b>5,458,799</b>	<b>342,810</b>
<b>Net Operating Income (Expense)</b>	<b>1,612,825</b>	<b>1,250,631</b>	<b>(362,194)</b>		<b>(634,919)</b>	<b>1,885,550</b>
<b>Other Increases in Fund Resources</b>						
Deposits & Retainage Collected	104,995	46,427	(58,568)		57,378	(10,951)
Taxes Collected	623,034	659,034	36,000		440,746	218,288
Capital Contributions/Grants	413,082	131,512	(281,571)		2,500	129,012
Debt Proceeds - Line of Credit	-	2,633,967	2,633,967		-	2,633,967
Interest	52,416	126,179	73,763		17,688	108,491
Property & other taxes	2,741,783	3,880,469	1,138,686		2,245,671	1,634,798
Misc Other Incr. in Fund Resources	55,514	122,573	67,059		12,733	109,840
<b>Total Other Incr. in Fund Resources</b>	<b>3,990,824</b>	<b>7,600,162</b>	<b>3,609,338</b>	<b>c</b>	<b>2,776,716</b>	<b>4,823,446</b>
<b>Other Decr. In Fund Resources</b>						
Deposits & Retainage Paid	22,229	97,798	75,570		33,061	64,737
Taxes Remitted	668,035	705,368	37,333		644,882	60,486
Debt Principal & Interest	852,009	601,344	(250,665)		601,344	-
Debt Mgmt, Issuance & Misc Exp	60,280	50,501	(9,778)		1,190	49,311
Election Expense	-	17,561	17,561		2,000	15,561
<b>Total Other Decr. In Fund Resources</b>	<b>1,602,552</b>	<b>1,472,572</b>	<b>(129,981)</b>	<b>d</b>	<b>1,282,477</b>	<b>190,095</b>
<b>Net Incr./(Decr.) in Fund Resources</b>	<b>2,388,272</b>	<b>6,127,590</b>	<b>3,739,318</b>		<b>1,494,239</b>	<b>4,633,351</b>
<b>Net Income (Expense)</b>	<b>4,001,097</b>	<b>7,378,221</b>	<b>3,377,124</b>	<b>e</b>	<b>859,320</b>	<b>6,518,901</b>

The accompanying notes and info. memo are an integral part of this statement.

Summary of Fund Resources Uses, November 2022

Port of Port Townsend  
Notes to 2022 Summary of Fund Resources & Uses report  
As of November 30, 2022

- (a) Overall, Operating Revenues increased by 6.5%, or \$432,391 when compared to 2021. When compared to budget, Operating Revenues are up by 11%, or \$694,760. In both instances, the bulk of this increase is related to the Yard (13% increase, or \$287,394, when compared to 2021, and 20% increase, or \$411,332 when compared to budget), as well as the paydown of accounts receivable which is a \$88,016 increase when compared to 2021.
- (b) Overall, Operating Expenses increased by 16%, or \$794,586, when compared to 2021. However, when measuring performance against budget, Operating Expenses YTD are more by only 6.3%, or \$342,810, which is less than ½ the year-to-year variance. Most line items are close to or under budget; the areas with the largest amounts over budget are Facilities & Operations, Insurance, and Utilities. Detail on the Facilities and Operations category can be seen on the detailed report in the Informational Items section of the Commission packet. There one can see that Repair/Maintenance is the highest number over budget (\$206,801), followed by a close tie between Equipment Rental/Purchase (\$49,383), and Bank Charges (\$47,076), followed by Fuel & Lubricants (\$30,739), and Operating Supplies (\$23,800). Insurance is over budget by \$43,023, and Utilities are over budget by \$34,935.
- (c) Total Other Increases in Fund Resources increased by 90.4%, or \$3,609,338, when compared to 2021. The most significant portion of this increase is the 2021 LTGO Line of Credit (LOC) draw made to pay Orion Construction for the jetty project (pay estimate #02 for \$2,633,967), and most of the remainder is the increase the IDD levy collections (\$1,138,686). When comparing the current year to date to budget, we are also more than budget, 34% or \$1,909,645. This impact was also due to the 2021 LTGO LOC draw, but off-set by grant receipts not yet received.
- (d) Other Decreases in Fund Resources are less when compared to 2021 are less by 8%, or \$129,981. This is largely due to the final pay-off of the 2020 Line of Credit (LOC) in January 2021 in the amount of \$251,565. When comparing to YTD budget, this area is more by \$190,095, or 15%. These increases are largely due to increases in refunded deposits, “debt mgmt., issuance, & misc. expense”, and in taxes remitted. The “debt mgmt., issuance, & misc. expense” increase is largely due to the cost of crushing vessels for which the Port has received funding from DNR to cover (YTD grant receipts are \$85,887).
- (e) Overall, the difference in 2022 Net Income (Expense) when compared to 2021 is a \$3,377,124, or 84%, increase. This variance is due to the 2021 LTGO LOC draw of \$2.6m which increased cash, but isn’t a revenue. When eliminating that draw from the bottom line, the year-to-year variance is reduced to \$743,157 and is largely due to the IDD levy receipts. The same is true when comparing the Net Income (Expense) year to date to the budget, by reducing that variance (\$2,071,500) by the LOC draw of \$2.6m, the YTD activity is under budget by 10.6%, or \$562,467.

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	January 25, 2023
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	VII. C IDD Levy Financial Report, YTD Quarter 4, 2022
<b>STAFF LEAD</b>	Abigail Berg, Director of Finance and Administration
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ul style="list-style-type: none"> <li>• Info Memo</li> <li>• 2022 Qtr. 4 Levy to Date Report</li> <li>• Capital Projects Fundings Sources (from 2023 Budget)</li> </ul>

# PORT OF PORT TOWNSEND

## INFORMATIONAL MEMO

**DATE:** 1/20/2022  
**TO:** Port Commission  
**FROM:** Abigail Berg, Director of Finance & Administration  
**SUBJECT:** IDD Levy Financial Report, YTD Qtr. 4, 2022

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### **ISSUE**

Provide a report to the Commission.

### **BACKGROUND/DISCUSSION**

Per RCW 53.25, port districts are authorized to adopt an Industrial Development District (IDD) levy for the redevelopment of lands in an IDD designated area. The IDD Levy was adopted by the Commission via resolution 698-19 after a vote of the people approved it in the November 2019 election and includes all three districts of Jefferson County.

The purpose of this report is to keep the Commission apprised of the Industrial Development District (IDD) receipts and authorized capital expenditures activity during the term of the levy. It includes the annual budgeted tax receipts and capital project expenses as well as the actual year-to-date tax receipts and capital project expenses since the inception of the levy. In addition, we have included the running total of the estimated remaining levy amount that may be taxed, the annual millage rate, and the reserve fund balance as of the date of the reported quarter's reconciliation transfer.

Monthly IDD-funded capital expenses are paid from the Port's general fund, but the general fund is not reimbursed from the IDD reserve until the quarterly reconciliations are prepared and executed. When the quarter-end reconciliation is created and the transfer (reimbursement) is made to the general fund, those figures are entered into this report and reported to the Commission.

For reference, attached is a copy of the list of projects slated for funding via the IDD Reserve in the 2023 Capital Budget (2023-2027).

### **FISCAL IMPACT**

The report shows the income, expenditures, and current balance of the IDD Reserve fund. The largest project planned for this year is the Point Hudson Jetty replacement, a 2-year phased project, that is approximately 2/3 of this year's capital budget and partially funded by the IDD; however, with the grant funding we will not have to access IDD funds until next year. The Sperry buildings capital maintenance work is completed for the year, and the Reconstruction of the Old Coast Guard building project is coming along but waiting for a permit to finish with the new relocation's foundation, utilities, and subsequent movement of the building in 2023. Other projects funded by the IDD in 2022 include the North Yard Expansion project, the BH Stormwater Compliance Upgrade project, and the Herb Beck Marina Dredge project.

### **RECOMMENDATION**

NA



**IDD Tax Levy Activity**  
as of end of Quarter 4, 2022

*Details: This report provides the current quarter-to-date IDD capital expenses authorized to be funded by the IDD levy. It also includes the IDD levy receipts, quarter-to-date, and fund transfers made one month subsequent to quarter end, to reconcile capital work.*

Approved by voters November 5, 2019

First year of collection 2020

Base Year AV 2019

Annual maximum millage rate per \$1,000

total estimated IDD Levy (updated Jan. 2022)

\$ 5,988,145,402
\$ 0.45
\$ 16,878,967

Annual millage rate

\$ 0.13

\$ 0.26

\$ 0.26

Total Received since start of levy (a)

\$ 797,610

\$ 2,439,350

\$ 5,271,836

Estimated remaining balance to tax

\$ 16,069,613

\$ 14,435,324

\$ 11,801,035

	2020 (b)		2021		2022	
Revenues	annual budget	total for year	annual budget	total for year	annual budget	ytd actual
<b>Total IDD Revenue (a)</b>	<b>809,354</b>	<b>868,941</b>	<b>1,634,289</b>	<b>1,674,283</b>	<b>2,634,289</b>	<b>2,832,486</b>
<b>Capital Expenses</b>						
PH Replacement of North & South Jetties (c)	590,000	194,646	300,000	191,369	2,030,000	66,543
Boat Haven Linear Dock Electrical (55%)	30,050	22,899	-	-	-	-
Main Stormwater Pump Station Repairs	-	-	100,000	53,497	-	-
Dock Renovations & Piling Replacement (c)	80,272	-	-	8,622	-	-
Sperry Bldgs. Capital Maintenance	-	-	70,000	30,117	100,000	30,783
Work & Boat Yard Electrical Design/Construction (c)	-	-	75,000	-	-	-
Quilcene Dredging Design	25,000	-	-	-	-	-
Reconstruct Old Coast Guard Bldg. (Moorage/Yard office)	-	-	15,000	4,396	191,250	215,146
<b>NORTHwest Yard Expansion (25-feet)</b>					250,000	66,586
JCIA Underground Fuel Tank Replacement	-	-	-	-	100,000	-
BH Dock Renovation & Piling Replacement	-	-	-	-	133,191	-
70/75 Ton & 300 Ton Yard Electrical Design	-	-	-	-	30,000	-
70/75 Ton & 300 Ton Yard Electrical Infrastructure	-	-	-	-	75,000	-
BH Stormwater Treatment Compliance Upgrade	-	-	-	-	661,500	6,334
Quilcene Restoration Program	-	-	-	-	100,000	-
Point Hudson Preservation (incl. roofs)	-	-	-	-	40,000	-
Quilcene Restoration (Herb Beck Dredge) (d)	-	-	-	-	100,000	36,474
<b>total IDD Capital Expenses</b>	<b>725,322</b>	<b>217,545</b>	<b>560,000</b>	<b>288,001</b>	<b>3,810,941</b>	<b>421,866</b>
<b>Unused Current Year Remaining Levy</b>	<b>84,032</b>	<b>651,396</b>	<b>1,074,289</b>	<b>1,386,282</b>	<b>(1,176,652)</b>	<b>2,410,620</b>
<b>Ending IDD Reserve Account Balance</b>		<b>651,396</b>		<b>\$ 2,037,679</b>		<b>\$ 4,448,299</b>

**Notes:**

(a) "Total Received since start of levy" reports only IDD levy receipts. When compared to the "Total IDD Revenue" line in the Actual column, the actual is higher because it includes other taxes receipted as the result of the adopted levy, i.e. State Timber Tax, etc.

(b) A budget for IDD Levy funding use was not developed in the original 2020 budget since the election results were not certified until after budget adoption. The voters did pass the IDD Levy referendum and on April 22, 2020, Port staff presented the Commission with a proposed budget for the 2020 IDD Levy capital expenditures. This was later revised several times during 2020.

(c) At the June 23, 2021 Commission meeting, an updated CIP budget for 2021 was approved. The Point Hudson Jetty project expense was increased from \$226,700 to \$300,000 due to permitting costs. The Dock Renovation & Piling Replacement project was removed from the 2021 budget, though expenses had already been incurred. The Work & Boat Yard Electrical Design project was increased from \$30,000 to \$75,000 to include Construction.

(d) When the 2022 capital budget was adopted in November 2021, the Port had yet to identify which capital projects may commence in 2022; this was a placeholder. In 2022, it was confirmed the marina needed dredging and would be funded by the IDD levy.

## Port of Port Townsend 2023 Operating &amp; Capital Budget

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## Capital Funding Sources, page 2

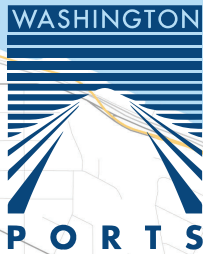
<b>FUNDING SOURCES</b>	<b>note</b>	<b>2023 estimate</b>	<b>2024 estimate</b>	<b>2025 estimate</b>	<b>2026 estimate</b>	<b>2027 estimate</b>	<b>Total 5 year estimate</b>
<b>IDD LEVY RESERVE</b>							
PH North & South Jetties Replacement							-
<i>Construction</i>		(2,925,000)	(1,450,000)	-	-		(4,375,000)
Fuel System Improvement							
<i>Phase 1 Design (match to FAA BIL funds)</i>		(10,000)	-	-	-	-	(10,000)
<i>Phase 2 Construction (Match to FAA BIL funds)</i>		-	(56,000)		-	-	(56,000)
Port Wide - Piling Replacement		(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(750,000)
Sperry Buildings Capital Maintenance (estimated 2 buildings/year)		(50,000)	(50,000)	(75,000)	-	-	(175,000)
70/75 Ton & 300 Ton Yard Electrical Upgrades		-	-	(100,000)	(100,000)	(100,000)	(300,000)
Northwest Boat Yard Expansion (along Sims Way)		(104,000)	(450,000)	-	-	-	(554,000)
BH Stormwater Treatment Compliance Upgrade		(111,955)	(549,545)	-	-	-	(661,500)
BH Linear Dock Replacement		(85,000)	(144,604)	(765,000)	(815,513)	-	(1,810,117)
BH Navigation Channel Marina Dredging		(25,000)	(25,000)	(25,000)	(550,000)	-	(625,000)
Moorage/Yard Office		(150,000)	-	-	-	-	(150,000)
Maintenance Storage Building/County Building relocate		-	(200,000)	-	-	-	(200,000)
Mats Mats Bay Facilities & Boat Ramp Rehab		(30,000)	-	-	-	(300,000)	(330,000)
Quilcene Ramp Upgrade ( <i>match to unsecured RCO funds</i> )		-	-	(250,000)	-	-	(250,000)
Quilcene Bathroom Remodel ( <i>match to unsecured RCO funds</i> )		-	(20,000)	(180,000)	-	-	(200,000)
Quilcene Marina Dredging ( <i>match to unsecured RCO funds</i> )		(20,000)	(80,000)	(650,000)	-	-	(750,000)
PH Building Preservation (including roofs)		(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(2,250,000)
PH Pavement Preservation (Grind & Overlay)		-	-	-	(500,000)	-	(500,000)
Renovate Port Owned Hangars ( <i>match to FAA BIL Funds</i> )		-	-	-	-	(22,000)	(22,000)
<b>TOTAL PROJECTED IDD LEVY FUNDS USE</b>		<b>(4,110,955)</b>	<b>(3,625,149)</b>	<b>(2,645,000)</b>	<b>(2,565,513)</b>	<b>(1,022,000)</b>	<b>(13,968,617)</b>

# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	January 26, 2022
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
<b>AGENDA TITLE</b>	VII. E. WPPA Port Governance and Management Guide
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	1. Table of Contents WPPA Port Governance and Management Guide

Should the Commission read and discuss at each monthly workshop topic a Chapter of WPPA Association Port Management and Governance Guide.



# WASHINGTON PUBLIC PORTS ASSOCIATION

## Port Governance and Management Guide

A comprehensive, practical handbook to assist port commissioners and senior staff as they govern, manage, and operate Washington State's public ports.

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# PORT OF PORT TOWNSEND

## AGENDA COVER SHEET

<b>MEETING DATE</b>	January 25, 2023
<b>AGENDA ITEM</b>	<input type="checkbox"/> Consent <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
<b>AGENDA TITLE</b>	Informational Items
<b>STAFF LEAD</b>	Eron Berg, Executive Director
<b>REQUESTED</b>	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
<b>ATTACHMENTS</b>	<ul style="list-style-type: none"><li>• Port Contracts Update</li><li>• November Year to Date Financial Detail</li></ul>

## PORT OF PORT TOWNSEND INFORMATIONAL MEMO

**DATE:** January 20, 2023

**TO:** Commissioners

**FROM:** Sue Nelson, Lease & Contracts Administrator

**CC:** Eron Berg, Executive Director

**SUBJECT:** **January 25, 2023, Commission Meeting** – Commission Update: New/Amended Contracts Under \$100,000, Approved by Executive Director Eron Berg, per Delegation of Authority Resolution No. 786-23

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Name	Dates	Description	Amount Not to Exceed:
ZOOM	1/13/2023, recurring annual renewal	Cloud recordings, webinars	\$3,469.00



**Port of Port Townsend**  
**2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget**

	YTD Nov. 2021	YTD Nov. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
<b>OPERATING REVENUES</b>						
PTBH - Permanent Moorage	1,114,020	1,170,367	56,347		1,149,544	20,823
PTBH - Liveaboard Fee	19,995	19,119	(876)		21,641	(2,522)
PTBH - Liveaboard Background Check	60	480	420		-	480
PTBH - Work Float/Lift Pier Usage	15,182	7,674	(7,507)		4,756	2,918
PTBH - Monthly Guest	212,612	250,549	37,937		283,200	(32,651)
PTBH - Nightly Guest	281,975	289,414	7,439		276,915	12,499
PTBH - Electric	91,282	88,204	(3,078)		101,318	(13,114)
PTBH - Miscellaneous Revenue	20,890	6,238	(14,652)		16,425	(10,187)
PTBH - Showers	8,739	8,961	222		9,594	(633)
PTBH - Restroom Key Fobs	195	430	235		4,641	(4,211)
PTBH - Laundry	7,159	7,248	89		7,031	217
PTBH - Promotional Sales	257	192	(65)		307	(115)
PTBH - Kayak Racks	54	1,276	1,222		-	1,276
PTBH - Port Labor	1,431	(63)	(1,494)		272	(335)
Boat Haven Moorage	1,773,849	1,850,088	76,239		1,875,644	(25,556)
Yard - 70/75 Ton Hoist Revenue	328,360	347,258	18,899		313,397	33,861
Yard - 70/75 Ton Yard Revenue	870,286	1,068,286	198,000		747,725	320,561
Yard - 70/75 Ton Yard Enviro Fee	69,579	71,553	1,975		64,670	6,883
Yard - 70/75 Ton Yard Electric	39,397	43,956	4,558		40,079	3,877
Yard - 70/75 Ton Yard Port Labor	5,707	12,748	7,041		3,609	9,139
Yard - 300 Ton Hoist Revenue	200,041	218,520	18,480		207,546	10,974
Yard - 300 Ton Yard Revenue	417,518	439,211	21,693		421,378	17,833
Yard - 300 Ton Yard Enviro Fee	13,418	18,031	4,613		12,415	5,616
Yard - 300 Ton Yard Electric	46,020	43,033	(2,988)		46,982	(3,949)
Yard - 300 Ton Yard Port Labor	2,486	8,556	6,070		3,440	5,116
Yard - L/T Storage	69,325	63,983	(5,342)		74,250	(10,267)
Yard - Blocking Rent	42,338	48,302	5,964		43,959	4,343
Yard - Off Port Property Tarp Fee	1,009	1,166	157		1,200	(34)
Yard - Washdown Revenue	81,672	92,390	10,719		80,335	12,055
Yard - Bilge Water Revenue	3,313	5,238	1,924		4,933	305
Yard - Liveaboard Fee	2,650	600	(2,050)		3,304	(2,704)
Yard - Enviro Violations & Clean up	1,300	(24)	(1,324)		918	(942)
Yard - Miscellaneous Revenue	1,200	203	(997)		1,539	(1,336)
Yard Operations	2,195,618	2,483,011	287,394		2,071,679	411,332
PTBH Prop - Lease Revenue	682,227	756,632	74,405		711,684	44,948
PTBH Prop - Fuel Dock Lease	19,060	19,187	127		19,472	(285)
PTBH Prop - Garbage	25,414	3,243	(22,172)		23,813	(20,570)
PTBH Prop - Water	-	34,469	34,469		-	34,469
PTBH Prop - Stormwater	8,910	8,734	(176)		10,069	(1,335)
PTBH Prop - Electric	2,988	(276)	(3,264)		4,547	(4,823)
PTBH Prop - Storage Unit Revenue	10,228	11,109	880		10,490	619
PTBH Prop - Miscellaneous	623	675	52		-	675
PTBH Prop - Restroom Key Fobs	-	75	75		-	75
Boat Haven Properties	749,449	833,847	84,398		780,075	53,772
Pt Hudson - Permanent Moorage	145,088	104,232	(40,856)		119,392	(15,160)

The accompanying notes and info. memo are an integral part of this statement.

Summary of Fund Resources Uses, November 2022



**Port of Port Townsend**  
**2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget**

	YTD Nov. 2021	YTD Nov. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
Pt Hudson - Monthly Guest	107,913	93,274	(14,638)		72,454	20,820
Pt Hudson - Nightly Guest	245,664	198,897	(46,767)		172,727	26,170
City Pier & Union Wharf Usage	16,920	19,157	2,237		7,006	12,151
Pt Hudson - Monthly R.V.	61,755	70,220	8,464		48,541	21,679
Pt Hudson - Nightly R.V.	428,269	376,770	(51,500)		294,918	81,852
Pt Hudson - Kayak Racks	17,913	16,068	(1,845)		12,201	3,867
Pt Hudson - Electric	28,896	17,428	(11,468)		21,944	(4,516)
Pt Hudson - Reservation Fee	47,628	42,870	(4,758)		36,133	6,737
Pt Hudson - Liveaboard Fee	7,771	5,381	(2,390)		7,731	(2,350)
Pt Hudson - Liveaboard Backgrnd Ck	2,160	1,740	(420)		180	1,560
Pt Hudson - Showers	6,599	5,878	(721)		5,404	474
Pt Hudson - Laundry	10,118	7,891	(2,228)		7,565	326
Pt Hudson - Passenger Fee	19,544	20,595	1,052		13,334	7,261
Pt Hudson - Miscellaneous	2,907	5,983	3,076		950	5,033
Pt Hudson - Promotional Sales	531	1,246	715		660	586
Pt Hudson - Building Leases	387,815	403,515	15,701		393,085	10,430
Pt Hudson - Property Utilities	33,044	39,928	6,884		33,545	6,383
Pt Hudson - Event Facility Rev	949	26,396	25,447		3,000	23,396
Pt Hudson - Parking	19,267	15,643	(3,624)		17,700	(2,057)
Pt. Hudson Marina, RV & Prop	1,590,751	1,473,110	(117,641)		1,268,470	204,640
Quilcene - Permanent Moorage	62,889	62,034	(855)		53,554	8,480
Quilcene - Liveaboard Fee	2,671	-	(2,671)		-	-
Quilcene - Nightly Moorage	1,876	1,878	2		2,678	(801)
Quilcene - Showers	2,381	2,192	(189)		2,956	(764)
Quilcene - Electric	3,655	2,502	(1,152)		3,706	(1,204)
Quilcene - Key Fobs	-	350	350		-	350
Quilcene - Kayak Rack Storage	162	254	92		-	254
Quilcene - Reservations	352	198	(154)		495	(297)
Quilcene - Recreational Ramp Fees	11,150	11,572	422		11,518	54
Quilcene - Commercial Use Fees	2,200	5,030	2,830		2,200	2,830
Quilcene - Miscellaneous Revenue	184	609	425		77	532
Quilcene - Lease Revenue	60,364	64,458	4,095		63,617	841
Quilcene - Water	11,832	10,348	(1,484)		11,759	(1,411)
Quilcene - Empty Trailer Parking	1,196	612	(584)		972	(360)
Quilcene	160,911	162,038	1,126		153,532	8,506
Ramp Fees	42,511	39,649	(2,862)		50,933	(11,284)
PTBH Ramp - Commercial Use Fees	8,682	7,030	(1,652)		5,500	1,530
PTBH Ramp - Dinghy Float Revenue	854	1,093	239		1,177	(84)
Ramps	52,047	47,772	(4,275)		57,610	(9,838)
JCIA - Lease Revenue	109,779	124,265	14,486		112,684	11,581
JCIA - Hangar Revenue	31,675	35,813	4,137		32,589	3,224
JCIA - Vehicle Parking Revenue	736	800	64		409	391
JCIA - Aircraft Parking	1,343	1,391	48		862	529
JCIA - Fuel Lease Revenue	2,081	1,977	(104)		1,630	347
JCIA - Electric	1,331	1,220	(111)		1,296	(76)
JCIA - Miscellaneous Revenue	6,133	4,746	(1,387)		1,000	3,746

The accompanying notes and info. memo are an integral part of this statement.

Summary of Fund Resources Uses, November 2022

**Port of Port Townsend**  
**2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget**

	YTD Nov. 2021	YTD Nov. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
JCIA	153,078	170,212	17,134		150,470	19,742
(Incr.)/Decr. In Accounts Receivable	(55,855)	32,161	88,016		-	32,161
<b>Total Operating Revenues</b>	<b>6,619,848</b>	<b>7,052,240</b>	<b>432,391</b>	<b>a</b>	<b>6,357,480</b>	<b>694,760</b>
<b>OPERATING EXPENDITURES</b>						
Salaries & Wages	2,141,626	2,433,431	291,805		2,441,089	(7,658)
Payroll Taxes	216,685	253,960	37,275		263,145	(9,185)
Employee Benefits	745,098	761,637	16,539		832,380	(70,743)
Uniform Expense	6,110	14,111	8,002		9,678	4,433
Contract Services	256,278	239,329	(16,949)		283,214	(43,885)
Legal & Auditing	72,178	50,728	(21,449)		46,246	4,482
Insurance	365,552	453,023	87,471		410,000	43,023
Computer Supplies	19,014	26,008	6,994		11,000	15,008
Operating Supplies	72,882	107,715	34,833		83,915	23,800
Enviro Materials/Supplies	42,424	17,189	(25,235)		14,867	2,322
Tarp Pool Expense	24,857	35,824	10,967		26,333	9,491
Empl Recog/Relations	1,907	7,340	5,433		2,925	4,415
Postage	5,437	7,572	2,135		4,745	2,827
Janitorial Supplies	20,275	18,519	(1,756)		27,570	(9,051)
Fuel & Lubricants	31,167	57,736	26,569		26,997	30,739
Permits & Licenses	6,052	9,389	3,337		5,400	3,989
Equipment Rental & Purchase	23,339	76,278	52,940		26,895	49,383
Claims & Damages	1,136	8,334	7,198		1,515	6,819
Membership & Dues	34,345	32,724	(1,621)		34,816	(2,092)
Bank Charges	106,483	164,313	57,830		117,237	47,076
Excise Tax	28,630	26,257	(2,372)		16,903	9,354
Miscellaneous Expense	3,870	1,021	(2,850)		2,433	(1,413)
Repair & Maintenance Supplies	190,683	327,934	137,251		121,133	206,801
Facilities & Operations	612,500	924,152	311,652		524,684	399,468
Utilities	516,127	555,001	38,874		520,066	34,935
Advertising (Legal 2018)	4,661	11,219	6,559		5,267	5,952
Marketing	39,285	34,890	(4,396)		46,181	(11,291)
Promotion	2,932	11,143	8,211		12,200	(1,057)
Marketing	46,878	57,252	10,374		63,648	(6,396)
Economic Development	15,000	30,000	15,000		30,000	-
Travel & Training	8,994	27,709	18,714		27,684	25
Community Relations	3,997	1,276	(2,722)		6,965	(5,689)
<b>Total Operating Expenditures</b>	<b>5,007,023</b>	<b>5,801,609</b>	<b>794,586</b>	<b>b</b>	<b>5,458,799</b>	<b>342,810</b>
<b>Net Operating Income (Expense)</b>	<b>1,612,825</b>	<b>1,250,631</b>	<b>(362,194)</b>		<b>898,681</b>	<b>351,950</b>
<b>Other Increases in Fund Resources</b>						
Retainage Collected	1,970	12,456	10,486		-	12,456
Yard Deposits Collected	45,670	2,000	(43,670)		22,220	(20,220)
PTBH Prop Lease Deposits Collected	34,092	14,853	(19,238)		16,333	(1,480)
PH Prop Lease Deposits Collected	10,942	9,173	(1,769)		7,337	1,836
JCIA Prop Lease Deposits Collected	3,345	8,679	5,334		-	8,679

The accompanying notes and info. memo are an integral part of this statement.

Summary of Fund Resources Uses, November 2022

**Port of Port Townsend**  
**2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget**

	YTD Nov. 2021	YTD Nov. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
Quilcene Lease Deposits Collected	125	2,312	2,187		-	2,312
PH Marina/RV Deposits Collected	8,852	(3,046)	(11,897)		28,600	(31,646)
Deposits & Retainage Collected	104,995	46,427	(58,568)		74,490	(28,063)
Sales Tax Collected	91,215	90,861	(354)		72,401	18,460
Leasehold Tax Collected	522,833	561,784	38,951		529,771	32,013
Hotel/Motel Tax Collected	8,986	6,389	(2,596)		6,930	(541)
Taxes Collected	623,034	659,034	36,000		609,102	49,932
Grants - FAA	344,779	32,000	(312,779)		549,860	(517,860)
Grants - Fed. Indirect - RCO	-	13,625	13,625		-	13,625
Grants - WSDOT - JCIA	105	-	(105)		4,500	(4,500)
Grants - WA State & Jeff Co	68,198	85,887	17,689		670,000	(584,113)
Capital Contributions/Grants	413,082	131,512	(281,571)		1,224,360	(1,092,848)
Debt Proceeds - Line of Credit	-	2,633,967	2,633,967		-	2,633,967
ARRA Bond Interest Subsidy	49,427	32,951	(16,476)		32,000	951
Investment Interest	2,989	93,228	90,239		2,321	90,907
Interest	52,416	126,179	73,763		34,321	91,858
Operating Tax Levy	1,039,340	1,059,743	20,403		1,068,500	(8,757)
IDD Tax Levy	1,660,683	2,747,349	1,086,666		2,620,289	127,060
State Forest Revenues	2,839	20,126	17,287		9,000	11,126
State Timber Excise Tax	28,755	42,240	13,485		24,000	18,240
Leasehold Excise Tax	10,167	11,012	845		7,757	3,255
Property & other taxes	2,741,783	3,880,469	1,138,686		3,729,546	150,923
Finance Charges	19,917	94,616	74,699		17,803	76,813
Other Non-Operating Revenues	35,597	27,958	(7,639)		895	27,063
Misc Other Incr. in Fund Resources	55,514	122,573	67,059		18,698	103,875
<b>Total Other Incr. in Fund Resources</b>	<b>3,990,824</b>	<b>7,600,162</b>	<b>3,609,338</b>	<b>c</b>	<b>5,690,517</b>	<b>1,909,645</b>
<b>Other Decr. In Fund Resources</b>						
Retainage Paid	3,906	1,970	(1,937)		1,000	970
Yard Deposits Refunded	3,080	62,922	59,842		20,000	42,922
PTBH Prop Lease Deposits Returned	10,945	21,557	10,612		10,000	11,557
PH Prop Lease Deposits Returned	2,886	2,153	(733)		2,061	92
JCIA Prop Lease Deposits Returned	-	9,196	9,196		-	9,196
PH Deposits Refunded	1,411	-	(1,411)		-	-
Deposits & Retainage Paid	22,229	97,798	75,570		33,061	64,737
Sales Tax Remitted	90,659	86,570	(4,089)		67,220	19,350
Leasehold Tax Remitted	568,624	611,696	43,072		570,822	40,874
Hotel/Motel Tax Remitted	8,752	7,102	(1,650)		6,840	262
Taxes Remitted	668,035	705,368	37,333		644,882	60,486
Interest Pmt - 2010 LTGO Bond	87,719	80,744	(6,975)		80,744	-
Principal Pmt - 2015 LTGO Rfdg Bond	475,000	490,000	15,000		490,000	-
Interest Exp - 2015 LTGO Rfdg Bond	37,725	30,600	(7,125)		30,600	-
Principal Pmt - 2020 Line of Credit	250,000	-	(250,000)		-	-
Interest Exp - 2020 Line of Credit	1,565	-	(1,565)		-	-
Debt Principal & Interest	852,009	601,344	(250,665)		601,344	-
Bond Management Fees	1,014	1,141	128		750	391
Bond Issue Costs	9,300	-	(9,300)		-	-

The accompanying notes and info. memo are an integral part of this statement.

Summary of Fund Resources Uses, November 2022

**Port of Port Townsend**  
**2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget**

	YTD Nov. 2021	YTD Nov. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
Investment Fees	166	886	720		440	446
Other Non-Oper Exp	49,800	48,474	(1,326)		-	48,474
Debt Mgmt, Issuance & Misc Exp	60,280	50,501	(9,778)		1,190	49,311
Election Expense	-	17,561	17,561		2,000	15,561
<b>Total Other Decr. In Fund Resources</b>	<b>1,602,552</b>	<b>1,472,572</b>	<b>(129,981)</b>	<b>d</b>	<b>1,282,477</b>	<b>190,095</b>
<b>Net Incr./(Decr.) in Fund Resources</b>	<b>2,388,272</b>	<b>6,127,590</b>	<b>3,739,318</b>		<b>4,408,040</b>	<b>1,719,550</b>
<b>Net Income (Expense)</b>	<b>4,001,097</b>	<b>7,378,221</b>	<b>3,377,124</b>	<b>e</b>	<b>5,306,721</b>	<b>2,071,500</b>