

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, July 12, 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 Petranek and Hasse with Hanke excused
Executive Director Eron Berg
Deputy Director Eric Toews
Director of Finance and Administration Abigail Berg
Director of Capital Projects and Port Engineer Matt Klontz
Operations Manager Chris Sparks
Harbormaster Kristian Ferrero
Capital Projects Engineer David Nakagawara
Lease and Contracts Administrator Sue Nelson
Recorder Joanna Sanders

Via Zoom: Attorney Seth Woolsen

- I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (Rec. 00:00:09)
Commissioner Petranek called the meeting to order at 1:00 p.m.

Unanimous approval of motion that Commissioner Hanke's absence be excused.

- II. APPROVAL OF AGENDA (Rec. 00:01:19)
The agenda was approved by unanimous consent with the removal of Item E to regular business for Resolution #795-23, Authorizing Execution of Grant Agreements to Support the New Connector Taxiway A3 at the Jefferson County International Airport.

- III. PUBLIC COMMENTS – GENERAL (Rec. 00:02:44)
There were none.

- IV. SPECIAL PRESENTATION: Recognition of 10 Years of Service Donna Frary (Rec. 00:03:23)

Director of Finance and Administration Abigail Berg spoke of Donna Frary, the Port's Accountant - Payroll/Accounts Payable, and her years of experience, quality work, reliability, attention to detail, and her customer service skills.

- V. CONSENT AGENDA (Rec. 00:07:10)
- A. Approval of Minutes from June 14, 2023
 - B. Approval & Ratification of Warrants
 - Void of Warrant #065277 in the amount of \$31.73
 - Warrant #067035 through #067038 and electronic payments in the total amount of \$128,828.09
 - Warrant #067039 through #067093 in the amount of \$164,169.62
 - Warrant #067094 through #067099 and electronic payments in the total amount of \$249,633.50
 - Warrant #067100 through #067157 in the amount of \$88,351.32
 - Electronic payment in the amount of \$9,304.31
 - C. Resolution 793-23 Declaring Certain Items Surplus and Authorizing their Sale and/or Disposal of
 - D. Resolution 794-23- Modifying the amount of the Auditor's Revolving Fund
 - E. Accounts Receivable Write-Off Collection Register

The Consent Agenda was approved as written by unanimous consent. Director of Finance and Administration Abigail responded to Commissioner question about modifying the amount in the Auditor's Revolving Fund. There were also questions about the warrant expenses for the Daily Journal of Commerce, marine assist, and marine vacuum service.

- VI. SECOND READING - None
- VII. FIRST READING - none
- VIII. REGULAR BUSINESS (Rec. 00:12:29)

A. May 2023 Year-to-Date Financials (Rec. 00:12:29)

Director of Finance and Administration Abigail Berg noted the capital budget reporting format was changed to make it more understandable. Project expenses to date were \$2.3 million, which was primarily the jetty project. Under capital purchases, the Zodiac pro boat was purchased to replace the Munson boat which was retrofitted to be the pump out skiff. Cash and Investments increased by \$3.2 million and the Port's overall cash position is strong. As of May, there are no debt service obligations. Ms. Berg also led a review of the comparative year-to-date report.

Commission: There were requests for clarification about the first taxiway connector versus the taxiway A3 design and questions about JCIA expenses. Staff fielded questions and comments about vessel relocation during the jetty project and the notes versus expense on the FEMA storm damage. There were suggestions to have three columns with one showing the origin of funds and to increase launch ramp revenues with an ad "it's time to get your launch ramp passes."

B. Review and Approve 2024 Budget Schedule and Process (Rec. 00:41:40)

Director of Finance and Administration Abigail Berg reported the schedule remains the same with only the dates changing to reflect the current year. There was Commission interest in a future discussion of Strategic Planning.

There was unanimous approval to adopt the 2024 Budget Schedule as presented.

C. Resolution #795-23 Authorizing Execution of Grant Agreements with the U.S. Department of Transportation, Federal Aviation Administration, and Washington Department of Transportation Seeking Grant Funds to Support the New Connector Taxiway A3 at the Jefferson County International Airport, Assuring that it Will Comply with all Understandings and Assurances of Such Grant Agreement and Assuring Further that Local Matching Funds are Available and Authorized. (Rec. 00:45:29)

Director of Capital Projects and Port Engineer Matt Klontz presented the engineering document that programmed and planned the airport taxiway connector. The cost is more than originally estimated due to drainage challenges, but funding is secured to address those drainage issues.

Commission: There was a desire for a sustainable revenue stream at JCIA to fund required maintenance instead of using \$43,550 in Net Operating Income. Executive Director Eron Berg suggested either building an industrial park at the airport or building more rentable hangars. The Bipartisan Infrastructure Law (BIL) funding was earmarked for replacement of the fueling system next year, so it could not be used for the taxiway project.

Unanimous approval of a motion to approve Resolution #795-23 authorizing the Executive Director to execute and file such documents and agreements as may be necessary to secure funding assistance to support the New Taxiway Connector A3, Install Signs project construction.

D. Commission Authorization to Award Bid and Execute Contract for the New Connector Taxiway A3, Install Signs Project (Rec. 01:17:40)

Director of Capital Projects and Port Engineer Matt Klontz presented the staff report. The Federal Aviation Administration and WSDOT will fund 95% or \$827,449 of the project.

Unanimous approval of a motion to award the \$721,096.45 contract to Seton Construction. Unanimous approval of a motion to authorize the Port Director to enter into a contract with Seton Construction.

IX. STAFF COMMENTS (Rec. 01:23:08)

Executive Director Eron Berg: *Gunther*, the whale skeleton was delivered to Union Wharf and should be complete in the next ten days. Floats at Union Wharf were re-galvanized and other maintenance done to City Dock. In July and August, a group of divers would move the marine life back to the north jetty. A crane barge will arrive on the Point Hudson waterfront before

Wooden Boat Festival. He and Eric Toews met with Senator Patty Murray on the Boat Haven breakwater project.

Deputy Director Toews: The Port should receive a response to the Economic Development Administration grant application for a variable travel lift by the end of summer. Staff had a feedback interview on the lost MARAD grant application for the fixed width lift. With limited funding available in the highly recommended category, the application could be strengthened with a larger focus on return on investment, productivity, and efficiency. There are also no threshold eligibility requirements for Ports. Contamination at F Street and San Juan was pretty significant and extends to the Northeast corner as well.

Director of Finance and Administration Abigail Berg reported working on renewal applications for underground storage tanks at the airport. The two (2) year financial statement audit, one (1) year federal audit, and two (2) year accountability has begun. The Consumer Price Index was just released today, and the June to June number is 4.6%; this will be used for COLAs in 2024, and also for rates in the budget process.

Director of Capital Projects and Port Engineer Matt Klontz reported he and Dave Nakagawara would attend a City Planning Commission meeting on adopting the Port's north boatyard expansion into the Gateway Master Plan after which the Port can kick off the design of that project. Interviews with consultants on the Sea Level Rise project are on Thursday, July 27. Today at 2pm is the deadline for RFQs on the Herb Beck boat launch replacement. In August, a funding agreement should be available. Regarding a question about the timing of the removal of poplars, staff noted it would be winter or spring 2024 at the latest along with undergrounding of utilities. The expansion and right of way improvements are Phases I and II.

Operations Manager Chris Sparks: The foundation for the moorage office is complete and sewer and water connections should be finished by the first week of August. The Quilcene facility water system required a new water line and conduit with pumps allowing the system to function. In Boat Haven, the Enviro Centers and bathrooms are being repainted as are the Sperry Buildings.

Lease and Contracts Administrator Sue Nelson: Scow Bay exercised their last three-year option. A Washington Department of Fish and Wildlife lease extension will come forward to the Commission for approval. With Mike Johnson vacating his building, Haven Boatworks assumed the space and will make improvements. The Gathering Place has cleaned out the yard of the duplex at Point Hudson. Staff and Sea Marine continue working on terms for an agreement. PT Rigging is willing to work with the Port to seek green energy grants following successful efficiencies made to their building/operations.

Harbormaster Kristian Ferrero announced there is a lot of traffic coming into the facilities. A part-time pumpout skiff operator position is being advertised. The Point Hudson RV Park and Marina are full. The recreational salmon opening begins this week for 3 days.

X. COMMISSIONER COMMENTS (Rec. 01:57:08)

Commissioner Hasse asked for awareness of how to develop a nice maritime memorial after seeing others in Ketchikan, Wrangell, and Prince Rupert. The City Park at the ferry landing or courthouse lawn might be locations. The North Olympic Development Council is seeking a Recompete grant for better depicting what occurs on the Olympic Peninsula, including the working boatyard. She is involved with the Northwest Maritime Center in re-envisioning the Chandlery as a maritime museum where there is promotion of educational programs and maritime culture. She attended the Intergovernmental Collaborative Group meeting on housing.

Commissioner Petranek: The EDC meeting focused on budget and strategic planning. The next meeting would address the role EDC should play in housing and other local issues and would reference two important City reports on housing and financial sustainability. This Friday's *Our Working Waterfront* features long-term tenant Peter's Marine. The Alaska Chinook fishery opened July 1. Representatives from the State of Maine and a class from the Coastal and Ocean Studies Program will visit the Port October 2 and see how the Port is supporting our fishing fleet. There was a brief discussion of the shared responsibility at the Gardiner Boat Ramp pertaining to the July 4 fireworks.

XI. NEXT PUBLIC WORKSHOP & REGULAR BUSINESS MEETING (Rec. 02:13:14)

Next Meetings: Washington Public Ports Commissioner Seminar, July 24-26 (with Commissioners Petranek and Hasse). Public Workshop and Regular Business Meeting on

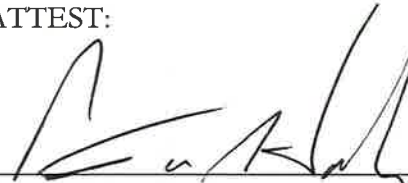
Wednesday, August 9, 2023, at Pavilion Building and via Zoom, with Public Workshop at 9:30 a.m. and Regular Business Meeting at 1:00 p.m.

XII. EXECUTIVE SESSION - none

XIII. ADJOURNMENT (Rec. 02:14:56)

The meeting adjourned at 3:15 p.m., there being no further business before the Commission.


ATTEST:



Peter W. Hanke, Secretary



Pamela A. Petranek, President



Carol L. Hasse, Vice President