

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, October 9, 2024

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 Hanke, Petranek and Hasse
Executive Director Eron Berg
Director of Finance and Administration Connie Anderson
Harbormaster Kristian Ferrero
Director of Capital Projects and Port Engineer Matt Klontz
Port Recorder Joanna Sanders
Via Zoom: Attorney Seth Woolsen

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (Rec. 00:00:00)
Commissioner Hanke called the meeting to order at 1:01 p.m.

II. APPROVAL OF AGENDA (Rec. 00:00:30)
There were no changes.

III. PUBLIC COMMENTS – GENERAL (Rec. 00:00:51)

Carla Jean Pugh (written) had concerns over the Port allowing unsightly inflatable decorations at Point Hudson.

Mike Payne expressed appreciation from the Aero Museum for the support they receive and for being considered a part of the Port community.

Jana Allen said the public comment is limited because it happens before any of the topics are discussed. She also has concerns about being addressed in an unfriendly manner when accessing the Point Hudson recycling facilities as a moorage tenant.

IV. CONSENT AGENDA (Rec. 00:08:00)

A. Approval of Regular Business Meeting Minutes of September 25, 2024

B. Approval & Ratification of Warrants

Warrant #069150 through #069178 in the amount of \$198,681.29

Warrant #069179 in the amount of \$1,864.12

Warrant #068978 through #069006 in the total amount of \$445,344.70

Warrant #069180 in the amount of \$127,802.20

Warrant #069181 through #069202 in the total amount of \$42,173.27

Warrant #069203 through #069208 and Electronic Payment in the total amount of \$268,099.26

Warrant #069209 through 069227 in the amount of \$36,985.52

C. Aero Museum Lease Amendment

D. Authorizing Amendment No. 1 to the PSA with AHBL for the JCIA Rural Light Industrial Park Project

Unanimous approval of the Consent Agenda as written.

V. SECOND READING - None

VI. FIRST READING - None

VII. REGULAR BUSINESS (Rec. 00:08:30)

A. 2nd Draft of 2025 Budget

Director of Finance and Administration Connie Anderson gave an overview of the budget memorandum and the second preliminary draft, primarily reviewing the one-page consolidated budget report. The Comprehensive Scheme update, which summarizes capital projects, is posted on the website. She reviewed the department budgets by location and responded to Commission questions regarding the General and Administrative cost allocation and changes in staffing from 2024 to 2025.

Executive Director Eron Berg noted the Project Cost summary reflects \$20 million of capital improvement efforts in 2025. There are additional projects for which project

funding is needed: main breakwater, Rural Light Industrial Park to work on the 1st phase of pad-ready sites to lease for additional revenue, and rehabilitation of the Lower Hadlock float. In the future, he would like to combine the Boat Haven moorage and yard budgets. Ramps and downtown facilities could be separated into a budget called water access. He noted 8% of the \$8.8 million in total revenues are taxes the Port collects in the form of sales, retail, and hotel/motel tax.

Director of Capital Projects and Port Engineer Matt Klontz reviewed the specific projects on the capital improvement project list and highlighted Other Projects listing Port Equipment reflecting the last payment on the new 300-ton travel lift.

Connie Anderson solicited changes to the rate cards and property tax levy with a 1% increase before returning with the 3rd draft at the budget hearing. As discussed at the workshop, the Commission supported renaming/redefining the 5th category of summer guest monthly rate to delineate between permanent and guest rates. Discussion ensued about the nightly moorage rates and whether the Port is achieving the desired maximum occupancy for permanent moorage.

B. Harbormaster Report (Rec. 01:25:50)

Harbormaster Kristian Ferrero reviewed the 75-ton and 300-ton haulout activity report and highlighted the Boat Haven transient nights given the previous discussion about applying a different rate for summer transient moorage. While a goal of 90% transient occupancy in the summer season (June-July-August) is reasonable, it becomes much harder to predict occupancy into September due to the weather.

The Commission considered modifying the transient moorage nightly rate and requested staff prepare Point Hudson rate cards with varying rates for transient moorage for consideration since that facility is more focused toward transient boaters.

C. Authorize the Purchase of Two New Shipping Containers to Provide Current Storage Tenants an Option for Relocation from the Spaces Currently Occupied in the Admiral Ship Supply Building (Rec. 01:43:00)

Executive Director Eron Berg gave the staff report requesting permission to purchase shipping containers and terminate existing leases behind Admiral Ship Supply. Admiral's lease would then incorporate the vacated units into their 2025 lease option and existing tenants would be offered the new storage unit space as long as they have other Port tenancy. There was no Commission objection to purchasing one unit as a trial.

VIII. STAFF COMMENTS (Rec. 01:51:25)

Executive Director Eron Berg reported on the request by Shoestring Circus for a show staged in the Point Hudson back 40 in July 2025. There was interest in further exploring the details of the event but Commissioner suggestions to consider Memorial Field or Fort Worden as better venues and more consistent. His Short's Farm update included the following: material from the Short's Farm reed canary grass removal will be combined with gypsum and manure for composting, timber from a demolished building was salvaged and saved for future building repairs, a new main driveway and signs will be relocated, electrical work on the site, work has been done to the house, hunting begins Saturday, and a conservation walk will be done tomorrow. There are new L&I requirements for load testing the travel lifts. Vessels *Elmore* and *St. Peter* have generated no interest and are occupying valuable real estate in the yard.

Harbormaster Kristian Ferrero distributed new maps of Boat Haven and Point Hudson. He and Kimberlie Webber will attend the Boat Yard Marina Conference this week.

IX. COMMISSIONER COMMENTS (Rec. 02:08:08)

Commissioner Petranek: the current *Our Working Waterfront* on KPTZ features the Williams-Mystic boat yard tour of Haven Boatworks, Ozzie's tenders, and Shipwrights Co-op work on the halibut schooners. The Special ICG meeting tomorrow will feature two presenters by PNNL and the Benton PUD.

Commissioner Hasse reported she plans to attend the WPPA Small Ports seminar. The Washington Maritime Trust (WMT) meeting has upcoming virtual workshops on advocacy and technical solutions to protect historic structures against sea-level rise. An opportunity

exists for Senators Cantwell and Murray to support a Preserving Waterfront Bill introduced by Senator King in Maine. She encourages collaboration through Eric Ffitch presenting to WMT meeting and WMT talking with WPPA on shoreline act alignment with shoreline preservation and sea-level adaptation. Jefferson County Marine Resources Committee is interested in new opportunities to add more raingardens as they are shown to effectively clear out 6PPDE chemical. They are seeking help with removal and storage of their eelgrass buoys. Commissioners suggested coordinating with WDFW. October 29/30, North Olympic Development Council will host a climate resiliency summit at 7 Cedars in Blyn. The County's Shoreline Master Plan update will soon be available for review.

Commissioner Hanke commented on the positive work and great collaboration with farmers occurring at the Short Farm. The investment needed to make the farm viable will be a challenge considering the needed infrastructure improvements.

X. NEXT PUBLIC WORKSHOP & REGULAR BUSINESS MEETING (Rec. 02:23:46)

Intergovernmental Collaborative Group Meeting on Thursday, October 10, 5 p.m.

Special Business Meeting on Tuesday, October 22, 2024; 5:30 p.m.

XI. EXECUTIVE SESSION – None

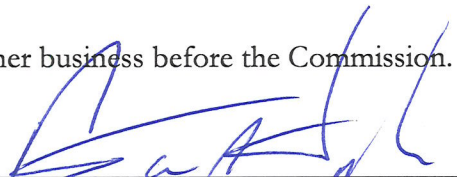
XII. ADJOURNMENT (Rec. 02:24:02)

At 2:25 p.m., the meeting adjourned there being no further business before the Commission.


ATTEST:



Pamela A. Petranek, Secretary



Peter W. Hanke, President



Carol L. Hasse, Vice President