

RESOLUTION NO. 713-20

A Resolution of the Commission of the Port of Port Townsend RESOLUTION DELEGATING AUTHORITY TO PORT MANAGEMENT

WHEREAS: section 53.12.270 of the Revised Code of Washington provides authority to the Port Commission for delegation of powers to Port Management, and;

WHEREAS: the Port Commission has developed a delegation of authority policy requiring annual re-adoption, and;

WHEREAS: the Port Commission has reviewed and discussed the policy in prior public session;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Port Townsend, as follows:


Approve for the calendar year of 2020 the master policy directive of the Port Commission of the Port of Port Townsend dated January 8, 2020, which is attached hereto and incorporated herein as Attachment "A", for the purpose of establishing the administrative authority for the Port District Executive Director.

ADOPTED this 8th day of January 2020, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.


ATTEST:



Pam Petranek, Secretary




Peter W. Hanke, President



William W. Putney III, Vice President



APPROVED AS TO FORM:



Port Attorney

**PORT OF PORT TOWNSEND SPECIFIC POLICY DIRECTIVES OF
ADMINISTRATIVE AUTHORITY TO THE PORT DISTRICT EXECUTIVE DIRECTOR**

January 8, 2020

The Commission of the Port of Port Townsend adopts the following policy for the purpose of establishing the Administrative Authority of the Executive Director (ED), who is responsible for normal Port operations. The phrase “normal Port operations” as used herein, means regular day-to-day business transactions involving personnel, materials and funds. The Commission shall retain an ED to implement the objectives of the Port, which shall be established by the Commission. The ED derives authority from the Commission acting as the governing body. The ED shall regularly inform and consult with the Commission regarding significant information and business transactions by a method mutually agreeable to the Commission and the ED. Commission directives or initiatives shall be made through the ED and shall be made only by the Commission acting as a body. The ED shall serve as the primary spokesperson for management.

Subject to the limitations identified in this Delegation of Authority Resolution, the ED shall be responsible for:

1. Operation, maintenance, administration, and use of the Port’s boat yard, airport, marina and properties, and facilities;
2. Implementation of construction work and alterations, repairs and improvements to real estate and physical facilities controlled and operated by the Port;
3. Administration of day-to-day normal Port operations which may include personnel administration, task and project assignments, hiring, firing, discipline, and training;
4. Execution of contracts and other documents related to normal Port operations that are related to or pursuant to a project or matter authorized by the Commission, or otherwise authorized in this Administrative Authority Policy;
5. Applications to relevant jurisdictions for development permits, land and shoreline use entitlements, and land and shoreline use text amendments of any kind associated with Port facilities or projects, provided that all applications for area-wide land or shoreline use designation changes shall require prior Commission approval;
6. Application for and acceptance of grants or other funds from federal, state, or local governments, subject to the approval of Commission if required per Section XIV herein;
7. Delivery of services essential to the Port’s mission: financial and accounting related matters; legal matters; and all other administrative matters.
8. Certain elements of this policy require annual approval per RCW. Therefore, this Administrative Authority Policy shall be reviewed and readopted annually.

I. UTILIZATION OF PORT CREWS

The Port District ED shall retain professional staff, who shall operate and manage according to directives from the ED. The ED is authorized to administer day-to-day operations which include personnel administration (task & project assignments, hiring, firing, setting salary & benefits, training, grievance procedures, employee enrichment & improvement, Union negotiations, etc.) within positions created and approved by the Commission.

A. Performance of Work by Port Crews

Prior Commission approval shall not be required where individual capital or maintenance projects are to be carried out by Port crews or day labor (when deemed appropriate) and do not exceed Twenty-five Thousand Dollars (\$25,000.00) exclusive of applicable taxes. The ED may inform the Commission at the next scheduled meeting of all actions under this section.

II. RULES AND / OR PROCEDURES

The ED is authorized to adopt administrative rules and regulations necessary for the efficient operation of the Port so long as such rules and regulations are reported to the Commission and are consistent with Commission policy. All amendments to the rules and regulations established therein may hereafter be made by the ED, so long as such amendments do not exceed the authority of the ED, as granted elsewhere herein, and are reported to the Commission in a timely manner.

The ED may delegate to appropriate Port staff such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the ED's authority. In the event the Executive Director is unavailable, due to absence, temporary leave, and/or due to conflict of interest and/or appearance of fairness reasons, the authority of the ED shall be delegated as follows: (a) operations matters to the Port's Deputy Director, (b) internal administrative matters (Finance and Human Resources) to the Director of Finance and (c) all other matters delegated first to the Deputy Director, second to the Director of Finance. In the event of questions, dispute or disagreement with the delegation, the staff named hereinabove shall consult with the Port's Attorney for a final determination. To implement delegations or authority to Port staff, the ED shall promulgate policy and procedure manuals, monetary delegations authority and employee position descriptions, affirmative action plans and office manuals which shall include such delegations as appropriate. The responsibility for all administration and day-to-day operations of the Port rests with the ED.

III. SALE OF PERSONAL PROPERTY

The Port District ED, with prior Commission approval, is authorized pursuant to RCW 53.08.090 to sell and convey surplus personal property of the Port pursuant to the requirements of RCW 53.08.090.092 (as amended or succeeded). The ED is authorized to sell and convey surplus personal property of the Port of Port Townsend subject to the following conditions:

- A. That the value of such personal property does not exceed the dollar limits authorized under RCW 53.08.090-092 (as amended or succeeded).
- B. Prior to any such sale or conveyance, the ED shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for district purposes.
- C. Any large block of such property having a value in excess of the limits authorized under RCW 53.08.090 (as amended or succeeded) shall not be broken down into components of a lesser value and sold unless done so by public competitive bid.
- D. That offers for purchase are solicited from at least three (3) parties when no bids are received from the public competitive bidding process; unless waived by the Commission on a case-by-case basis.
- E. No real property or facility which is part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and such real property or facility is found to be surplus to Port needs.

IV. CONTRACTS FOR PERFORMANCE OF WORK

- A. Contract Awards for Construction and Maintenance:
 - 1. The Port District ED may, without prior Commission approval, execute on its behalf contracts where the total estimated contract price does not exceed Twenty-five Thousand Dollars (\$25,000.00) exclusive of applicable taxes, and so long as all statutory procedures are followed, including bid and performance surety requirements. All contracts awarded under this section will be reported to the Commission at the next scheduled meeting. Public discussions with the Commission regarding all projects will take place with the adoption of the annual capital budget unless an emergency exists.
 - 2. The Port District ED may execute on behalf of the Port contracts for large projects that have been properly approved including costs at a public Port meeting, and all statutory procedures must be followed. Upon proper approval from the Commission, the Port District ED may publish a notice calling for bids; award of contract or rejections of all bids will be done by vote of the Commission at a public meeting.
 - 3. When any emergency shall require the immediate execution of a contract for work the Port District ED, pursuant to the procedures of RCW 39.04.020 (as it may be amended or succeeded), is authorized to make a finding of the existence of such emergency and execute any contracts necessary to respond to the existing emergency, provided that the Port District ED shall at the first opportunity contact a Commissioner, and at the first Port Commission meeting following the finding of the existence of an emergency, request the Port Commission ratification of the finding of emergency and any contracts awarded and or executed pursuant to that finding.

B. Change Orders:

Where a contract for the performance of work has been awarded and under which the work is in progress, and individual changes in plans or specifications are necessitated in order to properly accomplish the work, the ED is authorized, without prior Commission approval, to execute on its behalf individual change orders to the contract if all of the following conditions are met:

1. The estimated cost of the aggregate changes in plans or specifications, exclusive of applicable taxes, will not exceed Twenty-Five Thousand Dollars (\$25,000.00).
2. For contracts of \$1 million dollars or more, the change order shall not exceed Twenty- five Thousand Dollars (\$25,000.00).
3. The contract provides for the issuance of change orders.
4. The individual change order has been approved and certified by the project architect or engineer as being necessary to the proper accomplishment of the work called for in the basic contract.
5. The ED shall inform the Commission at the next scheduled meeting of all actions undertaken under this section.

C. Professional Services / Consulting Services:

The ED shall be responsible for the initiation of appropriate procedures to obtain professional or consultant services where deemed necessary in carrying out normal Port operations. When necessary, Port Legal Counsel shall be consulted with respect to statutory procedures in connection with these services. The ED may arrange for these services, without prior Commission approval, when the cost of the proposed service for any single project will not exceed Twenty-five Thousand Dollars (\$25,000). If the fee for such services is estimated to exceed Twenty-five Thousand Dollars (\$25,000), prior Commission approval shall be required. The ED shall inform the Commission at the next scheduled meeting of all actions undertaken under this section.

D. Architectural, Engineering & Technical Services:

The ED is authorized to contract with qualified architectural, engineering and technical testing & inspection firms licensed in the State of Washington to provide such services as required for maintenance, preliminary engineering work or small projects of the Port. Arrangements for obtaining such services shall follow all required statutory procedures and shall be consistent with normal established fees paid for such services. If the fee on any single project or closely related work is estimated to exceed Twenty-five Thousand Dollars (\$25,000), Commission approval shall be required. The ED shall inform the Commission at the next scheduled meeting of actions undertaken under this section.

E. Declarations of Emergency:

1. An emergency is defined as an unforeseen circumstances beyond the control of the Port that either present a real, immediate threat to the proper performance of essential functions; or may result in a material loss or damage to property, bodily injury, or loss of life if immediate action

is not taken (see RCWs 39.04.020, 39.04.280 and 53.19.010(04)). Emergencies allow for the waiver of state procurement requirements.

2. The Executive Director is authorized to make a finding of the existence of an emergency, to authorize spending of Port resources and funds, to waive competitive bidding requirements and to execute any contracts necessary to respond to the emergency in accordance with RCW 39.04.020, 39.04.280, 53.19.010 and 53.19.010.
 - a) As soon as possible following a declaration of emergency, and in no case more than 24 hours following such declaration, the ED shall individually inform each Commissioner of the action taken. The ED shall also notify the Commission of having made such emergency declaration at its next regularly scheduled meeting.
 - b) If a public works or purchased goods or services contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency shall be filed with the Commission and made public on the Port's website no later than two weeks following the award of the contract.
 - c) If a personal services contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency shall be filed with the Commission and made public on the Port's website within seven working days following the commencement of a work or execution of the contract, whichever occurs first. Documented justification for emergency contracts shall be provided to the Commission when the contract is filed.
 - d) As used herein, "filed with the Commission" means any of the following:
 - (1) Delivery to the Executive Assistant to the Commission for distribution to each Commissioner; or
 - (2) Noting the matter for Consent or Action on the Meeting Agenda for the next scheduled meeting of the Commission.

F. Reports:

Notwithstanding the authorities granted in the preceding sections A –E, the ED shall keep the Commission advised of all contracts, reports and activities.

V. ACQUISITION OF UTILITIES, MATERIALS, EQUIPMENT, SUPPLIES, AND SERVICES.

The ED shall have the responsibility for following all statutory requirements and procedures in connection with all acquisition of utilities, materials, equipment, supplies and services. Utilities, materials, equipment, supplies and services may be acquired on the open market, or by competitive bidding when necessary for the normal maintenance and operations of the Port, and no prior Port Commission approval shall be required but shall, where appropriate, be approved as part of normal monthly expenses and shall be within authorized budgets. The Port District ED may acquire utilities, materials, equipment, supplies and services subject to the

following conditions:

- A. The purchase price does not exceed Twenty-Five Thousand (\$25,000.00) Dollars or has been pre-approved by Commission, or if specifically identified while developing the annual budget and does not exceed the budgeted amount.
- B. In the event of competitive bidding all statutory regulations must be followed.
- C. The ED is authorized to establish a system to control purchase of materials, supplies and services. Such system should take into consideration the nature of the purchases, and that the invoices have been properly processed and approved in accordance with Port Policies and Procedures.

VI. REAL & PERSONAL PROPERTY RENTALS OR LEASES

All real & personal property belonging to the Port, when available for rent or lease, shall, except as otherwise provided herein below, be leased only under an appropriate written lease instrument, approved by the Commission, and accompanied by a lease bond or other form of security in accordance with RCW 53.08.085. The term lease as used herein may refer to rental agreements, operating agreements or use agreements. However, the Executive Director, or two management level Directors authorized in writing by the ED, may execute short-term leases (i.e., terms of one (1) year or less) subject to the following conditions:

- A. The appropriate lease surety must be in place consistent with statutory requirements and the Port's standard form lease, with the exception of State and Federal leases that require use of the tenant's lease form, as long as the content of the lease form does not materially change the intent expressed in the Port's standard lease form.
- B. The arrangements for the short-term occupancy shall be evidenced by the Port's standard form lease (except that any clearly inapplicable provision or provisions inconsistent with the policy set forth herein may be deleted from the standard form).
- C. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with applicable land and shoreline use regulations and any standards of use adopted by the Commission for the same or similar Port property or properties.
- D. The lease may not be renewed or otherwise extended beyond one (1) year without prior Commission approval.

VII. LITIGATION

The ED, in coordination with Port Counsel (appointed by the Commission), shall be responsible for the procedures necessary for management and supervision of litigation in which the Port has an interest, directly or indirectly. For purposes of this section, "litigation" shall mean the assertion of any position, right or responsibility by or against the Port that has been filed in any court of general jurisdiction, be it State or Federal, or any quasi-judicial or administrative forum. The ED shall inform the Commission at the next regular meeting of all actions undertaken under this section.

VIII. ADJUSTMENT TO ACCOUNTS RECEIVABLE OR UNCOLLECTIBLE ACCOUNTS

The Port District ED is authorized to establish procedures to:

- 1) Make adjustments to accounts receivable for valid business reasons which do not constitute a gift of public funds, or
- 2) Remove from the general ledger uncollectible accounts with prior approval from the Commission.

Prior to classifying any account receivable as a "doubtful account", the ED shall be satisfied that every reasonable effort has been made by Port staff to resolve or accomplish the collection of the account. For those accounts that fail to make payment, the ED shall authorize Port Legal Counsel to bring action in courts of law, or appropriate steps for possible collection. The Ports accounting records shall reflect that any account more than one hundred twenty (120) days past due is a "doubtful account". The ED shall review the doubtful accounts periodically (at least annually); recommend to the Commission which accounts should be deemed as "uncollectible" and removed from the Port's General Ledger. The Port may take collection action more quickly than set forth in the doubtful accounts collection procedure, or may exercise other remedies if available. The classification of an account as "doubtful" or "uncollectible" shall not waive any rights or release any claim against the Account Debtor. The ED shall inform the Commission at the next regular meeting of all actions undertaken under this section.

IX. PROPERTY ACQUISITION AND SALE OF REAL PROPERTY

When the Commission authorizes the acquisition of real property by purchase or condemnation, the ED shall take all necessary steps including, but not limited to obtaining appraisals / market analyses, to secure title of such property for the Port. The acquisition price shall be established based on appraisals, market analyses and negotiations and shall be approved by the Commission prior to any finalization of the purchase, ED shall sign all necessary documents.

When the Commission authorizes the sale of real property, the ED shall take all necessary steps to complete the transaction including, but not limited to obtaining appraisals, accepting deposits and opening escrow accounts for the Port. The sale price shall be established based upon factors including, without limitation, negotiations, appraisals/market analyses, special benefits to the Port and community, and employment generated by the project, and shall be approved by the Commission prior to any finalization of the sale. ED shall sign all necessary documents.

X. INSURANCE PROGRAMS

The ED shall be authorized to work with an insurance broker, pre-approved by the Commission, to negotiate and obtain appropriate policies of insurance to cover Port property, liability, Commissioner and employee coverage, vehicle and other areas appropriately included within a comprehensive insurance program. The ED is authorized to approve from time to time changes or modifications within the insurance policies. These changes shall be promptly reported to the Commission at the next scheduled meeting so as to keep

Commission informed of basic changes in the overall insurance program of the Port.

XI. EMPLOYEE TRAVEL, EDUCATION & CONFERENCE ATTENDANCE

The ED is authorized to approve travel and attendance of conferences or education opportunities by employees, without prior Commission approval. The limits of such authorization shall be for travel within the continental United States and the total costs shall not exceed \$1,000.00. Estimated costs in excess of \$1,000.00 shall require Commission approval prior to travel. Travel costs must be within the current budget. The ED will review all requests for travel to conferences or education to assure that it is applicable to the Port or Port operations.

XII. BANKING SERVICES AND INVESTMENT OF TEMPORARILY IDLE PORT FUNDS

The ED is authorized to negotiate for banking services and enter into agreements for such services; provided, however, unless approved in advance by the Commission, such agreements shall be terminable by the Port, without penalty. Procedures shall be established for the deposit / disbursement of Port funds recognizing the requirements cited in RCW 53.36.010 and that such procedures shall provide for an adequate system of internal control. Such banking service agreements shall be reported to the Commission at the next regular meeting.

For purposes of this section, "Temporarily Idle Funds" shall mean those funds which are not required for immediate expenditure. The Port District ED is authorized to develop procedures to direct the Port Treasurer, in accordance with applicable law relating to the investment of public funds, in the investments of temporarily idle Port funds. These directives include, but shall not be limited to, investments in public fund approved vehicles of investment, sale of such investments, and necessary inter-fund transfers. A summary of all financial activities shall be provided at Port Commission meetings.

XIII. TRADE DEVELOPMENT PROGRAMS

The ED is authorized, consistent with budget and statutory limitations, to develop and carry out programs of trade development (which may include tourism and tourism promotion), advertising, and promotion of the Port, including its properties, facilities and services. Such programs shall be reviewed by the Commission from time to time.

XIV. GRANTS AND APPROPRIATIONS

E. Grants:

1. The Executive Director is authorized to apply for grant funds for the Port.
2. The Executive Director is authorized to accept grants where the grant award obligates the Port to provide a cash match of no more than Twenty-five Thousand Dollars (\$25,000.00).

3. In cases where the grant award obligates or has the potential to obligate the Port to provide a cash match greater than Twenty-five Thousand Dollars (\$25,000.00), Commission authorization is required prior to grant acceptance.
 4. The Executive Director is authorized to accept and manage any grant funding that is secured for projects that have previously been authorized by the Commission.
- F. All appropriation requests (regardless of value) will come before the Commission for approval prior to submission.

XV. AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT

It is the basic policy of the Port to provide equal opportunity to the users of all Port services and facilities, all contracting entities, Port employees and applicants for employment, and to assure that there be absolutely no discrimination against any person on the grounds of race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap. This policy is to be implemented by the Executive Director.

XVI. ADMINISTERIAL CHECKS AND WARRANTS

The Executive Director is authorized to approve checks and warrants issued in the nature of administerial expenses for the efficient and proper management of port district operations as delegated in this resolution or reasonably implied from the same. The ED is not authorized to approve checks and warrants in the nature of claims or non-administerial obligations. The ED shall cause the checks and warrants issued under this section to come before the commission for review and approval as to the nature and amount of administerial checks and warrants issued at the next regular meeting following issuance. The Port shall provide for bonding required for faithful discharge of the Executive Director's duties.