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**Port of Port Townsend
2nd Monthly Meeting Agenda
Wednesday, January 27, 2016, 5:30 PM
Port Commission Building
333 Benedict Street, Port Townsend, WA**

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Consent Agenda
 - A. Approval of Meeting Minutes – January 13, 2016.....1-3
 - Approval of Public Workshop Minutes – January 13, 2016.....4-5
 - Approval of Public Hearing/Special Meeting Minutes – January 19, 2016.....6
 - B. Approval of Warrants
- IV. Public Comments (not related to Agenda)
- V. Second Reading (action items)
 - A. Resolution No. 638-16 – Delegating Authority to Port Management.....7-17
 - B. Resolution No. 639-16 – Commission Meeting Procedures.....18-22
 - C. Resolution No. 640-16 – Promotional Hosting Procedures.....23-29
- VI. First Reading (discussion only)
 - A. Kayak Rack Storage Rates.....30
 - B. Gatheringplace Proposal.....31-35
- VII. Potential Immediate Action Items (unanimous Commission approval required)
- VIII. Staff Comments
- IX. Public Comments
- X. Commissioner Comments
- XI. **Next Public Workshop/Meeting: Wednesday, February 10, 2016 – workshop at 9:30 AM, meeting at 1:00 PM, Port Commission Building, 333 Benedict Street, Port Townsend, WA.**
- XII. Executive Session – (if called)
- XIII. Adjournment

PORT COMMISSION MEETING– January 13, 2016

The Port of Port Townsend Commission met in regular session at the Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners – Tucker and Clinefelter
Executive Director – Crockett
Deputy Director - Pivarnik
Auditor – Berg
Minutes – Nelson

Present on Conference Call: Commissioner Hanke

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker called the meeting to order at 1:00 PM.

II. APPROVAL OF AGENDA:

Commissioner Tucker moved to approve the Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Meeting Minutes – December 22, 2015

B. Operations Reports – December 2015

C. Approval of Warrants

Warrant #055572 through #055589 in the amount of \$102,471.19 for Payroll & Benefits
Electronic Payment in the amount of \$45,619.26 for Payroll & Benefits

Warrant #055590 through #055659 in the amount of \$203,619.43 for Accounts Payable
Electronic Debit in the amount of \$13,159.25 for WA State Dept. of Labor & Industries
4th Quarter Tax Return for Oct-Dec 2015

Commissioner Tucker moved to approve the Consent Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda) (1:27):

Phil Pilgrim commented on 2016 rate increases for kayak storage.

Melinda Bryden commented on kayak and boat ramp rate increases and asked when the commission would raise all rates to fair market value.

Mr. Crockett surveyed Port of Kingston and reported their kayak rates are \$25/month plus leasehold tax (LHT), which is similar to our rate of \$28, which includes LHT. He also explained the additional costs of adding the kayak racks at Point Hudson.

Commissioner Clinefelter requested staff pursue a more in-depth survey of kayak rates.

V. RECESS TO A MEETING OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF PORT TOWNSEND:

I. The regular meeting recessed into the annual Industrial Development Corporation meeting at 1:08 PM.

II. Election of Officers:

**Commissioner Tucker moved to keep the same slate of officers as in 2015:
Commissioner Tucker – President; Commissioner Clinefelter – Vice President; and,
Commissioner Hanke – Secretary.**

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. Approval of Minutes – April 22, 2015:

Commissioner Clinefelter moved to approve the minutes.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

IV: New Business:

Ms. Berg handed out the financial report for the IDC. She reported that to date, there is \$5,009 in total between a CD and a Money Market account.

Mr. Crockett reviewed the history of the IDC.

The IDC meeting adjourned and regular meeting reconvened at 1:12 PM.

VI. SECOND READING (Action Items):

VII. FIRST READING (Discussion Only):

A. Delegation of Authority Policy (12:53):

Mr. Crockett explained the Port attorney recommends annual readoption of this policy. Staff recommends no changes to the policy. He added this would be presented at the next commission meeting for a second reading.

B. Commission Meeting Procedures (14:02):

Mr. Crockett stated staff would present any meeting date(s) that need changing due to conferences/holidays in the updated policy. He added that the meeting format needs another section such as “Other Business”. Mr. Crockett reported an updated policy and resolution would be presented for a second reading at the next commission meeting.

C. Promotional Hosting Expenditures – Resolution No. 640-16 (16:38):

Ms. Berg explained a minor change from the previous resolution in Resolution No. 640-16. She added this would be presented during second reading at the next meeting.

D. Draft 2016 Capital Budget (21:04):

Ms. Berg explained the draft, stating most of the listed projects have already been discussed with the commission. They include the Sail Loft fire escape and fire suppression; stormwater lift station; maintenance vehicles; a yard vehicle and the Point Hudson Breakwater.

Mr. Crockett discussed the possibility of the breakwater project starting this fall, based on permits, bonding, etc.

Commissioner Hanke commented on the capital budget and asked if a pie chart could be added that showed how much of the total Capital Repair & Replacement Plan (CRRP) work to be done would be accomplished with this budget. .

Mr. Crockett added that odds are, a fire suppression system will not be required at the Sail Loft, as staff is working with one of the tenants to downsize a portion of his workspace footprint, which would bring it under the required size for a system.

VIII. POTENTIAL IMMEDIATE ACTION ITEMS):

A. 2016 Olympic Peninsula Salmon Derby:

Mr. Crockett said in the past, annual ramp fees were waived for this annual event. He added the derby takes place Feb. 19-21.

Commissioner Tucker discussed the large economic impact this brings to our City during the middle of winter. He added that Port Angeles and Sequim waive ramp fees for the derby and he would like to continue.

Commissioner Tucker moved to approve the Salmon Derby for Immediate Action.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker moved to waive the ramp fee for the 2016 Olympic Peninsula Salmon Derby.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

B. Strategic Offsite Retreat:

Mr. Crockett reported Mr. Goldsmith and Mr. Toews have come up with some dates for the (3rd) retreat, those being Feb. 19, 22 or 23, 2016. He asked staff to check availability at Port Ludlow for those dates.

C. 2016 WPPA Trustee Appointments (33:01):

(These positions were decided at the morning workshop.)

Commissioner Tucker moved to appoint Commissioner Hanke as the WPPA Trustee for 2016 and Commissioner Tucker as the alternate.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

D. Port Townsend Sails Lease (34:26):

Mr. Pivarnik explained the lease presented to the commissioners is an extension of Ms. Hasse’s lease. It provides for a five-year lease with a five-year option at \$1785/month for 3,300 square feet of space.

Commissioner Tucker moved to approve the lease with Port Townsend Sails as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

IX. STAFF COMMENTS (35:33)):

Ms. Berg clarified Mr. Pilgrim’s comment on a previous conversation she had with him regarding 2016 kayak rates.

She then discussed the status of abandoned vessels on Port property. She stated at the December 2015 auction, there were seventeen vessels on the roster, with total deposit balances of over \$75K; none sold. She explained the next step is to destroy the vessels, which would cost the Port between \$5K and \$30K per vessel. She said she inquired with DNR to see if there were any grants available for removal of boats from Port property but they only have grants for in-water derelict vessels. Ms. Berg added these boats take up 636 linear feet of yard space.

Impound and auction procedures were discussed.

Commissioner Clinefelter asked if derelict fees are charged. Mr. Crockett answered this should be added to the list of Port policies. Different ideas and suggestions were discussed on solving the derelict vessel issue.

Ms. Nelson announced the Port would have a booth at the 2016 Seattle Boat Show (Jan 29 – Feb 6, 2016).

Mr. Pivarnik reported the ramp contractor would be back at work next week, with panel delivery also scheduled for next week.

Mr. Crockett informed he would attend the WA Boating Alliance meeting in Tumwater tomorrow. He added he would be on a conference call with Gerry O’Keefe of WPPA; subject - DNR site for demolishing derelict vessels. And, last but not least, Mr. Crockett announced his retirement date of May 31, 2016 with a letter of resignation to the commission.

X. PUBLIC COMMENTS (48:53):

Phil Pilgrim discussed the addition of the new ramp and his concern with availability of parking spaces to moorage tenants.

Commissioner Tucker addressed what the Port has done to avoid a parking issue.

Bertram Levy discussed his concerns with limited parking to ‘D’ Dock moorage tenants due to the new marine trades business now located in the Port, which employs thirty people.

George Yount thanked Mr. Crockett for his years of service. He then discussed a new organization he has formed called, “Friends of the Port”.

Melinda Bryden thanked Mr. Crockett for his service to the Port.

XI. COMMISSIONER COMMENTS (1:03:49):

Commissioner Clinefelter asked if there were any change orders to the boat ramp project. Mr. Pivarnik replied there were none.

Commissioner Clinefelter asked about a recent slip and fall on icy docks.

Commissioner Tucker said it has been an honor and a privilege to work with Larry Crockett over the years.

Commissioner Hanke commented on the draft Capital Budget. He discussed Mr. Crockett’s departure and stated he hears good will and good comments throughout the WA Public Ports organization.

XII. NEXT MEETING: Next regular meeting will be held Wednesday, January 27, 2016 at 5:30 PM in the Port Commission Building, 333 Benedict St, Port Townsend.

XIII. EXECUTIVE SESSION:

XIII. ADJOURNMENT:

The meeting adjourned at 2:08 PM there being no further business to come before the Commission.

ATTEST:

Peter W. Hanke, President

Brad A. Clinefelter, Secretary

Stephen R. Tucker, Vice President

PORT COMMISSION PUBLIC WORKSHOP – January 13, 2016

The Port of Port Townsend Commission met for the Public Workshop session in the Commission Building, 333 Benedict Street, Port Townsend, WA.

Present: Commissioners Tucker and Clinefelter
Executive Director - Crockett
Deputy Director – Pivarnik
Finance Director – Berg
Minutes Nelson

Present on Conference Call: Commissioner Hanke

I. CALL TO ORDER:

The Workshop was called to order at 9:30 AM.

II. AGENDA:

Refer to attached Workshop agenda for items discussed.

III. ADJOURNMENT:

The Workshop adjourned at 10:51 AM.

ATTEST:

Peter W. Hanke, President

Brad A. Clinefelter, Secretary

Stephen R. Tucker, Vice President

**Port of Port Townsend Public Workshop
Wednesday, January 13, 2016, 9:30 AM
Commission Building
333 Benedict Street
Port Townsend, WA**

AGENDA

Policies and Other Miscellaneous Commission Business:

- Review polices for changes/additions. Staff will present other commission-related matters.

Note: This is a Public Port Commission Workshop. Workshops are for information sharing only and no decisions will be made during the session. Public input may be taken at the Commissions' discretion.

PORT COMMISSION PUBLIC HEARING SPECIAL MEETING– January 19, 2016

The Port of Port Townsend Commission met in special session at the Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners – Tucker and Clinefelter
Executive Director – Crockett
Deputy Director – Pivarnik
Auditor – Berg
Planning Analyst - Toews
Minutes – Nelson

Present by Conference Call: Commissioner Hanke

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker called the public hearing special meeting to order at 10:00 AM, noting there were no members of the public present for the public hearing.

II. Surplus of New Day Fisheries Building and Amending the Comprehensive Scheme of Improvements – Resolution No. 637-16:

Mr. Toews reported the public hearing meets the technical requirements for the surplus of the New Day Fisheries building. He explained although the building itself is not specified in the Comprehensive Scheme of Improvements, the property is mentioned a few times as a geographical reference. Resolution No. 637-16 declares the building surplus and amends the Comprehensive Scheme of Improvements. Mr. Toews explained this allows the Port to sell the building for “good valuable consideration”.

Mr. Crockett stated the certificate recommending the surplus is attached to the resolution, which he has signed.

Commissioner Tucker moved to adopt Resolution No. 637-16, declaring the New Day Fisheries building as surplus, and amending the Comprehensive Scheme of Improvements. Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. NEXT MEETING: Wednesday, January 27, 2016 at 5:30 PM in the Port Commission Building, 333 Benedict Street, Port Townsend, WA.

IV. ADJOURNMENT:

The public hearing special meeting adjourned at 10:05 AM with no further business to come before the commission.

ATTEST:

Brad A. Clinefelter, Secretary

Peter W. Hanke, President

Stephen R. Tucker, Vice President

RESOLUTION NO. 638-16

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 HEREBY RESOLVED: the Port of Port Townsend Commission as follows:

Approves the master policy directive of the Port Commission of the Port of Port Townsend dated January 14, 2015 incorporated herein by such reference and attached as Exhibit "A", for the purpose of establishing administrative authority for the Port District Executive Director.

ADOPTED this 27th day of January 2016, 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:

Brad A. Clinefelter, Secretary

Peter W. Hanke, President

Stephen R. Tucker, Vice President

APPROVED AS TO FORM:

Port Attorney

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

January 27, 2016

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.

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, which 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. 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 Small Works Roster 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 should precede any contract 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 Fifty Thousand Dollars (\$50,000.00).
3. The contract provides for the issuance of changes 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 Ten Thousand Dollars (\$10,000.00). If the fee for such services is estimated to exceed Ten Thousand Dollars (\$10,000.00), 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 Fifteen Thousand Dollars (\$15,000.00) Commission approval shall be required. The ED shall inform the Commission at the next scheduled meeting of actions undertaken under this section.

E. Reports:

Notwithstanding the authorities granted in the preceding sections A - D, 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, be leased only under an appropriate written lease instrument approved by the Commission in accordance with RCW 53.08.085. The term lease as used herein may refer to rental agreements, operating agreements or use agreements. Provided, however, in the case of a month-to-month lease subject to all the following conditions, the ED may execute the lease:

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 which 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 the 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, 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 sited 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

All grant and 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 Executive Director is not authorized to approve checks and warrants in the nature of claims or non-administerial obligations. The Executive Director 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 administrative 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.

RESOLUTION NO. 639-16
A Resolution of the Commission of the Port of Port Townsend

RESOLUTION AFFIRMING RESOLUTION No. 624-15,
READOPTING COMMISSION MEETING PROCEDURES

WHEREAS, The Port of Port Townsend did establish and approve, in public session, "Commission Meeting Procedures" by Resolution No. 42-87 dated November 18, 1987, and;

WHEREAS, The Port of Port Townsend did rescind Resolution No.42-87, and adopted new Commission Meeting Procedures which were more efficient and beneficial for both the Commission and participating public, by Resolution No. 326-00 on July 26, 2000, and which was subsequently amended by Resolution No 344-01 on March 14, 2001, by Resolution No. 363-02 on February 27, 2002, by Resolution No. 367-02 on March 27, 2002, by Resolution No. 390-03 on January 22, 2003, Resolution No. 392-03 on April 9, 2003, by Resolution No. 471-06 on July 26, 2006, by Resolution No. 487-07 on April 25, 2007, by Resolution No. 532-10 on January 27, 2010, by Resolution No. 553-11 on January 12, 2011, by Resolution No. 558-11 on March 23, 2011, by Resolution No. 561-11 on June 8, 2011; by Resolution No. 594-13 on May 8, 2013; Resolution No. 604-14 on January 22, 2014; and by Resolution 624-15 on January 14, 2015, and

WHEREAS, the Port Commission wishes to affirm the meeting procedures established on January 14, 2015 via Resolution No. 624-15.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port of Port Townsend, that Resolution No. 624-15 adopted on January 14, 2015 shall be affirmed and the Commission Meeting Procedures, as shown in the attached "Appendix A" shall be readopted, with minor amendments concerning meeting times, order of business, and voucher approval.

ADOPTED this 27th day of January 2016, 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:

Brad A. Clinefelter, Secretary

Peter W. Hanke, President

Stephen R. Tucker, Vice President

APPROVED AS TO FORM:

Port Attorney

APPENDIX A

The Policy and Procedures on pages 1-4 have been adopted by Resolution 639-16, amending Resolutions 326-00, 344-01, 363-02, 367-02, 390-03, 392-03, 471-06, 487-07, 532-10, 553-11, 558-11, 561-11, 594-13, 604-14, and 624-15. Any changes or deletions will require an amendment to the Resolution.

COMMISSION MEETINGS

TIME AND LOCATION OF MEETINGS

1. With the exception of the dates and meetings times specifically outlined in paragraph 2, immediately below, regular meetings of the Port of Port Townsend will be held on the second Wednesday of each month at 1:00 p.m. and the fourth Wednesday of each month at 5:30 p.m. in the Port Commission Building, 333 Benedict Street, Port Townsend, Washington. The workshop, if called (i.e., workshops are called at the sole discretion of the Commission President), will precede the regular meeting on the second Wednesday of each month at 9:30 a.m.
2. a. The first regular meeting in May will be held on Monday, May 9th at 1 PM
b. The second regular meeting in November will be held on Tuesday, November 22 at 1 PM

RULES OF TRANSACTION OF BUSINESS

1. Order of Business shall be as follows:
 - I Call to Order
 - II Approval of Agenda
 - III Consent Agenda
 - IV Public Comments (Not related to Agenda items and or Guest Presentations.
If applicable)
 - V Second Reading (Action Items)
 - VI First Reading (Discussion Only)
 - VII Potential Immediate Action
 - VIII Other Business
 - IX Staff Comments
 - X Public Comments
 - XI Commissioner Comments
 - XII Next Meeting
 - XIII Executive Session, (If called)
 - XIV Adjournment
2. All matters which, in the judgment of the Commission, are of a legislative character shall be embodied in the form of Resolutions. Resolutions shall be numbered consecutively, and the original copy shall be signed by the President and Vice President and attested by the Secretary

in open session. Resolutions shall be filed by the Secretary and shall be recorded in a book or books kept for such purpose, which shall be public records.

3. Organization of Workshops:
 - a. Shall have an agenda approved at the beginning of the workshop.
 - b. Will have minutes recording topics discussed either in written and/or audio format.
 - c. Will be used for discussion only, with no binding decisions made by the Commissioners.
 - d. Rules governing written and spoken input from members of the public for business meetings will not apply to workshops.
4. Organization of Regular Business Meetings:
 - a. Shall have an agenda approved at the beginning of the meeting.
 - b. Will be started with the Pledge of Allegiance.
 - c. Will have minutes recording topics discussed and actions taken either in written and/or audio format.
 - d. Will allow presentations by each member of the public indicating a desire to address the Commission, of no more than 3 minutes, on any topic not related to the agenda.
 - e. Will allow presentations by each member of the public indicating a desire to address the Commission on any agenda item. Such presentations shall be heard during discussion of the subject agenda item, at a point in the discussion determined by the presiding officer, for a uniform maximum length of time announced by the presiding officer, at his or her discretion, to make additional presentations once all who want to be heard have made their presentation.
 - f. Public presentations shall adhere to common norms of civility and may be cut off by the presiding officer if in his or her judgment these norms are violated.
5. Conduct of Regular Business Meetings:
 - a. The Port Commission, as a governing body, is charged with making decisions that advances the mission of the Port and which are based on sound information and analysis, respect for views of the public, and each Commissioner's best disinterested judgment.
 - b. With only 3 elected Commissioners, the Commission can operate with a high degree of informality and need not be bound to all the provisions spelled out in standard codes of parliamentary procedure. However, some formal procedures need to be followed to respect the rights of all 3 Commissioners to participate equally and fully in all Commission business.

- c. Some fundamental principles for conducting Commission meetings include (taken from The Standard Code of Parliamentary Procedure, by Alice Sturgis):
 - i. All Commissioners have equal rights, privileges, and obligations.
 - ii. The majority vote decides.
 - iii. The rights of the minority must be protected.
 - iv. Full and free discussion of every proposition presented for decision is an established right of the members.
 - v. Every member has the right to know the meaning of the question before the Commission and what its effect will be.
 - vi. All meetings must be characterized by fairness and by good faith.
 - d. To facilitate sufficient time for reflective consideration of proposals by Commissioners and members of the public and staff, all proposals for policies which impact members of the public shall be voted on no sooner than the immediate next regular business meeting following introduction of the proposal in the form of a motion moved by a Commissioner. The introduction of a proposal is the “first reading” and the vote is the “second reading”. This requirement may be waived by a unanimous vote of the Commission.
 - i. A policy proposal, once moved as a motion, may be discussed at subsequent Commission meetings without a vote required and may be amended at subsequent meetings.
 - ii. At any subsequent Commission meeting, and Commissioner may move “To vote immediately” on the policy proposal. This motion is not debatable and requires a two-thirds affirmative vote.
 - iii. The chair may call for a vote on the policy proposal at any subsequent Commission meeting and may proceed with a vote in the absence of any objections by other Commissioners.
 - e. All motions require a second. In the absence of a second, the motion is declared dead.
 - f. Minor amendments to a motion may be accepted as a “friendly amendment” by the maker of the original motion without a vote on the amendment.
 - g. The presiding officer of the Commission meeting shall have the right to participate fully in the discussion and shall cast a vote on all motions.
 - h. The standard priorities and requirements for main, subsidiary, and privileged motions shall be used.
- 6. The draft agenda may be available by Friday of the week previous.
 - 7. The Executive Director or his designee would be responsible for keeping track of each issue.
 - 8. All public comments and questions should be directed to the Commissioners. If the Commissioners so desire, they may refer the question to the Executive Director, Port Attorney, and/or other Port Staff in attendance.

SMOKING

Smoking is prohibited during the Commission meetings.

MINUTES

1. Additions and or corrections to the Minutes will be recorded and become a part of the revised and approved consent agenda. Minutes are to be available to the Commissioners prior to the meetings.
2. Minutes are recorded according to **RCW 42.32.030**

VOUCHER APPROVAL

It shall be the policy of the Port of Port Townsend Commissioners to approve vouchers for payment and authorize the issuance of warrants by signing a list which will indicate the voucher number, to whom paid, amount and purpose of the payment. Voucher approval is incorporated under "Consent Agenda".

COMMISSIONER'S COMPENSATION

Each Commissioner shall be reimbursed or compensated for actual attendance at general meetings and for performance of other services in behalf of the Commission up to the maximum rate allowed in accordance with **RCW 53.12.260**.

RESOLUTION NO. 640-16

A Resolution of the Commission of the Port of Port Townsend

RESOLUTION GOVERNING PROMOTIONAL HOSTING EXPENDITURES

WHEREAS: Article VIII, Section 8 of the State Constitution RCW 53.36.120, 130, 140, and 150 set specific rules and regulations governing the expenditures for industrial development, trade promotion or promotional hosting of port districts; and

WHEREAS: the voters of the State of Washington in November, 1966, authorized port districts to make expenditures for trade and other promotion; and

WHEREAS: the office of the State Auditor issued bulletin number 404 on August 20, 1986, establishing promotional hosting guidelines; and

WHEREAS: industrial and trade promotion by the Port of Port Townsend is found and determined to be of benefit to the businesses and citizens of the Port of Port Townsend; and

WHEREAS, The Port of Port Townsend did establish and approve, in public session, "Promotional Hosting Expenditures" by Resolution No. 467-06, dated March 8, 2006; and,

WHEREAS, the substance of Resolution No. 467-06 is of continuing utility and should be, and is hereby, affirmed, and the Commission Meeting Procedures, as shown in the attached "Appendix A" should be readopted, with minor amendments concerning meeting times, order of business, and voucher approval.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port of Port Townsend that:

1. As suggested in the Office of the State Auditor Bulletin #404: *"the basic standard for promotional hosting at public expense is that the promotional hosting is calculated to result in the public purpose, declared by the Washington State Constitution, of promoting industrial development or trade within the district. Exceptions will be taken to any hosting where its possible influence on industrial development or trade promotion is so indirect or tenuous that the hosting expenditures appear to be hosting for the sake of hosting"*.
2. "Hosting" is defined to mean and include furnishing customary meals, refreshments, alcoholic and non-alcoholic beverages, lodging, transportation, or any combination of those items in connection with:
 - a. Business meetings,
 - b. Social gatherings,
 - c. Ceremonies honoring persons or event,relating to the authorized business promotional activities of a port. "Hosting" may also include reasonable, customary and incidental entertainment, souvenirs and promotional items.
3. The office of the Auditor issued bulletin number 404 on August 20, 1986, setting forth general guidelines for the hosting of:
 - a. Private businessmen,
 - b. Union officials,
 - c. Foreign government officials,
 - d. Government officials from other states,

- e. Washington State and local governmental officials and employees,
- f. Officers and employees of other port districts,
- g. And spouses of businessmen, officials, etc.

These guidelines are attached to this resolution to provide guidance to all persons authorized to make expenditures for promotional hosting.

- 4. The Port Commissioners and the following Port Employees shall be authorized to make expenditures for promotional hosting subject to specific and general conditions hereafter set forth:

Executive Director; Deputy Director; Director of Finance and Administration.

- 5. The Port Commissioners, officials and employees authorized to make expenditures for promotional hosting shall be reimbursed subject to the following:
 - a. In filing claims for reimbursement, an official form approved by the Division of Municipal Corporation of the State Auditor shall be used.
 - b. Such forms shall have attached such receipts, documents or other evidence to support the expenditures.
 - c. The date and location of the hosting, name and affiliation of the person or persons hosted and the reason for the hosting shall be specified. In situations where confidentiality is important to individuals involved in a transaction, details relating to the meeting will be forwarded by internal memorandum to the Director of Finance and Administration to be maintained in a separate file and may be omitted from the expense reimbursement form.
 - d. Any travel specific hosting claims made by Port Commissioners, officials and employees must be in accordance with Port Travel Policies.
 - e. The reimbursement shall be made by a warrant approved at a Commission meeting.
 - f. Promotional hosting expenditures exceeding \$250.00 up to \$1,000.00 require prior approval of the Executive Director. All expenditures over \$1,000 require prior Port Commission approval.

ADOPTED this 27th day of January 2016, 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:

Peter W. Hanke, President

Stephen R. Tucker, Vice President

Brad A. Clinefelter, Secretary

APPROVED AS TO FORM:

Eric R. Toews, Port Attorney

To: All Public Ports
From: Lee Reaves
Chief Examiner
Subject: Promotional Hosting Guidelines

This bulletin has been prepared with the assistance of the Office of Attorney General and is designed to provide guidelines for the expenditure of public funds pursuant to Article VIII, Section 8, of the State Constitution, RCW 53.36.120, .130, .140 and .150 and Account No. 8081 of the prescribed Uniform System of Accounts for Ports Districts of the State of Washington.

DEFINITION

"Hosting" is defined in these guidelines to mean and include furnishing customary meals, refreshments, lodging, transportation, or any combination of those items in connection with:

- a. Business meetings,
- b. Social gatherings,
- c. Ceremonies honoring persons or events,

relating to the authorized business promotional activities of a port. "Hosting" may also include reasonable, customary and incidental entertainment, and souvenirs of nominal value, incident to such events.

SPECIFIC LEGAL REQUIREMENTS

1. Expenditures for promotional hosting shall be pursuant to specific budget items as approved by the port commission. (RCW 53.36.120)
2. Funds for promotional hosting expenditures shall be expended only from gross operating revenues. See RCW 53.36.130 for limits and exception.
3. Port commissions shall adopt, in writing, rules and regulations governing promotional hosting expenditures by port employees or agents. Such rules shall identify officials and agents authorized to make such expenditures and approved objectives of such spending. All payments and reimbursements shall be identified and supported on vouchers approved by the port auditor. (RCW 53.36.140)

BASIC STANDARD

The basic standard for promotional hosting at public expense is that the promotional hosting is calculated to result in the public purpose, declared by the Washington State Constitution, of promoting industrial development or trade within the district. Exceptions will be taken to any hosting when its possible influence on industrial development or trade promotion is so indirect or tenuous that the hosting expenditure appears to be hosting for the sake of hosting.

GENERAL GUIDELINES

A. Hosting Private Business

(This is the classic type of promotional hosting which was at issue in O'Connell v. Port of Seattle, 65 Wn. 2d 801, 399 P.2d 523 (1965), and which was undoubtedly the main type of hosting contemplated by the Legislature and the people when they adopted Article VIII, Section 8, of the State Constitution and the statutes implementing that constitutional provision.) Undoubtedly, the legislative intent was to put ports on something of an equal footing with private businesses, in the relationship of ports with private businesses - that is, to permit ports to serve food and drink in meetings and contacts with private business even where the private business had no contractual obligation to give the port anything in return, on the theory that the meals and refreshments would help create an atmosphere of goodwill in those situations and that general goodwill would in the future enhance and promote trade and industrial development. In general, the auditor will not question the expenditure of port district funds for hosting private business, in accordance with the basic standard, when properly accounted for.

B. Hosting of Union Officials

It is recognized that union officials represent a substantial segment of port employees and that the productivity of those employees has a direct influence on a port's ability to secure and retain trade, but whether union officials are in a position to influence industrial development or trade promotion is a question of fact. Port districts should be prepared to show that the activities of a particular union or union official are sufficiently connected to trade promotion

or industrial development in the port to justify such hosting. The auditor will look to the activities of a particular union or union official and will consider the hosting of such union official justified if there is sufficient evidence to show that the particular union is directly involved in current or proposed port activities.

C. Hosting Foreign Government Officials

When the officials of a port district reasonably believe that promotional hosting of an official of a foreign government will tend to promote trade and industrial development between the nation and port, reasonable expenditures of port funds for that purpose will be recognized. Exception will be taken if the hosting violates the basic standard or violates the laws of the foreign nation in question.

D. Hosting U.S. Governmental Officials

Port district officials must be especially cautious in hosting U.S. Government officials. In many cases there are statutes or regulations which would prohibit or limit their acceptance of gifts or gratuities. Consistent with federal law, port districts are permitted to host federal government officials whose work may directly affect the port district's trade or industrial development activities. Generally no audit exception will be taken to hosting which is properly incident to ceremonies honoring either foreign or U.S. Government officials where such hosting is consistent with the role of the port in promoting commerce. Exception will be taken to the hosting of officials whose work does not relate directly to industrial development or trade promotion unless the port's records reflect a particular reason why the hosting in question would clearly tend to promote industrial development or trade promotion in the district and is otherwise proper.

E. Promotional Hosting of Government Officials of Other States

The standard will be the same as in paragraph D, Hosting U.S. Government Officials.

F. Promotional Hosting of Washington State and Local Government Officials and Employees (Other than Port District Officials and Employees)

Generally, state and local officials in Washington who do business with the port district will be expected to seek reimbursement from their own employing agencies for meals and lodging which are lawfully reimbursable. In particular cases, the auditor will consider evidence that the use of promotional hosting funds for food, drink or lodging for state or local government officials was an appropriate hosting expenditure in connection with meetings relating to trade or commerce; for example, where uniform travel regulations would prevent the hosted official or employee from being reimbursed by his or her own agency, or when particular expenditures are inseparable as a practical matter from otherwise proper promotional hosting activities.

G. Hosting Officers and Employees of Other Port Districts

As to ports located outside Washington, the analysis applied to officials of other states and counties would be applicable here. As to officials of port districts within the state, hosting will be governed by the same rules as hosting other Washington State officials and employees described in paragraph F. Generally, hosting of a port's own officers and employees will not be regarded as permissible "hosting". To the extent that a port district officer or employee may be lawfully required or authorized to attend a port district function, whether promotional or otherwise, the necessary expenses of such officer or employee are reimbursable at port expense under RCW 53.08.175. However, it is possible that unreimbursable costs may be incurred by the district on account of the attendance of one or more of its officers or employees at such events, which are inseparable from the overall cost of the event. In such cases, those costs are payable to the same extent as for other local government officials described earlier in this bulletin.

H. Hosting Spouses of Officials, Etc.

There will be times when the spouse of a shipper, ship captain, business or government official to be hosted will be present. In such a circumstance it would be proper to host the spouse also.

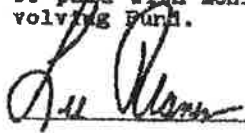
PROMOTIONAL HOSTING FROM ADVANCE TRAVEL REVOLVING FUND

RCW 42.24.120 authorizes advances for travel expenses to officers and employees of municipal corporations and other political subdivisions. The question has arisen whether payments for promotional hosting on behalf of a port district may be made from money advanced from an Advance Travel Expense Revolving Fund.

The Attorney General's Office has issued an informal opinion to the State Auditor's Office, dated September 29, 1969, concerning this question, a portion of which we quote:

"Noting that Chapter 74, Laws of 1969, authorizes advance payments of only 'travel expenses,' the answer depends upon (a) the extent to which promotional hosting expenditures in any given case constitute 'travel expenses,' and (b) the extent to which advances of such travel expenses may be authorized by the port commission itself, in its regulations. In my opinion, if a port district officer or employee, who is traveling on business of the port district, has been authorized to expend funds for promotional hosting, in the course of and incident to such travel, then such expenditures constitute a part of his 'travel expenses' and may be legitimately advanced under appropriate regulations of the port commission."

To summarize, if a port district official or employee is authorized by the port district commissioners to make expenditures for promotional hosting and if such promotional hosting is done while in travel status, then the cost of such promotional hosting may be paid with monies advanced from the Advance Travel Expense Revolving Fund.



PORT OF PORT TOWNSEND

MEETING OF: January 27, 2016

AGENDA ITEM: VI. First Reading
A. Kayak Rack Storage Rates

BACKGROUND:

At the last Commission meeting Mr. Phil Pilgrim gave testimony that he believed that the rental increase for his kayak rack was too large and we should consider lowering our adopted rate.

Some history of the racks, in 2008 the Port built these racks as part of the Point Hudson redevelopment project, included in that we built an extra wide float to support the weight of these racks and a low freeboard float so that it was easy to launch kayaks. All told the Port spent over \$200,000 for these facilities. Our initial rate for the racks in 2009 was \$29 per month including leasehold tax. At that time we had little participation so Commissioner Collins lobbied to lower the price to \$15 per month in late 2010 and the racks quickly filled. Per state law charges under \$21 require no leasehold tax to be charged. So in 2014 we raised that rate to \$20 still under the leasehold tax requirement.

When staff originally proposed the building of the kayak facility in 2008 it was estimated that we needed to charge at least \$25 per month to pay for the investment and the project was sold on that premise. Since demand is high at this time staff believes that our adopted rate is a fair market rate even though there are few comparables. The \$28 fee that was adopted is \$24.75 plus leasehold tax.

Executive Director's Recommendation:

For discussion and direction.

PORT OF PORT TOWNSEND

MEETING OF: January 27, 2016

AGENDA ITEM: VI. First Reading
B. Gatheringplace Proposal

BACKGROUND:

Linda Ferris, Director of the Gatheringplace, has been meeting with Port staff on several occasions to explore expansion possibilities for their facility at Point Hudson. Linda has written a proposal, included in your packet as well as conceptual drawing for your review. The Gatheringplace has been working on funding options for this expansion and will be at the meeting to present their proposal.

Executive Director's Recommendation:

For discussion and direction.

January 12, 2016

Port of Port Townsend Commissioners:

Gatheringplace has been a nonprofit in Jefferson County since July 11, 1994. Its purpose is to offer enrichment activities, structure and job skills training for adults with mild to severe developmental disabilities in Jefferson County. No daily activity programs were available for these most vulnerable adults after graduation from the local high school special education program. Gatheringplace is privately funded as no state or county money is allotted for programs such as ours. Some of the aforementioned adults, over 21 years old, do receive services for part-time job-supported employment through Skookum, in addition to attending Gatheringplace classes.

Our initial classes in art/crafts, music and exercise were held at the Recreation Center, Uptown. A staff member who had been making dog biscuits to sell, suggested Gatheringplace participants, staff and volunteers begin making biscuits for skill building and fund raising.

By 2003, this program needed a more permanent location where we could expand our activities plus make larger batches of dog biscuits. After meeting with the Port and describing our program, Jim Pivarnik showed us a space at 430 Hudson Street that was available and might work well. The space was a good match. We were very thankful to finally have a more permanent place.

With the popularity of the dog biscuits, it was becoming essential to bake in a larger 1/2 size commercial oven and acquire a dough sheeter to obtain consistency of thickness for the biscuits. Both of these pieces of equipment required additional electrical power. Our space at Point Hudson did not have adequate power or space.

In 2008, Skookum offered Gatheringplace a space to set up the bakery after a large room was vacated by their Jump Rope Company, which employed adults with developmental disabilities. About 1/2 of their employees, who either retired or became unemployed, began attending Gatheringplace classes and the "Yummy" Dog Biscuit Bakery. Skookum offered financial assistance to add the needed power in this large room.

Three years ago, in 2012, Skookum asked us to move to a different and smaller space as they were starting a new commercial laundry operation. As it now turns out, they need more additional space and have requested that Gatheringplace find another location in the community for the Dog Biscuit Bakery.

The search for a building, hopefully near our 430 Hudson Street location, with a larger and more efficient layout, has led us to ask the Port Commissioners for the use of the backyard area at 420 Hudson Street, to build a new bakery. We need an efficiently designed kitchen for better workflow, storage for larger quantities of ingredients, a larger packaging/shipping area and the floor area with enough elbow room for the 25-30 participants, staff and volunteers to cut biscuits. The attached plans show a site plan, floor plan and selected elevations.

With a larger facility, we would increase marketing, production and revenue, creating additional sustainability for Gatheringplace. "Yummy" Dog Biscuits are a proven product after seven years of increasing sales at the Farmers' Market, at several stores in Jefferson County, and orders online.

We are also making plans for a commercial kitchen at the building offering several additional opportunities for job training, sustainability and partnerships in the community.

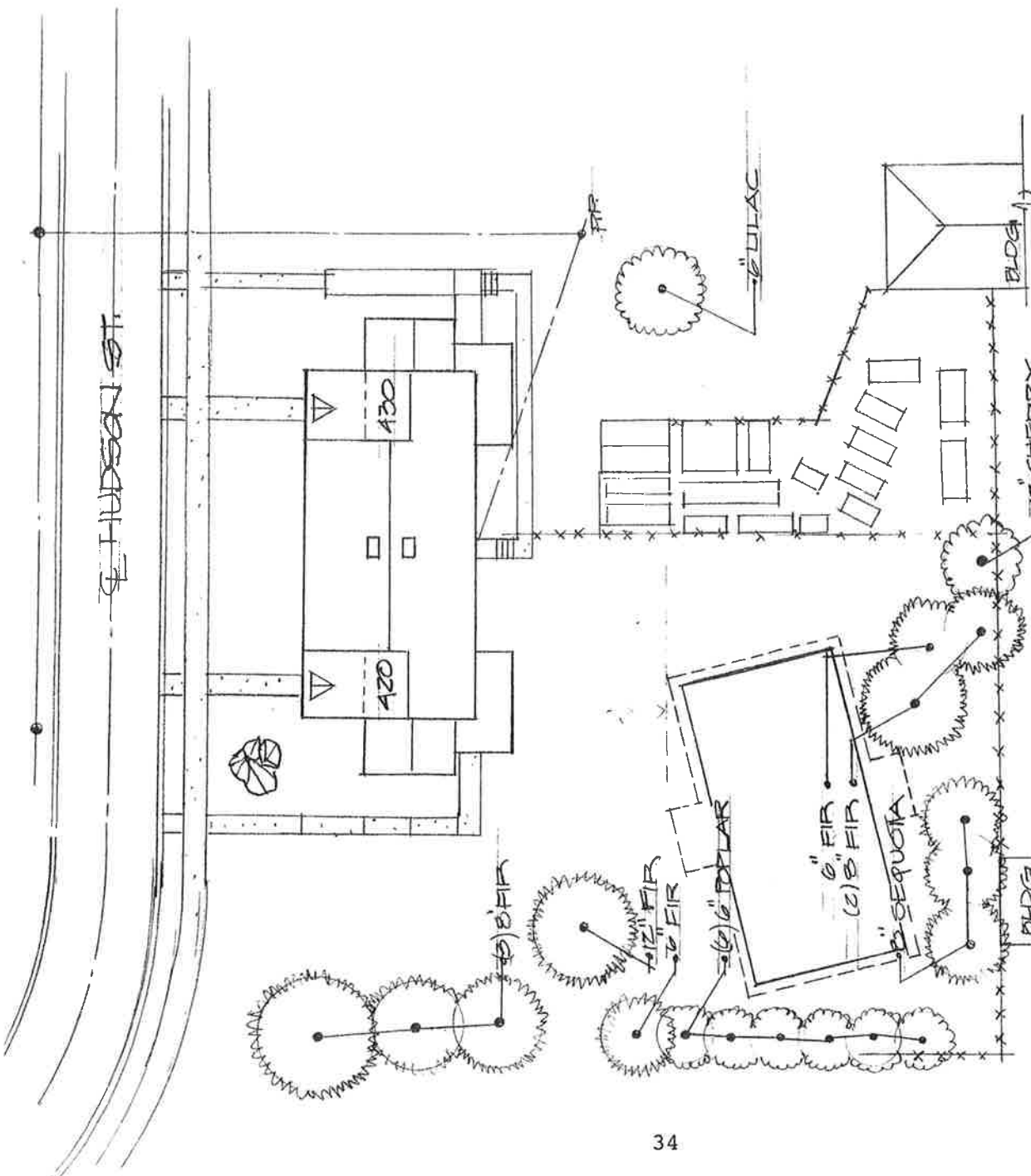
Gatheringplace is not seeking funding from the Port of Port Townsend for the construction of the building. Funding sources will include direct fundraising campaigns, contact of current Gatheringplace donors, grant proposals, etc. A private foundation has given us an indication they will be a grantor. What we are asking for is the Port's approval to plan and seek permits to expand our facility at Point Hudson.

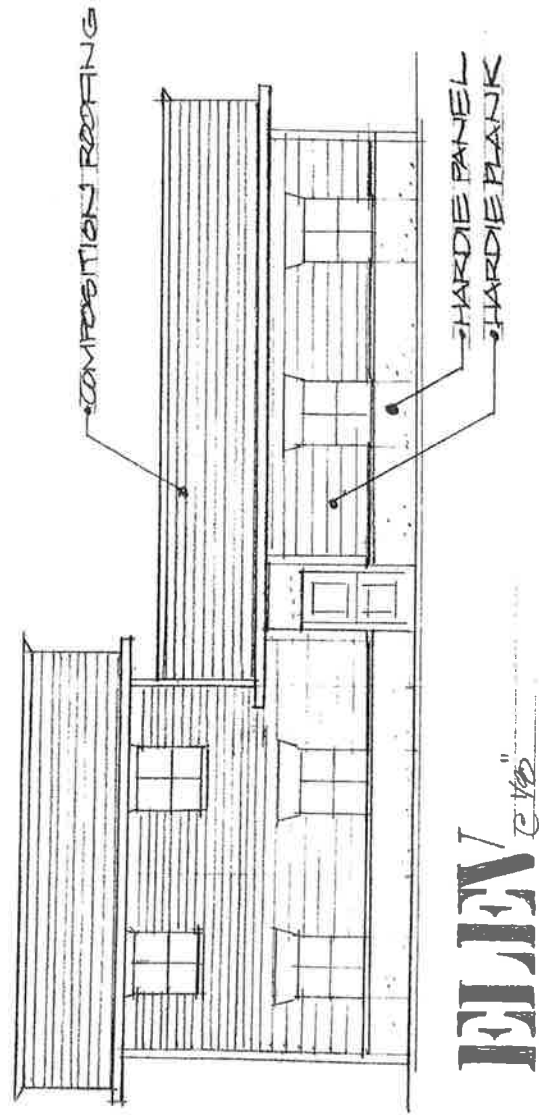
It is with great appreciation that Gatheringplace says thank you to the present and past Port Commissioners for your very generous support and space that you have allowed us to use for over 12 years! Our program would not be the high quality that it is, offer the variety of experiences as it does or serve as many individuals, without you. Thank you very much for your consideration of this request.



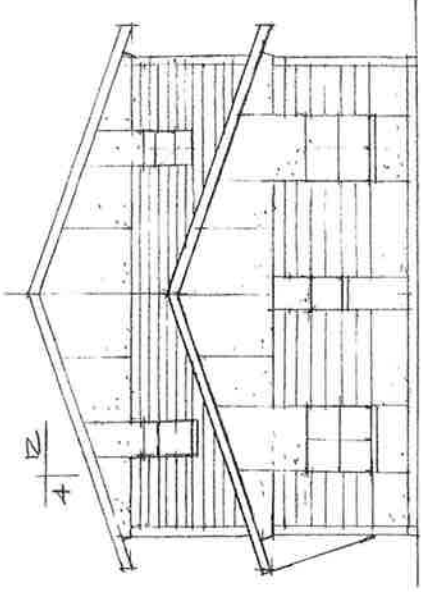
PT. HUDSON 1/2

STII SC: 1"=20'

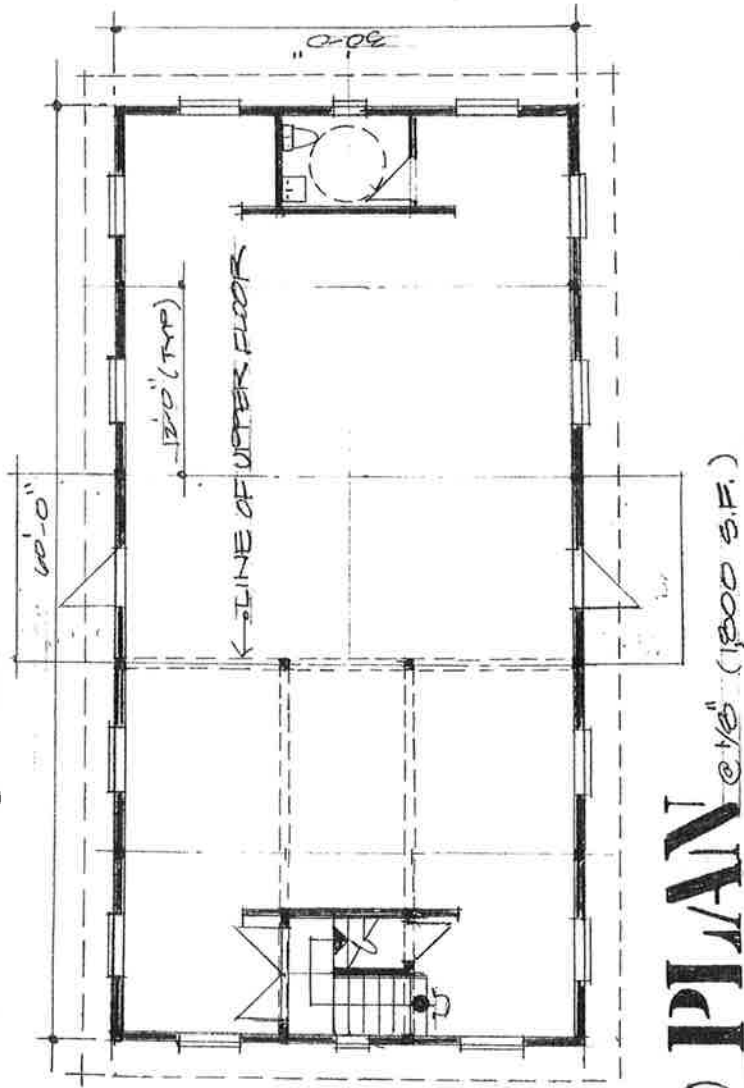




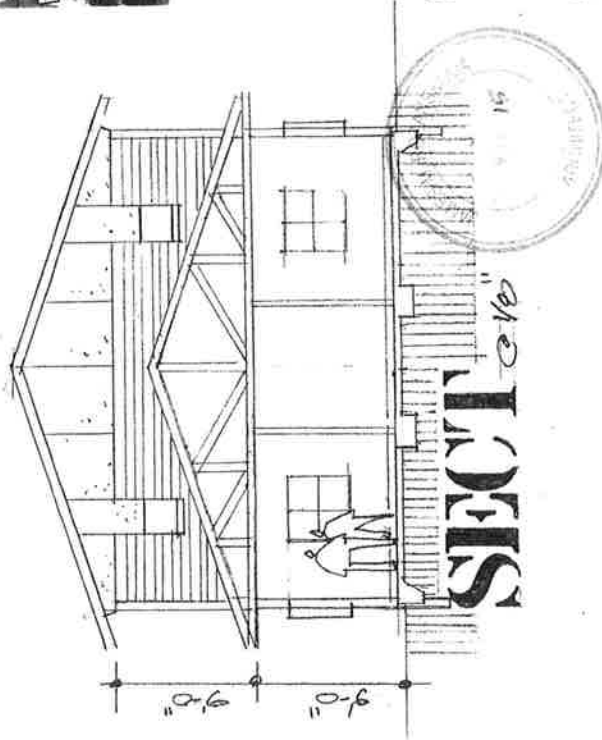
PLAN 1/8" = 1'-0"



PLAN 1/8" = 1'-0"



PLAN 1/8" = 1'-0" (1800 S.F.)



SECTION 1/8" = 1'-0"

P.T. HUDSON 1/2"



P.O. Box 1180 • Port Townsend, Washington 98368-4624

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

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 labor performed and the services provided, as described herein, and that the claims are just and unpaid obligations of the Port of Port Townsend, and that these claims, in Warrant No 055660 through No. 055670 in the amount of \$13,984.66 and Electronic Payment in the amount of \$55,952.74, are approved for payment for a total amount of \$69,937.40 on this 27th day of January, 2016.

For: **Payroll and Benefits**

Commissioner Pete W. Hanke

Commissioner Stephen R. Tucker

Commissioner Brad A. Clinefelter

S. Abigail Berg, Director of Finance
And Administration

Manual Check and Payment Register
 Journal Posting Date: 1/15/2016
 Register Number: MC-000075

Port of Port Townsend (PTA)

Bank: K KITSAP BANK

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number Invoice Amount	Discount	Distribution Amount	Check Amount
W00046 Check Comment: CKW0004801	1/15/2016 Payroll Taxes 1/1/16 - 1/15/16	INT030 Internal Revenue Service			18,392.12
	1/15/2016 G/L Account: 213-6000-00	18,392.12 PAYROLL TAXES PAYABLE	0.00	18,392.12	
W00047 Check Comment: CKW0004701	1/15/2016 Deferred Comp 1/15/16	WA0302 State of Washington			1,140.00
	1/15/2016 G/L Account: 213-5500-00	1,140.00 EE DEFERRED COMP PAYABLE	0.00	1,140.00	
	Bank K Total:	<u>19,532.12</u>	<u>0.00</u>	<u>19,532.12</u>	<u>19,532.12</u>
	Report Total:	<u>19,532.12</u>	<u>0.00</u>	<u>19,532.12</u>	<u>19,532.12</u>

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount	
055669	1/15/2016	PEJ001	Peninsula Credit Union					Check Entry Number: 001
			01/15/2016	1/15/2016	250.00	0.00	250.00	
055670	1/15/2016	SPE010	James Speer					Check Entry Number: 001
			01/15/2016	1/15/2016	250.00	0.00	250.00	
				Report Total:	<u>500.00</u>	<u>0.00</u>	<u>500.00</u>	



P.O. Box 1180 • Port Townsend, Washington 98368-4624

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

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 labor performed and the services provided, as described herein, and that the claims are just and unpaid obligations of the Port of Port Townsend, and that these claims, in Warrant No 055671 through No. 055713, are approved for payment in the amount of \$173,756.70 on this 27th day of January, 2016.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Stephen R. Tucker

Commissioner Brad A. Clinefelter

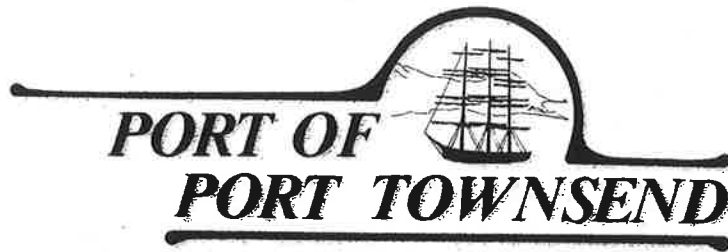
S. Abigail Berg, Director of Finance
And Administration

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount	
055671	1/27/2016	BAN005	Bank of America					Check Entry Number: 001
			01/05/2016	1/5/2016	3,357.46	0.00	3,357.46	
055672	1/27/2016	CAR006	Carrot-Top Industries					Check Entry Number: 001
			28884400	1/13/2016	120.41	0.00	120.41	
055673	1/27/2016	CEN030	CenturyLink					Check Entry Number: 001
			01/01/2016	1/1/2016	230.00	0.00	230.00	
055674	1/27/2016	CEN035	CenturyLink					Check Entry Number: 001
			01/08/2016	1/8/2016	1,167.21	0.00	1,167.21	
055675	1/27/2016	CON050	Consolidated Electric Dist.					Check Entry Number: 001
			5948-644720	1/8/2016	61.78	0.00	61.78	
055676	1/27/2016	COO050	Cooper Fuel & Auto Repair					Check Entry Number: 001
			116137	1/8/2016	558.84	0.00	558.84	
			116140	1/8/2016	529.23	0.00	529.23	
				Check 055676 Total:	1,088.07	0.00	1,088.07	
055677	1/27/2016	DLL010	D L Logos					Check Entry Number: 001
			1359	1/11/2016	7.09	0.00	7.09	
055678	1/27/2016	DOU010	Double D Electric					Check Entry Number: 001
			I-3621	1/8/2016	3,517.79	0.00	3,517.79	
055679	1/27/2016	GRA005	Grainger					Check Entry Number: 001
			9938318574	1/13/2016	482.03	0.00	482.03	
055680	1/27/2016	HAN001	Hanson Electric					Check Entry Number: 001
			116282C	1/19/2016	3,133.75	0.00	3,133.75	
055681	1/27/2016	HAR030	Harris Ford Inc					Check Entry Number: 001
			159656	12/30/2015	97.01	0.00	97.01	
055682	1/27/2016	HAV050	Haven Boatworks LLC					Check Entry Number: 001
			01072016	1/7/2016	858.98	0.00	858.98	
055683	1/27/2016	HIG020	Highway Specialties LLC					Check Entry Number: 001
			1601320	1/18/2016	87.75	0.00	87.75	
055684	1/27/2016	HIL010	M. W. Hillman Consulting					Check Entry Number: 001
			12/31/2015	1/1/2016	4,080.00	0.00	4,080.00	
055685	1/27/2016	ICS001	ICS Support, Inc.					Check Entry Number: 001
			0056360-IN	1/19/2016	255.00	0.00	255.00	
055686	1/27/2016	KLA010	Klaass Images					Check Entry Number: 001
			109047	1/7/2016	272.50	0.00	272.50	
055687	1/27/2016	LEA005	Leavitt Trucking Inc					Check Entry Number: 001
			12/08/2015	12/8/2015	45.78	0.00	45.78	
055688	1/27/2016	MCV050	Rod McVicker					Check Entry Number: 001
			01122016	1/12/2016	1,261.91	0.00	1,261.91	
055689	1/27/2016	NOP001	NOP RC&D Council					Check Entry Number: 001
			2016-13	1/11/2016	900.00	0.00	900.00	
055690	1/27/2016	OES001	OESD 114					Check Entry Number: 001
			15160000514	1/7/2016	2,035.00	0.00	2,035.00	
055691	1/27/2016	OLY003	Olympic Springs, Inc.					Check Entry Number: 001
			281120	12/31/2015	10.85	0.00	10.85	
055692	1/27/2016	PAC005	PESCO					Check Entry Number: 001
			21079	12/31/2015	416.79	0.00	416.79	
055693	1/27/2016	PIT001	Pitney Bowes Global Fin. Svcs.					Check Entry Number: 001
			7064967-DC15	1/13/2016	60.42	0.00	60.42	
			8371783-DC15	1/13/2016	453.29	0.00	453.29	
				Check 055693 Total:	513.71	0.00	513.71	
055694	1/27/2016	POR007	Port Townsend Honda					Check Entry Number: 001
			10211	1/7/2016	247.92	0.00	247.92	
055695	1/27/2016	POR008	Port Townsend Yacht Club					Check Entry Number: 001
			01/01/2016	1/1/2016	135.00	0.00	135.00	
055696	1/27/2016	PUD001	Pud District #1					Check Entry Number: 001
			01/18/2016	1/18/2016	43.00	0.00	43.00	
055697	1/27/2016	PUD005	PUD #1 of Jefferson County					Check Entry Number: 001
			01/04/2016	1/4/2016	24,787.44	0.00	24,787.44	
055698	1/27/2016	QUA050	Quaker Maid Fisheries					Check Entry Number: 001
			01072016	1/7/2016	1,566.95	0.00	1,566.95	
055699	1/27/2016	QUI001	Quill Corporation					Check Entry Number: 001
			2034781	1/5/2016	63.63	0.00	63.63	
055700	1/27/2016	SEC010	Security Services					Check Entry Number: 001
			92058	1/1/2016	164.00	0.00	164.00	
055701	1/27/2016	SHO010	Shold Excavating Inc					Check Entry Number: 001
			34064	1/4/2016	2,883.25	0.00	2,883.25	
055702	1/27/2016	SKO000	Skookum Contract Services					Check Entry Number: 001
			9017896	1/11/2016	6,606.08	0.00	6,606.08	
055703	1/27/2016	SOE001	Soehl Electronics					Check Entry Number: 001
			10230225	1/14/2016	11.41	0.00	11.41	
055704	1/27/2016	SUN005	Sonny's R.V. Inc.					Check Entry Number: 001
			504380	1/7/2016	22.99	0.00	22.99	
055705	1/27/2016	TRA020	Tranco Transmissions					Check Entry Number: 001
			25166	1/4/2016	2,001.30	0.00	2,001.30	
055706	1/27/2016	TWI001	Spectra Laboratories - Kitsap					Check Entry Number: 001
			16-00309	1/19/2016	91.50	0.00	91.50	
055707	1/27/2016	WA0501	Employment Security Department					Check Entry Number: 001
			Q4/2015	12/31/2015	3,066.00	0.00	3,066.00	
055708	1/27/2016	WA0503	State of Washington-Dept of					Check Entry Number: 001
			2016-WAR000725	1/1/2016	1,514.00	0.00	1,514.00	
055709	1/27/2016	WA1803	State of Washington					Check Entry Number: 001
			Q4 LET	12/31/2015	96,108.61	0.00	96,108.61	
055710	1/27/2016	WAS003	Washington Public Ports Assn.					Check Entry Number: 001
			016-047	1/5/2016	9,012.00	0.00	9,012.00	
055711	1/27/2016	WAV040	Wave Broadband					Check Entry Number: 001

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
			01012016	1/1/2016	677.82	0.00	677.82
055712	1/27/2016	WIM001	Wimactel, Inc				Check Entry Number: 001
			000146122	1/1/2016	59.18	0.00	59.18
055713	1/27/2016	WOR040	Workin' Man Creative				Check Entry Number: 001
			124	1/16/2016	693.75	0.00	693.75
				Report Total:	<u>173,756.70</u>	<u>0.00</u>	<u>173,756.70</u>



P.O. Box 1180 • Port Townsend, Washington 98368-4624

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

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 obligation described below is a just and unpaid obligation of the Port of Port Townsend, and that the Electronic Debit from the Port Checking Account held at Union Bank is approved for payment in the amount of \$3,663.14 on this 27th day of January, 2016.


For: Washington State, Department of Revenue
Combined Excise Tax Return – for December, 2015 in the amount of
\$3,663.14

Commissioner Pete W. Hanke

Commissioner Stephen R. Tucker

Commissioner Brad A. Clinefelter

S. Abigail Berg, Director of Finance
and Administration

 Electronic Filing – Washington State	E-file Time: 1:25 PM help ?
My Account Home Account Activity List Server Suggestions Logout	

BOAT HAVEN FUEL DOCK 161-000-044

Confirmation

Confirmation Number	17209946
Tax Registration Number	161000044
Reporting Period	12/2015
Payment Type	EFT Debit
Date and Time Submitted	1/21/2016 1:25:23 PM
Date of Transfer	01/22/2016
Payment Amount	3,663.14
Person Completing Return	Donna Frary
Person Authorizing Payment	Donna Frary

The email address on this return is different from the one in your profile.
 The Department is using email more frequently to communicate with taxpayers. Please verify that the email address in your profile is the correct address. [Update my email address](#)

Your return and payment have been submitted. For easy reference, print this page and retain it with your tax records.

Return to Account List	Print Confirmation
View Printable Return	

Confirmation

**For Assistance Call:
1-877-345-3353**



State of Washington
 Department of Revenue
 PO Box 47464
 Olympia, WA 98504-7464

**December 2015
 Combined Excise Tax Return**

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

State Business and Occupation Section

Taxes

Line Code	Tax Classification	Gross Amount	Total Deductions	Taxable Amount	Rate	Tax Due
0004	Service and Other Activities; Gambling Contests of Chance (less than \$50,000 a year)	40,102.97	0.00	40,102.97	0.0150	601.54
0002	Retailing	26,048.07	76.78	25,971.29	0.00471	122.32
		66,151.04	76.78	66,074.26		723.86

Deductions

Deduction Code	Tax Classification	Deduction Name	Amount
000205	Retailing	Motor Vehicle Fuel Tax	76.78
			76.78

State Sales and Use Section

Taxes

Line Code	Tax Classification	Gross Amount	Total Deductions	Taxable Amount	Rate	Tax Due
0001	Retail Sales	26,048.07	586.60	25,461.47	0.0650	1,655.00
0005	Use Tax	3,698.70	0.00	3,698.70	0.0650	240.42
		29,746.77	586.60	29,160.17		1,895.42

Deductions

Deduction Code	Tax Classification	Deduction Name	Amount
000119	Retail Sales	Motor Vehicle Fuel Sales	586.60
			586.60

Local Sales Section

Line Code	Location Code	Location Name	Taxable Amount	Rate	Tax Due
0045	1600	JEFFERSON COUNTY	762.13	0.0250	19.05
0045	1601	PORT TOWNSEND	24,699.34	0.0250	617.48
			25,461.47		636.53

Local Use Section

Line Code	Location Code	Location Name	Taxable Amount	Rate	Tax Due
0046	1601	PORT TOWNSEND	3,698.70	0.0250	92.47
			3,698.70		92.47

Lodging Section

Transient Rental Income Information

Line Code	Location Code	Location Name	Income
0047	1601	PORT TOWNSEND	10,444.95
			10,444.95

Special Hotel/Motel Tax

Line Code	Location Code	Location Name	Taxable Amount	Rate	Tax Due
0070	1601	PORT TOWNSEND	10,444.95	0.0200	208.90
			10,444.95		208.90

Public Utilities Section

Taxes

Line Code	Tax Classification	Gross Amount	Total Deductions	Taxable Amount	Rate	Tax Due
0060	Water Distribution	482.86	0.00	482.86	0.05029	24.28
0013	Other Public Service Business	4,240.93	0.00	4,240.93	0.01926	81.68
		4,723.79	0.00	4,723.79		105.96

Summary Section

	Amount
State Business and Occupation Tax Total	723.86
State Sales and Use Tax Total	1,895.42
Local and Regional Tax Total	729.00
Lodging Tax Total	208.90
Public Utilities Tax Total	105.96
E911 Tax Total	0.00
Other Tax Total	0.00
SubTotal	3,663.14
Less Total Credits	0.00
Total	3,663.14
Amount Paid	3,663.14
Balance	0.00

Additional Information

Confirmation Number	17209946	Date Printed	1/21/2016
Date and Time Submitted	1/21/2016 1:25:23 PM	Tax Registration Number	161-000-044
Payment Type	EFT Debit	Person Completing Return	Donna Frary
Total Amount Paid	3,663.14	Phone Number	(360)379-5217
Date To Transfer Payment	1/22/2016	E-Mail Address	dfrary@portoft.com
Person Authorizing Payment	Donna Frary		

**This is a copy for your records.
Please DO NOT MAIL a copy to the Department of Revenue.**
