



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

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

**Port of Port Townsend
2nd Monthly Meeting Agenda
Wednesday, January 28, 2015, 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 14, 2015.....1-4
 - Approval of Public Workshop Minutes – January 14, 2015.....5-6
 - B. Approval of Warrants
- IV. Public Comments (not related to Agenda)
- V. Second Reading (Action Items)
 - A. Committee List Follow-up.....7
 - B. Delegation of Authority Resolution No. 623-15.....8-19
- VI. First Reading (discussion only)
 - A. Professional Services Contract with Keven Elliff.....20-23
- VII. Potential Immediate Action Items (unanimous Commission approval required)
- VIII. Staff Comments
- IX. Public Comments
- X. Commissioner Comments
- XI. **Next Meeting/Public Workshop: Wednesday, February 11, 2015. Meeting at 1:00 PM, Public Workshop at 9:30 AM, Port Commission Building, 333 Benedict Street, Port Townsend, WA**
- XII. Executive Session:
 - A. Personnel, pursuant to RCW 42.30.110 (g)
- XIII. Adjournment

PORT COMMISSION MEETING– January 14, 2015

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

Present: Commissioners – Tucker, Clinefelter and Hanke
Executive Director – Crockett
Deputy Director - Pivarnik
Auditor – Khile
Attorney - McCarthy
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

Commissioner Hanke moved to approve the Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. ELECTION OF OFFICERS:

Commissioner Hanke moved to approve nominations of officers the same as the previous year: Tucker-President, Clinefelter-Vice President and Hanke-Secretary.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

IV. CONSENT AGENDA (1:15):

A. Approval of Meeting Minutes – December 22, 2014

Approval of Public Workshop Minutes – December 22, 2014

B. Operations Reports – December 2014

C. Approval of Warrants

Warrant #053948 through #053968 in the amount of \$138,205.44 for Payroll & Benefits

Warrant #053969 through #054027 in the amount of \$170,777.32 for Accounts Payable

Electronic Debit to Union Bank in the amount of \$16,749.67 for Washington State

Dept. of Labor & Industries 4th Quarter Tax Return for October-December 2014

Commissioner Tucker moved to approve the Consent Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

V. PUBLIC COMMENTS (Not related to agenda) (1:34):

John Zimmer, PT Marine Trades Association (PTMTA) representative, commented on a November 19, 2014 budget-related email sent from the PTMTA to the Commissioners and Director, and stated the PTMTA is looking for a reply.

Pete Langley, PT Foundry owner, commented on yard rate increases and their impact on the economy. He also commented on long-term storage and derelict vessels in the yard.

VI. RECESS TO A METING OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF PORT TOWNSEND:

The regular meeting recessed into the annual Industrial Development Corporation meeting at 1:05 PM and reconvened into the regular meeting at 1:18 PM.

VII. SECOND READING (Action Items):

A. Point Hudson Breakwater (18:33):

Mr. Crockett reminded 2016 is the target date for the work window and the Port still waits for word on the Boating Infrastructure Grant. He is requesting form the commission permission to move forward in the permitting process.

Commissioner Tucker moved to direct staff to move forward in the permitting process for the Boat Haven Breakwater rehab project.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

B. Lease with Todd Flye (20:41):

Mr. Pivarnik stated that Mr. Flye would be purchasing the shelter instead of the Port, as discussed at the previous meeting. He has agreed to \$0.25/sq ft, and to a five-year term with a five-year option as written in the lease. He will leave the shelter where it is now, and will obtain his own power.

Commissioner Hanke moved to approve the lease with Todd Flye, as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

C. Stormwater V1 Sandfilter Contract

Mr. Crockett explained this is a part of the Level 3 Response, Seton Construction was the lowest responsible and responsive bidder (\$57, 760.55 + WSST). The original cost estimate of the project was \$125K.

Mr. Pivarnik gave kudos to Maintenance Manager Larry Aase and Environmental Compliance Officer Al Cairns for their hard work and bringing job costs down.

Commissioner Tucker moved to approve the contract with Seton Construction, as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

D. Commission Meeting Dates, Location and Procedures – Resolution No. 624-15 (23:20):

Mr. Crockett explained that the amended meeting procedures, as presented, incorporate a change to some of the meeting dates, due to conferences and holidays, in order to limit the number of rescheduled meetings throughout the year.

Commissioner Clinefelter commented on the deletion of the second Public Comment period. He stated he is adamantly against this. A more in-depth discussion occurred on the importance of hearing public comments and their placement on the agenda. In conclusion, all commissioners agreed to keep the second Public Comments item on the agenda, as in previous agendas. Attorney McCarthy agreed it is a good decision to stick with the previous meeting format.

Public comments voiced on the subject included Bertram Levy, John Zimmer and George Yount.

Commissioner Hanke moved to adopt Resolution No. 624-15, with attached amended procedures, amending once more to include the second set of Public Comments, as in the current format.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

E. Engineering Services Discussion (38:05):

Mr. Crockett reminded that discussion took place in prior meetings on bringing an engineer aboard to perform a structural report on Port facilities. This would allow for better decision making on capital projects and the futures of Port properties. Commissioner Clinefelter commented on the engineering cost estimate of \$50K and explained a full, in-depth structural report on each facility is not what he is looking for. He explained his experience working with engineers who performed overall structural reports and that the cost might not need to be this high. Mr. Crockett stated more details are needed on what to ask of the engineer. Commissioner Clinefelter requested to sit in on the meetings with engineers. Mr. Crockett said this can be discussed further at the next scheduled workshop. Further discussion ensued on whether to bring on an engineer as a temporary employee or to write up a contract.

VIII. FIRST READING (Discussion only):

A. Executive Director's Delegation of Authority -- Resolution No. 623-15 (43:46):

Mr. Crockett reminded this requires annual re-adoption. The appendix to this resolution changes the Director's spending limit from \$15K to \$25K. Maintenance Manager Aase proposed this change to keep projects moving along and to avoid slowdowns. Mr. Crockett added he would report his spending authorizations to the commission at the meeting following. Commissioner Clinefelter emphasized the importance of keeping tight control of costs.

B. Executive Director's Report on 2014 Changes to the Ports Rules, Regulations and Procedures (45:36):

Mr. Crockett explained he is authorized to make changes to the R&Rs, per his Delegation of Authority, and to present to the commission those changes. He directed attention to the changes included in the packet.

Commissioner Clinefelter asked for clarification on the policy for floating homes. Mr. Crockett answered that when the City was **working on the Shoreline Management Plan (SMP)**, Dept. of Natural Resources was **cracking down on floating homes**. In the adopted SMP, the City does not allow floating homes as permanent residences. However, floating homes can be constructed and finished in the marina.

C. Committee Assignments (47:57):

Mr. Crockett advised the commission to decide on which committees, if any, they would like to serve on for the year 2015.

Commissioner Tucker suggested he would like to hear at commission meetings, reports from each commissioner on the committee meetings they attend, to keep everyone informed. Commissioner Clinefelter would like the committees divided up evenly. He also requested a change in detail to the committee spreadsheet.

D. WPPA Trustees (55:22):

Mr. Crockett stated this is included on the committee list, but the WPPA Trustee and Alternate require a special vote. The meetings of the Trustees take place at the annual spring and winter WPPA meetings on the Friday mornings following the conference. Trustee for 2014 was Larry Crockett with Commissioner Tucker the Alternate. Commissioner Hanke volunteered as the Trustee and Commissioner Tucker volunteered to keep his position as Alternate for 2015.

Commissioner Clinefelter moved to appoint Pete Hanke as WPPA Trustee and Steve Tucker as Alternate Trustee for 2015.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

IX. STAFF COMMENTS (57:59):

Commissioner Tucker asked Bill Putney who is overseeing the AWOS project to provide an update.

Mr. Putney informed that all of the equipment has arrived and is being stored in his hangar. The concrete pad by the Spruce Goose is ready to be poured. Port staff is working on the power system as part of the project. Fiber optics still have not been laid by the PUD. He reported the conduit is in and the trenching rehab is complete. He expects the FAA to inspect and approve sometime in February.

Commissioner Clinefelter expressed his concerns with storing the equipment.

Commissioner Hanke asked if a cyclone fence is going to be installed around the AWOS. Mr. Pivarnik said not at this time.

Attorney McCarthy called for an Executive Session, as a “follow-on” to discuss Executive Sessions.

Ms. Khile stated staff is moving forward on refinancing of the 2005 LTGO and 2005 Revenue Refunding Bonds. Numbers are being worked up, but it’s looking like there will be a \$408K savings in a ten-year period.

Mr. Pivarnik announced that Yard Manager Doug Lockhart is retiring after over thirty years of employment at the Port. He explained there were three applicants for the Yard Manager position, and because of his twenty years of experience working in the yard, Terry Khile was selected for this position. Mr. Khile will transfer to the yard around February 1 and Mr. Lockhart will stay on through the end of February, to provide a smooth transition. Discussion ensued on whether the Port would hire another Assistant Harbormaster to take Mr. Khile’s place and the hiring of another customer service rep and yard hoist operator.

Mr. Crockett reminded the Seattle Boat Show is starting up next week and he will be working a shift. He also informed he is on the City’s interview panel for the City Planner applicants and will be conducting interviews with the team all day tomorrow.

X. PUBLIC COMMENTS (1:10:49):

Bill Putney suggested Commissioner Hanke be an alternate on the WPPA Aviation Committee. He also asked about chip sealing certain areas leading to the tarmac.

Pete Langley praised Doug Lockhart for being an excellent yard manager over the years.

George Yount thanked the commission for this morning’s workshop and commented on the upcoming retreat.

XI. COMMISSIONER COMMENTS (1:16:33):

Commissioner Tucker thanked Commissioner Hanke for flying in from Hawaii on the red eye, just to attend today’s meeting. He also commented that he would like to see Port Townsend become a diving destination after learning more about our diving community and the excellent diving available off of Point Hudson.

X. NEXT MEETING:

Next regular meeting will be held Wednesday, January 28, 2015 at 5:30 PM in the Port Commission Building, 333 Benedict Street, Port Townsend.

XI. EXECUTIVE SESSION:

The regular session recessed into Executive Session, at 2:23 PM to discuss rules on executive sessions and a “follow-on” to a previous executive session, pursuant to RCW 42.30.110, duration of ten minutes with no decisions. At 2:27 PM, Commissioner Hanke asked to be excused in order to make his flight out of SeaTac. At 2:33 PM, Ms. Nelson

checked to see if any public was waiting for the reconvening of the regular meeting. Finding no one, the session continued and was extended another ten minutes.

XII. RECONVENING AND ADJOURNMENT OF REGULAR MEETING:

The meeting reconvened and adjourned at 2:39 PM there being no further business to come before the Commission.

ATTEST:

Peter W. Hanke, Secretary

Stephen R. Tucker, President

Brad A. Clinefelter, Vice President

PORT COMMISSION PUBLIC WORKSHOP – January 14, 2015

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, Clinefelter and Hanke (Hanke arrived at 10:01 AM)
Executive Director Crockett
Deputy Director -- Pivarnik
Finance Director/Auditor -- Khile
Planning Analyst - Toews
Attorney - McCarthy
Minutes Nelson

Guest Speakers: WA State Auditor Staff: Audit Manager Carol Ehlinger, Assistant Audit Manager Abigail Berg and Assistant State Auditor Amy Strzalka

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 10:58 AM.

ATTEST:

Stephen R. Tucker, President

Peter W. Hanke, Secretary

Brad A. Clinefelter, Vice President

**Port of Port Townsend Public Workshop
Wednesday, January 14, 2015, 9:30 AM
Commission Building
333 Benedict Street
Port Townsend, WA**

AGENDA

➤ **State Auditor's Exit Report**

The State Auditor completed the Port's biannual audit and is prepared to brief on the results.

➤ **Commission Brainstorming Session**

We have discussed the need for a commission/senior staff brainstorming session to discuss the future and review a number of important issues. Staff will present venue options, timelines, procedures, and potential topics for discussion.

PORT OF PORT TOWNSEND

MEETING OF: January 28, 2015

AGENDA ITEM: V. Second Reading (Action Items)
A. Committee List Assignments Follow-up

BACKGROUND:

This was discussed at the previous commission meeting. Two organizations require official notification of 2015 representatives: The Joint Growth Management Steering Committee, and the Peninsula Regional Transportation and Planning Organization. The JGM Steering Committee hasn't had a meeting for two to three years, but has meeting plans for 2015. The rep for PRTPO in 2014 was Commissioner Hanke and the alternate was Brad Clinefelter.

Executive Director's Recommendation:

For discussion and decision.

PORT OF PORT TOWNSEND

MEETING OF: **January 28, 2015**

AGENDA ITEM: **V. Second Reading (Action Items)**
 B. Delegation of Authority – Resolution No. 623-15

BACKGROUND:

This was discussed at the January 14, 2015 commission meeting.

Executive Director's Recommendation:

Adopt Resolution No. 623-15; Delegating Authority to Port Management.

RESOLUTION NO. 623-15

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 28th day of January 2015, 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:

Commission President

Commission Secretary

APPROVED AS TO FORM:

Commission Vice President

Port Attorney

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

January 28, 2015

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 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

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.

PORT OF PORT TOWNSEND

MEETING OF: January 28, 2015

AGENDA ITEM: VI. First Reading
A. Contract with Windridge Solutions

BACKGROUND:

Keven Elliff of Windridge Solutions has been serving as our public relations, marketing and web-site consultant in 2014. This contract has expired and staff is looking to renew a contract for 2015 to complete our communication strategy. Keven has done an excellent job for us this year with design of our new site, which has gotten a lot of complements as well as helping us create an editorial and communications strategy for the Port. In 2014 the Commission approved a contract for an amount not to exceed \$24,500. To date Keven has only charged us \$12,300. The reason for this is because of serious personal family issues that have since been resolved.

In 2015 Keven will be concentrating on a more aggressive communication strategy as well as maintaining our web site. Staff is asking for a renewed professional services contract not to exceed \$20,000 for professional communication services.

Executive Director's Recommendation:

Authorize Executive Director to approve a contract for communication services with Windridge Solutions for an amount not to exceed \$20,000.

Port of Port Townsend

Professional Services Agreement For Port Communications Consultant

THIS AGREEMENT is entered into between the Port of Port Townsend, hereinafter referred to as the "PORT," and Keven Elliff/Windridge Solutions, hereinafter referred to as "ELLIFF," in consideration of the mutual benefits, terms, and conditions hereinafter specified.

1. Project Designation. ELLIFF is retained by the Port to assist with improving internal and external communications based on the request for qualifications. This could include changes to email handling, calendar sharing and developing an internal communication policy and procedure manual as well as producing an external communications and outreach plan, developing a new website including dedicated content production.
2. Consultant Qualification. ELLIFF warrants that he has the required skills to perform the work specified in this agreement.
3. Scope of Services. ELLIFF shall provide the services as agreed upon with management and outlined in Attachment A to this contract.
4. Time and Duration of Agreement. This contract shall be for the period January 1, 2015 through December 31, 2015 unless otherwise terminated (see provision 12 below.)
5. Reimbursement. ELLIFF shall be compensated at a rate not to exceed \$20,000 for 2015.
6. Compliance with laws. ELLIFF shall, in performing the services contemplated by this agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations applicable to the services to be rendered under this agreement.
7. Hold Harmless and Indemnification. ELLIFF shall indemnify, defend and hold harmless the PORT, its officers, agents and employees, from and against any and all claims, losses or liability, or any portion thereof, including attorneys fees and costs, arising from injury, sickness, disease or death to persons, including injuries, sickness, disease or death to Consultant or damage to property occasioned by a negligent act, omission or failure of the Consultant.
8. Independent Contractor. ELLIFF and the PORT agree that ELLIFF is an independent contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. ELLIFF shall not be entitled to any benefits accorded PORT employees by virtue of the services provided under this agreement. The PORT shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the State Industrial Insurance program, otherwise assuming the duties of an employer with respect to ELLIFF.
9. Assignment. ELLIFF shall not sublet or assign any of the services covered by this agreement without the expressed written consent of the PORT.

10. Drug-Free Workplace Policy. The PORT has adopted a Drug-Free Workplace Policy that the workplace will be a drug free environment conducive to conducting the PORT's business free from unlawful manufacture, distribution, dispensing, possession or use of controlled substances. This policy applies to PORT Commissioners, PORT employees, and contractors conducting business on PORT property.
11. Equal Opportunity Policy. All persons or entities performing work for the Port shall provide equal opportunity to all of its employees and applicants for employment and assure that there is no discrimination on the basis of race, color, region, national origin, sex, age, marital status, or physical disability unless based upon a bona fide occupational qualification. All persons or entities performing services for the PORT must insure that the foregoing extend to all areas of employment and to all relations with employees including recruitment, selection, placement, compensation, promotion and transfer, training, daily working conditions, awards and benefits, and all other terms and conditions of employment as provided for in state and national laws. ELLIFF hereby agrees to abide by applicable regulations during the course of this agreement.
12. Termination. The PORT reserves the right to terminate this agreement at any time by giving ten (10) days written notice to ELLIFF.
13. Integrated Agreement. This agreement together with attachments or addenda, represents the entire and integrated agreement between the PORT and ELLIFF and supersedes all prior negotiations, representations, or agreements written or oral. This agreement may be amended only by written instrument signed by both PORT and ELLIFF.

DATED this 28th day of January 2015.

CONTRACTOR

PORT OF PORT TOWNSEND

Keven Elliff

Larry C. Crockett, Executive Director

Approved as to Form:

Eric Toews, Port Attorney

Attachment: A

Scope of Work
Communications and Public Relations
Windridge Solutions for the Port of Port Townsend
January 1 - December 31, 2015

Manage, and maintain PORTOFPT.com website

- Manage secure hosting environment
- Produce weekly backup of content and databases
- Perform technology updates needed
- Provide monthly analytics analysis and reports
- Ensure optimal search engine optimization for site

Produce public-facing communications content for the Port

- Develop an editorial calendar, with editorial outlets to include (but not limited to):
 - Port website
 - Broadcast email
 - Port billing notices
 - All-county mailings
 - Local/regional media
 - Social media
- Produce all content prescribed by the editorial calendar, in alignment with 2014 Communication Plan

Provide Public Relations services in alignment with the 2014 Communication plan

- Produce press releases for Port news and activities
- Work with Port staff to develop and maintain press relationships
- Promote Port activities to key existing and strategic audiences

Fees: Not to exceed \$20,000 in 2015