



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

Administration: (360) 385-0656

Operations: (360) 385-2355

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**Port of Port Townsend
1st Monthly Regular Meeting Agenda
Wednesday, February 11, 2015, 1:00 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 28, 2015.....1-4
 - B. Operations Reports – January 2015.....5-8
 - C. Approval of Warrants
- IV. Public Comments (not related to Agenda)
- V. Second Reading (Action Items)
 - A. Contract with Windridge Solutions.....9-12
 - B. Boat Haven Restrooms.....13-14
 - C. Engineering Services – Capital Facilities Planning.....15-19
- VI. First Reading (discussion only)
- VII. Potential Immediate Action Items (unanimous Commission approval required)
- VIII. Staff Comments
- IX. Public Comments
- X. Commissioner Comments
- XI. **Next Meeting:** Wednesday, February 25, 2015 at 5:30 PM in the Port Commission Building, 333 Benedict Street, Port Townsend, WA.
- XII. Executive Session (if called)
- XIII. Adjournment

PORT COMMISSION MEETING– January 28, 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
Planning Analyst - Toews
Attorney –McCarthy
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker called the meeting to order at 5:30 PM.

II. APPROVAL OF AGENDA:

New additions to the agenda include VI. First Reading, Item B - Sea Run Consulting Contract and Item C – Org Chart. The Executive Session was removed from the agenda.

Commissioner Hanke moved to approve the Agenda as amended.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Meeting Minutes – January 14, 2015

Approval of Workshop Minutes – January 14, 2015

B. Approval of Warrants

Warrant #054028 through #054041 in the amount of \$66,160.22 for Payroll & Benefits

Warrant #054042 through #054079 in the amount of \$193,095.16 for Accounts Payable

Electronic Debit to Union Bank in the amount of \$2672.94 for Washington State

Dept. of Revenue Combined Excise Tax for December 2014

Commissioner Tucker moved to approve the Consent Agenda as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda):

V. SECOND READING (Action Items):

A. Committee List Follow-up (1:56):

Mr. Crockett explained that the Commission needs to designate representatives and alternates to the following two committees: the Jefferson County Joint Management Steering Committee (JGMSC) and the PRTPO Executive Board. He then explained to the commissioners the committee makeup and the goal of the JGMSC.

The commission delegated Commissioner Tucker as the rep and Commissioner Clinefelter as the alternate for the JGMSC.

The commission delegated Commissioner Hanke as the rep and Commissioner Clinefelter as the alternate for the PRTPO Executive Board.

Further discussion ensued on the JGMSC.

B. Delegation of Authority – Resolution No. 623-15 (11:30):

Mr. Crockett reminded that this resolution requires annual re-adoption. The only change, which was presented at the last commission meeting, is the increased spending limit of the Executive Director from \$15K to \$25K.

Commissioner Clinefelter reiterated the importance of cost cutting and the need for more dialog on expenditures. Commissioner Hanke said this would be a subject for the upcoming retreat.

Commissioner Tucker moved to adopt Resolution No. 623-15 as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

VI. FIRST READING (Discussion Only):

A. Professional Services Contract with Keven Elliff (13:32):

Mr. Pivarnik reported Keven Elliff's contract is up for renewal for website and communications work.

Commissioner Hanke stated he would like to push for a quarterly newsletter as well as press releases/write-ups in The Leader.

Mr. Pivarnik added this type of work is included in the presented contract's scope of work. He noted this contract is not to exceed \$20K.

Mr. Crockett recommended a monthly write-up in the Leader, and that Leader Editor, Scott Wilson's desire is to get the City, County and PUD to participate in regular write-ups as well.

Mr. Pivarnik would like to discuss the newsletter further at the retreat and decide who the intended audience should be - all Jefferson County residents or Port patrons only.

Also discussed were newsletter-publishing options – printed by a local print shop, photocopies in with billings and/or website production.

Audience member, Bill Putney (of local radio station KPTZ) suggested regular radio interviews. Ms. Nelson added that Environmental Officer Al Cairns will be interviewed on the Level 3 Response Friday at 2 PM on KPTZ.

B. Sea-Run Consulting Contract (25:29):

Mr. Pivarnik explained this contract is for permitting services for the Point Hudson Breakwater project. He stated \$40K was budgeted this year for permitting services, and this contract comes in below that at \$24,500. He explained Sea-Run permitted the Point Hudson docks during the marina renovation and performed the biological assessment, which she will just need to update.

Commissioner Clinefelter asked about the possibility of relocating the riprap, per the comments of the divers who were concerned about sea life habitat. Mr. Pivarnik said he believes DNR would approve this.

Mr. Pivarnik requested the contract be moved to Item VII - Immediate Action, in order to move forward on permitting for the breakwater project.

Commissioner Hanke moved to place the Sea-Run Consulting Contract under VII - Immediate Action, Item A.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

VII. POTENTIAL IMMEDIATE ACTION:

A. Sea-Run Consulting Contract:

Commissioner Tucker moved to approve the Sea-Run Consulting Contract as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VI. FIRST READING (continued):

C. Org Chart (31:56):

Mr. Pivarnik discussed the need for more staff support to help Shannon in the Yard Office. He added that in Terry Khile's new position as Yard Manager, he would be assisting her in the office with management and administrative help, along with environmental duties. He explained that Mr. Khile would not be hauling boats. He added that one yard staffer is currently on long-term disability, which leaves the yard short-staffed. Mr. Pivarnik said staff's recommendation is to add one more Hoist I operator position to the Org Chart. Further discussion ensued on the need for another staff member.

Audience member, John Zimmer commented that many times boats have been delayed getting in or out of the water due to short staffing. He sees the need for more yard crew. He complimented Doug Lockhart on keeping his staff busy even during the slow months.

Commissioner Hanke moved to place the Org Chart under VII – Immediate Action, Item B.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

VII. POTENTIAL IMMEDIATE ACTION (continued):

B. Org Chart:

Commissioner Tucker moved to add an additional Hoist Operator I to the Org Chart as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VIII. STAFF COMMENTS (47:03):

Ms. Khile announced she is in the process of switching the Port's depository bank from Union Bank to Kitsap Bank, due to the closure of Union Bank. She added that Kitsap Bank offered the best rates.

Mr. Toews announced the retreat is scheduled for Monday, February 23, 2015 at the Port Ludlow Inn. Facilitator David Goldsmith proposed a series of three retreats over possibly the next six months. Mr. Toews discussed the priorities and goals of the retreat. Commissioner Hanke suggested Mr. Goldsmith communicate with staff and the commission prior to the retreat. He would like to see a written outline of the retreat to review.

On another subject, Mr. Toews informed that he met with engineer, Harold Andersen, to identify potential alternatives in obtaining engineering support to assist in preparing numbers for a capital facilities plan. They came up with four options: 1 – Hire no engineering support and lean heavily on maintenance; 2 – Advertise a formal RFP for a scoped engineering project; 3 – Solicit an RFQ for on-call engineering support; and, 4 – Hire a part-time or full-time temporary engineer on staff. Mr. Toews said he would prepare and present a memo with staffs' recommendation at the next commission meeting, being fully aware of cost implications.

Mr. Pivarnik explained the mini excavator project happening along Sims Way. He said staff is preparing for the installation of the sand filter "aluminum coffins". He said the first should be complete by the end of the week and then installation would begin on the second. Mr. Pivarnik added that Seton Construction would also begin installing the new vault in ten or so days.

Mr. Crockett informed that the Port is providing space for a photo display for the Art Walk on February 7. The exhibit will feature photos of the Alaska fishing industry. Mr. Crockett added the exhibit is co-sponsored by Sunrise Coffee and the Chamber of Commerce, who will be providing food. The Port Townsend Brewing Co. will donate beer and Mr. Pivarnik and he will donate the wine.

Mr. Crockett also announced the Olympic Peninsula Salmon Derby will take place February 20-22 and said the Port will comp ramp fees as have been done in the past. The moorage offices would operate on extended hours during the derby.

X. COMMISSIONER COMMENTS (read out of order) (59:48):

Commissioner Hanke announced that Mr. Putney inquired if the Port would chip-seal the loop off the road at the airport, which the County told him runs under the Port's responsibility. He then inquired if the Port was going to landscape around the AWOS pad, which the Spruce Goose overlooks.

Commissioner Hanke mentioned he has been in contact with an ABC Bureau Chief who is doing a story on municipalities and what role they are playing in environmental mitigation. He said the Port's bio char project would be a perfect part to that story. Commissioner Tucker said it would be wonderful if the bureau chief could attend Tuesday's MRC meeting, where Al Cairns and Francesco Tortorici are doing a presentation on the bio char.

Commissioner Clinefelter asked if any staff had reached out to the EDC to implement a study that would demonstrate the impacts of the breakwater to the downtown community and how it contributes to the local economy.

Commissioner Tucker reported he was at the boat ramp last weekend during the tribal crab opening. He said he saw many who did not pay for ramp usage and suggested when staff records license numbers for non-payment, they can send bills to these people. He added there was a lot of economic action happening around the boat ramps. He also would like to see a garbage can put in place for boat ramp users.

Commissioner Tucker discussed the attention from the community that the bio char and totes were getting.

He also talked about the oil spill workshop he attended today at the County.

IX. PUBLIC COMMENTS (read out of order) (1:10:20):

Bill Putney spoke about the placement of the power panel for the AWOS. He said it was located where it is because of the proximity to the septic system control panel.

Vigo Anderson commented on the commissions' decision to approve the Org Chart without a second reading and the changed responsibilities in the Yard Manager's job duties.

XI. NEXT MEETING/PUBLIC WORKSHOP: Next regular meeting will be held Wednesday, February 11, 2015 at 1:00 PM, with the workshop preceding at 9:30 AM in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

None

XIII. ADJOURNMENT:

The meeting adjourned at 6:43 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

BOATHAVEN OPERATIONS REPORT/MOORAGE

MONTH: JANUARY 2015

DATE: 2/5/2015

MONTHLY PERMS: 352

MONTHLY GUESTS: 23

# OF SLIPS BY SIZE	OCCUPIED	empty	% occ.
25' <u>35</u>	<u>32</u>	3	91%
27' <u>11</u>	<u>10</u>	1	91%
30' <u>105</u>	<u>101</u>	4	96%
35' <u>24</u>	<u>24</u>	0	100%
40' <u>44</u>	<u>43</u>	1	98%
45' <u>41</u>	<u>39</u>	2	95%
50' <u>32</u>	<u>31</u>	1	97%
OVER 52' <u>7</u>	<u>7</u>	0	100%
TOTAL: <u>299</u>	<u>287</u>	12	AVG: 96%

LINEAR SPACE/FT	OCCUPIED	% OCCUPIED
COMMERCIAL <u>365</u>	<u>365</u>	100%
RECREATIONAL <u>1986</u>	<u>1836</u>	92%
LIMITED ACC. <u>1455</u>	<u>1440</u>	99%
TOTAL: <u>3806</u>	<u>3641</u>	165 AVG: 97%

	CURR	PREV MO	YTD
NIGHTLY GUESTS:	132	87	132
CREDIT SYSTEM:	25	25	25
TEMP TIE UP:	1	1	1
FREE NIGHTS:	0	0	1
PTYC:	2	1	2
RAMP/DAILY:	43	22	43
RAMP/ANNUAL:	71	14	71

WAIT LISTS	
25' PLEA:	<u>9</u>
27' PLEA:	<u>0</u>
30' PLEA:	<u>36</u>
35' PLEA:	<u>35</u>
40' PLEA:	<u>42</u>
45' PLEA:	<u>18</u>
50' PLEA:	<u>16</u>
OVER 52':	<u>8</u>
OVERWID	<u>0</u>
30' COMM.	<u>0</u>
40' COMM.	<u>0</u>
50' COMM:	<u>0</u>

TOTAL OCCUPANCY %: 97%

Port of Port Townsend

POINT HUDSON MARINA & RV PARK

MONTHLY OCCUPANCY REPORT

2015

& 5 YEAR COMPARISON

MARINA NIGHTLY GUEST NIGHTS

2011			2012		2013		2014		2015		
	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	
JAN	32	32	28	28	58	58	53	53	83	83	JAN
FEB	77	109	96	124	80	138	57	110			FEB
MAR	178	287	73	197	95	233	77	187			MAR
APRIL	180	467	240	437	159	392	209	396			APRIL
MAY	618	1085	541	978	605	997	585	981			MAY
JUNE	582	1667	749	1727	606	1603	520	1501			JUNE
JULY	1079	2746	1035	2762	1089	2692	993	2494			JULY
AUG	1131	3877	1178	3940	1188	3880	996	3490			AUG
SEPT	838	4715	831	4771	899	4779	778	4268			SEPT
OCT	154	4869	175	4946	214	4993	120	4388			OCT
NOV	58	4927	86	5032	138	5131	114	4502			NOV
DEC	54	4981	65	5097	64	5195	52	4554			DEC

RV NIGHTLY GUEST NIGHTS

2011			2012		2013		2014		2015		
	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	
JAN	173	173	176	176	180	180	285	285	304	304	JAN
FEB	214	387	221	397	261	441	150	435			FEB
MAR	239	626	229	626	359	800	249	684			MAR
APRIL	341	967	445	1071	209	1009	546	1230			APRIL
MAY	717	1684	638	1709	637	1646	706	1936			MAY
JUNE	713	2397	645	2354	910	2556	1015	2951			JUNE
JULY	1215	3612	1247	3601	1275	3831	1169	4120			JULY
AUG	1257	4869	1300	4901	1293	5124	1228	5348			AUG
SEPT	1062	5931	1076	5977	1079	6203	1120	6468			SEPT
OCT	501	6432	580	6557	694	6897	796	7264			OCT
NOV	258	6690	290	6847	352	7249	432	7696			NOV
DEC	176	6866	246	7093	165	7414	269	7965			DEC

PERMANENT & SEASONAL TENANT SUMMARY

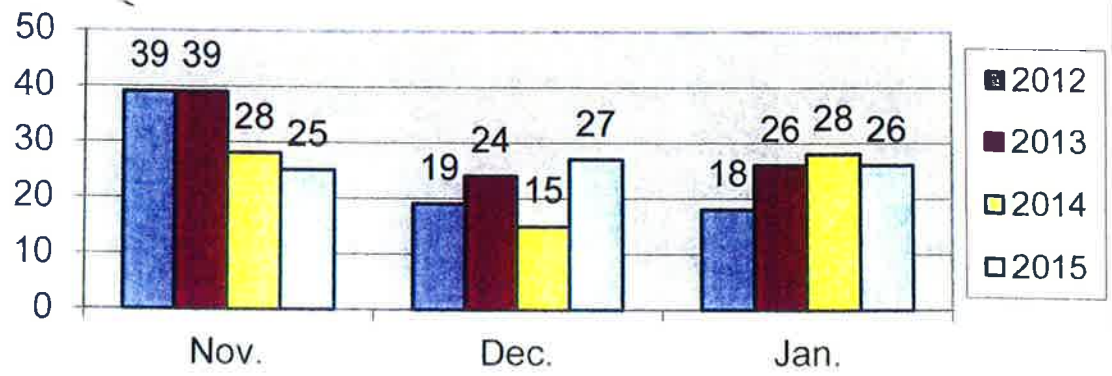
	AVAIL/GOAL		OCCUPIED	%
LTD ACCESS MOORAGE	40	SLIPS	25	63%
COMMERCIAL MOORAGE	850	FEET	745	88%
SEASONAL MOORAGE	32	SLIPS	27	84%
SEASONAL RV'S	10	SITES	10	100%
UNDESIRABLE	1	SLIPS	0	0%

MAY SLOOP TAVERN RACE - NOT COUNTED

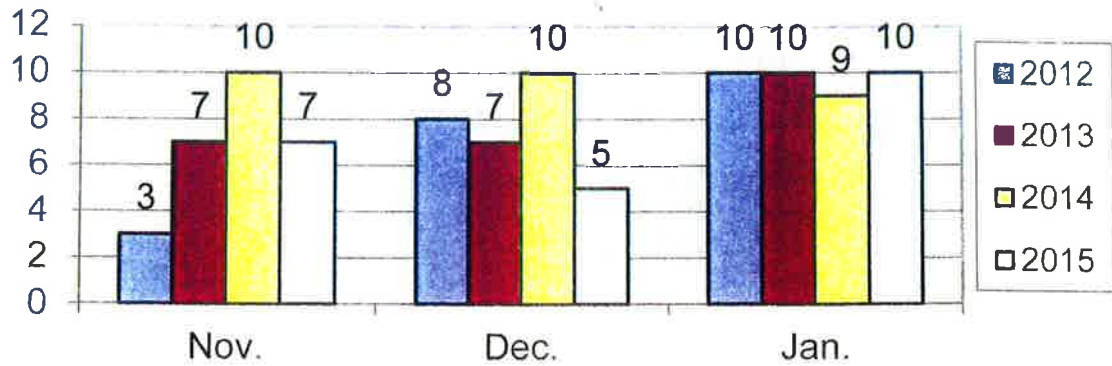
120

STORAGE OPERATIONS REPORT					DATE:			
					2012 YEAR	2013 YEAR	2014 YEAR	2015 YEAR
	2012	2013	2014	2015	TO DATE	TO DATE	TO DATE	TO DATE
								REMARKS
HAUL-OUT								
BOAT YARD - OUT	18	26	28	26				
BOAT YARD - IN	11	21	19	18				
67% RE-BLOCK	0	4	7	2				
40% INSPECTION	2	2	2	5				
OTHER	1	1	4	1				
SUB TOTAL	32	54	60	52				
SHIP - OUT	10	10	9	10				
SHIP - IN	1	6	11	7				
SHIP - RE-BLOCK	2	0	0	2				
SHIP - INSPECTION	0	1	0	0				
SHIP - OTHER	1	0	0	0				
SUB TOTAL	14	17	20	19				
TOTAL	56	71	80	71				
STORAGE								
PTBH - START	57	66	69	64	OFF PORT PROPERTY GOLD STAR - 12 STEPHENS MARINE - 1 DAY - 1 PT CO-OP - 7 HAVEN - 2 TBM - SMALL - 7 TBM - SHIP - 2			
PTBH - END	61	63	68	68				
PTBH-O.P.P.	23	28	29	30				
SHIP-START	14	13	22	16				
SHIP-END	23	16	20	20				
SHIP-O.P.P.	3	2	1	2				
PERM/FREE	0	0	0	0				
FREE DAYS	14	12	19	18				
PTBH lineal feet	2556	2725	2843	3031				
SHIP lineal feet	1704	1236	1636	1452				
Longterm Storage	24	24	24	23				BOATS
LONGTERM linear	924	897	932	885				
JCIA OPERATIONS REPORT								
HANGERS	13	13	13	13				
TIE DN - PAVED	2	2	2	1				
TIE DN - GRASS	0	0	0	0				
TIE DN - NIGHTLY	2	0	0	0				
W/L - HANGERS	0	0	0	0				

Round Trip Hoists 70/75 Ton



Round Trip Hoists 300 Ton



PORT OF PORT TOWNSEND

MEETING OF: February 11, 2015

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

BACKGROUND:

Last meeting a contract with Keven Elliff of Windridge Solutions was presented to the Commission. As presented, Keven's current 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. Since our last meeting Keven has embarked on a newsletter that was inserted into this month's billing and we look to continue this strategy. We are also looking into an annual report to all citizens of Jefferson County.

If approved, 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 11th day of February 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

PORT OF PORT TOWNSEND

MEETING OF: February 11, 2015

AGENDA ITEM: VI. Second Reading
B. Boat Haven Restrooms

BACKGROUND:

The Commission has discussed the possibility of securing the Boat Haven restrooms and only allowing access for marina tenants and patrons. Richard Berg, our architect, has come up with a possible solution to serve both the permanent tenants and the greater community and we have attached his plan for your review. His solution would be to transform the current laundry facility into two unisex restrooms that would be locked with a key card and only tenants would be allowed access. The current restrooms would then be painted and fixed and continue in their current use.

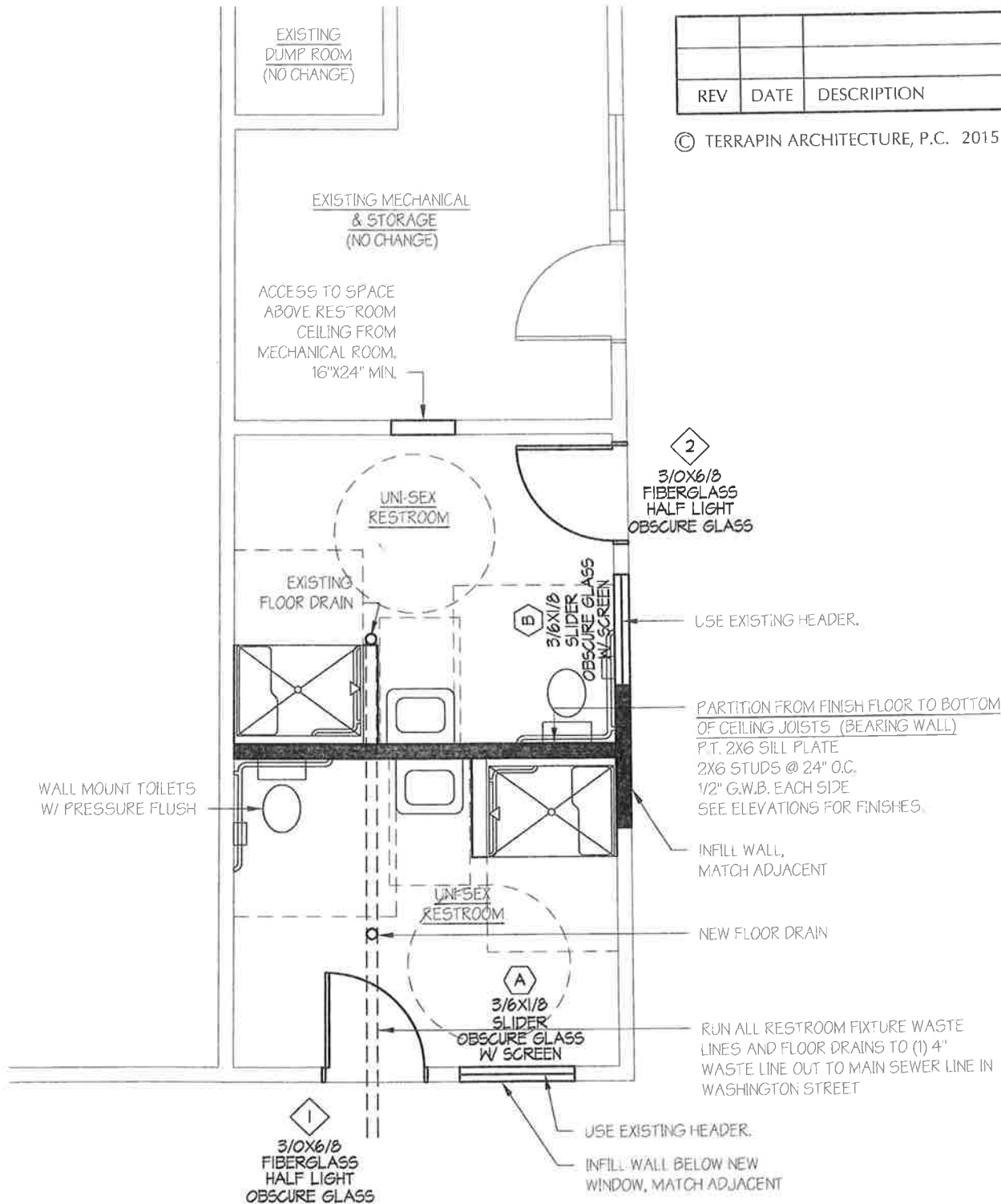
We estimate that this option would cost approximately \$40,000 to complete this project and could be done before the summer season.

The next option would be to just lock our current restroom 24 hours a day but staff believes that we would need to still go to a new key card system to insure greater security.

This could be a good retreat topic, but staff is standing by if we would like to proceed immediately.

Executive Director's Recommendation:

For information and direction.



REV	DATE	DESCRIPTION

BY: A.D.
DATE: 1-30-15
SCALE:
1/4" = 1'-0"

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TERRAPIN
ARCHITECTURE PC
727 TAYLOR STREET
PORT TOWNSEND, WA 98368
(360) 379-8090

FLOOR PLAN
AND CEILING
FRAMING PLAN

PORT OF PORT TOWNSEND
RESTROOM FACILITIES
BOAT HAVEN
PORT TOWNSEND, WA 98368

SHEET:

A2.1



FLOOR PLAN

SCALE: 1/4" = 1'-0"

PORT OF PORT TOWNSEND

MEETING OF: February 11, 2015

AGENDA ITEM: VI. Second Reading
C. Engineering Services – Capital Facilities Planning

BACKGROUND:

We previously (November 25, 2014 and January 14, 2015) discussed the need to retain the services of an engineer to assist staff in the preparation of a multi-year capital facilities plan. The need for a multi-year capital facilities plan that prioritizes core capital maintenance and replacement projects over “nice to have” projects has long been a topic of discussion (e.g., Commission Workshop of September 10, 2014). The Executive Director also detailed the rationale and need for such a plan in the preface to the 2015 Port Budget.

As outlined in the attached Memorandum, conducting a Port-wide Facility Condition Assessment to identify our capital needs is the first step of the planning process. For this effort to be worthwhile and productive, the Port must retain the services of a qualified engineer or engineering firm to assist us with this project. We have evaluated three (3) options for doing so, and have concluded that retaining the services of a part-time temporary staff engineer is the most cost-effective means to obtain the expertise required.

Executive Director’s Recommendation: As detailed in the attached Memorandum, it is recommended that the Commission authorize the Executive Director to advertise, interview, and retain the services of a part-time temporary staff engineer to assist in the preparation of a multi-year capital facilities plan.



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

MEMORANDUM

From: Larry Crockett, Executive Director
To: Port of Port Townsend Port Commission
RE: Capital Facilities Planning – Options & Recommendation for Engineering Support
Date: February 6, 2015

Why is Capital Planning Necessary?

The buildings, infrastructure, and major equipment owned and operated by the Port of Port Townsend are the physical foundation for providing services to Port users, tenants and the public. The construction, maintenance and replacement of these publicly owned capital assets are central functions of our organization, and require careful planning.

Because of the Port's unique role under Chapter 53.08 RCW, responsible capital planning is also necessary for our community's economic health and well-being. The Port's marinas, breakwaters, vessel haul-out piers, stormwater system and historic buildings are important capital assets that serve current and future generations.

To begin to address the Port's mounting capital maintenance and replacement issues, my staff and I recommended late last year that the Port move forward with the development, adoption and implementation of a multi-year capital facilities plan. Focusing sufficient resources and expertise to complete this effort is vitally necessary if the Port is to effectively address the current and long-term needs of its users and our community as a whole. Put simply, the Port's aging capital infrastructure, deferred maintenance issues, limited debt capacity, and modest revenue streams demand that we identify and carefully prioritize "mission critical" projects that safeguard core Port functions and revenue streams - now.

A Way Forward – the Capital Planning Process

As we discussed during our September 10, 2014 capital planning workshop session, the process to develop a multi-year capital plan is straightforward, and includes the following major steps:

1. Evaluate the condition of key capital facility components and systems (i.e., conduct a Port-wide Facility Condition Assessment, or "FCA");
2. Estimate the remaining useful life of those components and systems;
3. Project likely capital repair, renovation and replacement intervals (not routine);
4. Estimate likely repair and replacement costs; and
5. Prioritize competing projects based on maintaining core Port functions.

The first stage in the capital planning process is to identify our needs. Executive and Maintenance staffs began this process last year by outlining anticipated near-term investments for some of the Port's major infrastructure systems. That effort detailed nearly \$4.4 million in capital replacement projects and approximately \$1.4 million in capital maintenance projects necessary over the next 1-5 years. However, this internal review did not benefit at all from engineering expertise, and was simply staff's "best guess" for capital replacement and maintenance projects over the next few budget cycles.

Engineering Assistance is Needed

To better inform Port decision-making, we believe professional engineering expertise is essential to conduct a Port-wide condition assessment of core infrastructure components and systems (i.e., a Facility Condition Assessment, or "FCA"). This comprehensive engineering survey of the condition of our facilities will help us to identify and prioritize capital maintenance and replacement issues going forward.

A few weeks ago, Executive Staff met with Harold Anderson, P.E., of Quadra Engineering, to brainstorm and evaluate our options for moving ahead with securing engineering support for the planning effort. We identified the following basic approaches:

Option #1 – Request for Qualifications (RFQ) for Engineering Services: Under this traditional option, the Port would outline the scope of work and publish a RFP soliciting bids to assist us in the preparation of a multi-year capital plan, including a FCA. Clearly, this approach would provide us with the necessary expertise, but likely at the highest cost. Based on our discussions with Mr. Anderson, we would expect that proposals submitted by engineering firms in response to such a request would range from \$150,000 to \$250,000, with much of that required simply for step #1, the FCA. This approach also may be undesirable because it is driven wholly by the agreed upon scope of services, necessitating cumbersome amendments to the scope to respond to evolving project needs. The RFP approach would also likely offer limited accessibility for face to face meetings and discussions, as the firms likely to respond to such a request would be managing multiple large projects throughout the region.

Option #2 – Request for Qualifications (RFQ) for “On-Call” Engineering Services: With this alternative, the Port would publish a RFQ seeking qualified engineers to assist us in the preparation of the capital plan. As was true for option #1, submittals would likely come from engineering firms throughout the region. This option would provide us with the needed expertise, and costs could be managed by limiting the initial contract to a 1-year term not to exceed \$50,000. At an estimated \$100 per hour, this would provide the Port with up to 500 hours of engineering support. If deemed necessary and appropriate by the Commission, subsequent contract amendments to adjust the upset limit could be approved.

We would expect the scope of services under this option to be loosely constructed, allowing the firm selected to be used in a limited and narrowly focused way to assist in the capital planning effort. Moreover, the firm selected could also be used to engineer and “wet stamp” specific projects unrelated to the capital planning process. An “on-call” engineering firm would be expected to offer a somewhat greater degree of accessibility than would be true for a firm hired through the RFP process. However, because responses to the RFQ are likely to be from engineering firms with considerable overhead and expenses, the value obtained for the Port’s expenditure may not be as great the “on-staff” engineer outlined in Option #3, below.

Option #3 – Part-Time Temporary Engineer (On-Staff): Under this option, the Port would advertise for either a part or full-time temporary engineer to join Port staff for the duration of the capital planning effort (12-18 months). The engineer selected would work in-house, offering a high degree of accessibility to Port staff, as well as flexibility in the scope and character of the work assigned. If working part time (i.e., not to exceed 780 hours in a year), the Port would not be required to pay retirement benefits, although we would propose to offer medical benefits for the individual (not family) for the duration of the contract. At an anticipated hourly rate of \$50.00, this would equate to approximately \$48,000 over the course of a year (with taxes/benefits). By comparison, working full time on a one-year contract (i.e., 2,040 total hours) would trigger the requirement to pay retirement benefits, raising the cost of the position to just over \$95,000.

The table on the following page summarizes staff’s view of the comparative advantages and disadvantages of each of the options considered. We have assigned a total “points possible” for each evaluation criterion, and scored the total points of each alternative in the bottom row.

Engineering Support for Capital Planning: Summary of Advantages & Disadvantages of the Options			
CRITERION	RFP (Project Specific – Engineering Consultant)	RFQ ("On-Call" Engineering Consultant)	ON-STAFF (Part-Time Temporary Engineer)
Cost	1 (high cost)	2 (moderate cost)	3 (low cost)
Value for Money	1 (low value)	1 (low value)	3 (high value)
Flexibility	1 (less flexibility)	2 (moderate flexibility)	3 (high flexibility)
Accessibility	1 (low accessibility)	2 (moderate accessibility)	3 (high flexibility)
TOTAL	4	7	12

Recommendation

The time for the Port of Port Townsend to identify, prioritize and undertake significant investments in critical components of its core infrastructure is now. If we fail to undertake this process, it is highly likely that we will continue to haphazardly undertake capital projects and potentially misallocate scarce resources that are necessary to maintain our core infrastructure systems.

Based on the foregoing, it is recommended and requested that the Commission authorize the Executive Director to advertise, interview, and retain a part-time temporary engineer to assist us in the preparation of a comprehensive, multi-year capital plan.