

PORT OF GRAYS HARBOR
COMMISSION MEETING MINUTES
September 12, 2023

The Port of Grays Harbor Commission Meeting September 12, 2023 was called to order at 9:00 AM. This meeting was both a virtual meeting conducted using Zoom and an in-person meeting at McCausland Hall in Westport. The public was able to access this virtual meeting using either the Zoom platform or by calling in.

Molly Bold led the flag salute.

Those in attendance at the meeting were as follows:

COMMISSION AND STAFF

Stan Pinnick	Commissioner
Phil Papac	Commissioner
Tom Quigg	Commissioner
Gary Nelson	Executive Director
Leonard Barnes	Deputy Executive Director
Arthur Blauvelt	Legal Counsel
Mike Folkers	Director of Finance & Administration
Randy Lewis	Director of Health, Safety & Environment
Kris Koski	Port Engineer
Alissa Shay	Satsop Business Park General Manager
Molly Bold	Westport Marina General Manager
Kayla Dunlap	Director of Government & Public Affairs
Janet Blackmun-Johnson	Accounting Specialist
Aaron Aschim	Contracts Manager
Nolan Wyatt	Marine Terminal Superintendent
Cynthia Crisp	Reception
Shannon Anderson	Business & Trade Development Assistant
Stephanie Edens	Westport Marina Office Manager
Jeremy Plummer	Westport Marina Operations Manager

VISITORS

Vladimir Shepsis	Applied Ocean Energy
Rob Bearden	City of Westport
Kevin Goodrich	City of Westport
Brian Blake	Ocean Gold
John Shaw	Westport Maritime Museum
Billy Burns	Englund Marine
Paul Foster	Englund Marine
Amy Spoon	Citizen
Harry Carthum	Little Richards
Doug Moore	Unisource
Dale Beasley	CCF
Rebecca Chaffee	Port of Willapa
Jim Sayce	Port of Willapa
Arnold Martin	Citizen
Clayton Franke	The Daily World
Jennifer Custer	Citizen
Larry Thevik	WA Dungeness Crab Fishermen's Association
Linda Orgel	Citizen

REPORTS:

Westport Summer Activity Report

Molly Bold, General Manager Westport Marina, updated the Commission on the summer activities at the Marina including recreational fishing, commercial fishing, festivals, facility maintenance & improvements and the challenges related to alternate vessel utilization of slips, inactive commercial fishing vessels and moorage rates. She further reported that staff will bring forward recommendations to moorage policy in January of 2024..

NewWood Equipment Closeout

Alissa Shay, General Manager Satsop Business Park, reported that all of the equipment related to the NewWood operation has either been sold or removed. She reported that the Port purchased the assets in 2016 and made a decision to sell and/or remove the assets so the building could be leased. She then introduced Doug Moore who was instrumental in selling many of the assets.

Doug Moore discussed the history of the NewWood plant and how much of the assets that were sold are still in use today.

Renewable Ocean Wave Energy Demonstration Project

Mike Folkers, Director of Finance & Administration, introduced Vladimir Shepsis from Applied Ocean Energy.

Vladimir discussed the Ocean Wave Energy Demonstration Project which uses wave energy for hydrolysis to create and store hydrogen. He stated that the project demonstrated that the technology is feasible and can be scaled. He concluded by reporting the next steps will be to continue studying the feasibility and improving the technology.

T4 Expansion & Redevelopment Project Report

Kris Koski, Port Engineer, updated the Commissioners on the T4 Expansion Project highlighted the project web site that contains a lot of information about the project. He told the Port Commission that all of the 60% designs have been received and the next milestone will be 90% design. He reported that the SEPA comment period has closed and Port staff along with Port consultants are reviewing those comments and preparing responses.

Public Information Report

Kayla Dunlap, Director of Government & Public Affairs, reported that at the Federal level, both the House and Senate Appropriations Committees have released their Energy and Water Resources Development bills with some noticeable differences. She further reported that the Grays Harbor O&M remains funded at \$17.8 million in both versions but that its unlikely either bill will pass both chambers, go to conference and be signed by the president before FY24 begins on October 1, which will mean a Continuing Resolution.

She then reported that Westport Walking Tours, in partnership with Fresh Catch, kick off today at 3:30pm, with another being offered on Thursday at the same time. She noted that there are more than 30 people signed up for the tours.

She reported that the Port will be hosting a Thai & Indonesian AGP buyer group to the Port on Friday, followed by a Filipino group next Friday, most of which are returning visitors and AGP customers.

She concluded by reporting that the Port will be hosting MARAD Administrator Rear Admiral Ann Phillips to the Port for a visit on the Terminal 4 Expansion and Redevelopment Project on Thursday, September 28th

Vessel Report

Leonard Barnes, Deputy Executive Director, reported that in August the Port had calls from 7 deep-water vessels, which resulted in 237,434 MT of cargo being handled. Year to date there have been 61 deep-water vessels and 20 barges for a total of 2,147,071 MT of cargo.

Kayla Dunlap gave the virtual participation instructions.

VISITORS/PUBLIC COMMENTS:

Kevin Goodrich, City of Westport City Administrator, reported that the relationship between the Port and the City is as good as it has ever been. He further reported on the number of building permits at the City, lodging taxes and updated the Commission on other infrastructure projects.

Dale Beasley, Coalition of Coastal Fisheries, discussed off shore wind and his concern about further displacement of the commercial fishing fleet.

Items discussed and action taken where required are as follows:

MINUTES:

1. By motion made by Commissioner Pinnick seconded by Commissioner Papac and unanimously approved, the Commission adopted the Minutes of August 8, 2023, Regular Commission Meeting as recorded in the Minutes Book No. 22 on pages 250 through 255 inclusive.

VOUCHERS:

1. By motion made by Commissioner Papac and seconded by Commissioner Pinnick the Commission unanimously approved for payment those Payroll Vouchers issued August 18, 2023, and September 5, 2023, ACH/Wire Transfers No. 99902007 through and including No. 99902029, and General Disbursement Vouchers No. 110781 through and including No. 111052 for payment in the amount of \$6,738,544.56.

ACTION ITEMS:**Authorization to Enter into Contract 2222: Amended and Restated Interagency Agreement between Port of Grays Harbor and Grays Harbor College**

Alisa Shay, General Manager Satsop Business Park, reported that the original agreement between the Grays Harbor Public Development Authority and Grays Harbor College for the purposes of Forestland Management ended on June 30, 2024. She recommends the Port enter into an amended and restated agreement with Grays Harbor College with an initial term of 2 years with an additional optional 2-year term.

A motion to authorize the Executive Director to negotiate and enter into contract 2222 with Grays Harbor College was made by Commissioner Pinnick seconded by Commissioner Papac. Motion passed with a vote of 3-0.

Authorization to Approve Change Order No. 1 for Contract No. 2187, Hungry Whale Site Cleanup

Aaron Aschim, Contracts Manager, reported that during the cleanup of the Hungry Whale site, the contractor discovered an additional area of contamination resulting in an increase in the bid quantity for contaminated soil of approximately 907 tons. The decrease in other material tonnages did not result in a net increase in the approved project budget but will require the approval of an administrative change order to reconcile the differences.

A motion to authorize the Executive Director to approve Change Order No. 1 for Contract No. 2187 Hungry Whale Site Cleanup was made by Commissioner Papac seconded by Commissioner Pinnick. Motion passed with a vote of 3-0.

Authorization to Award Contract No. 2209, Terminal Maintenance Dredging Summer Season 2023

Aaron Aschim, Contracts Manager, reported that bi-annual maintenance dredging needs to be done to keep the berths at the necessary depths for ocean class vessels. He further that a call for bids was made on August 9, 2023 and bids were opened on September 11, 2023. He reported that the low bidder was American Construction Inc. with a bid of \$479,000.00 not including Washington State Sales Tax.

A motion to authorize the Executive Director to award Contract No. 2209 Terminal Maintenance Dredging Summer Season was made by Commissioner Pinnick seconded by Commissioner Papac. Motion passed with a vote of 3-0.

Authorize the Executive Director to Enter into Lease No. 1204 with Ponderosa Properties

Shannon Anderson, Business & Trade Development Assistant, reported that the current lease with Ponderosa Properties expired on August 31, 2023. She further reported that they have requested a new lease which will have an initial term of 5 years with 4 successive five-year options beginning on September 1, 2023.

A motion to authorize the Executive Director to enter into Lease No. 1204 with Ponderosa Properties NW, Inc. was made by Commissioner Papac seconded by Commissioner Pinnick. Motion passed with a vote of 3-0.

Authorize the Executive Director to Execute Contract No. 2227 with PND Engineers, Inc.

Kris Koski, Port Engineer, reported that the consulting firm PND Engineers, Inc. (PND) was identified through a competitive, qualifications-based selection process as the most qualified firm to assist the Port with engineering and other professional services for the Westport Marina Modernization Project Phase 1. He further reported that the total fee for the proposed services is \$884,000 and staff will reimburse those costs through a Federal Community Project Funding Grant, a Washington State RCO Grant and possibly the 2021 bond funds.

A motion to authorize the Executive Director to execute Contract No. 2227 with PND Engineers, Inc. for consultant services for the Westport Marina Modernization Project Phase 1 was made by Commissioner Pinnick seconded by Commissioner Papac. Motion passed with a vote of 3-0.

Authorize the Executive Director to Execute Amendment 3 to Contract No. 2157 with Anchor QEA

Kris Koski, Port Engineer, reported Anchor QEA is the Port's consultant under contract for the Environmental Compliance component of the T4 Expansion Project. He further reported that a scope update is required to add effort to the Environmental Compliance Work Plan tasks in Anchor's contract. He concluded by reporting that this amendment will add \$325,548.00 to Anchor's contract, raising the authorized budget from \$1,062,613 to \$1,388,161.

A motion to authorize the Executive Director to execute Amendment 3 to Contract No. 2157 with Anchor QEA for the Environmental Compliance component of the Terminal 4 Expansion & Redevelopment Project was made by Commissioner Papac seconded by Commissioner Pinnick. Motion passed with a vote of 3-0.

Authorize a Special Meeting of the Port of Grays Harbor Commissioners for a Budget Workshop on October 3, 2023

Mike Folkers, Director of Finance & Administration, reported that Port staff have been working on the 2024 Budget and would like to hold an interactive workshop so that the Commissioners and staff may ask questions, provide additional information and offer input on the 2024 Budget.

A motion to hold the Special Meeting of the Port of Grays Harbor Commissioners for a Budget Workshop on October 3, 2023 was made by Commissioner Pinnick and seconded by Commissioner Papac. The amendment passed with a vote of 3-0. The amended motion passed with a vote of 3-0.

Set a Public Hearing for October 10, 2023, Regarding Revenues Related to the 2024 Budget

Mike Folkers, Director of Finance & Administration, reported that as a local government that imposes regular property taxes, the Port is required to hold a public hearing when setting those property taxes.

A motion to hold a public hearing on property taxes related to the 2024 Budget at the Regular Commission Meeting on October 10, 2023 was made by Commissioner Papac and seconded by Commissioner Pinnick. The amendment passed with a vote of 3-0. The amended motion passed with a vote of 3-0.

Authorize the Executive Director to Approve the Changes to the Scope of Work and an Increased Budget for the Pilot Boat Chehalis Annual Yard Maintenance

Randy Lewis, Director of Health, Safety & Environment, reported after inspection it was determined that a number of repairs needed to be made to the Pilot Boat Chehalis. He further reported that the budget for the approved scope will need to be increased from \$69,750 to \$150,000 to accomplish the necessary repairs.

A motion to authorize the Executive Director to approve the changes to the Scope of Work and Increased Budget for the Pilot Boat Chehalis 2023 Annual Yard Maintenance was made by Commissioner Pinnick seconded by Commissioner Papac. Motion passed with a vote of 3-0.

RESOLUTIONS:

Acceptance of Contract No. 2195 – Terminal 4 Pile Cap Repairs

Aaron Aschim, Contract Manager, reported that the work under Contract No. 2195, Terminal 4 Pile Cap Repairs, has been completed at a total contract amount of \$604,324.64 including Washington State Sales Tax.

Motion to adopt Resolution No. 3092: *Completion and Acceptance of Contract No. 2195 Terminal 4 Pile Cap Repairs* was made by Commissioner Papac seconded by Commissioner Pinnick. The motion passed with a vote of 3-0. Resolution adopted.

Authorization of an Application for Funding Assistance for the Port of Grays Harbor Critical Maintenance Program from the Recreation and Conservation Office

Alissa Shay, General Manager Satsop Business Park, reported that the Port would like to apply for two grants under the Washington State Recreation and Conservation Office Local Parks Maintenance Grant Program for critical maintenance. She further reported that one of the grants would be for replacement of the Friends Landing landscape border.

Molly Bold, General Manager Westport Marina, also reported that the Westport Marina would benefit from this critical maintenance grant by much needed repairs to the Westport Viewing Tower.

Motion to adopt Resolution No. 3093: *Authorizing an Application for Funding Assistance for the Port of Grays Harbor Critical Maintenance Program from the Recreation and Conservation Office* was made by Commissioner Pinnick seconded by Commissioner Papac. The motion passed with a vote of 3-0. Resolution adopted.

VISITORS/PUBLIC COMMENTS:

Larry Thevik, Washington Dungeness Crab Fishermen's Association, stated that he understands the need to explore clean energy alternatives. He then reported that he remains concerned about access and gear entanglement with the current proposed location for the Wave Energy barge site.

NEW BUSINESS:

Executive Director Gary Nelson reported on the following:

- September 15 – Showcase Grays Harbor
- September 19 – Washington State Auditor's Office Accountability Audit Entrance Conference
- September 20 – Aberdeen Rotary (Alissa Presenting)
- September 20 – City of Cosmopolis outreach
- September 28 – MARAD Administrator visit

- October 3 – Budget Workshop
- October 5 – Satsop Haul Road Ribbon Cutting

There being no further business to come before the Commission, the Regular Meeting recessed at 11:48 AM.

The Board then went into Executive Session to consider the acquisition, sale or lease of real estate and to discuss with Port's legal counsel matters relating to agency enforcement actions, litigation or potential litigation and to review the performance of a public employee. No action to be taken during Executive Session.

It was announced that the Executive Session would start at 11:58 AM and last 75 minutes.

The Executive Session ended at 1:13 PM. The Regular Meeting adjourned at that time.

ATTEST:



President



Secretary

