

**PORT OF GRAYS HARBOR  
COMMISSION MEETING MINUTES**

**July 14, 2020**

The Port of Grays Harbor Commission Meeting for July 14, 2020 was called to order at 9:00 a.m. This meeting was a virtual meeting conducted using Zoom. The public was able to access this virtual meeting using either the Zoom platform or by calling in.

Those in attendance at the meeting were as follows:

**COMMISSION AND STAFF**

Phil Papac	Commissioner
Stan Pinnick	Commissioner
Tom Quigg	Commissioner
Gary Nelson	Executive Director
Arthur Blauvelt	Legal Counsel
Mike Folkers	Director of Finance & Administration
Leonard Barnes	Deputy Executive Director
Mike Johnson	Contract and Project Manager
Randy Lewis	Director of Environmental and Engineering Services
Kayla Dunlap	Public Affairs Manager
Alissa Shay	Manager of Business Development
Molly Bold	Westport Business Manager
Seth Taylor	Marine Terminals Manager
Shannon Anderson	Business & Trade Development Asst.
Chris Hunt	IT Manager
Lisa Benn	Accounting Manager
Amy Carlson	Communications & Administrative Coordinator
Ryan White	

**VISITORS**

Kirsten Harma	Chehalis Basin Partnership
Arnie Martin	GHAS
Linda Orgel	FOGH

Dave Haviland  
Steve Manwell

Jodesha Broadcasting  
Citizen

Items discussed and action taken where required are as follows:

**MINUTES:**

1. By motion made by Commissioner Quigg, seconded by Commissioner Papac and unanimously approved, the Commission adopted the Minutes of June 09, 2020 Regular Commission Meeting as recorded in the Minutes Book No. 21 on pages 156 through 165 inclusive.

**VOUCHERS:**

1. By motion made by Commissioner Papac and seconded by Commissioner Quigg, the Commission unanimously approved for payment those Payroll Vouchers issued June 19, 2020 and July 2, 2020, ACH/Wire Transfers No. 99901383 through and including Transfer No. 99901397, and General Disbursement Vouchers No. 102782 through and including Voucher No. 102964 for payment in the amount of \$3,515,654.93.

**REPORTS:**

**Exempt wells, rural growth, salmon, and you: The Chehalis Basin Partnership's Streamflow Restoration Act planning efforts**

Alissa Shay, Manager of Business Development, reported that Commissioner Papac and herself are the Port representatives for this team.

Kirsten Harma, Chehalis Basin Partnership and Chehalis Basin Lead Entity, reported that since the late 90s, water rights have been over allocated in the Chehalis Basin. Many sub-basins have been closed off to new water rights at this time and Salmon are in trouble. State Legislature developed the idea of supporting local stakeholders to deal with water issues, given that they are the ones most affected by those issues. They did this through the Watershed Planning Act. Stakeholders came together in the Chehalis Basin Partnership. In 2004 they released a Plan to improve water quality, water availability, land use, planning, and habitat for wildlife for all users. However, they weren't able to include exempt wells.

In 2016, the Hirst decision limited landowner's ability to get a building permit for a new home where the water source would be a permit-exempt well because counties had to prove there was no impact on the stream before issuing permits. This created uncertainty for homeowners on what counties would require to obtain a new building permit for homes using a new private well. In 2018, legislation provided a clearer

path for counties to issue these types of building permits without legal risk in the form of The Streamflow Restoration law.

Ms. Harma continued by explaining the connection between groundwater and streams, the concerns for the Chehalis Basin, water usage and offset, and the potential impact on surface water rights. The end goal is to continue certainty for counties about issuing building permits, and improved habitat for our native fish populations. Ms. Harma invited the Port to help by continuing their contribution and to be prepared to adopt the plan by September 2020.

### **Maintenance Dredging Update**

Randy Lewis, Director of Environment and Engineering Services, reported that at the June 9 regular meeting, the Commission authorized staff to call for bids for Contract 2049 Westport Marina Maintenance Dredging Phase 3. Since then, staff has been working with engineering consultant Vladimir Shepsis of Mott MacDonald and our permitting consultant Amber Roesler of Moffat & Nichol on several issues necessary to finalize the bid package. These include working with the Dredge Material Management Program to resolve a problem with a condition that was placed on the extension of the suitability determination. That condition required several additional DMMU's to be placed upland versus in water. The original strategy was to allow for both mechanical (clamshell) and hydraulic dredging, however after much discussion and research it was decided the most cost-effective method for dredging will be hydraulic. The final plans and specifications will allow hydraulic dredging and placement in either the upland disposal site or offshore at Pt Chehalis. The project estimates a total of 82,000 cubic yards (CY) of material will be dredged from the remaining DMMU's. Based on a recent drone survey, it is estimated 32,000 CY of material can be placed at the upland site without increase in the height of the berm. The contractor is not required to, but will be allowed to increase the height of the berms at the upland site to accommodate all the dredged material. An amendment to the Shoreline Substantial Development Permit and Cup will be needed for the increase in berm height in which Port staff is working with the City of Westport and Ecology to obtain approval. The final plans and specifications were completed earlier this week and reviewed by the Port's legal counsel. An advertisement was published in the Daily Journal of Commerce and Daily World and documents uploaded to Builders Exchange of Washington. Bids are due on July 31. Staff will bring a recommendation to award a contract to the Commission at the August meeting.

### Terminal Maintenance Dredging

The Port conducted its semi-annual condition survey in early June. Grays Harbor hasn't experienced any significant rain and associated sedimentation over the last several months resulting in less buildup at Terminals 1 and 2. Terminal 4 showed significant buildup which was due to the Jet Array system being offline waiting for repairs. Those repairs have been completed and the system is running again. The current situation is almost identical to last year's conditions. Last year, after consulting with the Port's coastal engineer, it was determined the Port could wait until as late as the middle of October and still have sufficient depth for the AGP vessels served at T2. After that time, the combination of increasing low tides and the likelihood of rain made it very risky to wait. Based on that, the terminals were dredged at the end of September without any impacts to shipping. For this year, due to the busy AGP schedule, and the small amount of material needing to be removed at T2, staff decided to dredge in the first two weeks of September, which was relayed to the contractor, American Construction. American notified the Port they had been awarded a contract for another dredging job and the Patriot was leaving Grays Harbor and would not return until the middle of October. This increases the risk to the Port, and at this point staff is working with American to identify a solution.

### Pilot Boat Replacement Search Update

Randy Lewis, Director of Environment and Engineering Services, reported on the progress made by the Pilot Boat replacement selection team since the last update at the March commission meeting. The search for a replacement began in 2018 with a search of potential used pilot boats. A selection team was formed and has been working since then. No suitable used replacements were identified and the focus shifted to considering new vessels that were already built or a new build of an existing design based on the combination of performance and cost. A number of firms and boats were reviewed and evaluated, including site visits and rides on several boats. As reported in March, the team had narrowed the focus to several models manufactures by Baltic WorkBoats US. The next step in the process would have been a visit to the manufacturer in Estonia, which was postponed due to the travel restrictions caused by the COVID-19 situation.

Since then, the team has worked to finalize a standard list of specifications and obtain additional information on the wave climate at Grays Harbor, both to be used in comparison with the different Baltic models that were being evaluated. During the entire process, staff frequently received new listings for used boats which were evaluated as received. The team recently became aware of the Pilot Boat VEGA in Long Beach that was being offered by a vessel broker. Since then they have worked diligently to obtain the information on the vessel to determine its suitability.

### **Jet Array System Pump Replacement**

Mike Johnson, Contract & Project Manager, reported that new pumps need to be installed to keep the Jet Array System in operation. The pumps currently in place are submersible pumps and have been in place for 35-years, rebuilt numerous times and have reached the end of their useful life. Port staff have been researching the possibility of installing above ground pumps and have received a quote from Pump Tech, Inc., who is a distributor for Cornell Pump Company. They have submitted a design that would allow for installation of two pumps with motors on the deck of the pump chamber that would function equal to the existing system. Above ground pumps would provide for easier access for maintenance to the system. Staff is working on this new concept and when finalized will plan to come back to the commissioners with a proposal for their review and approval to move forward with the new pump system.

### **Update on Lower Satsop Project – Keys Road Flood Protection Phase 1**

Alissa Shay, Manager of Business Development, reported that this project is beginning construction no later than August 1 to end work October. The county was able to acquire funding for Phase 1. They went to bid and awarded it to Brumfield Construction. The majority of work will be on Port property. The county is pursuing funding for Phase 2 to occur summer of 2021. A temporary right of entrance has been requested for construction with a possibility of a long term arrangement.

### **Public Information Report**

Kayla Dunlap, Public Affairs Manager, reported that at the request of BHP, the Hearing Examiner is keeping the record open until August 31 to allow BHP time to review and respond to comments submitted by the Quinault Indian Nation.

All Port facilities have resumed normal operations with precautions and exceptions. The Port of Grays Harbor's main office is open during normal business hours. Visitors are expected to wear face masks and practice social distancing. Restrooms remain closed to the public at this time. The Westport Marina office and its various public access facilities are all open and operating during normal business hours. Visitors to the Marina's office are expected to wear a face mask and practice social distancing. The Satsop Business Park's office is open for essential business during regular hours, but closed from noon to 1 p.m. Restrooms at Satsop are closed for public use at this time. Customers are expected to wear face masks and practice social distancing. Friends Landing is open for camping with customers encouraged to make reservations online or by calling. The caretaker window is open but on a

limited basis so campers are encouraged to bring or purchase firewood in advance of their visit. Picnic shelters are open for parties of under 50 guests. Guests of the picnic shelters are encouraged to respect social distancing with other visitors of the campground and park. All restrooms and facilities are open. Reservations for camping can be taken over the phone (360)861-8864 or online. Park users are still strongly urged to maintain social distancing and avoid gathering in large groups. The 28th Street Boat Launch and Viewing Tower are open but users are asked to practice social distancing. The restroom at 28th Street remains closed.

Last Wednesday, the House Appropriations Transportation, Housing and Urban Development (THUD) Subcommittee approved a \$75.9 billion spending bill for FY21. Key provisions of the bill relevant to our interests are as follows:

#### U.S. Department of Transportation (USDOT)

- \$1 billion for National Infrastructure Investments (TIGER/BUILD), equal to the FY2020 enacted level.
- \$10 million for Transportation Planning Grants to assist areas of persistent poverty. This new competitive grant program was not in the FY2020 enacted bill or the President's budget request.
- \$61.9 billion for programs funded from the Highway Trust Fund
- \$1 billion for discretionary Highway Infrastructure Programs

#### Federal Railroad Administration (FRA)

- \$3.5 billion for the Federal Railroad Administration
- \$500 million for Consolidated Rail Infrastructure and Safety Improvements (CRISI)

#### Federal Aviation Administration (FAA)

- \$20 billion for the Federal Aviation Administration (FAA).

#### Maritime Administration (MARAD)

- \$1.2 billion for the Maritime Administration.
- \$314 million for the Maritime Security Program.
- \$300 million for the Port Infrastructure Development Program (PIDP).

To spur economic recovery from the coronavirus pandemic, strengthen aging infrastructure, and promote resiliency, the bill provides an additional \$26 billion for USDOT programs including:

- \$3 billion for National Infrastructure Investments (TIGER/BUILD)
- \$500 million for FAA Facilities and Equipment

- \$2.5 billion for FAA Grants-in-Aid for Airports
- \$5 billion for Consolidated Rail Infrastructure and Safety Improvements
- \$5 billion for the Capital Investment Grant
- \$100 million for Assistance to Small Shipyards
- \$1 billion for Port Infrastructure Development Program

Last Thursday, House T&I Committee Chairman Peter DeFazio and House Subcommittee on Coast Guard and Maritime Transportation Chairman Sean Patrick Maloney (D-NY) introduced the Maritime Transportation System Emergency Relief Act. The authorization bill will allow MARAD the authority to provide assistance to ports and the maritime industry during national emergencies, including a pandemic, using MARAD's existing grant funding programs. The 100% federal cost share funding may be used for eligible operating costs such as emergency response, cleaning, sanitization, janitorial services, staffing, workforce retention, paid leave, procurement and use of protective health equipment and training for employees and contractors, debt service payments, infrastructure repair projects and other maritime transportation system operations. While this is a first step in providing relief assistance to Ports, this bill only authorizes MARAD to carry out such assistance. An appropriations bill will need to follow but there has already been commitment by key legislators that funding will follow as soon as possible.

### **Vessel Activity**

Leonard Barnes reported for June 2020 the Port had calls from 5 deep-water vessels and 3 barges, which resulted in 241,726.656 MT of cargo being handled. Year to date for 2020, the Port has had calls from 38 deep-water vessels and 18 barges, which resulted in 1,399,461 MT of cargo being handled.

### **VISITORS/PUBLIC COMMENTS:**

Arnie Martin, GHSA, suggested pump priming for the Jet Array system for after a period of no use.

### **ACTION/RESOLUTION ITEMS:**

#### **Action Item No. 1**

#### **Authorization to Proceed with Lease 2020-L534, PNW Labs, LLC**

Alissa Shay, Manager of Business Development, stated that PNW Labs, LLC proposes to lease approximately 9,000 square feet of warehouse space and 2,876 square feet of land at the location commonly known as the PKS North Warehouse located at the Satsop Business Park. PNW Labs proposes to use the location for assembly of medical collection kits (manufactured elsewhere), in addition to artistry work to include woodworking and metalworking.

A motion to authorize the Executive Director to enter into lease 2020-L534 with PNW Labs, LLC. was made by Commissioner Papac and seconded by Commissioner Pinnick. Motion passed with a vote of 3-0.

### **Action Item No. 2**

#### **Proposed Hanger Agreement No. 7060, George Harrington**

Leonard Barnes, Deputy Executive Director, stated that Mr. Harrington has been a hangar tenant at Bowerman since 2002. He currently rents Hangar C-3 for his Luscombe single-engine plane and would like to rent Hangar F-4 for his Piper Twin Comanche aircraft.

A motion to authorize the Executive Director to enter into Hangar Rental Agreement No. 7060 with George Harrington was made by Commissioner Quigg and seconded by Commissioner Papac. Motion passed with a vote of 3-0.

### **Action Item No. 3**

#### **Authorization to Proceed with Snyder's Loop Rail Repairs**

Mike Johnson, Contract & Project Manager, stated that the Snyder's Loop Rail has a few sections in need of repair. There is 900-lineal feet of outside rail at the entrance to the Port off of the PSAP Main Line that will be switched with the inside rail. A 600-lineal foot section near Warehouse H and the 28th Street Boat Launch has been switched previously and now needs to be replaced. There is another 60- lineal foot section by the AGP Scale Tower that needs to be replaced. Heavy use of this line has caused the wear to these lines. The Executive Director recommends using Port maintenance staff to complete the repairs. As outlined in the Delegation of Authority Resolution No. 2341, Section V, the Executive Director is authorized to use necessary workers for operations and maintenance of facilities pursuant to Port Commission approved labor agreements. Commission approval is required when the total estimated cost exceeds \$60,000.

A motion to authorize the Executive Director to proceed with rail repairs was made by Commissioner Papac and seconded by Commissioner Quigg. Motion passed with a vote of 3-0.

### **Action Item No. 4**

#### **Authorization to Proceed with Purchase of Pilot Boat**

Mike Folkers, Director of Finance and Administration, stated that a pilot boat is an essential vessel used specifically to transport marine pilots from a Port to vessels that need piloting, or vice versa. The Port acquired the current pilot boat, Chehalis,

in 2001 from the Columbia River Bar Pilots. The Chehalis was built in 1958 by Gunderson Brothers Engineering Corporation. It is a 64', 70 GRT, steel vessel with a single 440 horsepower diesel engine. Under Port ownership the Chehalis has safely transported Port of Grays Harbor pilots on over 2,000 jobs.

The Chehalis is beyond it's useful life. The hull is beginning to thin and advancements in vessel technology have made the Chehalis obsolete. In 2018, the Port created a Pilot Boat Replacement Team and has been actively searching for a replacement to the Chehalis. The Port has looked primarily at new pilot boats as used pilot boats that fit the Port's needs are extremely rare. The search team has discovered that new pilot boats are in the \$3 million to \$6 million range. At the end of June, the Port was notified about the used pilot boat, Vega, which had recently been surplussed by the Long Beach Pilots and offered for sale. The Vega was built in 2003 by Hike Metal Products & Shipbuilding. It is a 64', 64 GRT, aluminum vessel with twin 1,300 horsepower diesel engines. The Vega only has 8,699 engine hours and is approximately 17 years into a 30-year life cycle. All references thus far regarding the Vega have been positive and it appears to be an excellent fit for Grays Harbor. Staff is conducting due diligence on the Vega. It is proposed that the Port make a \$40,000 deposit to hold the Vega while the remainder of the team's due diligence is completed. This will include a marine inspection and survey as well as a sea trial. If the Port is not satisfied with the Vega it has up to 30 days to reject the vessel and the deposit will be returned. If the Port is satisfied with the Vega it will pay the remainder of the negotiated price and take possession of the Vega.

A motion to authorize the Executive Director to negotiate and sign an agreement to cover the due diligence period and a purchase and sale agreement in the event the Vega meets staff and Pilot expectations was made by Commissioner Quigg and seconded by Commissioner Papac. Motion passed with a vote of 3-0.

### **Action Item No. 5**

#### **Authorization to Award Contract No. 2051, Hungry Whale Clean Up Project Design**

Randy Lewis, Director of Environmental and Engineering Services, stated that the Port has been working with Ecology, under an Agreed Order (AO) to complete cleanup of the Hungry Whale site in Westport. Contamination at the site was caused by leaking underground fuel tanks which were replaced. Over the years, several cleanup activities were conducted but were not successful. There is a significant amount of contaminated soil under and around the existing mini mart building and gas station facilities. In 2016, an amendment to the AO was signed that committed the Port to completing a Remedial Investigation and Feasibility Study (RI/FS) and a

cleanup action plan to commence cleanup activities as soon after the current lease expires later this year. The Port selected Stantec to complete these documents which has been completed and approved.

Ecology and the Port have been working cooperatively to identify funding. Late 2019, Ecology offered the Port an opportunity to be included in a request to the legislature for supplemental Remedial Action Grant (RAG) funding. The legislature approved the request and the project was included in the final Capital Budget. In March, the Port was notified that all projects were being placed on hold until at least June while waiting to assess the impacts of the COVID-19 situation on state finances. Although the state has seen significant revenue reductions, the June financial forecast indicated the fund that is used to finance RAG's had not been impacted yet and Ecology recently notified the Port they were moving forward with the grant process and will be sending an agreement shortly. The Port now needs to move forward with finalizing the cleanup action plan for Ecology approval, and then obtain permits, complete final design, bidding and contracting. The anticipated schedule is for the plans, permits, and bid documents to be ready to bid the project early 2021 with cleanup activities occurring in September and October 2021. Based on their past performance and experience with the project and the Port, Stantec was selected from the firms on the Port's Architects & Engineering Roster.

A motion to authorize the Executive Director to enter into contract C-2051 with Stantec to complete the cleanup action plan, permitting and design for the Hungry Whale Cleanup Project was made by Commissioner Papac and seconded by Commissioner Quigg. Motion passed with a vote of 3-0.

### **Resolution No. 3007**

#### **Extension of the Waivers Issued by Governor Inslee Under the Open Public Meetings Act and the Public Records Act Based Upon the Declaration of Public Emergency Due to the Outbreak of COVID-19**

Art Blauvelt, Legal Counsel, stated that COVID-19, a respiratory disease that can result in serious illness or death to vulnerable or at-risk populations, is caused by the SARS-CoV-2 virus, which is a new strain of coronavirus that had not been previously identified in humans and can easily spread from person-to-person. The United States Centers for Disease Control and Prevention (CDC) identifies the potential public health threat posed by COVID-19 both globally and in the United States as "high", and has advised that person-to-person spread of COVID-19 will continue to occur globally, including within the United States. On January 31, 2020, the United States Department of Health and Human Services Secretary declared a public health emergency for COVID-19, beginning on January 27, 2020. On

February 29, 2020, Governor Jay Inslee proclaimed a state of emergency within the State of Washington due to COVID-19. On March 13, 2020, the President of the United States declared a National Emergency concerning the COVID-19 outbreak.

On March 24, 2020, Governor Inslee issued Proclamation 20-28, prohibiting public agencies subject to RCW 42.30 from conducting any meeting subject to RCW 42.30 unless the meeting was not conducted in-person and instead provided options for the public to attend the proceedings through, at minimum, telephonic access, and may also include other electronic, internet or other means of remote access, and provided the ability for all persons attending the meeting to hear each other at the same time. Proclamation 20-28 also prohibited public agencies from taking action as defined in RCW 42.30.020 unless the matters were either necessary and routine, or necessary to respond to the COVID-19 outbreak. In response to Proclamation 20-28, the Port of Grays Harbor implemented a procedure for its Commission meetings whereby the meetings have been conducted with all Port Commissioners and senior staff present remotely utilizing a teleconference link provided by Zoom and/or a phone call-in number with an access code. The public has been encouraged to attend remotely. Notice of these remote procedures has been posted near the door of the Main Port Office and on the Port of Grays Harbor website; and has been provided to the Daily World, The Vidette and local radio stations.

RCW 42.30.077 requires that public agencies make the agenda of each regular meeting of its governing body available online no later than twenty-four hours in advance of the published start time of the meeting. The contents of these agendas form the basis for the Port of Grays Harbor' meeting notices. Governor Inslee has amended and extended Proclamation 20-28 a number of times, most recently on July 8, 2020, by way of Proclamation 20-28.7. Proclamation 20-28.7 provides that language from specific statutory provisions found in RCW 42.30 are waived and suspended as provided therein until 11:59 p.m. on August 1, 2020. Pursuant to Proclamation 20-28 and its amendments, the Port of Grays Harbor has established remote meeting procedures and arranged for remote attendance by the public. The Port of Grays Harbor' remote meetings and remote meeting procedures have become unexceptional. The Port of Grays Harbor desires to continue conducting meetings that are subject to RCW 42.30 during the COVID-19 outbreak in a manner that allows for public participation with the fewest restrictions.

Motion to adopt Resolution No. 3007: *Extension of the Waivers Issued by Governor Inslee Under the Open Public Meetings Act and the Public Records Act Based Upon the Declaration of Public Emergency Due to the Outbreak of COVID-19* was made

by Commissioner Quigg and seconded by Commissioner Papac. Motion passed with a vote of 3-0. Resolution adopted.

**VISITORS/PUBLIC COMMENTS:**

None

**NEW BUSINESS:**

Mr. Nelson noted future meetings and events:

- Virtual AAPA Cyber Security Seminar– July 15-17
- Virtual Pilotage – June 16
- Virtual Federal Listening Session – June 23
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Molly Bold, Westport Business Manager, reported that the Marina received a notification of funding for two small grants; Fishing for Energy and Westport Fresh Catch.

Randy Lewis, Director of Environmental and Engineering Services, reported that the Port has been notified by the FAA regarding receiving funds under the CARES Act. The funds are committed for operation and maintenance reimbursements.



There being no further business to come before the Commission, the Regular Meeting recessed at 11:12 a.m.

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. No action to be taken during Executive Session. It was announced that the Executive Session would last one hour.

The Executive Session ended at 12:22 p.m. and the Regular Meeting adjourned at that time.

ATTEST:

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President

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Secretary