



COMMISSION WORK SESSION AGENDA
Work Session at Port of Port Angeles
January 23, 2017
9:00 a.m.

- I. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- II. EARLY PUBLIC COMMENT SESSION (total session up to 20 minutes)**
- III. DISCUSSION/QUESTIONS FOR AFTERNOON REGULAR MEETING**
- IV. WORK SESSION TOPICS**
 - A. Halibut season advocacy (page 1-8)
 - B. Quarterly Joint Meeting Schedule with Clallam County Commission
 - C. 2017 Olympic Logging Conference Discussion (page 9-10)
 - D. Commission Meeting Schedule Discussion (see business meeting packet)
 - E. Port Day in Olympia Discussion (page 11-18)
 - F. Delegation of Authority
- V. FUTURE AGENDA TOPICS**
 - A. Work Session (page 19-20)
 - B. Business Meeting (page 21)
- VI. PUBLIC COMMENT SESSION (total session up to 20 minutes)**
- VII. EXECUTIVE SESSION - The Board may recess into Executive Session for those purposes authorized under Chapter 42.30 RCW, the Open Public Meetings Act.**
- VIII. ADJOURN**



RULES FOR ATTENDING COMMISSION MEETING

- Signs, placards, and noise making devices including musical instruments are prohibited.
- Disruptive behavior by audience members is inappropriate and may result in removal.
- Loud comments, clapping, and booing may be considered disruptive and result in removal at the discretion of the Chair.

RULES FOR SPEAKING AT A COMMISSION MEETING

- Members of the public wishing to address the Board on general items may do so during the designated times on the agenda or when recognized by the Chair.
- Time allotted to each speaker is determined by the Chair and, in general, is limited to 3 minutes.
- Total time planned for each public comment period is 20 minutes, subject to change by the Chair.
- All comments should be made from the speaker's rostrum and any individual making comments shall first state their name and address for the official record.
- Speakers should not comment more than once per meeting unless their comments pertain to a new topic they have not previously spoken about.
- In the event of a contentious topic with multiple speakers, the Chair will attempt to provide equal time for both sides.

**ITEM FOR DISCUSSION
BY THE
BOARD OF COMMISSIONERS**

January 23, 2017

Subject: Halibut Season Advocacy

Presented by: Jerry Ludke, Airport/Marina Manager

BACKGROUND:

The Washington Department of Fish and Wildlife (WDFW) sets halibut seasons using catch quotas adopted by the federal International Pacific Halibut Commission (IPHC).

Under the 2A Catch Share Plan (Washington, Oregon and northern California), the tribes are currently allocated 35% of the quota, and commercial and recreational fishermen split the remainder.

The halibut fishing season has dwindled from a 70-day season in 2006 to 12 days in 2014, 11 days in 2015, eight days in 2016 and now only three days in 2017.

A group of local stakeholders – including representatives from the City of Port Angeles, the Port and local businesses – met on January 10th and 19th to discuss the problems associated with the shorted season and to propose changes.

ANALYSIS:

The group believes the local economy has suffered because of the reduced fishing days. They are gathering information showing economic losses in the motel, food, fuel and tackle businesses as well as the impact of the cancellation of the annual halibut derby.

They also believe that a three-day season is unsafe. If bad weather occurs on an assigned fishing day, fishermen may take unnecessary risks and “press on,” viewing the designated days as their only opportunity.

To restore business activity and increase safety, the group is advocating for:

- Fixed annual bag/possession limit of six (6) fish per person per year
- No poundage limit on an individual fish
- Field possession limit of one (1) fish per day and two (2) in possession
- Season – second Saturday in March through third Saturday in October (to track the Pacific Fishery Management Council's (PFMC) ocean bottomfish fishery dates)

This proposal is similar to the current Canadian system and Oregon's six fish limit.

The Port Angeles City Council will consider a draft resolution containing these provisions at its next meeting on February 7th.

If the resolution is adopted, the group intends to solicit additional support from local ports, cities, counties, chambers and private businesses and build a coalition to lobby state officials to make these changes to the halibut fishing season in 2018.

RECOMMENDED ACTION:

Staff is seeking Commission input and direction.

PUGET SOUND HALIBUT INFORMATION

Declining days on the water in Puget Sound halibut area – 70 days in 2006, 64 days in 2008, 30 days in 2010, 15 days in 2012, 12 days in 2014, 11 days in 2015, 8 days in 2016, and 3 days for 2017.

Economic impacts on local communities and businesses

Over-crowding at the available launch sites

Days to fish are fixed with no considerations for weather events

Loss of life and property due to having to fish on established days

WDFW has estimated numbers of halibut anglers, but no solid numbers how many really fish for halibut

2009-2014 average of 8000+ in Puget Sound and 11,691 all areas

Halibut catch record cards have averaged about 300,000 per year

Catch rate (fish/day) increasing as days on the water are cut

Year	Days	Fish (est. harvest)	Catch/Day
2016	8	5337	667
2015	11	5291	481
2014	12	6241	416
2010	30	3556	118
2008	64	3909	61

2A Catch Share Plan gives 35.6% of the non-tribal recreational share to WA for a total of 224,110 lb

2A CSP takes 10,000 lbs. off the rec share for incidental take by sablefish fleet leaving the rec fleet with 214,110 lbs. and sets aside up to an additional 60,000 lbs. (70,000 lbs. total) before the WA rec fleet will see any increase in harvest shares

In 2016, we lost 49,686 lbs. to the sablefish fleet (total for all WA waters that would have been divided up between the 4 halibut management zones) had we received our full share. OR and CA saw an increase in their rec fleet share.

Ocean recreational fishing days on the water is also severely restricted. They are averaging 3 – 4 days of fishing. Their data is not included in this summary

2A RECREATIONAL HALIBUT FISHERY PROPOSAL

The recreational anglers, including non-residents, are a critical component in the coastal economics of Washington, Oregon, and California. They spend tens of millions of dollars that support many businesses from motels and gas stations to restaurants, grocery stores, bait dealers, and tackle shops. The continuing decline in fishing opportunity, in this case halibut, is causing severe economic impacts to affected businesses. It is time to take a strong look at re-structuring the halibut fishery to reflect the importance of the recreational fishery to the coastal economies in 2A. We would like to make the following proposal for at least WA waters, but would think it might be applied to OR and CA waters, too.

Fixed annual bag/possession limit of 6 fish per year per person

Field possession limit of 1 fish per day and 2 in possession

Season – Second Saturday in March 1 to the third Saturday in October (to track PFMC ocean bottomfish fishery dates)

Port Angeles City Council,

My name is Jerry Wright and I own Jerry's Bait and Tackle. Due to the decrease in fishing days allowed for 2016 my business lost \$7,281.54 for the year 2016. This amount represents difference between 2015 and the end of year 2016.

Jerry Wright
(Jerry's Bait and Tackle)
2720 E Highway 101
Port Angeles, WA 98362

Norm, this is an unofficial evaluation of the loss incurred by Frugals restaurant during the curtailed fishing seasons. The timeline is conducive to the continued shortened seasons is which there is a measurable loss in sales. Frugals is uniquely positioned and has the capabilities to handle the influx of fishermen and their vessels. If the Fishermen can't access the in-line process of ordering burgers they take advantage of being able to park in the Bushwhacker parking lot or call in an order or simply order at our back door.

Halibut fishermen tend to travel in groups. There are at least 2 with up to 4, 5 or more fishermen in a group. On average, a single order is over 10 bucks. There are peak times for their ordering which is usually after they have fished for the day. If going home or spending the night in the motels in close proximity they value our product. All of the other fast food outlets I'm sure experience the same increase in sales when the fishermen are in town.

In particular we pride ourselves in our product and sales. We staff according to anticipated sales and stock so as to be able to accommodate any influx in increased sales. We will serve up to 50 car counts per-day more than normal during fishing seasons. A car count is a single order no matter the amount ordered. This happens during all fishing seasons including salmon, Halibut and bottom fish.

Important in this is how these fishermen feel about their entire fishing experience. Fishermen love to talk. When the community embraces and caters to the folks they tend to spend cash and tell their friends. All boats rise in this tide.

As a past president of the Port Angeles Salmon Club, I and the company I work for enthusiastically support any effort to keep the fishermen coming to our town. Port Angeles and the surrounding communities can ill afford any more negative financial impact because of curtailed recreational fishing opportunities.

Sincerely Robert A. Beausoleil.



January 11, 2017

Cherie Kidd
Deputy Mayor, City of Port Angeles
101 E. 10th St.
Port Angeles, Washington 98362

Dear Cherie;

This letter is in response to your request for bait & tackle sales for Orca Enterprises for the years of 2015 & 2016 for purposes of analyzing the impact of shortened halibut and salmon sport fishing seasons in our area.

Orca Enterprises sales for 2015 were \$114,909.00 and fell to \$93,308.00 in 2016. A decrease of \$21,601.00.

This decrease in sales was a direct result of fewer days for the halibut season and the closure of the late summer coho salmon season.

I am sure that my modest bait and tackle business is but a microcosm of the greater economic impact that the reduction of sport fishing opportunities made on the Olympic Peninsula. I look forward to working with you in revitalizing our sport fishing opportunities not only for our local citizens but for the many others from all over the country that visit our beautiful area to take advantage of our sport fishing adventures.

Sincerely;
Ralph Burba, President
Orca Enterprises

Cc: Lee Whetham
Councilmember – City of Port Angeles

473 W. Silberhorn Road • Sequim, Washington 98382
Telephone (360) 683-5784 • Fax (360) 683-5838 • Email: orcaenterprises@hotmail.com

January 15, 2017

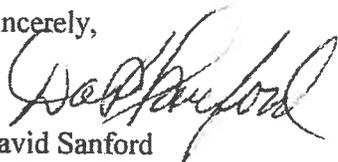
Port Angeles City Council,

My name is David Sanford and I have lived in Sequim, WA for 62 years. I started making fishing lures in 1986 and continue to sell lures today. My lures are used for salmon, halibut, and bottomfish.

Now as our state continues to cut our fishing opportunities and cut the hatchery production of salmon and steelhead, sport fishermen are having fewer and fewer opportunities. My gross income from the fishing lures has ranged from \$55,000 to \$90,000 in the last few years until now, in 2016 it plummeted to \$13,670. This is due to the state drastically cutting our fishing seasons. Halibut is down to just 3 days of fishing in our area for 2017 and it looks like they will probably close coho salmon fishing statewide again, just as they did in 2016. WDFW (WA Dept. of Fish and Wildlife) expected a low number of coho returning and they closed fishing to protect them. In the end, a good number of coho returned and some NW Indian Tribes went ahead and fished some areas, catching thousands of coho. When they close fishing like this, my business and countless other businesses are devastated.

Hatcheries have been supplementing our salmon and steelhead runs for over 100 years and that was very successful in keeping strong runs of fish migrating through our area and returning to the rivers. Now WDFW is moving away from supplementing the runs with hatchery fish. Sport fishermen are getting short changed... from halibut fishing to salmon fishing. With all the marine mammals and predatory birds protected now, it is all the more important to plant the rivers with hatchery fish. The state needs to again plant our rivers heavily with hatchery salmon and steelhead to bring back the fishing we used to have. We desperately need all the sport fishermen and local communities and businesses to encourage and even demand that we get our fair share of fishing once again. Unless we speak up, there will soon be few fishing opportunities left here in the Pacific NW if it continues to go the way it has been going. The WDFW is not working for the sport fishermen anymore. Fishing seasons bring lots of people and money to the area and we need to encourage that!

Sincerely,



David Sanford

Sanford Enterprises

Sequim, WA

**ITEM FOR DISCUSSION
BY THE
BOARD OF PORT COMMISSIONERS**

January 23, 2017

SUBJECT: Olympic Logging Conference Activities

Presented by: John Nutter, Director of Finance & Admin

BACKGROUND:

The 72nd annual Olympic Logging Conference is scheduled this year for April 26th through April 28th in Victoria, B.C. As has been the practice for many years, the organizers of the conference have requested the Port be a sponsor of the Thursday morning “Meet and Greet” during conference registration. The conference is an annual event, bringing together most of the logging/timber/sawmill interests on the Olympic Peninsula.

RCWs and Port policies related to this event include promotional hosting and travel. RCW 53.36.120 thru 53.36.150 on Promotional Hosting requires budget line item authority and states that Commissioners are not allowed to incur promotional hosting expenses unless specifically approved in advance by the Port Commission. Resolution 14-1084 delegates promotional hosting expenses up to and including \$2,500 to the Executive Director. Promotional hosting is in the nature of a gift where something of value is not exchanged. It includes meals, receptions, tours, gifts, etc. for customers, potential customers and other parties that can influence industrial development. Sponsorship is not considered promotional hosting; it is marketing because the Port receives value in return for the sponsorship such as advertising or name placement on program listings, displays, etc.

Resolution 14-1087 on travel requires that travel outside of Washington State and British Columbia, Canada must be approved in advance by the Commission for a Port Commissioner and by the Executive Director for staff. Travel in excess of \$5,000 per individual must be approved in advance by the Commission.

ANALYSIS:

Included in the program for the conference are speakers who will discuss timber supply, markets, and new equipment development. The theme for this year’s program is “The Future Grows on Trees”.

The conference is the one event where a broad range of people involved in the timber industry on the Olympic Peninsula get together and provides an opportunity for the Port to meet and network with many of the customers and users of Port facilities. The “Meet

and Greet” function is the official opening event of the conference and entails a continental breakfast for the conference registrants on Thursday morning. The Port has been a sponsor of this event for many years. In return for the Port’s sponsorship, the Port will receive advertising and recognition through prominent listing as a sponsor on banners, program materials and handouts valued at \$1,500.

In addition to the above sponsorship, the Port has traditionally held a luncheon for its customers, which would be considered promotional hosting, and is approximately \$1,000. This function replaced other hosted events held over the many years of the Conference. The luncheon has been well attended and appreciated by the customers.

ENVIRONMENTAL IMPACT:

None

FISCAL IMPACT:

The cost of the sponsorship for the “Meet and Greet” and the Luncheon event typically is \$2,500.00 which includes \$1,500.00 for the sponsorship. The cost varies by the attendance at the luncheon event. The total expenses for travel, sponsorship and promotional hosting were included in the Port’s budget for Log Yard. The promotional hosting expenses are within the approved budget line item for Log Yard of \$3,800 and within the Port-wide budget line item of \$21,800.

RECOMMENDED ACTION:

Commission review and discuss participation in the 72nd annual Olympic Logging Conference.

WORK SESSION ITEM FOR DISCUSSION BY THE BOARD OF PORT COMMISSIONERS

January 23, 2017

SUBJECT: Port Day in Olympia January 31, 2017

STAFF LEAD: Karen Goschen

BACKGROUND & ANALYSIS:

Each year, the Washington Public Ports Association (WPPA) organizes a day for Port officials and staff to meet with legislators and inform them of the importance of Ports in economic development and maritime commerce for Washington State.

Because the cost to fix the state's education system is huge and because the state is in an education funding crisis, it will be difficult for legislators to focus on other areas that need funding.

WPPA General Agenda (per the website 12/21/16)

- **7 am** Morning policy briefing. Coffee and pastries will be provided Legislative Building, Columbia Room (basement level, room 119)
- **8:30—11:30am** Meet with your legislator.
- **11:45pm—12:45pm** Lunch, Legislative Building, Columbia Room (basement level, room 119)
- **1:30pm—5:00pm** Meet with your legislator. Contact your legislators now to schedule an appointment
- **Evening:** Reception at Heritage Room in Olympia (604 Water Street)

Port of Port Angeles Schedule

- **7 am** WPPA breakfast meeting
- **1 pm – 1:45pm** Port officials and staff to meet with Representative Steve Tharinger, Representative Mike Chapman, and Senator Kevin Van de Wege in John A. Cherberg Building, 304 15th Avenue Suite 212, Olympia, WA

WPPA Specific Issues of Importance to Port of Port Angeles

Attached is the *WPPA Priority Issues 2017* document which highlights legislative issues important to ports in general. The following is a subset of the issues that are of specific importance to Port of Port Angeles.

- **MTCA Funding Preservation:** Crude oil prices remain low, which results in lower revenues for the state Toxics Accounts. These accounts fund remedial action (cleanup) grants at the Department of Ecology, which are a critical tool for ports to redevelop contaminated properties. WPPA will work to ensure that the remedial action grant program is funded at the levels necessary to continue this critical partnership.
 - Port of Port Angeles has benefited from MTCA funding and supports continued funding of this program. A history of our MTCA grants are:
 - \$2 Million of grant funding provided in 2013 to jump start the K-Ply cleanup investigation.
- **Port Worker Training:** Last year the Port of Seattle proposed expanding port district authority to contract with private non-profit entities to provide worker training programs. Discussions on this authority continued over the summer and fall, and a revised approach will be proposed in 2017.
 - Port of Port Angeles asked WPPA to support this effort last year. We believe our community would benefit if the Port of Port Angeles had more flexibility to support worker training.
- **Capital Projects:** There is continued interest in a capital budget grant program to fund economic development projects, similar to the program created in 2012. Education mandates will put substantial pressure on state bond funds, however.
 - The Port of Port Angeles is supportive of this effort. It could provide capital projects funding.
- **Re-Capitalization of Fishing Fleet Vessels:** WPPA will support continuing efforts to upgrade the North Pacific fishing fleet, which may take the form of a preferential B&O tax rate for construction of fishing vessels and their components.
 - The Port of Port Angeles is supportive of this effort. It would benefit the marine trades sector in our community.
- **CERB Funding/Reform:** The WPPA has consistently supported funding for the Community Economic Revitalization Board in the form of additional funding for CERB loans and grants as well as increases in CERB technical staffing levels. WPPA has also led efforts to reform median wage requirements placed on certain projects. While not making this a priority now, CERB-reform efforts might emerge in 2017.
 - The Governor's budget does not include CERB funding. The funding previously dedicated to CERB has been swept to MTCA. Both programs are important and serve different purposes. Both should be funded.
 - Port of Port Angeles has benefited from CERB funding and supports continued funding of this program. A history of our CERB grants are:

- Since 1982 CERB has invested \$5.7 million over twenty different tribal and local government projects in Clallam County.
- In 1994, grant to Port for \$400k for the site improvements at the Admiral Marine site and for the construction of the Travel Lift Pier.
- In 1995, grant to Port for \$25k to develop an economic impact feasibility study for industrial lands development at the South Airport Industrial Park.
- In 1998, loan to Port for \$500k to construct 25,000 sf multi-tenant building at North Airport Industrial Park.
- In 2016, grant to Port for \$50k to develop a Marine Trades Industrial Park Master Plan for the former K-Ply site.

Port of Port Angeles Specific Issues

- Carbon Tax: Some type of carbon tax will most likely continue to be discussed. Gov. Jay Inslee proposed a carbon tax to help fill the education funding hole. Timber and forest products companies could be impacted. Timber is an important economic sector for our community.
- Carbon Sequestration: While trees are a good source of carbon sequestration, they are a better source for building materials than concrete or steel. Timber harvest and re-forestation helps the environment and jobs. We need to watch out for any negative impact on rural communities that depend on timber.
- Industrial Stormwater: Grants or loans for industrial stormwater for distressed rural communities where costs of regulations are making it difficult for industrial activities to continue. Closure of companies in a distressed community is particularly devastating because there is not a way to make up for the lost jobs.
- BNR/DNR (Board of Natural Resources/Department of Natural Resources) Issues: Sustainable Harvest, Timber Arrearages, Marble Murrelet Conservation Strategies should be based on science and fiduciary duty to trust beneficiaries. BNR/DNR should not create more restrictive rules or limit timber sales due to concern over environmental lawsuits. Funding for DNR is needed to hire a forester to perform a valid tree inventory. Without a good inventory the model is built on poor data and assumptions. The Port of Port Angeles is taking a leadership role in Clallam County to educate trust beneficiaries and to advocate for allowable harvesting.
- Company Recruitment Opportunities: Importance of Department in Commerce in supporting local efforts to recruit companies.
- Change to Halibut Fishing days: Local discussions have started on the need to change how Washington Fish & Wildlife limits the number of days for halibut fishing season. The number of days last year was 8 days, this year it is 3 days. These limited days negatively impact spending in the community and it creates pressure to go out and fish even in bad weather conditions risking boater safety. An alternative would be to focus on the quota, not the number of days. For example, 6 fish in 4 months starting the same day as commercial until sport catch quota is reached. The soonest a change could start would be 2018.

- Targeted No Discharge Zones for Boats: The Northwest Marine Trades Association supports a “targeted” No Discharge Zone in contrast to Ecology’s “Puget Sound-wide” No Discharge Zone. Clean water for recreation and shell fish harvesting can be achieved through a targeted plan. The current Puget Sound-wide plan sends the message to boaters that we do not want their business in Washington State. These types of boats already comply with Coast Guard approved marine sanitation devices. It is already illegal to release sewage into Puget Sound. Ask Ecology to pursue targeted No Discharge Zones over shellfish beds and other areas of special concern.
- Dept of Ecology and the new SRZ (Sediment Recovery Zone) Manual: The cleanup of Port Angeles Harbor will be the first implementation of SRZ. It has been a difficult and slow process because in the middle of the RI/FS (Remedial Investigation/Feasibility Study) the regional background process and sediment rules were changed. Being the first site to implement new rules is frustrating and slow because of the many first time issues that arise. This adds to the cost of an already very expensive process.
- Cascadia Rising: Express concern of losing response capabilities if Clallam County doesn’t move their EOC (Emergency Operation Center) or if the USCG (United States Coast Guard) doesn’t move their helicopters to safer ground. Fairchild airport is well situated to be the key logistics center and the Port of Port Angeles would support a move of first responder operation center and equipment to the airport.
 - This may be more appropriate to advocate to our Federal legislators since emergency funding is mostly Federal.
- Building codes for CLT: A change in building codes would encourage the use of CLT
 - This may be more appropriate to advocate to our Federal legislators since the International Building Code is a Federal matter. There are also a number of professional groups working on this.

Transportation Committee: Clibborn Chair; Farrell Vice Chair; Fey Vice Chair; Wylie Vice Chair; Representative Chapman is on this Committee.

- Elwha Bridge: Stress the importance of keeping the old bridge open as a critical link to commerce between the East and West end of the County. US Hwy 101 is the most important transportation route on the Olympic Peninsula. Losing US Highway 101 would impact all aspects of commerce on the peninsula from tourism to logging, and would cause long term or permanent negative financial impacts to our community members. A new bridge (WDOT alternative 7) should be built and new alignment will also solve an existing safety problem on the east end of the bridge approach.
- Road Work around Lake Crescent: There is the same concern with loss of commerce when interrupting access to US Highway 101 when road work is performed around Lake Crescent. The communities appreciate the change to a three-year repair schedule instead of the year-long closure.

The top priorities from a staff perspective are:

1. Funding and loans for stormwater and capital projects. Funding of CERB.
2. BNR/DNR issues.
3. Re-capitalize fishing fleet.
4. Emergency preparedness support for EOC at FIA, maintaining runway length, and re-enforcement of runway.
5. Port worker training.

FISCAL IMPACT: not applicable

DESIRED COMMISSION INPUT OR FEEDBACK:

1. Commission to prioritize the issues they want to discuss when meeting with state legislators. It is best to focus on a few key issues. Staff can prepare a one page “leave behind” document if the Commission directs.
2. Commission to discuss logistics.

Note: January 31, 2017 will be a special meeting since more than one commissioner will be meeting with state legislators at the same time.



WPPA Priority Issues 2017

Priority Issues

Modernize Port Broadband Authority: Port districts have the authority to provide wholesale telecom infrastructure, with certain limitations. This authority was granted in 2003, and several aspects of our authority relating to contracting, rural limitations and pricing authority need to be modernized to develop networks and provide the fundamental broadband speeds necessary to retain and grow businesses, foster educational institutions, and provide medical services.

MTCA Funding Preservation: Crude oil prices remain low, which results in lower revenues for the state Toxics Accounts. These accounts fund remedial action (cleanup) grants at the Department of Ecology, which are a critical tool for ports to redevelop contaminated properties. WPPA will work to ensure that the remedial action grant program is funded at the levels necessary to continue this critical partnership.

Issues WPPA Supports

Port Worker Training: Last year the Port of Seattle proposed expanding port district authority to contract with private non-profit entities to provide worker training programs. Discussions on this authority continued over the summer and fall, and a revised approach will be proposed in 2017.

Capital Projects: There is continued interest in a capital budget grant program to fund economic development projects, similar to the program created in 2012. Education mandates will put substantial pressure on state bond funds, however.

Protecting Industrial Lands: Continued gentrification pressures in urban areas are putting pressure on critical industrial lands. The Growth Management Act (GMA) has some language for large cities to preserve and foster port industrial property, but more clear direction may still be needed. As general discussions about improving the GMA proceed, WPPA will advocate for continued work on industrial land preservation.

State Adoption of Real ID: State of Washington is facing a looming deadline to adopt/fund the implementation of state-issued driving documents that comply with the Real ID Act of 2005.

The law sets forth requirements for state driver's licenses and ID cards to be accepted by the federal government for "official purposes", as defined by the Secretary of Homeland Security, which includes boarding passenger-carrying airplanes.

Re-Capitalization of Fishing Fleet Vessels: WPPA will support continuing efforts to upgrade the North Pacific fishing fleet, which may take the form of a preferential B&O tax rate for construction of fishing vessels and their components.

Public Records Act: There are currently efforts to address issues and challenges of the Public Records Act. Additional efforts will continue in 2017, relating to cost-recovery mechanisms for local governments, and dispute resolution procedures.

Tourism Funding: The Washington Tourism Alliance continues to advocate for a state-funded tourism promotion program. Last year's efforts creating sector-based business fees did not advance, but other ideas such as tax credits may be proposed this year.

Issues to Watch

Hydraulic Permits: Authority to assess a fee to help pay for the Department of Fish and Wildlife's hydraulic permitting program expires at the end of June, 2017. Recent controversy over the jurisdiction of these permits will ensure a lively debate over the appropriate limits of the agency's regulatory authority. WPPA will support pragmatic solutions that are protective of aquatic habitats and appropriately limit DFW's authority.

Aviation Fuel Tax dedication to WSDOT: The Washington State Aviation Alliance is advocating legislation that would redirect some of the revenue generated from the sales tax on fuel at general aviation airports to the state aeronautics account. The purpose is to make grant and loan funds available to general aviation airports, and to leverage federal funds.

On-Call Contracting: The Attorney General's Office through an informal communication has signaled to the PUD's and the State Auditor that it considers current standard practices used in on-call contracting to be inconsistent with state law. This may create legislative action, but we do not yet see a general consensus on how to resolve this situation.

CERB Funding/Reform: The WPPA has consistently supported funding for the Community Economic Revitalization Board in the form of additional funding for CERB loans and grants as well as increases in CERB technical staffing levels. WPPA has also led efforts to reform median wage requirements placed on certain projects. While not making this a priority now, CERB-reform efforts might emerge in 2017.

Puget Sound Dredging: The management review commissioned by the 2016 Legislature is currently underway. When findings are released by the Department of Ecology, WPPA will determine whether additional legislative action is necessary.

New Issues

Commissioner Districts for Ports of Seattle and Tacoma: By statute, the Ports of Seattle and Tacoma have no commissioner districts. Some interests in South King County are raising the idea of imposing commissioner districts in King and possibly Pierce County, in order to ensure geographic representation of commissioners.

Pilotage Commission Insurance Costs: The Pilotage Commission was successfully sued for gender discrimination. This action has caused the state's self-insurance program to increase the insurance premiums to the Commission by about one million dollars per year. It is unclear how this money will be raised, but options would include tariff increases or finding the funds within the state's budget.

Future Agenda Items – Work Session

(9:00 a.m. unless otherwise noted)

1/23/2017 Commission Meeting

January 30, 2017 (Special Meeting Monday) Port Angeles City Council at 4 pm

- 2017 Harbor Cleanup Goals, FIA Master Plan Update, Port/City Goals (air service, Marine Dr traffic, stormwater)

January 31, 2017 (Special Meeting Tuesday) Port Legislative Day, Olympia, WA

February 7, 2017

- Quarterly Investment reports—John Nutter
- Prior Barge Studies Overview/State of Barging Industry Presentation—BST Associates
- Promise of the Arctic Trip Report
- OPMA (Open Public Meeting Act) & PRA (Public Records Act) Training--Simon Barnhart

February 13, 2017 10 AM --Board of Clallam County Commissioners

- CRTC, EDC, & SBDC Quarterly Presentations (CRTC confirmed 1-18-17)
- Terry Lawhead, Community Outreach or other Commerce representative (confirmed 1-18-17)
- Elizabeth Court—Olympic Work Source Council (tentative)
- Resolution Announcement: Rod Fleck, Bill Peach
- Set 2017 Joint meeting dates. Possible options:
 - April 17 or 24 (quarterly reports)
 - July 17, 24, or 31 (quarterly reports)
 - October 9, or 16 (quarterly reports/budget discussions)

February 21, 2017

- OPMA and PRA Refresher Training with Simon Barnhart

March 13, 2017 Sequim City Council 5pm to 6pm (could start earlier)

- 2017 Port/City Goals, Economic Opportunity Zone, John Wayne Marina (Tentative)

Announcements

- Speaking Engagements: Jan 10, PABA; Jan 12 Kiwanis, Jan 18 Lion's Club, Jan 25, PA noon Rotary
- Listening sessions DEIS DNR Marbled Murrelet & Timber January 17 6PM-8PM PA High School

Future

- Governance: Delegation of Authority, Employee Handbook and resolutions
- Lease Policy Considerations (Chris Riffle)
- Lease rate setting process and publication of rates
- Real Estate Marketing Plan
- CLT Construction Event Planning (Timber Advisory Committee)
- Master plan "Vision" of different Port properties (purchase and sale opportunities)
- Consultant contract template review and process for commission guidance
- Analysis of Business Lines—Q1 or Q2 2017
- Website redesign
- POPA Promotional Video (March 31, 2017 deadline)

Future Joint Meetings

- Some meetings could be with staff and one commissioner.
- Special Meetings: Joint meeting with other public agencies in each district
 - Share strategic direction and key goals for each entity
 - Cross-public entity effort (Council of Governments); set 1 to 3 top community goals
 - Clallam County: Quarterly Reports: EDC Report, SBDC Report, CRTC updates
 - Timber Advisory Committee, FIA Master Plan update, MTIP update, Emergency preparedness planning
 - City of Forks: Timber Advisory Committee, Timber Arrearages, CLT, invite DNR to meeting and to tour the forests, DNR report, ONRC update
 - Port of Port Townsend (host one meeting at each port): maritime efforts, marinas, airport (tour for POPA), CRTC (tour for POPT), NOP RC&D update

Future Agenda Items – Business Meeting

(1:00 p.m. unless otherwise noted)

1/23/17 Commission Meeting

February 9, 2017 (Regular Meeting)

- Peninsula College Term Lease at 2220 W 18th Street

Announcements

- ...

Future

- JWM Olympia Oyster Restoration Agreement Extension
- Special Meetings: Joint meeting with Lower Elwha Klallam Tribe
- Environmental Management System (EMS)
- CRTC Term Lease 2220 W 18th Street