

HarborWorks

Port Angeles Harbor-Works Development Authority
Board of Directors Regular Meeting
Vern Burton Conference Room, City Hall
August 3, 2009

MINUTES

1. Call to Order

The meeting was called to order by President Orville Campbell at 3:35 pm.

2. Roll Call

Directors present: President Orville Campbell and Directors Howard Ruddell, Jerry Hendricks, Karen McCormick, and Bart Irwin

Staff present: Jeffrey Lincoln, Elizabeth Duan

Port Representatives
Present: Bill James, David Hagiwara

City Representatives
Present: Kent Myers, Nathan West

Others Present: Paige Dickerson

3. Approval of Agenda

Jeffrey Lincoln added Agenda Item E – Approval of Payroll Direct Deposit

4. Approval of Minutes: July 6, 2009 Board of Directors Meeting

Karen McCormick mentioned a revision on page two under Due Diligence Process, “notices were” stated twice; also mentioned a revision on page four under Authorization to Advertise and Hire Administrative Assistant – “complete” should be altered to “compete”

Bart Irwin mentioned a revision under the Motion to Approve the 2009 and 2010 Budget on page 4, “present to both the port and the city”, seemed redundant. Bart Irwin withdrew his comment.

MOTION: Jerry Hendricks moved, seconded by Howard Ruddell, to approve the minutes of the July 6, 2009 Board of Directors Meeting as presented. The motion carried unanimously.

5. Board Member Comments

There were no comments made during this period.

6. Finance – Voucher Review

President Campbell circulated a folder containing vouchers presented for approval. Executive Director Lincoln confirmed that he had reviewed all of the vouchers.

7. Executive Director Report

Jeff Lincoln reported on the following activities:

- A meeting was held with Ecology staff in July to discuss the cleanup of Rayonier.
- Ecology is working with Rayonier to conduct additional testing to supplement the two Remedial Investigation studies completed in 2006 on the project. DOE has also completed two studies, one in the bay and one upland to supplement the testing by Rayonier.
- Jerry Hendricks questioned the status of an agreed order. DOE believes that it does not have enough information to determine the extent of the site (all contamination) by Rayonier's Mill operation, so they have agreed with Rayonier to establish a Study area that can be defined and so that the cleanup of the upland parcels and some of the marine and tideland areas can move forward.
- Three meetings were held with Rayonier and they have indicated willingness to work with HarborWorks so that a purchase agreement for the property can be accomplished. Working relationships have been established. HarborWorks is moving forward to accomplish due diligence to determine the costs and values of the site. The good news is that Rayonier is willing to fund the restoration of Ennis Creek which may come earlier than later.
- Throughout the past week, meetings were held with the following city council members: Dan Di Giulio, Gary Braun, Don Perry, Betsy Wharton, Cherie Kidd, and Karen Rogers, with Larry Williams not available. Meetings were also held with two out of the three port commissioners and they have been brought up to speed on HarborWorks' progress and status. Feedback has been given that more information needs to be provided to the public and HarborWorks will strive to do a better job of getting the information out. HarborWorks is picking up speed and now accelerating rapidly. Joint tribal council meetings with the HarborWorks Board have been requested as there are a lot of things on the table.
- Request for Qualifications process is now complete and interviews are being held this week. Process should be completed by August 25, 2009 and information will be brought before the Board. An additional Board meeting may be requested this month for agreement execution and permission granted to embark on due diligence for review and market analysis. Steve Sperr and David Hagiwara will be part of the interview process for due diligence. Committee will consist of Nathan West, Jeff Lincoln, and David Hagiwara to guide the market analysis. It is a busy month but things are moving along. Better & more complete reports will be provided in the future.
- Orville Campbell questioned the schedule for the port & city to consider HarborWorks' loan requests. The requests will be the subject of the August 18, 2009 City Meeting and the Port Meeting next Monday.

8. Public Comment Period

- Kent Myers commended the new Executive Director for the report given and for his productive and bold schedule. He mentioned that comments have been made that the community is frustrated with the Rayonier site as it has been languishing for eight to ten

years but now things are moving forward. Board was commended for the selection of Jeff Lincoln & he was commended for his progress.

- Jeff commended the City and Port staff as well as the HarborWorks staff. Bill James was commended for his suggestion of the bi-weekly meeting of the four executives of the City, Port, HarborWorks and County to meet biweekly on Wednesdays at the Port. Meetings are important and get the executives face-to-face and to engage in discussions such as the Incubator, which is an important community issue.

9. Action Agenda

- **Authorization for Executive Director to Purchase Supplies and Equipment**
 - This is a simple request to purchase supplies and equipment. The budget for the calendar year contains a \$9,000 budget for supplies and equipment. There is approximately \$6,872 remaining. Jeff Lincoln made a request to expend funds on items and bring it back to the Board in the voucher approval. Currently, HarborWorks is trying to use as many free resources as possible such as Google Calendar. The level of operation at HarborWorks needs to be appropriate for the size and needs of the organization. Authorization requested to expend funds remaining for the calendar year, providing invoices are properly accounted for and to allow for purchase approval.

MOTION: Jerry Hendricks moved, seconded by Howard Ruddell that the Executive Director be given authorization to spend up to \$6,872 for the remainder of the calendar year.

AMENDED MOTION: Bart Irwin suggested an annual asset listing for items over \$150 as well as an inventory taken at the end of January 2010. Bart Irwin moved, seconded by Howard Ruddell as amended. The amended motion carried unanimously.

- **Approval of Accounting Policies and Procedures**
 - Jeff Lincoln stated that there is a requirement in the Charter of the Board which requires the adoption of policies & procedures. Jeff Lincoln received the draft and made a number of changes. The current policy states that two members of the Board must sign the checks as well as statements concerning the use of vouchers, although checks are currently being used. Currently, two members of the Board have been designated to endorse the checks. However, there have been times when no transaction can be made when one of the designated members is unavailable.
 - Jerry Hendricks questioned as to whether the City Finance Director has had input which was confirmed by Bill James that he had drafted the original proposed procedures and reviewed the drafts extensively.
 - Jeff Lincoln mentioned that the HarborWorks books and chart of accounts need to be reviewed and revised by the City Finance Director, since the city has the responsibility to account for and report HarborWorks expenditures. An audit was made by Jeff Lincoln after arriving at HarborWorks. An error between the accounting software and the banking records was picked up this week which Bill James helped to identify and correct.
 - One policy not being done is the reconciliation of the bank statements with the accounting software reports. All expenditures have been accounted for and the reconciliations will be accomplished in the future. Quarterly financial reports will

