

## PORT COMMISSION REGULAR MEETING– June 28, 2017

The Port of Port Townsend Commission met in regular session at District 2 location: Chimacum Grange, 9572 Rhody Drive, Chimacum

Present: Commissioners – Hanke, Clinefelter and Tucker  
Executive Director Gibboney  
Auditor Berg  
Director of Operations & Business Development Englin  
Director of Planning Toews  
Attorney Lake  
Minutes – Nelson

### I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Hanke called the meeting to order at 5:30 p.m.

### II. APPROVAL OF AGENDA:

Executive Session on Litigation, pursuant to RCW 42.30.110 (i), fifteen minutes with no action.

**Commissioner Clinefelter moved to approve the Agenda as presented.**

**Commissioner Tucker seconded the motion.**

**Motion carried by unanimous vote.**

### III. CONSENT AGENDA:

A. Approval of Public Workshop Minutes – June 14, 2017

Approval of Regular Meeting Minutes – June 14, 2017

B. Approval of Warrants

Warrant #057792 through #057801 in the amount of \$14,649.79 for Payroll & Benefits

Electronic Payment in the amount of \$68,855.07 for Payroll & Benefits

Warrant #057802 through #057832 in the amount of \$33,539.77 for Accounts Payable

Warrant #057833 in the amount of \$10,647.87 for Accounts Payable

Electronic Debit in the amount of \$11,145.65 for WA State Dept. of Revenue Combined

Excise Tax Return for May 2017

**Commissioner Tucker moved to approve the Consent Agenda as presented.**

**Commissioner Clinefelter seconded the motion.**

**Motion carried by unanimous vote.**

### IV. PUBLIC COMMENTS (Not related to agenda):

### V. SECOND READING (Action Items):

### VI. FIRST READING (Discussion Only):

### VII. REGULAR BUSINESS:

A. FAA Airport Improvement Program Grant Authorizing Resolution No. 667-17

(1:13):

Mr. Toews explained Federal money has been appropriated for Phase I (environmental and engineering work) for the runway project. However, to formally secure funding the Commission is required to authorize a resolution to proceed with the airport grant application.

Commissioner Hanke asked what would happen with the funding if the Commission delayed the project. Mr. Toews discussed that circumstance.

Ms. Gibboney stated WSDOT Aviation begins their next round of runway assessments within the next few weeks and hopes to have results at the next meeting. She reported the pilot community is concerned current runway conditions might not warrant repaving. Ms. Gibboney reported WSDOT Aviation would not recommend repaving if conditions were not warranted.

Commissioner Hanke expressed his concerns about approving the project when the scope and cost of the project it not yet known.

Mr. Toews stated that the FAA determined the state of the runway based on the 2012 index, per FAA circular. He emphasized that the resolution presented is for Phase I - design and environmental work only.

Commissioner Tucker discussed the two different possibilities for the runway repaving – crown or shed and associated costs. He also asked questions about the airport classification.

Shannon Kinsella of Reid Middleton, project manager for the runway, addressed the commissions' concerns and questions. She discussed the differences in planning/design work of both a crown runway and a shed runway.

**Commissioner Tucker moved to adopt Resolution No. 667-17 as presented.**

**Commissioner Clinefelter seconded the motion.**

**Motion carried by unanimous vote.**

B. Professional Services Contract-Jefferson County International Airport Runway Rehab Phase I:

**Commissioner Tucker moved to approve the Professional Services Contract with Reid Middleton as presented.**

**Commissioner Clinefelter seconded the motion.**

**Motion carried by unanimous vote.**

C. May 2017 Financials (13:49):

Ms. Berg presented the May 2017 financials with a year-to-date comparison to 2016. Among items, she pointed out the decreased operating revenues compared to the previous year. She reminded that moorage rate increases did not go in to affect until April and yard rate increases not until May. Operating expenses are below budget but up compared to the previous year and she explained reasons for the increase in expenses.

Discussions included positive net operating income, debt service, the effects of the Travelift accident, etc.

Mr. Englin talked about the Travelift incident and overtime hours worked by yard staff to accommodate customers.

Ms. Gibboney reported staff plans to debrief with the insurance company on the Travelift claim.

She stated she receives positive feedback on our customer service.

VIII. STAFF COMMENTS (23:14):

Ms. Gibboney reported the Stormwater Level 3 report is still under review by the Dept. of Ecology and hopes to receive a response within the next few days.

She reported the contract and scope with Landau would be presented to the commission at the next meeting.

Ms. Gibboney talked about the Point Hudson planning process and the Collaboration Workshop with the City and NW Maritime Center taking place tomorrow night at the Maritime Center.

She stated July commission workshop discussions would include cash flow, capital projects and a mid-year check-in. In August, workshop discussions would include business planning with managers and the budget

Ms. Gibboney announced the first meeting has been scheduled with the Teamsters Union bargaining unit. The Union contract expires this year.

She reported she (and Mr. Englin) met with Fire Chief (Pomeroy) to discuss the lease renewal of the storage unit at the airport. She informed the past lease agreement with the Fire Department included fire protection services at the airport. Now, the Interlocal Agreement for services will be separate from the lease. Further discussion ensued on issues relating to the Fire Department.

Mr. Englin stated he continues working on leases, performing due diligence and documentation compliance, organization.

He continues to work with Marc Horton and Terry Khile on the stormwater project.

Mr. Englin reported Quilcene passed a Dept. of Ecology Level 4 fuel facility inspection in today and said a clean bill of health was received. The fuel facility at Boat Haven (leased to a private company) was inspected as well, and he believes that inspection also passed.

Mr. Englin updated the commission on the PLIA Grant (Pollution Liability Insurance Agency) and the underground storage tanks at the airport. He explained the funding and award determination process.

Ms. Matej briefed on tomorrow's Collaboration Workshop, explaining the main objective is to bring the Port Commission, City Council and Maritime Center board together to participate in an open discussion on past and future Point Hudson, discuss the "Six Strategies for Collaboration", address the issues, and to work in collaboration. Ms. Matej pointed out an article in today's Leader about well-known local pilot Summer Martel who will be performing acrobatic stunts at the Arlington Fly-in in July.

Mr. Toews reported July 5 is the deadline for submittal of the BIG grant application for the north Jetty at Point Hudson. He reminded this is a stand-alone from the south jetty project.

He is completing the contract and scope of work for engineering firm Mott McDonald for 100% design work on the south jetty. Mr. Toews reported the JARPA was submitted for necessary marine borings for testing subsurface conditions. He stated he is seeking to obtain a letter of exemption from the City and a SEPA exemption letter.

Ms. Berg highlighted agenda details from the recent and very informative WA Public Ports Association (WPPA) Finance Conference she attended at Semiahmoo. She is drafting the 2018 budget schedule, working on the mid-year update, staffing and cost projections for the next commission workshop.

Ms. Nelson reported Ms. Gibboney would be attending the WPPA Directors Conference July 13-14 and Commissioners Tucker and Clinefelter would be present at the WPPA Commissioners Conference July 24-25.

Attorney Lake discussed a decision by the WA Supreme Court on Executive Sessions and the subject of real estate.

IX. PUBLIC COMMENTS (56:56):

George Yount commented on haulouts and marine trades' business, and asked, does the Port have plans to help promote business for the marine trades?

Bill Putney suggested periodically polling marine trades businesses on the Port's performance in reference to economic development, etc.

Bob Frank stated in his opinion, the climate has been "flat" in the yard, partially due to the economy, weather, and the Travelift accident. He has heard from commercial fishermen they are exploring other options for boat work due to rate increases here.

Eric Taylor discussed the fire department and tax parcels at the airport.

X. COMMISSIONER COMMENTS (1:10:29):

Commissioner Tucker reported he attended the Quilcene Last Day of School party and it was "wonderful", with good attendance and was pleased with the sprucing up of the Quilcene Marina facilities.

He reported on the Energy Lunch meeting where solid waste recovery was on the agenda. He talked about the need for a waste recovery plant.

He reported the NODC has been discussing the need for a fiber processing location. Commissioner Tucker stressed that now is a good time to be thinking of infrastructure at the Airport Industrial Park, where both of these facilities could become possible tenants.

Commissioner Hanke thanked staff for the get-well card for his recent knee surgery.

He briefed on a recent dinner meeting with Ms. Gibboney and reps from the NW Maritime Center in preparation of the Collaboration Workshop. He stated it is a long road ahead (Point Hudson planning) but looks forward to the process. He added that he is impressed with consultant Jim Darling of Maul Foster Alonghi (who also attended) on the Point Hudson planning work.

XI. NEXT PUBLIC WORKSHOP / MEETING:

Wednesday, July 12, 2017. Workshop at 9:30 am, meeting at 1:00 pm in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 6:50 pm (start time 6:52 pm) to discuss Litigation, pursuant to RCW 42.30.110 (i), duration of fifteen minutes with no action.

XIII. ADJOURNMENT:

The meeting reconvened and adjourned at 7:05 pm there being no further business to come before the Commission.

ATTEST:

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Stephen R. Tucker, Secretary

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Peter W. Hanke, President

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Brad A. Clinefelter, Vice President