

## PORT COMMISSION MEETING– February 10, 2016

The Port of Port Townsend Commission met in regular session at the Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners – Tucker, Clinefelter and Hanke  
Executive Director – Crockett  
Deputy Director - Pivarnik  
Auditor – Berg  
Planning Analyst – Toews  
Attorney – O’Malley  
Minutes – Nelson

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

Commissioner Hanke called the meeting to order at 1:00 PM.

### II. APPROVAL OF AGENDA:

Mr. Crockett recommended moving Item VII-A: Associate Development Organization (ADO) Services Agreement & Scope of Services to Item VI-A – First Reading. Commissioner Hanke stated the Executive Session duration would be thirty minutes with possible action.

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

**Commissioner Tucker seconded the motion.**

**Motion carried by unanimous vote.**

### III. CONSENT AGENDA (1:14):

- A. Approval of Meeting Minutes – January 27, 2016
- B. Resolution No. 641-16 – Declaring Certain Items Surplus
- C. Operations Reports – January 2016
- D. Approval of Warrants

Warrant #055660 through #055670 in the amount of \$13,984.66 for Payroll & Benefits  
Electronic Payment in the amount of \$55,952.74 for Payroll & Benefits  
Warrant #055671 through #055713 in the amount of \$173,756.70 for Accounts Payable  
Electronic Debit in the amount of \$3,663.14 for WA State Dept. of Revenue Combined  
Excise Tax Return for December 2015

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

**Commissioner Hanke seconded the motion.**

**Motion carried by unanimous vote.**

### IV. PUBLIC COMMENTS (Not related to agenda) (1:29):

Melinda Bryden briefed the commission on her handout titled, “Statement of Revenues & Expenses”, which listed annual Port performance since 2005.

John Collins discussed his views on including the public throughout the Executive Director hiring process.

Jim Maupin agreed with Mr. Collins. He briefly discussed his views on airport development and marketing.

Bertram Levy said he “underscores” what John Collins said and gave his thoughts on the hiring of a new Director.

George Yount expressed his opinion on the hiring process of the Director.

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

#### A. Kayak Rack Storage Rates (12:17):

Commissioner Hanke reminded that the kayak rack rates were increased fairly aggressively, bringing them towards market rates.

Ms. Berg explained her worksheet handout titled, “Point Hudson Kayak Rack Cost Recovery Analysis”. She added kayak rack revenues received over the years are considerably under where projected revenues should be, based on the cost of constructing kayak racks at Point Hudson.

Further discussions and suggestions included increasing kayak rack capacity; instituting a different rate structure for month-to-month tenants and guests; installing land-based kayak rates; RCW rules on charging Lease Hold Tax (LHT); rate comparisons within the area; whether the Port would consider leasing the racks to either Pygmy Kayak or the Maritime Center to manage; the upper kayak rack being harder to access due to its height; and more. Audience speakers included Phil Pilgrim, John Collins and Jim Maupin.

Commissioner Hanke reminded all, this is only about additional revenue collected of \$1000 for all kayak storage.

Commissioner Tucker suggested kayak rack rates be \$25/month + leasehold tax and building another rack for storage.

Commissioner Hanke suggested setting the rate at \$25/month with no LHT for a year.

Commissioner Clinefelter agreed with Commissioner Hanke. He added he does not agree with such a sudden, sharp increase.

Commissioner Tucker discussed bringing the rate to market rate.

Further discussion ensued on setting the rate.

**Commissioner Tucker moved to set the kayak rack storage rate at \$25/month plus LHT and add an additional rack.**

**Motion failed to carry.**

**Commissioner Clinefelter moved to set the kayak rack storage rate at \$25/month for a year (with the Port paying the LHT) “and at least look at some racks or build them inhouse”.**

**Commissioner Hanke seconded the motion.**

**Motion carried by two votes for.**

VI. FIRST READING (Discussion Only):

A. Associate Development Organization (ADO) Services Agreement & Scope of Services (36:42):

Mr. Crockett explained the reason for moving this to First Reading is that by contract, Peter Quinn is to provide the commission with Team Jefferson’s year-end briefing, which has not happened yet. He reminded that the commissioners approved in the 2016 budget, \$25K in support to Team Jefferson. Peter Quinn agreed to present a report to the commission at the next commission meeting.

VII. POTENTIAL IMMEDIATE ACTION ITEMS):

B. Windridge Solutions Professional Services Agreement (38:17):

**Commissioner Hanke moved to approve Immediate Action on the Windridge Agreement.**

**Commissioner Tucker seconded the motion.**

**Motion carried by unanimous vote.**

Mr. Pivarnik discussed the excellent work Mr. Elliff has been providing the Port with public relations and website work. Staff and commission agreed.

**Commissioner Clinefelter moved to approve the Agreement as presented with Windridge Solutions.**

**Commissioner Tucker seconded the motion.**

**Motion carried by unanimous vote.**

C. MW Hillman Consulting Professional Services Agreement (40:28):

**Commissioner Hanke moved to approve Immediate Action on the MW Hillman Consulting Agreement.**

**Commissioner Tucker seconded the motion.**

Commissioner Clinefelter asked counsel if this contract follows the letter of the law with competitive bidding. Attorney O’Malley answered that Attorney Lake had reviewed and approved.

**Motion carried by unanimous vote.**

**Commissioner Tucker moved to approve the Agreement with MW Hillman Consulting as presented.**

**Commissioner Hanke seconded the motion.**

**Motion carried by unanimous vote.**

Commissioner Hanke discussed the value of Mr. Hillman’s work he does for the Port. He added this is money well spent to have his service available.

Mr. Crockett added the next big project is the Point Hudson Breakwater and he recommends hiring a separate professional project manager for this project. He then reported to the commission that Maintenance Manager Larry Aase alerted him to beach erosion near the Commanders Beach House, at the end of the trail. He stated Mr. Hillman may be needed for consulting on a project such as this.

VIII. STAFF COMMENTS (47:30):

Ms. Nelson reported on the very large turnout at the Seattle Boat Show and presented the commission with the contest entries for 2 days moorage at Point Hudson and at Boat Haven and a gift basket made by moorage staff. Winners drawn:

Bev Heiszler of Bothell won two nights moorage at Point Hudson for her 28' boat.  
Mina Bacigalupi (sp?) of Lake Oswego, OR won two nights moorage at Boat Haven for her 30 boat.

Harley Sheffield of Seattle won the gift basket.

Mr. Crockett announced he would attend tomorrow's CEO breakfast meeting.

IX. PUBLIC COMMENTS (49:37):

Bill Putney suggested it would be a good idea for the commissioners to visit the Northwest Aviation show and conference in Puyallup February 20.

Ron Hayes stated he is glad for the boat ramp coming to completion and commented that the Port should see an increase in ramp users soon due to some upcoming fish closures in other areas.

John Collins stated he is pleased with the overwhelming support of the Port Townsend School bond and disappointed the Chimacum bond has failed.

Phil Pilgrim thanked the commission and staff for consideration of the kayak rates. He asked some questions and provided more comment on the rates.

Melinda Bryden provided her opinion on market rates.

George Yount asked for confirmation on the retreat date and time. (Tuesday, February 23, 2016 from 9 AM to 3 PM at the Port Ludlow Resort.) He discussed the history of the origin of the State's Leasehold Tax.

X. COMMISSIONER COMMENTS (59:19):

Commissioner Hanke stated he appreciates the comments heard about the Executive Director job search. He added with large capital expenses, these are challenging times at the Port.

XI. NEXT MEETING: Next regular meeting will be held Wednesday, February 24, 2016 at 5:30 PM in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

The regular session recessed into Executive Session (Commissioners, Executive Director Crockett, Auditor Berg and Ms. Nelson), at 2:00 PM to discuss Personnel-To Evaluate the Qualifications of an Applicant for Public Employment, pursuant to RCW 42.30.110 (g), duration of thirty minutes with possible action. (The Executive Session began at 2:07 PM, once the room had cleared of the public.)

At 2:31, 2:37 and 2:42 PM Ms. Nelson checked outside for any members of the public waiting for reconvening of the regular meeting, finding no one, the session continued.

XIII. RECONVENING AND ADJOURNMENT OF REGULAR MEETING:

The meeting reconvened at 2:45 PM.

Commissioner Hanke announced a Special Meeting scheduled for Wednesday, February 17, 2016 at 9:30 AM, subject Job Qualification Packet for Executive Director Position. There being no further business to come before the Commission, the meeting adjourned at 2:45 PM.

ATTEST:

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Brad A. Clinefelter, Secretary

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Peter W. Hanke, President

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Stephen R. Tucker, Vice President