

PORT COMMISSION MEETING– February 8, 2012

The Port of Port Townsend Commission met in regular session in the Commission Chambers, 375 Hudson St, Port Townsend, WA

Present: Commissioners – Erickson, Tucker, Thompson
Deputy Director – Pivarnik
Auditor – Taylor
Planning Analyst - Toews
Attorney Lake - Goodstein Law Group
Minutes – Nelson

Excused: Executive Director - Crockett

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

Commissioner Erickson moved to approve the Agenda as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Meeting Minutes – January 25, 2012

B. Operations Reports – January 2012

Commissioner Erickson moved to approve the Consent Agenda as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda):

None

V. OLD BUSINESS:

A. Disadvantaged Business Enterprise (DBE) and Title VI – Passenger Only Ferry:

Mr. Toews provided an update on the Federal Transit Administration (FTA) grant process. The Port has recently submitted DBE documents as required per the Civil Rights Act of 1964 and the Title VI plan as required by the FTA. These are currently being reviewed by the FTA.

B. Strategic Plan:

Commissioner Tucker, who served on the Port Strategic Plan Advisory Committee (PSAC), reminded that the Commission adopted Resolution No. 538-10 back in 2010, which lays out the establishment of the PSAC, and calls for annual meetings. He wondered if there was a way to flag adopted resolutions that pertain to future issues, so they would not be overlooked. Commissioners Erickson and Thompson added to this discussion. Mr. Pivarnik explained that he and Mr. Crockett came up with the idea of possibly performing an audit of the past two years' worth of resolutions. They would like to include this subject for discussion in the next public workshop's agenda, which will focus on the 2012 work plan. Commissioner Tucker would like to now form a Strategic Plan Advisory Committee, as per Resolution No. 538-10 to make sure goals and expectations are being met, and to validate the worthiness of the Plan.

Staff will proceed on the formation of a Strategic Advisory Committee.

C. Penn Cove Lease:

Mr. Pivarnik assumed he was about to finalize the revised lease with Penn Cove, where they had requested to double the size of their current land lease. However, he received a call this week from Penn Cove, changing their request to lease the "entire top tier" of land rather than a portion of it. Mr. Pivarnik added that this would take away prime parking space during fish and shrimp openings. He is discussing other options with Penn Cove Shellfish and an update will be provided at the next Commission meeting.

VI. NEW BUSINESS:

A. Lease Rates at the Airport:

Mr. Pivarnik discussed the email received from Mr. Eric Taylor, A-Hangar Condo president. He is questioning the hangar lease equity at the airport, which has been an issue over the past ten years, according to Mr. Pivarnik. Five years ago, hangar space was professionally appraised at \$0.48 per sq. ft. The issue at hand is with the annual CPI rate increases, A-Hangar Condo is now paying \$0.50/sq. ft., which is more than the appraised value. Mr. Pivarnik advised that staff will perform an analysis of current hangar lease rates charged and will bring this report back to the Commission. He would like to see the Commission eventually establish a market rate with a cap on that rate.

B. New Telephone System:

Mr. Taylor explained that during the remodel of the Boat Haven Moorage Office phone and computer lines were relocated. Dave Olsen of Berry Hill Networking and Chris Hanson of Hanson Electric Networks found the system to be very antiquated and a tangled mess of old copper phone wire. They recommend the Port upgrade to a new phone system that would bring the phones through the computer system rather than phone lines, saving the Port money. The cost of the new equipment and installation would run the Port about \$12K. However, there would be around a \$450/month savings on line charges alone, and the current average of \$20-25K/year for the 800# alone would be greatly decreased. Mr. Taylor added this is within the Executive Director's spending authority, but staff wanted to inform the Commission. Hanson Electric is the sole source who can supply this equipment locally. Staff recommends moving forward with this project in time with the Boat Haven Moorage Office remodel completion.

C. Travelift Change Orders:

Mr. Pivarnik explained that the Travelift pier project is coming along exceptionally well under the guidance of Tike Hillman. However, due to newly discovered conditions and circumstances to regulatory requirements raised post-bid, he would like to present two change orders.

The first change order in the amount of \$20,500 include: redesigning the floats attached to the pier and lowering them to conform to D Dock; adding additional aluminum handrails per L&I requirements; installing 15" cleats which require four wood bull rails; fixing irregularities in the asphalt apron by pulling the grade back to allow for a larger apron; and lastly, the installation of a chain link fence.

Mr. Hillman explained change order #2 in the amount of \$79,155: replacing the current wood bulkhead located between haulout piers with sheet piling. This requires a quick approval since the equipment is in placement and material needs ordering.

Commissioner Erickson moved to approve two change orders, as described, with Orion Marine Contractors.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

D. Approval of Warrants:

Commissioner Tucker read the warrants, as presented:

Warrant #047826 in the amount of \$368.43 as a VOID

Warrant #048236 through #048265 in the amount of \$44,785.06 for Payroll

Warrant #048266 through #048274 in the amount of \$65,948.17 for Payroll Benefits

Warrant #048275 through #048324 in the amount of \$348,019.54 for Accounts Payable

Commissioner Erickson moved to approve the warrants as presented.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

VII. STAFF COMMENTS:

Mr. Pivarnik provided an update on the Little & Little houseboat project. The houseboat should be moved to the mudflats tonight and in the water and towed to Point Hudson tomorrow morning.

He then spoke about the City's tunnel lid replacement project performed by Strider Construction. On advice from City staff, Strider came to Mr. Pivarnik looking for a staging area for their equipment. Mr. Pivarnik has reached an agreement with Strider to provide a small area in the "back 40" at Point Hudson for a five-month term at a rate of \$150 + leasehold tax per month. Strider will vacate the space by July 1.

VIII. PUBLIC COMMENTS:

None

IX. COMMISSIONER COMMENTS:

Commissioner Tucker is happy to hear about the new phone system coming in.

He added that he attended the recent Marine Resources Committee meeting where they talked about remediation of stormwater runoff including near the maintenance shop, which will involve Port's participation.

Commissioner Erickson spoke about the Peninsula Development District (PDD) meeting he recently attended. A new staffer with Patty Murray's office attended and she will be at future PDD meetings, which Commissioner Erickson believes will be extremely beneficial. Funding for the PDD in 2013 will be determined this March. Other potential funding means are currently being researched in case 2013 funding does not become available.

Commissioner Erickson also noted a very lengthy recent meeting of a PDD sub-committee he attended at the local EDC office.

Commissioner Thompson had further questions on the hangar association lease rates. He complimented the work progress on the haulout dock.

Commissioner Erickson asked about the location of the February 22, 2012 Commission meeting (listed on the agenda as “to be determined”). Mr. Pivarnik explained things are moving along with the US Customs lease but the remodel project of their space will not have begun by February 22 so the Commission meeting will be held in the Commission Chambers.

X. NEXT MEETING: Next regular meeting will be held Wednesday, February 22, 2012 at 6:30 PM in the Port Commission Chambers, 375 Hudson St, Port Townsend.

XI. EXECUTIVE SESSION: The regular session recessed into Executive Session at 1:53 PM for legal matters (a potential of three issues), pursuant to RCW 42.30.110 (i), duration approximately thirty minutes, with no action.

XII: RECONVENING AND ADJOURNMENT OF REGULAR MEETING:

The regular meeting reconvened and adjourned at **2:23 PM**, there being no further business to come before the Commission.

ATTEST:

David H. Thompson, Secretary

Leif W. Erickson, President

Stephen R. Tucker, Vice President