

PORT COMMISSION MEETING – March 12, 2003

The Port of Port Townsend Commission met in regular session at the Point Hudson Marina Room, Port Townsend, WA.

Present: Commissioners – Beck, Pirner and Sokol
Executive Director – Crockett
Auditor – Taylor
Facilities Manager – Pivarnik
Operations Manager – Radon
Attorney – Harris

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE:

II. APPROVAL OF AGENDA:

Upon motion of Commissioner Beck, the agenda was unanimously approved.

III. CONSENT AGENDA:

- A. Approval of Minutes – 2/26/03
- B. Approval of Warrants
 - #27601 through #27601 in the amount of \$7,221.00
 - #27602 through #27602 in the amount of \$252.34
 - #27603 through #27627 in the amount of \$25,320.08
 - #27628 through #27634 in the amount of \$30,930.62
 - #27635 through #27683 in the amount of \$46,311.34
 - #27579 through #27579 as a VOID
- C. Write-off Register

Upon motion of Commissioner Pirner, the Consent Agenda was unanimously approved.

IV. PUBLIC COMMENTS: (not related to Agenda)

William Miller:

Referring to discussion in today's workshop, he asked Staff whether the \$700 in monthly revenue was for all three new airport hangars or each unit. Noting that they are ground leases, Staff confirmed that this figure is for all three.

V. OLD BUSINESS:

- A. Noise Memorandum of Agreement (MOA) Update

Mr. Crockett remarked that this topic was discussed in detail in today's workshop and added that there would be a City Council public hearing on March 24. He said he compared the final draft MOA included in the agenda packet with the previous version and noted that the agreed-upon changes had been incorporated. Staff recommends that, absent other changes, the Commission approve this draft.

Commissioner Sokol moved to authorize the Executive Director to sign the MOA, provided there no changes to the MOA by City Council resulting from the hearing. The motion carried by unanimous vote.

VI. NEW BUSINESS:

- A. Operations Reports – Month of February 2003

Commissioner Pirner noted that transient RV activity for the first two month is up 28% and if that continues, we should finish out the year at \$143K.

Mr. Radon noted that the Yard Office reported that while the number of hoists is static, lineal feet is down, due largely to boats coming in for only minimal maintenance. Three 300-ton vessels have already been hauled out this month and seven more are scheduled. Advance bookings for April and May look favorable. The Port's spring peak occurs between March and June depending on the

weather. He remains concerned about nightly guest moorage, which is down significantly. With higher gas prices, Staff might consider advertising around Puget Sound for a second or third night free.

B. Lease Negotiations – Point Hudson

Mr. Pivarnik noted a typographical error in the agenda packet and provided a revised rate sheet for the eight tenants whose leases are up for renewal. Port staff is proposing one-year leases, with a CPI increase of 2%. Aside from these rates, tenants would pay their own electricity. Pygmy Boats has their own meter and the others pay a prorated amount under a formula based on their square footage and the previous years' bills.

Mr. Harris said he had reviewed those paragraphs addressing the right of termination and the need for tenants to acknowledge the presence of creosote and asbestos. Limiting the term of the leases to one year would reduce the Port's risk in the event of early termination. However, until the environmental review is complete, the Port may want to amend the termination language, which currently says if the Port terminates early, it would pay damages akin to a condemnation award and instead say the Port would retain the right to terminate upon 90 days notice without any award for termination provided the reason for it is that some agency has directed closure. With an environmental study to occur in the next few months, he understands the need to reconstruct or terminate might occur within the year. He agreed to present modified language to Port Staff.

Commissioner Sokol asked about phrasing in paragraph 23 "compensation to lessee for early termination of the lease shall be resolved under the rules and damage remedies authorized by law in the case of condemnation of leasehold interest." Mr. Harris explained that this language is inserted into leases such as those at the Boat Haven where the tenant has made major improvements to the premises so that, in the event of a termination, they would be compensated for the value of these improvements. Sokol said that since the Port might need to terminate early as a result of the impending study, it might want to ensure that lessees understand this feature of the lease.

Commissioner Pirner moved to authorize the Executive Director to execute lease amendments for the following tenants, pending modified language related to early termination to be added by the Port Attorney. The motion carried by unanimous vote.

<u>Tenant</u>	<u>Term</u>	<u>Rate</u>
Pygmy Boats	one year	\$730.90 plus tax
Galan Maars	one year	\$333.13 plus tax
Point Hudson Boatshop	one year	\$1,098.54 plus tax
Wooden Boat Foundation	one year	\$1,463.37 plus tax
Artful Dodger	one year	\$304.44 plus tax
Pivarnik & Company	one year	\$183.56 plus tax
Brion Toss Yacht Rigging	one year	\$535.70 plus tax
Nancy Borino, Inc.	one year	\$183.56 plus tax

C. Point Hudson RFPs

Mr. Pivarnik noted that through the small works roster, Staff had submitted to eight companies requests for four or five separate assessments on creosote, asbestos/paint, construction and fire issues. Although no written proposals have yet been received, two companies responded that they are qualified and intend to submit a letter of interest by the deadline of Friday, March 14. It is hoped that environmental assessments could be done no later than June 15. An update should be available by the next meeting.

VIII. STAFF COMMENTS:

Mr. Pivarnik:

Referring to RV site upgrades, the City has issued its second and last shoreline exemption (related to putting sewer and water in the same trench). The Coast Guard has agreed to foot the bill to put the utilities to their foghorn under the ground. Through this work, the Port has done a service to the community by clearing the view of power poles, etc. Completion is targeted for April 15.

Mr. Radon:

Staff is in the process of updating nearly 800 tenancy agreements for all accounts to reflect the recent policy change shortening the due date (grace period) to the 20th of the month.

Mr. Crockett:

The Port of Edmonds will host the next WPPA Marina Committee meeting on Friday, May 2. Private marinas are asking the WPPA to join them in lobbying for legislation requiring that all boaters complete a boater education course in order to be licensed. This may be a topic to present to the Public Ports.

IX. PUBLIC COMMENT:

Tamara Conway:

She inquired about the status of discussions with the City regarding the Point Hudson demolition plans. Mr. Crockett explained that the Port saw no need for additional meetings and that the Port would not be submitting any demolition permits. However, if the City proceeds with the proposed demo code, the Port might submit comments.

Gloria Lamson:

She expressed interest in seeing the Meeting Minutes posted on the Port website and asked about the possibility of posting the weather conditions at the airport. Port Staff said it is working on website issues and noted that there is a weather link on the Port's page, although not to a Port weather station. Staff is in discussion with the County about integrating/linking to the County site. Commissioner Pirner asked if the weather information could include wind speed and direction. Mr. Pivarnik noted that the State DOT would be putting an airport webcam on line in the next 4-5 months.

William Miller:

He asked about the status of his request to be on the Security Committee. Staff noted that the Coast Guard, which forms the subcommittee, has not met on this subject. Mr. Crockett agreed to bring Mr. Miller's letter before the Coast Guard.

X. COMMISSIONER COMMENTS:

Commissioner Beck:

He shared a Forks tourist brochure (lodging guide, most commonly asked questions, etc.) that was distributed by Diane Shostak, Director of the Forks Chamber, during a talk at a Quilcene community meeting. He believes Forks has some ideas that might be used in Port Townsend, including suggested activities for a 5-day trip. Staff agreed to forward the information to the Port Townsend Chamber.

Commissioner Sokol:

He noted that 2005 is the 100th anniversary of Rotary. He suggested celebrating this centenary with a community service project, such as a water-walk shoreline project with kiosks and benches, and enhancing public access to the Point Hudson beach. Another project might involve redirecting the Larry Scott Trail along the bluff and connecting to the Haines Street Park and Ride. Mr. Crockett noted that an ADA-accessible trail around the Point Hudson waterfront is in the draft Comprehensive Plan. With no objection from the Commission, he agreed to

draft a letter to the Rotary, explaining the concept and suggesting that the Port partner with the Rotary on its execution.

Mr. Sokol noted that Geoff Masci has begun to campaign for relocating the skateboard park in response to the City authorizing a \$40K parking study. He noted that at one time the Port proposed a possible land swap at Kah Tai for the purpose of siting a skateboard park. Mr. Crockett added that all plans since 1985 call for the parking lot where the skateboard facility currently exists. Gary Jonientz spoke to the need to address parking needs for the Northwest Maritime Center.

XI. NEXT MEETING:

Wednesday, March 26, 2003 at 7:00 PM at the Tri-Area Community Center, Chimacum, WA.

XII. EXECUTIVE SESSION:

At 3:28 PM, the Regular Meeting recessed into Executive Session for five minutes to discuss legal issues with no expected action.

XIII. ADJOURNMENT:

The meeting was adjourned at 3:38 PM, there being no further business to come before the Commission.

ATTEST:

President

Secretary

Vice President