

P.O. Box 1180 • Port Townsend, Washington 98368-4624

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

**Port of Port Townsend  
2<sup>nd</sup> Monthly Meeting Agenda  
Wednesday, September 25, 2013 – 10:00 AM  
Commission Building  
333 Benedict Street, Port Townsend, WA**

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Consent Agenda
  - A. Approval of Meeting Minutes – September 11, 2013.....1-3
  - Approval of Public Workshop Minutes – September 11, 2013.....4-5
- IV. Public Comments (not related to agenda)
- V. Old Business
  - A. 2014 Budget.....6
- VI. New Business
  - A. Approval of Warrants
- VII. Staff Comments
- VIII. Public Comments
- IX. Commissioner Comments
- X. Next Meeting/Workshop: **Wednesday, October 9, 2013. Meeting at 1:00 PM / Public Workshop 9:30 AM, Port Commission Building, 333 Benedict Street, Port Townsend, WA**
- XI. Executive Session:
  - A. Legal Issue
- XII. Adjournment

## PORT COMMISSION MEETING– September 11, 2013

The Port of Port Townsend Commission met in regular session at the Timberhouse Restaurant, 295534 US 101, Quilcene, WA.

Present: Commissioners – Erickson, Tucker, Thompson  
Executive Director – Crockett  
Deputy Director - Pivarnik  
Auditor - Khile  
Attorney - Lake  
Minutes – Nelson

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

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

### II. APPROVAL OF AGENDA:

Added to the agenda by Mr. Crockett: Executive Session on Real Estate, pursuant to RCW 42.30.110 (b), with no action, duration of ten minutes.

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

**Commissioner Thompson seconded the motion.**

**Motion carried by unanimous vote.**

### III. CONSENT AGENDA:

A. Approval of Meeting Minutes – August 28, 2013

B. Operations Reports – September 2013

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

**Commissioner Thompson seconded the motion.**

**Motion carried by unanimous vote.**

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

None

### V. OLD BUSINESS:

#### A. Quilcene Topics (2:30):

Mr. Crockett stated there are a number of issues in the south county that need addressing. In his opinion, the item needing the most urgent attention are the floats at the Quilcene marina. He then reminded of discussions that occurred about a year and a half ago with Fish & Wildlife about the possibility of the Port taking over the boat ramp near Pleasant Harbor. He recommends bringing this up again with Fish & Wildlife. Other concerns and issues are a new fire flow system and commercial septic system in Quilcene. He believes it would be a good idea to develop a strategic plan for the south county.

Commissioner Tucker commented that he believes the Quilcene boat ramp should be a priority. He added that since there are so many empty slips, that maybe a rebuild could include fewer slips with a larger and improved boat ramp. Mr. Crockett suggested this be included in a strategic plan. He said a current redo on the marina would run around \$1M, agreeing with Commissioner Tucker on fewer slips and an improved boat ramp.

Commissioner Thompson would like to see improvements on the walkway along the boat ramp dock so that it is more easily accessible.

Mr. Crockett discussed the infrastructure needs of Quilcene and questioned how much the Port should get involved since it is a County responsibility.

Commissioner Erickson questioned the disbursement of PIF (Public Infrastructure Fund) money for the wastewater project and thought money had been awarded to the fire flow as well. He asked staff to follow up with the County on disbursement of the funds. (Mr. Crockett explained the PIF to the audience.)

Mr. Pivarnik stated repair work on the whalers in Quilcene need addressing within the next ten to twelve months. Mr. Crockett added our attorney informed him the Port would be allowed to hire day labor for a particular project versus hiring out a contractor. The estimated cost for the whaler project is \$40K.

Mr. Crockett added there are boat ramp grants available and the money can be used towards restrooms and parking, as well as the ramp. He said this would be about a two-year process. Commissioner Erickson would like to see a south county strategic plan be developed and brought back to the community in the spring, but the top priority now is to replace the whalers.

Commissioner Thompson invited Quilcene resident, JD Gallant to present his issue, who spoke about environmental issues that he believes are the result of the Coast Seafood expansion, and the studies he has been performing in the Hood Canal waters. He discussed

water clarity and increased nitrates in the water. He believes the crow population has decreased as well, all due to Coast Seafood's increased operations. Quilcene resident and former Port Commissioner Herb Beck stated he has not seen any decrease in the birdlife in Quilcene. He explained when the tide is low and the bay is muddy, especially on these hot summer days, there is no marine plant growth and he attributes the increased turbidity to the many salmon spawning in the waters rather than Coast Seafood's operations.

Quilcene resident, Sandy Oen agreed with Mr. Beck's observations.

Discussion ensued on Mr. Gallant's studies and the environmental report on the impact of Coast Seafood's operations performed in 2012 by Plauche & Carr.

Mr. Crockett, added for the record, that he has spoken with Department of Ecology and there are no environmental issues with Coast Seafood.

Mr. Beck added to his concerns the poor condition of the floats at the marina; slip sizes; restroom improvements; boat ramp; parking issues. He stated the problem with receiving the PIF money for infrastructure is that it is hard for the community to come up with matching funds.

Mr. Oen discussed the need for an increase in the availability of larger slips. He noted the 18-21' boats that use the marina are mostly trailered boats, but during busy seasons, the smaller slips are still needed for them.

Kathleen Kler discussed a Fish & Wildlife meeting she just attended where the focus was sanitation along the rivers and the concerns to the public's health. The group is searching for entities to participate in funding restrooms and garbage disposal sites for anglers.

B. NMTA Boatyard Committee Meeting Update (55:40):

Mr. Crockett reported on the meeting he attended this past Wednesday, providing an update on the boatyards that are being sued by Smith & Lowney. Two boatyards recently received letters of their intent to sue. The Port of Port Townsend has been current with electronic reporting to DOE. Mr. Crockett explained he is going to ask DOE for a written acknowledgement of their receipt of the Port's engineer report. Mr. Crockett said they presented a Power Point presentation on the state of the boating industry in Washington, which he will forward on to the Commission once he receives it.

VI. NEW BUSINESS:

A. September 25, 2013 Commission Meeting (1:02:00):

Mr. Crockett and Commissioner Tucker request the September 25, 2013 evening commission meeting change to a morning meeting at 10:00 AM as the two will be leaving early that afternoon for Vancouver to attend the WPPA Environmental Conference. All Commissioners agreed.

B. Approval of Warrants (1:03:19):

Commissioner Tucker read the warrants, as presented:

Warrant #051667 through #051691 in the amount of \$120,743.56 for Payroll and Benefits

Warrant #051692 through #051742 in the amount of \$80,891.52 for Accounts Payable

**Commissioner Tucker moved to approve the warrants as presented.**

**Commissioner Thompson seconded the motion.**

**Motion carried by unanimous vote.**

VII. STAFF COMMENTS (1:04:00):

Mr. Crockett informed that the administrative staff would begin the move to the new administration building Monday.

VIII. PUBLIC COMMENTS (1:04:50):

Herb Beck discussed the Balch property purchased in years back by the Port and how the previous owners gave the Port a deal, allowing them a tax break.

Mr. Beck commented on how far the Port has come over the years since Mr. Crockett has been the Director. When he first started at the Port there was barely enough money to pay the bills. He gave kudos to the Executive Director and his "assistant director".

Peter Hanke stated for the record that Coast Seafood is very proactive with environmental compliance.

He then asked if any staff had heard results from last weekend's Wooden Boat Festival.

Mr. Crockett added to Mr. Hanke's comment on Coast Seafood. He stated that DOE has told him that Coast is a role model. Mr. Crockett spoke of Coast Seafood's history with the Port.

Dave Nuenschwander spoke to encourage the Commission and staff to do "serious market research" on the Quilcene marina along with receiving community input before making any plans.

IX. COMMISSIONER COMMENTS (1:14:28):

Commissioner Thompson stated he heard a few complaints while working the Port's booth at the Wooden Boat Festival.

Commissioner Erickson said pursuant to the earlier workshop, he encourages public participation in the budget process.

Mr. Crockett added the draft budget would be posted on the Port's website when ready.

X. NEXT MEETING: Next regular meeting will be held Wednesday, September 25, 2013 at 10:00 AM in the Port Commission Building, 333 Benedict Street, Port Townsend, WA.

XI. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 2:17 PM to discuss real estate, pursuant to RCW 42.30.110 (b), no action, duration of ten minutes.

XII. RECONVENING & ADJOURNMENT OF REGULAR MEETING:

The meeting reconvened and adjourned at 2:27 PM there being no further business to come before the Commission.

ATTEST:

\_\_\_\_\_  
Leif W. Erickson, President

\_\_\_\_\_  
David H. Thompson, Secretary

\_\_\_\_\_  
Stephen R. Tucker, Vice President

**PORT COMMISSION PUBLIC WORKSHOP -- September 11, 2013**

The Port of Port Townsend Commission met for the Public Workshop session in the Timberhouse Restaurant, 295534 US 101, Quilcene, WA

Present: Commissioners –Erickson, Tucker and Thompson  
Executive Director – Crockett  
Deputy Director - Pivarnik  
Auditor – Khile  
Minutes – Nelson

I. CALL TO ORDER:

The Workshop was called to order at 9:30 AM.

II. AGENDA:

Refer to attached Workshop agenda for items discussed. Additional item discussed:  
Commission response to the Port Strategic Advisory Committee comments.

III. ADJOURNMENT:

The Workshop adjourned at 11:10 AM.

ATTEST:

\_\_\_\_\_  
Leif W. Erickson, President

\_\_\_\_\_  
David H. Thompson, Secretary

\_\_\_\_\_  
Stephen R. Tucker, Vice President

**Port of Port Townsend Public Workshop  
Wednesday, September 11, 2013, 9:30 AM  
Timberhouse Restaurant  
295534 US Hwy 101  
Quilcene, WA**

**AGENDA**

➤ **2014 Budget Discussions**

Continued discussions on the 2014 budget.

➤ **Airport Runway Project Update**

Staff will update the Commission on the project.

Note: This is a Public Commission Workshop. The public is invited to attend but no formal comment period is scheduled. The workshop will be followed by the regular Port Commission meeting, which will have a formal public comment period where any topic may be addressed.

**PORT OF PORT TOWNSEND**

**MEETING OF:** September 25, 2013

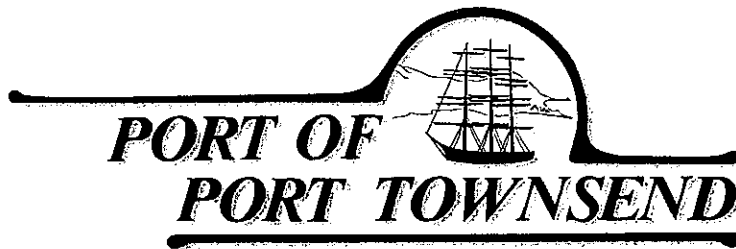
**AGENDA ITEM:** V. Old Business  
A. 2014 Budget

**BACKGROUND:**

Continued discussions.

**Executive Director's Recommendation:**

For discussion and possible decisions.



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### ELECTRONIC DEBIT – Union Bank

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the obligation described below is a just and unpaid obligation of the Port of Port Townsend, and that the Electronic Debit from the Port Checking Account held at Union Bank is approved for payment in the amount of \$9,243.73 on this 25th day of September, 2013.

For: Washington State, Department of Revenue  
Combined Excise Tax Return – for August, 2013 in the amount of \$9,243.73

\_\_\_\_\_  
Commissioner Leif W. Erickson

\_\_\_\_\_  
Commissioner Stephen R. Tucker

\_\_\_\_\_  
Commissioner David H. Thompson

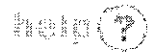
\_\_\_\_\_  
Amy Khile, Director of Finance and  
Administration





Electronic Filing – Washington State

E-file Time: 11:05 AM



[My Account Home](#)   [Account Activity](#)   [List Server](#)   [Suggestions](#)   [Logout](#)

**BOAT HAVEN FUEL DOCK 161-000-044**

**Confirmation**

Confirmation Number	11946288
Tax Registration Number	161000044
Reporting Period	08/2013
Payment Type	EFT Debit
Date and Time Submitted	09/20/2013 11:04:54 AM
Date of Transfer	09/26/2013
Payment Amount	9,243.73
Person Completing Return	Donna Frary
Person Authorizing Payment	Donna Frary

Your return and payment have been submitted. For easy reference, print this page and retain it with your tax records.

[ <a href="#">Return to Account List</a> ]	[ <a href="#">Print Confirmation</a> ]
[ <a href="#">View Printable Return</a> ]	

**Confirmation**

**For Assistance Call:  
1-877-345-3353**



State of Washington  
 Department of Revenue  
 PO Box 47464  
 Olympia, WA 98504-7464

## August 2013 Combined Excise Tax Return

**161-000-044  
 BOAT HAVEN FUEL DOCK  
 PORT OF PORT TOWNSEND**

### State Business and Occupation Section

**Taxes**

Line Code	Tax Classification	Gross Amount	Total Deductions	Taxable Amount	Rate	Tax Due
0004	Service and Other Activities; Gambling Contests of Chance (less than \$50,000 a year)	131,717.31	0.00	131,717.31	0.0150	1,975.76
0002	Retailing	69,147.08	199.90	68,947.18	0.00471	324.74
		<b>200,864.39</b>	<b>199.90</b>	<b>200,664.49</b>		<b>2,300.50</b>

**Deductions**

Deduction Code	Tax Classification	Deduction Name	Amount
000205	Retailing	Motor Vehicle Fuel Tax	199.90
			<b>199.90</b>

### State Sales and Use Section

**Taxes**

Line Code	Tax Classification	Gross Amount	Total Deductions	Taxable Amount	Rate	Tax Due
0001	Retail Sales	69,147.08	2,010.63	67,136.45	0.0650	4,363.87
		<b>69,147.08</b>	<b>2,010.63</b>	<b>67,136.45</b>		<b>4,363.87</b>

**Deductions**

Deduction Code	Tax Classification	Deduction Name	Amount
000119	Retail Sales	Motor Vehicle Fuel Sales	2,010.63
			<b>2,010.63</b>

### Local Sales Section

Line Code	Location Code	Location Name	Taxable Amount	Rate	Tax Due
0045	1600	JEFFERSON COUNTY	3,285.73	0.0250	82.14
0045	1601	PORT TOWNSEND	63,850.72	0.0250	1,596.27
			<b>67,136.45</b>		<b>1,678.41</b>

**Lodging Section**

**Transient Rental Income Information**

Line Code	Location Code	Location Name	Income
0047	1600	JEFFERSON COUNTY	395.59
0047	1601	PORT TOWNSEND	38,320.70
			38,716.29

**Special Hotel/Motel Tax**

Line Code	Location Code	Location Name	Taxable Amount	Rate	Tax Due
0070	1600	JEFFERSON COUNTY	395.59	0.0200	7.91
0070	1601	PORT TOWNSEND	38,320.70	0.0200	766.41
			38,716.29		774.32

**Public Utilities Section**

**Taxes**

Line Code	Tax Classification	Gross Amount	Total Deductions	Taxable Amount	Rate	Tax Due
0060	Water Distribution	85.00	0.00	85.00	0.05029	4.27
0013	Other Public Service Business	6,352.83	0.00	6,352.83	0.01926	122.36
		6,437.83	0.00	6,437.83		126.63

**Summary Section**

	Amount
State Business and Occupation Tax Total	2,300.50
State Sales and Use Tax Total	4,363.87
Local and Regional Tax Total	1,678.41
Lodging Tax Total	774.32
Public Utilities Tax Total	126.63
E911 Tax Total	0.00
Other Tax Total	0.00
<b>SubTotal</b>	<b>9,243.73</b>
Less Total Credits	0.00
<b>Total</b>	<b>9,243.73</b>
<b>Amount Paid</b>	<b>9,243.73</b>
<b>Balance</b>	<b>0.00</b>

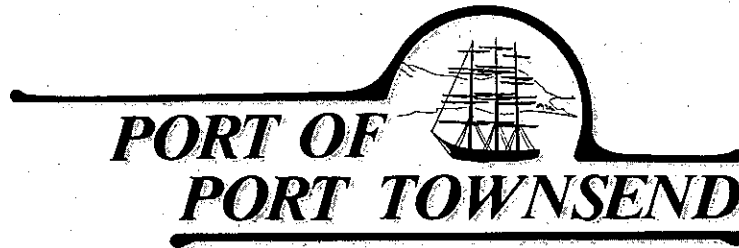
**Additional Information**

Confirmation Number 11946288 Date Printed 09/20/2013

Date and Time Submitted	09/20/2013 11:04:54 AM	Tax Registration Number	161-000-044
Payment Type	EFT Debit	Person Completing Return	Donna Frary
Total Amount Paid	9,243.73	Phone Number	(360)379-5712
Date To Transfer Payment	09/26/2013	E-Mail Address	donna@portofpt.com
Person Authorizing Payment	Donna Frary		

**This is a copy for your records.  
Please DO NOT MAIL a copy to the Department of Revenue.**

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## WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the labor performed and the services provided, as described herein, and that the claims are just and unpaid obligations of the Port of Port Townsend, and that these claims, in Warrant No. 051744 through No. 051761, are approved for payment in the amount of \$62,398.11 on this 25th day of September, 2013.

For: Payroll and Benefits

\_\_\_\_\_  
Commissioner Leif W. Erickson

\_\_\_\_\_  
Commissioner Stephen R. Tucker

\_\_\_\_\_  
Commissioner David H. Thompson

\_\_\_\_\_  
Amy Khile, Director of Finance  
and Administration

Bank Code: W - WARRANTS PAYABLE

Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount	
051757	9/15/2013	BAN001	Bank Of America 09/15/2013	9/15/2013	16,524.25	0.00	16,524.25	Check Entry Number: 001
051758	9/15/2013	PEJ001	Peninsula Credit Union 09/15/2013	9/15/2013	950.00	0.00	950.00	Check Entry Number: 001
051759	9/15/2013	POR001	Auditor's Revolving Fund 09/15/2013	9/15/2013	28,003.60	0.00	28,003.60	Check Entry Number: 001
051760	9/15/2013	SPE010	James Speer 09/15/2013	9/15/2013	250.00	0.00	250.00	Check Entry Number: 001
051761	9/15/2013	WA0302	State of Washington 09152013	9/15/2013	1,200.00	0.00	1,200.00	Check Entry Number: 001
Report Total:					<u>46,927.85</u>	<u>0.00</u>	<u>46,927.85</u>	