

PORT COMMISSION REGULAR MEETING– December 13, 2017

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

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

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

Commissioner Hanke asked for a moment of silence in remembrance of former Port Yard employee, James “Malachi” Gay, who recently passed away.

II. APPROVAL OF AGENDA:

Commissioner Tucker proposed an addition to Regular Business, Item E – the Western Washington University Rate Study. Mr. Toews proposed an addition to Regular Business, Item F – Open Letter to the Community on Community Discourse.

Commissioner Clinefelter moved to approve the Agenda as amended.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA (2:38):

- A. Approval of Meeting Minutes – November 21, 2017
Approval of Special Meeting Minutes, December 6, 2017
- B. Resolution No. 672-17 – Modifying the Amount of the Auditor’s Revolving Fund
- C. Write-off Register
- D. Approval of Warrants

Warrant #058504 through #058516 in the amount of \$61,788.94 for Payroll & Benefits
Electronic Payment in the Amount of \$110,417.31 for Payroll & Benefits

Warrant #058517 through #058580 in the amount of \$244,659.50 for Accounts Payable

Commissioner Clinefelter 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) (3:00):

Ernie Baird thanked Commissioner Clinefelter for his service to the community, and for work accomplished towards the Capital assets inventory and plan.

Bertram Levy complimented Commissioner Clinefelter for taking a strong stand. He also discussed the budget and ramp fees.

Pam Petranek discussed the Governor’s “Washington Maritime Blue” meetings. She said one is coming up in Port Hadlock Thursday. She also commented on a “quote” from the Executive Director she read in an article.

V. SECOND READING (Action Items):

VI. FIRST READING (Discussion Only):

VII. REGULAR BUSINESS:

A. Labor Agreement (11:46):

Director Gibboney presented the agreement with Teamsters Local 589, the bargaining unit that represents a portion of the Port employees, effective January 1, 2018.

Commissioner Hanke moved to adopt the contract with Teamsters Local 589 as written.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

B. Organizational Chart (13:13):

Commissioner Hanke expressed his appreciation on the nice job negotiating the agreement. Director Gibboney gave recognition to Port staff bargaining unit members: David Johnson, Sean Smith and Chuck Fauls. She stated the presented Organizational Chart is related to the approved contract. She discussed changes made to the chart, adding there is no change to the number of full time employees. She then asked for Commission approval.

Commissioner Clinefelter moved to adopt the Organizational Chart as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

C. Moorage and RV Rates (16:32):

Mr. Englin presented the rates, CPI + 1%, to the Commission. Discussion ensued. Commissioner Hanke asked to see a comparison with 2017 rates. Director Gibboney reminded the Commission the rate increase was approved in the budget, with plans to implement on January 1, 2018, unless directed otherwise. She noted customers were sent a 30-day notice on the increase. After much discussion, Director Gibboney recommended keeping the rates as adopted in the budget, and the Commission can always re-examine and adjust if they feel necessary. Commissioner Hanke noted his displeasure with the extra 1%. Commissioner Tucker stated he believes the additional 1% may give the Port a chance to eventually get ahead.

D. October 2017 Financials (29:14):

Ms. Berg provided an update to the Commission on the October Financials.

E. Western Washington University (WWU) Rate Study:

Commissioner Tucker reminded that at the previous meeting Director Gibboney discussed the possibility of hiring WWU to perform a market study on rates and leases and would bring a scope of work to this meeting. He asked Director Gibboney to move forward with a draft scope, especially now, with the concerns, questions and uncertainty from tenants on lease rates.

Commissioner Clinefelter asked about the expense of a study. Director Gibboney explained she reached out to both WWU and Kidder Matthews (KM). KM estimated \$12,500 to update their 2006 survey, depending on the scope of work. The Center for Economic and Business Research at WWU estimated \$15-20,000. Discussion ensued. Commissioner Hanke voiced that he does not believe a study is necessary and discussed his reasons for that.

Commissioner Tucker stated he believes delaying a rate study prolongs a “slow death”, and explained his reasons.

Further discussion ensued.

Commissioner Clinefelter added that he sides with Commissioner Tucker and stated it is the Port’s fiduciary responsibility, long-term.

Ms. Gibboney asked if the Commission would like her to proceed with developing a scope of work with one or both. She explained the differences in the surveys that each firm would conduct. Commissioner Clinefelter suggested implementing the matrix developed by Mr. Toews, compare the two, and see which scores highest. Ms. Gibboney stated she could present the information at the next meeting.

Bob Frank and Ernie Baird provided public comment.

(Commissioner Hanke changed order of the agenda.)

XII. EXECUTIVE SESSION (1:04):

At 2:04 p.m., the Regular Session recessed for a thirty-minute Executive Session to discuss Potential Litigation, pursuant to RCW 42.30.110 (i), with possible action.

RECONVENING OF REGULAR MEETING:

The Regular Meeting reconvened at 2:35 pm.

Commissioner Clinefelter moved to evict a Port tenant from the moorage facility at Boat Haven.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VII. REGULAR BUSINESS (cont.):

F. Open Letter to Community (1:35):

Mr. Toews announced that staff spoke with each commissioner individually, and the consensus was to draft an open letter from the Commission to the community requesting a higher standard of behavior, and for the Commission to choose one Commissioner to take on that task. Commissioner Hanke agreed to that role.

VIII. STAFF COMMENTS:

Director Gibboney reported that work on the stormwater project was substantially complete and that the contractor has finished. She expressed her gratitude towards Maintenance Manager Larry Aase, Yard Manager Terry Khile and Project Manager Marc Horton for their work and said that without their efforts, the project could not have been done. She discussed the very sizeable cost savings on this project. Director Gibboney stated once all paper work is completed, the final closeout would be presented to the Commission for approval. Commissioner Hanke added that the current stormwater project has saved the Port \$1M.

Director Gibboney noted she and Commissioner Tucker attended a two-day meeting with the NW Maritime Center and the City on Point Hudson planning.

She announced she attended an LTAC meeting and reached out to business owners on mitigation and the jetty project.

Ms. Gibboney is involved with planning of the January 3 & 4 Commission retreat.

She announced she met with Betsy Davis of the NW School of Wooden Boat Building, who explained to her that the School is planning to build a pump-out boat for the Port's operations. Later, they will request a partnership with the Port.

Mr. Englin reported he has been working on the lease and moorage agreement with WA Dept. of Fish & Wildlife.

He handed out a sample Operations & Occupancy Report. He discussed the reporting is by percentages on this report.

Kimberly Matej stated the comment period closed on November 30 for the online Open House. Results will be forwarded to consultant Maul Foster and then to the Commission.

Soon, she will be looking into revamping the Port's website, as outlined in the 2018 budget.

Ms. Matej has met with Marc Burn and David Griswold on marketing collaboration with the Marine Trades Association.

She is working on advertising with NW Boat Travel on the 2018 Boat Travel magazine.

Ms. Matej reported she has been talking with The Leader on ad structure for 2018, been working on the Seattle Boat Show and an ad partnership with the Port Townsend Foundry.

Mr. Toews reported 30% design work on the (shed) runway rehab project was received from the engineer.

He reported he has received the Quilcene Feasibility Study report. He will forward the report and cover letter to the County Administrator next week or so.

70% design for the Point Hudson Jetty project has been received. He is providing feedback to Mott Mac Donald, and is working on the project schedule.

Mr. Toews also is working on the development of a lease policy, an RFQ for the Quilcene planning strategy, and is following up on a Public Records Request.

Ms. Nelson announced Port Security Officer Pete Parrish is retiring from the Port and a public Open House is scheduled for Thursday, Dec. 21 in the Port Administration Building from 2:00-4:00 p.m.

Ms. Gibboney expressed gratitude for Mr. Parrish and stated he has been an exemplary employee with over ten years at the Port. She announced his last day will be December 30, 2017.

Commissioner Hanke expressed his gratitude for Mr. Parrish and said we all owe him our gratitude.

Ms. Matej announced the Port's first annual Dock Lights is scheduled from 4:00-6:00 pm, following the Open House.

IX. PUBLIC COMMENTS (22:42):

In-coming Port Commissioner Bill Putney expressed his appreciation to staff and the commission for putting up with him the past four years as a member of the public.

Bertram Levy commented there should be a moratorium on spending.

Chris Sanok commented on leases and the survey, which he favors doing with the University.

Bob Frank asked the capacity of the shipyard.

X. COMMISSIONER COMMENTS (27:23):

Commissioner Tucker explained he has been very busy talking with constituents, working on the budget, and with the NW Maritime Center on Point Hudson planning, therefore, he missed this month's NODC and MRC meetings. He was able to attend an interesting Energy Lunch meeting.

Commissioner Hanke stated he has enjoyed working with Commissioner Clinefelter. He added that Commissioner Clinefelter has made "wonderful contributions" over the past four years.

Commissioner Clinefelter replied that it has been a pleasure working with staff and the commission and it has been an honor.

XI. NEXT SPECIAL/PUBLIC WORKSHOP & REGULAR MEETING:

- Special Meeting: Wednesday, January 3, 2018, 9 a.m. at the Old Alcohol Plant, 310 Hadlock Bay Road, Port Hadlock. Subject: Warrant Approval Only.
- Public Workshop: Wednesday, January 10, 2018, 9:30 a.m., Port Commission Bldg.
- Regular Meeting: Wednesday, January 10, 2018, 1:00 p.m., Port Commission Bldg.

XIII. OATHS OF OFFICE:

Brenda Huntingford, from the Jefferson County Auditor's Office, read the Oath of Office to 2018 incoming Port Commissioners:

Returning Commissioner Pete Hanke, and incoming Commissioner Bill Putney.

XIV. ADJOURNMENT:

The meeting adjourned at 3:05 p.m. there being no further business to come before the Commission.

ATTEST:

Stephen R. Tucker, Secretary

Peter W. Hanke, President

Brad A. Clinefelter, Vice President