

PORT COMMISSION BUSINESS MEETING– July 25, 2018

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

Present: Commissioners – Tucker, Hanke and Putney
Executive Director Gibboney
Auditor Berg
Director of Operations & Business Development Englin
Director of Planning, In-house Counsel Toews
Communications Coordinator Matej
Attorneys Chmelik & Deets, via Skype audio
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker called the meeting to order at 5:30 p.m.

II. APPROVAL OF REVISED AGENDA:

Commissioner Hanke moved to approve the revised Agenda as presented.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker read a letter to the community from the Port Commission on fair treatment of Port staff.

III. PUBLIC COMMENTS (00:02:24):

Melinda Bryden thanked the Commission for issuing their rebuke letter to the Port Townsend Marine Trades Association (PTMTA) and the Northwest Maritime Center. She commented on the Ad Hoc advisory committee, “rumors”, and requested support of Port staff.

Pam Petranek discussed the economic impact of marine trades to the area. She asked the Commission to focus on priorities and asked what the PTMTA could do to help. She commented on three “critical” issues facing the Port (stormwater, leases and the budget), PTMTA’s Economic Impact Study, and spoke of the community’s desire to work together to sustain a successful maritime community.

Katherine Baril briefed on her experience writing grants, including a grant she had written some years back for the Port; commented on the need to all work together; stated problem is not only Port problem, but a community problem; and, encourages formation of advisory committees.

IV. EXECUTIVE SESSION:

A. Potential Litigation, RCW 42.30.110 (1) i):

The regular meeting recessed at 5:40 pm for the Executive Session, which began at 5:42 pm, to discuss a Potential Litigation matter, fifteen-minute duration, with no action.

V. RECONVENING OF REGULAR MEETING: CONSENT AGENDA:

The meeting reconvened at 5:57 pm.

A. Approval of Public Workshop Minutes – July 11, 2018

Approval of Regular Meeting Minutes – July 11, 2018

Approval of Special Public Workshop Minutes – July 18, 2018

Approval of Special Meeting Minutes – July 18, 2018

B. Resolution No. 684-18 – Authorizing Sale of Abandoned Vessel

C. Approval of Warrants

Warrant #059330 through #059337 in the amount of \$11,134.70 for Payroll & Benefits

Electronic Payment in the amount of \$70,228.86 for Payroll & Benefits

Warrant #059338 through #059372 in the amount of \$175,936.84 for Accounts Payable

Electronic Debit in the amount of \$14,350.78 to WA State Dept of Revenue Combined

Excise Tax Return for Combined Excise Tax Return for June 2018

VOIDED Warrants: 054968, 056582, 057180, 056409, 056816, 057332

Commissioner Putney moved to approve the Consent Agenda as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VI. SECOND READING (Action Items):

VII. FIRST READING (Discussion Only):

VIII. REGULAR BUSINESS:

A. Chief Chetzemoka Trail Power Point Presentation (00:11:17):

Celeste Dybeck, Elder from the Jamestown S'Klallam Tribe and Lys Burden of Native Connections Action Group provided a Power Point presentation on the plans for the Chetzemoka Trail. This would include the posting of trail signs on three Port properties.

Commissioner Hanke moved to support efforts of the Chetzemoka Interpretive Trail as presented and to authorize staff to move forward.

B. Adoption of Proposed Budget Process & Schedule (00:20:57):

Ms. Berg explained the budget schedule was presented at the July 18, 2018 meeting and staff now seeks Commission approval of the schedule.

Commissioner Hanke moved to adopt the 2019 Budget Schedule as presented.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

C. Creation of Leasing Policy Advisory Committee (00:21:46):

Director Gibboney stated the Commission and staff has been looking at various policies related to leasing. Now, the possibility of working with an Ad Hoc committee is up for discussion.

Mr. Toews stated at the July 18, 2018 Workshop, the Commission and the public expressed the desire to get citizen input on the lease policy through a citizen advisory committee. He explained this would be an "Ad Hoc" special purpose committee, as outlined by the Commission. Mr. Toews suggested (the committee consist of) a broad representation of the community; to set up no more than four meetings; and finally, report to the Commission in September with a recommended lease policy.

Attorney Chmelik agreed with Mr. Toews. His advice to the Commission is to bring in members with particular expertise. He explained the role of the members – to provide input, not to set policy. Mr. Chmelik stated the members could provide valuable advice. He added he is working on a coherent lease policy based on Commission comments/input and it should be completed next week.

Mr. Toews stated if the Commission wishes to move forward, staff would prepare a list of potential individuals for committee consideration at the August 8 meeting.

Commissioner Hanke agreed with Mr. Chmelik's comments, and stated he recommends no more than two meetings of the committee.

Commissioner Putney stated he believes the committee input would be valuable. He is happy to see the advisory group moving forward. He stated he would also like to reconstitute the Strategic Advisory Committee, and have sub-committees fall under that committee.

Commissioner Tucker agreed with Commissioner Hanke on the number of meetings and discussed the benefits of the Ad Hoc committee.

In answer to a question from Commissioner Hanke, Mr. Toews stated there would be no committee involvement in the determination of terms, rates of returns and lease rates, but they would help to determine the highest and best use and what that might mean.

Attorney Chmelik agreed with Mr. Toews and added the thought behind the committee is to be involved with the goals and process of the lease policy, possibly input of the length of and to work off the current policy. The Commission would implement the policy, including rates of returns, length of lease, lease rates.

The Commission agreed to the formation of the Lease Policy Advisory Committee.

D. June 2018 Financials (00:33:48):

Ms. Berg reported revenues continue to do well and are at their highest in five years, much of this resulting from the yard discounts and staff's promotion of business. She briefed on the different revenue cost centers – marinas and RVs doing well; properties, fuel sales & leases down; ramps status quo; utilities up. Ms. Berg reported expenses are up, but under budget.

Commissioner Hanke asked the status of the marketing budget. Ms. Matej informed she is close to closing a contract for the website, so that money will be used soon.

Commissioner Tucker asked about the direct mailer marketing Alaska. Ms. Matej responded that money has not been spent yet. Discussion ensued on revenues and expenses. Commissioner Tucker asked why salaries are down but benefits up. Ms. Berg said she would look into those variances. Ms. Berg briefed on debt service, payoff of 2013 revenue bond and five-year trends. Director Gibboney reiterated the increased revenue is a result of staffs' efforts.

IX. STAFF COMMENTS (00:48:12):

Ms. Matej informed of the cancelation of the Caravan Tour, due to a delay with their visas. She added Caravan is aiming to reschedule sometime in September, which she added, would allow

for earlier start times of their evening performances. Ms. Matej added she and staff have been reaching out to Port tenants in order to accommodate their needs during the performances. Ms. Matej stated she reached out to about six website businesses, which were listed on the MRSC Consultant Roster. The deadline for proposals/qualifications was Monday, and Ms. Matej has been reviewing the submittals. She briefed on the scope of work.

Mr. Englin reported the septic inspection passed in Quilcene. Dept. of Ecology recently inspected fuel facilities and all received a clean bill of health. Mr. Englin recognized both the yard crew and the maintenance crew for their good, hard work.

Mr. Toews reported good news on the stormwater front at the airport runway/taxiway project. He learned there is no need to increase the size of the stormwater system, based on the stormwater analysis from Landau. Staff will wait for Jefferson Co. Public Works to agree with this conclusion. Mr. Toews briefed on the FAA's concerns with obstructions near Runway 27. He reported that the Port maintenance staff cut the trees, except for one that is not on Port property. Staff will work with landowners. Mr. Toews briefed on \$1B of FAA money available to qualifying airports nationwide. There is a deadline of October 1 to apply for the 100% grant (no match).

Ms. Berg stated she is happy that maintenance installed an HVAC system in the computer server room.

X. COMMISSIONER COMMENTS (1:02:31):

Commissioner Putney reported on a good tour he and George Yount had of the Port's stormwater system, led by Port contractor Marc Horton. He reported on the WA Public Ports Commissioner conference in Cle Elum and the talk on tribal/port relations.

Commissioner Tucker reported on his attendance at the Commissioners conference and the segment on tribal/port relations. He also discussed the huge need to bring on a security person.

Commissioner Hanke discussed a problem with blackberries that are too close to the taxiway near the old hangars at the airport. He asked to have them cut back.

XI. NEXT PUBLIC WORKSHOP / BUSINESS MEETING:

PUBLIC WORKSHOP: Wednesday, August 8, 2018 at 9:30 a.m.

BUSINESS MEETING: Wednesday, August 8, 2018 at 1:00 p.m.

In the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 6:53 pm (began at 6:57 pm, once room cleared), duration of one hour, with no action, to discuss:

A) Potential Litigation, RCW 42.30.110 (1) (i)

B) Potential Litigation, RCW 42.30.110 (1) (i)

C) Discussion of Minimum Price at which Real Estate will be Offered for Lease, RCW 42.30.110 (1) (c)

D) Review the Performance of a Public employee, RCW 42.30.110 (g)

At 7:59 pm, Ms. Berg announced a fifteen-minute extension.

XIII. ADJOURNMENT:

The meeting reconvened and adjourned at 8:14 p.m. there being no further business to come before the Commission.

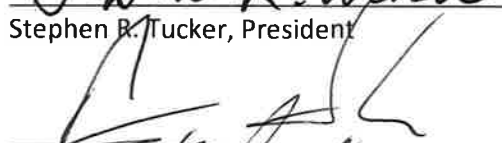
ATTEST:



William W. Putney, III, Secretary



Stephen R. Tucker, President



Peter W. Hanke, Vice President