

PORT COMMISSION REGULAR BUSINESS MEETING – April 24, 2019

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

Present: Commissioners –Putney & Hanke, Tucker via telephone
Interim Executive Director Pivarnik
Auditor Berg
Deputy Director Toews
Minutes – Nelson
Attorney Deets (via Skype audio/visual)

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

**Commissioner Tucker moved to approve the Agenda as presented.
Commissioner Hanke seconded the motion.
Motion carried by unanimous vote.**

III. PUBLIC COMMENTS:

None

IV. CONSENT AGENDA (00:01:29):

- A. Approval of Regular Business Meeting Minutes – April 10, 2019
- B. Approval of Warrants
Warrant #060436 through #060444 in the amount of \$15,203.63 for Payroll & Benefits
Electronic Payment in the amount of \$61,396.67 for Payroll & Benefits
Warrant #060445 through #060484 in the amount of \$189,838.34 for Accounts Payable
Electronic Debit in the amount of \$8,056.83 for WA State Dept. of Revenue Combined
Excise Tax Return for March 2019
Warrant #060413 as a *VOID*

**Commissioner Hanke moved to approve the Consent Agenda as presented.
Commissioner Tucker seconded the motion.
Motion carried by unanimous vote.**

V. SECOND READING (Action Items):

VI. FIRST READING (Discussion Only):

A. Moorage & Yard Background Check Form and Fee (00:01:44):

Ms. Berg presented the revised Liveaboard application where a new fee is proposed to cover background checks. She explained this is to help to try and eliminate abandoned and derelict vessels and crime.

Commissioner Putney explained that staff has requested this be voted for approval today, waiving the second reading.

**Commissioner Hanke moved to vote on this today, waiving the Second Reading.
Commissioner Tucker seconded the motion.
Motion carried by unanimous vote.**

**Commissioner Hanke moved to approve the Liveaboard Application as written.
Commissioner Tucker seconded the motion.
Motion carried by unanimous vote.**

VII. REGULAR BUSINESS:

A. LPAC Presentation (00:03:46):

Mr. Toews referred to the Leasing Policy Advisory Committee's (LPAC) Memo along with "bill format" recommended changes to the draft Leasing Policy. He expressed his gratitude to the committee members and stated they have been a great group to work with. He then introduced committee member Pete Langley.

Pete Langley reviewed the committee's main recommended changes to the following subjects: "Highest and Best Use", "Market Analyses", Rental Rate Adjustments" and the "Common Area Maintenance Fees (CAM)".

LPAC member, Ernie Baird gave credit to Port staff for creating a civil, intellectual and productive environment. He discussed viewpoints of the marine trades and the committee on the Common Area Maintenance Fees.

Commissioner Hanke stated the committee has done a great job. He asked if they considered how capital expenses would be covered if paying market rate only.

Commissioner Putney would like to see the lease policy discussed at a workshop.

Mr. Pivarnik explained that this information is for the Commission to digest and then would be brought back for First and Second Readings, with input from commissioners, tenants and staff. He explained the goal is to adopt a policy sometime end of May or early June.

Commissioner Putney asked if staff and the commissioners feel the policy is where we want to be.

Mr. Toews stated staff is in broad agreement with the committee on some points, but not all. He believes a workshop would provide a good opportunity for discussion. After a workshop, staff would present an updated draft for a First Reading.

B. 2019 (1st) Quarterly Project Report (00:22:38):

Ms. Berg provided the status of the Water Meters/Backflow Preventers project, the 2018 Workyard Resurfacing project and the 2017-2020 JCIA Runway Rehab project.

Commissioner Hanke asked if staff has heard from the FAA on the parallel runway proposal. Mr. Toews replied, not yet. He added a response may follow the 90% submittal next week.

C. 2019 Quarterly Financials (00:30:33):

Ms. Berg reported 2019 is looking good. Revenues are “impressively” up over the last five years and expenditures are down. She explained changes to this report are because of the switch to cash reporting. Commissioner Hanke asked further questions.

Mr. Pivarnik stated the shipyard and boatyard business is “through the roof” and commended the yard staff for working extra hard.

D. Integrated Planning Grant (IPG) – Decision to Proceed or Withdraw (00:35:12):

Mr. Toews explained that in 2017 the Port was successful in obtaining a proviso in the State’s biennial budget for a \$200K Integrated Planning Grant. He explained the object was to address environmental contamination of soils, stormwater quality issues, and planning for future redevelopment of Boat Haven uplands. He stated the question before the Commission is whether to proceed with or withdraw from the grant award.

Mr. Toews explained the costs that would be involved with this project, including staff time and obtaining a consultant. He asked if this is a useful and appropriate investment of the Port’s resources. Discussion ensued on the pros and cons of accepting the grant. Commissioner Tucker stated he believes use of the Integrated Planning Grant is a good idea, but staff does not have the bandwidth to take this on at this time.

Commissioner Hanke moved to pass on the Integrated Planning Grant.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

E. 2018 Workyard Resurfacing Project Acceptance (00:52:26):

Ms. Berg explained the project was completed last year but the Port must undergo the process to request releases from three State agencies. The Port just received the last release from the Dept. of Revenue. Ms. Berg asked the Commission for approval of project completion release of retainage to Seton Construction.

Discussion ensued on whether the job completion met specs.

Commissioner Hanke moved to authorize completion of the job.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

VIII. STAFF COMMENTS (0056:36):

Ms. Berg stated she is working on the Annual Report. She announced the Port hired a new security guard who starts Saturday; the Port continues searching for seasonal Customer Service Reps. One new hire starts tomorrow and have two positions left to fill; and the Port has advertised for a Leasing & Contracts Administrator.

Mr. Toews reported last Tuesday, staff from Dept. of Natural Resources provided a presentation to staff on handling procedures of derelict and abandoned vessels. Mr. Pivarnik reminded that at the last meeting he informed of the PUD easement for transformer installation on Port property. He announced in exchange, PUD will install five transformers (some will be 3-phase) in the yard at their cost. The Port will pay for the final wiring and pedestals.

IX. COMMISSIONER COMMENTS (1:01:47):

Commissioner Tucker thanked the LPAC committee for the work. Commissioner Putney announced he has been attending meetings on Broadband. He also recently attended a reception for Admiral Richardson at the Bangor Sub Base.

X. NEXT PUBLIC WORKSHOP/REGULAR BUSINESS MEETING:

Wednesday, May 8, 2019. Workshop at 9:30 a.m., meeting at 1:00 p.m. in the Port Commission Building, 333 Benedict St, Port Townsend.

XI. EXECUTIVE SESSION:


XII. ADJOURNMENT:

The meeting adjourned at 6:35 p.m. there being no further business to come before the Commission.

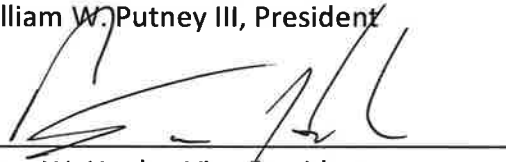
ATTEST:



Stephen R. Tucker, Secretary



William W. Putney III, President



Peter W. Hanke, Vice President