

**PORT COMMISSION REGULAR BUSINESS MEETING – August 14, 2019**

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

Present: Commissioners – Putney, Hanke & Tucker  
Executive Director Pivarnik  
Finance Director & Port Auditor Berg  
Minutes – Exec. Asst. Erickson  
Attorney Chmelik (via phone)

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

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

**II. APPROVAL OF AGENDA (00:01:01):**

Commissioner Putney proposed an amendment to the agenda, under regular business, item B. Ken Collins, Commissioner of the Jefferson County Public Utility District, is here to speak about collaborative work with the Port.

Commissioner Hanke proposed an amendment to the agenda, under regular business, item C. Discussion of the Budget Schedule, and adding more time.

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

**Commissioner Hanke seconded the motion.**

**Motion carried by unanimous vote.**

**III. PUBLIC COMMENTS (00:00:53):**

Bertram Levy commented on the excellent workshop and commended the Port employees for their hard work making the Port efficient, and for looking for a fair way to charge for electricity. Pam Petranek commented that the marine trades are all in favor of seasonal yard rates proposed today.

**IV. CONSENT AGENDA (00:10:48):**

A. Approval of Special Meeting Minutes – July 25, 2019

1. Commissioner Putney had a correction to page 1, section III, Public Comments. Please replace economic impact study with “review of the economic impact to the marine trades.”

B. Approval of Warrants

Warrant #060854 through #060866 in the amount of \$a68,502.93 for Payroll & Benefits

Electronic Payment in the amount of \$112,183.79 for Payroll & Benefits

Warrant #060867 through #060945 in the amount of \$107,415.30 for Accounts Payable

**Commissioner Hanke moved to approve the Consent Agenda with corrections to the minutes.**

**Commissioner Tucker seconded the motion.**

**Motion carried by unanimous vote.**

**V. SECOND READING (Action Items) (00:07:20):**

A. Seasonal Yard Rates

Executive Director Pivarnik introduced his proposal for this year’s seasonal yard rates as another year following the recommendation of the study done a year and a half ago. Using this formula (using last year’s \$.35 and add API percentage, and that adds up to \$.36 for this year. Since the Port lost money due to offering free electricity, the proposal is to make electricity usage optional, and to charge either \$1.50/day, or \$30/month. He advised the commissioners to act on this proposal to enable the Port to advertise rates for the season.

Ways to charge per kilowatt hour of usage were discussed. The need for new power boxes and approximately 85 new pedestals was discussed. Executive Director Pivarnik reminded the commissioners of the deadline for the advertising of the yard rates. Commissioners agreed that the timing with advertising was essential. Everyone agreed that metering is the way to go, but we need time to implement that -- we can advertise the \$.36/foot and implement the metering when we can. Yard losses last year in September indicate that the lower seasonal rates should not begin until October.

**Commissioner Tucker moved that we start in October with the seasonal rate of \$.36/foot and \$1.50/day or \$30/month for electricity (if they choose to use it) until we get the**

**meters in. Commissioner Hanke seconded the motion with the caveat that we add meters when we can. Motion carried by unanimous vote.**

VI. REGULAR BUSINESS:

A. Brion Toss Yacht Rigging, Inc. Proposed Lease Agreement (00:26:10):

Mr. Toews introduced the documents by saying the Brion Toss Yacht Rigging is a long-time, anchor tenant of the Maritime corridor Port. This new lease agreement is consistent with recently enacted policies, and their rate is commensurate with the other rates paid by tenants also situated in the armory building. They're asking for a five-year term lease agreement with no renewals. 58.5 cents per foot; ensure stable home for coming years.

Commissioner Tucker asked about our parking priorities for the lease.

Executive Director Pivarnik reminded the commissioners that it is not a parking-intensive business. As for the question of our parking priorities, he referred to the convening the parking committee in the future, which can decide these questions.

**Commissioner Hanke made a motion for approval of the Lease. Commissioner Tucker seconded the motion, and the motion carried unanimously.**

B. Commissioner Ken Collins from Jefferson PUD (00:29:35):

Commissioner Putney introduced Mr. Collins and said he'd like to talk to us about the possibility of collaboration.

Commissioner Collins spoke about the final stages of a strategy study that the PUD is in (the final report will be issued in about a month) regarding expanding broadband throughout the county. This project will take cooperation and coordination across governmental agencies and will be expensive. The Washington State Legislature passed SB 5511, the Governor's broadband bill. Public Works Administration funding will be made available to various forms of government, like the PUD and the Port.

Commissioner Collins invited the Port to participate in a half-day broad band colloquium to discuss options in Jefferson County, to be held in 4 to 6 weeks. Other invitees include Mason 3 PUD folks, to talk about their business model; Kitsap County, who use limited utility districts for broad band; OPALCO on Orcas Island, who have developed processes by which consumers have funding available for payback over several years. The goal is to find out more about these plans that work in other places, and come up with a plan that would generate interest from an ISP that would have the capacity to take advantage of the opportunity.

Commissioner Collins felt it would be useful to have a joint meeting of the Port Commissioners and the PUD commissioners to discuss what we can do together, generate ideas, because working together would substantially increase our leverage when applying for grant funding.

Commissioner Hanke agreed that everyone wants better broadband service, and asked what the Port can do to help the PUD. He also suggested that the Port of Skagit be invited to the half-day colloquium, because they've done a lot in this area.

Commissioner Putney commented that the Port of Skagit is one of the ports that has a very active broadband project plan and they collaborate with their PUD, and they have done some interagency agreements that might be interesting to study.

Commissioner Hanke remarked that he would like to see the Port and PUD staffs talk beforehand about our limitations, so that as we talk about ideas, we know what we can accomplish.

Executive Director Pivarnik commended the PUD staff for bring 483 phase electrical to the Port and for working so well with our marine trades.

C. Discussion about the Budget Schedule. (00:47:22):

Commissioner Tucker commented that we had an excellent workshop earlier today and suggested that we need more time to discuss the budget by expanding our budget schedule a little. He asked if we could add afternoon workshops to the second meeting of the month.

Commissioner Hanke suggested a 3:00-4:00 PM workshop before the 5:30 PM regular meeting scheduled for August 28, 2019.

**Commissioner Hanke moved to approve the addition of a workshop to the August 28, 2019 schedule; Commissioner Tucker seconded the motion. Motion carried unanimously.**

VII. STAFF COMMENTS (0:49:05):

Mr. Toews commented on the bid opening of the JCIA runway reconstruction project will be this coming Friday, August 16, 2019, at 2:00 PM. The Boat Haven breakwater project bid opening is set for September 18, 2019.

Executive Director Pivarnik reported on a good airport meeting with good turnout, good questions, respectful discussion, and some good ideas. He agreed that we had a good, frank discussion on the budget at the workshop, and asked if anyone had ideas, or topics we could flush out more let us know before the meeting, so we can prepare some back-up data for them.

Commissioner Tucker asked for some of the options that were presented by the staff at the meeting today be flushed out for the next workshop: boat lift trailer, boxes, cameras.

VIII. COMMISSIONER COMMENTS (00:58:05):

Commissioner Putney thought the airport meeting was a good meeting with constructive questions.

Commissioner Tucker mentioned that Marine Resources meeting (MRC – county government group) will need another representative from the Port when he leaves his commission in December.

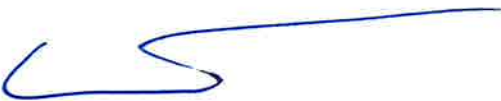
IX. NEXT PUBLIC WORKSHOP/REGULAR BUSINESS MEETING:


Wednesday, August 28, 2019, public workshop at 3:00 pM and regular meeting at 5:30 PM in the Port Commission Building, 333 Benedict St, Port Townsend.

X. Meeting Adjourned (00:58:21)

ATTEST:

  
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Stephen R. Tucker, Secretary

  
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William W. Putney III, President

  
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Peter W. Hanke, Vice President