

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, March 11, 2020

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

Present: Commissioners Hanke, Petranek and Putney
Executive Director Pivarnik
Deputy Director Toews
Finance Director & Port Auditor Berg
Port Recorder Erickson

Port Attorney Deets (attending via Zoom online video)

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE

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

II. APPROVAL OF AGENDA (00:01:07)

Commissioner Putney moved to approve the Agenda as presented.

Commissioner Petranek seconded the motion.

Motion carried by unanimous vote.

III. PUBLIC COMMENTS (00:01:19)

Carl Berger commented on the expensive items on the agenda, use of IDD funds and policy for the pilot lounge restrooms, if it were installed.

Kat Murphy, commercial fisher and small business owner, thanked the Commission for the reduced winter haul-out rates, and commented that she was unhappy about not being able to secure moorage at commercial rates.

Bertram Levy talked about dry-storage for low-use tenants, which would save boat owners money, since moorage fees are higher than dry-storage fees. He said saving the Port money overall with the use of the suggested trailer was great; however, he suggested the Port needs a complete plot plan of Boat Haven. Mr. Levy has been working with Mark Burn and would like to create a task force, that would work on laying out an outline for parking and storage, a business plan, and overall utility of Boat Haven properties.

Steve Craig, a local resident and pilot, spoke on behalf of other pilots in support of the pilot lounge.

IV. CONSENT AGENDA (00:11:02)

A. Approval of Regular Business Meeting Minutes – February 26, 2020

B. Approval of Warrants

Warrant #061753 through #061763 in the amount of \$41,043.09 and Electronic Payment in the amount of \$133,044.77 for Payroll & Benefits.

Warrant #061764 through #061809 in the amount of \$40,580.83 for Accounts Payable.

Warrant #061810 in the amount of \$1,995.67 for Accounts Payable.

C. Accounts Receivable: Write-off Register

Commissioner Petranek moved to accept the Consent Agenda as presented.

Commissioner Putney seconded the motion.

Motion carried by unanimous vote.

V. SECOND READING - none

VI. FIRST READING (00:11:27)

A. Policy on severance for executive staff

Executive Director Pivarnik explained the policy, as draft Resolution 716-20. He stated that in the past the Port has had varied policies for severance for unrepresented staff, and with this policy they hoped to have a package going forward that makes sense. This must come before the Commission because, this package is beyond the Executive Director's spending authority. This new policy was vetted by Port Attorneys, and has the approval of incoming Executive Director Berg. It uses a formula that helps protect staff and the Port as future commissioners and executive staff come in.

Commission felt that this policy was a good idea with the changes we've had in the past that sets a tone for the next director and stability for Port staff. They agreed that it appeared to be a good middle ground and that it was critical that personnel action be made policy, to give guidance. After confirming that incoming Executive Director Berg was on board with this, the commission agreed to circumvent a second reading.

Commissioner Putney moved to forego a second reading and enact this policy today.

Commissioner Petranek seconded, and the motion carried by unanimous vote.

Commissioner Hanke moved to approve the policy on severance for executive staff as written (Resolution 716-20).

Commissioner Petranek seconded the motion.

Motion carried by unanimous vote.

B. Recommendation for intermediate rates for yard lease tenants (00:17:05)

Executive Director Pivarnik explained to the Commission that the Port gives favorable rates to those tenants who improve the Port property with a building that the Port inherits when the tenant leaves. For the few tenants who use temporary structures for their business, there is a need for a fair rate, and Port staff have come up with a median rate of 18¢/ft² and ask the Commission if it is appropriate.

Commission agreed that this rate seemed fair, and asked for a second reading of this agenda item at the next meeting to give the public a chance to weigh in.

VII. REGULAR BUSINESS (00:23:49)

A. Purchase of hydraulic self-propelled boat handler for yard operations

Executive Director Pivarnik commented that this type of trailer has been needed by Operations staff at Boat Haven for a long time. Currently the yard has 123 boats squeezed into a space that is supposed to hold 110. It is critical for the Port to begin tight-packing boats as soon as possible, and he agreed that we need a plan; however, if ordered today, it would be delivered in September, which gives the Port time to come up with a plan.

There was a discussion amongst the commission, Port staff, and the public about how the Port is working on a plan to get boats out of the water that aren't being used, and tightly pack them in an expanded, long-term dry storage area, which frees up a spot in the marina. This would increase revenue for the Port of up to \$100,000 per year. It was felt that a plan was needed for where and how to stack the boats, including traffic routes. There was support for this equipment, which would give a rapid return on investment. Commission agreed to wait about a month to give staff time to research financing and start a plan, and give incoming Executive Director Berg a chance to weigh in on the plan.

B. Installation of visiting pilot flight center at JCIA (00:36:44)

Executive Director Pivarnik commented that this type of structure has been needed at JCIA for a long time, that staff has been talking about building or buying one for 20 years, and that it would be an excellent way to spend IDD funds in District 2. Currently pilots use the restroom at the restaurant, or an outhouse, and there is no place out of the weather to log a flight plan, check the weather, or wait for a ride. He mentioned that there was some urgency in that if we order by next Monday, we'd save \$10,000; and that we could plan the installation so that it would open at the same time as our new runway. The site for this flight center would be next to the AWOS station where there is sewer, water, and power nearby. Using a modular unit means easy hook-up and no permit needed.

Commission agreed that this lounge would be a good safety feature, and would possibly help out local businesses.

Commissioner Petranek noted it had been on the airport masterplan since 2015; however, she didn't like the sense of urgency with the price savings of \$10,000 by buying now, and asked for a plan. She noted that this cost was not in the 2020 budget, and if IDD monies were used, wanted more public input.

Commissioner Hanke made a motion to move forward on this plan for a flight center at JCIA.

Commissioner Petranek asked for more discussion; having to make a quarterly report to the community on IDD money next month, she felt there was a need for more public involvement. She asked if it was indeed our intent to spend IDD money on this airport pilot flight center, and Commissioner Hanke confirmed that it was.

Commissioner Putney seconded the motion and stated that it was a good first use of IDD money spent outside of District 1, and since it would be in his district, he was especially supportive.

Commissioner Hanke called for a vote on all in favor of approving the airport pilot flight center; passed by unanimous vote.

C. Authorization to solicit terms for Line of Credit (LOC) (00:51:42)

Finance Director Berg explained that a Line of Credit (LOC) was needed because FAA funding for the airport runway project is on a reimbursement basis, and the FAA is not known for timely payments. In order to get the contractor paid without touching reserves, we could go into negative cash flow for a couple of months. An LOC would bridge us for the time between construction and FAA payment.

A discussion ensued regarding FAA payments, when late fees from the construction company would begin, costs of LOC (\$15,000, worst case scenario, no cost unless you draw on it), policy for LOC use, and timing.

Executive Director Pivarnik stated that what Port staff are looking for is approval from the commission to research this.

Commissioner Putney moved to direct staff to research the acquisition of a Line of Credit. Commissioner Petranek seconded. Motion carried by unanimous vote.

D. Potential Port Maintenance Projects - Staff update (01:04:58)

Executive Director Pivarnik introduced to the Commission a list put together after the Commission Retreat by Maintenance Manager Sparks for projects he wanted to accomplish, organized by Port facility. He asked the Commission to comment on the list, and mention anything they thought was important to add.

Commissioner Putney asked that the Port add a runway maintenance plan for the new JCIA runway to the list.

E. Acceptance of the 2019 Workyard Resurfacing project (01:07:51)

Finance Director Berg explained that at the end of a project the Port has to go through a process of getting releases from three different State agencies before it can release the retainage. The work for this project was completed in late November, and we had to get releases from Employment Security Department, L & I, and Department of Revenue. The Port now has all three releases, so it just needs Commission's approval to release the retainage.

Commissioner Putney moved to authorize Finance to make this payment based on the completion of this work. Commissioner Petranek seconded. Motion carried by unanimous vote.

VIII. STAFF COMMENTS (01:09:02)

Finance Director Berg thanked Executive Director Pivarnik for his years of service, since this would be his last commission meeting as Executive Director.

Deputy Director Toews brought to the Commission's attention some significant violations of Port Best Management Practices (BMP) in the yard. He reminded those present that we must remain vigilant and thanked everyone for their help in keeping the Port clean. He also added his thanks to Executive Director Pivarnik for his many years of dedicated service to the both the Port and the community.

Executive Director Pivarnik stated that in the advent of the novel coronavirus, a call-in system for virtual meetings would be explored. The April 8 Workshop in Quilcene and the associated pot-luck lunch would be rescheduled for some time in the summer, due to encouragement by health officials for social distancing.

IX. COMMISSIONER COMMENTS (01:14:30)

Commissioner Putney encouraged staff to do the research, because it is critical that we explore virtual meetings.

Commissioner Hanke discussed details about virtual meetings with Port Attorney Deets.

Commissioner Putney and was concerned about the BMP violations, and commented that there should be a way to fine violators. Deputy Director Toews assured him that fines are levied, and if behavior doesn't improve, perpetrators will be trespassed from the yard.

Commissioner Petranek commented that she had attended the coffee hour with PT City Manager Mauro, who was meeting at Sunrise Coffee every Friday in March, and that she plans to take him on a tour of the Port later in March. She also mentioned that she has met with 3 County Commissioners (one in Quilcene) about economic development ideas, and looks forward to more sharing of ideas about county/city/port economic development, using the book, "Strong Towns" by Charles L. Marohn, Jr.

Commissioner Putney commented that he'd been advocating for a townhall for years, where all electeds get together for collaborative problem solving.

Commissioner Hanke commented on the BMP violations in the yard, saying it was important to remember that there are inadvertent violations as well as real violations. He told Executive Director Pivarnik that it had been a pleasure to serve with him, that the Port is indebted to him for the outstanding job he's done.

X. Next Public Regular Business Meeting:

Wednesday, March 25, 2020. Meeting at 5:30 PM
Port Commission Building, 333 Benedict Street, Port Townsend, WA

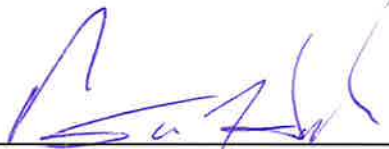
XI. Executive Session - none

XII. ADJOURNMENT (01:28:22)

The meeting adjourned at 2:28 p.m., there being no further business to come before the Commission.

ATTEST:


Pamela A. Petranek, Secretary


Peter W. Hanke, President


William W. Putney III, Vice President