

## PORT COMMISSION MEETING– July 23, 2014

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

Present: Commissioners – Tucker, Clinefelter and Hanke  
Executive Director – Crockett  
Deputy Director - Pivarnik  
Auditor – Khile  
Planning Analyst - Toews  
Attorney - Harris  
Minutes – Nelson

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

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

### II. APPROVAL OF AGENDA:

The agenda was revised to include the following additions: VI. First Reading, Item D – Mary & Bob Cunningham Lease and Item E – City Rezone on Port Property for Marijuana Operations.

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

**Commissioner Clinefelter seconded the motion.**

**Motion carried by unanimous vote.**

### III. CONSENT AGENDA:

A. Approval of Public Workshop Minutes – July 9, 2014

Approval of Meeting Minutes – July 9, 2014

B. Resolution No. 616-14 – Authorizing Sale of Abandoned Vessel

C. Approval of Warrants

Warrant #053190 through #053207 in the amount of \$70,696.86 for Payroll and Benefits

Warrant #053208 through #053238 in the amount of \$138,971.61 for Accounts Payable

Electronic Debit to Union Bank in the amount of \$18,853.46 for Washington State

Department of Labor & Industries 2<sup>nd</sup> Quarter Tax Return Apr-Jun 2014

Electronic Debit to Union Bank in the amount of \$8,299.09 for Washington State

Department of Revenue Combined Excise Tax Return for June 2014

**Commissioner Tucker moved to approve the Consent Agenda as presented.**

**Commissioner Hanke seconded the motion.**

**Motion carried by unanimous vote.**

### IV. PUBLIC COMMENTS (Not related to agenda) (1:30):

Port tenant Marshall Woodman asked questions regarding his vessel, the Sea Gypsy, which is currently a litigation matter. He was advised to have his attorney contact the Port attorney.

### V. SECOND READING:

A. Parking Policy (10:34):

Mr. Crockett reported that the “Employee Parking” signs were removed from one of the Marine trade tenants sites in the Boat Haven (discussed at July 9, 2014 commission meeting). He also informed the cars that have been parked long term in this same area would be gone by August 15, 2014, as the owners are out of town.

Staff and the Commission discussed long-term parking problems, parking abuses, enforcement, etc. to incorporate into a new policy. Mr. Crockett stated he would develop a clearer and more firm parking policy to bring to the commission at a future meeting.

B. Shipyard Resurfacing Project (34:04):

Mr. Pivarnik reminded how at the last commission meeting Al Cairns gave a briefing on the shipyard resurfacing project. Bids were received and the low bidder was Reeves Excavating, whose bid was around \$18K. Staff recommends approving the contract with Reeves Excavating.

**Commissioner Tucker moved to approve the shipyard resurfacing contract, as presented, with Reeves Excavating.**

**Commissioner Hanke seconded the motion.**

**Motion carried by unanimous vote.**

### VI. FIRST READING:

A. Airport Industrial Park (35:21):

Mr. Crockett discussed a call he received last week from the Economic Development Administration (EDA) in Seattle. He explained the EDA (which is under the US Dept. of Commerce) through the Peninsula Development District (PDD), provided the Port with grant money for the 2011 Airport Industrial Park Feasibility Study. The EDA is encouraging the Port to apply for available funding for infrastructure work at the industrial park site. Applications are due in October for this funding cycle, the next cycle in spring. He added there is a 100% match with the EDA grant, and match can consist of CERB funding or low interest loans. Mr. Crockett asked the Commission if they would want to pursue this.

Mr. Toews recommends updating the 2011 Feasibility Study as a first step, if the Commission decides to move forward with this. Mr. Crockett said he could ask for EDA funding for the study. Commissioner Clinefelter asked if staff time would be included in the cost of the study.

Mr. Crockett stated he would further investigate State funding options.

B. Lease Amendment #2 – Townsend Bay Marine (45:21):

Mr. Pivarnik discussed how the Port has installed totes to catch runoff from the roofs at Townsend Bay Marine (TBM) in an effort to control zinc runoff, whose roofs have exceeded DOE benchmarks. TBM requested a lease amendment to memorialize the Port's intent. Mr. Toews added this amendment authorizes infrastructure installation on TBM-leased property. He added two additional totes were installed on Mark Jochem's building. A standard lease amendment may be developed soon for this purpose. Mr. Galmukoff asked if the roofs could be coated in a ceramic coating to eliminate zinc and other pollutants. Mr. Crockett added roof replacements, such as the Sunrise Coffee/PT Furniture Clinic roof, will be coated. Commissioner Clinefelter discussed his concerns on who should be liable for the costs and discussed that this expenditure is a capital project.

C. Level 3 Response Budget (57:35):

Mr. Pivarnik explained the Level 3 Response Budget, developed by Al Cairns. To avoid untimely delays, Mr. Cairns is requesting overall approval of this budget. Discussion ensued. Mr. Crockett suggested that if any one item has a variance of 15% or more, staff will bring that item back to the Commission. Staff recommends immediate approval of the Level 3 Response Budget. Commissioner Tucker discussed first and second readings, and explained how policy matters require first and second readings. He stated since this is an operational matter, it can be voted on for immediate action.

**Commissioner Tucker moved to move the Level 3 Response Budget to VII. Potential Immediate Action.**

**Commissioner Hanke seconded the motion.**

**Motion carried by unanimous vote.**

VII. POTENTIAL IMMEDIATE ACTION ITEMS (with unanimous Commission approval):

**Commissioner Tucker moved to approve the Level 3 Response Budget, and any item with a 15% cost variance or more, must be presented to the Commission for consideration.**

**Commissioner Clinefelter seconded the motion.**

**Motion carried by unanimous vote.**

Commissioner Clinefelter requested more dialog on issues relating to Level 3 costs at a future workshop.

VI. FIRST READING (continued):

D. Bob and Mary Cunningham Lease (1:10:07):

Mr. Pivarnik explained wooden boat builders, Bob and Mary Cunningham would like to lease the front half of the former J&S building. He then introduced Mr. Cunningham who provided a briefing on his company and discussed improvements they plan on making to the building space. Mr. Pivarnik stated he would present a lease for the Cunninghams at the next commission meeting.

E. City Rezone of Port Property for Marijuana Operations (1:20:43):

Mr. Crockett discussed a call he received from Peninsula Daily News Reporter, Charlie Bermant. He was asked how the Port feels about the City's idea to rezone Port property for marijuana operations, including growing, processing and sales. Mr. Crockett was unaware of this matter. After a phone call to John McDonagh at the City, he learned this was discussed at Monday's City Council meeting. Discussion amongst the Port Commission, staff and the audience ensued. Consensus was to keep Port properties

available to marine related businesses. The Commission directed Mr. Crockett to draft a letter to City Council stating that the Port is not interested in a rezone.

VIII. STAFF COMMENTS (1:33:32):

Mr. Toews informed that he is working on revisions to the Boating Infrastructure Grant application based on comments from RCO's technical review committee. He is also developing a Power Point presentation for the "dry run" presentation to the committee on August 1 in Olympia.

Mr. Pivarnik explained that the FAA sent back the AWOS drawings for resubmittal, per FAA compliance, to show the location of the PUD transformer. This was left off of the original drawings

Mr. Crockett reported he met with two different groups this week from Green River Community College, who are studying aviation and airport management. He was interviewed for their class project.

Mr. Crockett then explained that RCO received 33 grant applications for review (including the Port of Port Townsend's grant application for boat ramp funding). He will be in Olympia, as part of the RCO review committee, from July 29 through August 1, 2014.

IX. PUBLIC COMMENTS:

None

X. COMMISSIONER COMMENTS (1:37:29):

Commissioner Hanke discussed a recent Fort Worden Advisory Committee meeting he attended, where he learned the PDA is still struggling with numbers. He then reported on a round table discussion he attended at the Port of Seattle. The discussion included how Ports can help foster tourism in the State.

Commissioner Clinefelter thanked staff for initiating the process to develop a safety program and for taking the time to meet with a Dept. of Labor and Industries rep.

Commissioner Tucker spoke about the recent Jefferson Energy lunch meeting where Mr. Pivarnik narrated. He explained thirteen projects were presented on designs and production of local energy options. On another subject, Commissioner Tucker discussed the congested boat ramp during fish and crab openers. However, he noted, the extra parking in the temporary gravel spot was not needed. Mr. Crockett recommended letting that parking go.

XI. NEXT MEETING/PUBLIC WORKSHOP: Next regular meeting will be held Wednesday, August 13, 2014 at 1:00 PM, and the Public Workshop at 9:30 AM, in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

A. Litigation, pursuant to RCW 42.30.110 (i):

The regular session recessed into Executive Session, at 7:17 PM for two legal matters, duration of twenty minutes with no action.

At 7:39 PM, Ms. Nelson checked outside for waiting members of the public. Finding no one, the session continued and was extended five minutes.

XIII. RECONVENING/ADJOURNMENT OF REGULAR MEETING:

The meeting reconvened and adjourned at 7:48 PM, there being no further action to come before the Commission.

ATTEST:

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Peter W. Hanke, Secretary

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Stephen R. Tucker, President

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Brad A. Clinefelter, Vice President