

## **PORT COMMISSION MEETING & PUBLIC HEARING (1<sup>st</sup>) ON 2016 OPERATING BUDGET – October 28, 2015**

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  
Deputy Director - Pivarnik  
Auditor – Berg  
Planning Analyst – Toews  
Attorney – O’Malley  
Minutes – Nelson  
Excused: Director - Crockett

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

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

### II. APPROVAL OF AGENDA:

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

### III. PUBLIC HEARING ON 2016 OPERATING BUDGET, 2016 RATES, AND 2016 PROPERTY TAX LEVY:

Commissioner Tucker opened the Public Hearing at 5:31 PM and began by explaining the rules of the hearing. He then introduced Finance Director Abigail Berg.

Ms. Berg explained the Second Draft Budget was discussed at the previous commission meeting and is available on the Port’s website. She opened the discussion for public comments. The following people spoke:

Carol Tabler, of Port Townsend; Ron Hayes, Port Townsend; Melinda Bryden, Port Townsend; Jim Heumann, Port Townsend; John Collins, Port Townsend; George Yount, Port Townsend.

Upon hearing no further comments from the public, the Public Hearing closed at 5:56 PM.

### IV. CONSENT AGENDA (26:10):

- A. Approval of Meeting Minutes – October 14, 2015  
Approval of Public Workshop Minutes – October 14, 2015
- B. Resolution No. 630-14 – Authorizing the Sale of Abandoned Vessels
- C. Approval of Warrants

Warrant #055247 through #055259 in the amount of \$50,504.53 for Payroll & Benefits  
Electronic Payment in the amount of \$44,438.01 for Payroll & Benefits  
Warrant #055260 through #055301 in the amount of \$179,751.79 for Accounts Payable  
Electronic Debit in the amount of \$10,118.24 for WA State Dept. of Revenue, Combined  
Excise Tax Return for September 2015

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

### V. PUBLIC COMMENTS (Not related to agenda):

None

### VI. SECOND READING (Action Items):

#### A. 2016 Budget (26:35):

Ms. Berg presented the third draft of the 2016 Operating Budget, resulting from the last commission meeting (October 14, 2015). She informed the audience that staff took a hard look at how to increase revenues and reduce expenditures. She proceeded to go over each assumption for revenues and expenses.

Mr. Pivarnik explained balancing the 2016 budget has been quite the exercise. He handed out the results of a local moorage rate survey he did, which included Sequim, Port Hadlock, Port Ludlow and Port Townsend. This information helped in establishing the suggested rate increase of 5.5%, as reflected in the third Draft Budget.

Mr. Pivarnik then passed out the results of a boatyard rate comparison of twenty-three yards. He said even with a 5.5% increase, as reflected in the third draft, it still does not cover the costs to haul out. Commissioner Tucker asked for comments from the audience on rate proposals.

Bill Putney, Port Townsend asked for clarification on Port Angeles rate comparison.

Jim Heumann asked to hear the bottom line on the rate proposal.

Commissioner Tucker and Mr. Pivarnik helped to clarify the formula used to figure rate increases. The rates do include the CPI increase.

Mr. Pivarnik reminded that these are proposed rates only and it is information staff has provided to the commission for balancing the budget.

Diana Talley of Port Townsend clarified information discussed on the rate increases at the Port of Port Angeles.

John Collins discussed how the square footage formula he developed, was implemented into the rate schedule during his time as a Port Commissioner.

Rick Oltman discussed a survey he took of different marinas for the cost of his commercial vessel and compared those figures to the Port of Port Townsend's rates and how PT's rates are the highest.

Mr. Pivarnik explained that Mr. Oltman's boat is 80', which the commercial basin cannot accommodate a boat of that size. He moors in the recreational marina where he pays the higher rate.

Erik Durfey of Port Townsend asked if other ports charge for slips based on square footage.

VII. FIRST READING (Discussion Only):

None

VIII. POTENTIAL IMMEDIATE ACTION ITEMS):

None

IX. STAFF COMMENTS:

None

IX. PUBLIC COMMENTS (50:00):

Kim McCullough asked why airport rates weren't increasing

Melinda Bryden commented on Mr. Oltman's comments and that his situation was an anomaly.

John Zimmer, PTMTA President, commented on haulout rates. He said when the Port charges haulout fees along with the lay-day rates; he sees that the Port is covering their haulout costs.

Tom Howard, Port Townsend, asked if upgrades to C/D docks were in the plans. Mr. Pivarnik answered that dock upgrades are being included in the Capital Facilities Plan, with estimated completion in a month or so.

Carol Tabler asked if the stormwater retrofit project had been completed and was curious about stormwater sample results. Mr. Pivarnik answered that he would direct staff to post the recent results on the Port's website.

X. COMMISSIONER COMMENTS (56:24):

Commissioner Hanke commented on recent emails regarding commissioner and staff expenses for conference attendance. He explained he recently attended the WA Public Ports Small Ports Conference and the valuable information he learns at these conferences. He said he learned much about USDA grant money and immediately thought of Pete Langley and his Port Townsend Foundry. He said, possibly the Quilcene wastewater project might also qualify for USDA grant money. He also invited the public to call him or meet with him for coffee to express their views and comments on the budget and rates.

Commissioner Clinefelter again stated the need to reconvene the strategic advisory committee and that their input could help with the budget process in the future.

Commissioner Tucker informed he would be leaving after the meeting to attend a boatyard conference where environmental issues will be discussed. He said he would like to share the Port's biochar results at the next boatyard conference.

XI. NEXT MEETING & PUBLIC HEARING ON THE 2016 BUDGET AND THE PUBLIC WORKSHOP: Next regular meeting **and Budget Public Hearing** will be held **Monday**, November 9, 2015 at 1:00 PM, with a workshop preceding at 9:30 AM in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

None

XIII. ADJOURNMENT OF REGULAR MEETING:

The meeting adjourned at 6:33 PM there being no further business 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