

PORT COMMISSION MEETING– October 22, 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
Attorney - Goodstein
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Tucker called the meeting to order at 9:00 AM.

II. APPROVAL OF AGENDA:

Commissioner Tucker moved to approve the Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Public Workshop Minutes – October 8, 2014

Approval of Meeting Minutes – October 8, 2014

B. Resolution No. 618-14 – Modifying the Purpose and Amount of the Auditor’s Revolving Fund

C. Approval of Warrants

Warrant #053612 through #053625 in the amount of \$64,191.27 for Payroll & Benefits

Warrant #053626 through #053669 in the amount of \$154,206.05 for Accounts Payable

Electronic Debit to Union Bank in the amount of \$19,925.38 for 3rd Quarter Tax Return

For July-September 2014

Electronic Debit to Union Bank in the amount of \$8,835.48 for Combined Excise Tax

Return for September 2014

Commissioner Clinefelter 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):

The following people commented on the boat ramp expansion: Ron Hayes, Jerry Johnson, Troy McElvy and John Morgeson.

V. SECOND READING:

A. 2015 Budget (6:30):

Mr. Crockett provided a timeline for the budget, which needs adoption by the end of November. He reminded Commissioner Hanke would be absent and out of the country for the November 12, 2014 workshop and meeting. Since all three commissioners should be present for a special meeting on the 2015 Budget Public Hearing, staff proposes scheduling that for Wednesday, November 19, 2014. He added, adoption of the budget would occur at the November 25, 2014 Commission Special Meeting.

Ms. Khile proceeded to review the new draft budget layout. Discussed were rate increases, and how environmental, tarp fees and base electrical fees would now be rolled into the base fee structure. Ms. Khile briefed on each property including increase/decrease in usage. She discussed the increase in salaries, which include one new position in both the yard and moorage office. She explained contract costs and the increased utility expenses.

Commissioner Clinefelter asked to revise the draft budget to include narratives on many subjects such as salaries/wages/maintenance/capital projects/boat ramp expansion, including costs and the grant; as well as a narrative on how the Port plans to pay for the many expenses. He also would like pie charts on expenses and income included in the budget document.

Commissioner Tucker requested page references on where to find further information for capital and maintenance projects.

Also discussed was the proposed one-cent increase to moorage rates; moving folks off the waitlist and offering them permanent slips, which will decrease monthly moorage

availability; elimination of the Mon-Thurs nightly rate discount offered to marine trades businesses.

Commissioner Clinefelter asked how staff came up with budget figures in the yard, environmental and moorage, again expressing the need to include narratives.

On the subject of Boat Haven properties, Ms. Khile explained they are holding steady, with CPI increases. Discussed further were proposed capital and maintenance projects and an engineering study on the remaining useful life of the “Sperry” buildings. Commissioner Clinefelter said it would be nice to have that type of study done on each of the Port properties. Mr. Pivarnik added that is why staff has recommended hiring a part-time engineer on staff.

Point Hudson facilities repairs and maintenance projects were discussed, including jetty replacement; structural repairs on buildings; roof replacements; painting projects, etc. Revenue at Point Hudson has seen a slight increase due to monthly and nightly guest moorage and RV stays.

At Quilcene, there has been a slight decline, excluding lease revenue. Ms. Khile added that due to declining usage, there has been no proposed rate increase there.

Ms. Khile added that the airport is mostly holding steady, although there has been a slight decline in tie-down revenues.

Commissioner Clinefelter requested that administration staff costs be separated from the overall salaries and benefits on the graph.

The proposed 1% property tax increase was discussed, as well as cash flow, outstanding debt issues, tax levy usage.

In closing, Ms. Khile reported she would incorporate these changes to the draft and will bring back to the next meeting.

Next, Mr. Pivarnik discussed the proposed one-cent rate increase to Boat Haven moorage rates. He added it would generate \$21K in additional revenue.

Commissioner Tucker reminded how he wants the Port to keep rates at 95% of midpoint with the other marinas.

Mr. Pivarnik explained the marina rate study and pointed out where our port fits in with the proposed 2% rate increase.

At Point Hudson, the plan is to increase rates for waterfront and dry-sites for RVs, and to increase kayak storage rack fees.

Mr. Pivarnik explained the proposed 7% yard rate increase would continue to keep rates under the 95% midpoint range in the boat yard survey.

Mr. Pivarnik discussed the current yard discount offered to boats staying over thirty days. He asked the commission to consider whether they want to continue with the discount, or eliminate it. He also asked the commissioners to think about the Mon-Thurs discount to marine trade customers.

VI. FIRST READING:

A. Boat Haven Restroom and Shower Facility (2:00:49):

Mr. Crockett discussed the issue with mold in the public restrooms. He explained there is \$35K in the budget to repair and paint the restroom. He reminded the facility is more than two decades old and was built to code. Mr. Aase reported to Mr. Crockett that \$20K/year in quarters is received for showers, which equals approximately 52,000 showers per year. Mr. Crockett reported it could cost a quarter of a million dollars for restroom replacement if that is the course taken. Further discussion included how and if showers should be limited to port patrons and how that would be monitored. A card lock system was discussed as a possible solution. Mr. Pivarnik reminded that all independent contractors would need access to the showers and how would they obtain the key if locked?

Mr. Crockett explained that one possible solution would be to keep the west end restrooms open to all and use a key lock system on the shower facilities. Mr. Crockett stated staff would gather costs for a key card system and repair vs. replacement costs of the restroom.

VII. POTENTIAL IMMEDIATE ACTION ITEMS):

VIII. STAFF COMMENTS (2:13:56):

Mr. Crockett announced that he, Commissioners Tucker and Clinefelter, and Ms. Nelson would be leaving this afternoon for the Small Ports Conference in Leavenworth.

IX. PUBLIC COMMENTS:

Ron Ryan asked who pays landing fees at Jefferson Co. International Airport.

Bill Putney commented on airport utilities and the solar system project at the airport.

Lon Zimmerman asked what is included in travel fees. He suggested hiring an expert to find ways to cut costs.

Ron Hayes had questions on repair and maintenance.

Jim Heumann asked why tie-down fees at the airport are so low.

Bill Putney suggested marketing overnight stays in Port Townsend to airport patrons, which would increase tie-down revenues. He discussed the lack of available transportation into town. He also suggested a larger pay box that would be more visible to tie-down customers.

X. COMMISSIONER COMMENTS (2:25:45):

Commissioner Hanke thanked the commission and staff for excusing him from the November 12 workshop and meeting and for accommodating the Public Hearing to a date when he would be back in town.

Commissioner Tucker thanked the public for their participation in the budget process today. He also added he looks forward to the Small Ports conference.

Audience member, John Hughes from Sequim commented on the boat ramp expansion and asked for consideration of a few handicapped spaces for boat trailer parking.

XI. NEXT MEETING/PUBLIC WORKSHOP: Next regular meeting to be held Wednesday, November 12, 2014 at 1:00 PM, with the workshop preceding at 9:30 AM in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

None –or--

XIII. ADJOURNMENT:

The meeting adjourned at 11:28 AM there being no further business to come before the Commission.

ATTEST:

Peter W. Hanke, Secretary

Stephen R. Tucker, President

Brad A. Clinefelter, Vice President