

PORT COMMISSION SPECIAL MEETING– November 19, 2014

The Port of Port Townsend Commission met in special 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 – Lake
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. PUBLIC HEARING ON 2015 OPERATING/CAPITAL BUDGET, 2015 RATES, AND 2015 PROPERTY TAX LEVY:

Commissioner Tucker read to the audience the rules of the Hearing. He then introduced Finance Director Amy Khile, who detailed changes made to the Draft Budget, as directed by the Commission.

Commissioner Tucker then introduced the audience members who signed up to speak:

Carol Tabler, Port Townsend resident and Boat Haven liveaboard commented on rates and fees.

Jerry Johnson, PT resident and fisherman, discussed the boat ramp expansion and the benefits and financial costs of the Port's responsibilities for environmental compliance.

David Paine of Cape George, supports the boat ramp expansion. He asked to pass his remaining time on to:

Bertram Levy, Port Townsend resident who spoke on the budget and rates.

Bob Jautz of PT, discussed the many benefits that will come from the boat ramp project. He supports the expansion.

Jim Heumann, Port Townsend, commented on rates, environmental fee, expenses and ramp fees.

George Yount, former Port of PT Manager, discussed past history of the Port's budgets, economic development and slip waitlists.

Troy McKelvey of PT and boat slip customer, voiced his support of the boat ramp expansion.

Ron Hayes, Jefferson Co. resident and trailer boat fisherman, discussed the budget and the boat ramp, concluding that he supports the budget and he supports the Port.

Melinda Bryden, County resident, supports the boat ramp expansion.

Linda Sutton of Cape George spoke as a supporter of the boat ramp project and the importance of knowing what a commission candidate really stands for in his campaign.

John Collins, past Port of PT Commissioner, discussed the proposed changes to the slip rate formula and how those would change the whole rate dynamics.

David Griswold, Shipwrights Co-op co-owner and PT resident, discussed the effects of eliminating the long-term yard discount on large ship projects. He discussed the big revenue stream to our economy from these customers. He informed that if the discount in the shipyard goes away, the commercial fisherman will chose to stay in Alaska to get their boat work done.

Dan Sutton, Cape George resident and member of the Puget Sound Anglers, discussed the future revenues the boat ramp expansion would bring to the county, the town and the port. He added it is a very good investment.

Jim Maupin, PT resident and Point Hudson boat slip tenant, stated the ramp expansion is a good plan as long as money is collected from each user.

C.J. Burlison, boater and resident of Port Hadlock, suggests the commission develop a policy to reduce expenses in the budget and then passed his remaining time on to:

Bertram Levy expressed his opinion on where the money should come from to pay for the ramp project.

Bill Putney of PT stated he was a past candidate for the Port Commission and he was "pro-ramp (expansion)". He agreed that boaters must pay the fee for ramp use. He discussed the ecological challenges that lie ahead, and the importance of keeping the Port viable by not making cuts to the budget, which would compromise that.

Hearing no further testimony, Commissioner Tucker closed the Public Hearing at 6:23 PM.

III. SECOND READING:

A. Adoption of 2015 Property Tax Levy Amount, 2015 Operating/Capital Budget, and 2015 Operating Rates and Fees

Commissioner Tucker stated to the commission that it was time to take action on, or postpone the resolutions before them.

Each commissioner posed questions and asked for clarifications on the square footage base rate.

Commissioner Hanke explained to Mr. Griswold that based on yards surveyed in Washington, the Port of PT charges some of the lowest fees. He asked Mr. Griswold where these ships would go for cheaper work. He informed that there has been a big push to keep commercial ship work in Alaska. He added that if the discount in the shipyard goes away, the commercial fisherman will chose to stay in Alaska to get their boat work done.

Commissioner Hanke stated that after hearing from John Collins and Mr. Griswold, he believes the rates need rethinking. He also discussed the cash flow projections in the budget and the environmental fees. He is for passing all three resolutions, but down the road wants to re-examine the shipyard discount and the rate structure.

Commissioner Tucker stated he agrees with Commissioner Hanke. He thinks the Port should maintain the square footage base rate. He discussed keeping rates at 90% of the median in the marina rate survey. He believes the base electric fee, the environmental fees and the rate structure all need another look.

Commissioner Clinefelter stated he supports the property tax increase and the operating budget, but does not agree with adopting the rates and fees at this time. He wants to see a comprehensive study on shipyard lay days at other yards. He added that he believes the Port would be going backwards by changing the rate structure from the current square footage base that exists. He stated more time needs to be spent on rates and fees and he is not ready to adopt yet. He also wants to look at increasing ramp user fees.

Commissioner Tucker stated he would rather raise boat ramp fees when the expansion project was up and ready rather than raising them prior to ramp completion.

Commissioner Tucker moved to approve Resolution No. 620-14, Fixing the Amount of Property Tax to be Levied.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker moved to approve Resolution No. 621-14, Establishing the Year 2015 Operating/Capital Budget.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker moved to approve Resolution No. 622-14, Adopting the Year 2015 Operating Rates and Fees.

Commissioner Hanke seconded the motion.

Commissioner Clinefelter opposed.

Motion carried with two votes for and one opposed.

Commissioner Tucker added that the rates and fees would be included on the next Commission Meeting agenda for discussion.

IV. NEXT MEETING: Next meeting will be held Tuesday, November 25, 2014 at 1:00 PM in the Port Commission Building, 333 Benedict St, Port Townsend.

V. ADJOURNMENT:

The meeting adjourned at 6:55 PM there being no further business to come before the Commission.

ATTEST:

Peter W. Hanke, Secretary

Stephen R. Tucker, President

Brad A. Clinefelter, Vice President