

PORT COMMISSION MEETING– May 12, 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
Environmental Compliance Officer - Cairns
Attorney - Lake
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

Commissioner Tucker moved Second Reading, Item A – June Workshop and Meeting in Quilcene to First Reading, Item F, and to read this item at the beginning of First Reading.

Commissioner Clinefelter moved to approve the Agenda as amended.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Meeting Minutes – April 23, 2014

B. Operations Reports – April 2014

C. Approval of Warrants

Warrant #052822 through #052844 in the amount of \$124,843.94 for Payroll and Benefits

Warrant # 052845 through #052909 in the amount of \$119,319.81 for Accounts Payable

Commissioner Hanke moved to approve the Consent Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda):

Bill Putney thanked Mr. Crockett, Mr. Pivarnik and the Commissioners for the May 3, 2014 briefing to the pilots.

V. SECOND READING (Action Items):

VI. FIRST READING (Discussion Only):

F. June Commission Meeting and Workshop in Quilcene (4:12):

Commissioner Tucker began the discussion by suggesting adding the "Quilcene Strategy" to the commission meeting agenda in Quilcene to help boost attendance. At the last commission meeting, discussion took place on holding the first daytime meeting and workshop in June in Quilcene. After hearing from audience member Linda Herzog, she suggested it be an evening meeting, around 6:00 PM, so that more people might be able to attend.

Ms. Nelson will check availability at the Quilcene Community Center for the June 25, 2014 meeting with a 6:00 PM start time.

A. Reid Middleton Contract (11:07):

Mr. Crockett explained this contract is a part of the DNR approved Level 3 Response engineering report.

Mr. Cairns discussed the high cost and complexity of the rehabilitation project of the sand filter that runs through the boatyard. It involves, reconfiguring boat placement, excavating, concrete trenches, etc. He explained the system is designed to remove zinc and copper from storm water runoff. Mr. Cairns pointed out on an aerial photo the affected areas in the yard. Different locations and scenarios were discussed for system placement, with Mr. Cairns explaining the reason for the selected location. He explained that the sand filters would be replaced with concrete ditches, and filled with Bio char. Commissioners Clinefelter and Hanke asked if the garbage dumpsters would be relocated and whether the Travelift would be able to drive over the new grating. Commissioner Clinefelter then asked about the cost. Mr. Cairns responded it would be premature to guess now, and that Reid Middleton would deliver a probable cost to the Port once determined. Mr. Cairns explained the engineering cost is 27K.

Mr. Cairns discussed the reasons for using Bio char, and its cost-effectiveness. Other items discussed were future onsite bioremediation such as a small retention pond and possible

locations, and Commissioner Clinefelter bringing up the possibility that the Port may be required to pave the yard at some point in the near future and whether the system could be designed with that in mind. Mr. Cairns then stated Level 3 requirements are to be completed within twelve months of May 31, 2014.

Mr. Crockett stated the contract would be placed on the May 28, 2014 meeting agenda for possible approval.

B. Port Management Agreement (PMA) (43:46):

Mr. Crockett explained PMAs are a legal agreement between port districts and Department of Natural Resources (DNR). He said how normally tidelands are under DNR control. The Port of PT has three PMAs, where the tidelands are still state-owned but the Port controls. Mr. Crockett explained our port is among three other ports in the Puget Sound region whose agreements are “out of sync” with the other ports. The State is updating our PMAs, which expire in September, by adding another ten years to the terms, which will bring our Port “in sync” with the others. Mr. Crockett received an email from the State asking for his signature on the PMAs, with approval from the Port Commission.

C. Lease Option for Landfall Restaurant Site (46:10):

Mr. Pivarnik explained Russ Harding, owner of The Cup restaurant and a former contractor, is looking to recreate an octagon shaped building, similar to the old Landfall, for a new restaurant on this lot. The site, zoned for a restaurant, has been vacant for three years. The lease requires a non-refundable \$500 payment upfront from Mr. Harding to secure the property for a year while he obtains permits. The property would then rent out to him at \$500/month plus tax.

D. March 2014 Financials (50:15):

Ms. Khile asked for direction from the Commission on whether they would like to have the boat yard and ship yard accounts combined or if they prefer to keep them separated. She stated operating revenues were up from the same period last year, with the biggest increases seen in the work and shipyards, environmental and Point Hudson properties. Operating expenses exceed last years, but are \$25K under budget.

E. Quilcene Strategy (55:59):

Mr. Crockett informed that Commissioner Hanke requested this for placement on the agenda. It will be a lengthy process, but one that needs to begin. Commissioner Hanke stated he would like to meet with some of Quilcene’s community leaders soon. Linda Herzog informed that one of the five goals Team Jefferson (TJ) set for the year 2014 was work on economic development in Quilcene. She would like to see TJ, the Port and the Chamber work together as partners towards this goal.

VII. POTENTIAL IMMEDIATE ACTION ITEMS (with unanimous Commission approval) (59:30):

Mr. Pivarnik reminded of the cost benefit analysis, which was completed on the AWOS and the original engineering estimate of \$150K. The engineering contract was reduced to \$98,994 because local retired engineer Bill Putney has agreed to oversee the project, and Port staff absorbing some of the administrative duties. Mr. Crockett added the FAA would pick up 90% of the cost, and the Port has submitted a grant application to WSDOT Aviation division to help with half of the Port’s 10% obligation.

Mr. Putney reminded that it is the Port’s responsibility to provide a safe airport. He stated the AWOS IIIP is one of the least expensive weather reporting stations. He questioned the chosen siting of the system and thought it might be able to be placed in a different location, but after having All Weather (one of the two companies authorized to install AWOS) investigate the site, they came up with the exact same location as did the FAA and Reid Middleton. Mr. Putney believes it would be fiscally responsible of the Port to move forward with the AWOS.

Pilot Eric Taylor thanked Port staff and the commission for the May 3 briefing to the pilots. He has heard complaints on the cost and location of the AWOS from other pilots. Mr. Taylor believes the Port needs to reach out and communicate more with the airport community, as pilots feel they have not been a part of the planning process.

Ken Kellogg, pilot from Bainbridge Island, introduced himself and stated he believes the AWOS could be located in a different area where it would not interfere with the “ambiance” of the airport. He added he would also like to see restroom facilities installed at the airport.

Lance (?), a Port Ludlow resident, explained the aesthetics of the airport attracted him. He would like to see better communication between the Port and pilots.

Mr. Pivarnik explained the FAA, Reid Middleton and an AWOS contractor all came up with the same site at the airport for AWOS installation. If there was a chance to relocate the AWOS, the entire Master Plan would need to be amended and resubmitted for FAA

approval, which is a timely process. The Port has already submitted the Master Plan Update, which is in the hands of the FAA, waiting approval. Mr. Pivarnik urged the Commission to act now on a decision. Mr. Crockett added that many areas at the airport are not an option for AWOS installation as the Master Plan Update spells out where future hangars will be located.

Commissioner Tucker explained the Port has already spent \$30K on the AWOS planning and he wants to stick with the plans.

Discussion ensued on AWOS installation in another location at the airport.

Commissioner Hanke moved to allow a vote today on the Reid Middleton AWOS contract.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker moved to delegate authority to the Executive Director to investigate with the FAA whether alternative locations can be timely considered within the FAA's budget year and if not, to proceed with the contract and AWOS location as described.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VIII. STAFF COMMENTS:

Attorney Lake announced she would be speaking at the Washington Public Ports upcoming Spring Meeting.

Ms. Nelson informed the commission she would be out of the office the week prior to the May 28, 2014 Commission Meeting, and due to the Memorial Day holiday, packets would not be available until May 27. Staff, however, will place a draft agenda on the website the Friday prior to the meeting.

Mr. Crockett informed of a recent WA Boating Alliance meeting he attended, where the derelict vessel legislation and liability insurance for moorage tenants were discussed. He stated the ODR and DNR are in the process of writing rules for insurance implementation. He also learned that State Parks are hurting financially. The Discover Pass income came in under projected figures and now they may need to close more facilities. State Parks are taking comments on how to streamline. Mr. Crockett informed them in the past the Port offered to take over Old Fort Townsend State Park as well as the boat ramp at Fort Worden. He said the Parks said "no" in the past, but they may be open to this again.

Lastly, Mr. Crockett explained he would be leaving tomorrow for the WA Public Ports Spring Meeting in Vancouver.

IX. PUBLIC COMMENTS (1:53:19):

Eric Taylor thanked the commission for listening to public comments. He added that JCIA is a special airport and does not want to see that changed.

X. COMMISSIONER COMMENTS (1:54:05):

Commissioner Clinefelter asked the dates when the facilities tour was scheduled. Mr. Crockett answered the first tour will be an airport facilities tour on Tuesday, May 20, 2014 at 10:00 AM. He added the following Tuesday, May 27 at 10:00 AM, there would be a facilities tour of the Quilcene Marina. Maintenance Manager Aase and Mr. Cairns would be available for the tour.

Commissioner Hanke stated he was glad a motion was approved to move ahead with the AWOS.

Commissioner Tucker announced he attended a recent Marine Resources Committee meeting where they discussed the success of the eelgrass buoys, which the Port has been a partner. They are starting the permit process to install buoys "further on down".

Mr. Crockett added the Federal Transit Administration's "Grow Business" program has made available \$312B for various transportation projects and there is a section for ferries - something to think about.

XI. NEXT MEETING: Next regular meeting will be held Wednesday, May 28, 2014 at 5:30 PM in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

None

XIII. ADJOURNMENT:

The meeting adjourned at 2:58 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