

PORT COMMISSION MEETING– April 22, 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
Executive Director – Crockett
Deputy Director - Pivarnik
Auditor – Khile
Attorney –McCarthy
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

Commission Tucker proposed one additional item to the agenda: VIII-Potential Immediate Action, A-Location for Jefferson Energy Lunch Meetings.

Commissioner Tucker moved to approve the Agenda as amended.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA (1:10):

A. Approval of Meeting Minutes – April 8, 2015

B. Approval of Warrants

Warrant #054413 through #054424 in the amount of \$49,978.70 for Payroll & Benefits
Electronic Payment in the amount of \$19,301.91 for Payroll & Benefits

Warrant #054425 through #054471 in the amount of \$165,909.88 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) (1:22):

Bertram Levy commented on the Electric Vehicle (EV) charging stations and expressed his concern over the loss of one parking space by the Port Administration Building and his belief that the Commission should make this decision.

V. RECESS TO A MEETING OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF PORT TOWNSEND:

The regular meeting recessed into the annual Industrial Development Corporation meeting at 5:34 PM and reconvened at 5:38 PM.

VI. SECOND READING (Action Items):

A. Resolution No. 625-15 – Authorizing Issuance & Sale of up to \$4,500,000 for the Purpose of Refunding Certain Outstanding Bonds (8:17)

Ms. Khile explained the purpose of this resolution is to authorize the Executive Director and Finance Director as signors on the bond documents when ready. The bond sale takes place May 11, 2015 and the closing on May 21, 2015. She added this is the refunding of the 2005 LTGO, which will save the Port \$250K over the next ten years. Payoff date is 2025.

Commissioner Tucker moved to adopt Resolution No. 625-15 as presented.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

B. Dock and Wharf Rental Policy (11:36):

Mr. Crockett explained that staff has received calls for possible rental of Union Wharf for weddings. He reminded that since the RCO funded construction of the dock, it must be accessible to the public at all times.

Mr. Pivarnik discussed the proposed policy and explained the \$300 rental fee, which he based on the City's previous rental rates. He added that staff really does not want to promote events there since there are many cruise ship landings scheduled and there would not be room for both to take place at the same time.

Commissioner Hanke moved to approve the Dock & Wharf Rental Policy as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

VI. FIRST READING (Discussion Only):

A. Port Townsend Shipwrights Co-op Lease (16:40):

Mr. Crockett discussed the two draft leases distributed to the Commission earlier. He explained Port Attorney Klose and the Shipwrights' attorney, Malcolm Harris, have changes they are suggesting to the draft, so a new draft is to come.

David King, CFO and Managing Partner of Townsend Bay Marine (TBM) explained the schedule of the sale of TBM - signing off on the contingency around the first of June, and then 30-60 days until the closing.

Mr. Crockett added the draft leases might not be available until the second commission meeting in May or the first one in June.

Mr. Pivarnik asked the Commission to pay close attention to the formula in the lease. He explained the lease rate is below market, but phased-in rent increases would eventually bring it to market rate.

Commissioner Clinefelter asked if the main lease predicates the separate land lease and if that piece of land was ever ballasted.

Chris Brignoli, Shipwrights Co-op member, explained the 8000 square foot land lease is necessary so they can control the positioning of boats stored there. He added they need control of the west lot in order to control building access.

Mr. Pivarnik discussed the Co-op and the Port's collaboration on obtaining an environmental assessment, which is a critical piece in the lease approval.

David Griswold, Shipwrights Co-op member explained the loan would not be approved until a lease is finalized with the Port. The Co-op does not want the lease held up while waiting for the environmental assessment.

VII. POTENTIAL IMMEDIATE ACTION ITEMS):

A. Location for Jefferson Energy Lunch Meetings (30:23):

Commissioner Tucker explained the Port has been a co-sponsor of the Energy Lunch meetings for some time. He informed that the group is losing their meeting location since the PT Community Center will instead be hosting senior lunches the same third Tuesday of each month. Commissioner Tucker explained that the Port Townsend Yacht Club lease stipulates that the Port may use the Yacht Club at no cost up to twelve times per year. He stated the Port currently contributes \$1000 cash per year to the Energy Lunch program, but instead he proposes that the Port donates the use of the Yacht Club for the remainder of the year in lieu of the cash donation.

Commissioner Tucker moved to allow the Location for the Jefferson Energy Lunch Meetings to be placed under Immediate Action.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

Commissioner Tucker moved to donate the use of the PT Yacht Club to the Jefferson Energy Lunch program on the third Thursday of each month throughout 2015 in lieu of the cash contribution.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

VIII. STAFF COMMENTS (36:10):

Ms. Khile reported she is finalizing the annual report for the State Auditor and it should be completed by the end of this month, and that she would have the first quarter financials of 2015 ready by the next meeting.

Mr. Pivarnik reported he hopes to have a finalized new draft of the New Day Fisheries lease by the May 11, 2015 meeting.

Mr. Crockett informed he met earlier with Al Cairns and together they worked on the Jefferson County Natural Hazards Mitigation Plan update. He then added that Jefferson County requires a resolution for this update, which he would bring to the next meeting.

Next, he announced he would be attending the JPREP (Jefferson Co.-Port Townsend Emergency Preparedness Network) Quarterly Planning Meeting on Friday and the NODC (North Olympic Development Council) meeting in Sequim on Thursday.

Last, Mr. Crockett reported the Airport Engineering Services RFQs are due to the Port next Thursday (April 30).

IX. PUBLIC COMMENTS (39:48):

Bertram Levy asked a question on the Bond refunding.

X. COMMISSIONER COMMENTS (40:48):

Commissioner Hanke visited the Port of Edmonds recently where they discussed how the Port uses oyster shells for filtration and that they still cannot keep the zinc out of the water.

Commissioner Tucker announced he attended the Jefferson Energy Lunch meeting yesterday where the discussion was on using hydrogen as a potential motor fuel.

XI. NEXT MEETING: Next regular meeting will be held MONDAY, May 11, 2015 at 1:00 PM in the Port Commission Building, 333 Benedict St, Port Townsend.

XII. EXECUTIVE SESSION:

None

XIII. ADJOURNMENT:

The meeting adjourned at 6:15 PM there being no further business to come before the Commission.

ATTEST:

Stephen R. Tucker, President

Peter W. Hanke, Secretary

Brad A. Clinefelter, Vice President