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**Port of Port Townsend
1st Monthly Regular Meeting Agenda
Wednesday, November 12, 2014, 1:00 PM
Port Commission Building
333 Benedict Street, Port Townsend, WA**

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Consent Agenda
 - A. Approval of Meeting Minutes – October 22, 2014.....1-3
 - B. Operations Reports – October 2014.....4-7
 - C. Resolution No. 619-14 – Authorizing Sale of Abandoned Vessels.....8
 - D. Write-off Register.....9-10
 - E. Approval of Warrants
- IV. Public Comments (not related to Agenda)
- V. Second Reading (Action Items)
 - A. Point Hudson Breakwater Project Update.....11
 - B. 2015 Budget.....12
- VI. First Reading (discussion only)
 - A. Six Things.....13
- VII. Potential Immediate Action Items (unanimous Commission approval required)
 - A. December 10, 2014 Workshop and Commission Meeting – Rescheduling.....14
- VIII. Staff Comments
- IX. Public Comments
- X. Commissioner Comments
- XI. **Next Meeting: Special Meeting:** 2015 Budget Public Hearing, Wednesday, November 19, 2014 at 5:30 PM, and, **Special Meeting** on Tuesday, November 25, 2014 at 1:00 PM, both will be held in the Port Commission Building, 333 Benedict Street, Port Townsend, WA.
- XII. Executive Session (if called)
- XIII. Adjournment

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

BOATHAVEN OPERATIONS REPORT/MOORAGE

MONTH: OCTOBER 2014

DATE: 11/5/2014

MONTHLY PERMS: 361

MONTHLY GUESTS: 19

# OF SLIPS BY SIZE	OCCUPIED	empty	% occ.
25' <u>35</u>	<u>32</u>	3	91%
27' <u>11</u>	<u>10</u>	1	91%
30' <u>105</u>	<u>100</u>	5	95%
35' <u>24</u>	<u>24</u>	0	100%
40' <u>44</u>	<u>43</u>	1	98%
45' <u>41</u>	<u>40</u>	1	98%
50' <u>32</u>	<u>31</u>	1	97%
OVER 52' <u>7</u>	<u>7</u>	0	100%
TOTAL: <u>299</u>	<u>287</u>	12	AVG: 96%

LINEAR SPACE/FT	OCCUPIED	% OCCUPIED
COMMERCIAL <u>365</u>	<u>365</u>	<u>100%</u>
RECREATIONAL <u>1986</u>	<u>1836</u>	<u>92%</u>
LIMITED ACC. <u>1455</u>	<u>1440</u>	<u>99%</u>
TOTAL: <u>3806</u>	<u>3660</u>	146 AVG: 98%

	CURR	PREV MO	YTD
NIGHTLY GUESTS:	389	805	4710
CREDIT SYSTEM:	23	43	297
TEMP TIE UP:	10	31	217
FREE NIGHTS:	0	0	1
PTYC:	4	23	188
RAMP/DAILY:	32	123	979
RAMP/ANNUAL:	6	13	458

WAIT LISTS	
25' PLEA:	<u>10</u>
27' PLEA:	<u>0</u>
30' PLEA:	<u>48</u>
35' PLEA:	<u>35</u>
40' PLEA:	<u>44</u>
45' PLEA:	<u>20</u>
50' PLEA:	<u>16</u>
OVER 52':	<u>8</u>
OVERWID	<u>0</u>
30' COMM.	<u>0</u>
40' COMM.	<u>0</u>
50' COMM:	<u>0</u>

TOTAL OCCUPANCY %: 97%

Port of Port Townsend

POINT HUDSON MARINA & RV PARK

MONTHLY OCCUPANCY REPORT

2014

& 5 YEAR COMPARISON

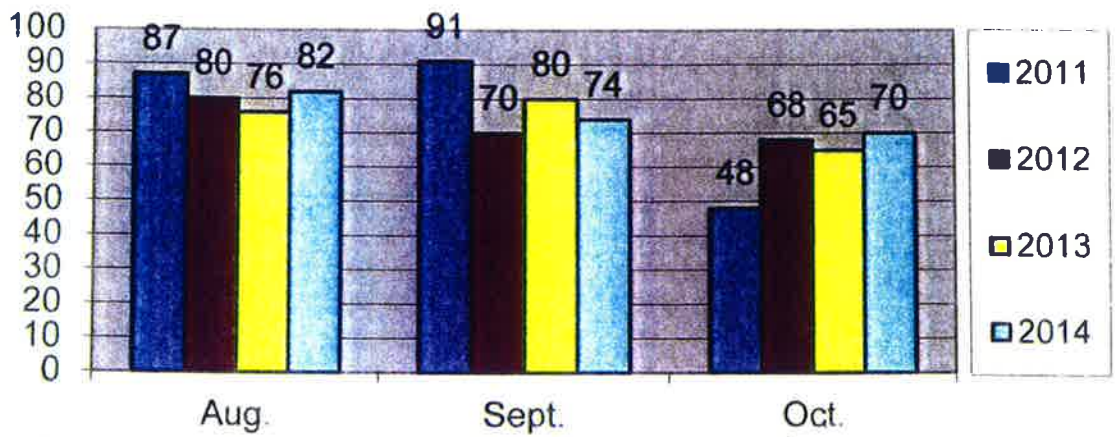
MARINA NIGHTLY GUEST NIGHTS											
	2010		2011		2012		2013		2014		
	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	
JAN	63	63	32	32	28	28	58	58	53	53	JAN
FEB	101	164	77	109	96	124	80	138	57	110	FEB
MAR	106	270	178	287	73	197	95	233	77	187	MAR
APRIL	199	469	180	467	240	437	159	392	209	396	APRIL
MAY	616	1085	618	1085	541	978	605	997	585	981	MAY
JUNE	601	1686	582	1667	749	1727	606	1603	520	1501	JUNE
JULY	1170	2856	1079	2746	1035	2762	1089	2692	993	2494	JULY
AUG	1255	4111	1131	3877	1178	3940	1188	3880	996	3490	AUG
SEPT	1008	5119	838	4715	831	4771	899	4779	778	4268	SEPT
OCT	130	5249	154	4869	175	4946	214	4993	120	4388	OCT
NOV	57	5306	58	4927	86	5032	138	5131			NOV
DEC	34	5340	54	4981	65	5097	64	5195			DEC

RV NIGHTLY GUEST NIGHTS											
	2010		2011		2012		2013		2014		
	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	MNTH.	CUM.	
JAN	175	175	173	173	176	176	180	180	285	285	JAN
FEB	286	461	214	387	221	397	261	441	150	435	FEB
MAR	338	799	239	626	229	626	359	800	249	684	MAR
APRIL	403	1202	341	967	445	1071	209	1009	546	1230	APRIL
MAY	628	1830	717	1684	638	1709	637	1646	706	1936	MAY
JUNE	654	2484	713	2397	645	2354	910	2556	1015	2951	JUNE
JULY	1256	3740	1215	3612	1247	3601	1275	3831	1169	4120	JULY
AUG	1228	4968	1257	4869	1300	4901	1293	5124	1228	5348	AUG
SEPT	1051	6019	1062	5931	1076	5977	1079	6203	1120	6468	SEPT
OCT	501	6520	501	6432	580	6557	694	6897	796	7264	OCT
NOV	241	6761	258	6690	290	6847	352	7249			NOV
DEC	157	6918	176	6866	246	7093	165	7414			DEC

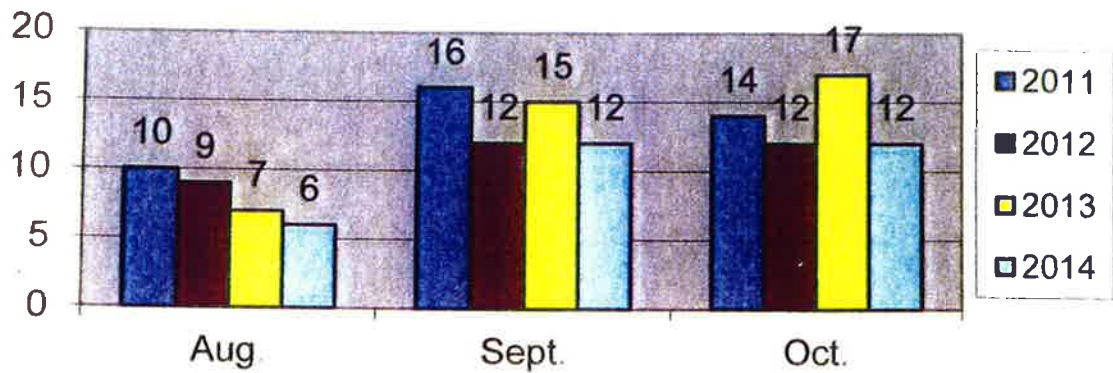
PERMANENT & SEASONAL TENANT SUMMARY			
	AVAIL/GOAL	OCCUPIED	%
LTD ACCESS MOORAGE	40 SLIPS	31	78%
COMMERCIAL MOORAGE	850 FEET	830	98%
SEASONAL MOORAGE	32 SLIPS	26	81%
SEASONAL RV'S	10 SITES	9	90%
UNDESIRABLE	5 SLIPS		0%

STORAGE OPERATIONS REPORT									DATE:	11/5/2014
October-14										
	OCT 2011	OCT 2012	OCT 2013	OCT 2014	2011 YEAR TO DATE	2012 YEAR TO DATE	2013 YEAR TO DATE	2014 YEAR TO DATE	REMARKS	
HAUL-OUT										
BOAT YARD - OUT	48	68	65	70	656	679	681	705		
BOAT YARD - IN	56	46	59	51	669	661	649	693		
67% RE-BLOCK	3	9	6	3	73	36	54	62		
40% INSPECTION	7	8	3	2	42	33	32	32		
OTHER	10	4	5	5	34	24	22	37		
SUB TOTAL	124	135	138	131	1474	1433	1438	1529		
SHIP - OUT										
SHIP - OUT	14	12	17	12	105	121	141	117		
SHIP - IN	7	9	13	12	97	117	123	123		
SHIP - RE-BLOCK	1	0	0	2	9	10	2	11		
SHIP-INSPECTION	0	1	1	0	5	2	6	4		
SHIP - OTHER	0	0	0	0	3	2	5	0		
SUB TOTAL	22	21	31	26	219	252	275	255		
TOTAL	146	156	169	157	1693	1685	1713	1784		
STORAGE					OFF PORT PROPERTY					
PTBH - START	83	68	76	71	GOLD STAR - 13					
PTBH - END	72	78	70	71	CO-OP - 5					
PTBH-O.P.P.	20	25	26	29	DAY - 1					
SHIP-START	11	8	14	16	PT RIGGING - 1					
SHIP-END	16	11	20	15	STEPHENS - 1					
SHIP-O.P.P.	4	1	1	3	HAVEN - 2					
PERM/FREE	0	0	0	0	TBM - SMALL - 3					
FREE DAYS	43	101	70	70	TBM - SHIP - 3					
					STEELHEAD - 1					
					CUNNINGHAM - 2					
									PERMS PAID R/T	
PTBH lineal feet	2911	3076	2930	3059						
SHIP lineal feet	1060	732	1507	1118						
Longterm Storage	22	23	24	20						
LONGTERM linear	844	855	910	799						
JCIA OPERATIONS REPORT										
HANGERS	11	13	13	13						
TIE DN - PAVED	3	2	2	2						
TIE DN - GRASS	1	1	0	0						
TIE DN - NIGHTLY	2	0	0	0						
W/L - HANGERS	1	0	0	0						

Round Trip Haul Outs 70/75 T



Round Trip Hoists 300 Ton



RESOLUTION NO. 619-14

A Resolution of the Commission of the Port of Port Townsend

RESOLUTION AUTHORIZING THE SALE OF ABANDONED VESSELS

WHEREAS: The Port of Port Townsend has in its possession Vessel(s) described as follows:

<u>VESSEL</u>	<u>OWNER</u>	<u>ACCOUNT #</u>
65 ft Fishing Vessel TYAH	Stan Claplanhoo	32681
32 ft Fishing Vessel ARIES	Ryan Oswalt	30512
28 ft Sail Vessel IVY	Lester Wiley	27177
54 ft Sail Vessel	Marshal C. Woodman	23007

WHEREAS: proper notices have been sent to the person believed to be the true owner, or to anyone who might claim an ownership interest in the boat and no person or persons or entity has responded claiming ownership and/or willingness to pay the charges owing for storage, and ninety (90) days have elapsed since the sending of such notices,

NOW, THEREFORE BE IT RESOLVED:

1. That the above designated vessel is declared to be abandoned; and
2. The Port Director is directed to sell the said boats at public sale to the highest and best bidder for cash pursuant to the procedures set forth in RCW 53.08.320 (5); and
3. That the date of public auction to be set and proper notifications made.
4. Auction to be held at the Port of Port Townsend Work Yard located at 2790 Washington Street, Port Townsend, Washington.

ADOPTED this 12th day of November 2014 by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Peter W. Hanke, Secretary

Stephen R. Tucker, President

Brad A. Clinefelter, Vice President

APPROVED AS TO FORM:

Carolyn A. Lake, Goodstein Law Group, Port Attorney

**ACCOUNTS RECEIVABLE
WRITE-OFF/COLLECTION REGISTER**

11/12/2014

The staff of the Port of Port Townsend recommends that the following accounts be written off and turned in for collection as applicable.

Account Number	Account Name	TYPE	BALANCE
12	Benton Co. Ventures	Yard	\$11,093.50
			His boat, Adventurer, went to auction 1/21/2011 and did not sell. The account was written off and sent to collections on 12/28/2011. However the boat was not demolished until May 2014. He has been billed for the demo cost and has not paid. He has not responded to statements or letters. Recommend doing a write off of the account and sending the balance to collections.
26069	Blackmore, Michael	Yard	\$6,632.62
			His boat, Del Norte, went to auction 4/11/2014 and did not sell. Recommend doing a write off of the account and sending the balance to collections.
27877	Boltin, Auden & Stefan	Yard	\$2,423.65
			Their boat, Moon Dance, went to auction 4/26/2013 and did not sell. Demolition pending. Was waiting for demo fees to bill the account. Recommend doing a write off of the account at this time and sending the balance to collections. Demolition fees will be billed once the boat is destroyed.
20220	Broome, Karen Renee	Yard	\$1,791.51
			After two fires Karen Renee Broome was evicted and her boat, Treasure Hunter, was demolished. The derelict deposit has been applied to the account. Recommend doing a write off of the account and sending the balance to collections.
27890	Campbell, Chris	Yard	\$4,288.58
			His boat, Tolfea, went to auction 3/21/2014 and did not sell. However it was sold 9/24/2014 by sealed bid and has been removed from the Port. Recommend doing a write off what is remaining on the account and sending the balance to collections.
32737	Carleson, Theron	Yard	\$2,241.36
			When this boat, Helade, was sold there was never clear ownership established so the boat was declared "Abandoned". The boat went to auction 5/23/2014 and did not sell. Recommend doing a write off of the account balance.
6513	Defleur, Betty	Yard	\$4,754.13
			6/18/2010 this boat went to auction and did not sell. It was a cement boat so it took a while to get it set for demo. The demolition occurred 3/29/2013. The account was charged and she was billed for the demo. No payment has been received. Recommend doing a write off of the account balance.
24978	Ellis, Douglas J.	Yard	\$2,740.30
			His boat, 27 ft. SV, went to auction 4/26/2013 and did not sell. Demolition pending. Was waiting for demo fees to bill the account. Recommend doing a write off of the account at this time and sending the balance to collections. Demolition fees will be billed once the boat is destroyed.
26087	Gallant, Joe	QBH	\$231.08
			Left Herb Beck Quilcene Marina June 2013 without notice. We thought we could collect when he returned in 2014 but he did not return for the summer of 2014. He has not responded to statements and letters. Recommend doing a write off of the account balance.
19148	Langston, Shelby	Yard	\$1,416.37
			His boat, Minx, went to auction 1/21/2011 and did not sell. The account was written off and sent to collections on 12/28/2011. However the boat was not demolished until May 2014. He has been billed for the demo cost and has not paid. He has not responded to statements or letters. Recommend doing a write off of the account and sending the balance to collections.
23177	Martin, Jimmy	Yard	
			His boat, Conrad, went to auction 5/23/2014 and did not sell. Recommend doing a write off of the account and sending the balance to collections.
26088	Romero, Julio	QBH	\$686.66
			Left Herb Beck Quilcene Marina June 2013 without notice. We thought we could collect when he returned in 2014 but he did not return for the summer of 2014. He promised to make payments but never has. Recommend doing a write off of the account balance.
25942	Roth, Michael	Yard	\$1,891.05
			His boat, Black Rose, went to auction 7/1/2013 and did not sell. Recommend doing a write off of the account balance.

**ACCOUNTS RECEIVABLE
WRITE-OFF/COLLECTION REGISTER**

11/12/2014

The staff of the Port of Port Townsend recommends that the following accounts be written off and turned in for collection as applicable.

Amy Khile
Director of Finance & Admin.

Carolyn A. Lake, Goodstein Law Group
Port Attorney

Larry Crockett
Executive Director

Stephen R. Tucker
President

Brad A Clinefelter
Vice - President

Peter W. Hanke
Secretary

DATE: _____

PORT OF PORT TOWNSEND

MEETING OF: November 12, 2014

**AGENDA ITEM: V. Second Reading
A. Point Hudson Breakwater Project Update**

BACKGROUND:

Staff met with Coast and Harbor Engineering on November 4, 2014 and received an update on the Point Hudson Breakwater project. Some good alternatives were discussed. We instructed Coast and Harbor to be prepared to brief the Port Commission in approximately thirty days. We will need to set a date.

We are looking at having 60% completion of the engineering drawings by January so that permitting can begin.

Executive Director's Recommendation:

For discussion and direction as appropriate.

PORT OF PORT TOWNSEND

MEETING OF: November 12, 2014

AGENDA ITEM: V. Second Reading
B. 2015 Budget

BACKGROUND:

Continued discussions on the 2015 Operating/Capital Budget.

Executive Director's Recommendation:

For discussion and direction as appropriate.

PORT OF PORT TOWNSEND

MEETING OF: November 12, 2014

AGENDA ITEM: VI. First Reading
A. Six Things

BACKGROUND:

The Executive Director attended a session on collective planning with the City, County, Chamber, Main Street, and the PUD regarding a follow-up to a January session. At the session, each entity presented 5 "things" they would like to work on in the coming year that would help improve our community. Then a vote was taken on "6 things" that all the entities could support.

Staff will brief the commission on the process and future sessions.

Executive Director's Recommendation:

For discussion and direction as appropriate.

PORT OF PORT TOWNSEND

MEETING OF: November 12, 2014

**AGENDA ITEM: VII. Potential Immediate Action
A. December 10, 2014 Workshop and Meeting**

BACKGROUND:

Since the commission and staff will be attending the Washington Public Ports Annual Conference between December 9 and 12, 2014, the December 10 commission meeting date will need rescheduling.

Staff recommends moving to Monday, December 8, 2014 with a 9:30 AM public workshop and the meeting at 1:00 PM.

Executive Director's Recommendation:

Reschedule the workshop and meeting to December 8, 2014.