

**PORT COMMISSION MEETING – May 12, 2004**

The Port of Port Townsend Commission met in regular session at the Point Hudson Marina Room, Port Townsend, WA.

Present: Commissioners – Pirner, Beck and Sokol  
Executive Director – Crockett  
Auditor – Taylor  
Facilities Manager – Pivarnik  
Operations Manager – Radon  
Attorney – Harris

I. CALL TO ORDER: The meeting was called to order at 1:00 PM.

II. APPROVAL OF AGENDA:

Upon motion of Commissioner Sokol, the Agenda was unanimously approved as amended with the following additions to New Business:

G. Funding for JCIA Taxiways

III. CONSENT AGENDA:

A. Approval of Minutes – April 28, 2004

B. Approval of Warrants:

#30102 through #30128 in the amount of \$29,048.29

#30129 through #30138 in the amount of \$52,301.89

#30139 through #30188 in the amount of \$32,054.69

C. Write-off Register

**Upon motion of Commissioner Sokol, the Consent Agenda was unanimously approved.**

IV. PUBLIC COMMENTS (not related to Agenda):

Dave Ward, Northwest Hanger:

Expressed interest in building hangars at JCIA and provided background on their previous offers in the 90's to build hangars most likely with condominium leases (to private individuals and/or companies). Although the Port was unable to accept those previous offers, he understands there might soon be two pads available for which he would be interested in submitting a proposal and a deposit. He has recently been in touch with Staff while his company has been successfully soliciting interested tenants and clients. He provided the Commission with a portfolio of their hangars in explanation of their quality of construction.

Mr. Crockett announced the Port just received a May 7 letter from the FAA Seattle District Office accepting the Port's Airport Layout Plan (ALP) and Master Plan, prepared by Bucher Willis and Ratliff. The FAA has reserved about \$500K for 2005 and more money will be available in 2006 to create taxiways for up to six additional airport pads near the windsock area and to extend the runway 200 feet in order to install non-precision approach instrumentation. They want the Port to secure an engineering firm to survey the airport and draw up blueprints for taxiways and obtain a cost estimate for forwarding to the FAA. Still unknown is whether the FAA would approve the early construction of two hangar pads nearest to the existing taxiway. Besides Neil Slater and Leo Landry, there are about four other parties interested in building hangars. Given the time it would take to complete the engineering work, obtain FAA approval for funding, soliciting bids, extend fire flow, infrastructure, etc., he does not believe any buildings could be constructed in 2005. The only lease agreement for new construction east of the Wills' House in which the Port has entered, was for the Aero Museum.

V. OLD BUSINESS: None

VI. NEW BUSINESS:

A. Operations Report – Month of April 2004

Mr. Radon noted that permanent moorage is up slightly through the same period in 2003. All limited access at Boat Haven and Point Hudson is already booked for the summer. While there is a waiting list for 25-ft. slips, there are still some 20-ft. slips available. Nightly guest activities are running close to last April's and remain closely tied to hoist activities. Year-to-date nightly guest activities are up significantly. Ramp fees, instituted in 2003, are also up considerably. Plastic mirror tags replace the previous years' ramp stickers. People are asking to receive a renewal reminder for these yearly permits. Haulout numbers are still running ahead for the month- and year-to-date and the yard crew has put in a fair amount of overtime in order to meet the demand. The 60/70-ton and 300-ton numbers continue to be strong, as reflected in the high number of lineal feet. Point Hudson transient moorage is at 96% of 2003 levels and RVs transients are extremely strong. It was noted that since increased gas prices do not yet appear to have negatively impacted RV reservations, it might be worth advertising more within the Puget Sound area.

Commissioner Pirner noted that guest nights at the Boat Haven, Point Hudson Marina and RV Park combined were 2,009 this year compared to 1,591 last year – an increase of 26%.

B. Derelict Vessel – Relief

Mr. Crockett briefed the Commission on recent discussions with representatives of the Department of Natural Resources, the Derelict Vessel Office, the City and the Mill about possibilities for removing the vessel, which sank on DNR tidelands at the end of the railroad trestle in 1997. While there has been a lot of confusion over trestle ownership, there is agreement on the desire to remove it. The City has since agreed to submit the application to the Derelict Vessel Fund for removal and draft the vessel notice, which would be the Port's responsibility to post on the trestle above the vessel and on the Larry Scott Trail. He and the City Manager would also co-sign a letter to the owner of the vessel notifying him of the proposed action. The Port also has contacts for salvage operations, which might end up costing \$50-60K. This project would be a partnership between the City, the Port, and the Mill. City and Port Staff would track their time to count toward the 25% match, part of which could be in-kind services and the Mill will contribute the cash remainder.

C. Project Control Form – Point Hudson Marina Room Remodel

Mr. Pivarnik reported that the breezeway has been demolished and Pygmy Kayak is now leasing the Pavilion. He reviewed possible expansion and other modifications of the Point Hudson Marina Room in order to continue to accommodate public meetings, boating and RV group functions. While there is already \$7K in the 2004 Capital Budget for necessary electrical upgrades, the redefined project costs for a combined remodel and upgrade of the electrical system are estimated at \$39,600. An asbestos check has begun and Staff would next issue an RFQ for an architect to explore how space could be more open, the construction of which would likely occur in 2005. Over the next two years, they expect spending a total of \$50K in addition to architect services and permitting. It was clarified that the \$7K budgeted would be used for architectural services. Staff asked for Commission approval of the project control form as included in the agenda packet in the amount \$39,600 for meeting room remodeling and electrical updates, which is partially funded.

**Commissioner Sokol moved to approve the Project Control Form with the clarification that in the current year there is a \$7K earmark. The motion carried by a unanimous vote.**

D. Project Control Form – Construction of Point Hudson Environmental Center

Mr. Pivarnik reviewed that this form is for the construction of an environmental center at Point Hudson such as those currently in operation at the Boat Haven. The Capital Budget included \$5K for this project. He noted that in addition,

maintenance staff would also be building a small fenced-in area near the two restaurants for their dumpsters.

**Commissioner Pirner moved for approval of the Project Control Form for construction of Point Hudson Environmental Center, as attached in the amount of \$5K. The motion carried by a unanimous vote.**

E. Funding for Taxiways at JCIA

With the airport master plan now complete, Commissioner Beck urged Port Staff to work with the FAA to accelerate as much as possible the approval of taxiway and hangar pad construction funding so that construction timelines might begin in 2005 rather than 2006.

Staff noted that the FAA's next fiscal year begins in October and that the Port is moving forward with the project as quickly as possible. The engineering and permitting alone would take eight months to complete.

VII. STAFF COMMENTS:

Mr. Taylor:

Airport fuel sales for the first quarter were up by 13.6%, roughly a 1,500 gallon increase over 2003. April sales were up from 4,225 gallons to 7,932 – an 87% increase over last year while gross sales for April increased from \$10K to \$19K.

Mr. Radon:

With recent breakdowns in the 70-ton and 300-ton lifts, he is grateful for maintenance support. Gus was hurt in a motorcycle accident, so the yard office received authorization to hire temporary help. Mr. Crockett noted that a "super yacht" repair company inquired recently about the Port's availability for haulout.

Mr. Pivarnik:

He congratulated maintenance on the opening of the view corridor between the Pavilion and the Marina Rooms. Work is underway to refinish the exterior. Staff is working with Pygmy Kayak on where to put the ADA ramp.

Last evening, he was welcomed to his first meeting as a member of the Lodging Tax Advisory Committee.

Mr. Crockett:

There would be a Special Commission Meeting on Monday, May 17 at 10:00 AM at the Port Administrative Office to make a final selection of an engineering firm for the Point Hudson marina redevelopment.

VIII. PUBLIC COMMENT:

Clair Candler:

Commented that compared to the overall cost of RVs, fuel is the minor expense.

Gloria Bram:

An inadvertent benefit of removing the lumberyard from the Boat Haven is that the traffic coming down the hill is slowing down because there is more to see in the yard.

Regarding hangars for aviation-related businesses, she wonders if there is some space on the west side of the airport property that does not require taxiways. Mr. Crockett noted that the Port would like hangars for active airplanes. The Port would need to make other arrangements for aviation-related businesses due to traffic safety, etc.

IX. COMMISSIONER COMMENTS:

Commissioner Sokol:

The Aero Museum is moving ahead on plans for their building construction. They are involved in a SEPA process with the County. Mark Grant would be the contractor and Washington Engineering is doing the engineering work.

Commissioner Beck:

He is pleased with the increase of RV traffic and guest boaters.

In attending the Marina Committee Meeting, he found interesting a comment from the Port of Everett about off-site mini storage facilities and recognized there is local demand for such facilities.

Commissioner Pirner:

He is pleased with the moorage, RV and boat storage activity.

X. NEXT MEETING:

Wednesday, May 26, 2004 at 7:00 PM at the Tri-Area Community Center, Chimacum, WA.

XI. EXECUTIVE SESSION:

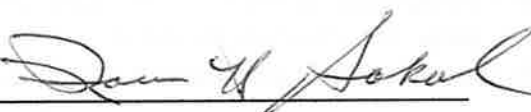
At 2:05 PM, the Port Commission recessed into Executive Session for 10 minutes to discuss a real estate issue with no expected decisions.

XII. ADJOURNMENT:

The meeting was adjourned at 2:15 PM, there being no further business to come before the Commission.

ATTEST:

  
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President

  
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Secretary

  
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Vice President