

PORT COMMISSION MEETING – June 9, 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:

- D. Over the Dock Passenger Fees
- E. Airport Property Acquisition

III. CONSENT AGENDA:

- A. Approval of Minutes – May 26, 2004
- B. Approval of Warrants:
 - #30274 through #30302 in the amount of \$31,876.44
 - #30303 through #30309 in the amount of \$37,135.91
 - #30310 through #30359 in the amount of \$47,660.58
- C. Resolution No. 420-04 – Authorizing Sale of Abandoned Vessel
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Upon motion of Commissioner Sokol, the Consent Agenda was unanimously approved.

IV. PUBLIC COMMENTS (not related to Agenda):

John McKay:

As a 20-year moorage tenant and a commercial fisherman with a wooden boat, he expressed his concern about the difficulty for owners of wooden boats and especially commercial vessels in obtaining liability insurance. This requirement could make it impossible for him to continue to fish commercially out of Port Townsend. He understands the exposure to liability, but this is not a requirement in many of the other ports. He suggested there be a gradual period over which boats are required to come within compliance with this policy. Commissioners and Staff reiterated the Port's willingness to work with individuals who are attempting to obtain insurance. They noted that most Port's – including Anacortes, Everett, Edmonds – already require liability insurance, and Seattle is about to start requiring coverage.

Ray Forsman:

As a public municipality and taxing jurisdiction, the burden is on the local citizens to support the Port. He noted that the State has different fishing license fee schedules for residents and non-residents, but the Port does not require non-resident (transient) boats to meet the liability insurance requirement

V. NEW BUSINESS:

- A. Over the dock Passenger Fees

Pete Hanke was present on behalf of Puget Sound Express and Captain Jack's to petition the Commission to eliminate the head tax fee charged to passenger ferry and tour boat operators that provide transportation to and from the Port of Port Townsend. Waiving the fee this year would give operators a chance to reevaluate their rates based on the current high fuel prices. While for most of last year, they paid under \$1 for a gallon for fuel, this year it has already been as high as \$1.81. It is their single highest expense as they use 200-300 gallons a day. Because they

are a carrier operating under the Utilities and Transportation Commission, in order to change their rates they would plan to go before that Commission this winter to propose increasing their rates. The Commission agreed to put this matter on an upcoming agenda after further study.

VI. OLD BUSINESS:

A. Corrosion Testing Policy

Mr. Radon reported on changes to the policy based on discussion at the last meeting. The Commission commented that the wording still sounds like the Port would be doing the disconnecting rather than the boat owner. A suggestion was to revise the language to say, “upon the Port contacting the owner and the boat owner authorizing disconnection...” Staff noted its desire to purchase corrosion testing equipment. Mr. Radon agreed to revise the policy as suggested including clarifying the sequence of events from the timing of the call to who disconnects and when.

B. Point Hudson Marina Redevelopment Scope of Work

Mr. Crockett noted that the consultant’s scope of work had been discussed in depth at this morning’s workshop. Staff recommended meeting with the consultant, Moffett & Nichol, about the proposed changes and refinements to the scope of work. The Commission concurred with referring the scope of work back to Staff for additional cost-cutting efforts.

C. Boat Ramps

Mr. Crockett noted that at today’s workshop there was discussion about the cost of redoing the Mats Mats boat ramp. Initial cost estimates included in the agenda packet reflected approximately \$1.2 Million for the Mats Mats and Hadlock boat ramps. IAC grant funding is being pursued and Staff’s recommendation is to continue pursuing other funding for the redevelopment of the heavier used Port Hadlock boat ramp. They also recommend trying to get the Mats Mats ramp back in operation until more funding is available for a complete redevelopment.

Commissioner Sokol moved to direct Staff to seek funding for the redevelopment of the Port Hadlock boat ramp. The motion carried by a unanimous vote.

D. Quilcene Water System

Mr. Crockett noted that at the recent intergovernmental meeting, the PUD had requested assistance from other governmental bodies in supporting its pursuit of a transfer of water rights from the U.S. Forest Service to the PUD in order to serve the Quilcene area. He suggested the Port might join with the City and County to petition the Department of Ecology for such a change.

Commissioner Beck moved to direct Staff to proceed with the Port’s support of the PUD. The motion carried by a unanimous vote.

V. NEW BUSINESS (Continued):

A. Operations Report – Month of May 2004

Mr. Radon noted that reserved permanent moorage is up slightly due to the demand for 20-25 ft. slips. Nightly guest activities are running close to last May’s and remain closely tied to hoist activities. Ramp pass sales are also going strong. Haulout numbers are still running ahead for the month in the 60/70-ton lift – 99 in total. While 300-ton numbers were down just slightly for May, the activity contributed to a strong spring. Point Hudson transient moorage is slightly ahead of May 2003. RV transients continue to be strong (149% of last year).

B. Initiative I-864

Mr. Crockett briefed the Commission on a communication from Pat Jones of the WPPA regarding how the Kitsap Regional Coordinating Council had disseminated information about this initiative to roll back property tax statewide by 25%. It is estimated that this initiative would negatively impact the Port by

about \$168K a year. While public entities cannot support or oppose the initiative, Mr. Crockett proposed the Port produce educational/informational material about the impacts similar to that produced by Kitsap. He also agreed to contact other jurisdictions, suggesting they do the same.

Mr. Harris noted the Port could also hold a public meeting as it did with a previous initiative.

C. UGA and Sewer Plant Location

Mr. Crockett provided background on the issue of constructing a sewer plant to support the newly formed UGA. He solicited Commission input about the possibility of partnering with the County on siting a treatment facility at the airport in exchange for moving the UGA boundary to include the airport. The Commission was interested in pursuing this concept of co-locating these essential public facilities. There was also support for trying to get on the Planning Commission's agenda to propose this idea. Staff felt this would be a win-win for all parties inasmuch as industrial development at the airport could progress as part of the newly formed UGA.

Commissioner Sokol moved to direct the Executive Director to draft a letter to the County recommending the Port begin discussions about locating a sewer treatment facility at the airport. The motion carried by a unanimous vote.

VII. STAFF COMMENTS:

Mr. Taylor:

Next week, he would be visiting Winthrop for the WPPA Finance Administration conference.

Mr. Pivarnik:

While excavating the Quilcene water system yesterday for a repair of a leak. A busted glue joint was discovered, indicating 10-12 potential eruptions in this line. Staff is investigating repair and replacement alternatives.

Mr. Crockett:

At the intergovernmental meeting, there was discussion of the current traffic restrictions on the Hood Canal Bridge. There was also a meeting with various County agencies and the Department of Transportation during which DOT explained that all traffic formerly able to cross the bridge can still cross as long as notice is given.

He solicited input from the Commission on the best month to hold a Commission meeting in Quilcene this summer or fall.

He distributed to the Commission a list of recommended projects for the airport as submitted by the Airport Advisory Committee.

VIII. PUBLIC COMMENT:

Clair Candler:

He likes the idea of the Port communicating facts on Initiative 864.

He speculated that if the Port were to site a sewage plant at the airport, the methane generated could be used to fuel the planes.

Gloria Bram:

Recognizing that there were no guests in May in 20-25 ft. slips, she asked how many slips are there in this size, to which Mr. Radon said roughly 30 that are fully occupied seasonally. She then suggested adding a column to the Operations Report to show the total number of slips available.

She believes the Kitsap Regional Coordinating Council might have the ability to produce fact sheets on the initiative because they are not a governmental entity.

Anything that can be done to improve interagency coordination and information sharing, such as on the ramp redevelopment, could save residents a lot of money.

As a neighbor of the airport, she said she does not have any objection to the siting of a sewage treatment plant there, adding that the making of compost tea for irrigation could be of a side benefit.

Keith Swisher:

Last Saturday, Stan Allison of the Aviation Division of Washington Department of Transportation gave a presentation to the Jefferson County Pilots Association. He mentioned the availability of a \$5K grant for security if a security plan is in place. He also said there is also slightly over \$1 million available to airports, primarily geared toward runway and taxiway improvements and reconstruction. Port Staff indicated it has tapped into these funds.

A weather camera could be put on the Wills House unless there is any objection.

IX. COMMISSIONER COMMENTS:

Commissioner Sokol:

He appreciated that the Port had its flag at half-staff for former President Reagan's passing.

He also recognized that it is hard to tell that a breezeway ever existed between the Pavilion and the Marina Room building.

Commissioner Beck:

He would ask for an excused absence for the next Port meeting due his back surgery.

X. NEXT MEETING:

Wednesday, June 23, 2004 at 7:00 PM at the Tri-Area Community Center, Port Townsend, WA.

XI. EXECUTIVE SESSION:

At 2:16 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 2:21 PM, there being no further business to come before the Commission.

ATTEST:

President

Secretary

Vice President