

PORT COMMISSION MEETING – January 11, 2006

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

Present: Commissioners – Beck, Sokol, Thompson
Executive Director – Crockett
Deputy Director – Pivarnik
Operations Manager – Radon
Auditor – Taylor
Attorney – Harris

I. CALL TO ORDER

The meeting was called to order at 1:00PM.

II. SWEARING IN OF NEW OFFICERS

Mr. Crockett announced the swearing in of the newly elected Commissioners; Port Attorney Harris administered the oath, with Herb Beck beginning another term and Dave Thompson taking office for his first term.

III. APPROVAL OF AGENDA

The following items were added to the agenda:

Old Business Item A: (Moved to Executive Session)

Item C: EDC Proposed Scope of Work

New Business Item D: Boat Haven Laundry and Restroom Facility

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

Executive Director Crockett indicated the need for executive session following regular meeting agenda.

IV. ELECTION OF OFFICERS

Upon motion of Commission President Beck, Commissioner Sokol was unanimously approved to serve this term as President. The gavel was turned over.

Upon motion of President Sokol, Commissioner Thompson was unanimously approved to serve as Vice President and Commissioner Beck as Secretary.

V. CONSENT AGENDA

A. Approval of Minutes – 12/28/05

B. Approval of Warrants

#33678 through #33701 in the amount of \$ 28,356.35

#33702 through #33708 in the amount of \$ 98,376.82

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

VI. PUBLIC COMMENTS (Not related to agenda)

Joe Finnie congratulated the Commissioners who were sworn in, then addressed the Commission as a Board Member of Mariner Bank. He asked the Port to consider future financial services through Mariner Bank, as they offer competitive products, each time the Port seeks financial services for projects.

Stephen Gottlieb Lewis asked the Port to consider as a future agenda item the concept of establishing a Life Jacket Loaner Program. He explained the need and the process of applying for such a program through the BoatUS Foundation. Some discussion followed. Mr. Radon is aware of the program and staff is looking into it. There is a deadline in February; this will be discussed further at the next meeting.

Ed Barcott made several remarks about new direction and accomplishments by the Commission, the idea of re-establishing a 'citizen committee' to advise the Commission, and pondered why the Port was moving its offices to Point Hudson.

VII. RECESS TO MEETING OF INDUSTRIAL DEVELOPMENT CORPORATION

The Commission recessed for the IDC annual meeting at 1:15PM and reconvened at 1:19PM.

VIII. OLD BUSINESS

A. Port Townsend Industrial Park (Moved to Executive Session)

B. Point Hudson Hospital Building Phasing

Mr. Pivarnik stated we are well underway through Phase I to be completed on schedule April 1, 2006. The Phase II portion allows additional meeting space and office lease space. WDFW will not be leasing from the Port at this location, and there are two prime lease spaces available. He explained several options available for adding public restrooms and saving money on the project. Discussion followed. Commission President Sokol mentioned the importance of the restroom facilities for the Marina tenants and the RV park.

Upon motion of Commission President Sokol, the Commission approved the Port staff proceed with design scope and preparation to go out to bid for Phase III.

C. EDC Proposed Scope of Work

Mr. Crockett described the City, County and Port roles in the EDC consultant inventory of commercial and industrial lands, which would also create a searchable database. The cost for consultant services is just over \$86,000, and the State could pay 50% if the other three government entities come together financially. The Port needs assurance of deliverables. Discussion followed and deadlines reviewed. Staff will provide more details on the project costs and deliverables at the next meeting.

Upon motion of Commissioner Beck, it was unanimously approved that Port staff meet with the EDC Director and provide EDC with Ms. Winter's email on this subject then report back.

IX. NEW BUSINESS

A. Operations Report – Month of December 2005

Mr. Radon reported winter activities were down a bit from average overall in moorage, but numbers started increasing in December and are expected to climb from now to April. Nightly guest totals at the Boat Haven were up slightly over the same period last year. Boat yard activities picked up, and storage lineal feet showed a strong increase in December. Point Hudson Marina had a very strong month, and expects a lot of reservations as part of the upcoming Salmon Derby in February. RV space use ended the year up over 2004; Mr. Radon also described anticipated boat and ship yard work and advance bookings for haulout. He reminded the Commissioner that the large hoist was recently certified for haulout of the Coast Guard cutters like the Osprey. Discussion followed. Exact figures are always available at the Port office.

B. Approval of Additional Warrants

Mr. Taylor explained the need for approval of additional warrants due to upgrading of accounting software and late warrant generation. All are accounts payable, some posting into 2005, some 2006, and the new dump truck just purchased.

Upon motion of Commission President Sokol, the Commission unanimously approved the following additional warrants:

33709 – 33751 \$37,187.21

33752 – 33762 \$1,606.50

33763 \$14,164.45

C. Electrical Transformer at Point Hudson

Mr. Pivarnik described a request received by the Port seeking permission to locate an electrical transformer on Port property for the sake of a private new home being built nearby Point Hudson. There is a right-of-way preventing the transformer to be located on the private property. It could be a benefit to the Port to allow its location to be in the back forty. The Port could use it to draw carnival power and other special-use power needs. It is the recommendation that the Port charge a one-time fee for use of the plat of land for the transformer, and future movement of the transformer would be the responsibility of the homeowner who is initially requesting it. Discussion followed on easement and access. Mr. Pivarnik will work with Port counsel to draw up an agreement and bring this back to the next meeting.

D. Boat Haven Laundry & Restroom Facility

Commissioner Beck described the age and condition of the existing facility. Some wood is decaying. A coin machine has been tampered with. The Port needs to upgrade, and review charges on the machines for laundry as fees are well below

market rate. Port rates for these services can be changed as needed. A proposal will be brought to the next meeting.

VII. STAFF COMMENTS

Mr. Harris reiterated the need for an executive session.

Mr. Radon reported the Boat Show was going well and would end on Friday.

Mr. Crockett mentioned the two-page list of committees and board that Commissioners serve on, and the need to review it. He also has a Port briefing to provide at the state level and the Commission needs an updated photograph for the website, presentation and materials. This will be arranged in the near future.

VIII. PUBLIC COMMENTS

Ed Barcott asked if people might attend and participate if the meetings were in the evenings. It was noted that the second meeting of the month is always in the evening. The Sperry purchase agreement is available but pending appraisal. Extended discussion followed on this matter, but Mr. Crockett indicated also that it is a matter for executive session. Tenants have been talked to and the Port maintains an open door for discussion of concerns. Mr. Barcott indicated he is a Port supporter, it seems healthy and he wants it to stay that way.

Tamara Conway said Port tenants are not present because they are working. She urged the evening meeting each month to also be held in town. Discussion followed.

Pete Chafee spoke of the need on the part of Port tenants for better communication and flow of information. He suggested a flier be distributed. Discussion followed.

Gloria Bram said it's important for the Port to emphasize that it seeks *light* industrial development. She also spoke on possible maintenance items and repair costs on the Sperry property.

Daphne Kilburn clarified some details about the 30th Annual Discovery Bay Salmon Derby and its extended boundaries and economic impact on Port Townsend.

Gloria Bram inquired about permanent moorage figures by size in the monthly operations reports. She feels we may be able to tap into greater need of smaller boats for moorage. Discussion followed.

IX. COMMISSIONER COMMENTS

Commissioner Sokol welcomed Commissioner Thompson, and spoke of the exciting year ahead.

Commissioner Beck said there is a lot going on in the Port and he looks forward to the year ahead.

Commissioner Thompson said he is pleased to have been elected and hopes he can do a good job serving on the Commission.

X. NEXT MEETING:

REGULAR MEETING: Wednesday, January 25, 2006 at 7:00 PM in the Tri-Area Center in Chimacum.

XI. EXECUTIVE SESSION

The regular meeting was recessed at 2:23PM so as to conduct Executive Session, with possible decisions resulting.

XII. REGULAR SESSION (reconvened)

The regular meeting reconvened at 2:56 PM.

Commissioner Sokol moved to direct staff to continue to negotiate with Mr. Sperry for buying out the Port Townsend Industrial Park leases. Furthermore, authorizing staff to offer up to, but not to exceed \$1.15M as a final price. Motion passed unanimously.

Commissioner Thompson moved to authorize the Executive Director to sign all appropriate loan documents regarding the buy-out of the Port Townsend Industrial Park, not to exceed \$700K. Motion passed unanimously.

XII. ADJOURNMENT

The regular meeting was adjourned at 2:58 PM.

Recorder: D. Kilburn

ATTEST:

Secretary

President

Vice President