

PORT COMMISSION MEETING – April 26, 2006

The Port of Port Townsend Commission met in regular session at the Tri Area Community Center in Chimacum, WA.

Present: Commissioners – Beck, Sokol, Thompson
Executive Director – Crockett
Deputy Director – Pivarnik
Marine Facilities Director – Radon
Finance Director – Taylor
Attorney – Harris

I. CALL TO ORDER

The meeting was called to order at 7:00PM.

II. APPROVAL OF AGENDA

The following items were added to the agenda:

Old Business Item E: Change Order #2 and Project Control Form – JCIA Septic System

Old Business Item F: Townsend Bay Marine Update

Old Business Item G: Quilcene Marina Dredging

New Business Item B: Quilcene Beach Cleanup

New Business Item C: Fire Pits at Quilcene

New Business Item D: Policy Change Proposal

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

III. CONSENT AGENDA

A. Approval of Minutes – 4/13/06

Mr. Crockett clarified the need for correction to Page 2, Old Business Item D motion by Commissioner Thompson. The last phrase, “*and resolve this concern,*” was incorrect and is to be deleted from said minutes.

B. Approval of Warrants

#34331 through #34331 in the amount of \$ 601.39

#34332 through #34354 in the amount of \$ 27,902.15

#34355 through #34361 in the amount of \$ 26,717.48

#34362 through #34399 in the amount of \$128,424.76

C. Resolution No. 468-06 Authorizing Sale of Abandoned Vessels & Storage Unit

D. Write-off Register

Upon motion of Commissioner Beck, the Consent Agenda was unanimously Approved with the correction to the Minutes of 4/13/06.

IV. PUBLIC COMMENTS (Not related to agenda)

(None)

V. OLD BUSINESS

A. Project Control Form – Quilcene Dock Repair

Mr. Taylor explained the Project Control Form which includes the previous approval by the Commission of the construction contract with Topper Industries. The amount is \$84,800 including tax and a 5% contingency. Discussion followed.

Upon motion of Commissioner Beck, the Commission unanimously approved the Project Control Form as submitted.

B. GVA Kidder Matthews

Mr. Pivarnik explained that Port staff received a draft of the Boat Haven land appraisal of more than 100 pages in length but it has not been reviewed and should be examined at the next workshop in detail. Some discussion followed but this topic will be dealt with on the next meeting’s workshop agenda. Staff will extract the major points from the draft. (Item dropped from agenda now moves other items up in sequence).

B. Waste Not Want Not

Mr. Pivarnik described the lease termination request from the Waste Not Want Not tenants. Normally the Port would not allow a tenant to be let out of their leases early but this is a very attractive Port property that could house a marine trades business rather than a retail store that sells used supplies. It is staff’s recommendation that the tenants be let out of their lease obligations.

Upon motion of Commissioner Sokol, the Commission unanimously approved the early termination of the lease for Waste Not Want Not.

Discussion took place prior to the motion passing, in which Commission President Sokol indicated he did not want this action interpreted as a precedent or Port policy, but there are particular circumstances warranting such action in this and one other case where tenants (lessee's) requested termination of lease. Commissioner Thompson emphasized the Port wants to encourage a marine trade for the space.

C. Quilcene Rates / Update

Mr. Radon updated the Commission on operations responsibilities at the Quilcene Marina. The marina is full as of May, and shrimping season is beginning. Jim Speer is doing light duty maintenance and fuel dock work; Mr. Crockett explained contract adjustments to reimburse him for the extra work, as well as plans for extra maintenance staff on occasion. Mr. Pivarnik continued the discussion with topic of showers and septic. Mr. Radon reviewed policy regarding rates and waiting lists. Continuing discussion indicated May 1, 2006 is start of written agreements for moorage where perhaps there were only verbal agreements before. Future rates would be effective Jan. 1, 2007 after consideration during annual budget process. Gloria Bram questioned taxes and utilities on the more rural Quilcene marina area. Discussion continued.

Upon motion of Commissioner Beck, the Commission unanimously approved rates at 20% less than Port Townsend Boat Haven graduated rate structure for remaining months of 2006.

Mr. Radon described RV camping (dry) and Mr. Crockett recommended continuing RV usage in Quilcene.

Upon motion of Commissioner Beck, the Commission unanimously approved RV dry camping continues at the rate of \$19/night.

Mr. Radon then recommended the Commission specify the rate for boat & trailer storage in the Quilcene facility.

Upon motion of Commissioner Beck, the Commission unanimously approved the rate of \$6 per foot/month for boat & trailer storage on Port's Quilcene property.

Mr. Radon suggested a rate be specified for transient/guest/nightly moorage available in Quilcene.

Upon motion of Commissioner Thompson, the Commission unanimously approved guest moorage rates at 20% less than the corresponding rate of the Port Townsend Boat Haven.

D. Change Order #2 and Project Control Form - JCIA

Mr. Pivarnik explained the Change Order #2 based on a couple of unforeseen matters at the airport: a broken sewer line between the Wills House and the Spruce Goose, and relocation of a large blower pipe. These two elements amount to a change order of \$6,532.25. Mr. Taylor then explained the approved Project Control Form was for an amount greater than the project amount because it was thought a higher-priced contractor would be used. The less expensive contractor, a previously-approved change order, and today's change order combine to put the Port about \$5,525 over the budgeted amount. After user contributions, the net Port cost of the project is about \$40,000. Mr. Crockett reminded the Commission that future additional users could also pay in toward the costs as they hook up to the system.

Upon motion of Commissioner Thompson, the Commission unanimously approved the Change Order #2 in the amount of \$6,532.25 and the revised Project Control Form in the amount of \$70,525.00.

E. Townsend Bay Marine Update

Mr. Crockett provided a 2-page status update on TBM negotiations with the Port. He also provided it to Scott Wilson. There are a number of issues that both parties had already agreed to, but those matters have been "lost" from current discussions. He says he is willing to resume negotiations with TBM if they and the Commission wish it. Commissioner Thompson indicated he feels the Port has to go with current rates. The term that TBM wants seems to be out of the question. Shorter term lease can have option to renew. Mr. Crockett would like to sit down with TBM and review where things left off and perhaps resume talks. Commissioner Sokol referred to

TBM's letter that seemed to indicate possibly a different business model than building on leased land.

F. Quilcene Marina Dredging

Commissioner Beck indicated he feels the dredging must be done as soon as possible. Discussion followed and Mr. Crockett reminded all that this is not an easy process. There are numerous steps, and the Port has already started by seeking a price estimate. He feels the Commission needs to indicate what not to do, as there are numerous projects 'in the bucket'. Discussion continued.

Upon motion of Commissioner Beck, the Commission unanimously approved that staff should investigate, gather information, and initiate a serious process to move toward dredging the Quilcene Marina.

VI. NEW BUSINESS

A. LBG Development Letter

Mr. Pivarnik referred to a letter from LBG Development which seeks the option to develop a parcel of land between the Aero Museum and FBO. They seek a long-term option to seek a tenant. This is the last commercial parcel available at JCIA. Mr. Harris indicated concern over speculation by someone else on Port property. Mr. Pivarnik had indicated that this site is for an active commercial business, not storage. Possible tenants that the developer is talking to are unknown. Discussion continued until it was determined no motion was made for action.

B. Quilcene Beach Cleanup

Commissioner Beck expressed concern for debris along the beach area. It is deep and dangerous, much of it storm debris. Discussion followed during which it was suggested a group could be found and given a stipend to clean up the area. Gray Wolf Ranch was suggested, discussion continued. Staff will look into the project and available groups for cleanup. The amount of \$300 was spent in the past for cleanup efforts and can serve as a guideline.

C. Quilcene Fire Pits

Commissioner Beck says the fire pits have deteriorated to the point where they cannot be used any more. Discussion followed. Staff will check on liability and regulations of having fire pits in that area.

D. Policy Change Proposal

Commissioner Thompson brought up another case of policy, where a boat owner was asked by staff to move a boat after tying up a 30 ft. boat in his slip for his 50 ft. boat. The larger boat has been hauled off site for work. Port policy compels staff to maximize use of slips and move his boat to an appropriate sized slip. The boat owner wanted to maintain his 50-ft. slip. Further discussion and description of this case's details followed. The options under current policy have been reviewed with the boat owner. Mr. Crockett also described another boat owner's email containing numerous policy issues, and he has let that owner know that staff will review the policies. Mr. Crockett feels it would be valuable to develop a list of the policies needing review. Commissioner Sokol stated people often perceive a certain policy differently than it is actually worded, and perhaps once a year policies should be reviewed. Discussion continued. Waiting list policies were also mentioned.

VII. STAFF COMMENTS

Mr. Radon attended inaugural meeting of Puget Sound Ship Repairers Association in Bremerton. It deals with working closely with the Navy in obtaining better contracts and specs. This impact is important for the companies that deal with repairs and the Navy projects. Annual membership is \$500. (Paul Zeusche commented on prevailing wages and sub-contracting under these contracts.) Mr. Radon does not see the Port heavily involved in the meetings, or direct benefits except for being recognized as providing services under Navy contracts. The Boatyard permit update was then given by Mr. Radon, and he said there are a couple environmental groups appealing it. We should know more by mid May. If it goes further, into court, that would be in July. There is concern about precedent-setting in how this is resolved. Discussion followed.

Mr. Pivarnik announced the flooring would be completed next week at the hospital building (with the building closed), and the second Commission meeting of the month in May will be held in the new offices at Point Hudson.

Mr. Crockett and Mr. Radon attended an oil transfer rulemaking meeting at the Port of Everett. The Department of Ecology provided a draft copy of the rulemaking guidelines. Mr. Crockett described most of the transfer rules apply to huge operations. There is a review and comment period, and they are seeking input from WPPA, private operators, etc. The next draft, with changes, will be out in June. Mr. Crockett indicated he also had a briefing from Emergency Management, and the county's department is seeking use of facility space at the airport in the event of a major disaster. It would be an emergency hub and perhaps the only viable transportation option in the county in such a situation. There are several options available, and we want to be part of the solution.

Commissioner Sokol questioned the status of the non-precision approach and the FAA. Mr. Pivarnik said the Port is reviewing a letter right now that was sent by the FAA and will begin the survey process. The FAA is being very helpful with this.

Mr. Crockett also commented on a permit approval for Point Hudson from WDFW.

VIII. PUBLIC COMMENTS

Clare Candler commented on outflow sampling and suggested taking a 24-hr. composite sample to check for copper and other analysis, rather than a peak period sample. Mr. Radon responded that the permit requires a certain timed sample. Discussion followed.

Sandy Oen commented on the quick response from the Port on the storm damage in Quilcene, and acknowledged Mr. Beck's push for dredging.

Gloria Bram commended Mr. Harris's comments and the Port's position on the LBG Development. She is very opposed to any entity leasing property of the Port's then turning around and leasing it to tenants at their own rates. She then questioned the environmental fees charged to those using certain elements in boat projects, or the feasibility of the Port charging for cleanup. Financial incentive to clean up after themselves would motivate proper care. Discussion followed. Mr. Radon reviewed the various fees in place now.

IX. COMMISSIONER COMMENTS

Commissioner Thompson described the DASH experience of going around Port Townsend as a disabled person to see how difficult it was. He said the Port facilities were impressively ADA-compliant.

X. NEXT MEETING: REGULAR MEETING: Wednesday, May 10, 2006 at 1:00PM, at Point Hudson Marina Room, with a workshop proceeding at 9:30AM.

XI. EXECUTIVE SESSION (if needed)

None required.

XII. ADJOURNMENT

The regular meeting adjourned at 9:15 PM.

Recorder: S. Nelson
Transcription: D. Kilburn

ATTEST:

President

Secretary

Vice President