

PORT COMMISSION MEETING – August 23, 2006

The Port of Port Townsend Commission met in regular session at the Port of Port Townsend Administration Building, 375 Hudson St, Port Townsend, WA.

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

I. CALL TO ORDER

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

II. APPROVAL OF AGENDA

The following item was added to the Consent Agenda: Item D. Minutes of 8/17/06 Special Meeting.

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

III. CONSENT AGENDA

- A. Approval of Minutes – 8/9/06
- B. Approval of Warrants
 - #35117 through #35118 in the amount of \$26,229.05
 - #35119 through #35119 in the amount of \$2,000.00
 - #35120 through #35146 in the amount of \$31,629.43
 - #35147 through #35151 in the amount of \$15,607.76
 - #35152 through #35210 in the amount of \$145,738.73
- C. Resolution No. 472-06 – Authorizing Sale of Abandoned Vessels
Resolution No. 473-06 – Authorizing Warrant Cancellation
- D. Approval of Minutes – Special Meeting 8/17/06

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

IV. PUBLIC COMMENTS (Not related to agenda)

V. OLD BUSINESS

A. Hood Canal Bridge Mitigation

Tim Caldwell, General Manager of the Port Townsend Chamber of Commerce, requested the Port draft a letter in support to the Governor of the Chamber's position on the May/June 2009 Hood Canal Bridge Closure plan. Mr. Caldwell provided background as to why the Chamber was soliciting such support in that the proposed bridge closure which is now scheduled for May-June, 2009, is essentially a 6 week (with a 2 week weather window) detour with the none of the project monies spent to be used for permanent transportation infrastructure improvements. The Chamber believes the project improvements should be of a permanent nature which would provide future relief in the event an emergency or disaster rendered the Hood Canal Bridge unusable.

Discussion followed including whether or not other cities had been contacted, the currently proposed State plans for the closure, State budgeted money allocated for the project and the alternative plan which would allow some, if not all, of the infrastructure to remain, the 2005 Hood Canal Bridge closures, other uses of the infrastructure should the bridge remain usable in future, the impact of truck traffic on Highway 101 and a possible future rest area.

Commissioner Beck made a motion to direct staff to prepare a letter in support of the Hood Canal Mitigation referencing temporary funds vs. permanent infrastructure. The motion carried by a unanimous vote.

B. 2007 Operating Budget Update:

Mr. Crockett remarked that discussion concerning the 2007 Budget had taken place during the last two budget workshops and Commission Meetings. There will be another budget workshop on 9/13/06 at 9:30 AM.

Mr. Taylor summarized each of the revenue items. Discussion followed regarding: Permanent Moorage rates, Resolution No.433-04 adopted 11/29/04, adopted rates for 2005 – 2007 - whether or not to increase the rates by the actual CPI or the 2% included in the Resolution; the Active Commercial Fishing rate; the 70/75 ton hoist rates; Work Yard rates - eliminate the short term and long term rate differential; a new Blocking Rental Fee; a Environmental Fee for boats going to private boat yards but working under Port storm water permit; Long Term Yard rates - making that rate structure consistent with Workyard; Shipyard rates - adding a 3rd category for boats 90Ft or over; Nightly Guest Moorage at PTBH and Pt Hudson; Monthly Guest Rates for both PTBH and Pt Hudson - no monthly guests at either facility from May to October each year; RV Rates; PTBH Storage Unit Rates - adopt a standardized per foot rate; All Other Port Rates, including the JCIA hangars, are due, at a minimum, a CPI adjustment. Mr. Taylor reminded that County Assessor Jack Westerman would be at the 9/13/06 Workshop to explain Property Tax options and outcomes. Further discussion involved staffing levels and costs.

Discussion of policy issues regarding the Quilcene Marina, (to include the expected level of service and the failed septic system), the Industrial Park Boat Storage, Reservation Fees at Point Hudson and adjustment of most 2007 Property Leases to market rate followed.

Tom Fairhall:

Inquired as to how the Port is paying for its many capital projects, such as the Point Hudson Renovation, boat ramps in Port Hadlock and Mats Mats Bay and at the airport. He questioned the extent to which revenues generated in the Marina are used to finance other Port activity. His belief is that moorage tenants are contributing monies disproportionate to the amount of service provided. He would like to see the community at large contribute more through the Property Tax Levy.

Tike Hillman

Believes the Marina tenants have footed the bill over the years for many different Port projects including the heavy haul-out, which, in light of its revenue bond debt owed, has not yet carried its own weight. He does not think depreciation monies have been put back into the Marina. Moorage rates have continued to increase and basic services at the Marina are being shortchanged. He thinks the new Administration Building is beautifully done with the exception that the smell of creosote remains. He is opposed to any more rate increases since he feels the money raised in the past has not been returned to the Marina. The only new position he believes the Port should hire is another maintenance person, as he believes maintenance is not getting accomplished and sited the over full garbage containers, restrooms in need of repair and the lack of dock carts. In his opinion, service is flat out lousy.

Gloria Bram

Stated her belief that it is the Cost Of Living Index as referenced in Resolution 433-04 which provides the basis for moorage rate increases and not the Consumer Price Index which she believes to be the higher of the two. Moorage rates should be fixed, in her opinion, to allow permanent tenants knowledge of what their monthly rent will be. She thinks maintenance projects are not being completed. She questioned the amount of money currently received through Property taxes and requested to know the exact revenue amount the 1% would generate. She wished for a clearer definition of whether or not the heavy haul out is paying for itself.

Peter Hunt:

Stated that before any vote is taken on rate increases a comprehensive list of rates as they are now and what the rates are going to be should be published in the Port Townsend Leader. He questioned the accessibility to Fleet Marine this winter during the reconstruction of the Point Hudson Marina.

VI. NEW BUSINESS

A. P.T. Aero Museum Lease Option:

Jerry Thuotte:

Proposed a ground lease option, of 18 month duration, west of the museum, on which to construct a 1 story, 60 ft. wide and 200 ft long, 12,000 square foot shop (footprint) which would serve the P.T. Aero Museum. This building would serve the needs of the museum only and would not be open to the public therefore access would be limited to participants and students.

Peggy Thuotte:

Inquired as to the other types of Aviation businesses the Commissioners expected to attract to the airport. She asked that consideration for their proposal be made as quickly as possible. Mrs. Thuotte stated that although they did not bring paying jobs into the community, people/visitors were brought into the area by the Museum which then generated revenue.

A discussion followed regarding the viability of the requested location, the timeline for the project, importance of a speedy Commission decision, progress on the Taxilane Project, student training, revenue sources, other interested businesses, septic issues, possible passage of Critical Areas Ordinance being considered by Jefferson County and a project location compromise.

Bill Leavitt:

Stated his belief that the project, after permitting, could be completed within the 18 month timeframe.

Mark Grant

Voiced a compassionate plea in regard to this matter and reminded that work accomplished is subject to sales tax which would bring dollars into the area through the project and of the benefits to the community's children.

The Commission directed staff to prepare different scenarios and design lay-outs along with a lease option to present to the Commissioners at the September 13, 2006 meeting.

VII. STAFF COMMENTS

Ken Radon:

Stated that the two busiest weeks of the year for both PTBH and Point Hudson were approaching those being Labor Day and the Wooden Boat Festival. He provided a sign up sheet for staff participation at the Wooden Boat Festival.

Jim Pivarnik:

Briefed the Commission on a U.S. Coast Guard letter he received reporting on the extent of needed repairs at the Coast Guard dock. The Coast Guard has directed the Coast Guard Cutter "Osprey" go to open sea in the event of a storm with winds of 40 knots or higher instead of remaining moored. The report stated that the entire facility needs repair including the gangways, floats and six piles that are due to be replaced as part of the Point Hudson Reconstruction taking place this fall. Maintenance concurs with the Coast Guard report, Mr. Pivarnik stated. He continued by saying the Port Angeles Coast Guard Station has just completed renovation of their dock and are willing to share all engineering drawings. He stressed the urgency of this project.

Updated the Commission on the Quilcene Septic failure situation by briefing them on the meeting he, Ken Radon and Larry Aase had attended with the Mike Deeney the Septic Designer and Randy Marks of Jefferson County. The new proposed system would service our restrooms, the marina pump-out, the residence, space for up to 15 RVs and Coast Seafoods, and have the ability to expand as future needs arose. Mr. Pivarnik stated that the County is behind the project and is willing to forge ahead with permitting due to the impact the failed system is having on Quilcene.

Discussion followed regarding: scope of work, possible acquisition of road easement, Jefferson County's pledge to go forward with permitting as quickly as possible, estimated project costs, bid timetable and completion date.

Mr. Pivarnik stated he had received notice from the Ajax Café in Port Hadlock stating that it is time for the annual Dinghy Fest held in September. As it has done in past years, the Ajax will provide insurance and traffic signs.

Commissioner Sokol requested that the Dinghy Festival be placed on the Consent Agenda for September 13, 2006 as he has no problem going forward with the event.

Larry Crockett:

Reviewed the meeting he and Mr. Pivarnik had attended at Point Whitney with Coast Seafood and other governmental agencies wherein discussion regarding the restoration of the Big and Little Quilcene deltas back to the 1883 shoreline took place. The project is scheduled for the summer of 2007 or 2008. The proposed river changes could possibly cause an increase in sediment and Coast Seafoods is fearful that any increase in sediment could have a negative impact on its oyster beds possibly causing an oyster kill for the season. This would affect not only Coast's business but have far-reaching, Country wide, impact. More discussion will take place at a 9/6/06 meeting to be held in the Port's Administration Office at Point Hudson.

XIII. PUBLIC COMMENTS

Tike Hillman:

Sited that he was very upset regarding the garbage which was full and overflowing at the environmental center at the Boat Haven. He suggested the Port use an arrangement similar to other Ports wherein the dumpsters are enclosed and patrons have a key card for access.

Discussion followed.

IX. COMMISSIONER COMMENTS

Commissioner Beck remarked that he had received public comment regarding the garbage dumpsters at Point Hudson located near the Otter Crossing; suggestion had been made that it would be more attractive if the dumpster was enclosed or screened from public view.

Commissioner Sokol mentioned that on September 8, 2006, the WPPA Environmental Committee is having their meeting in the Port conference room.

Commissioner Sokol inquired as to whether or not there would be interest in moving the Commission meeting time from 7:00 PM to 6:30 PM. He requested that the possible meeting time change be discussed at the September 13, 2006 meeting.

Discussion followed regarding possible solutions to the garbage situation and Port dock carts.

X. NEXT MEETING: REGULAR MEETING: Wednesday, September 13, 2006 at 1:00 PM at 375 Hudson Street in Point Hudson. A Budget Workshop will precede the meeting at 9:30 AM.

XI. EXECUTIVE SESSION (if needed)

None

XII. ADJOURNMENT

The regular meeting adjourned at 9:27 PM.

ATTEST:

President

Secretary

Vice President