

## PORT COMMISSION MEETING – February 28, 2007

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

Present: Commissioners – Beck, Sokol; Commissioner Thompson – excused absence  
Executive Director – Crockett  
Deputy Director - Pivarnik  
Auditor – Taylor  
Senior Accountant/Recorder – Hawley  
Attorney – Harris

Absent: Marine Facilities Director – Radon

### I. CALL TO ORDER

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

### II. APPROVAL OF AGENDA

**The agenda was amended to list under Old Business, Item C – Change Order # 5 – Caicos Corporation, Item D – Septic System – Quilcene and Item E – Ferry Reservation Concept. Upon motion of Commissioner Beck, the amended agenda was unanimously approved.**

### III. CONSENT AGENDA

- A. Approval of Minutes – 02/14/07  
Approval of Minutes – Special Meeting of 2/16/07
- B. Approval of Warrants  
#36290 through #36314 in the amount of \$33,283.31  
#36315 through #36320 in the amount of \$18,271.11  
#36321 through #36367 in the amount of \$49,423.61
- C. Resolution No. 485-07 – Authorizing Sale of Abandoned Vessels

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

### IV. PUBLIC COMMENTS (Not related to agenda)

None

### V. OLD BUSINESS

#### A. Land Trade with Eagle Eye, Inc.

Mr. Pivarnik informed that in 2006, Bruce Seton of Eagle Eye, Inc., had approached the Port and suggested a land trade between the company and the Port. The land owned by the Port was located at the corner of Woodland Hills Drive and Hiway 19, Tax Parcel #001331013. The Eagle Eye, Inc. property was located at the end of the airport runway and tax parcel #001335004. The Port owned property was a similarly shaped and sized piece of property and staff recommended the trade. To move the process forward the Commission had directed staff to work with Jefferson County on a rezone of the Port owned tax parcel from AEPF (Airport Essential Public Facility) to rural residential. However, stated Mr. Pivarnik, the process had proved much more involved and complex than first anticipated and involved changing the Jefferson County Comp Plan in order to rezone the land and that process had now been completed. Mr. Pivarnik informed that a public hearing should be scheduled to allow for the surplus of the Port owned tax parcel. Staff recommended a two-step process: #1 a public hearing to declare the land surplus and then #2 the trade of land with Eagle Eye Inc. Mr. Pivarnik informed that Eagle Eye, Inc. had offered to pay 50% of the re-zone costs (approximately \$1,200.00) the cost of the timber on the Port parcel (approximately \$10,600) and all closing costs.

**Commissioner Beck made a motion to authorize Staff to schedule a Public Hearing on March 14, 2007 for the purpose of declaring surplus Tax Parcel #001331013. Motion carried by unanimous vote.**

A brief discussion took place regarding the benefits to the Port of the land trade.

#### B. National Landmark Historic District Revitalization Project:

Mr. Crockett briefed the Commission on the progress made so far on the project in which the Port had partnered with the City of Port Townsend and the Northwest Maritime Center for economic development and revitalization of the eastern end of Port Townsend. The Commission had approved in 2006 -

\$16,000 for the project. He informed that Dave Robison, of the Northwest Maritime Center, was in Washington DC at the time of this meeting lobbying for a total of \$5M in Federal support for the project, \$2M of which would be used to address the public access/esplanade at Hudson Point. Mr. Crockett reminded that Representative, Norm Dicks, had walked the proposed project area a few months ago and had been very supportive.

Discussion followed which included the Marina Reconstruction and the Administration Building projects.

C. Change Order #5 for Caicos Construction for New Gangway at Hudson Point Marina Project:

Mr. Pivarnik informed that one of the old Hudson Point Marina gangways had been planned for use in servicing the Fleet Marine haul-out pier but that it was six feet short. Discussion had taken place about bringing back one of the old marina gangways for use but issues surrounding the condition of those gangways, plus the desire for project uniformity, resulted in staff's recommendation that the Port purchase an additional 40-foot long, aluminum gangway at a cost of \$17,774.40. Mr. Pivarnik noted that the new gangway would not be ADA accessible.

Discussion followed regarding what to do with the old gangway and the possibility of selling or using it at Port Hadlock.

**Commissioner Sokol made a motion to approve Change Order # 5 to Caicos Corporation for one additional forty-foot long gangway in the amount of \$17,774.40 plus WSST. Motion carried by unanimous vote.**

D. Septic System – Quilcene:

Mr. Pivarnik briefed the Commission regarding the status of the Quilcene Septic project and noted that because of the attempt to incorporate the development of an RV Park the process had stalled. Jefferson County, he stated, would not accept the application because the Quilcene site was not currently zoned to allow an RV Park. Additionally, the septic system had been designed to service the Marina, showers and Coast Seafoods and the chemicals used in the dump station for the RV Park presented problems. Staff's recommendation was that the RV Park should be pulled from the septic design and that the design should be developed as an expandable one that could incorporate the RV Park at a later time when, and if, the property was rezoned. He stated that the timeline for project completion, with working showers and toilets, was rapidly approaching.

Discussion followed regarding how RVs had used the area in years past and had done so without a dumping station, and that self-contained RVs could still use the area, the necessity for project completion and Jefferson County workshops and meetings held in prior years and at which zoning for the area had been determined.

**Commissioner Beck made a motion to direct Staff to move forward with the Septic System Design in Quilcene without incorporation of the RV Park and to design the septic system as an expandable system for future incorporation of the RV Park. Motion carried by unanimous vote.**

E. Ferry Reservation Concept:

Mr. Crockett briefed the Commission on a meeting he had been invited to attend on Friday, March 2, 2007 regarding the Ferry Reservation concept, which had been introduced for the Port Townsend – Keystone route by the Washington State Department of Ferries. Mr. Crockett remarked that the ferry reservation system concept, (a combination of open and reserved spaces and for which an additional fee would be charged to reserve a space) was causing much community interest.

Discussion followed regarding the pros and cons of such a Ferry Reservation System and the many questions that would need resolution before such a system should be implemented.

VI. NEW BUSINESS

A. Roof Replacements at PT Industrial Park

Mr. Pivarnik stated that an inventory had been taken of the PT Industrial Park buildings and Steelhead Marine, Admiral Ship Supply and the Brewery, businesses identified as the three buildings most in need of roof replacement. A

total of three quotes were sought, one had been received from Bill Parker of Parker Enterprises. Although it was determined that insulation and gutter replacement issues would need to be resolved, Mr. Parker's quote was to replace all three of the building roofs for \$60,000, which included WSST. Staff requested that the Commission authorize Mr. Crockett to contract for up to \$60,000 for roof replacement.

Discussion followed regarding the timeline for roof replacement.

**Commissioner Beck made a motion to authorize Mr. Crockett to contract for up to \$60,000, including WSST, to hire a roofer to replace the roofs on the Steelhead Marine, Admiral Ship Supply and the Brewery. Motion carried by unanimous vote.**

Tim Hoffman stated that he thought it was great to see the repair moving along. As he had work scheduled throughout the year, he stated, it did not matter to him when the repairs took place.

#### VII. STAFF COMMENTS

Mr. Harris informed that he had more information regarding the stormwater litigation in Grays Harbor and requested an executive session in which to brief the Commission regarding legal issues involved.

Mr. Pivarnik briefed the Commission regarding a Land Bank meeting he had recently attended. Although the consultants hired by Jefferson County to prepare the land bank inventory had not attended due to a misunderstanding of the meeting start time, Mr. Pivarnik stated that the discussion between the attendees who were present had proved very informative. He stated that Jefferson County had assumed that the \$4,500 donation to the EDC for help with the land bank inventory and which the Port Commission had approved on January 25, 2006 would be given to the County after the EDC had dissolved. Mr. Pivarnik had clarified to those present that the Commission had wished to help the Economic Development Council with the donation. He stated that the legislation was now diffused to the point that the only allowable uses at the airport would be major industrial development. He stated that since there was already an MID in the County Comp Plan, the consensus of the meeting attendees was that an expenditure of \$126,000 for a land inventory survey was unnecessary. Mr. Pivarnik informed that another meeting was scheduled for March 13, 2007 and he would keep the Commission informed of developments.

Commissioner Sokol remarked that he had never understood the necessity of hiring a consultant to inform on what was already in the City and County's GIS plans.

Mr. Crockett remarked that research was needed to determine what was actually located on the vacant industrial and commercial land. He stated that such information could be obtained by walking the land and photographing distinguishing features. Such research, he stated, would establish, for instance, whether wetlands (or some other notable feature) existed on the property.

Mr. Crockett requested an executive session for discussion of three real estate issues.

He informed the Commission on the presentation he had made before the Washington State Legislature, Senate Economic Development Committee as part of an over-all Port briefing. He stated that amongst other speakers, Pat Jones of the Washington Public Ports Association (WPPA) had given a Port 101, an historical brief on how port districts were conceived and formed in 1911. Mr. Crockett stated that the briefing had gone well and was well received especially by the new legislators who had limited understanding of the ties Ports had to economic development.

#### VIII. PUBLIC COMMENTS

Forrest Rambo inquired as to the tourism brief Mr. Crockett had presented to the legislature and those points made in terms of Port districts and the status of the bill.

Mr. Crockett noted that the tourism bill did not come up at the session he recently attended but that it had been presented three weeks ago. The proposed bill, he stated, was co-sponsored by the Port of Bremerton and the City of Bremerton for renovation of the downtown district, which included a joint parking garage with a convention center (Ports currently were not allowed to participate in those types of venues). He informed that the proposed bill was out of committee and was moving forward but had been greatly modified. He remarked that there was fear that the Port Districts were after the

tax monies collected by hotels and that language had been added to the bill to assure against that possibility. There was also fear regarding Ports using their eminent domain powers to secure land that could then be used to build visitors' centers or other tourism related structures. He informed that the Legislature briefing he presented included the Hudson Point Marina project, the JCIA hangar development and the A/B, Commercial Dock Renovation at Boat Haven.

Mr. Rambo stated that he had understood that the Port of Seattle had been the driving force behind the proposed tourism bill.

Mr. Crockett clarified that the proposed tourism bill had been developed by the City and Port of Bremerton. He remarked that it was not a Washington Public Ports Association (WPPA) sponsored bill since some Ports remained leery of it due to the perceived loss of ability on the part of the Ports to turn down monetary requests for project assistance.

Mr. Rambo stated that, in his opinion, it would be worthwhile for the Washington State Ferry System to proceed with a test (and a test only) here for a vehicle reservation system with the caveat that those spaces not reserved would be available for general boarding.

Commissioner Beck commented that folks from his area wanted to see a bigger ferry on the Port Townsend to Keystone Route

Discussion followed.

IX. COMMISSIONER COMMENTS:

None

X. NEXT MEETING will be held Wednesday, March 14, 2007 at 1:00 PM, with a Public Workshop preceding at 9:30 AM in the Port Commission Chambers, 375 Hudson St, Port Townsend, WA 98368.

XI. EXECUTIVE SESSION

The regular meeting adjourned into executive session at 7:39 PM for discussion on three real estate issues and the legal ramifications of the stormwater issues in Grays Harbor County, for 30 minutes duration and potential action. The regular meeting reconvened at 8:09 PM.

**Commissioner Sokol made a motion to authorize Staff to enter into negotiations for purchase of The Fish-N-Hole lease for the cost of up to \$175,000 including costs and inventory plus the amount of fuel inventory, with the intention of Port Staff to operate the fueling facility. Motion carried by unanimous vote.**

XII: ADJOURNMENT:

The regular meeting adjourned at 8:10 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