

PORT COMMISSION MEETING – April 25, 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, Thompson
Executive Director – Crockett
Deputy Director – Pivarnik
Marine Facilities Director - Radon
Auditor – Taylor
Senior Accountant/Recorder – Hawley
Attorney – Harris

I. CALL TO ORDER

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

II. APPROVAL OF AGENDA

Upon motion of Commissioner Beck, the agenda was unanimously approved.

III. CONSENT AGENDA

- A. Approval of Minutes – 4/11/07
- B. Approval of Warrants
 - #36668 through #36668 in the amount of \$9,148.78
 - #36669 through #36695 in the amount of \$31,977.08
 - #36696 through #36701 in the amount of \$18,956.35
 - #36702 through #36763 in the amount of \$136,564.31
- C. Resolution No.487-07 – Updating Commissioner Meeting Procedures
Upon motion of Commissioner Beck, the Consent Agenda was unanimously approved as presented.

IV. PUBLIC COMMENTS (Not related to agenda)

None

V. OLD BUSINESS

A. Hudson Point – Moorage Designations

Mr. Radon reminded that when the Port had resumed control of Hudson Point in 2002, there had been discussion on ways in which to best use the facility, which slips were to be designated for charter use, commercial use, etc. As the Marina project neared completion, he stated, direction was needed, again, concerning the various uses of the Marina. He explained the proposed moorage slip designations and sought Commission direction regarding them. He briefed the Commission on letters received from the Schooner Martha Foundation and Golden Eagle Passages and stated that accommodation of those types of charter ventures in the Marina were desirable. He informed that the schooner “Martha” (which had a long history with the Port) desired year round moorage at the Marina and recommended mooring it in slip #58 - #59 stating that placing it there would provide the visual impact of a “tall ship” at the end of Water Street.

Discussion followed which included whether to accommodate the Schooner Martha Foundation, (at regular rates), what to do if another, similar ship wanted to moor in the Marina (a wait list would be established). Schooner Martha will move down to center dock for the winter, leaving space on the west dock open for winter storm moorage. As to reassignment of limited access space when we are ready to open, those assignments would be based on continuous tenancy since 2002, and that the boat owners had been notified to contact the Port for slip assignment.

Further discussion focused on allowing the “Martha” slip #58-59 this year and to readdress the topic in 2008, the fact that a larger vessel, such as the “Adventuress” would not have room to maneuver and was, therefore, out of the equation, and the fact that having a tall ship at the end of Water Street was visually enticing, etc.

Mr. Crockett reminded that since additional dredging would take place in July some of the slips would not be available until mid July.

Commissioner Sokol made a motion to adopt the Hudson Point Marina Slip Designations as presented. Motion carried by unanimous vote.

Forrest Rambo asked what the Port definition of a permanent moorage slip was, and what were the guidelines to define highly desirable moorage vs. less desirable moorage and if the rate was based on the same calculation as at Boat Haven.

Discussion followed which included: the Port Rules and Regulations, how the term “permanent” moorage is a month-to-month agreement, that the commercial moorage rate (as listed on the Port Moorage Rate Sheets) was based on the length of the boat at 125% of the permanent moorage rate, and that the rates were applicable to both Hudson Point and Boat Haven.

B. Change Orders for Hudson Point Marine Project

Mr. Pivarnik presented three change orders to the Caicos Corp. contract for the Hudson Point Marina Reconstruction Project. He stated that Change Order #6 for \$54,095.22 was for the additional work that was needed on the travel lift pier, the splicing of the piles on top of each other. Change order #7, for \$6,641.03 was to allow for a change in the electrical code wherein four conductor wire, instead of three, was determined to be necessary by the State Department of Labor and Industries. Change Order #8, for \$2,619.21 was to redesign the dock light pedestals for installation of photocells which turn off the lights at daylight.

Commissioner Beck made a motion for the approval of Change Order #6 for \$54,095.22, Change Order #7 for \$6,641.03 and change Order #8 for \$2,619.21 as presented. Commissioner Beck amended the motion to state that each Change Order should reflect the additional amount of WSST. Motion carried by unanimous vote.

VI. NEW BUSINESS

A. Anti-Port Legislation

Mr. Crockett informed on five pieces of legislation (all aimed at Ports only) that had been introduced shortly before the Legislative Session ended on April 20, 2007 and therefore could be on the docket for the start of next year’s legislative session. He provided history on what had predicated the introduction of the bills. He informed that House Bill #2404 would prevent Ports from the use of eminent domain and would repeal the Industrial Development District Legislation. House Bill #2405 created property tax limitations on Port districts, House Bill #2406 required prevailing wages to be paid on all property owned or leased by a Port District, including wages for maintenance work. House Bill #2407 would eliminate the banked property tax levy capacity for Port Districts and, lastly, House Bill #2408 would prohibit any tax increase by a Port District without a 60% voter approval. Representative Simpson (from Covington) and Representative Kevin Van De Wege (from Sequim) had proposed all of the Bills. Mr. Crockett advised that after several phone calls and many e-mails, a meeting would be held with Representative Van De Wege and the Commission for discussion of the proposed legislation.

Discussion followed regarding the impact that would be felt by Port Districts should the proposed legislation become law.

Mr. Harris inquired if there was any apparent indication that another governmental lobbying group (such as a City or County Association) had led to introduction of the bills.

VII. STAFF COMMENTS

Mr. Taylor stated that he had been contacted by the Pilots Association to see if an aviation fuel price special would be in place for the annual “Fly-In” held each July at Jefferson County Airport. Last year, he stated, a 20 cent per gallon reduction had been given for the event. He anticipated that a repeat of that discount amount would be given this year.

Mr. Radon updated on the progress being made on the Contractor Rules and Regulations and stated that he expected to receive comments back from the Marine Trades Association soon. He hoped to get the upgraded rules ready for discussion at the May 9, 2007 Public Workshop.

Commissioner Sokol informed that all language regarding the airport in the proposed rules had to be removed in light of information learned recently.

Mr. Crockett stated that the information was obtained at the FAA Conference he and Mr. Pivarnik had recently attended. He stated that while at the conference a briefing had been made by Paine Field regarding the update recently made to their independent contractor rules. He stated that the FAA called such types of independent contractor businesses as “through the fence” - with a definition that included anyone doing business, whether it be a lessee or independent contractor. These people are required to have liability insurance and that fees to do business would be charged to those types of businesses. He stated that the FAA actually owns the airport, (the Port operated it, but it was purchased with Federal

monies). Therefore, any mention of the airport would be removed from the Port's proposed Rules and Regulations unless it was decided that all the businesses and independent contractors would be required to follow the FAA requirements which he listed.

Discussion followed

Mr. Radon stated that the Quilcene parking lot had been recently graded in anticipation of shrimp season, opening day of which was May 5, 2007 and would continue for two weeks. He also informed that the Tribal shrimp season would open on May 1, 2007.

Mr. Pivarnik informed that the airport project had begun in earnest and was moving forward with the retention pond currently at a depth of eight feet and with no ground water evident. He informed that the storm water project was on day three of an eighty-day schedule.

Mr. Pivarnik briefed the Commission on an accident that had taken place at the Blue Moose Café early Saturday (3AM 4/21/07) wherein a vehicle had driven into the building and demolished the bathroom. He acknowledged the speedy response of the Port Maintenance crew who had boarded up the hole, made temporary repairs and a neighbor who had allowed use of his restroom, the Café was back in operation at 7:30 AM. The restroom, he noted, had been completely destroyed. It was anticipated that repair could be made within the next two weeks.

Mr. Crockett announced that the Chamber and the Port had been contacted by the Trawler Fest sponsors and that they had expressed interest in holding their festival here in 2008. The festival would involve around eighty vessels and assorted vendors. Staff was putting together an information packet to send back to them.

On another topic, he informed that he had been contacted by the Army Corp of Engineers regarding an ongoing, nationwide archival review project to inspect former military installations and depending on what research indicated, there would be a site-by-site physical inspection to look for buried munitions. He stated that J.C.I.A. was part of the army airfield in the 1930's. He briefed that Old Fort Townsend was the primary site of interest but that a listing appeared showing a small arms range at the airfield. A site visit was planned for May 1, 2007.

VIII. PUBLIC COMMENTS

Forrest Rambo requested information, in light of the recent articles by the Seattle PI regarding the Port of Seattle, on performance audits performed by the State of Washington and if the Port had ever had a performance audit and how it differed from a regular, financial audit and how one was triggered and what made up its components.

Mr. Crockett stated that the Port was audited every other year. He understood that the State Auditor selected which agencies would be selected for a performance audit, as both staffing and financial resources were limited.

Commissioner Sokol suggested that complaints, suspected mismanagement or something like that might trigger one, but that the State Auditor's Office was very staff and dollar challenged.

Mr. Taylor suggested that information would be available on the State Auditor's website but stated that type of audit was intended to focus more on general government, which were financed primarily by tax dollars and not on Enterprise Funds such as the Port.

Rick Petrykowski requested an update on the Contractor Rules and Regulations, the Marine Trades Organization and if any progress had been made toward the hiring of the budgeted environmental position.

Discussion followed about that position being "on hold" at present and how one of the Port Employees who was on L&I light duty after an accident, and who had a great deal of experience was fulfilling that position currently and that the new security positions were taking precedent.

Lastly, Mr. Petrykowski inquired as to the status of Port Hadlock boat ramp and wanted to know about the sand dune right along side the ramp.

Commissioner Beck stated that the ramp could be cleaned on a Friday and by Saturday morning if there was a southeaster blow in there would be a foot of sand over the top of the ramp.

Mr. Pivarnik informed that the Port was currently working with the Department of Fish and Wildlife (which doesn't want the Port to remove the sand from the site stating that it might be beneficially reusable) to resolve that issue.

IX. COMMISSIONER COMMENTS:

Commissioner Sokol reported the Public Infrastructure Board had met and that the requested \$150,000 from Jefferson County's .08 Infrastructure Fund for the Quilcene Aquaculture Project had been awarded to the Port. Commissioner Sokol advised that other funding sources would be necessary to fund the \$400,000 project entirely. He stated that final approval by the Jefferson County Board of Commissioners was pending.

Commissioner Thompson suggested that a request be made to Quilcene area residents, via, the Walker Mountain News soliciting ideas regarding Quilcene Marina management options. Discussion followed.

Mr. Crockett informed that the Port had been the recipient of a Sympathetic Renovation Award by the Jefferson County Historical Society for the renovation of the Administration Building at Hudson Point. Commissioners Beck, Thompson, and former Commissioner Pirner had been present to accept the award.

X. NEXT MEETING will be held Wednesday, May 9, 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

None

XII: ADJOURNMENT:

The regular meeting adjourned at 8:20 PM there being no further business to come before the Commission.

ATTEST:

President

Secretary

Vice President