

## **PORT COMMISSION MEETING – June 27, 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  
Marine Facilities Director - Radon  
Auditor – Taylor  
Senior Accountant/Recorder – Hawley  
Attorney – Harris

Absent: Deputy Director - Pivarnik

### I. CALL TO ORDER

The meeting was called to order at 6:30 PM.

### II. APPROVAL OF AGENDA

The Agenda was amended with additions to Old Business of Item C – East Jefferson Fire and Rescue Administrative Headquarters Co-Operative Agreement Proposal, and Item D. – Stormwater System and the addition to New Business of Item D. - Jefferson Title Existing JCIA Hangar Ownership Swap.

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

### III. CONSENT AGENDA

- A. Approval of Minutes – 6/13/07
- B. Approval of Warrants  
#37133 through #37162 in the amount of \$36,227.43  
#36163 through #37169 in the amount of \$105,713.42
- C. Write-off Register
- D. Resolution No. 490-07 – Authorizing Sale of Abandoned Vessels
- E. Contract with Sea-Run Consulting for Boat Haven permitting \$55,000  
The Consent Agenda was changed to reflect a correction of Warrant #36163 to #37163.

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

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

None

### V. OLD BUSINESS:

#### A. JCIA Hangar Contractor Lottery Results

Mr. Crockett informed regarding the JCIA Hangar Lottery drawing. He stated that Commissioner Sokol had been present and that Senior Accountant Hawley had drawn the lottery numbers at random. The contractors were now in the 30-day “grace period” during which time they were required to review the building standards for the hangars, pay the \$2.50 a foot development charge and sign the lease as prepared by Mr. Harris. If during the 30-day period one, or more, of the contractors decided against developing, the pad, or pads, would revert to Port control and another lottery would be held to award that pad or pads.

Discussion followed regarding the leases, the development of the Condo Association Rules and the possibility that some contractors might decide to keep some of the hangars and rental rates.

#### B. Contractor Rules and Regulations

Mr. Crockett provided background on the topic. He advised that after several months of discussion and negotiations with the Marine Trades and direction from the Commission it had been decided to discard the separate Contractor Rules and Regulations document and, instead, insert the rules and regulations as applicable to independent contractors into the Port’s existing Rules and Regulations where appropriate. This decision presented the opportunity, he informed, of editing the 1997 Rules and Regulations and deleting those items no longer needed or enforced. The document was still a work in progress, he stated, but a copy had been sent to the Marine Trades for input as well as to the Commission.

Mr. Radon informed on some details of the proposed document. He advised that the Contractor Agreement as presented by the Marine Trades was included as a one page registration form and policy as well as a tie in with the enforcement side which would be applicable to everyone who worked in the Port yards.

Mr. Radon stated that a copy of the new document had been sent to the Marine Trades.

Mr. Crockett stated that Staff proposed preparation of a resolution for the July 11, 2007 meeting in which all earlier versions of the Port Rules and Regulations would be rescinded and the new, updated rules (in which the Contractor Rules would be contained) would be adopted. He advised that changes could be made to the document as required in the future.

Discussion followed regarding how the document was a “work in progress” and that corrections of typos and other additions or deletions could still be made.

Commissioner Sokol reminded that on December 13, 2006 a Public Hearing had been held and that it had been continued to a later date after Commission direction to Staff had been carried out. Therefore, he proposed that the Hearing be reconvened on July 11, 2007. He advised that as the content of the December 13, 2006 Hearing was public record, it would not be necessary to rehear all the information given at that time.

Discussion followed regarding the procedure of defining the Contractor Rules and Regulations and how positive the process had turned out to be and that the end product was a good one even though some items and wording would still need “tweaking”.

Mr. Crockett informed, additionally, that Staff was investigating the possibility of the new Port security having the authority to write parking tickets and tag vehicles that appeared abandoned.

Forrest Rambo suggested that the word “license” be removed from the document in section 9.5. He pointed out that the word indicated a fee would be involved.

C. East Jefferson Fire and Rescue Administrative Headquarter Co-Operative Agreement Proposal

Mr. Crockett informed that Chief Mike Mingee of East Jefferson Fire and Rescue wished to schedule a 30 minute (approximately) workshop before the Commission to open a dialog and start the process with possible Staff direction.

After some discussion it was decided to schedule the topic as the first agenda item on July 25, 2007.

D. Stormwater System

Commissioner Beck asked for an update on the stormwater system issue which had been discussed some months ago. He expressed concern regarding the fact that the Port owned and maintained the stormwater system within Port boundaries but that the City of Port Townsend currently billed both the Port and Port tenants for the system.

Commissioner Thompson stated that he had just finished reading information provided in the Landau survey (completed on June 18) which cited samples from the Port catch basins and the vaults which identified material which, perhaps, was coming from SR 20 and not generated within the Port.

Commissioner Sokol asked if the material was stripper or something like that. Commissioner Thompson replied that it was oil.

Mr. Harris said that he was in the process of drafting a letter to the City of Port Townsend in which he would express the Port concerns. He requested all available engineering information as he would need details about the system and possible City involvement with the runoff from Sims Way and the Safeway Gas station for the letter.

Discussion followed regarding the Safeway gas station hookup, historical background as supplied by the Port Maintenance Supervisor, information regarding a similar situation dealt with by the Port of Vancouver and the City of Vancouver, the long awaited decision in Grays Harbor which was still pending, the stormwater system that was installed at the same time as the heavy haul out and the fact that both the Port and its leased buildings were being charged by the City for a stormwater charge and where the runoff was coming from.

Commissioner Thompson stated that the Landau study indicated that the Port sand filters and catch basins were working and were catching the sediment but that the

catch basins were now quite contaminated and although the sand filters appeared to be working, they would need cleaning soon, which was an expensive process.

Commissioner Beck expressed concern over the future repairs and maintenance to the system and whether some of those costs would be passed to Port tenants.

Further discussion followed regarding the system, future repairs, monthly and annual storm-water utility payments to the City and how to gain the City's attention on the matter.

Mr. Crockett suggested that he write another, (he had written a letter in 2002 to City Manager Timmons but had not received a response) stronger letter to the City with the hope of dialogue development between the two entities.

Mr. Harris clarified that justification for the charge would be if there was some benefit to Port property from the City Stormwater System. The City did not have authority to charge if there was no benefit.

## VI. NEW BUSINESS

### A. 2007 Airport Fly-In

Mr. Crockett announced that the annual JCIA Fly-In was scheduled for July 21 and July 22, 2007. He stated that Dennis Broderon was in charge of the event this year. The required \$2 million liability insurance policy had been obtained. He advised that the agreement was very much the same as in prior years.

**Commissioner Beck made a motion to authorize the Executive Director to execute the agreement with the EAA for the annual Fly-In at the Airport for July 21 and 22, 2007.**

**Commissioner Sokol asked for comments, there being none, the motion carried by unanimous vote.**

### B. Approval of Additional Warrants

Mr. Taylor related that since he and the Senior Accountant had attended the Washington Public Ports Association (WPPA) annual Finance Conference last week (June 20, 21 and 22nd) that the accounts payable had not been processed until Tuesday, June 26<sup>th</sup>. The additional warrants were numbers #37170 through #37251 in the amount of \$115,337.87 for routine accounts payable.

**Commissioner Sokol made a motion to approve the additional warrants as presented. The motion carried by unanimous vote.**

### C. Year 2008 Operating Budget and Capital Facilities Plan-Proposed Schedule

Mr. Taylor informed that it was time to begin work on the 2008 budget and presented a 2008 Budget Schedule. He stated that the format of the schedule was a bit different from prior years. As always, he informed, the schedule could be changed as needed. He addressed some of the key points listed on the schedule: the process would begin at the July 11, 2007 workshop with a list of items for discussion. The August 8, 2007 workshop would be held in Quilcene. County Assessor, Jack Westerman would be present at the September 12, 2007 workshop for discussion on 2008 property tax revenues. Mr. Taylor stated that he would be working with department supervisors from the middle of August through the middle of September. Presentation of the first draft budget would be on October 10 with a formal presentation on October 24. November 7, 2007 would mark the first Public Hearing. The statutory Budget completion date was November 30, 2007.

Commissioner Beck expressed interest in the bond payments and various other fixed costs and Port reserves.

Mr. Crockett informed that two issues would require discussion; #1 development of a formal policy regarding non-profits and #2 the possibility of giving a discount to Port Marine Trade tenants who wanted to schedule the Work or Ship Yards for a project. Additionally, he informed that 2007 was the last year of the 3-year moorage rate formula adopted by the Commission in November, 2004.

Mr. Taylor expressed his goal to keep policy issues separate from financial issues during the budget preparation.

**Commissioner Sokol made a motion adopting the budget schedule as presented as the target schedule for the 2008 budget calendar. Motion carried by unanimous vote.**

D. Jefferson Title Company – Hangar Swap

Mr. Crockett informed that Jerry Thuotte and John Davis expressed an interest in a swap of their hangars at JCIA. He related that Jefferson Title had called him to request a letter stating that the Port had no objection to the swap. He stated that it would not change the basic lease agreement but would require amending the lease to reflect the change in ownership. Mr. Davis owned A5 – A6 hangar condo and Mr. Thuotte currently owned L8 Hangar Condo. Mr. Thuotte would compensate Mr. Davis for the financial difference in hangars. Staff did not see a problem with the swap and asked for Commission authorization to write the letter to Jefferson Title.

**Commissioner Beck made a motion to accept the change in the co-op hangars and to authorize the Executive Director to draft the letter to Jefferson Title.**

**Motion carried by unanimous vote.**

VII. STAFF COMMENTS

Mr. Radon stated that Staff was in the process of development of a Kayak Rack Rental Policy and proposed rate structure and that it would be brought before the Commission at the July 11, 2007 meeting.

He informed that the Port Hadlock ramp would be cleaned on Friday, June 29, 2007 in anticipation of the new float arrival on Monday, July 2, 2007. Topper Industries was doing the work.

Discussion followed which included the new floats, the amount of sand that was washed up onto the ramp and the anticipation that the new float would be operational by Monday (July 2) evening and that it would then be available for the Hadlock Days Festival, which was scheduled for the weekend of July 15<sup>th</sup>.

Mr. Crockett informed that the official re-opening of the Hudson Point Marina would take place on Friday July 6<sup>th</sup> at 3:00 PM. He announced that there would be a small, ribbon cutting ceremony, with Senator Patty Murray in attendance, along with Dave Robison and Stan Cummings from the Maritime Center and Dave Timmons from the City of Port Townsend. Refreshments would follow in the Port conference room. A briefing to the Senator on the public access plan from the improvements to Water Street to what the Maritime Center Project would include to our boardwalk and the next development phase around the Marina was planned. As Senator Murray had only one hour to be in Port Townsend, the ceremony would be short. However, he reminded, that the Port was going to request  $\frac{3}{4}$  of a million dollars in Federal Funding for public access to Hudson Point.

VIII. PUBLIC COMMENTS

Forrest Rambo questioned whether or not a financial statement in the same format at the budget was available through 12/31/06. He made the suggestion that a report which showed the forecast vs. actuals with a “plus” or a “minus” for each department would be very informative for the “guy off the street” to see if a department was making or losing money. Mr. Rambo also suggested public comment should be allowed after each agenda item whether or not a vote was taken.

Susan Moffat stated that she lived on a boat in the Marina and that accessibility of the pump-out was very difficult because of parked boats in front of them. She suggested that “no parking” signs be placed near the pump-out or that there be some sort of pavement striping.

Some discussion followed regarding striping the area.

IX. COMMISSIONER COMMENTS:

Commissioner Beck inquired as to the status of the Quilcene Septic (his “eagle tree drainfield”).

Mr. Crockett informed that a letter had been received from the consultant the Port had hired to prepare the Eagle Nest Management Plan that had to be submitted to Fish and Wildlife so that the septic system permit could be finished. He reminded that the nest had been devoid of eagles for two years, but that an Osprey family had taken up residence. Even though Osprey were not considered endangered, the Department of Fish and Wildlife had requested a full plan.

Discussion followed which included the query regarding reorientation of the drainfield, that eagles were coming off the endangered species listing, the importance of the shower and restroom facility to the residents of South County, how the project would take two – three weeks for completion once the problems were resolved and, lastly, that no end point was visible at this time.

Commissioner Sokol related that the Critical Areas Committee of the Jefferson County Planning Commission had visited the Jefferson County International Airport stormwater system between Highway 19 and Prospect Avenue. He stated that there was a ditch located there in 1992 about the same time that the runway went from grass to paved along with the taxiways. He stated that the Committee had apparently approached Jefferson County Staff stating that the area should be designated a wetland. Mr. Sokol informed that it really wasn't a wetland, but actually an installed ditch. One thing that came out of the episode of note was that one of the Committee members insisted that this was an industrial waste runoff area. Since, he reminded, there wasn't any industrial use at the airport it would be impossible to have industrial runoff. Another Committee member thought that there were not enough trees located in the area; however, noted Commissioner Sokol this was in the clear zone for the runway.

Commissioner Sokol briefed the Commission on information learned from attending a Fort Worden Advisory Committee meeting. He advised that a briefing had been requested by the Fort from the City of Port Townsend in regard to the proposed utility rate increase for Fort Worden and the Port and the determination by the City that those two entities made up an Enterprise Zone. Mr. Sokol requested that City Manager Timmons present the same briefing to the Port.

Discussion followed which included the proposed utility rates, the enterprise zone, the Port owned and maintained water system at Hudson Point and the public records request made to the City by Mr. Crockett.

Lastly, Commissioner Sokol informed regarding the WPPA Listening meeting he and Mr. Crockett had attended in Anacortes. He requested that the association survey the 75 member Ports regarding policies on non-profits. Of the Ports present at the meeting all indicated that the State Auditor's ruling against gifting of public funds was used as the basis for their decisions to handle the non-profits in the same manner as other business.

X NEXT REGULAR MEETING will be held Wednesday, July 11, 2007, at 1:00 PM, workshop 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 7:47 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