

PORT COMMISSION PUBLIC HEARING -CONTINUANCE -ON 2009 OPERATING BUDGET, 2009 RATES AND 2009 TAX LEVY AMOUNT.

A Public Hearing on the 2009 Operating Budget, 2009 Rates and 2009 Tax Levy Amount meeting of the Port of Port Townsend Commission held in the Marina Room at Point Hudson.

Present: Commissioners – Thompson, Beck, Collins
Executive Director – Crockett
Deputy Director – Pivarnik
Auditor – Taylor
Senior Accountant/Recorder – Hawley

Excused: Attorney – Harris

I. Call to Order:

Commissioner Thompson informed that the Public Hearing on the 2009 Operating Budget, 2009 Rates and 2009 Tax Levy had begun at the 1:00 PM Commission meeting, been recessed at 2:15 PM and was now reconvening at 6:30 PM.

Commissioner Thompson outlined the procedures for the Public Hearing and opened the Hearing to public testimony at 6:33 PM.

Commissioner Thompson clarified that no decisions would be made at the end of this meeting; all decisions would be made during the November 25, 2008 Commission meeting.

Pete Gillis, stated that he had just learned that the Port was thinking of raising rates and wanted to gather information. He informed that three large vessels (“The Ragland”, “Westward” and “Sea Wolf”) had left the Port claiming that the moorage was too high.

Orville Wiley stated while on his trip to Mexico from Alaska early this year, he had encountered mechanical problems and after searching the internet for skilled marine trades’ workers, he came to Port Townsend and anchored out until he was able to move into the Port. He advised that he was happy to be at Boat Haven because of his concerns regarding winter weather but he had not realized how expensive it was going to be keeping his boat here, currently he is paying \$500 monthly. In Alaska, he informed, he paid \$1400 a year. He suggested the Commission reconsider raising rates.

Jim Helimann stated that he had moved here from Everett, WA two and one half years ago. He offered that he had moved here because it was a beautiful, Victorian town located near the San Juan Islands and that the town was a marine community. He offered that Everett did not offer the type of community found in Port Townsend. He informed that he had attended a Commission Meeting a few weeks back where there had been discussion regarding SWOT Analysis: (Strength, Weakness, Opportunities and Threats) he stated that he had done a lot of SWOT analysis while working (recently retired) twenty-five years in the software business. He advised that, in his opinion, the Port missed strength, the incredible marine community and that a weakness was that the community might disappear if it became more expensive. He urged the Commission to consider very carefully the full impact of raising rates before doing so.

Erik Durfey stated that his boat was currently hauled out for repairs and offered that he was very concerned about his ability to remain in the area, if he would be able to afford to keep his boat here and living on it as he had planned. He had heard many boaters discussing that everyone believed it was too expensive here. He advised that he had also heard that rental agents and homeowners were actually reducing their rent to enable people to remain here during the tough economic period. He stated that he did not understand why it was necessary to raise the rates as it appeared, in his opinion, that the Port had ample reserves to deal with emergencies and upcoming projects.

Sean Rankins owner of Northwest Sails and Canvas, stated that he had kept his small boat in Point Hudson since 1991 and expressed concern about the rate hikes in the past and the proposed new rate increase. He stated that he had heard many reasons to explain why the rate increase was necessary. He advised that each rate increase hurt his business and more and more often, he and his wife had to travel somewhere else to work for a customer because of the high costs in Port Townsend.

Mary Tietjan stated that she and her husband were owners of a 34 foot sail boat, which was moored, on B Dock at Boat Haven. She questioned the rate increase especially after she had read the Tenants Union documents on analysis of the budget. In her opinion, there was enough money banked to assure that bonds were safe and felt there was really no reason for

the increase. She advised that everyone, including the Port, needed to do some serious belt tightening during the rough patch in the economy.

Ted Pike read a letter from Hugh Riley, owner of “The Westward” and “Catalyst” in which Mr. Riley explained why he had removed the vessels from the Port after being in the Port for a number of years. He explained that the moorage in Port Angeles was far less expensive. A copy of the complete statement is on file.

Robert T. d’Arcy with the Schooner Martha Foundation, also addressed what was happening in the economy and asked that the Commission rethink raising the moorage and storage rates. He said that an increase in rates affected all other businesses within Port Townsend. In his opinion, raising the rates would be a big mistake on the Port’s part.

Martin Musson addressed the Port Townsend Leader article (placed there by the Port Townsend Moorage Tenants Union) in which it was stated how well the Port was actually doing financially and asked that the Commission not raise the rates, to mark time and allow the other members of the Port community to catch up with the Port.

Peter Frost stated that he had moved to Port Townsend two months ago from Bellingham and was living aboard in Point Hudson. He informed that he was spending his last few dollars on moorage and if the rates went any higher he would be forced to anchor out. He asked that the Port reconsider the rate increase proposal.

E.J. Johnson stated that he had been on the Port waiting list for almost eighteen months. He spoke against the rate increase advising it would seriously impact boaters financially and especially those in his age and income group. He informed that he had chosen Port Townsend as a place in which to pursue his love of boating and sailing. He stated, that in his opinion, the Port, as a public entity, should be responsive to what the public said and therefore the rates should not be increased.

Sean Rankins stated that it seemed like the Port charges for moorage were so much higher than other places that raising the rates even further was, in his opinion, just ridiculous.

Karen Sullivan reiterated her comments from the afternoon meeting. She inquired about the assessment made by Gary Rossow from the Moorage Tenants Union regarding the calculation (by the Moorage Tenants Union) that the gross profit margin for the Boat Haven Moorage was 40%.

Chris Grace spoke against raising the rates and suggested the Port focus more on cutting expenses and costs.

Phil Andrus stated that he became interested in what was happening with the Port when he realized that the “Ragland”, the “Westward” and “Sea Wolf” had left the Port for other, less expensive marinas. He advised that increasing rates would prevent boats and projects from coming to the Port and hoped that the Commission would reconsider the rate increase.

Commissioner Thompson closed the Public Hearing to public testimony at 7:15 PM and opened it to discussion.

A very thorough discussion followed which included dialogue between the Commissioners, Port Staff and Citizens.

II. Next Meeting: is Wednesday, November 25, 2008 at 6:30 PM, Port Commission Chambers, 375 Hudson Street, Port Townsend, WA.

III. Executive Session:
None

IV. Adjournment:
The meeting adjourned at 8:05 PM there being no further business to come before the Commission.

ATTEST:

David H. Thompson, President

John N. Collins, Secretary

Herbert F. Beck, Vice President