

PORT COMMISSION MEETING – February 13, 2008

The Port of Port Townsend Commission met in regular session in the Port Commission Chambers, 375 Hudson Street, Port Townsend, WA

Present: Commissioners – Thompson, Beck, Collins
Executive Director - Crockett
Deputy Director – Pivarnik
Auditor – Taylor
Attorney – Harris

Absent: Marine Facilities Director - Radon
Senior Accountant/Recorder – Hawley

I. CALL TO ORDER

The meeting was called to order at 1:00 PM.

II. APPROVAL OF AGENDA:

The Agenda was amended to reflect the addition of Item F – Make Waves Proposal to New Business.

Commissioner Beck moved to approve the Agenda which carried by unanimous vote.

III. CONSENT AGENDA

A. Approval of Minutes – 01/23/08
Operations Reports – January 2008

Commissioner Beck moved to approve the Minutes of 1/23/08. Motion carried by unanimous vote.

As a note, the Operations Report does not need approval as it is for informational purposes only.

IV. PUBLIC COMMENTS (Not related to agenda):

Kathleen Jackson spoke of the beauty and tranquility of the Kah Tai area and stated that for the past 22 years she had walked with her dogs there on a daily basis. In her opinion, the Aquatic Center was a wonderful idea/concept but that it should not be located in the Kah Tai Lagoon Wildlife Sanctuary.

Commissioner Thompson stated that he thought the area was wonderful, also, but stressed that the open space was so conveniently located to transportation, which made it accessible to everyone in the community. In his opinion, the entire Town was a park.

Ron Sikes stated that he had helped plant the Kah Tai area. In his opinion, open space and in particular, the Kah Tai Lagoon was much more educational for young people than things learned inside. He thought the Aquatic Center was also a good idea – just not in the Lagoon.

Clare Candler informed that he approved of areas that allowed for wildlife. As far as the Kah Tai was concerned, he stated that it was one of several ponds located within the City limits. One was out by the Fair Grounds and another up on Washington Street behind Dr. Savidge's Dental office. In his opinion, the ducks would not feel threatened or disturbed by people walking by and that they would feel safe in all of the areas he had mentioned. He would like to see more people able to take advantage of looking at all of the birds.

Deena informed that she had lived in Port Townsend since 2001. She stated that she really wanted an Aquatic Center and Pool in town (just not at the Kah Tai). She expressed concern that a construction project as the one envisioned at the Kah Tai would drive away all the birds and other wildlife. She enjoyed the way the Kah Tai was now: a peaceful, quiet sanctuary. She suggested that the Transit system, if it chose, could make stops to other places in town where the Aquatic Center could be located. She asked that the Commission reject the Make Waves proposal.

Rosemary Sikes, President of Admiralty Audubon Society, stated that, in her opinion, the 40,000 square foot building (she advised that the proposed building would be between the size of Safeway and of Henery's Hardware) was too big a project for the proposed location at the Kah Tai Park. She advised that it would remove at least half of the berm, the restrooms and most of the parking area towards 12th Street. Over 50 trees, she said, were located in that area. She informed that at its January 31, 2008 meeting the Admiralty Audubon Society had voted unanimously to oppose the proposed location of the Aquatic Center, advising that an Aquatic Center in a nature park ran contrary to the stated mission. She asked that the Commission vote "no" to the Make Waves Proposal and in doing so, save them from investing time and money into a project that was not feasible at that location.

Jim Todd stated that the Kah Tai Nature Park was so named because it was, in fact, a natural area. He did not believe that it made sense to encroach upon that area for the sake of an Aquatic Center. He supported the concept, but not the location. He suggested that Make Waves look into other locations for the proposed project such as HJ Carroll Park or the current Jefferson Transit bus barn. He stated that he thought Make Waves had looked into these other locations. He did not see the need to rush into such a sizable project and one that would impact such a beautiful area as the Kah Tai.

Commissioner Thompson informed that the current Kah Tai lease with the City of Port Townsend would expire in 2012. What was being discussed now, he said, was to entertain different ideas and suggestions of what could interface with the existing nature park. He advised that the former Commissioner who had actually put the Park together had originally envisioned a regular park scenario with grass, etc, and not a nature Park as had evolved. He advised that the Commission, at present, was entertaining ideas only and that this was one of the ideas. He advised, that in his opinion, it seemed like a good idea and would likely result in more citizens use of the Park. He did not think that the proposed project would negatively affect the ducks or other wildlife in the Kah Tai because they had all become adjusted to interacting with civilization.

Berry Shoen stated that she had resided in Port Townsend for 15 years. As an Audubon member and a walker, she stated that she walked through the Kah Tai frequently. Her husband, Sam Shoen, was one of the organizers of Make Waves. She informed that she had been opposed to the Make Waves proposed project in the Kah Tai originally and when her husband had explained why he thought it would make an excellent location, she remained unconvinced. However, after she had walked through the Park and envisioned the proposed project with “fresh eyes” she had reached the conclusion that by putting the Aquatic Center there it would serve two community needs: preventative health care and more accessibility to health care for those people who could not afford it. She stated that she had reached the conclusion that the location would have a positive impact on the community. She, therefore, urged the Commission to support the Makes Waves project.

Nora Regan, a Physical Therapist at Jefferson Healthcare and a member of the Kah Tai Alliance (now dormant), stated that she was totally in favor of the Aquatic Center but certainly not at the Kah Tai location. She advised of her concerns and provided history of the Lagoon Nature Park. She informed that as the park was located at sea level, a swimming pool and building at the proposed location might prove very difficult to construct as Safeway was built on stilts and was, essentially, floating. She wondered why the Middle School location was not considered.

Paula Makrow, Treasurer of the Friends of Kah Tai, informed that the use and development of the fringes of the park had been controversial even among the Kah Tai Alliance. She stated that, in her opinion, the treed buffer was some of the best habitat in the park for a growing forest area and that the weedy area was designed to be open meadow to encourage a variety of bird species. As the Lagoon Nature Park was situated on the Pacific flyway and because of the variety of habitats it offered it had an incredibly diverse amount of bird utilization. She advised that the area provided a wonderful tourist site for visiting “birders”. She also talked of the difficulty with building such a project at the site due to it being at sea level. She informed that building in the area could increase storm water runoff into the Lagoon. She voiced concerns regarding Commissioner Thompson’s comments and hoped that he would reconsider the proposed project. She offered additional arguments and comments.

Commissioner Thompson stated that, in his opinion, it seemed so clear that Make Waves was a good idea because of the location, which would make it accessible to everyone. He asked if the Audubon Society had a location site in mind.

Paula Makrow stated that, personally, she was in favor of any of the other sites already mentioned. She advised that she thought the present Transit site would make an excellent location, as the area was one in which the majority of apartment houses were located and all were within walking distance to the Transit site. She further explained her ideas. She explained that in her opinion, open space in Port Townsend was so limited that what we had should be saved. She stated that it was a matter of placing value on the open space. The habitat, in her opinion, was irreplaceable.

Commissioner Thompson explained that the proposed project would impact one small diagonal piece of the path only.

Paula Makrow responded that Mr. Thompson's statement minimized the value. She advised of her fervent wish that the community would have a chance to bid on the land and then replant it into forest.

Unidentified Citizen asked what the plan for parking was if a 40,000 square foot building was proposed.

Commissioner Thompson advised that parking would be in the Park and Ride.

Julie Jaman, a Board Member for the Olympic Environmental Council and as a citizen of Port Townsend for 35+ years reminded that the Park and Ride had been a hard fought negotiation, which had ended up being a compromise. The goal had been to keep it as a buffer, with no buildings and she believed that it should be kept as a buffer. In her opinion, the school should be used, it already had playgrounds, a gym, an old pool, a locker room and all of the other amenities. She advised that the innovative Wave thinking should be used at that site, with the addition of solar panels.

Ann McMillen stated that she thought it was a good idea, wrong location.

Karen Nelson, with Make Waves, stated that it seemed that everyone agreed that an Aquatic Center was something that the community needed and that she had not heard any comments against the concept just against the location. She provided history on the Make Waves group, what had been researched and the data accumulated which directed the organization to believe that the Kah Tai would be the best location for the Center. She suggested that if those opposed to the project would keep an open mind and avail themselves of the available information that they would come to understand and discover (audience heckling at statement - Mr. Crockett had to intervene and asked that Ms. Nelson be given her opportunity to speak as had been allowed all of the other participants) that the project was not mutually exclusive to the Kah Tai needs.

Commissioner Thompson asked if she was implying that the Make Waves group had communicated to the groups opposed to the idea.

Ms. Nelson stated that Make Waves had communicated with the President of the Audubon Society and requested to meet with the Board and had been declined, and that several members of the Admiralty Audubon Society had contacted her to advise her that they were opposed to the idea.

Daniel duRempshemiral stated that he was a former member of Make Waves and had dropped out after coming to believe that the Association had its mind set on the Kah Tai site and was not interested in looking at other alternative sites and that there was no room for negotiation. He additionally voiced concerns over the environmental impact to the Lagoon area and the Kah Tai Wildlife Refuge. He stated that he supported the concept of the pool but not at that proposed location.

Rosemary Sikes stated that she met with the Make Waves association twice. The Audubon Society, she stated had been informed that the Make Waves presentation would be made today. In her opinion, the opponents of the proposed project were well informed and the decision to oppose the proposed project was one based on the facts as they had been presented. She informed that they had met with Make Waves in January.

Mr. Crockett suggested moving the New Business Item Make Waves up on the Agenda so that the issue could be dealt with now and the citizens present, who were probably not really interested in all of the other Port Commission business items, would be able to leave after a Commission decision regarding the proposed project was reached.

Commissioner Collins stated that he was willing to discuss the topic. He suggested, as an alternative, that the topic be postponed and placed on the Agenda for the next Port Meeting.

Commissioner Thompson was in favor of current discussion and not postponing the topic.

Mr. Crockett summarized that it was his understanding that Make Waves was not asking for a final decision from the Port. It was asking permission to move forward with a feasibility study (which would take a number of months) to determine if the proposed project was viable for that site. If the feasibility study returned stating that the ground, the piling or footer system would not work, than it would become a dead issue. In addition, he advised, an impasse might be encountered with the City (since the property was leased to the City) therefore causing a halt to the project if those issues were not resolved. He recommended that the Commission allow Make Waves to proceed with a feasibility study.

Commissioner Collins stated that the Port could not make any decisions regarding the property for another 4 years because it was under lease to the City of Port Townsend.

Mr. Crockett advised that the lease could be amended if the City was in agreement.

Commissioner Collins stated that he had a strong predisposition to do nothing with the Kah Tai that would potentially degrade its value as a nature park and a sanctuary. He advised that after hearing all of the presentations he remained convinced that the proposal would, in fact, lead to defacement of a very endangered resource in our community – open space. He advised that he, therefore, had all the information needed to make a decision without a feasibility study of it. He stated that he thought it was the wrong place for a wonderful idea. Additionally, he said, as a Port, we were not really in the business of renting parks. His aspiration was for the Port to negotiate a financially responsible exchange to the City for Kah Tai, hopefully before the expiration of the current lease.

Commissioner Beck expressed his desire to give everybody an opportunity to express his or her opinion. However, he advised, letting Make Waves proceed with a feasibility study did not mean that the proposed project would actually be built it meant only that some of the issues would be resolved. He was in favor of allowing Make Waves to move forward with a feasibility study.

Commissioner Thompson stated that he, also, was in favor of letting them pursue the feasibility study.

Discussion followed.

Mr. Harris informed that since the property was leased to the City, the City was primarily responsible for determining what the use was going to be. If it were going to be a long-term use, as the project would involve, a decision by both the Port and the City would have to be made to make that happen. He informed that it remained to be seen what would happen with the Kah Tai property when the lease was up, if there was no extension of the lease, or if ownership wasn't transferred to the City, then the property would revert to the Port and the Port would then be able by itself to decide what to do with the property. As had been commented on by Commissioner Collins, running an Aquatic Center was not a function of a Port District and so for this to happen it would either have to be leased out to another entity to operate it or it would have to be transferred to the City.

Mr. Harris stated the point was really that the decision on whether to move forward or not should be made by the City, since it would be the agency that would operate it, grant the permits and do all of the things necessary to make the project go forward. He advised that the Port's only interest in this was whether to give up a piece of its land for it. He advised that the people who expressed their opinions, pro and con, should really address them to the City.

Commissioner Thompson made a motion to allow the Makes Waves Organization to pursue their feasibility study, contingent on agreement with the City.

A citizen inquired if a feasibility study would include cutting trees or drilling.

Mr. Crockett advised that perhaps soil samples would need to be taken.

The citizen informed that there was an unusual flower, which was not transplantable, growing in the proposed building site area, and that a letter would be written to the Port addressing those concerns.

Motion carried by a vote of two "yes" votes and one "no" vote cast by Commissioner Collins.

Citizen stated that it was too bad that the Audubon Society did not have an hour in which to propose that the area should remain open space.

Mr. Crockett informed that if the Audubon Society wished time for a presentation then all it needed to do was write a letter requesting time during the next Commission Workshop. Mr. Crockett also clarified that Port Districts could run Parks under the RCW.

V. OLD BUSINESS:

A. Meeting Room Policy:

Mr. Crockett reminded the Meeting Room Policy had last been discussed in 2002 after the Port resumed control of Hudson Point. The Port now rented the Marina Room for meetings and gatherings and also, with the renovation of the Administration building had a separate Conference and a formal Commission Meeting room. Recently, he advised, Staff had been approached by a number of groups who wished to use one of the rooms for their group meetings and two of the groups asked that the room rental charge be waived. Currently, the policy was to charge a room rental fee along with a deposit. In both cases, he stated, the

participants were charged for the class. He suggested that it was time to revisit the room rental policy, update the rental fees and deposits charged. He stated that he would like to hold back the formal Commissioner Meeting room and retain it solely for the Commission meetings. He advised that other than the “in house” leases to tenants of the Administration building, he thought that there should be a room charge, and stated that it could be tiered to address varying needs and organizations, i.e. non-profits vs. wedding receptions.

Discussion followed regarding the various meeting places around town and what they charged for use of the rooms.

Commissioner Collins suggested Staff research what the City and County policies were.

Commissioner Beck expressed concern about allowing use of the meeting rooms without charging for them stating that it was against State statutes to give away public funds. He also was in favor of retaining the Commission Room for the Port meetings.

Further discussion followed.

Commissioner Thompson advised that he was in favor of being less restrictive rather than more restrictive recognizing that the Port was a public facility. He agreed that both a fee (nominal) and deposit were appropriate.

Discussion followed regarding conflicts in booking the Marina Room.

Commissioner Collins advised that both the City and the County required proof of insurance for the group to use the facility and advised that would be a good clause to add to the policy.

Additional discussion followed.

Mr. Crockett informed that Staff would draft a policy and present it to the Commission for review.

B. Alternative Electric Management Committee:

Mr. Crockett informed that there had been about a half dozen meetings with a group made up of representatives of the City, Jefferson County, the PUD and the Port. He advised that as the PSE (Puget Sound Energy) contract with the City expired in 2010, the Committee had been looking at alternative scenarios: whether the City should enter into, or renew, the contract with PSE or whether the City should become its own power company. There were many aspects in need of resolution before any decision was made, he stated. He advised that at the last meeting, the Committee had voted 6 to 0 unanimous with one abstention to approve the following motion: “Moved that the Alternative Electric Management Committee notify the City Council that we believe a study assessing the feasibility of establishing a Public Electric Utility in Jefferson County as a whole (excluding areas served by another electric PUD) and/or in the City of Port Townsend, alone to be carried out as soon as possible and we urge the City to meet and work with Jefferson PUD, the County and the Port to develop an appropriate scope of work and associated funding to accomplish the task”. He advised that essentially it was asking for a consultant to be hired to perform a feasibility study on the pros and cons of the proposal. He stated that the RCW had changed and now allowed both Ports and PUDs to become involved in electric utilities. He cautioned that he was not saying the Port should become involved in the running of a power company but did feel, politically, that it should be involved.

Commissioner Collins inquired if there had been discussion regarding the petition that was currently being distributed to be placed on the November ballot to authorize the PUD to buy out the PSE.

Mr. Crockett responded in the affirmative.

A lengthy discussion followed regarding the possibilities and details of the possible endeavor.

Mr. Harris clarified that he provided legal counsel to the PUD and had, at the direction of the PUD Commission, due to public support, drafted the petition, which, in his opinion, was not so much driven by PUD Commissioner interest but by the public push to make it happen. He advised that one PUD Commissioner was in favor of it and the other two were taking a “wait and see” stance.

Mr. Crockett advised that feasibility studies were necessary first.

Discussion followed regarding the possibilities and the expense involved. Commissioner Collins expressed his concern about whether the Port was contributing to the feasibility study.

Mr. Crockett informed that they were going to find out what the cost (probably in the \$30K to \$40K range) of the study would be and that it would be far less expensive if the cost was divided between four governmental entities rather than the City paying for all of it.

VIII. NEW BUSINESS:

A. Port Attorney Contract:

Mr. Crockett provided background regarding the contract and informed that the new contract was essentially the same with a 3.3% increase per year, for a 10% increase over the three year term.

A short discussion followed on the contract term length.

Commissioner Collins moved to renew the Port Attorney Contract for a term length of one year. Motion carried by unanimous vote.

B. Yacht Clubs:

Mr. Crockett advised that Commissioner Thompson had brought forward this topic. He explained that Commissioner Thompson had been approached at the Seattle Boat Show by a member of the Dagmar Landing Yacht Club with a complaint regarding the way in which they were assisted by Port Staff when they attempted to make reservations at Hudson Point.

Mr. Crockett provided background into the situation stating that Eric Peterson, Commodore of the Dagmar Yacht Club had informed him that the Fleet Captain had called Hudson Point in the fall of 2007 to make reservations for the Yacht Club for the summer of 2008 and according to Mr. Peterson had received unfriendly and poor customer service. According to what Mr. Crockett was able to determine, the Moorage Staff had informed the Fleet Captain that reservations were not taken for the next year until January and advised him to call back after January 1st. Mr. Crockett, recognizing that there were always two sides to every story, advised that he would go over policy with Staff.

Mr. Crockett advised that another issued had surfaced through all of this and that apparently, some of the Yacht Club Members, who had come in late the night before and had not self-registered, complained about one of the Moorage Staff seeking payment from them around 9 AM. Mr. Crockett explained that normal policy was for the Moorage Staff to perform an early morning dock walk and ask for payment from those boats that had not signed in the night before using the drop box. He explained that there was always an on-going problem of boaters arriving late, using the facility and leaving in the morning without paying.

Discussion followed.

C. Rental Agreement for Penn Cove Seafood:

Mr. Pivarnik informed that Penn Cove Seafood had come to him with a proposal to rent 9,000 square feet of the new seasonal parking plateau at the Quilcene Marina (where the septic tanks are located). As there was approximately 30,000 square feet up on the plateau, Mr. Pivarnik believed that there would still be enough remaining room for parking. He therefore had gone forward and negotiated with Penn Cove to rent the space to allow for construction trailer and supply storage at \$500 a month plus State Leasehold Tax. Before moving forward, they were awaiting Commission approval.

Commissioner Beck stated that he had learned of the proposed lease at the local coffee shop and had not been informed beforehand by Staff, which he found to be inappropriate. Additionally, he expressed concern regarding the amount of parking and furthermore wanted to have Penn Cove produce a sketch or map of what they intended to do in the area, where they were going to store their materials and put the trailer. He stated that, in his opinion, screening was necessary to keep the area looking neat. He informed that he was trying to clean up the facility not add more clutter. He reminded of the 6 or 7 old floats that were still located there even though they were supposed to have been removed. He was not against Penn Cove, he stated, he just wanted to know their intentions.

Mr. Crockett reminded that aquaculture, under the current Jefferson County zoning, was the only use for the area and that RV's were not allowed. Mr. Crockett provided background into the current zoning.

Commissioner Collins inquired if the proposed project would allow Penn Cove to expand payroll.

Commissioner Beck informed that it would not.

Mr. Pivarnik responded with the explanation that the reason Penn Cove was interested in the site for storage was because of the difficulty of getting their equipment back and forth to Whidbey Island every week with the current Ferry situation.

Commissioner Thompson expressed his desire to see what the appearance would be and agreed that a site drawing for Commission review was necessary.

Commissioner Beck expressed concern about the Penn Cove employees using the restroom at the facility.

Mr. Pivarnik stated that under terms of the lease, they were supposed to use the Coast Seafood restrooms.

Commissioner Beck reiterated that he wanted to see a site map and one that would provide screening.

Mr. Crockett stated that in the past, he had been given the authority to approve month to month leases. He asked if the Commission wished to retract that authority.

Commissioner Beck stated that, in his opinion, it was okay for existing leases, but that new leases should be brought before the Commission.

A short discussion followed regarding screening.

D. Contract for Wetland Mitigation Services:

Mr. Pivarnik reminded that the Wetland Mitigation on the site was a condition of the permit at the airport with the Army Corps of Engineers. As a condition of the permit, Mitigation work needed to be completed by December 2008. He advised that this was the first phase of the mitigation process, which involved excavating about 1.7 acres over on the Highway 20 side and planting 800 small species plants. He explained that this contract was for someone to manage the project, interface with the Corp, the Department of Ecology and the landscape contractor at a cost of \$13,150.

A discussion followed regarding the project.

Commissioner Thompson moved to approve the contract with Touchstone EcoServices (TES) for Wetland Mitigation Services in the amount of \$13,150. Motion carried by unanimous vote.

E. Approval of Warrants:

Warrant #38745 in the amount of \$90,894.08 for Washington State Leasehold Tax
Warrant #38746 through #38774 in the amount of \$42,376.76 for Payroll
Warrant #38775 through #38783 in the amount of \$56,410.74 for Employee Benefits
Warrant #38784 through #38864 in the amount of \$85,635.58 for Accounts Payable

Commissioner Thompson moved to approve the warrants as listed. Motion carried by unanimous vote.

VII. STAFF COMMENTS:

Mr. Harris requested an Executive Session; one on a real estate matter and one litigation matter.

VIII. PUBLIC COMMENTS:

Clare Candler suggested that the opponents of the Make Waves project walk around Port Townsend and look at the other small ponds around town and become informed and educated before jumping to conclusions. He stated that if they checked out the Point Defiance Park, which houses Tacoma's pool and even with all the people and traffic the ducks "don't budge" because they know they are safe and no one would shoot at them there.

A short discussion followed about how people and wildlife: deer, coyote, ducks, eagles, etc, all seem to co-exist in Port Townsend.

Chelcie Liu of the Power Squadron (one of the groups that had asked to have the room charged waived) advised that the Power Squadron had wanted to use the room strictly as a classroom facility and that they were trying to minimize the cost charged to their students. He advised that they retained the Yacht Club for their monthly meetings, on a paid basis. He informed that it was very difficult to get people to sign up for classes and then having

additional monetary costs would just make them more disinterested in taking the class. He asked, if after the policy review, if the cost could be kept to a zero or a minimum or perhaps development of an “educational rate”.

Discussion followed regarding possible room rate structuring and non-profits.

Steve Tucker of the Power Squadron stated that he was the educational person for the last few years. He advised that one of the hardest, most time consuming parts of his task was to try and find affordable meeting room space. He provided background. He added that, in his opinion, if a group used a meeting room on a regular basis the group tended to take better care of the facility.

Further discussion followed regarding the different sites around town in which to hold meetings.

Dr. Bertram Levy asked that the topic of raising the transfer to the Boat Haven Renovation fund from \$80K to \$250K be added to the agenda for the next meeting on February 27, 2008.

Commissioner Collins asked that Dr. Levy refrain from referring to depreciation as part of the profit because it, depreciation, was a very real expense and not profit.

A short discussion followed.

Chelcie Liu inquired if, and when, the Boat Haven Renovation Committee was going to meet again?

Mr. Crockett advised that he needed guidance from the Commission regarding that topic and suggested that it be added to the agenda for the next meeting.

IX. COMMISSIONER COMMENTS:

None

X. NEXT MEETING: will be held Wednesday, February 27, 2008 at 6:30 PM, in the Port Commission Chambers, 375 Hudson Street, Port Townsend.

XI. EXECUTIVE SESSION:

The regular meeting recessed into Executive Session at 3:33 PM for discussion of one lease and one legal issue – duration of 30 minutes.

XII. ADJOURNMENT:

The regular meeting re-convened at 4:02 PM.

Commissioner Thompson moved to direct the Port Attorney to send a letter to the City of Port Townsend addressing Port’s concerns on allowing homeless camping in the Kah Tai Lagoon Park. Motion carried by unanimous vote.

The meeting adjourned 4:03 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