

PORT COMMISSION MEETING – December 12, 2007

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

Present: Commissioners – Sokol, Thompson, Beck
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 1.00 PM.

II. APPROVAL OF AGENDA:

The Agenda was revised to add Item C – Skookum Janitorial Services Agreement to New Business. **Commissioner Beck made a motion to approve the revised agenda which carried by unanimous vote.**

III. CONSENT AGENDA

- A. Approval of Minutes – 11/28/07
- B. Approval of Warrants
#38360 through #38360 in the amount of \$12,500.00
#38361 through #38390 in the amount of \$40,552.13
#38391 through #38400 in the amount of \$50,848.67
#38402 through #38402 in the amount of \$1,050.00
#38403 through #38466 in the amount of \$114,169.24
#38400 and #38401 as VOIDS

- C. Write-off Register
The Minutes of 11/28/07 were amended with the replacement of the name “Rick Petrykowski” for “unidentified individual” under the second Public Comments section.

Mr. Crockett informed that publications recently gathered from MRSC regarding the Open Public Meetings Act advised that a member of the public could not be forced to either “sign-in” or identify themselves.

Mr. Harris cautioned that failure of a citizen to identify themselves would probably disqualify their comments from being part of the official record, especially if at some future time a challenge to an action or motion was brought forward.

A brief discussion followed regarding whether or not comments from citizens who did not identify themselves should be left out of the minutes completely or if the minutes should say an “unidentified individual”. The consensus was that an effort would be made to ascertain the individual’s name.

Upon motion of Commissioner Thompson, the revised Consent Agenda was approved by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda)

None

V. OLD BUSINESS:

A. County SMP Update:

Mr. Crockett briefed the Commission on the status of the Jefferson County Shoreline Master Program process after attending the 11th, and last, meeting of the Policy Advisory Group. To date, he informed, the entire draft had been reviewed, in parts, marginally, and advised that some sections of the first draft had not been fully vetted, and in his opinion, those areas were ones which affected the pro-growth issues, i.e. real estate, home builders, aquaculture and Port operations. A complete re-write of the draft should be completed by late January or early February 2008. After draft revision, the public input portion of the process should begin with Jefferson County holding several Open House Sessions in various locations throughout the County to both gain input and educate the public. That part of the process should take up most of 2008. He expressed the hope that by this time next year, a completed document would be ready to be sent to the Jefferson County Planning Commission for analyzing before the document went before the Jefferson County Board of County Commissioners in the spring of 2009. After a Resolution was passed by the BOCC, the document would be sent to the Department of Ecology (DOE) for input, review

and ultimately, approval. He advised that although both Port operations and aquaculture issues were clearly spelled out under both the SMA (Shoreline Master Act) and the GMA (Growth Management Act) and that those were preferred uses along shorelines and were to be supported, the actual draft was written, in his opinion, in a negative fashion.

Additionally, Mr. Crockett advised that even though he had verbally expressed the Port's concerns and issues regarding the sections of the draft relating to Port operations during the Advisory Meetings, he would draft a letter to Jefferson County in which those concerns would be codified in writing to make certain that they become a matter of public record.

Discussion followed regarding preferred uses, etc.

Commissioner Beck informed on the Advisory meeting he had attended in which discussion had developed regarding the Dosewallips State Park (which has 100 camper sites) and that the Committee (most of the 25 – 30 members having a zoning background) had initially suggested returning the Park to a "natural" designation. Commissioner Beck commended Mr. Crockett for having attended the meetings and looking out for the Port's interests.

I. NEW BUSINESS:

A. Operations Report – Month of November 2007

Mr. Radon briefed the Commission on operation numbers for November 2007. Nightly guests were down to 141 in November compared to 224 for November 2006 however the overall year to date figures were 6085 nightly guests for 2007 compared to 5849 during the same time in 2006. Daily ramp fees saw a surge to 36 in November due to a November 1st winter crab season opening.

Work Yard hoist numbers, advised, Mr. Radon had slowed down in November, which was typical of this time of year, he said. Total 70/75 ton "outs" for the year were 796 vs. 818 during 2006. He stated that the Ship Yard had been busy during October but had slowed down in November and had cleared out quite a bit. He advised that the last of the Navy projects had been completed and informed that there was a possibility of two Coast Guard Cutter projects during January or February 2008. In the Work Yard, the snapshot at the end of the month was 3536 lineal feet compared to 4924 in 2006 and the Ship Yard stood at 930 billable feet compared to 1663 during 2006.

Commissioner Thompson inquired as to the length of response time when a waiting list member was advised that a slip was available and if and what type of effort was made to contact the individuals.

Mr. Radon indicated that Port policy allows 10 days to respond to the offer of a slip. He also reiterated that every effort was made to make contact and advised that if someone was contemplating a cruise and were aware that they were getting to the top of their wait list, then they should try to stay in contact with the Boat Haven office.

Moving on to Hudson Point, Mr. Radon pointed out that the marina had been busy in November with 98 nightly guests. RV transients for the month were at 221 compared to 215 during November 2006.

B. Quilcene Road Culvert Maintenance:

Mr. Pivarnik briefed the Commission on aftermath of the recent heavy storm which had resulted in a small lake of water gathering in the canyon behind the Speer residence in Quilcene.

Providing history, Mr. Pivarnik informed that 25 years ago the Port Commission had approved a "Gentleman's Request" to allow a landowner to build an access road to residence on lots he owned up above the Quilcene Marina with the provision that the property owner would build an access road from the Marina up to the residence. It was a "handshake" deal with the Commissioners saying "okay, build a road; you are in charge of it".

During the recent storm (said to be worse than the storm of 1996), the drainage culvert serving the road for 25 years, failed, resulting in a back up of water forming a lake. During the emergency repair to drain the water, it was discovered that the culvert pipe, which should have been 24 inches, was undersized at 18 inches and that over the 25-year span, silt and other debris had washed into, and plugged, the culvert. However, the main obstacle found by the maintenance crew was that a large block of wood had drifted down and had plugged the culvert preventing it from

draining and causing an estimated 250,000 gallons of water to back up into the canyon behind the residence.

Mr. Pivarnik stated that the Maintenance Crew had done a stellar job in handling the emergency, operating 4 pumps for 2 days and finally getting the block of wood out of the culvert.

However, advised, Mr. Pivarnik, Staff's question was ultimately whose responsibility was the road since it did not belong to the Port and the Port had not, and did not really think it was appropriate, to maintain the road. Mr. Pivarnik sought Commission guidance on how to proceed. He advised that, perhaps, Mr. Harris should draft an agreement with the current landowner, Mr. Savage, advising him of his responsibility to maintain the road, etc.

Mr. Crockett informed that he had spoken to Mr. Savage and had explained that the Port was in the process of handling the emergency and that when it was resolved the underlying issues would be broached. Mr. Crockett advised, additionally, that Mr. Savage was aware and recognized his financial responsibility.

Discussion followed with more situational history given by Commissioner Beck and questions raised and answered by Mr. Harris.

Commissioner Thompson suggested Staff work up a possible remedy to the situation and that should be presented to the landowners and that some sort of agreement between the parties be developed and established.

Mr. Harris expressed concern that the work done this year on the septic system drainfield had pushed debris into the culvert and intensified the problem. Staff remained confident that the problem was caused more by the normal shifting and wear and tear of 25 years on the roadbed.

Commissioner Beck was firm in his choice that maintenance of the road should be left up to the landowners.

Mr. Crockett advised that, in his opinion, a survey should be undertaken and an actual easement written and that a formal agreement between all parties involved should be drafted and signed.

Further discussion followed regarding possible scenarios and who was actually responsible for the road maintenance.

Commissioner Beck suggested that all parties be contacted and that an agreement between them and the Port should be arranged.

C. Skookum Janitorial Contract

Mr. Taylor informed that the proposal was to extend the Skookum agreement for another year, at the same level of service as currently provided. He provided background in that Skookum provided all of the janitorial services for the Port. The Port and Skookum had gone through a substantial negotiation when the new Administration building came on line at Hudson Point in 2006. Currently, Skookum provided 59 hours a week, 1 ½ FTEs, 7 day a week service in the restrooms and 1 day a week in the offices. The proposed agreement provided the same level of service but Skookum was requesting a 7.2% increase, which raised the agreement amount from \$58,200 a year to \$62,383.06. That final figure, Mr. Taylor advised, provided a \$10,000 credit for Skookum's use of the Nomura Building.

Commissioner Sokol made to motion to accept the Skookum proposal and directed Staff to follow through and get it accomplished. Motion carried by unanimous vote.

VII. STAFF COMMENTS:

Mr. Harris stated that he, Mr. Crockett and Mr. Pivarnik had met with Clark Surveying regarding the survey Clark was preparing of un-vacated City streets within the Boat Haven.

Mr. Harris advised that he had received a phone call from Rick Shaneyfelt, the Attorney representing "T's" Restaurant about the Nurses Quarters building at Hudson Point. Mr. Shaneyfelt had wanted to go through the building, which was the proposed site for the restaurant. Mr. Harris informed that the building tour had been conducted and that the bid showing costs for upgrading the basic shell of the building had been given to Mr. Shaneyfelt.

Discussion followed regarding what the Port would do to preserve and stabilize the exterior of the building, the utility systems and creosote remediation. The inside of the building would be restored by the restaurant if they chose to move forward.

Mr. Harris stated that he would like to have an Executive Session for discussion of a potential litigation issue.

Mr. Taylor updated on the progress made by the Department of Revenue, Leasehold Tax Auditor who was auditing from January 1, 2004 through September 30, 2007 and was expected to finish on Thursday, December 13, 2007.

Mr. Radon advised that the planning and booth assignment for the 2008 Seattle Boat Show was in progress with the show dates set for Thursday, January 24 through Saturday, February 2, 2008. The Port booth was in the same location as last year. This year is supposed to be the biggest show to date with more space being added on the football field itself.

A brief discussion regarding the show followed.

Mr. Radon stated that he had hoped to be able to provide the Commission with a copy of the BMP video being produced by Peter Wiant Productions, however, due to family issues Mr. Wiant had to push back the finish date.

Mr. Pivarnik stated that Port Townsend's community had weathered the recent storm better than had some other communities. He informed that both marinas had held up well, especially at Hudson Point where water was going over the breakwater, there had been 8-foot tides and 65 MPH sustained winds.

Concerning the Marina punch list, Caicos had been on site for the last 2 weeks and was in the process of addressing each issue. The I-beam bracing was in, all of the rubber rub strips had been refastened with washers, the freeze protection was going in and the triangles were here but not yet installed on the 70-foot fingers. Clark Survey was set to arrive tomorrow and begin to do the bathymetric study. He advised that by the end of next week we should have a bathymetrical overlay as far as what we asked them to do and what was actually performed. Mr. Pivarnik advised that the plan was not to check off each item one by one, but to have Caicos complete the items and then bring Reid Middleton back in to ascertain if all requirements had been met and that Reid Middleton would actually "sign off" on the project list.

A brief discussion followed.

Mr. Crockett stated that he had attended an Indian Island Public Outreach meeting in Port Hadlock last week. The Navy was there in force to answer questions from the public. After the meeting he was talking to one of the Navy Personnel who happened to own an aircraft and kept it at JCIA. However, he expressed concern regarding the tie down rates that the Port charges and said that our rates were higher than Bremerton (where he used to keep his aircraft). Mr. Crockett had promised to research to issue and in doing so discovered that Bremerton charged (as of 2 years ago) \$37.82 and the Port charges \$37.00 and WSLT. Mr. Taylor advised that the tie down rates had not been changed for 6 or 8 years.

Mr. Crockett provided a quick update on the two days spent with the Fire District in which four architectural firms had been interviewed regarding the proposed Fire Station project at the airport.

Lastly, Mr. Crockett reminded that either Commissioner Beck or Thompson would have to open and call the meeting to order on January 9, 2008 and then conduct an election. He advised that normally the current Vice President opened the meeting.

VIII. PUBLIC COMMENTS:

None

IX. COMMISSIONER COMMENTS:

Commissioner Thompson informed that he had attended the meeting held this morning with the Washington State Department of Ferries and that the Secretary of Transportation had advised that the condition of the three, diesel, steel-electric ferries to be unsatisfactory and he further advised that there did not appear to be any resolution to the decision. No good alternative had, as yet, been developed. Commissioner Thompson related the concern if a natural disaster took place which would cut off the supply of emergency vehicles especially if something were to happen to the Hood Canal Bridge but those concerns did not appear to make a difference. Commissioner Thompson stated that he had spoken to the Skipper, Carl Jacobsen, of the Klickitat ferry and was told by Mr. Jacobsen that the Klickitat hull had been ultra-sounded 1500 times and was evidenced to be in good condition; bearings were replaced but not the shaft tubes. In Skipper Jacobsen's opinion, the handling of the Port Townsend ferries seemed to have a political decision.

Further discussion followed regarding the Washington State Ferry system and possible scenarios to abate the situation.

John Collins (Commissioner Elect) stated that he had attended the summit meeting last week and discussion during the course of that meeting had been about the possibility of running on of the large boats from Port Townsend to Clinton.

Commissioner Thompson informed that discussion followed regarding all kinds of scenarios, Port Townsend to Clinton, Port Townsend to Edmonds, Port Townsend to Mukilteo or Kingston, with large car ferries, or just passenger ferries. He informed that the Navy was having some difficulty transporting material to the airbase at the Whidbey Naval Air Station but was finding alternative routes.

Mr. Pivarnik addressed one issue that had been presented at a recent LTAC meeting, where a lot of different options had been discussed. One option was of a brand new boat built in Mississippi which could, supposedly, be on line in 12 months. One issue that would need resolution would be the Washington State requirement that Ferryboats used in Washington must be built in Washington. He stated that there was a Germany based company ready and willing to build boats quickly, so there were, seemingly, many options. There had also been discussion about pulling a ferry off the San Juan routes.

Discussion followed to include what would happen if the Hood Canal Bridge was out of service and if there was storm damage to Route 101 down the Canal and the general feeling of being isolated.

Commissioner Beck complimented the Port Maintenance crew on its handling of the culvert and flooding situation in Quilcene.

Commissioner Sokol informed that he had, through the Washington Public Ports Association Executive Committee, been elected to a life membership in the WPPA. He was very appreciative of the honor.

X. NEXT MEETING: will be held *Thursday December 27, 2007 at 1:00 PM* in the Port Commission Chambers, 375 Hudson Street, Port Townsend.

XI. EXECUTIVE SESSION

The regular meeting recessed into executive session at 2:10 PM for discussion regarding a possible litigation matter, duration of five minutes with no expected action and then recessed into an executive session with the Commissioners and Executive Director Crockett regarding a personnel matter for five minutes with possible action.

XII: ADJOURNMENT:

The regular meeting reconvened at 2:20 PM. There followed a discussion regarding the pay raises for management. Commissioners discussed that the Executive Director should rightly set the salaries for management other than himself and the Auditor/Finance Director, realizing that position is a dual position reporting to both the commission as well as the Executive Director. The history of previous salary increases was discussed.

Commissioner Beck moved to recommend the Executive Director go ahead and set the salaries for the Deputy Director and the Director of Marina Facilities but he should consider parity among positions as part of his decision Motion carried by unanimous vote.

The regular meeting adjourned at 2:47 PM there being no further business to come before the Commission.

ATTEST:

President

Secretary

Vice President