

PORT COMMISSION MEETING – January 28, 2009

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

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

I. CALL TO ORDER

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

II. APPROVAL OF AGENDA:

The agenda was amended to reflect the addition to Old Business: Item C – Skookum Janitorial Contract and to New Business: Item B – Approval of Warrants.

**Commissioner Collins moved to approve the Agenda, as amended.
Motion carried by unanimous vote.**

III. CONSENT AGENDA

A. Approval of Minutes – January 14, 2009

**Commissioner Thompson moved to approve the Consent Agenda, as presented.
Motion carried by unanimous vote.**

IV. PUBLIC COMMENTS (Not related to agenda):

None

V. OLD BUSINESS:

A. A/B Dock Committee Report:

Mr. Crockett stated that he had hoped the A/B Dock Advisory Committee would have had ready to present to the Commission at this meeting, their choice of a proposed A/B Dock design, however, the Committee was not yet ready to do so because it had developed two designs and was unable to gain 100% consensus on which design to present. The two designs were close in estimated cost, with one design estimated at \$4.1 million vs. \$4.5 million for the other design. The two designs were similar and permitting was feasible for either plan, although, stated Mr. Crockett, one plan might be easier to permit. Some Committee members still had concerns regarding the number of 25-foot slips in one design compared to other slip sizes. Two Committee members at the last meeting, informed Mr. Crockett, desired to modify and reconfigure the design proposing the largest number of small slips (the design probably more difficult to permit) and doing so would add additional expense because the designs had already been reviewed once by the Environmental Specialist Consultant and changing the design would mean further review. He advised he had pressed the Committee to be ready to make a presentation to the Commission during the February 11, 2009 workshop of both designs (with the pros and cons of each) and allow the Commission to choose between the two designs.

Commissioner Thompson informed he had been attending the A/B Dock Advisory Committee meetings on a regular basis and stated the least expensive (and easier to permit) design was also the structurally stronger of the two designs and would be easier to build on in the future. It provided small slips while addressing the wait list and therefore, in his opinion, had a good mix of small slips, 35, 40 and 45-foot slips. Both plans, he stated, were far removed from the original Engineer's presentation in 2008. He stated he would like to see the Committee directed to move forward to permitting that design.

Mr. Crockett offered that Staff was comfortable advising the Commission that every small boat already moored on A/B Dock would still have moorage and there were no plans to ask any tenant to leave. He reminded it was necessary to look toward the future, to accommodate the Marine Trades interests and to address the wait lists. He informed regarding the status of the various wait lists advising that some of the boat owners on the 30, 35 and 40-foot wait lists had been waiting since 2004 for a slip whereas currently there were no boats on the 20 foot wait list and twelve on the 25-foot wait list and some of them had been waiting only since July, 2008.

Mr. Pivarnik stated, in response to Commissioner Collin's inquiry, the permitting would take from twelve to fifteen months.

Mr. Crockett informed that the cost estimates were all geared toward autumn, 2010 construction and that permitting needed to be started as soon as possible and no later than April, 2009.

Discussion followed regarding the moorage wait lists, permitting, the community's need to maintain small boat slip availability and that the average boat size had increased to the 35-foot range.

Commissioner Collins commended the A/B Dock Advisory Committee on their hard work and stated the Commission was anxiously awaiting their results.

Mr. Pivarnik provided information regarding the dedication and diligence of the Committee members.

In response to Commissioner Collins' inquiry regarding when to start the process for obtaining bonds, Mr. Taylor cautioned that a project was allowed 36 months from the bond issuance date to use all of the funds to avoid IRS issues, 24 months was actually the optimal, but the funds had to be expended in 36 months.

Mr. Crockett advised that it was a general rule to have 90% of the permitting in place before going out for a bond issue.

B. Legal Service Request for Qualifications:

Mr. Crockett updated the Commission of the progress made so far on the topic. He advised that nine packets had been received in response to the RFQs (Requests for Qualifications) for legal services; provided information regarding what made up the requirements; and briefed on the next step in the selection process. After scoring each applicant, he informed that the Commission should interview the top finalists during a special Commission meeting.

C. Skookum Janitorial Contract:

Mr. Pivarnik updated on the ongoing negotiation with Skookum for Port janitorial services. He advised that using Commissioner Beck's suggestion, he had approached Skookum regarding the possibility of increasing the amount of credit Skookum allowed the Port in exchange for zero rent advising that if rent were to be charged it would increase annually. Skookum agreed, without hesitancy, to increase the credit to \$10,500 a year from \$10,000 and would increase the credit on an annual basis.

Mr. Taylor advised that the proposed addition of 26 hours a year for cleaning the Work Yard office was removed, at least for now, and those proposed services would be readdressed after the office remodel was completed. He stated the proposed contract increase, given the reduction in service and the additional credit, was 4.2% instead of 6.2% resulting in a total of \$65,050 for janitorial services.

Mr. Pivarnik provided specifics on the proposed Work Yard office remodel, informing that it would be repainted and the carpet replaced with tile or vinyl.

Commissioner Collins moved for acceptance of the Skookum Janitorial 2009 contract in the amount of \$65,050, as presented.

Motion carried by unanimous vote.

VI. NEW BUSINESS:

A. Point Hudson Moorage Office Roof Change Order Proposal:

Mr. Pivarnik clarified that the proposal presented as Change Order #6 to the Nurses Quarters project in the amount of \$23K actually encompassed three different projects. The Nurses Quarters roof had begun leaking during the recent rain and windstorms and the proposed repair idea was, as the shingles were asbestos and no longer available, to remove shingles from the Point Hudson Moorage office roof (scheduled for a new roof), stockpile them and use them for repair to the Nurses Quarters and the other building roofs in Point Hudson. The project had stalled when the Historic Preservation Committee became involved advising that it wanted assurance any new shingles met the asbestos shingles profile specifications. The specified shingles were the most expensive, stated Mr. Pivarnik, resulting in the proposed change order cost of \$23K, which would repair the Nurses Quarters building and completely replace the Moorage office roof with new, composite shingles.

A short discussion followed regarding that the Nurses Quarters project was stalled until the roof was repaired because the next step was to sheet rock the building's interior and that Hoch Construction had a sub-contractor doing the roof repair/replacement. Also discussed was if the change order included sales tax.

**Commissioner Collins moved to accept Change Order #6 to Hoch Construction in the amount of \$23K plus W.S.S.T.
Motion carried by unanimous vote.**

B. Approval of Warrants:

Warrant #041181 through #041208 in the amount of \$37,089.78 for Payroll
Warrant #041209 through #041215 in the amount of \$40,800.93 for Payroll Benefits and Accounts Payable.

Warrant #041216 in the amount of \$1,889.75 for Accounts Payable.

Warrant #041217 through #041231 in the amount of \$25,059.42 for Accounts Payable

Warrant #041232 through #041279 in the amount of \$248,534.59 for Accounts Payable

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

IX. STAFF COMMENTS:

Mr. Taylor reminded that during the January 14, 2009 meeting information and discussion had taken place regarding the Technology Security Policy that Staff was developing in relation to credit card data. He advised that work on the proposed policy was ongoing and a draft would be ready for presentation during the February 11, 2009 meeting.

Mr. Pivarnik informed that Caicos Corp. was on site at Point Hudson and had so far removed 600 cubic yards of dredge material. He advised that Staff had contracted with Tike Hillman to oversee the project and that a maintenance staff person was also present, in the Port boat, to make certain Caicos was removing the required amount of material from each slip.

There was a complication, he advised, and it was regarding the concerns expressed by the City of Port Townsend regarding the damage to eelgrass by the Caicos barge currently anchored off the City owned waterfront. Caicos was using the large barge to transport the removed dredge material to the dumping site off Protection Island. Mr. Pivarnik stated that he had asked Caicos to move the barge to the Port owned Quincy Street Pier to eliminate those concerns. He reminded that eelgrass was not a problem at the Pier due to the many years the Washington State Ferry had used the dock.

Mr. Pivarnik updated on the ongoing process of providing wireless internet service to Point Hudson transient boaters and RV guests. He informed the antenna was going to be placed on top of the Marina Room roof and was, therefore, under the Historical Preservation Committee's oversight and would need their approval.

A short discussion followed about the topic and how most other Ports provide free wireless internet service to their guests.

Mr. Crockett provided a briefing on the Peak Leadership Committee he had attended at Peninsula College in Port Angeles. He informed that he had recommended to the Committee that it consider making a short presentation to the Port Commission for informational clarification of the Committees goals and objectives.

Mr. Crockett informed that there were currently seventeen Yacht Clubs booked for this coming summer season, two large RV groups and individual reservations with eight weekends remaining available for group reservations.

Lastly, Mr. Crockett informed of the second CEO breakfast scheduled for January 29 and that the topic was "shovel ready" projects. He had submitted a list of possible projects.

X. PUBLIC COMMENTS:

Les Schnick inquired when the Boat Haven harbor entrance dredging was expected to begin. Mr. Crockett informed it was scheduled for later on in the year, exact date to be determined. Discussion followed about the topic to include the difficulty of entering the marina, especially if a boater was unfamiliar with the harbor.

XI. COMMISSIONER COMMENTS:

Commissioner Collins related the positive experience he had while attending the Seattle Boat Show, stating the number of visitors to the event had surprised him.

Commissioner Beck related that he enjoyed the show also and that it provided an opportunity to converse with different people and learn of their experience while visiting either Point Hudson or Boat Haven.

Commissioner Thompson remarked that the Show footprint was smaller this year. He stated that, in his opinion, the changed location of the Port booth was behind the increased activity levels as it was more accessible.

XII. NEXT MEETING: Next Meeting will be held February 11, 2009 at 1:00 PM, Workshop at 9:30 AM, in the Port Commission Chambers, 375 Hudson Street, Port Townsend, and WA

XIII. EXECUTIVE SESSION:

The regular meeting recessed into executive session at 7:27 PM, which began at 7:30 PM, for discussion of a real estate issue for five minutes, and a personnel issue for fifteen minutes with a possible decision and one litigation item for five minutes.

XIV: ADJOURNMENT:

The regular meeting reconvened at 7:55 PM.

Commissioner Beck moved to adopt a salary formula that addresses the recent NW Management Consulting survey by adding one third of the variance, by position, after subtracting the five percent margin of error to each employee's salary, effective January 1, 2009. The intent was to continue the formula for 2010 and 2011.

Motion carried by unanimous vote.

The regular meeting adjourned at 7:57 PM there being no further business to come before the Commission.

ATTEST:

Herbert F. Beck, President

David H. Thompson, Secretary

John N. Collins, Vice President