

PORT COMMISSION MEETING – March 25, 2009

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

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

Excused: Attorney - Harris

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 additions to New Business of - Item C – Mahina Yachts Account and Item D – Engineering Request for Haul-out Pier Renovation

Commissioner Collins moved to approve the Agenda, as amended.

Motion carried by unanimous vote.

III. CONSENT AGENDA

A. Approval of Minutes – March 11, 2009

Approval of Special Meeting Minutes – March 10, 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. Old Fort Townsend:

Mr. Crockett provided an update of the topic by informing of the walking tour taken of the facility on Friday, March 20. Staff along with Commissioners Beck and Collins, Kate Burke of Fort Worden State Park and the Ranger stationed at the Old Fort Townsend Park had inspected the existing building structures, campsites and the beachfront. The Washington State Parks Commission, he informed, had requested a second letter of intent from the Port outlining the Port's plans should it assume control of the Park. He advised that his recommendation would be to operate the Park in the same manner as the State Parks now operated it, especially initially, so that any ownership transfer would appear seamless to the Park visitors. He stated that operating it as it was currently for a year or two would give a better idea of the infrastructure, the quality, and the true operating costs.

Much of the work that needed to be done at the Park, he advised, could be funded through State grants, ones given by the Recreational Conservation Office (RCO), the same board that oversaw the State's boat ramps. Mr. Crockett advised the Board oversaw trails, restrooms and anything having to do with recreation and getting the public out into the woods and onto the water. Mr. Crockett reminded that he serves on the Recreational Conservation Office Committee.

Commissioner Collins inquired about the recently publicized optional fee of \$5.00 to be added to driver's license fees to help fund the State Parks.

Mr. Crockett advised that as he understood, the proposal would change the current "opt in" system, whereby citizens had to request that \$5.00 be added and given to the State Parks, with an "opt-out" version where a citizen would automatically be charged unless specifically requested it not be added to the license renewal.

Changing the policy, he advised, according to Representative, Lynn Kessler, would raise millions of dollars perhaps allowing some Parks scheduled for closure to remain open.

Returning to the Old Fort Townsend topic, Mr. Crockett advised that since the letter of intent needed to be submitted by April 15, there would be time for additional topic discussion during the April 8 workshop and regular meeting as well, and time to seek legal guidance from the Port Attorney.

Additionally, he advised that he was meeting on March 31 with the Friends of Old Fort Townsend and he was trying to schedule a meeting with the Land Trust to talk with them about types of partnerships that could be formed. He advised that it was his understanding from Kate Burke that the Land Trust held the conservation

easement on the 250 acres of land by the Mill and he wanted to review that document as well.

Discussion followed which included what types of summer programs were offered for children and adults, volunteer assistance in maintaining the Park and options of changing the operating season. Also discussed was that Washington State Parks was possibly removing all the existing fixtures, which included the picnic tables and lawn maintenance equipment.

Mr. Crockett informed that the State was planning to operate the Park through the remainder of 2009. He informed that the State Parks had hired the engineering consulting firm KPFF to provide options on improvements to the lower RV sites and requested the study before the budget crisis had halted the plan. He briefly reviewed each of the five options presented by KPFF.

Mr. Crockett informed regarding RCW 53.08.0270 which expanded Port Authority regarding tourism.

He informed that should the Port assume control of Old Fort Townsend, the Comprehensive Scheme of Harbor Improvements would need updating as well as providing details of the process involved in doing so.

Heidi Eisenhour, Executive Director of Jefferson Land Trust, clarified that the Jefferson Land Trust did not currently hold the Conservation Easement and that it was actually held by the State Parks. She informed that the Land Trust was in a seven-year stewardship agreement with the State Parks and therefore did the annual stewardship on the Conservation Easement.

Ms. Eisenhour informed that a lot of members attended the February 12 meeting held by the State Parks Commission and witnessed all the Parks standing up for their individual parks and she advised that she did not want to see a situation develop where parks were bidding against parks, as there was already competition with the Parks across Puget Sound. She advised that, in her opinion, the parks should try to find a solution so that funding was available for all the State Parks. The Land Trust, she advised, was supporting the \$5.00 license tab additional fee, which she referred to as the Montana rule, which was the “opt-out” version of the rule where citizens would have to state that they did not want \$5.00 of their license tabs going to support State Parks.

In closing, she advised that she and others had not given up on Washington State Parks continuing support of all the State Parks including Old Fort Townsend.

Commissioner Collins, after determining there was agreement with the other Commissioners, stated that the Port’s choice would be for Old Fort Townsend to continue operation by the Washington State Parks.

Further discussion followed about the topic.

B. JCIA Engineering Firm Interviews:

Mr. Crockett updated the Commission on the topic advising that interviews had been held with all three Engineering firms. He provided topic background and reminded that the FAA had requested that all airport sponsors select and retain an Engineering Firm for five years to help expedite any proposed airport projects. He informed that after the interviews, the consensus was to select Reid Middleton.

Commissioner Beck moved to authorize staff to select the Reid Middleton Engineering Firm for a period of five years for engineering projects at the Jefferson County International Airport.

Commissioner Collins, who was present during all three Engineering Firm interviews, outlined his reasons for believing the Reid Middleton firm was the best choice. Those reasons included that the firm was familiar with the airport having done a number of projects for the Port already, they were a locally based (Everett) firm, and that they were an employee owned firm. He stated that he was very impressed by the members of the team making the presentation as well as the detail of the actual presentation.

Motion carried by unanimous vote.

VI. NEW BUSINESS:

A. Northwest Mountain Region FAA Conference:

Mr. Crockett informed of the annual FAA conference he had attended March 17 - 19 at SeaTac Airport and that, in his opinion, it was an excellent meeting. He stated the

FAA had related that it would receive, nationwide, \$1.1 billion in Federal Stimulus Funds not a considerable amount, since the FAA normally had \$10 to \$17 billion annually in shovel ready projects. He advised that the stimulus funds would probably not affect the Port, at least directly, especially since it had just been awarded two FAA grants. He provided details regarding other possible impacts. There would be a briefing to the Pilots Association on April 4 with what had been learned during the FAA conference.

He advised that the FAA cautioned that airports not allow “through the fence” operations or tailgater businesses. Allowing such types of businesses, he advised, would hamper receiving future FAA grant funds since the FAA had invested federal dollars into the airport infrastructure for the benefit of the airport tenants.

Another item of note, stated Mr. Crockett, was the concern by the FAA over local officials (City Council members and County Commissioners) whose bodies control zoning at local airports and who are not fully educated with the issues involved in running the airports. The FAA, he stated, was putting together a pamphlet to help educate those elected officials.

Lastly, Mr. Crockett advised that Mary Vargas of the FAA would visit the airport on April 2 to close out the new taxiway project. It was clear, he stated that the Port had a good record of accomplishment with the FAA and therefore would be eligible for further grant monies.

B. Approval of Warrants:

Warrant #041589 through #041615 in the amount of \$35,990.54 for Payroll
Warrant #041616 through #041619 in the amount of \$14,849.99 for Payroll Benefits
Warrant #041620 through #041671 in the amount of \$160,874.35 for Accounts Payable

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

C. Mahina Yachts Account:

Mr. Pivarnik informed that Mahina Yachts was delinquent in an amount close to \$13K and had decided to close both the Bainbridge Island and Port Townsend locations. The owner of Mahina Yachts, Dave Carleson, had offered to deed over to the Port a 1989 22-foot Boston Whaler boat, with trailer, in settlement of the debt owed. Mr. Pivarnik advised that the boat was probably worth \$18K and that Mr. Carleson had for the past three months tried unsuccessfully to sell the boat.

A short discussion followed about the type of vessel and the debt.

Mr. Taylor advised that the debt should not be treated any differently than any other customer and that when we sell a boat on a delinquent account any balance remaining was sent to collection. In his opinion the account should be sent to collection the same as any other past due account.

A discussion followed after which there was Commissioner agreement that the account should be handled the same as all other accounts.

D. Engineering for Haul-out Pier Renovation:

Mr. Crockett informed regarding the present condition of the 70/75 ton travel lift pier and advised that staff had discussed the concept of inclusion of a rebuild to the pier in the proposed A/B Dock Renovation project bond funding. Stating that instead of waiting for a catastrophic event that would put the lift out of use for a year while engineering and permits were sought, planning for the rebuild now would be prudent.

A thorough discussion followed about the pier, the type of repairs needed, whether or not the 300-ton pier could be used as a replacement while the 70/75 ton was being repaired (no) and that it was the consensus that including the repairs in the bonding for A/B Dock renovation was the most prudent way to proceed.

**Commissioner Collins moved to authorize staff to include the 70/75 ton travel lift pier in the engineering and permitting along with A/B Dock.
Motion carried by unanimous vote.**

Gordon Neilson, Marine Trades Association, cautioned that, in his opinion, there needed to be clarification that repairs to the 70/75 ton travel lift pier would not impact, or detract from, the A/B Dock renovation and that it was in addition to that

project in terms of permitting and bonding. He advised, in his opinion, there should be ample advance planning and information.

Discussion followed about ways in which to mitigate the absence of the 70/75 ton lift when it was being repaired and how important it was to plan for the project and that the public should be informed well in advance. Discussion also included that an article be in the next Port newsletter.

Mr. Crockett cautioned that the project might not happen for two years, that it was not something that was going to take place immediately.

VII. STAFF COMMENTS:

Mr. Crockett reminded that the Makah Tribe had invited the Port to attend a lunch/quasi potlatch on Saturday, March 28 to recognize the Port for being a good friend over the years to both the Tribe and to the local family. As he was unable to attend he informed that Commissioner Thompson had volunteered to attend the event. Mr. Crockett addressed Commissioner Thompson's concern over the event being labeled a "potlatch" which implied that there would be some sort of gifting.

Commissioner Thompson expressed concern in light that elected officials were forbidden by RCW to accept gifts of any kind and that historically Tribes had given gifts at Potlatch events.

Gordon Neilson suggested that one way to resolve the situation was to receive the gift and then turn around and give the gift to a Tribe Elder, asking the speaker on the floor to explain that as an elected official, accepting gifts was not allowed. Doing so, he explained, allowed the goodwill of the gift giving but also resolved the issues on non acceptance of gift giving.

Mr. Crockett informed that the Army Corps of Engineers had recently informed him that the dredging of the Boat Haven Marina was scheduled, tentatively, for mid August. He reminded that he had briefed the Commission some months prior about the proposed project.

Lastly, Mr. Crockett informed that the WPPA Spring Meeting agenda indicated that the first meeting day was scheduled for May 13, 2009, which was a Commission Meeting date. He suggested the meeting date be moved to Monday, May 11 at 1:00 PM with a Workshop at 9:30 AM.

After a brief discussion.

**Commissioner Collins moved to change the Wednesday May 13, 2009 Commission Meeting and Workshop to Monday, May 11, 2009 with the workshop at 9:30 AM to allow staff to attend the WPPA Spring Conference in Pasco, WA.
Motion carried by unanimous vote.**

VIII. PUBLIC COMMENTS:

Les Schnick, Marine Trades Association, updated regarding the copper free bottom paint demonstration fair as discussed during the March 11, 2009 meeting and which was now scheduled for May 29 (with a fall back date of June 5). He informed that the Marine Trades would be meeting every two weeks with Port staff to continue the forward motion towards putting together the fair, which, he stated, was going to take a lot of effort. He informed that marine paint manufacturers were being contacted as well as marine trades businesses and ports from outside Port Townsend. The Department of Ecology had also been contacted, he advised. He informed that the idea was to have two fairs a year – one pre-Wooden Boat Festival and one during the festival.

Mr. Crockett provided details regarding renting a festival tent and possible placement locations and that a three-day period (Friday, Saturday and Sunday) would be needed for a one-day event to allow vendors time to set up and tear down their exhibits. Mr. Crockett informed that a concern was that the event was scheduled for the time period when the Hood Canal Bridge would be closed for repairs.

A discussion followed regarding the proposed even, possible locations, volunteers for the event and how important it was to provide information to the boating community about copper free bottom paints.

IX. COMMISSIONER COMMENTS:

Commissioner Collins inquired if there were any updates from the Port Attorney regarding the Spruce Goose Restaurant. He also asked for an update regarding the Boat Haven Fuel Dock – advertisements to see if there was private interest in operating the facility.

Mr. Crockett informed that Attorney services were to be transferred from Harris, Mericle and Wakayama to the Goodstein Law Group on April 1, 2009. He expected to have

information regarding the questions about the Spruce Goose Restaurant available for the April 8, 2009 Commission meeting.

Mr. Pivarnik stated that advertisements regarding the Fuel Dock were in the Sunday, March 22, 2009 edition of the Peninsula Daily News and the ad was in the Port Townsend Leader today, March 25. Mr. Pivarnik informed, additionally, that he had met with Goldstar Marine and had provided financial information regarding the fuel dock.

Commissioner Beck made the suggestion that since the Point Hudson RV Park seemed to have booked reservations for the weekends but was not busy during the week that perhaps an incentive program, or rate adjustment, could be offered for Tuesdays, Wednesdays and Thursdays to encourage RVs to visit the facility during the week. He advised that he was throwing the idea out for discussion. He offered that the idea might be two days for the price of one day or some type of a percentage discount.

A discussion followed about the idea which included that now would be the time to make any rate adjustments and that advertising would need to be “word of mouth” as most of the Port’s advertising was purchased well in advance of the summer season.

Mr. Taylor suggested that a reservation report and other data be compiled and brought back to the April 8 meeting for further discussion and review.
Further discussion followed.

X. NEXT MEETING: Next regular meeting will be held Wednesday, April 8, 2009 1:00 PM; Public Workshop at 9:30 AM, in the Port Commission Chambers, 375 Hudson Street, Port Townsend, WA

XI: ADJOURNMENT:
The regular meeting adjourned at 7:40 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