

## **PORT COMMISSION MEETING – June 24, 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  
Attorney - Goodstein  
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 of an Executive Session for a legal matter discussion and to add to New Business – Item B – Window Screens for Nurses Quarters building.

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

### III. CONSENT AGENDA:

- A. Approval of Minutes – June 10, 2009
- B. Point Hudson Marina Room Rental Form
- C. Resolution No. 520-09 – Authorizing Warrant Cancellation  
Resolution No. 521-09 – Authorizing Sale of Abandoned Vessel
- D. Write-off Register  
Mr. Pivarnik provided information regarding the Point Hudson Marina Room Rental Form

**Commissioner Collins moved to approve the Consent Agenda.  
Motion carried by unanimous vote.**

### IV. PUBLIC COMMENTS (Not related to agenda):

None

### V. OLD BUSINESS:

#### A. Port Townsend Shipwrights Co-op Lease:

Mr. Crockett provided historical detail explaining that over the years the Co-op lease had been amended numerous times as the business had grown. The latest amendment had been to give the Co-op additional land adjacent to their new building so that they could construct a one-story shed attachment. He stated that it was staff's recommendation to draft an entirely new lease incorporating all the changes, additions, and amendments and having one lease term instead of several.

Mr. Pivarnik advised that as he had just received the lease document earlier in the afternoon and had not yet had time to review the lease, (nor had the Commission) he would recommend postponing approval of the lease until the next meeting.

After a short discussion, the topic was tabled until the July 8, 2009 Commission meeting.

#### B. Port Incentive Programs:

Mr. Crockett reminded that during the June 10, 2009 meeting the Commission had essentially approved a Yard Incentive Program and advised that staff thought it was advisable to review key elements of the proposed Program before implementation.

The proposed haul out discount, applicable to both the 70-ton and the 300-ton lifts was 50% (all other fees wash down, environmental fee any other ancillary fees would remain at the full rate). The proposed haul out discount was not recommended for trailer to water or water to trailer boats.

The proposed Yard (both 70 ton and 300 ton) lay day discount would be 20% for stays in the Yards of over 30 days on active projects. The customer needed to be current in their lay day payments with no late fees assessed in order to be eligible for the proposed discount.

Both Incentive Programs would be in effect from July 1 to December 31, 2009 with a project "grandfathered" until March 31, 2010 for the lay day discount if they entered the Yard by December 31.

Permanent tenants (as they were already allowed free lay days under current policy) would be given the opportunity to choose either the discounted haul out rate or the free lay days but could not use both discounts.

A direct postcard mailing to customers who had used the Port haul out facilities would be sent as soon as historical data could be accessed from the Port Marina Management software. Additionally, the Port would partner with interested Marine Trades in an advertisement campaign.

Commissioner Collins suggested that the 20% lay day discount start from the June 10 meeting date when the Incentive programs were first visited, advising that doing so might induce a boat owner to stay longer in the Yard and have the lay day discount kick in on July 11 instead of August 1.

**Commissioner Collins moved for implementation of the Yard lay day discount to begin, retroactive, to June 11, 2009 the date of the Commission meeting where the measure was adopted. The retroactive date would be applicable for lay days only, and would not apply to the hoist discount.**

A lengthy and thorough discussion followed between the Commissioners and staff.

Commissioner Thompson offered that, in his opinion, it would simplify administration of the Yard Incentives if both the Hoist and the Yard incentives started at the same time on July 1<sup>st</sup>. He offered that citizens who got the retroactive lay day discount would probably wonder why they did not get a discount on their haul out also.

Commissioner Beck remarked that it needed to be made very clear that the retroactive discount, if adopted, was applicable only to the lay days.

Les Schnick offered that he understood Commissioner Collin's intent, and that some people would benefit from it, however, in his opinion, it would seem easier to administer if everything started on the same day.

Mr. Crockett, responding to an inquiry from Commissioner Collins, stated that he would rather both incentive programs started on the same date, July 1 making administration of both Incentive Programs black and white and very clear.

**After further discussion, Commissioner Collins withdrew his motion on the table.**

Addressing the advertising promotional part of the Incentives, Mr. Pivarnik provided information and showed examples of both the flyers and postcards.

Further discussion followed.

**Commissioner Beck moved to authorize staff to move forward with the Port of Port Townsend Yard Incentive Program as discussed and presented in document #1 and to also proceed with the advertisement brochures as presented in document #2.**

**Motion carried by unanimous vote.**

Mr. Crockett informed regarding the second part of the proposed Incentive Program, applicable to Marine Trades and available in Point Hudson and Boat Haven beginning July 1 through December 31, 2009, in which a marine trades tenant would receive a \$.50 per foot per day (24 hours) rate for their customers Monday – Thursday depending on slip availability and while their vessel was actively being worked on by the Marine Trade. If the boat owner wished to stay Friday – Sunday the rate would go back to the normal amount. Any discount requests, stated Mr. Crockett, had to be initiated by a marine trade, not by a boat owner as the discount was exclusive to marine trades. He provided additional details.

An in depth discussion followed about the proposed Incentive program.

**Commissioner Beck moved to adopt the Incentive Program as outlined on page 15 of the Commission Meeting Packet, which stated 'whereas a Marine Trade tenant can get a \$.50 per foot per night (24 hours) rate for their customers Monday – Thursday at either the Point Hudson or Boat Haven Marina. This would be subject to availability and if the boat owner wanted to stay Fri/Sat/Sun they would be charged full price for those days. The marine trade would need to make the reservation in order for it to be valid.'**

**Motion carried by unanimous vote.**

Les Schnick inquired if there was information available regarding if the Marine Trades would be allowed to participate in the advertising campaign being launched by the Port as he had received several inquiries.

Mr. Pivarnik advised that work on the advertisement campaign was moving forward and that he would have final details available for the July 8 meeting.

VI. NEW BUSINESS:

A. Approval of Warrants and Voided Warrant:

Warrant #042192 through #042220 in the amount of \$37,171.17 for Payroll  
Warrant #042221 through #042226 in the amount of \$26,270.89 for Payroll Benefits  
Warrant #042227 through #042275 in the amount of \$216,618.73 for Accounts Payable

Warrant #041940 in the amount of \$(82.46) voided Accounts Payable

**Commissioner Thompson moved to approve the warrants as presented.**

**Motion carried by unanimous vote.**

B. Window Screens for Nurses Quarters:

Mr. Pivarnik provided topic background, reminding that rehabilitation of the Nurses Quarters building in Point Hudson had been very successful with both the Port and T's Restaurant owner, Gary Tocatlian, investing considerable funds into the project. (To date the Port had invested \$387,500, which also included replacing the Point Hudson Moorage Office roof and Mr. Tocatlian \$300,000). However, he stated, Mr. Tocatlian had recently requested of the Port that it provide window screens for the building and Mr. Pivarnik had explained that he did not consider window screens to be part of the Port's obligation as a landlord. Mr. Tocatlian then requested that Mr. Pivarnik present the item to the Commission for a ruling. The screens, advised Mr. Pivarnik, for the entire building, would cost approximately \$1,200.00. He offered that he did not want to set precedent for other tenant (i.e. the Shanghai, Point Hudson Café and the Landfall) requests for like items.

A short discussion followed with the Commission consensus that the Port would not provide window screens for T's Restaurant.

**To clarify further, Commissioner Collins moved to adopt a policy wherein window screens are not considered normal equipment for a building that the Port rents.**

**Motion carried by unanimous vote.**

VII. STAFF COMMENTS:

Mr. Crockett announced that the last public Strategic Planning Session would be held Thursday, June 25 at 7:30 PM in Port Ludlow.

He informed that he and Mr. Pivarnik had met with Mr. Lee, owner of the Shanghai Restaurant, who had expressed concerns regarding Point Hudson parking availability for his lunchtime customers and, in fact, had a number of regular customers call to cancel because they were not able to find parking. Mr. Crockett reminded that additional parking was available at Point Hudson in the Port owned lot adjacent to the Commanders Beach House and along the back fence, and advised that Port employees would begin parking there. Additionally he advised that there would be discussion with the other restaurant owners (Point Hudson Café and T's) to ask them to direct their employees to park there as well.

One item that developed from the dialogue with Mr. Lee was the need for a handicap parking space designated for the Shanghai and also the necessity of a handicap access ramp up to the restaurant from the front of the building. Mr. Crockett stated that staff would proceed with the process, which would include City permits, to build the ADA accessible ramp for the restaurant.

A brief discussion followed.

Lastly, Mr. Crockett informed that Mr. Goodstein had provided to staff a draft of the Goodstein Law Firm Professional Services Agreement for legal services. Mr. Crockett stated that the document would be reviewed by staff and then presented to the Commission during the July 8, 2009 meeting for approval.

VIII. PUBLIC COMMENTS:

None

IX. COMMISSIONER COMMENTS:

Commissioner Beck informed that he had gone down to the Quilcene Marina to witness the 4 foot minus tide this past weekend advising that he had been approached by citizens with

questions and concerns regarding the status of the proposed harbor entrance dredging project. Commissioner Beck informed the citizens that the permitting for the dredging was progressing but reminded that the process took time.

X. NEXT MEETING: Next regular meeting will be held Wednesday July 8, 2009 at 1:00 PM, (Public Workshop at 9:30 AM), at the Timberhouse Restaurant, Quilcene

XI EXECUTIVE SESSION:

The regular meeting recessed into Executive Session at 7:20 PM for discussion of a legal matter, duration of thirty minutes, with no action.

XII: ADJOURNMENT:

The regular meeting reconvened at 7:50 PM and adjourned at 7:51 PM there being no further business to come before the Commission.

ATTEST:

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Herbert F. Beck, President

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David H. Thompson, Secretary

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John N. Collins, Vice President