

PORT COMMISSION MEETING – August 12, 2009

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

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

Excused: Attorney - Goodstein

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

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

III. CONSENT AGENDA:

- A. Approval of Minutes – July 22, 2009
Approval of Special Meeting Minutes August 5, 2009
- B. Operations Reports – July, 2009

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

Mr. Crockett noted that the July Operations Reports showed that the Point Hudson Marina and RV Park had the highest number in both marina nightly guests and RV guests of any previous July. He attributed the record numbers to the beautiful weather Port Townsend had enjoyed during July. Additionally, he advised there had been 100 haulouts during July for the 70-ton travelifts.

IV. PUBLIC COMMENTS (Not related to agenda):

None

V. OLD BUSINESS:

A. Yard Incentive Program:

Mr. Crockett briefly informed regarding the current Yard Incentive Programs and stated that Commissioner Collins had asked that the topic be placed on the agenda for further discussion.

Commissioner Collins stated that he had been puzzled over whether there was an equity issue resulting from the fact that boats that were already hauled out and sitting in the Yards as of July 1, were staying for 30 days or more, did not qualify for the 20% lay day discount; whereas boats that had hauled out July 1 did qualify. He stated that he thought the purpose of the Incentive Program was to encourage folks to stay longer in the Yards and so it seemed to him that whether they were already in the Yards on July 1 or had just hauled out July 1, both cases met the criteria of what was trying to be accomplished with the Incentive Programs. He proposed that the 20% lay day discount for stays in the Yards of 30 days, or longer, should be offered to anybody in the Yard as of July 1 whether they were a new lift out or an existing lift out.

Commissioner Beck clarified that the customer should be in good standing, payment wise, and that active work on their vessel was being performed.

A very thorough discussion followed regarding the proposal, which included the possible negative impacts on Yard revenues, impacts to staff in implementing the plan and other details. Also discussed was the criteria to be used to determine if an account was “in good standing” payment wise and ways in which to determine if a project was “active” or not.

Commissioner Thompson expressed his opinion that the current Incentive Program should be left as it had originally been strategized and implemented in order to avoid any additional loss of revenue.

Discussion followed that the results (whether positive or negative) of the Incentive Programs would not be fully seen until after Labor Day in September.

Commissioner Beck stated that, in his opinion, even taking into account the probable loss of revenue, he thought it was more fair and equitable to everyone if the proposal

was implemented. He stated that he did not really agree with the comparison to a retail store and the “sale” idea as the boat owner was parked in the Yard and might have been there for several months prior to July 1 and planned to be there for some time after that date. He advised that he thought necessary criteria for the discount was that there should be ongoing work on the boat and that the account should be current. In his opinion, the whole purpose of the Incentive Programs was to get boats into the yard and to get people working.

Commissioner Collins moved to include into the Yard Incentive Program any boat in the Yard as of July 1, 2009, that those boats be treated the same as a boat lifted on July 1, 2009 in terms of Yard discounts, with the stipulation that the account be in good standing as of July 1, 2009 and that the discounts be applicable to active projects.

Commissioner Thompson recused himself from the vote. The motion carried by unanimous vote.

B. Quilcene Dredge Project:

Mr. Crockett provided an update on the topic and advised that although all permits had not yet been obtained, he would advise moving forward with going out for bid for a dredging contractor. Until then, there could only be estimates about what the proposed project would cost and those quotes were for approximately \$40.00 a cubic yard for 4,000 cubic yards resulting in a final cost of approximately \$160K. Adding to the cost was the fact that the Army Corp of Engineers had ordered that the dredge material should be disposed of in the approved deep water disposal site off of (not on) Protection Island. He asked for Commission opinion on whether staff should move forward to initiate the bid process.

A discussion about the proposed project and the timeline, the fish window and other details followed.

Commissioner Beck moved to direct staff to move forward with the bidding process for a contractor on the Quilcene Dredge Project in Quilcene Harbor.

He advised that there was a multi million dollar shellfish industry in Quilcene dependent on the harbor as well as the many guests who used the facility. He sited, additionally, the safety issues connected to leaving the Harbor as it was.

Commissioner Collins remarked, that in his opinion, it was appropriate to move ahead with the next step.

Motion carried by unanimous vote.

C. WPPA Committee Chairs Meeting Agenda Update:

Mr. Crockett provided a thorough briefing of the WPPA Committee Chairs meeting he had attended on July 31, 2009 at Sea Tac in which discussion had taken place regarding possible legislative issues to put forward during the next legislative session.

VI. NEW BUSINESS:

A. Approval of Warrants and Voided Warrant:

Warrant #042476 in the amount of \$84,104.92 for Accounts Payable

Warrant #042477 through #042507 in the amount of \$42,395.82 for Payroll

Warrant #042508 through #042517 in the amount of \$57,207.98 for Payroll Benefits and Accounts Payable

Warrant #042518 in the amount of \$1,050.00 for Payroll Benefits

Warrant #042519 in the amount of \$1,603.09 for Accounts Payable

Warrant #042520 through #042598 in the amount of \$67,680.39 for Accounts Payable

Warrant #042443 in the amount of \$-64.00 void Accounts Payable

Warrant #042462 in the amount of \$-145.00 void Accounts Payable

Commissioner Thompson moved to approve the warrants as presented.

Motion carried by unanimous vote.

VII. STAFF COMMENTS:

Mr. Taylor sought Commission clarification and direction regarding the topic, discussed during the morning workshop, of separating the Point Hudson cost center into two separate cost centers, operations (moorage and RV) and leased property for the 2010 Budget. If the Commission felt the change to be worthwhile, he advised that he needed to start making the necessary formatting changes.

Commissioner Thompson inquired as to what benefits the change would offer.

Commissioner Collins, who had suggested the change, stated that, in his opinion having the cost center split into two would make the budget cleaner to track as the cost centers operated by different dynamics.

Commissioner Beck stated that in his opinion, it would aid in the overall transparency of the budget.

Discussion followed about the advantages and disadvantages of breaking Point Hudson into two cost centers. After the discussion, the Commission was in agreement that Mr. Taylor should make the change to the Point Hudson cost center.

Mr. Pivarnik informed that he had distributed a draft of the latest Port Newsletter “The Conversation” and asked that any changes the Commission had, be given to him as quickly as possible since the plan was to go to print Wednesday, August 19.

Mr. Pivarnik informed on the pre-app meeting he and Mr. Crockett had attended at Jefferson County regarding the proposed ECO Park at the Airport. In attendance were staff from Jefferson County Department of Community Development, Public Works, Fire Department and a member of the Port’s Consulting team. The meeting was to assure that all players were on the same page as far as what was necessary. One of the missing components, he informed was that the Department of Public Works advised that they wanted a traffic study to determine what impact the proposed project would have on Highways 19 and 20 as well as Four Corners. Al Scalf, Director of the Department of Community Development offered that the application was not project specific and suggested that a cursory type traffic study be performed, one that could piggyback onto the traffic study already proposed by Jefferson County. Doing so, according to Mr. Scalf, would cost the Port approximately \$1,500.00 to incorporate a programmatic traffic study for the two areas instead of having to do a “stand alone” traffic study. Mr. Pivarnik sought Commissioner concurrence to move forward with that approach. The Commission agreed.

Thirdly, Mr. Pivarnik provided information regarding a letter received from Jefferson County Department of Solid Waste in which it was proposed to cut the hours of operation for the Moderate Risk Waste site located within Port boundaries. The proposal was for the site to be open for a short time (less than 13 hours a month) every other week. Mr. Pivarnik offered that staff had concerns about the reduction in operational hours and suggested that a meeting be arranged with Jefferson County to discuss the proposal in more detail. He reminded that the County did not pay rent for the current site.

Discussion followed about the proposal and possible use of the County’s mobile program. Also discussed was that if the mobile program proved viable, if the current hazardous waste site/building could be rented to a small marine trade business.

Mr. Crockett informed of a Department of Transportation (DOT) open house scheduled for Thursday, August 27, 2009 at the Chimacum Primary School regarding the ongoing discussion of the Highway 19/20 corridor plan. He provided details regarding the plan, which primarily looked at intersections, and seeing what the safety issues have been on Highway 19 from the Visitors Center at Highway 104 through to the Ferry Terminal in Port Townsend.

A short discussion followed regarding the proposed new fire station at J.C.I.A. and the impact of traffic coming and going to the new site will have on Four Corners Road.

Mr. Crockett informed regarding another meeting he had attended, the newly formed Sewer Advisory Committee regarding the proposed sewer system in Port Hadlock. He provided information stating that many issues still needed resolution including how to pay for the project when it was anticipated that a residential sewer hook up would cost approximately \$20,000. Also discussed was what governmental entity would have control of the system, the PUD, Jefferson County or a separate sewer utility.

Lastly, Mr. Crockett informed that the Jefferson County Fair was scheduled for the weekend of August 14 – 16, with the Port having a booth.

VIII. PUBLIC COMMENTS:

Connie Gallant of Quilcene, thanked Commissioner Beck for making the motion to dredge the Quilcene Marina and also thanked the Commissioners for their unanimous approval of that motion. She advised that doing so made the rest of the boat owners in Quilcene happy as well. She stressed the importance of the dredging not only to the recreational activities but also regarding the commercial activities reminding that Quilcene was very big in the shellfish industry.

When asked by Mr. Crockett if she would consider becoming a “point of contact” regarding the timing and letting the folks in Quilcene know when the dredging was going to happen, she responded in the affirmative.

Commissioner Collins noted that the Commission did not vote to go ahead with the actual harbor dredging, they had voted to go out for bids for a contractor to do the dredging. He advised that the Commission would still need to act on whether or not to move forward with the proposed project once the bid process was completed.

IX. COMMISSIONER COMMENTS:

Commissioner Thompson noted that he was pleased with the way in which the Commission was addressing the Draft Strategic Plan through the workshop process and stated that, in his opinion, with the adjustments made and those that would be continued to be made, he thought that there would be improvement to the draft document.

Commissioner Collins stated, in his opinion, the Commissioners needed to become fully informed with the Strategic Plan so that one year from now they would continue to be conversant with it so that it becomes a living document.

Commissioner Beck agreed with both Commissioner Thompson and Collins and stated that he had read and then re-read the Draft Strategic Plan and thought it was a very worthwhile document. He stated that he appreciated the efforts of both the Committee members and the Consultants.

X. NEXT MEETING: Next regular meeting will be held Wednesday August 26, 2009 at 6:30 PM, Public Workshop from 2:30 PM to 4:30 PM, in the Port Commission Chambers, 375 Hudson St, Port Townsend.

XII: ADJOURNMENT:

The regular meeting adjourned at 2:22 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