

## PORT COMMISSION MEETING – August 11, 2010

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

Present: Commissioners – Collins, Thompson, Erickson  
Executive Director – Crockett  
Deputy Director - Pivarnik  
Attorney Lake - Goodstein Law Group  
Auditor – Taylor  
Recorder/Minutes – Hawley

Excused: Recorder/Minutes - Nelson

### I. CALL TO ORDER/PLEDGE OF ALLEGIANCE: (.30)

Commissioner Collins called the meeting to order at 3:30 PM.

### II. APPROVAL OF AGENDA: (.48)

The agenda was amended to reflect two additions to New Business: (moving approval of Warrants to Item H), Item F – Implementation Policy and Item G – Political Signage Policy. Item E – Construction Contract Approval for EMO Construction was added to Old Business. An Executive Session was announced for discussion regarding a potential real estate/litigation matter, duration of ten minutes, with no expected decision.

**Commissioner Collins moved to approve the Agenda as amended.**

**Motion carried by unanimous vote.**

### III. CONSENT AGENDA: (2:41)

A. Approval of Minutes – July 28, 2010

B. Operations Report – July 2010

**Commissioner Collins moved to approve the Consent Agenda as presented.**

**Motion carried by unanimous vote.**

### IV. PUBLIC COMMENTS (Not related to agenda): (3.57)

Tamara Conway addressed the Commission on concerns regarding the A/B Dock project.

### V. OLD BUSINESS:

#### A. Moorage Rates: (6:00)

To bring current: At the June 23, 2010 meeting, Commissioner Thompson had moved to **increase moorage rates on a 5-year plan at 3% per year**. During the July 14, 2010 meeting, the motion was deferred until the July 28, 2010 meeting.

At the July 28, 2010 meeting, Commissioner Thompson amended the open motion to: **make a step change of 2% for the 20' to 25' boats, 3% for the 30' to 40' boats and 4% for the 45' to 50' boats per year**. The motion was tabled forward to this meeting.

**Commissioner Thompson related that he wanted to modify his open motion to: make a step change of 2% for 25', 3% for 30' to 35' and 4% for 40' to 53+', per year**, which would correspond to the draft Moorage Rate Proposal presented by Mr. Taylor and which, stated, Commissioner Thompson in his opinion, was an attempt to get to a rate based on square footage. **Motion failed by a vote of two opposed and one in favor.**

Discussion included that any permanent moorage rate increases would affect the Herb Beck Marina since a previous Commission had set the rates there at 80% of Boat Haven permanent moorage rates until completion of the septic system and the harbor dredging projects.

**Commissioner Collins offered two motions: #1: Permanent moorage rate in Boat Haven and Herb Beck Marina commencing January 1, 2011 shall be based on a uniform cost per square foot measured by length and beam of each boat, plus a flat monthly base rate of \$50.00. The initial cost per square foot shall be computed to be budget neutral for the current fiscal year.**

**Motion failed by a vote of one in favor, one opposed and one abstention.**

**Commissioner Erickson moved to modify Motion #1 by changing it from “charging a uniform cost per square foot measured by length and beam of each boat” to that of “charging by slip size square footage”.**

**Motion carried by a vote of two in favor and one abstention.**

**Motion #2: Annual adjustments to the cost per square foot shall be made by the Commission, to be effective January 1 of each year, to not exceed the anticipated percent change in total Moorage cost center expenses, and guided by but not restricted to the percent change in average moorage rates, weighted**

**according to distribution of slip sizes in Boat Haven, among the 16 marinas located approximately within a 45 mile radius of Port Townsend, excluding any marinas in King County.**

**The motion was tabled until a future meeting.**

B. Nonprofit Application for Support: (48:06)

Mr. Crockett reminded that the topic of how to handle requests from non-profit organizations for support from the Port had been discussed during the July 28, 2010 meeting and then presented a revised draft *Non-Profit Funding Request Application*. Discussion of the form (and proposed policy) would be resumed during the August 25, 2010 meeting.

C. Executive Director Evaluation Process: (58:56)

Mr. Crockett reminded that the topic had been discussed thoroughly during the July 28, 2010 meeting and that the final piece was to adopt a timeline for the process. There was discussion regarding that finalizing the process in January (in the future) when new Commissioners first began their terms might present a difficulty for them. It was agreed to back up the schedule so that it would be finalized at the end of the year.

**Commissioner Collins moved to adopt the Evaluation Process Calendar, as amended.**

**Motion carried by unanimous vote.**

D. PDD/EDA Grant: (1:01)

Mr. Crockett reminded that staff had applied for the Grant through the Peninsula Development District (PDD), which is the Economic Development Agent for the Federal Department of Commerce and that it was a planning grant for the Jefferson County International Airport Industrial Park for \$58K with a 100% Port match. Staff needed direction on whether to proceed right now to pursue the Grant since doing so would mean that once the Grant was awarded the Port would have to immediately commit the amount of the match. Consensus was to let the process stand as is for right now, not push, and to send a letter to the PDD explaining our rationale. No formal action was taken.

E. Contract Approval for AMO Construction: (1:07)

Mr. Crockett advised that one of the elements of the Point Hudson Marina not completed by the original contractor to the Port's satisfaction was the fire flow portion. As part of the settlement agreement, the funds had already been committed to the project and had been withheld from payment to the original contractor. AMO was on site, ready to begin work. They expected to complete the project within two weeks. The total contract amount was \$25,802 plus W.S.S.T.

**Commissioner Thompson moved to approve the contract with AMO Construction in the amount of \$25,802 plus W.S.S.T.**

**Motion carried by unanimous vote.**

VI. NEW BUSINESS:

A. WSDOT Regional Mobility Grant: (1:10)

Commissioner Thompson presented the topic advising that the Washington State Department of Transportation (WSDOT) had given all districts the opportunity to present for funding any needy projects in their jurisdictions and he thought of the idea of a turn lane on Highway 19 at the airport.

Mr. Crockett advised that the deadline for submission of a proposal is October 7, 2010. One of several workshops was scheduled for September 14, 2010 in Seattle and he planned to attend. Further details to be provided at future Commission meetings. The Commission agreed that it seemed like a valuable idea.

B. Budget Reporting: (1:14)

Having recently attended the WPPA Commissioner Seminar during which there had been discussion of budget reporting formats, Commissioner Collins presented two sample formats that he believed might be useful to help clarify and simplify the financial reports prepared by staff.

After discussion, which also included ways in which to reveal expenditures of the Capital Budget, Mr. Taylor agreed to move forward with the ideas presented.

C. Meeting Procedures: (1:29)

The recent WPPA Commissioners Seminar had also presented various ideas and formats on how to run an efficient and affective meeting. Agreement was that the ideas offered in Commissioner Collins "Proposed Ideas for Rules of Procedures for Conduct of Port of Port Townsend Commission Meetings" were complex enough to

warrant continuing the topic to the August 25 meeting to allow thorough understanding of the proposed ideas.

D. Port Hadlock Float Operations: (1:40)

Mr. Crockett provided a short briefing regarding the Port Hadlock float and the current policies affecting usage on the float, advising that when staff recently visited the float there were 23 dinghies both on, and moored to the float.

There was discussion regarding what to do about float usage, current signage, community view regarding the float, possible changes to the current policies and whether or not to start charging a fee for float usage.

**Commissioner Collins moved that at the float at Port Hadlock, the east (open water) side be reserved for short-term moorage of no more than 12 hours at one time and no more than 24 hours within a one-month period. The west (shore) side and Port owned beach area is reserved for long-term storage of dinghies and tenders at a monthly of annual cost as set by the Port Commission. For purposes of this policy, dinghies and tenders shall be defined as watercraft that are used primarily for transportation to and from the dock or shore and boats moored by anchor or buoy in the harbor. Dinghies or tenders from boats temporarily moored in the harbor may use the dinghy dock for no more than 3 days per month. Boats, oars, crab pots, or other objects may not be stored on the float.**

**The motion was tabled for further discussion during the August 25, 2010 meeting.**

E. FAA Master Plan Grant: (1:56)

Mr. Pivarnik briefed that the FAA had asked the Port to update the Master Plan at a cost of approximately \$155K with the Port's responsibility 10%. A State Grant might be available to cover a portion of the 10%.

**Commissioner Thompson moved that we move forward with this.**

**Motion carried by unanimous vote.**

F. Implementation Policy: (1:57)

Mr. Crockett advised that he had received this afternoon from the Goodstein Law Group a draft of a Port Policy regarding new policy implementation and ways in which to notify those affected by policy changes. Ms. Lake reviewed the proposed policy; further discussion was moved forward to August 25, 2010.

G. Political Signage: (2:02)

Mr. Crockett provided background on the topic, reminding that in the past political signs were not allowed on Port property although there was, currently, no formal policy in effect. Discussion followed about whether or not the Commission wanted to maintain that informal policy or do something different.

Ms. Lake spoke to the legalities involved and advised that the Port, as it was located within the confines of Jefferson County and the City of Port Townsend, was bound by those entities policies regarding political signage. She cautioned against adopting a formal policy.

H. Approval of Warrants: (2:12)

Commissioner Thompson read the warrants, as presented:

Warrant #044825 through #044853 in the amount of \$40,147.39 for Payroll

Warrant #044854 through #044862 in the amount of \$53,361.12 for Payroll Benefits

Warrant #044863 through #044934 in the amount of \$147,700.64 for Accounts Payable

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

**Motion carried by unanimous vote.**

VII. STAFF COMMENTS: (2:13)

Ms. Lake updated that the Goodstein Estate has been settled and the change in ownership of the Goodstein Law Firm was now completed. She also informed that a new attorney, Tim Harris, was starting with the Firm on August 16.

Mr. Pivarnik announced that the Quilcene Dredging project was going very well. He expected it to be finished by August 19, 2010.

He asked for Commission direction on whether or not to invest in printing Tide Guides as had been done in previous years.

At a cost of \$3,100 (\$1.55 each), there was agreement amongst the Commissioners to not invest in the Tides Guides for 2011.

Mr. Crockett commented that he had been approached by Scott Wilson to sit on the Higher Education Committee, advising that the Port Representative could be a Commissioner or

himself. The first meeting was going to be held at the Bishop Victorian on September 2, 2010.

Commissioner Collins expressed interest in serving but advised that he would not be able to attend the first meeting. It was agreed that Mr. Crockett would attend that meeting and then subsequently Commissioner Collins would be the representative.

Mr. Crockett advised that the Port Townsend Paper Mill was trying to do a co-generation project for electricity and he thought it was a worthwhile project, which will provide 200,000 million kilowatt hours per year of green alternative energy to the local electrical grid. DOE is having a public comment period on August 17 at 6:30 PM at the Fort Worden Commons. He had been asked to attend and make a statement in support of the project.

VIII. PUBLIC COMMENTS: (2:20)

Mr. Hudson Ramsey addressed the Commission on the Port's Budget and Financial Reporting.

IX. COMMISSIONER COMMENTS: (2:27)

Commissioner Thompson agreed with Mr. Ramsey and voiced his concerns regarding the Port's financial resources until the Ship Yard bond issue was repaid in 2016. He was not optimistic about a rebound in recreational boating. He suggested looking at alternative uses (perhaps temporary ones) for the Ship Yard property, especially since there was a large storm water infrastructure in place.

Commissioner Erickson agreed with Commissioner Thompson and offered that, in his opinion, the Port should be looking about alternative uses for that land which is sitting there not being used, although it was "purpose specific". He encouraged "thinking outside of the box" because it did not seem like the boats were coming in and using that space.

X. NEXT MEETING: Next regular meeting will be held Wednesday, August 25, 2010 at 6:30 PM, Public Workshop at 3:30 PM, in the Port Commission Chambers, 375 Hudson St, Port Townsend.

XI. EXECUTIVE SESSION: The regular meeting recessed into Executive Session at 5:58 PM for a ten-minute discussion on a real estate/litigation issue with no expected decision.

XII. ADJOURNMENT: The regular meeting reconvened at 6:09 PM and adjourned immediately there being no further business to come before the Commission.

ATTEST:

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John N. Collins, President

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Leif W. Erickson, Secretary

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David H. Thompson, Vice President