

PORT COMMISSION MEETING – January 12, 2011

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
Auditor - Taylor
Attorney Lake - Goodstein Law Group
Minutes - Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

The agenda was amended to reflect the addition of New Business, **Item D-Grant Sponsorship for Puget Sound Express.**

Executive Director Crockett advised the need for an Executive Session on a real estate issue, with no decisions expected and a duration time of approximately 15 minutes.

Commissioner Collins moved to approve the Agenda as amended.

Commissioner Erickson seconded the motion.

Motion carried by unanimous vote.

III. ELECTION OF OFFICERS (1:09):

Commissioner Collins moved to nominate Commissioner Thompson to serve as President for 2011. Commissioner Collins moved to nominate Commissioner Erickson as Vice President and Commissioner Collins as Secretary.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

IV. CONSENT AGENDA (2:00):

A. Approval of Minutes – December 22, 2010

B. Operations Reports – December 2010

Commissioner Collins moved to approve the Consent Agenda as presented.

Commissioner Erickson seconded the motion.

Motion carried by unanimous vote.

V. PUBLIC COMMENTS (Not related to agenda): (2:26)

Bertram Levy expressed his displeasure with what he believes is how the Port handles the reserve fund for renovation. He requested the Port Commission hold a workshop on this subject.

Phil Andrus commented on the new square footage rate structure, expressing his displeasure with 30' boat rates. He also commented on the issue of subleasing slips. Lastly, he brought up the subject asking why can the Port not charge out-of-county residents a higher moorage rate than in-county.

VI. RECESS TO A MEETING OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF PORT TOWNSEND (13:54):

The regular meeting recessed into the annual Industrial Development Corporation meeting at 3:44 PM and reconvened into the regular meeting at 3:47 PM.

VII. OLD BUSINESS (17:00):

Mr. Crockett asked to move ahead to New Business, Item A – Sales Tax, so that Tim Caldwell, who is making this presentation, can move forward.

VIII. NEW BUSINESS

A. Sales Tax (17:18)

Tim Caldwell, chair of the citizen's committee of Jefferson County Residents for Transit, spoke in support of Transit's Proposition 1. He explained ballots would be mailed out January 19, 2011, with the election on February 8, 2011. If passed, Jefferson County residents would pay an additional .3% tax for this measure. Mr. Caldwell is requesting the Port hold a Public Hearing on this Proposition so that the Commission can decide whether or not to endorse the tax. He explained the County Commissioners have endorsed the measure. Attorney Lake suggested that elected bodies have restraints on political endorsements. Prior to a decision from the Commission, the Port would need to request public comments. This issue may be listed as an agenda item on the regular meeting agenda. Views both pro and con would be heard.

Mr. Andrus spoke in support of the transit tax and urged Commissioners to do the same.

VII. OLD BUSINESS (cont.):

A. Commission Meeting Procedures (27:32):

Mr. Crockett passed out Resolution No. 553-11 and the updated Meeting Procedures, Appendix A, which requires an annual update.

Commissioner Thompson moved to adopt Resolution No. 553-11, along with Meeting Procedures, Appendix A.

Commissioner Collins seconded the motion.

Motion carried by unanimous vote.

B. Union Contract (29:48):

Mr. Crockett reminded that the Union contract expired on December 31, 2010. He presented the Letter of Agreement between the Port of Port Townsend and Teamsters Local 589.

Commissioner Collins moved to approve the two-year contract extension along with the Letter of Agreement between the Port and Teamsters Local 589.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

C. Copper Bottom Paint Legislation (36:00):

Mr. Crockett explained that this week, a bill sponsored by the Northwest Marine Trades Association (NMTA), is being introduced to the legislature in Olympia banning copper bottom paint. This initiative would phase out copper bottom paints within a fifteen-year period. He explained that he, as well as boat yards, and the Department of Ecology support this bill. The Washington Public Ports Association has been asked to support the initiative as well and is asking the Port of Port Townsend Commission for guidance, since our Port is a recognized leader in boat yard stormwater issues.

Commissioner Collins moved to support the issue of banning copper bottom paint, however the initiative needs rewording.

Mr. Crockett asked the Commission to approve the concept, rather than the wording.

Commissioner Thompson seconded the motion.

More discussion held.

Motion passed by unanimous vote.

D. Boat Haven Marina Expansion (48:56):

Mr. Crockett reminded the Commission of the meeting he and Mr. Pivarnik attended back in September with the Corps of Engineers on the Boat Haven Marina expansion. The Corps would like to begin another Reconnaissance Study, as the last one was performed in 1997 and is outdated. This would be 100% federally funded.

Commissioner Thompson moved to go forward with the Army Corps Reconnaissance Study.

Commissioner Erickson seconded the motion.

Motion carried by unanimous vote.

E. Passenger Ferry Update (55:43):

Mr. Pivarnik explained funding is held up in Washington DC. Senator Murray's staffer encouraged the port to reapply in February 2011. (The Port of Port Townsend placed 21st out of 24 in first go-around.)

Commissioner Thompson added that he is in favor of a mainland deep-water corridor, proposed by the Paper Mill. Mr. Pivarnik added that he has met with Roger Loney of the Mill and the Mill expressed interest in supporting a joint grant application with the Port for a passenger ferry and the deep-water corridor project. Mr. Crockett and Mr. Pivarnik recommend exploring grant opportunities that would include both projects.

Commissioner Collins moved to seek support for funding options for the passenger ferry and the deep-water corridor project.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

VIII. NEW BUSINESS:

A. Sales Tax (cont.) (1:00:00):

Commissioner Collins moved to include an agenda item on the next Regular Meeting agenda, itemizing a Public Hearing on Proposition One: Transit, and to also include Proposition One, the School Levies.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

David Griswold, of the Port Townsend Marine Trades Association explained that many of their clients use the transit to travel between here and Seattle.

B. Draft – 2010 Year-End Financial Update (1:06:33)

Mr. Taylor explained that the Capital Project discussion has been postponed until the January 26, 2011 Commission Workshop. He presented the current financial update and noted more finalized figures would be available at the next meeting.

C. Approval of Warrants (1:15:47):

Commissioner Thompson read the warrants, as presented:

Warrant #045811 through #045839 in the amount of \$43,010.29 for Payroll

Warrant #045840 through #045846 in the amount of \$28,628.64 for Payroll Benefits

Warrant #045847 through #045920 in the amount of \$311,696.06 for Accounts Payable

Commissioner Thompson moved to approve the warrants as presented.

Commissioner Collins seconded the motion.

Motion carried by unanimous vote.

D. Grant Sponsorship for Puget Sound Express (1:16:50):

Mr. Pivarnik explained of a grant available for small ferries to help replace their engines with fuel-efficient ones. Pete Hanke of Puget Sound Express is asking the Port to act as the grant writer, as the grant requires a public entity as sponsor. Discussion occurred about the Port's financial liabilities and responsibilities in doing so. Mr. Taylor explained a Federal grant this large, added to other Federal grants received in 2011, would put the Port in the category for a Federal Single Audit, which could add approximately \$7-10K to the Port's audit costs. Commissioner Thompson asked of the possibility of Puget Sound Express paying the audit cost along with any Port administrative costs. Mr. Pivarnik said this would be a possibility.

Commissioner Thompson moved to facilitate grant sponsorship if Puget Sound Express agrees to defray the cost of a Federal Audit and Port administrative fees.

Commissioner Collins seconded the motion.

Motion carried by unanimous vote.

IX. STAFF COMMENTS (1:24:00):

Attorney Lake explained she should have Kah Tai documentation together by January 22, 2011.

Mr. Pivarnik explained that he has spoken with a local wireless company who could provide wireless service to our customers at the Boat Haven, Point Hudson and possibly the airport. The company will provide the proposal for this service at a later date.

Mr. Crockett reminded all of the Seattle Boat Show running January 21-30, 2011 at the Qwest Field Exhibition Center in Seattle. He also reminded of the holiday on January 17, 2011 honoring Martin Luther King Jr, when Port offices are closed.

X. PUBLIC COMMENTS (1:25:47):

Dave Griswold, of Port Townsend Marine Trades Association, commented on the fact that the yard at Sea Marine seems full compared to the Port's boat yard.

XI. COMMISSIONER COMMENTS (1:27:00):

Commissioner Erickson expressed his concern regarding the motion passed on copper bottom paint legislation. Mr. Crockett explained the ban is limited to vessels under 65' in length, taken from Longshoreman's regulations. Further discussion on banning of copper paint occurred.

Commissioner Collins presented a gift of a photo of the A/B dock removal, taken by a friend, Sheila Lauder.

Commissioner Thompson spoke of a meeting he had with Brent Shirley, local businessperson, on alternatives to the economic development council.

Mr. Pivarnik added that he is attending a Team Jefferson retreat this Friday and hopes to learn more on the future of the Economic Development Council-Team Jefferson, since former director, Katherine Baril, has retired. Mr. Crockett added that he has met twice with Diana Talley who presented an idea on a marketing meeting to be held with the Chamber, Main Street, the City, the Port and Marine Trades to come together with ideas on how to market the local marine trades industry. Mr. Crockett has offered the use of the Port's conference room and it may take place this month.

Commissioner Collins questioned if any lessons have been learned due to the recent thefts in the boatyard. Mr. Crockett reported that we are encouraging businesses to lock up valuables and Mr. Pivarnik added that we are looking into cameras and signage.

XII. NEXT MEETING/WORKSHOP: Next Regular Meeting will be held Wednesday, January 26 at 6:30 PM, Workshop at 3:30 PM, in the Port Commission Chambers, 375 Hudson St, Port Townsend.

XIII. EXECUTIVE SESSION:

The regular meeting recessed into Executive Session at 5:17 PM to discuss a real estate matter.

Estimated duration of fifteen minutes. At the fifteen minute mark, Mr. Taylor looked outside for awaiting members of the public and found no one waiting. The session continued. No action taken.

XIV. RECONVENING OF REGULAR MEETING:

The regular meeting reconvened at 5:33 PM.

XV. ADJOURNMENT: The regular meeting adjourned at 5:34 PM there being no further business to come before the Commission.

ATTEST:

John N. Collins, Secretary

David H. Thompson, President

Leif W. Erickson, Vice President