

PORT COMMISSION MEETING– January 11, 2012

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

Present: Commissioners –Thompson, Erickson, Tucker
Executive Director – Crockett
Deputy Director – Pivarnik
Auditor - Taylor
Attorney Harris - Goodstein Law Group
Minutes - Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Thompson called the meeting to order at 1:00 PM.

II. APPROVAL OF AGENDA:

The agenda was amended to reflect the addition of Old Business, **Item B-T's Restaurant Attorney Update**, and **Item C-Passenger Ferry Update**.

No Executive Session called.

Commissioner Thompson moved to approve the Agenda as amended.

Commissioner Erickson seconded the motion.

Motion carried by unanimous vote.

III. ELECTION OF OFFICERS (1:25):

Commissioner Thompson moved to nominate Commissioner Erickson for President of the Commission for 2012.

Commissioner Tucker seconded the motion. Motion carried by unanimous vote.

Commissioner Tucker accepted recommendation as Vice President.

Commissioner Thompson seconded the motion.

Motion passed by unanimous vote.

IV. CONSENT AGENDA (3:12):

A. Approval of Meeting Minutes – December 28, 2011

Approval of Workshop Minutes – December 28, 2011

B. Resolution No. 572-12 – Authorizing Sale of Abandoned Vessels

C. Operations Reports – December 2011

Commissioner Erickson moved to approve the Consent Agenda as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

V. PUBLIC COMMENTS (Not related to agenda) (3:27):

Eric Durfey, local marine trade's worker, presented his questions and concerns on moving forward on the passenger ferry. Mainly concerning Port staff costs; the environmental impact; and whether there is community support. (Refer to audio recording for more.)

VI. RECESS TO A MEETING OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF PORT TOWNSEND:

The regular meeting recessed into the annual Industrial Development Corporation meeting at 1:14 PM and reconvened into the regular meeting at 1:16 PM.

VII. OLD BUSINESS:

A. Economic Development Council (EDC) Support (16:08):

Mr. Crockett reported on a recent meeting he attended with Eric Toews, and Bill Wise and Peter Quinn of EDC/Team Jefferson on 2012 Port funding of the EDC. On June 22, 2011, the Commission voted to fund the EDC for the remainder of 2011 in the amount of \$12,500. There was confusion in the amount to be funded in 2012, whether it was a total of \$25K with \$12K of that in in-kind services (one year use of the Port-owned building), or a total of \$25K plus the \$12K in-kind services.

Discussion continued between Port Commission, staff and Peter Quinn and Bill Wise of the EDC. The history, the economic benefits of the EDC on our community, their goals and financial hardships were among subjects discussed.

Commissioner Erickson moved to fund the EDC \$25,000 in cash for 2012, plus the \$12,000 in-kind services, which provides the EDC with a rent-free office space, and to review the EDC's progress in December of 2012.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

B. T's Restaurant Attorney Update (55:05):

Attorney Harris reported that he had received the Tocatlian's Notice of Bankruptcy. He in turn sent a Notice of Lease Termination along with a Lease Termination Agreement to the

Tocatlians and has yet to hear back. The Notice of Lease Termination provides notice of lease termination in thirty days. The Lease Termination Agreement could terminate the lease sooner, with a signature form the Tocatlians. Mr. Crockett stated that he has shown the restaurant space to two different parties and has been in contact with a local realtor who represents another interested party. Mr. Crockett recommends the Port advertise for proposals for this vacant space. Mr. Harris reported that once the Agreement is signed, or through notification of default in terms of the lease, the space will be available to rent again.

C. Passenger Ferry Update (1:01:22):

Mr. Crockett reported that he and Port staff met with the Federal Transit Authority (FTA) in Seattle to go over details and forms for the ferry grant. Designated Port staff will be trained by FTA staff, in our office, on how to access the FTA computer system. A more detailed discussion occurred on funding, Port expenses incurred to date, etc. The FTA gave approval for the option of either building a ferry or purchasing or leasing a used ferry. Parking and moorage costs could be applied as in-kind services towards the Port's match.

Commissioner Erickson requested a weekly written staff report on ferry progress. Mr. Pivarnik added that staff learned of other funding that will be available to the Port from ferry services, for example, for each rural passenger coming in to the City, the Port will be eligible to receive funds. In addition, Department of Transportation funding can be applied towards ferry operations.

VIII. NEW BUSINESS:

A. Meeting Procedures (1:15:06)

Commissioner Erickson finds no changes are needed to current meeting procedures adopted in Resolution No. 561-11. He emphasized adhering to the 3-minute maximum time rule for public comments when there is a crowd.

Commissioner Erickson moved to reapprove Resolution No. 561-11.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

B. Approval of Warrants (1:19:19):

Commissioner Tucker read the warrants, as presented:

Warrant #048070 through #048099 in the amount of \$41,254.79 for Payroll

Warrant #048100 through #048107 in the amount of \$52,789.24 for Payroll Benefits

Warrant #048108 through #048158 in the amount of \$62,488.93 for Accounts Payable

Commissioner Tucker moved to approve the warrants as presented.

Commissioner Erickson seconded the motion.

Motion carried by unanimous vote.

IX. STAFF COMMENTS (1:20:29):

Attorney Harris stated that he is looking forward to resolving the situation with T's Restaurant so that the space can be made available soon.

Mr. Crockett reported he and Eric Toews would be attending the City Planning Commission meeting tomorrow night on the Comp Plan Amendment. This prompted more discussion on the Kah Tai property.

Mr. Pivarnik gave a positive progress report on the Travelift pier project. He said Orion Marine Contractors has been an outstanding contractor to work with, staying within budget and being ahead of schedule on the project.

Mr. Pivarnik spoke about the Quilcene water issues. He said PUD will be using their engineers, pro bono, and this will cut the Port's costs tremendously.

Mr. Crockett informed that he would attend the Washington Boating Alliance Meeting tomorrow in Tacoma, where they will focus on legislative issues.

He also spoke about the Public Infrastructure Fund proposals that are due soon, in reference to the Quilcene fire flow project. He is awaiting an answer from Philip Morley on proposal specifics, including the due date and requirements. Mr. Crockett would like to see this on the next Port Commission meeting agenda if we have answers by then.

X. PUBLIC COMMENTS:

None

XI. COMMISSIONER COMMENTS (1:32:41):

Commissioner Tucker reported that he is excited to be a Port Commissioner.

He also spoke about a 2-day retreat on Whidbey Island in February that he would like to attend. The retreat focuses on agriculture opportunities and economic development within the Cascadia Corridor. Port staff discussed the agricultural meetings and workshops staff and Commissioners have attended in the past hosted by WSU.

Commissioner Thompson commented on the Public Infrastructure meeting he attended.

Commissioner Erickson discussed the Tri Area Sewer project and the fees that residents will need to pay for hook-up.

XII. NEXT MEETING: Next regular meeting will be held Wednesday, January 25, 2012 at 6:30 PM in the Port Commission Chambers, 375 Hudson St, Port Townsend.

XIII. EXECUTIVE SESSION:
None

XIV: ADJOURNMENT: The regular meeting adjourned at 2:38 PM there being no further business to come before the Commission.

ATTEST:

David H. Thompson, Secretary

Leif W. Erickson, President

Stephen R. Tucker, Vice President