

PORT COMMISSION MEETING– February 22, 2012

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

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

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Erickson called the meeting to order at 6:30 PM.

II. APPROVAL OF AGENDA:

The agenda was amended by adding to Old Business, Item D – PND Settlement. Commissioner Erickson called for an Executive Session to discuss legal matters, duration of approximately fifteen minutes and with no decision, pursuant to RCW 42.30.110 (i).

Commissioner Erickson moved to approve the Agenda as amended.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA (1:22):

A. Approval of Meeting Minutes – February 8, 2012

B. Resolution No. 573-12 – Authorizing the Sale of Abandoned Vessel

Commissioner Erickson moved to approve the Consent Agenda as presented.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda):

None

V. OLD BUSINESS:

A. JCIA Hangar Lease Rate Report (1:55):

Mr. Pivarnik explained that the last rent appraisal at the airport was completed in 2001. Recently, Eric Taylor, president of the A-Hangar Condo, sent Mr. Pivarnik an email questioning the increase in their rent (per CPI increases). He questioned that due to CPI increases, they were now paying more than the appraised \$0.48 per square foot. Mr. Pivarnik handed out a current report on hangar lease rates at the airport, explaining how and why hangars were charged different rates.

Eric Taylor expressed his views on why he believes A Hangar should not have to pay more than the 2001 rent appraisal.

Mr. Crockett explained that all of the Port's leases have the same lease language, no matter where the property is located. All Port leases are subject to an annual CPI increase and all pay the 12.84% leasehold tax.

Eric Taylor asked the Commission to establish a cap on rent increases, so as not to charge over the 2001 appraisal of \$0.48/sq. ft.

Attorney Lake explained the 2001 appraisal was to establish lease rates at that time. CPI increases take the place of reappraising properties annually.

Mr. Crockett spoke of the cost of maintaining the airport to FAA standards, which continues to increase, regardless of land and hangar values.

The Commission unanimously agreed to keep the leases as is and continue with the annual CPI increases.

B. Port Strategic Advisory Committee (28:25):

Mr. Crockett reminded at the last Commission meeting, the Commission agreed to move ahead on forming a new Strategic Advisory Committee (PSAC). Mr. Pivarnik explained the committee make up and the selection process. The first committee meeting will take place in late May and will bring new members up to speed. The next meeting will take place in June, with meetings to occur annually. Mr. Crockett announced that the formal committee list would be presented at the next Commission meeting for approval.

C. EDC Update (34:28):

Mr. Crockett informed that the EDC/Team Jefferson received their sign permit from the City today.

Mr. Pivarnik reported that Peter Quinn of the EDC (Team Jefferson) met recently with each individual commissioner. Concerns of the Port were raised at these meetings and the EDC has made adjustments in response.

Mr. Crockett informed that Mr. Pivarnik resigned from his board position as Treasurer of Team Jefferson, due to conflict of interest. Mr. Crockett added that he has advised the EDC to submit to the Port a quarterly report/update on EDC activity, as well as their required annual report.

D. PND Settlement (40:50):

Mr. Crockett reported that staff met with PND last Thursday. An agreement had been reached in the amount of \$88,134.47 payable to PND for their engineering work on the A/B docks. **Commissioner Erickson moved to approve to close out the PND contract in the amount of \$88,134.47.**

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

VI. NEW BUSINESS:

A. Approval of Warrants (44:00):

Commissioner Tucker read the warrants, as presented:

Electronic Debit to Union Bank in the amount of \$2,850.37 for Washington State Combined Excise Tax Return for January 2012

Warrant #048325 through #048351 in the amount of \$39,141.35 for Payroll

Warrant #048352 through #048355 in the amount of \$16,600.56 for Payroll Benefits

Warrant #048356 through #048395 in the amount of \$160,802.74 for Accounts Payable

Commissioner Erickson moved to approve the warrants as presented.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

VII. STAFF COMMENTS (45:02):

Ms. Nelson reported that she received an email from the chair of the Rhody Association inviting the Port Commission to participate in the 2012 Rhody parade. The Commission agreed to skip the parade this year.

Mr. Crockett stated that he received a letter from Jerry Thuotte regarding four Douglas Fir trees near the Aero Museum that he would like to have removed, at his cost. The letter included a statement from an arborist who explained these 100' trees are distressed and are in danger of falling over on to the parking lot in a wind storm. The Commission approved of the tree removal.

Mr. Crockett reported he would be attending the PDD meeting tomorrow afternoon in Sequim along with Commissioner Erickson and prior to that meeting, he and Commissioner Thompson would attend the Jefferson Higher Ed Committee meeting in town. He also stated that Terry Khile would attend the DNR meeting on illegal mooring in Port Hadlock tomorrow.

VIII. PUBLIC COMMENTS:

None

IX. COMMISSIONER COMMENTS (50:55):

Commissioner Thompson discussed a conversation he had with Philip Morley at the County where he asked Mr. Morley if the Port was being too pushy advocating for Quilcene's infrastructure project. Mr. Morley answered yes, but this pushes the County Commissioners to work on developing codes for villages.

X. NEXT MEETING: Next regular meeting will be held Wednesday, March 14, 2012 at 1:00 PM, with a Public workshop preceding at 9:30 AM in the Port Commission Chambers, 375 Hudson St, Port Townsend.

XI. EXECUTIVE SESSION: The regular session recessed into Executive Session at 7:23 PM for a legal matter, pursuant to RCW 42.30.110 (i), duration approximately fifteen minutes, with no decision. At 7:38 PM, Ms. Nelson checked outside for anyone waiting for the reconvening of the regular meeting, finding no one, the Executive Session continued.

XII. REONVENING AND ADJOURNMENT OF REGULAR MEETING:

The regular meeting reconvened and adjourned at 7:44 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