

PORT COMMISSION MEETING– September 26, 2012

The Port of Port Townsend Commission met in regular session in the Conference Room, Port Administration Building, 375 Hudson Street, Port Townsend, WA

Present: Commissioners – Erickson, Tucker, Thompson
Executive Director – Crockett (arrived at 7:00 PM from a previous meeting)
Deputy Director - Pivarnik
Auditor - Khile
Attorney - Lake
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

Commissioner Erickson moved to approve the Agenda as presented.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Meeting Minutes – September 13, 2012

Approval of Public Workshop Minutes – September 13, 2012

B. Resolution No. 585-12 – Authorizing Warrant Cancellation

Resolution No. 586-12 – Declaring Certain Items Surplus and Authorizing Their Sale and/or Disposal

Commissioner Tucker 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):

Teresa Verraes, Jefferson County Chamber of Commerce, recently attended a Chamber of Commerce Regional Director's Conference and spoke there about Port Townsend and the opportunities of having a Seattle-Port Townsend passenger only ferry.

V. OLD BUSINESS:

A. 2013 Budget (1:12):

Ms. Khile discussed the 2013 Draft Budget, which includes property tax, rate increase, etc., all subject to change per the Commission's decision. The Commissioners were presented with 2013 Property Tax Scenarios (no tax increase; 1% tax increase; taking the full-banked capacity). Commissioners also received from Ms. Khile a Boat Haven rate sheet based on a one-cent increase. Discussion took place regarding these issues.

Commissioner Thompson moved to increase Boat Haven Moorage rates for 2013 by one cent.

Commissioner Tucker seconded the motion.

Commissioner Erickson opposed the motion.

Motion carried by two votes for and one opposed.

Commissioner Tucker moved not to implement a 2013 property tax increase and to bank the 1%.

Commissioner Erickson seconded the motion.

Commissioner Thompson opposed the motion.

Motion carried by two votes for and one opposed.

Mr. Pivarnik asked for permission to put the 2013 Draft Budget on the Port's website. The Commission approved.

B. Commission Meetings and Tablets (14:59):

A draft policy provided by the Port attorney on the Use of Computer Tablets by Port Commission and staff, was distributed to the Commission. Attorney Lake explained the policy and rules, which would provide ease in responding to Public Records Requests. Discussion ensued on allowable uses of the tablets, and how they are to be used only for Port business.. This policy will be addressed at the next Commission meeting. Ms. Khile provided figures on the costs of iPads. The Commission agreed to move forward with the purchase.

C. Passenger Ferry Update (24:25):

Mr. Pivarnik discussed the Spirit of Kingston and the opportunity of taking ownership of this vessel using no additional tax dollars. Staff and Commission discussed the comfort of

the vessel, sailing time to Seattle, marketing possibilities, fuel use, the convenience of the Port-owned shipyard for vessel maintenance, etc.

Pete Hanke, expressed his opinion on the 149-passenger boat and the increased expense of operating a larger vessel.

Commissioner Tucker presented his reasoning to move forward with the transfer of the Spirit.

Commissioner Erickson spoke of his reluctance of moving forward until the Commission and staff have gathered more information.

Mr. Crockett recommends moving forward now because there is another public entity interested in the Spirit as well. If the Port Commission is seriously interested, they should make that decision now.

Comment heard from Doug Lamy, who would like to see the Port lease a vessel to start up ferry service, and have a new vessel built by local marine trades businesses for permanent use. Commissioner Thompson explained that an RFP would be required, making the possibility of building a boat in PT slimmer.

Another comment heard from Jake Beattie, Northwest Maritime Center Director, likes the idea of a larger boat, which would provide greater opportunities for the Northwest Maritime Center and the EDC. He suggests the Commission move forward with the vessel transfer, contingent on the vessel passing a survey and inspection.

Mr. Crockett explained the Port would need to submit a new business plan to the FTA that would reflect the Port's ownership of the Spirit.

Commissioner Erickson moved to direct staff to proceed with the FTA on the transfer to obtain ownership of the passenger ferry, the Spirit, with contingency conditions spelled out in a resolution.

Commissioner Tucker seconded the motion.

Motion passed by unanimous vote.

D. Quilcene Workshop Committee (58:07):

Commissioner Erickson discussed an email he received from Davis Steelquist explaining the Quilcene Committee would like to meet separate from the Port, weekly or twice monthly to gather ideas and recommendations for the Port's Quilcene properties, and later in the spring, present this information to the Commission. Commissioner Erickson volunteered to be the Port contact for the group.

VI. NEW BUSINESS:

B. Approval of Warrants (1:05:03):

Commissioner Tucker read the warrants, as presented:

Electronic Debit to Union Bank in the amount of \$10,207.92 for Washington State
Combined Excise Tax for August 2012

Warrant #049617 in the amount of \$2,036.78 for Accounts Payable

Warrant #049618 through #049646 in the amount of \$43,383.95 for Payroll

Warrant #049647 through #049650 in the amount of \$17,667.94 for Payroll Benefits

Warrant #049651 through #049688 in the amount of \$119,336.69 for Accounts Payable

Commissioner Tucker moved to approve the warrants as presented.

Commissioner Erickson seconded the motion.

Motion carried by unanimous vote.

VII. STAFF COMMENTS (1:06:22):

Mr. Crockett stated he just returned from Olympia after attending the RCO Boating Facilities Program meeting to determine grant funding awards. The group reviewed 30 applications and there is \$9M available. He will attend a teleconference in two weeks to review results. Program funding for next year is looking as bright.

VIII. PUBLIC COMMENTS (1:09:05):

Peter Quinn of EDC Team Jefferson, discussed the opportunities of the Port owning a larger vessel, allowing the possibility of an extended sailing season and providing greater passenger comfort. He added that the Port does not have many available options. He also stated there would be greater marketing opportunities for a boat of this size.

Jake Beattie, NWMC Director, thanked the Port Commission for wrestling with this. Their efforts are appreciated by the NWMC who believe the ferry would hugely benefit the NWMC and this town..

IX. COMMISSIONER COMMENTS:

None

X. NEXT MEETING/WORKSHOP: Next regular meeting will be held Wednesday, October 10, 2012 at 1:00 PM, preceded by a 9:30 AM Public Workshop, in the Port Administration Building Conference Room, 375 Hudson St, Port Townsend.

XI. EXECUTIVE SESSION:
None

XII. ADJOURNMENT:
The meeting adjourned at 7:54 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