

PORT COMMISSION MEETING– March 13, 2013

The Port of Port Townsend Commission met in regular session in the Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners – Erickson, Tucker, Thompson
Executive Director – Crockett
Deputy Director - Pivarnik
Auditor - Khile
Attorney - Lake
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

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

II. APPROVAL OF AGENDA:

The agenda was amended to add Administration Building Bids to the Executive Session.

Commissioner Erickson moved to approve the Agenda as amended.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA (1:21):

A. Approval of Meeting Minutes – February 27, 2013

B. Operations Reports – February 2013

Commissioner Thompson moved to approve the Consent Agenda as presented.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda):

None

V. OLD BUSINESS:

A. Airport Rate Discussion (2:03)

Mr. Pivarnik explained this item came about through emails from airport tenant Eric Taylor, questioning of rate inequity at the airport. Mr. Pivarnik stated that Port staff re-measured each hangar and those figures have been filed on record with the County. He explained the Airport Rents chart located in the packet.

Commissioner Erickson invited questions from the airport tenants in the audience.

Airport Hangar Tenants who spoke (refer to audio recording for comments):

Eric Taylor, Marilyn Hoeft, Kent Hoeft, Steve Craig, and Steve Holmes(?). Comments included the \$0.37 spread charged per square foot for hangar leases; the market rate study performed in 2001; CPI and Port Policy rate increases; what is the Port's prevailing square foot charge is at the airport; the high cost of flying and obtaining a pilot's license; infrastructure fees; averaging rates currently charged and re-establishing a new square foot charge for hangars; lease length terms, etc.

Attorney Lake clarified that airport leases qualify for Executive Session discussion if needed.

Commissioner Erickson explained the Commission wishes to stick with lease increases in order to keep up with the costs of running the airport and sees the need to come up with some kind of a rate structure to maintain that income. He asked members of the audience if that is what they would like to see happen. They replied affirmative.

Mr Pivarnik added that he would like to see staff meet with a rep from each hangar to also get their input before any decisions are made.

B. Root Problem Update 57:30):

Mr. Crockett informed that he met with arborist, Katy Bigelow last Friday, to inspect the poplars that line Sims Way. He received her report on Monday. For a temporary fix (maybe 10 years), she recommends cutting the roots and trenching around the building(s) with a barrier. Rot was apparent in some trees. Mr. Crockett stated that these trees appear to be on City property and Ken Clow of the City has been advised that the Port is proceeding with the root cutting and trenching. Ms. Bigelow recommends a plan to replace these trees with a species that will be less troublesome.

C. No Discharge Zone Update (1:00:30):

Mr. Crockett informed that the WA Boating Alliance (WBA) is meeting Thursday (which he will attend) to work on re-wording their letter to DOE on the No Discharge Zone (NDZ) implementation. WA Public Ports Association (WPPA) also wants to send a letter to DOE on WPPA's take of the NDZ.

D. Administration Building Bids (1:06:00):

Mr. Crockett reminded the Port received bids from five companies in last Thursday's bid opening for the Administration Building. Within the required 48-hour time period from bid opening, the Port received a letter of protest from the second lowest bidder on the lowest bidder's submittal. This will be discussed in Executive Session.

E. Commercial Basin Update (1:06:58):

Mr. Pivarnik explained that eleven prospective bidders were present at the mandatory pre-bid meeting. Three respectable contractors later asked why the Port is doing this repair job. They said the docks have exceeded their life span and this is a very expensive band-aid fix. Estimated cost of this project is between \$500K-700K. The contractor's question whether the Port would even get another ten years out of the docks once repaired. Mr. Pivarnik said he and Tike Hillman will continue with the bidding process and will go from there. He added if the Commercial Basin was rebuilt similar to the A/B docks, it would cost about \$1.6M. Mr. Pivarnik believes the Port would have a hard time obtaining a \$1.6M bond.

VI. NEW BUSINESS:

A. Point Hudson Reservation Policy (1:12:18):

Discussion occurred on how to avoid double bookings, how to accommodate groups, and how to streamline procedures. Also discussed was a problem that occurred recently at Point Hudson with two groups requesting moorage space during the same time-frame.

B. Approval of Warrants (1:34:34):

Commissioner Tucker read the warrants, as presented:

Warrant #050632 through #050661 in the amount of \$38,098.75 for Payroll

Warrant #050662 through #050670 in the amount of \$66,355.51 for Payroll Benefits

Warrant #050671 through #050734 in the amount of \$84,263.34 for Accounts Payable

Commissioner Tucker moved to approve the warrants as presented.

Commissioner Thompson seconded the motion.

Motion carried by unanimous vote.

VII. STAFF COMMENTS (1:35:21):

Mr. Crockett explained a discussion he recently had with State Parks on the Port's Fort Worden property. They suggested including the Port's property in the PDA boundary, which exempts parties from possessing a Discovery Pass when entering Fort Worden. Mr. Crockett added that if the PDA fails to be approved, the Port will sit down with State Parks to come up with another solution.

VIII. PUBLIC COMMENTS (1:38:13):

Dave Griswold spoke in support of Mark Grant and Grant Steel Buildings. He said he speaks on behalf of the local trades who would be involved with Mark Grant's project. He had high praise and recommends Mark Grant for his quality work and philosophy.

Mark Grant expressed that his proposal and letters speak for themselves. He talked about the local trades that he would be using as sub-contractors and how this fits in with the Port's mission statement.

IX. COMMISSIONER COMMENTS:

None

X. NEXT MEETING: Next regular meeting will be held Wednesday, March 27, 2013 at 6:30 PM in the new Port Commission building, 333 Benedict Street, Port Townsend.

XI. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 2:41 PM, pursuant to RCW 42.30.110(g) to discuss the Executive Director's Annual Review, 42.30.110(i) to discuss a the Administration Building bid, and 42.30.110(c) airport leases. Duration of one hour to return into public session with action.

XII. RECONVENING OF REGULAR MEETING:

The regular meeting reconvened 3:41 PM.

Commissioner Erickson moved to delegate the Executive Director the authority to (1) provide notice to the presumptive low bidder that the Port determines the bid to be non-responsive, (2) provide an administrative appeal opportunity to the presumptive low bidder, (3) to accept and rule on an appeal by the presumptive low bidder, if any, and (4) to award the bid consistent with the outcome of the appeal process.

Commissioner Tucker seconded the motion.

Motion carried by unanimous vote.

XIII. ADJOURNMENT:

There being no further business to come before the Commission, the meeting adjourned at 3:44 PM.

ATTEST:

David H. Thompson, Secretary

Leif W. Erickson, President

Stephen R. Tucker, Vice President