

PORT COMMISSION MEETING – May 28, 2003

The Port of Port Townsend Commission met in regular session at the Tri-Area Community Center, Chimacum, WA.

Present: Commissioners – Beck, Pirner and Sokol
Executive Director – Crockett
Auditor – Taylor
Facilities Manager – Pivarnik
Operations Manager – Radon
Attorney – Harris

I. CALL TO ORDER: The meeting was called to order at 7:00 PM.

II. APPROVAL OF AGENDA:

Upon motion of Commissioner Pirner, the Agenda was unanimously approved as amended with the addition of the following items:

- V. Public Comment – Presentation by GatheringPlace
- VI. New Business
 - D. April Financial Update

III. CONSENT AGENDA:

- A. Approval of Minutes – May 14, 2003
- B. Approval of Warrants:
 - #28039 through #28064 in the amount of \$27,627.68
 - #28065 through #28068 in the amount of \$25,735.25
 - #28069 through #28114 in the amount of \$33,683.81

Upon motion of Commissioner Pirner, the Consent Agenda was unanimously approved.

IV. PUBLIC COMMENTS (not related to Agenda):

Presentation by GatheringPlace:

Nancy Graham was present to provide information about GatheringPlace and express the agency's interest in occupying a Port building at Point Hudson. She described the organization's role in providing programs for individuals with developmental disabilities, and distributed a schedule of its activities. She also provided Commissioners with 2003 GatheringPlace Calendars, which are sold as their major fundraiser. GatheringPlace seeks a permanent location for holding their cooking, drama and art programs as well as for storing their supplies. Jill Zimmerman explained the Very Special Arts grant, which makes available art classes both for individuals with developmental disabilities and the general public. Some of the current 22 participants spoke of their personal enjoyment as well as of ways they feel the whole community benefit from GatheringPlace programs. Mr. Pivarnik said the building in question, though not in use, is in need of cleaning, painting and gardening. With the Commission's support, Staff agreed to further consider the idea of providing GatheringPlace with a one-year lease with rent to be paid in in-kind services and utilities to be paid by the tenant. Mr. Harris asked GatheringPlace to provide him its annual report and confirmation of its 501(c)3 status.

Linda Swisher:

Recent gardening work at the airport by the Jefferson County Pilots Association (JCPA) included planting \$300 in rhododendrons and working on the flower beds between Wills House and Spruce Goose. One of their members also donated a load of bark. They will soon be power washing and painting the Wills House building and decks. Commissioners thanked JCPA for their efforts.

Clair Candler:

An RV group to which he belongs visited Point Hudson last weekend. Mr. Crockett reviewed feedback received from this group via the RV surveys.

V. OLD BUSINESS:

A. Introduction of Port Newsletter

Staff circulated draft copies of a Port newsletter. Comments and substantive changes were solicited. Staff intends to insert these into tenant bills beginning on Monday, to place copies at various Port offices/locations and to distribute copies to other government agencies, newspapers, etc. This would also be published on a quarterly basis on the Port website. Commissioners congratulated Staff on this effort.

VI. NEW BUSINESS:

A. Point Hudson Lease Renewal – Ole Kanestrom

Mr. Pivarnik noted that Ole Kanestrom has occupied an office at Point Hudson for over a year and is interested in staying another year. Staff recommended the lease be renewed with an increase from \$200 to \$208 per month.

Commissioner Sokol moved to authorize the Executive Director to renew the lease with Ole Kanestrom for a lease rate of \$208.00. The motion carried by unanimous vote.

B. Resolution No. 397-03 Authorizing Defense of Actions and Payment of Judgments

Mr. Crockett noted that in reviewing Port records, Staff was unable to find a resolution protecting Port employees/management from a possible direct lawsuit based on decisions made in carrying out the day-to-day business of the Port. There is such protection for the Commissioners through Public Officials' Liability coverage.

Mr. Harris said that this situation came to the Port's attention as a result of a recent claim. Pursuant to state statute, he said the Commission can, by adopting a general resolution, indemnify officers, directors and employees from any legal claims that may be asserted against them when they are acting in their capacity as an employee, provided that they are acting in good faith and within the scope of their employment. The resolution incorporates all requirements of the statute. In the event of a claim against an individual, he suggested there be a procedure for inquiry by the Commissioners to ensure the individual was acting within their scope and that the good faith requirements were met. The Commission could then approve by voice vote that the individual be indemnified under the provisions of this resolution. The district would be indemnifying the employee beyond the limits of the current insurance, which also provides protection.

Commissioner Beck moved to adopt Resolution 397-03 Authorizing Defense of Actions and Payment of Judgments. The motion carried by unanimous vote.

C. Point Hudson Planning

Mr. Crockett reported that the City of Port Townsend is inviting the Port to co-sponsor a workshop to explore preservation and economic development at Point Hudson. The idea was first discussed at a City Community Development Land Use (CDLU) meeting at which Port Staff were present. At that time, Staff commented that any planning workshop held before the completion of the Comprehensive Scheme would be premature. The Port would be represented at the City Shoreline Master Program, which will later develop the uses at Point Hudson. The City calendar reflects that the CDLU committee would address the Point Hudson plan and timeline on June 4. He asked for Commission guidance so that he could formally respond before this date.

Commissioners reiterated the following concerns mentioned at the last Port meeting about entering a joint planning effort at this time: 1) it is premature to begin planning for a section of the Port that will be covered in the yet-to-be completed Comprehensive Scheme process, 2) the Port Townsend Municipal Code and Shoreline Master Program are not in agreement and that the process of determining uses should be concluded before doing Point Hudson master planning, 3) the Comprehensive Scheme process to-date reflects more of a

Planned Unit Development (PUD) mixed-use area at Point Hudson so that current uses can continue, as opposed to the present zoning, which is manufacturing, 4) opportunities for a joint session might best focus on figuring out PT Municipal Code uses at the Boat Haven and Point Hudson and should be done prior to entering into a master planning discussion, 5) The Port does not foresee having funding available for planning at Point Hudson for three to five years, 6) the Port should be the agency to extend an invitation for planning, and 7) the Port must focus on its existing efforts with the Comprehensive Scheme and keep an overview of all Port properties, not just Point Hudson.

Mr. Crockett agreed to draft a response to the City for the Commissioners' review. He suggested that the Port could provide an update on the Comprehensive Scheme process at an upcoming City Council workshop.

D. Financial Update

Mr. Taylor reported that revenue remained down in April, missing the revenue projection for the month by \$13,000, the single biggest deficit coming from the workyard (\$5K)/shipyard (\$3.5K). Expenditures were concentrated in repair and maintenance at the RV Park, higher than expected utilities, and \$4K in the 300-ton lift. Income from operations for April reflects (\$10K) instead of \$11K (\$21K off for the month).

Year-to-date revenues were about \$62K below projections. Guest moorage is down \$14K for the first four months. The workyard is down \$25K from last year, the 300-ton operation is down \$32K from last year (skewed by marine trades money). Expenses are about \$13K below budget, helping to offset revenue shortfall, resulting in income from operations of about \$50K below budget.

Commissioner Pirner noted that fuel sales at the marina are down about half. The whole travel industry is down, a reflection of the economy. It was noted that bookings for the 300-ton are up.

VII. STAFF COMMENTS:

Mr. Taylor:

With the shortening of the grace period from 30 to 20 days, which took affect in May, there were 109 accounts versus 60, which received late charges. Reminder letters were sent to these and the Port agreed to reverse the charges if paid by May 30. There was positive feedback about providing the return envelopes.

The fuel prices at the airport went down 14 cents with this last load.

The Port is now the temporary owner (by impound) of the vessel Western Wind previously auctioned by the IRS for unpaid taxes.

Mr. Radon:

He just attended an airport conference in Pasco.

He is on the advisory committee working to draft a NPDES boatyard permit with Ecology. Stormwater management standards are getting strict and several boatyards have closed because they do not meet environmental standards. He has asked Ecology to lower the Port to boatyard testing standards. Ecology conducted an airport inspection last week for the Port's general industry permit.

Mr. Pivarnik:

Several compliments have been received about restroom cleanliness, which he attributes to excellent maintenance staff.

Of the 212 marine trade surveys sent, 30 have been returned.

He provided a quote of \$9K from TimberCraft homes for the rebuilding two doors in the sail loft. These doors do not currently close and need repairs.

Mr. Crockett:

The Port emailed commercial users of the airport about closing the runway on Tuesday, June 3rd until Wednesday, June 4th for fog coating and re-striping, weather dependant.

He attended an open house today for Jefferson Transit and picked up a handout on a plan to move both the transit administration offices and the visitors center to the Park and Ride.

He sat on a City committee to select a consultant to do a parking plan. A Portland firm was chosen for this work which might commence sometime this summer.

The County sent a reminder that the Port is invited to speak next week (Wed., June 4 at 7:00 PM) along with eight other applications for Comp. Plan amendments. A joint workshop with the BOCC and the Planning Commission subcommittee would be needed on the airport Comp. Plan Amendment.

The next Comprehensive Scheme Advisory Committee Meeting will be held Thursday, June 5th.

On June 6th, Port Staff would go to the Port of Edmonds for a statewide Marina Committee meeting on leasehold taxes, among other issues. Commissioners are invited.

VIII. PUBLIC COMMENT:

Clair Candler:

The Swan fleet visited Point Hudson last weekend.

Keith Swisher:

He recognized that fishermen are not getting good prices for fish, which make it difficult to pay for fuel.

He asked if notice of the runway closing could be placed on the airport radio recording.

Gloria Bram:

Referring to the high utility costs, she believes it is time to consider metering individual properties. Staff noted a large portion of the utility bills reflect internal usage and adding meters would require costly electrical upgrades. The Port might also save in bank charges by going to analysis.

IX. COMMISSIONER COMMENTS:

Commissioner Pirner:

The front page of the May 21st *Peninsula Daily News* showed someone scraping his boat's bottom on Port property during low tide, which might jeopardize the Port's NPDES permit. He recommended posting this location as off limits.

The Port's Quilcene meeting will need to be scheduled – 2nd meeting in July. Staff agreed to reserve the Quilcene Yacht Club.

Commissioner Beck:

The Quilcene beach is again in need of cleaning, which he believes could be accomplished by paying a local youth group.

Commissioner Sokol:

Thanked the Pilot's Association for the airport cleanup.

On July 7, Commissioners would present to the Chamber of Commerce on planning.

X. NEXT MEETING:

Wednesday, June 11, 2003, at 1:00 PM – Point Hudson Marina Room, Port Townsend, WA. Workshop begins at 9:30 AM.

XI. EXECUTIVE SESSION: None

XII. ADJOURNMENT:

The meeting was adjourned at 8:45 PM, there being no further business to come before the Commission.

ATTEST:

President

Secretary

Vice President