

## **PORT COMMISSION MEETING – October 8, 2003**

The Port of Port Townsend Commission met in regular session at the Point Hudson Marina Room, Port Townsend, WA.

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

I. CALL TO ORDER: The meeting was called to order at 1:00 PM.

II. APPROVAL OF AGENDA:

Upon motion of Commissioner Beck, the Agenda was unanimously approved as amended as follows:

Items added:

- V. Old Business
  - G. Mission for the Port of Port Townsend
- VI. New Business
  - D. Approve Change to November Regular Meeting
  - E. Aero Museum Letter of Support

III. CONSENT AGENDA:

- A. Approval of Minutes – September 24, 2003
- B. Approval of Warrants:
  - #28843 through #28870 in the amount of \$31,114.21
  - #28871 through #28877 in the amount of \$34,611.85
  - #28878 through #28939 in the amount of \$36,142.01
- C. Write-off Register

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

IV. PUBLIC COMMENTS (not related to Agenda): -- None

V. OLD BUSINESS:

- A. Visitor Center Relocation

Mr. Crockett noted that the Commission received at its last meeting a talking point paper from Port Townsend Marketing Director Nancy Borino related to the proposed relocation of the Visitor's Center. General Manager of the Port Townsend Chamber Tim Caldwell presented a copy of the revised draft of a consultant's report and reviewed the many other resources used as justification for this proposal: 2002 DOT Traffic Report, Washington State Ferries 2002 Traffic Statistics, Preliminary Draft of the City Parking Management Plan (downtown historic district), County Comprehensive Plan Ch. 10 and City Comprehensive Plan Ch. 12 relating to parking facilities, and the Olympic Gateway Visitor's Center Park and Ride Plan. The main objectives in the Transit Relocation are to address visitor trends, interception of traffic into the city and ferry terminal, improve Chamber facilities, better utilize the Park and Ride location, and to provide alternative transportation access and event parking control. In 2000, Jefferson Transit received a \$30K Community Transportation Association of America site-finding grant for this planning process, which included holding public meetings and considering five alternatives. A rendering of the Proposed Visitor Center at the end of Haines Place was shown and Mr. Caldwell talked about how this facility would improve the bus transfer system, facilities for Transit drivers and operational services, and the police department. The estimated cost for this project is \$3.5M with the visitor portion at \$500-\$800K. A capital fund begun in 1995 currently holds \$100K, which would be

combined with funding from a Transportation Enhancement grant related to alternative transportation, Chamber funding, and the Lodging Tax. He also mentioned how the Kitsap County transit levy, which might provide high-speed, passenger-only ferry service from Seattle to Port Townsend, Port Ludlow or Port Hadlock, could present an opportunity for this relocation, especially during the Hood Canal Bridge closure.

Ms. Borino talked about the importance of partnerships to stretch dollars in regional projects like this, including the Port, Transit, ferries, the City, and County. She has been surprised with other areas of the State where Ports are participating in tourism and acknowledged the Port's significant role in bringing marina visitors to the community. Other achievements under this plan would include better use of existing signs, maximizing downtown parking, 10-minute Transit shuttle and therefore better use of Transit, bringing cohesiveness with regional information centers, Hood Canal bridge closure mitigation beyond the Department of Transportation plan, and low-output radio information.

Mr. Crockett noted that a correction needs to be made to Page 18 of the Consultant's report, which gives the impression that the 1994 Master Plan is a guiding document for the Port. Even though some of its conclusions might be correct, this plan was not adopted by the Port or the City. The primary purpose of whatever additional parking is created at Point Hudson would be to support the marine trades businesses and charter boat businesses. Mr. Crockett agreed to work with Mr. Caldwell on changes to this draft. Both he and the Commission noted that many visitors from the 6,000 guest boats that come into the Boat Haven walk into the Port office and are redirected to the Chamber. The current location is also convenient for vehicles – especially large RVs – to pull safely to the right hand side of the road to get into the Visitor Center. Another comment was that until people have to pay to park downtown, the Park and Ride parking would not be fully utilized. Ms. Borino recognized the importance of serving the valuable recreational boaters and wants to think about how to inform and market to them ahead of time. She noted that a key consideration in this plan was not just addressing vehicle and RV traffic coming into the City, but also that traffic coming off of the ferry heading out of town. She also recognized that the Park and Ride location is still obligated to provide 14 parking spaces for overflow Boat Haven parking. This new plan would add 24 new spaces.

The Commissioners then expressed their perceptions and concerns about this project. Commissioner Pirner talked about the importance of catching traffic early and said a better placement for the Visitor's Center would be at the top of Sims Way, such as at the Transit facility. He also noted a considerable amount of traffic bypasses the Gateway visitor center by heading into Port Ludlow from the Hood Canal Bridge. Commissioner Sokol spoke about citizen concerns about the \$6M visitor center as well as the Kitsap County referendum, which if it is not passed, might cause challenges for this regional project. The free shuttle and more frequent downtown trips in the past attracted many to use Transit. He believes that many RVs towing cars would be reluctant to make a left turn unless they are able to see the exit, which would result in more downtown traffic. He also pointed out that from the ferry, both directional signs point traffic out of town as the signage does not show a right-turn option. Ms. Borino indicated the partnership with the Gateway Visitor's Center at Highways 104 and 19 provides the first opportunity to access information. There must be an effort to correct the perception that the cost of the Gateway Visitor Center itself is \$6M; rather, it is but one component of a larger regional complex, including transportation enhancements. Commissioner Beck agreed with concerns about directing traffic to the Visitor Center. Mr. Caldwell recognized the concerns about passing the tax to support the Kitsap passenger ferry, but noted that a passenger ferry coalition is also working on other options. He thinks this new building design would do much more for intercepting traffic and be more welcoming, but also serve a variety of uses, including promoting more Transit use. They also encouraged Port Staff or the Commission to call and ask questions and express concerns.

Tamara Conway agreed that when the shuttle was free, it was used a lot more. Most people would not spend 50 cents to ride downtown.

B. Comprehensive Scheme Update

Mr. Crockett reported that as of September 29, the Draft Environmental Impact Statement (EIS) was posted on the Port's website and the comment period will end on October 27. No comments have yet been received. Comments must be made in writing. The Port has copies of the EIS available for \$17. After the 27<sup>th</sup>, the consultant would finalize the EIS and begin publicizing the formal public hearing.

C. Community Investment Fund (CIF) Resolution

Mr. Crockett reported that Draft Resolution 403-03 supports the Port's application for \$106K in grants from the CIF (0.08% sales tax revenue for distressed Counties). These funds, which are to support infrastructure improvements for Economic Development, would be used by the Port to add utility infrastructure on the Landfall Restaurant side of Point Hudson, work which could hopefully be done before the Maritime Center begins its construction.

**Commissioner Sokol moved to adopt Resolution No. 403-03 in support of the CIF application for \$106K in grant funds. The motion carried by unanimous vote.**

D. Coast Seafood Building Update

Mr. Pivarnik reported that the Commission previously approved the Port's purchase of the Coast Seafood Building in Quilcene and after six months of negotiating, the Department of Fish and Wildlife Commission has also given their approval. Related to concerns about harvesting timber on the hillside above this site, Fish and Wildlife said any harvest would be remote given the steep slope and habitat protections. Coast Seafood is ready to occupy this building and has already done a lot of cleaning around this site.

E. 2004 Operating Budget Update

Mr. Taylor noted that budget assumptions and information were included in the agenda packet. Staff is planning to present a proposed draft budget to the Commission at the next meeting. There were no changes as a result of the Commission's 3<sup>rd</sup> budget workshop this morning. There would be some consolidation in cost centers. He summarized that the budget goal for cash reserves is just a goal and there is some latitude. There will be three proposed rate increases for next year – 2% CPI increase in all categories of permanent moorage at the Boat Haven and Point Hudson, 2% on Port-owned hangars at the airport, and an additional \$5.00 per night in the high-demand beach front RV sites at Point Hudson. The tax levy is proposed to remain as it is now, plus whatever new construction will contribute. Staffing would remain unchanged, with the exception of the reduction of one seasonal staff. Expenses would also remain relatively the same. The budget will reflect a consolidation of seven reserve accounts down to five and also cap some of them, resulting in less transferred into reserves next year, which will create more funding for capital projects. Mr. Taylor clarified that the Port would have a total operating budget of \$3.9M, which is similar to last year.

Asked by Keith Swisher about the potential reduction in grounds maintenance at the airport, Staff explained the work would be accomplished by other maintenance Staff.

F. Quincy Street Dock Lease

Mr. Pivarnik noted that Staff has presented the Commission and the Port Attorney with a new draft lease option for the Quincy Street dock by Waterfront, LLC for the Quincy Street Dock, which addresses issues such as permitting and maintenance. Kevin Harris would have the opportunity to address permitting issues during an 18-month period. Pending Attorney approval, Staff recommended Commission approval.

Kevin Harris said he is excited about this opportunity and looks forward to partnering with the Port on this project. He is comfortable with the lease as it reads. He believes that if the Port, Ecology, and Fish and Wildlife agree with the lease and permitting, then a nice balance will have been reached. Mr. Harris said

he believes the way the option is written, it would actually give a large enough window in which to work through the issues.

Ms. Winters, having not yet had an opportunity to review the lease thoroughly, said the only clause on which she has initial questions was the Use of the Premises. It seems pretty broad, given that this is a 50-year lease.

**Commissioner Beck authorized the Executive Director to approve a lease with Mr. Harris and Quincy Street @ the Waterfront, LLC for the Quincy Street Dock pending attorney review. The motion carried by unanimous vote.**

G. Mission for the Port of Port Townsend

Commissioner Sokol noted that Page 17 of the Draft Comprehensive Scheme refers to the Port mission statement, which he had some time ago proposed be updated and shortened enough to be placed on the back of a business card. He presented the following mission statement for the Commission's consideration: "The POPT, a county-wide municipal corporation, is to responsibly develop property and facilities that encourage job creation, private investment, local economic stability and diversity and to better the quality of life for our citizens throughout Jefferson County."

**Commissioner Sokol moved to adopt the proposed mission statement and list it on Page 17 of the Port Comprehensive Scheme of Harbor Improvements. The motion was seconded and carried by unanimous vote.**

VI. NEW BUSINESS:

A. Operations Report – Month of September 2003

Mr. Radon said September ended with moorage at Boat Haven down by 170. Wait-list numbers remain about the same. Haulouts are still down by the same figure recorded earlier in the year. The 60/70-ton haulout numbers are up slightly and the numbers down in the 300-ton. There are a few more boats in long-term storage and there are several more inquiries. Transient moorage at Point Hudson is 88% of last September and is 96% year-to-date. RV revenues continue to outperform last year. Staff is transitioning into the winter season and currently RVs winterovers are down slightly. Mr. Crockett reminded the Commission that because there are not solid figures for the first 3 months of 2002 when Point Hudson wasn't operated by the Port, next year's figures would be a far better gauge.

Commissioner Pirner noted that transient moorage should increase with dock improvements. He noted that this year the Boat Haven, Point Hudson and the RV sites totaled 13,342 guest nights compared to 13,607 last year. Last month, there were 2,270 guest nights compared to 3,500 in August.

Commissioner Sokol noted that one of the biggest drawbacks at the Boat Haven is airborne dirt and he noted that additional paving would be an improvement. He noted parking is also an issue; people pay an annual parking fee and then cannot find a place to park. He also suggested adding signage at the temporary tie up asking visitors to stop by the moorage office. Mr. Radon agreed that paving was in the original plan, and he agreed to see if an updated estimate might be obtained so that it could be included in the next capital improvements budget.

B. Haunted House

Mr. Pivarnik reviewed the request from the Grant Street PTA to utilize Port facilities for a 3-day haunted house event as a PTA fundraiser. After considering options, Staff believes the Point Hudson motel would be an ideal location given its proximity to the Haunted Jail and other downtown Halloween events. The PTA would have volunteers directing vehicle traffic to reserve parking. Staff's review of the PTA insurance documentation and phone conversations with their carrier revealed that they have coverage for all PTA sponsored events. For personal injuries that do not result in a lawsuit, they have a \$5K per occurrence limit.

**Commissioner Beck moved to direct the Executive Director to allow the Grant Street PTA to utilize the motel for the Halloween haunted house**

**fundraising event, specifying that the Port would be listed as an additional insured on the PTA's policy. The motion carried by unanimous vote.**

C. Maintenance Truck

Mr. Pivarnik noted that the maintenance truck is in need of replacement and that a used truck with \$6K has been found. Mr. Taylor said this would be a 2003 expense. The old truck could still be used in the ship yard.

**Commissioner Sokol moved to authorize the Executive Director to purchase the 1997 Dodge Ram Truck with lift in the amount of \$6032.50. The motion carried by unanimous vote.**

D. Approve Change to November Regular Meeting

Mr. Crockett reviewed that due to the Thanksgiving holiday, the Port usually reschedules its second monthly meeting in November. However, because Commissioner Pirner also has a conflict with the first scheduled meeting, an option would be to hold one meeting on Wednesday, November 19. This meeting agenda would include the adoption of the 2004 budget and possibly a formal public hearing and final adoption of the Comprehensive Scheme of Harbor Improvements. Formal notice would also be published in the newspaper.

**Commissioner Sokol moved to alter the November meeting schedule to include a regular Port Commission meeting on Wednesday, November 19 at 1:00 in the Point Hudson Marina Room, canceling the workshop and other two regularly-scheduled meetings.** During discussion, Tamara Conway said given the importance of these issues, she asked if there might be better attendance at an evening meeting. The Commission responded that the afternoon meetings received better attendance. Staff noted if the draft budget is approved at the October meeting, the Port would publicize that copies of the budget would be available at the libraries and administrative offices. **The motion carried by unanimous vote.**

E. Aero Museum Letter of Support

Mr. Pivarnik noted that Jerry Thuotte, organizer of the PT Aero Museum reported that he has the opportunity to receive a major private donation. In reviewing his files, he noted there is no official letter of support from the Port.

**Commissioner Beck moved to direct the Executive Director to write a letter of support for the Port Townsend Aero Museum.** During discussion, it was also suggested that Mr. Thuotte request letters from the Port Townsend and Tri-Area Chambers and EDC. **The motion carried by unanimous vote.**

VII. STAFF COMMENTS:

Ms. Winters:

On Tuesday, she and Staff would meet regarding the airport master plan process. She has not yet been able to meet with the County Attorney David Alvarez, but hopes to present something on the settlement agreement with the County later this month.

Mr. Pivarnik:

Four managers and one President have yet to submit their Port newsletter articles.

Mr. Crockett:

At Monday's City Council meeting, he read the Port's October 6<sup>th</sup> letter expressing the Port's concern about adjusting boundaries of business and civic district, but the 4-2 vote was in favor of the redistricting. City Staff said the change was made based on the desire to permanently site the skateboard park, which could not otherwise be done in the Point Hudson district. He made the point that because the City code prevents the Port from expanding parking within Point Hudson, that parking facility is valuable not only to Point Hudson marine trades, but also the Maritime Center.

Port Staff and Commissioners have been invited to the Jefferson County Historical Society research center open house at 5:00 PM today. They would be paying tribute to pioneer families of which the Beck family is one.

VIII. PUBLIC COMMENT: None

IX. COMMISSIONER COMMENTS: None

X. NEXT MEETING:

Wednesday, October 22, 2003, 7:00 PM at the Tri-Area Community Center, Chimacum, WA.

XI. EXECUTIVE SESSION: None

XII. ADJOURNMENT:

The meeting was adjourned at 3:58 PM, there being no further business to come before the Commission.

ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Vice President