

## **PORT COMMISSION MEETING – October 22, 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 Beck, the Agenda was unanimously approved as amended as follows:

Items added:

- V. Old Business
  - C. Demolition Ordinance
- VI. New Business
  - D. Authorizing November 5, 2003 Routine Accounts Payable

III. CONSENT AGENDA:

- A. Approval of Minutes – October 8, 2003
- B. Approval of Warrants
  - #28940 through #28942 in the amount of \$22,312.23
  - #28943 through #28998 in the amount of \$116,743.08
  - #28999 through #29022 in the amount of \$27,220.59
  - #29023 through #29025 in the amount of \$12,120.89
- C. Resolution No. 404-03 – Authorizing Sale of Abandoned Vessel

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

IV. PUBLIC COMMENTS (Not Related to Agenda): None

V. OLD BUSINESS:

- A. Comprehensive Scheme Update

Mr. Crockett reported that the public comment period for the Environmental Impact Statement (EIS) would close on Monday, October 27. The few letters that have been received that commented on the Kah Tai property would be forwarded to Reid Middleton. None appear to address environmental issues. Comments are expected from the City and Ecology. The consultant would then produce a final Comprehensive Scheme document and the Port would advertise the formal public comment period and final adoption, which will likely occur at the November 19 meeting.

Commissioner Beck asked if Economic Development information such as the type discussed at the last meeting would be part of the Comprehensive Scheme. Staff agreed to investigate, but does not believe so.

- B. Operable and Seaworthy Vessels – Policy

Mr. Radon reviewed that last year the Commission discussed creating a policy to address the number of inactive boats moored in the marina. At that time, a draft policy patterned after the Port of Everett was discussed extensively, but was inadvertently overlooked by Staff for finalization and Commission adoption. Staff already has begun a list of active boats in order to single out vessels that are not moving. Liveboards are also supposed to use the pump-out facilities, which proves that the boat is movable.

While there were no suggestions about the policy itself, which seemed

straightforward, Commissioner Beck suggested tabling this item until next month in the event there is public comment on the topic. It was suggested the Port could also put an article explaining the policy in the next newsletter. There was some question whether a grace period might be needed before fully implementing this policy. There was support for a suggestion to solicit input on this policy from the newly formed Marine Trades Committee.

C. Presentation of Draft 2004 Operating Budget

Mr. Crockett reviewed the various public budget workshops and meetings where there have been budget discussions. He is pleased that the budget allows the Port to pay its Staff and creditors and service its debt and that there are enough funds to begin repairing buildings at Point Hudson. Once the budget is adopted, Staff and the Commission can begin discussing capital projects.

Mr. Taylor provided an overview of the budget and noted that cost centers will be consolidated from 18 to 12. As shown on page 12 of the Budget, over the last 5-year history, the Port has been doing progressively better, but this year Income from Operations is dropping by about \$80K down to \$31K (compared to \$111K as budgeted for 2003). Non-Operating Income for 2004 will look better than 2003 due to proposed changes in transfers to reserves (an increase of \$65K). The 2004 net income would drop by \$15K to \$160K. The consolidated operating budget reflects increased revenues of about \$50K in 2004. A 2% inflationary increase is being proposed for all categories of permanent moorage at the Boat Haven and Point Hudson, (with the exception of active commercial fisherman) and for airport hangar rentals. There would also be a \$5 per night increase on the seven waterfront RV sites at Point Hudson. In response to questions from Commissioner Beck, Mr. Taylor explained the calculations of property tax revenues, which are budgeted to remain the same as this year.

Operating Expenses would increase by about \$131K, the single biggest being Staff salaries, payroll taxes, and benefits. There would also be increases in contract services, insurance, utilities, legal, auditing, and insurance.

The public hearing on the budget is scheduled for the afternoon of November 19. A legal notice will be put in the newspaper. Copies of the budget will be available in the Port offices. The adopted budget will be available in the libraries.

D. Demolition Ordinance

Mr. Crockett noted that on September 25<sup>th</sup>, the Port sent a letter to the City regarding the Demolition Ordinance codifying the Port's comments throughout the drafting period. The Commission was then given a copy of the City's October 21<sup>st</sup> letter stating that the Port's letter would be included in the record for the public hearing and suggesting that respective Staff's meet to discuss the issues and recommendations. The Commission supported Mr. Crockett's position that while the Port is agreeable to meeting with City Staff, there was no desire to invest the time in a line-by-line review.

VI. NEW BUSINESS:

A. All Hazards Alert Broadcast (AHAB)

A ribbon cutting ceremony for the new All Hazards Alert Broadcast System is scheduled for Wednesday, October 29 next to the yard office in the Boat Haven. This is the first Port facility in Washington State to have this Tsunami warning system, funded with Emergency Management Grants. Another was installed in July at Ocean Shores. While the alarm itself can only be triggered by National Oceanographic and Atmospheric Administration (NOAA), the Port has access to the loud speaker for other emergency situations. Packets for the ceremony and the agenda were given to the Commission who were asked to attend.

B. Port Newsletter – Fall 2003 Issue

Mr. Pivarnik presented the next draft of the Port newsletter. The Port's new mission statement would be added. While this two-page quarterly newsletter is geared toward tenants, Staff also envisions another, possibly annual, general informational piece that might be distributed in *The Leader* or *Peninsula Daily News*. Commission input was requested by Friday, October 31. In response to a question by Commissioner Beck, Staff clarified that a winter weather bulletin is included in the monthly bill.

C. Point Hudson Main Building Electrical

Mr. Pivarnik reviewed Staff's research into electrical issues in the buildings on the point at Point Hudson. Of the four electrical bids sought, Chris Hansen's quote included a statement that "the building is currently served by a 200 amp fused service, however an energy audit on that meter reflected an average amp load of 600-800. Huge fire hazards exist from overloaded service equipment and a number of safety hazards from improper grounding throughout the building." His bid, which includes providing an additional 1200 amps of service is \$34K plus tax. The Port's desire is to place six individually metered services for the businesses, giving each responsibility for their own electricity. Mr. Pivarnik proposed meeting with all tenants in that building to discuss the situation. The broader concern is that a State electrical inspection would result in a rewiring of the entire building costing the tenants a lot of money. Staff noted that this fix is temporary and that there are much bigger problems on which they are beginning to work related to heating and water. The Point Hudson reserve fund would pay for the electrical repairs.

**Commissioner Sokol moved that the Commission authorize Port Staff to immediately proceed with electrical service repairs to the Point Hudson Main Building as mentioned, using the small works roster. The motion carried by unanimous vote.**

D. Routine Accounts Payable

Mr. Taylor proposed that absent a Commission meeting the second week in November he be authorized to pay routine accounts payable the first week of November.

**Commissioner Pirner moved that in light of the change to the November meeting schedule, the Commission authorize the Port Auditor to pay routine accounts payable. The motion carried by unanimous vote.**

VII. STAFF COMMENTS:

Mr. Taylor:

He solicited additional budget comments from the Commission.

Mr. Radon:

A booth has been reserved for the upcoming Fish Expo. A new Northwest Marine Trades Boat Show would be held in Everett in early March 2003 and the Port has completed a survey expressing its interest in attending.

After reviewing 62 applications for the Customer Service representative position at Point Hudson and interviewing three top candidates, the Port has hired Rhonda Beytebiere, who will begin next week.

Mr. Pivarnik:

Staff has received a bid from Lakeside Industries for paving 23K sq. feet of boat trailer parking in front of The Marine Exchange for a cost of \$24.4K. This project would be brought forward for discussion along with other capital projects.

Mr. Crocket:

Around November 10, Westport Ship Yard in Port Angeles would have a ribbon-cutting ceremony and he urged Commissioners to attend.

At the WPPA Aquatic Lands Conference, topics were geared toward Port Management agreements (PMAs), including management of state tidelands. These management agreements are now going to be included in State audits. In preparation, an accurate survey of the Port's PMAs will be needed. A survey of the Boat Haven exists, but surveys of the Port Hadlock and Point Hudson properties will be needed. A booklet with information is available in the Port office for Commissioner review.

VIII. PUBLIC COMMENT:

Clair Candler:

He asked when the proposed 2% increase would go into affect. Staff confirmed that, if approved, it would go into affect January 1.

Gloria Bram:

She asked if there might be an area of the marina that could be set aside for long-term inactive vessel storage. Staff responded that if vessels are inoperable, it is most cost-effective for the individual to move the vessel to the long-term storage area.

Regarding plans for NOAA to regularly test the equipment, Staff responded they would not, but that the Port has already tested the loudspeaker system. The yard, moorage and maintenance offices have NOAA weather radios, which automatically turn on during severe weather events.

William Miller:

Asked to clarify that the budget reviewed today would be the same one submitted in November; Staff confirmed, subject to revisions from comments received.

Chris Kluck:

Asked when the Point Hudson properties would be reevaluated for the update of the market analysis. Staff said they hope to schedule it for some time in early 2004.

IX. COMMISSIONER COMMENTS:

Commissioner Pirner:

He has noted a lot of commercial activity at the Mats Mats Ramp. Mr. Radon acknowledged getting calls about the activity at this site, but said no boats are using the ramp. When Staff has monitored the sites, all cars/trucks in the parking lot have annual passes. Staff would continue monitoring the site.

He would not be able to attend the November 13 Community Investment Fund meeting. Commissioner Beck said he might be able to attend.

The EDC Board retreat is Saturday from 9-1. Any issues that the Commission might want to have raised could be forwarded to him.

Since November 2002, the work yard has averaged 75% occupancy, with the highest being 83% in August 2003. Generally, there are roughly 35 empty work yard spots and 29 in the shipyard, where the highest occupancy rate was 52% in March of 2003. Given the possibility of having too much yard space, the Port might want to consider renting some of that space to a marine trades business.

Commissioner Beck:

Despite the inclement weather, there have been no calls about the washout on Linger Longer Road. In response to a request for a Staff update on the lease of the Fish and Wildlife facility to Coast Seafood, Mr. Pivarnik noted that if Coast can provide liability insurance, they could begin painting and cleaning.

X. NEXT MEETING:

Wednesday, November 19, 2003, at 1:00 PM – Point Hudson Marina Room, Port Townsend, WA. Currently, no workshop is scheduled.

XI. EXECUTIVE SESSION:

At 9:30 PM, the Commission recessed into a Commission-only Executive Session for 20 minutes to discuss a personnel issue, with no expected decision.

XII. ADJOURNMENT:

The meeting was adjourned at 9:50 PM, there being no further business to come before the Commission.

ATTEST:

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President

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Secretary

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Vice President