



P.O. Box 1180 • Port Townsend, Washington 98368-4624

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

October 27, 2009

Gary Bailey
Department of Ecology
PO Box 47600
Olympia, WA 98504-7600

Dear Gary,

Although the Port of Port Townsend provided comments last week via email - we wanted to further expand on the points made and provide some additional information regarding the Draft Economic Impact Analysis. Again, thank you for the opportunity to comment on this critical issue.

1. Small versus large yard:

The study used employee numbers to determine the size of the yard. That is not necessarily the best indicator. We have the largest public yard in the state here at the Port of Port Townsend with over 17 acres of yards space and lifting capabilities up to 330 tons. Yet we have only seven employees working in the yard. There are over 400 direct private marine trade jobs depending on the yard activity but they are not our employees. We would contend that numbers and types of vessels hauled out, type of work performed such as sand blasting, boat construction, et cetera, are better indicators of environmental impact.

2. The new technologies:

The study analyzes the potential cost of implementing new technologies to treat storm water in yards. Although some of the technologies have been tested - they have not been tested over extended periods encompassing all types of work, weather conditions, and activity levels. There is no guarantee that any of these will work in the long run. The study did not discuss the impact of making significant investments in these technologies and perhaps may not have the desired outcome. Most yards cannot continue to make these levels of investments in infrastructure without some assurance of continued operations.

What is the Department of Ecology's forecast for the future? If these new benchmarks are not met then what? What is the associated economic impact?

3. Estimated costs:

For public yards the study did not take into account prevailing wages. As governments, we have to pay prevailing wage. The cost of installing, maintaining, and monitoring will be substantially higher for us. Even though we are in a rural depressed county - our prevailing wages are for the most part, the same as King County.

4. Raising rates:

The study recommends that yards raise their rates for service to cover the increased operational cost of meeting the new benchmarks. That is a very cavalier statement. Many, if not most yards, have lowered rates to keep some acceptable level of operations during these economically difficult times.

The economic impact of boat yards in this state is huge. One must consider not just the direct jobs associated with working in these yards, but also the second and third order of impact of suppliers of materials, tools, and equipment. Plus, around every yard is a neighborhood of supporting businesses such as restaurants, hardware stores and the like which derive much of their revenue from the yards operating nearby. We saw no analysis of this.

There is growing competition from new yards in Alaska and British Columbia. If our cost increases thereby putting pressure on the rates we charge - then what will be the potential impact of lost business to yards outside Washington State? The impact will be particularly noticeable on commercial fishing vessels. With increased fuel costs and other operating costs increasing - vessel owners can and will choose to go to other yards. The study assumes everyone will still come to the same yard - bad assumption. There was no analysis of this.

Everyone in this business wants to be good stewards of the environment. As we all know the boatyards in the state are not the biggest source of pollution in Puget Sound. We, collectively, need a comprehensive strategy to tackle the entire storm water issue without undue burden on any one industry sector. We also need a common sense approach that allows science and technology and funding to all work together and not spend our precious few dollars on efforts that will not or may not, help in the long run.

We are willing to assist the effort in anyway and please let us know if we can help. If you have questions please call me at (360) 385-0656 or email: larry@portofpt.com.

Sincerely,



Larry Crockett
Executive Director

cc: Rogers Weed, WA State Dept of Commerce
Eric Johnson, Washington Public Ports Association
Marina Hench, Northwest Marine Trade Association
Port of Port Townsend Commissioners