

The Conversation

Travelift pier project begins Minimal disruption to marine trades users & customers



"We'll get a new lift facility that accommodates our needs with practically no disruption to our business. What could be better?"

—Jerry Wentworth, Owner, Gold Star Marine

Construction of a new lift pier for the work yard at Boat Haven begins this month.

Rated for use by the Port's two small Travelifts (70- and 75-ton), it will be located adjacent to the 300-ton lift pier.

The existing wooden pier (pictured here) will continue to be used until the new pier is ready, then it will be demolished. The goal is no loss of operations for the businesses and customers who depend on the lifts.

The Yard Office recorded over 1,400 haul-outs and launchings at this pier in the last 12 months.

"The new pier guarantees that this will be a working boatyard for at least the next three decades," Port

Executive Director Larry Crockett says of the bond-financed project to replace the 40-year-old pier.

Orion Marine of Tacoma won the \$792,900 construction bid for the new concrete pier, which was \$200,000 under the engineer's estimate. Completion of the pier is anticipated by April.

Jerry Wentworth, owner of Gold Star Marine, volunteered on the project advisory committee. "Port staff went out their way to involve the trades in the planning process and was very receptive to suggestions," he says. "The process illustrates what can be accomplished when we work together."

Foot-ferry operator selected

On Nov. 9, the Port Commission selected Puget Sound Express, Inc., to operate its future passenger ferry service to Seattle.

The longtime Point Hudson-based business brings to the project nearly three decades of experience running vessel tours and passenger ferries in Puget Sound.

"We are gratified to have been selected for this service, and are looking forward to creating a convenient, fast, and comfortable connection between Port Townsend and Seattle," says Pete Hanke, co-owner of Puget Sound Express.

Ferry service is anticipated to begin in 2013,

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Three generations of Hankes operate Puget Sound Express, and soon the Port's passenger ferry. Pictured are (L to R) Sarah, Pete, Sr., Sherri, Christopher, Sue and Pete, Jr.

Elizabeth T. Becker photo

From the Commission

The Port's 2012 balanced budget is in the black, with half a million in cash reserves. This position of financial strength allows us to continue taking advantage of a depressed construction industry to get bargains on infrastructure repair and replacement projects.

One example of this is the construction of a new pier for the Port's 70- and 75-ton Travelifts. (See article, this page.) The winning bid came in \$200,000 below our engineer's estimate.

Just recently the Army Corps of Engineers signed off on design modifications, so the pier replacement appears to be on schedule. We welcome back project manager Tike Hillman, who capably guided us through the A/B dock replacement.

Again, I would like to applaud our citizen advisory committee on the A/B dock design. They were certainly right in insisting on the smaller boat focus. The new slips are nearly full now, and moorage revenue is flowing again.

A citizen advisory committee also helped with the Boat Haven boat ramp expansion design, which is in the final stages. Three variations will be considered, ranging from \$300,000 to \$1 million.

As Deputy Director Jim Pivarnik has often noted, citizen advisory committees are our future.

The Commission welcomes new member Steve Tucker. He takes the District 1 seat starting in January. Steve has volunteered on more than one citizen advisory committee, so he knows what lies ahead. Welcome, Steve!

—Dave Thompson, President



Classifieds: For Lease

The following spaces are currently available for lease at Point Hudson. Terms are negotiable.



**Two office spaces @ 150 sq ft ea.
\$150/mo ea. + leasehold tax**

Located in the office wing of the Main Building (home of the Shanghai Restaurant). One office is on the southeast corner; the other is on the north side. Tall ceilings and lots of natural light from tall windows. Accessible by stairs or ramp.



**350 sq ft over-the-water office
\$350/mo + leasehold tax**

Located across the breezeway from the Port's Marina Office. Double entry doors lead into large room; smaller room on west side is fully enclosed and private. The two spaces have successfully been shared by two compatible businesses. Accessible by stairs or ramp.



**900 sq ft workshop/warehouse
\$450/mo + leasehold tax**

This workshop/warehouse space is located on the lower level of the Armory (Sail Loft) Building, adjacent to the Point Hudson Boat Shop and Brion Toss Yacht Riggers. Long, narrow room with tall ceiling. Large sliding door leads outside.

**Contact Jim at (360) 385-0656 or
jim@portoft.com with inquiries.**

Business Spotlight: Coast Seafoods in Quilcene

Coast Seafoods is under new ownership, but it's pretty much business as usual at the world's largest shellfish hatchery on Port of Port Townsend property in Quilcene.

Former owner John Petrie has agreed to stay on as president of Coast Seafoods for at least five years, and his management team remains in place.

"I don't expect anything is going to change

more square footage at the hatchery devoted to algae than animals.

"Most of what we do is algae," she says wryly. "Some of what we do is shellfish."

The Quilcene hatchery employs 28-30 people, making it one of the South County's largest employers.

"The Port's support is absolutely critical to our operations here," says Edwards.



Coast Seafoods' Quilcene hatchery (far left) leases tidelands, uplands, and some buildings from the Port. Oyster shell "cultch" is trucked in from a shucking facility in South Bend (lower left). The recycled shells serve as a growing medium (center) for the shellfish

drastically," says Hatchery Manager Judy Edwards of the sale that took place Oct. 2.

Coast Seafoods was acquired by Pacific Shellfish Company, a subsidiary of the Pacific Seafood Group of Clackamas, Ore.—one of the nation's biggest seafood distributors. The purchase also included Coast Seafoods' sales office in Bellevue and shellfish farming operations in Willapa Bay, Grays Harbor and Humboldt Bay.

"We are extremely excited to partner with Coast Seafoods and gain from the history and experience they have in the oyster and clam industry," said Frank Dulcich, owner and CEO of Pacific, in a statement that noted Coast Seafoods has been one of Pacific's vendors for a number of years.

More algae than animals

The Quilcene hatchery can produce 45 billion oyster, clam and mussel larvae per year, for internal use as well as for sales to other shellfish growers around the world.

The clean waters of Quilcene Bay are filtered and heated to encourage the broodstock to spawn.

And to grow, shellfish larvae must eat—algae, and lots of it. For quality control, Coast Seafoods raises all of its own algae feed, which is a major part of its operations. Edwards says there is



larvae that are ready to "set" 12-21 days after spawning. By weight, this package of granular shellfish spawn (above, right) is estimated to contain 55 million larvae, which sell for \$120 per million—so that's a \$6,600 pile! Sarah Whitten (below) tends to carboys of algae cultured to feed the shellfish larvae.



Teresa Mason (left) works indoors among the huge larvae tanks. Hatchery Manager Judy Edwards (below) checks an outdoor setting tank.



Economic Development Council here

Team Jefferson relocates to Port, happy in new home

The Port's newest tenant has a close mission fit with your Port district: economic development. In August, EDC Team Jefferson set up operations in Port-owned building on Washington Street near the Boat Haven.

"This has already become a real gathering place," says Project Lead Peter Quinn. "Our office is open for walk-in visits Monday-Friday, 10 a.m.-2 p.m., and by appointment.

"Being close to Boat Haven," he adds, "we are very available to marine trades if they want to discuss staying around, growing or starting up."

EDC Team Jefferson is the state-designated economic development organization for Jefferson County. It has supported many of the Port's community development projects, including bringing broadband to our county and enabling passenger-only ferry service.

Learn more at www.edcteamjefferson.org or call (360) 379-4693.



EDC Team Jefferson members (L to R) Peter Quinn, Katherine Baril, Craig Wier and Bill Wise are thrilled to be in their new headquarters on Port of Port Townsend property, in the former Mahina Yachts building on Washington Street.

Eco-industrial park analyzed

Development of a "green" light industrial park on a recently rezoned Port-owned parcel on the south edge of Jefferson County International Airport is feasible, but the investment could require a long break-even period, a recent study concludes.

A feasibility study released in August recommends low-impact and environmentally sound site development options at the 24-acre site, and suggests that tenants would likely be local firms with expansion needs.

Promising uses include construction, fabrication/light manufacturing, and food processing/services. Preference would be given to tenant businesses that produce environ-

mentally friendly products or services or that incorporate environmentally sound business practices and operations.

The consultant team hired by the Port conducted a market analysis, estimated site development costs and infrastructure requirements, and assessed a conceptual site design.

The financial feasibility analysis concludes that the Port should secure grant funding before committing hard construction dollars.

The study itself was funded by a grant from the U.S. Department of Commerce's Economic Development Administration.

The 100-page report is available in the Planning Documents section at www.portofpt.com.

< Foot-ferry public outreach

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with a federal grant of \$1.3 million funding the vessel's construction.

Now that the ferry's operator has been selected, the public outreach phase of refining the community's needs and desires for a passenger ferry will begin right away. The Port will solicit input from the Chamber, Main Street, the Northwest Maritime Center, Centrum, etc., and will also hold a series of public meetings where the community at large can voice opinions.

"Of course, all ideas must be tempered with financial realities that fit within our budget," reminds Port Deputy Director Jim Pivarnik.

Meanwhile, Puget Sound Express and the Port will be meeting with project partners in Seattle for selection of a preferred terminal on the Seattle waterfront.

It was critical to select the ferry's operators at this time, Pivarnik says, so they could be involved in the vessel design process. The Port will be hiring a naval architect, and from that custom design will go out for a competitive bid for construction of the boat.

"We hope that our talented marine trades in Jefferson County will successfully compete to build this vessel," says Pivarnik, noting that since this is a federal project, the Port will be required to accept the lowest responsible bid.

Port Shorts

CUSTOMS OFFICE REMODEL

GOING OUT FOR BID: The Port is poised to become a more active "port of entry," with local Customs officials expected to take residence in new offices at Point Hudson in Spring 2012.

Local architect Richard Berg of Terrapin Architecture has completed construction drawings for the renovation of 1,700 square feet inside the Port Administration Building. We will be soliciting bids for the remodel project in December.

LANDFALL SITE UPDATE:

Maritime Heritage Group has been granted a six-month extension to continue due diligence on its development plans for the Landfall site.

MHG now has until April 1 to coordinate its plans for a restaurant with plans for the Port's passenger ferry service. Pete and Sherri Hanke are involved in both ventures.

On April 1, 2011, the Port agreed to reserve the property for development by MHG for one year.

GPS APPROACH AT AIRPORT:

The FAA-funded project to add a GPS approach to the airport runway is moving forward. The data collection flights were completed this fall and now the FAA is analyzing the photo imagery. We expect to hear from the FAA next summer how detailed an approach we can achieve.

QUILCENE INFRASTRUCTURE:

The Port Commission is closely following the community revitalization efforts of the Quilcene Conversation process, and the Port has formally expressed its support for commercial fireflow capacity and a community septic system in Quilcene.

COMMISSIONER RECEPTION:

The public is invited to a reception for retiring Port Commissioner John Collins at 2:30 p.m. Wed., Dec. 28, immediately following the Commission's 1 p.m. business meeting.

Join us in wishing Commissioner Collins well in his next endeavors.





P.O. BOX 1180
PORT TOWNSEND, WA 98368

We're in the zone!



All of the Port's coastal properties are in the tsunami hazard zone, so in case of an earthquake,

immediately go inland and to higher ground. Learn the safe route to shelter. Listen for the tsunami warning sirens and follow any emergency instructions.

2012 budget prudent, lean

On Nov. 9, the Port Commission adopted a prudent budget for 2012 that offsets unavoidable cost increases with some rate and fee increases and several small reductions across departments.

The Commission voted *not* to take the 1% increase in property tax revenues allowed by state law. An owner of property assessed at \$250,000 will pay \$45 to the Port in 2012.

The \$5,447,940 balanced budget reflects operating revenues up 3.2% from the 2011 budget. "Yard activity is trending up, and we're looking forward to a full year of Boat Haven revenues," says Finance Director Don Taylor. The replacement of A/B docks in 2010-11 reduced moorage income signifi-

cantly, but those slips are now full again.

Permanent and guest moorage rates at all marinas are increasing 0-3.7%, using a more equitable rate formula that considers the square footage of the slip rather than the slip length. "Environmental fee" increases cover the ongoing maintenance cost of the new "Rx" stormwater system at Boat Haven and the environmental compliance officer.

The Port will be providing wages and benefits for 26 full-time employees in 2012.

The budget forecasts nearly \$500,000 in cash reserves to be available for equipment purchases and capital projects.*

The 2012 budget documents are online at: www.portofpt.com/Budget2012Final.pdf.

Port Meetings

Regularly scheduled Port Commission meetings are the **second Wednesday of each month at 1 p.m.** and the **fourth Wednesday of each month at 6:30 p.m.** Workshops are scheduled on an as-needed basis.

- Agenda: www.portofpt.com/agenda.htm.
- Location: the Commission Chambers, Port Administration Building, 375 Hudson Street, Point Hudson, Port Townsend.



Contact a Commissioner



● John Collins, District 1—
(360) 643-1410, jcollins@portofpt.com



● Dave Thompson, District 2—
(360) 643-2050, info@portofpt.com

● Leif Erickson, District 3—
(360) 437-2066, lerickson@portofpt.com

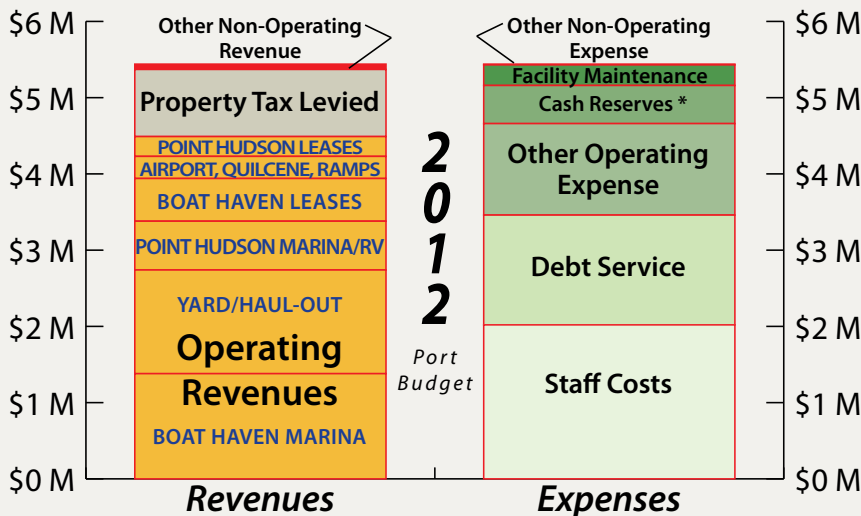


The Conversation is the newsletter of the Port of Port Townsend, a county-wide municipal corporation, whose mission is "to serve the citizens of Jefferson County by responsibly maintaining and developing property and facilities to promote sustainable economic growth, to provide community access to Port facilities and services, and to protect and maintain our community resources and maritime heritage."

Edited by Shelly Randall, Story Services:
editor@portofpt.com or (360) 385-0811

For additions or changes to the mailing list: info@portofpt.com or (360) 385-0656

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* Of \$498,815 in cash reserves, \$129,000 is earmarked for the Port's capital budget of \$1.8 million. Other capital project funding sources include \$1.5 million in grants and \$125,000 in bond funds.