

## PORT OF SKAGIT COUNTY

Special Joint Meeting with the Port of Anacortes

Thursday, January 15, 2009 7:00 PM

### MINUTES

#### PRESENT:

In Attendance for the Port of Skagit County: Commissioners Allen and Kaufman.

Also in Attendance for the Port of Skagit County: Patsy Martin, Scott Peterson, Kristin Garcia, Sara Young and Debbie Hamilton

In Attendance for the Port of Anacortes: Commissioners Rubin, Mooney, Niver, Hopley and Short

Also in Attendance for the Port of Anacortes: Executive Director Hyde, Director of Engineering Elsner, Director of Finance & Administration Johnson; Director of Operations & Facilities Hachey; Project Manager Estvold; Marina Manager Fowler, and Administrative Coordinator Lindsey

#### CALL TO ORDER

#### PUBLIC COMMENT PERIOD

No public comment

#### REGULAR AGENDA

#### STUDY SESSION

##### Discussion Item: Port District Boundary Adjustment Update

Patsy Martin reported that the island of Port of Anacortes district property in the middle of Port of Skagit County was discussed during the January 22, 2008 joint meeting of the Port of Anacortes and the Port of Skagit County. It was the consensus of the two commissions to send a letter to the nine (9) property owners in the affected 60-acre (approximate) area and determine their level of interest in making the change from the Port of Anacortes to the Port of Skagit County district.

Port of Skagit County staff completed a survey of the nine home and land owners occupying the sixty acres to garner their thoughts about the re-designation of the acreage from Port of Anacortes District to Port of Skagit County District. Nine surveys were completed. Three favored the proposal, three opposed and three were undecided.

Discussion

Following discussion it was the consensus of both commissions not to pursue any action regarding this island of property at this time. This will be reviewed again in the future.

Discussion Item: Marina Management, Airport Management and Industrial Land Management

Patsy Martin and Bob Hyde gave presentation of project updates highlighting each port's information respectively. Patsy gave a status update regarding properties at the Airport, BBIP and Marina and Bob Hyde an overview of the Port of Anacortes operating areas.

**COMMUNICATIONS**

See attached Port of Anacortes meeting minutes

**UPCOMING MEETINGS**

See attached Port of Anacortes meeting minutes

**PUBLIC COMMENT PERIOD**

No public comments

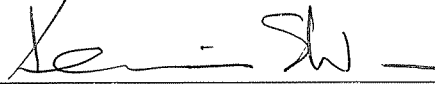
**ADJOURNMENT**

With no further business to come before the commission, Commissioner Mooney moved to adjourn. Commissioner Allen declared the Port of Skagit County commission adjourned as well, with both commissions adjourning at 7:51 p.m.

ADOPTED IN OPEN SESSION this 17th day of February, 2009 and duly authenticated by the signatures affixed hereto.

**PORT OF SKAGIT COUNTY**

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

Attachment: Port of Anacortes Meeting Minutes

**Port of Anacortes**  
**Regular Commission Meeting**  
**Joint Meeting with the Port of Skagit County**  
**January 15, 2009**

The Port Commission of the Port of Anacortes held its regular business meeting and annual joint meeting with the Port of Skagit County Commission at 7:00 P.M. on the evening of January 15, 2009. This was a regularly scheduled Commission Meeting held in the Commission Meeting Room of the Port Main Warehouse Building, 1<sup>st</sup> & Commercial Avenue, Anacortes, Washington.

In Attendance: Commission President Rubin, Commission Vice-President Mooney, Commission Secretary Niver, Commissioner Hopley and Commissioner Short.

In Attendance for the Port of Skagit County: Commissioners Allen and Kaufman.

Also in attendance: Executive Director Hyde, Director of Engineering Elsner; Director of Finance & Administration Johnson; Director of Operations & Facilities Hachey; Project Manager Estvold; Marina Manager Fowler, and Administrative Coordinator Lindsey.

Also in attendance for the Port of Skagit County, Executive Director Martin, Director of Facilities and Operations Peterson, Director of Finance Garcia, and Administrative Assistant Powell.

CALL TO ORDER

At 7:06 P.M. Commission President Rubin called the regular meeting of January 15, 2009, to order and welcomed all in attendance. Commissioner Rubin noted this meeting included the annual joint meeting with the Port of Skagit County Commissioners and staff.

Commissioner Allen, in turn, called to order the Port of Skagit County's meeting and thanked all for attending.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the floor for public comment pertaining to items on the regular agenda. Hearing no one with a desire to address the Commission, the floor was closed.

STUDY SESSION

Discussion Item: Port District Boundary Adjustment Update

Commissioner Rubin noted the first item for joint discussion was a Port District Boundary Adjustment update. He called upon Port of Skagit Executive Director Martin who briefed the Commissions on the boundary adjustment in question, stemming from discussion at last year's joint meeting.

Executive Director Martin explained that an approximately sixty acre area of Port of Anacortes district land existed within the boundaries of the Port of Skagit County, near the Skagit Regional Airport. As agreed last year, after an inquiry about changing the district designation, the Port of Skagit performed a survey of the nine home and land owners occupying the sixty acres to find

out their opinion about the possibly re-designation of the acreage from Port of Anacortes District to Port of Skagit County District. Of the nine surveys, three favored the proposal, three opposed the proposal, and three were undecided/non-committal.

Commissioner Rubin requested any discussion regarding the possible re-designation.

Commissioner Mooney noted the re-designation had nothing to do with the ownership of the property, only the taxing authority. He believed the sixty acres should be re-designated as Port of Skagit, and for no enumeration.

Commissioner Niver disagreed. He explained that the property had become an island due to the purchase of adjacent property by the Port of Skagit County. Commissioner Niver questioned whether the proposal would require a vote of the people and whether it was relative to potential airport expansion. He felt the issue would be better addressed by district residents.

Commissioner Kaufman noted that a three-three-three survey result showed there was no clear direction from the residents and, as a result, believed the acreage should remain districted as Port of Anacortes.

Commissioner Allen agreed, noting that there was no majority of residents in favor, and therefore no need to pursue the matter. The Port of Skagit had suggested it to clean up district boundaries. He appreciated the support of members of the Anacortes Port Commission in entertaining the idea.

Commissioner Short noted there was very little difference in taxes between the Port districts and favored letting a majority of the residents decide the matter, which the survey indicated showed no majority preference.

Executive Director Martin noted that Port of Skagit taxes on a \$200,000 home/property would be approximately \$22, while Port of Anacortes taxes were approximately \$20.

Commissioner Hopley, the Port of Anacortes Commissioner for that district, thought the residents should decide, and with no majority, the issue should rest.

Commissioner Rubin believed it would require a change in state law to allow for a change to be made. Executive Directors Martin and Hyde confirmed that such a move would require a legislative action since no legislation presently exists to do so.

#### Discussion Items: Marina, Airport, and Industrial Land Management

Executive Director Martin provided an overview of the Port of Skagit operating areas beginning with the Skagit Regional Airport. She reported that operating revenues at the Airport more than covered expenses in 2008, with the Commission very dedicated to Airport growth. Executive Director Martin noted that the Skagit Regional Airport has two large and one smaller fixed base operators with an increase to business related aircraft flights and hangar space.

At the LaConner Marina, constructed in 1974 and 1976, the Port of Skagit has a phased approach to dock replacement. Executive Director Martin reported a decline in demand for smaller, 26' slips. Also notable was the presence of industrial tenants, such as Westport Yachts that constructs 65'-85' luxury yachts, LaConner Maritime who services larger yachts, Tomco Marine who makes smaller recreational boats and reported a recent decline in production of

about 25% in the present economy. The LaConner Marina is also home to a small commercial fishing fleet of approximately seven vessels. Though successful at first, dry stack storage has declined. Executive Director Martin noted the Port of Skagit has been studying other moorage and storage models, such as those at the Port of Edmonds. The Port owns an adjacent 15 acres of property near the LaConner Marina, purchased as a directive from the Commission to obtain properties that become available adjoining Port property.

Executive Director Hyde presented an overview of the Port of Anacortes operating areas, starting with the Anacortes Airport which underwent significant improvements in 2008, including Airport Road reconstruction, emergency airfield lighting, a new washdown facility and alternate run-up apron, taxi-lane reconstruction, a new automated gate and fencing improvements.

At the Cap Sante Boat Haven the Port completed the Cap Sante Marine Remedial Action project, the first of five environmental clean-ups under Focus Fidalgo and in partnership with the Department of Ecology. Also completed at the Boat Haven were extensive public access improvements, including a new esplanade, sculpture placement, installation of a permanent fuel system, new fuel dock, and a new operator's building at the trailer boat launch.

At the Marine Terminal, the second of the clean-up sites, the Dakota Creek Industries Interim Remedial Action and Material Handling Facility projects are nearly complete, removing and cleaning sediments, including innovative handling procedures. The Port's Project Pier 1, a redevelopment of the Dakota Creek shipyard included dredging of contaminated soil to increase depth and installation of a sheetpile bulk head, as well as new Pier 2 access and offsite utility work. In conjunction with the Department of Ecology, the Port is implementing a Phase 2 Municipal Stormwater plan to treat not only Port water but also City of Anacortes water that comes across Port property. At Curtis Wharf, the Port installed a new catwalk and performed abutment wall repairs. The Port will begin clean-up on the third of the Focus Fidalgo projects, the former Scott Paper Mill site, in spring of 2009.

Wrapping up his report, Executive Director Hyde reported that the Port had completed and adopted a 20-Year Comprehensive Plan, with input gathered from over 30 community meetings, spanning one and one half years. Lastly, the Port partnered with the Department of Ecology for the removal of the derelict tugboat, Enchantress, from Fidalgo Bay.

Commissioner Kaufman noted he could see why the Port of Anacortes was named Port of the Year by the Washington Public Ports Association, and offered his congratulations on that honor. He inquired about the Port's public/private partnership with Dakota Creek Industries for Project Pier 1. Commissions Hopley, Niver, and Short all spoke with praise for the partnership and the beneficial results already being seen.

Commissioner Short inquired about the occupancy of the LaConner Marina and whether the Port of Skagit had activities planned to draw more people to the Marina, such as the summer concert series and visitors maps with town retailers on the back from the Port of Anacortes at Cap Sante Boat Haven.

Executive Director Martin explained that the LaConner Marina is offering boaters who sign a 12 month lease, three months of free moorage. Marina Manager Paul Stannert is working with LaConner businesses on a coupon book for boaters. Also in the works is a marketing plan via cable access television in a coordinated effort with the town of LaConner and LaConner Chamber of Commerce. In addition, the Port of Skagit will have a booth, as does the Port of Anacortes, at the Seattle Boat Show to promote the Marina.

The two Commissions concluded their joint meeting with a roundtable discussion of each Port's economic outlooks and ideas in the present economy, and of current and upcoming project and development work. Executive Director Martin thanked Executive Director Hyde and Director Elsner for providing expertise and shared knowledge and staff support to the Port of Skagit in regards to environmental issues.

Commissioner Hopley noted the Commission was proud of the Port of Anacortes staff expertise in environmental matters and were happy to see it made available to the Port of Skagit.

#### COMMUNICATIONS

Executive Director Hyde reported that the new electric golf cart for the Cap Sante Boat Haven had arrived. The cart has weather curtains and will carry up to four passengers. The cart will be used to transport operations staff between the trailer boat launch and the fuel float.

Commissioner Hopley noted that the Port has had some discussion in the past about establishing a policy to provide a method and equipment for recharging hybrid vehicles and he wished to see that move forward.

#### UPCOMING MEETINGS

Commissioner Rubin reviewed the Commission's upcoming meeting schedule. The next Commission governance session is scheduled for January 22, 2009 from 12-3 P.M. at the Cap Sante Boat Haven office. The next Regular Port Commission Meeting will be held on February 5, 2009 at 7:00 P.M. in the Commission meeting room.

#### PUBLIC COMMENT PERIOD

Commissioner Rubin opened the public comment period for items not on the regular agenda. Hearing none, the public comment period was closed.

#### ADJOURNMENT

With no further business to come before the Commission, Commissioner Mooney moved to adjourn, which was seconded by Commissioner Short. Commissioner Rubin called for the vote on the motion which carried unanimously. Commissioner Allen declared the Port of Skagit County Commission adjourned as well, with both Commissions adjourning at 7:51 P.M.

Attest:

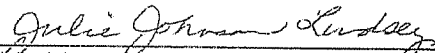
  
\_\_\_\_\_  
Keith Rubin, President

  
\_\_\_\_\_  
Ray Niver, Secretary

**ABSENT** for approval  
\_\_\_\_\_  
William E. Short, Commissioner

  
\_\_\_\_\_  
Pat D. Mooney, Vice-President

  
\_\_\_\_\_  
Steve Hopley, Commissioner

  
\_\_\_\_\_  
Julie Johnson Lindsey, Administrative Coordinator  
January 8, 2009