

PORT OF SKAGIT COUNTY

Regular meeting of the Port Commission

Tuesday, January 20, 2009 5:00 PM

MINUTES

PRESENT: Commission - Glenn Allen and Jerry Kaufman
Staff - Patsy Martin, Scott Peterson, Kristin Garcia, Bob Nord, Paul Stannert, Karmen Hardy, Sara Young and Debbie Hamilton
Others - See sign in sheet

Changes or additions to the agenda as follows:

1. TENANT: BBIP; Eddyline Kayaks; 11977 Westar Lane (2004) – Approve Amendment
2. TENANT: Airport; Corporate Air Center West, LLC (Lease dated 4/15/06) – Approve Termination
3. TENANT: Airport; Corporate Air Center West, LLC; 15284 Flightline Road; Lease dated February 1, 2009 – Approve Lease
4. TENANT: Airport; CACWest, LLC; 15272 Flightline Road; Lease dated February 1, 2009 – Approve Lease
5. MARINA: Swinomish Channel Dredging Update (Oral)
6. Executive Session to discuss the possible sale, purchase or lease of property the public discussion of which could affect the price and potential litigation. Executive session will last approximately 30 minutes. Action may or may not be taken after the executive session.

Public Communications

Published articles noted by commission.

Approval of Minutes

COMMISSION ACTION: The commission unanimously approved the minutes of the December 16, 2008 regular meeting.

Fiscal Matters

COMMISSION ACTION: The commission unanimously approved January 2009 vouchers as presented.

Open Forum

Mr. Brooke Barnes, Manager of Whidbey Air Museum, LLC, was present to request the commission extend the length of time allowed to remove the PBY airplane which was sold at auction Wednesday, December 10, 2008. Mr. Barnes stated the 120 day rule to remove the PBY from Port property has placed undue pressure on him to remove the aircraft safely. He requested the commission extend the length of time by six (6) months or longer.

Discussion

Brad Furlong, attorney for the port, stated the Port acted in complete transparency in this transaction. It was clearly stated at the auction that the length of time to remove the aircraft from Skagit Regional Airport was 120 days. The Port is obligated to comply with this time frame as the other bidders were under the same criteria. If Mr. Barnes is not able to remove the aircraft within the specified 120 days, the option to purchase the aircraft will then go to the next bidder on the bidder's list.

The port will be cooperative in assisting Mr. Barnes with moving airport perimeter fencing to allow the aircraft back onto the airport when it has been restored and is ready for flight.

SLIDE SHOW CAPITAL IMPROVEMENT PROJECTS

STAFF REPORTS

ADMIN: EDASC Economic Forecast Dinner

Debbie Hamilton reported that the EDASC Economic Dinner is scheduled for Thursday, February 12, 2009 at the St. Joseph's Center. Social hour begins at 5:00 p.m. and the dinner/program 6:00 p.m.

ADMIN: Port of Anacortes ~ Port of Skagit County Joint Meeting (Oral)

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Patsy Martin reported that the Port of Skagit and the Port of Anacortes went well. She stated it was helpful to compare projects and learn from each other.

The commissioners reported the meeting was positive and they would like to continue to meet with the Port of Anacortes commission on an annual basis.

ASSOC: NARF; 4th Quarter Billings and Reports (2008)

Patsy Martin reported that the port received the NARF 4th quarter billings and reports. The payment amount of \$6,250.00 was included in the vouchers.

MARINA: Occupancy Reports Month Ending December 11, 2008; Comparison of Monthly & Transient Moorage

Paul Stannert reported that he separated information in the Occupancy Report to reflect vacancies in wet moorage and vacancies in dry moorage. As of December 15, 2008 vacancies in wet moorage have decreased by one (1) and vacancies in dry have decreased by two (2). He believes this may be the start of a good trend.

OLD BUSINESS

ADMIN: Business Plan Guiding Criteria (2008) – Adopt Criteria (see memo)

Patsy Martin reported that during the January 6, 2009 work session a draft of the business plan guiding criteria and guiding values was given to the commission. Patsy provided an updated guiding values document. She recommended the commission adopt both criteria so staff may use the criteria in the development of port revenue center business plans.

Discussion.

COMMISSION ACTION: The commission unanimously approved the business plan guiding criteria and guiding values.

NEW BUSINESS

ADMIN: Commission Meeting Schedule – Adopt Resolution

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Patsy Martin reported that the port commission currently holds the monthly work session on the first Tuesday of the month at 9:00 a.m. If an effort to better accommodate commissioner work and travel schedules, staff believes it is appropriate to change the monthly work session to the second Tuesday of the month. The meeting time will remain at 9:00 a.m.

COMMISSION ACTION: The commission unanimously adopted Resolution No. 09-01 which will change the monthly work session date from the first Tuesday of the month to the second Tuesday of the month.

ADMIN: Executive Director Authority (2009)

Patsy Martin reported that the commission adopted Resolution No. 08-01 which generally sets forth the authority delegated to the executive director on January 15, 2008. It is appropriate to review the executive director authority on an annual basis to address the needs of the port.

COMMISSION ACTION: The commission unanimously adopted Resolution No. 09-02 which generally sets forth the authority delegated to the executive director.

TENANT: BBIP; Kitchen Renovations, LLC; Incubator Lease dated July 1, 2007 – Adopt Resolution

Kristin Garcia reported that the Kitchen Renovations' lease became delinquent in April 2008 in the amount of \$7,061.34. Since then, appropriate collection procedures were followed and in October 2008 the account was sent to the port's attorney in order to terminate the lease and vacate the property. The remaining balance on the account, after the security deposit was applied, is now being requested for write off.

COMMISSION ACTION: The commission unanimously adopted Resolution No. 09-03 which will write off debts owed to the Port of Skagit County by Kitchen Renovations in the amount of \$7,061.34.

TENANT: Eddyline Kayaks; 11977 Westar Lane (2004) – Approve Amendment

Scott Peterson reported that Eddyline Kayaks has requested an amendment to their lease agreement allowing for a decrease in the lease rate during the winter months and an increase in the lease rate during the summer months with their annual lease amount to remain the same.

COMMISSION ACTION: The commission unanimously authorized a lease amendment to the Eddyline Kayak lease which amends the lease as follows:

a. Commencing on January 1, 2009, rent shall be adjusted during the months December through April to ½ current rent, plus leasehold tax (currently 12.84%), drainage fees and casualty insurance.

b. The sum of the difference in current rent and adjusted rent shall be distributed equally, each month, May through November, plus Leasehold tax (currently 12.84%), drainage fees and casualty insurance.

and authorized the executive director authority to complete the amendment and authorized staff to take such further steps necessary to complete this action.

TENANT: Airport; Corporate Air Center West, LLC (Lease dated 4/15/06) – Approve Termination

TENANT: Airport; Corporate Air Center West, LLC; 15284 Flightline Road; Lease dated February 1, 2009 – Approve Lease

TENANT: Airport; CACWest, LLC; 15272 Flightline Road; Lease dated February 1, 2009 – Approve Lease

Scott Peterson reported that Corporate Air Center West requested the port terminate their existing lease agreement. Tim White will now lease the larger building included in the Corporate Air Center West lease and Tim Lewis desires to lease the smaller building in his existing lease. Staff has developed two (2) new leases and one termination. Rent rates remain the same.

COMMISSION ACTION: The commission unanimously authorized a termination of lease agreement with Corporate Air Center West and authorized staff to execute two (2) new leases; one with Corporate Air Center West and the other with CACWest, LLC.

MARINA: Swinomish Channel Dredging (2008) – Status Update

Patsy Martin reported that the dredging of the Swinomish Channel has been completed. The Army Corp of Engineers reported that the original base bid of 50,000 cubic yards for the south end of the channel was awarded and dredged, along with an additional 30,000 cubic yards at the north end of the channel.

RECESS REGULAR MEETING

The regular meeting recessed at 6:20 p.m.

EXECUTIVE SESSION

The executive session began at 6:32 p.m.

Executive Session to discuss the possible sale, purchase or lease of property the public discussion of which could affect the price and potential litigation. Executive session will last approximately 30 minutes. The commission expects to return from executive session by 7:00 p.m. Action may or may not be taken following the executive session.

The executive session ended at 7:00 p.m.

RECONVENE REGULAR MEETING

The regular meeting was reconvened at 7:01 p.m.

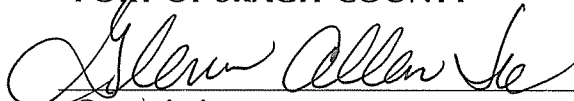
COMMISSION ACTION: The commission unanimously authorized staff to file a lawsuit against former tenants of Taxiway F crop duster site.

ADJOURNMENT

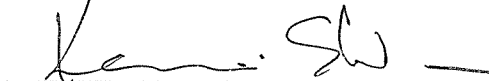
The commission adjourned the regular meeting at 7:05 p.m.

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