

PORT OF SKAGIT COUNTY

Regular meeting of the Port Commission

Tuesday, April 21, 2009 5:00 PM

MINUTES

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

Changes or additions to the agenda as follows:

1. Staff Report: ADMIN: First Quarter 2009 Financial Report – Status Update (Oral)
2. PUB AGEN: Skagit County .09 Grant Award – Status Update(Oral)
3. Executive Session to discuss the possible sale, purchase or lease of property the public discussion of which could affect the price. Executive session will last approximately 30 minutes. Action may or may not be taken following the executive session.

Public Communications

Published articles noted by commission.

Approval of Minutes

COMMISSION ACTION: The commission unanimously approved the minutes of the March 17, 2009 regular meeting.

Fiscal Matters

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

Open Forum

No comments from the public.

STAFF REPORTS

ADMIN: Executive Director Evaluation (2009)

Patsy Martin distributed to the commission the evaluation forms for the annual executive director review. The commission will complete their review following the May 12, 2009 work session.

ADMIN: Tenant Employment Census; First Quarter Report (2009)

Patsy Martin reported that port wide employment is down 31% from 1,174 to 807 for full time employees, and part time employees increased 80% from 82 to 148.

ADMIN: Use Permits; Skagit Runner Annual Tulip Festival and Slug Run (4/17/93 – Current)

Sara Young reported that the Skagit Runners Annual Tulip Festival and Slug Run was conducted on Saturday, April 11, 2009.

MARINA: Monthly Occupancy Report; Month Ending April 15, 2009

Paul Stannert reported occupancy numbers are on the rise. The marina has an overall 73% in-water occupancy at this time.

MARINA: Use Permits; La Conner Chamber of Commerce; La Conner Classic Yacht & Car Show (2009)

Paul Stannert reported that during the October 21, 2008 commission meeting the La Conner Chamber of Commerce requested that the date of the La Conner Classic Yacht and Car Show be changed for the second week of September to August 15, 2009. The request was granted by the commission.

It was intended that a request for a sponsorship contribution of \$500.00 be made at the October meeting. Martin Howard of the La Conner Chamber is now making this request of the commission.

COMMISSION ACTION: The commission unanimously approved a sponsorship contribution for \$500.00 for the La Conner Classic Yacht & Car Show in support of the tourism benefit to the Town of La Conner.

MARINA: Use Permits; La Conner Yacht Sales; Boat Show & Public Yard Sale (2000 – Current)

Paul Stannert reported that the La Conner Yacht Sales has requested the use of the south basin pay parking lot, the grassy area located to the south and west of the south basin laundry room, and F Dock to conduct their annual Boat Show and Public Yard Sale. The event will be held on Father's Day weekend (June 19, 20, & 21, 2009). The port has hosted this event since 1997.

PUB AGEN: EDASC Schmooze Fair (2009) – Event Report (Oral)

Debbie Hamilton reported that the Schmooze Fair was held Thursday, April 16, 2009 at the VanZyverden warehouse. The event was well attended. Staff distributed information for the Fly-In and Airshow.

ADMIN: First Quarter 2009 Financial Report – Status Update (Oral)

Kristin Garcia reported that the port adopted the 2009 budget in October 2008. Shortly after that time, the economy began to deteriorate and the budget was revisited to determine the potential impact on port revenues. The port took a conservative approach and evaluated revenues in a "worst case" scenario as a means to be proactive to remain as stable as possible during a time of uncertainty.

First quarter results show revenues slightly ahead of the worst case scenario and the annual projection, while looking favorable at this point, is subject to change based on shifts in tenant status.

PUB AGEN: Skagit County .09 Grant Award – Status Update(Oral)

Patsy Martin reported that staff applied for two (2) .09 economic development grants from Skagit County. The port was awarded:

- 1.) \$100,000 for the completion of Port of Skagit, City of Burlington, Mt. Vernon fiber connection. The infrastructure will complete the connection of the Port of Skagit, City of Burlington and City of Mount Vernon fiber connection and start to extend infrastructure to La Conner Marina and industrial properties.
- 2.) \$350,000 for the construction of a 13,000 square foot industrial building for an existing industrial park tenant.

NEW BUSINESS

ADMIN: Fiber Optic Infrastructure – Accept Project as Complete

Patsy Martin reported that on July 8, 2008 Advanced Boring Specialists was awarded the bid for the fiber optic conduit infrastructure phase of the project. On August 12, 2008, Power Con, Inc. was awarded the construction phase of the project. On April 3, 2009, Kim Kleppe – City of Mount Vernon issued a written notice that the project was complete in the final amount of \$563,955.34.

COMMISSION ACTION: The commission unanimously accepted as complete the fiber optic segment infrastructure construction project in the final amount of \$563,955.34 and authorized staff to execute any necessary closeout documents.

MARINA: Abandoned Vessel – Identification No. WAZ3919E; Surplus Property – Adopt Resolution

Paul Stannert reported the a vessel described as a 1955 Bristol Bay Conversion, registration number WN 899 GC, has been secured for greater than 90 days for delinquent payment of port charges. The owner was notified as required by regulations. The above vessel has not been released to its owner as the account has not been brought current as of April 15, 2009, nor have arrangements been made for the removal of the vessel from the moorage facility

COMMISSION ACTION: The commission unanimously adopted Resolution No. 09-11 authorizing the sale of an abandoned vessel, described as a 32' Bristol Bay Conversion, Hull Identification Number WAZ3919E.

TENANT: Marina; TOMCO Marine Group Inc.; Lease Approval 2/1/2000 – Approve Amendment

Scott Peterson reported that Tomco Marina Group, Inc. has been a tenant with the port since February 1, 2000. On April 1, 2002 they expanded their business and signed a new ten (10) year lease. Based on current economic conditions, Tomco has requested that they be accepted in the port's Tenant Austerity Program.

Staff reviewed Tomco's financial records. Based on this review staff has determined that Tomco qualifies.

Staff prepared one (1) Amendment to Lease that provides for the terms and conditions of the Tenant Austerity Program.

COMMISSION ACTION: The commission unanimously approved the amendment to lease for Tomco Marine Group, Inc. that provides for the terms and conditions for the Tenant Austerity Program.

RECESS REGULAR MEETING

The regular meeting recessed at 5:37 p.m.

EXECUTIVE SESSION

The executive session began at 5:45 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 6:15 p.m. Action may or may not be taken following the executive session.

The executive session ended at 6:30 p.m.

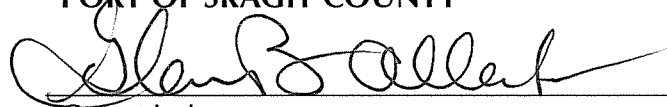
RECONVENE REGULAR MEETING

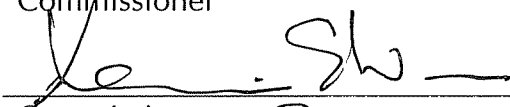
The regular meeting was reconvened at 6:31 p.m.

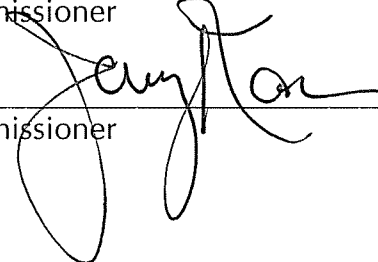
ADJOURNMENT

The commission adjourned the regular meeting at 6:32 p.m.

ADOPTED IN OPEN SESSION this 19th day of May, 2009 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY


Commissioner


Commissioner


Commissioner