



Port of Skagit

Regular meeting of the Port Commission

Tuesday, May 11, 2010 9:00 AM

MINUTES

PRESENT: Commission - Kevin Ware, Jerry Kaufman and Bill Shuler
Staff - Patsy Martin, Scott Peterson, Kristin Garcia, Sara Young, Carl Molesworth, Bob Nord, Karmen Hardy and Debbie Hamilton
Others - Brad Furlong, Wayne Carpenter; all others see sign in sheet

CALL TO ORDER

Commissioner Kevin Ware called to order the May 11, 2010 regular meeting.

Changes or additions to the agenda as follows:

1. PUB AGEN: Town of La Conner (2010) – Consideration of Lease.
2. The commission will hold an executive session to discuss the possible sale, purchase or lease of property the public discussion of which could affect the price. Action may or may not be taken following the executive session. Executive session is expected to last approximately 20 minutes.

CONSENT AGENDA – Port of Skagit

Public Communications
April 13, 2010 Regular Meeting Minutes
Fiscal Report
ADMIN: NARF; 1st Quarter Billing & Report (2010)

COMMISSION ACTION: The commission unanimously approved the consent agenda.

OPEN FORUM

No comment during open forum.

NEW BUSINESS

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

Patsy Martin introduced Art Kaplan who was present to discuss the 14th Annual La Conner Yacht Sales; Boat Show and Public Yard Sale which is scheduled for June 18, 19, and 20, 2010. 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 event. This event has been held at the La Conner Marina since 1997.

Mr. Kaplan reported that in 2009 a total of \$3,500 was raised and proceeds were donated to Skagit Bay Search & Rescue. Skagit Bay Search & Rescue is a non-profit organization that supports port operations and provides assistance to area boaters in emergency situations through the Skagit County Sheriff's Department. The event showcases the marina to local and non-local public participants as well as attracts out of area boaters to the La Conner Marina guest dock.

COMMISSION ACTION: The commission unanimously approved the use of the south basin parking lot and F dock at no charge to stage the La Conner Yacht Sales Boat Show and Public Yard Sale to be held July 18-20, 2010.

PUB AGEN: Town of La Conner (2010) – Consideration of Lease

Scott Peterson reported that staff has been in lease negotiations with the Town of La Conner for the possible lease of the vacant Bayliner facility for the purpose of a Town of La Conner public works facility. The building is 6,600 square feet.

Mr. John Doyle, Town Administrator, was present and reported that the current public works facility is over crowded and the Town of La Conner in is need of a new facility. He reports a great working relationship with the Port of Skagit and believes a lease of this nature would optimize the use of available resources.

Staff has been negotiating a lease and possible interlocal agreement which would provide for a decreased rent rate in exchange for general street maintenance and public works services.

STAFF REPORTS

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MARINA: Occupancy Report; April 2010

Patsy Martin reported on the April 30, 2010 Marina Monthly Occupancy Report for Paul Mattos.

Discussion of future renovations to possibly include taking the cover off A-dock to open up more guest dock availability as the marina is experiencing 100% occupancy of G & F docks.

ADMIN: Website (2010) – Status Update

Carl Molesworth reported the new website is built and complete. Staff training occurred in May. Staff is making changes to site information and plans are to have the new site up by the end of May or early June.

PUBLIC COMMENT PERIOD

No public comment regarding the Burlington Edison School District #100; Proposition #1 – General Obligation Bonds - \$6.8 million.

NEW BUSINESS

PUB AGEN: Burlington Edison School District #100; Proposition #1 – General Obligation Bonds - \$6.8 Million

Commissioners Kaufman, Shuler and Ware requested staff develop a resolution of support for the Burlington Edison School District Bond to be voted on May 18, 2010. Staff prepared Resolution 10-12, the public was afforded an opportunity for the expression of an opposing view.

COMMISSION ACTION: The commission unanimously adopted Resolution 10-12 supporting the Burlington-Edison School District's request for \$6.8 million in tax supported bonds.

AIRPORT: Asphalt Improvements Project 11674 Higgins Airport Way (2009) – Accept Project as Complete

Bob Nord reported that in October 2009 staff reported that the apron area at the northeast corner of Lot 87 has some bare dirt and crumbling asphalt that is a potential hazard to aviation. The property areas located on the east, south and west sides of the existing building needed to be re-graded, unsuitable materials removed and then repaved. The commission authorized staff to proceed with the required rehabilitation work at a cost not to exceed \$150,000, including engineering and sales tax.

In December 2009, the commission awarded the construction contract to Interwest Construction, Inc. Construction began in mid-December 2009 and all project work has been completed. Interwest Construction, Inc. has submitted the required paperwork and we are now able to close out the project.

COMMISSION ACTION: The commission unanimously accepted as complete the Asphalt Improvements Project, 11674 Higgins Airport Way (2009) in the total final contract amount, including change orders and engineering costs, of \$122,265.91 and authorized staff to execute any necessary closeout documents.

TENANT: Airport; Building Located 11674 Higgins Airport Way – Building Improvements – Approve Budget Authority

Scott Peterson reported that on October 20, 2009 the commission approved the 2010 Capital Budget. Within this budget was approval in the amount of \$200,000 for building improvements at 11674 Higgins Airport Way, based on cost estimates at that time.

As staff worked through this project several things came to light which impacted the original cost estimate. First, the parking lot in the front of the building is in need of an updated storm water system and asphalt work. Originally, the storm water upgrades were not considered, and the asphalt work was scheduled out in future years. After further review and taking into account the type of traffic and the number of trips, staff feels it appropriate to do these improvements now, rather than displace/disrupt a new tenant at a later time.

Secondly, staff determined the building has some dry rot where the walls meet the concrete slab and would recommend replacing the existing LP siding with Hardie board. In addition, building codes will require the Port to replace the existing HVAC system in the office space as the current system is not appropriately sized for the space.

Lastly, staff has added FAA approved fencing to replace the existing fencing at the site as well as upgrading the two (2) security gates to match the existing gate currently used at the airport.

XA Architecture Company estimates the range of cost for this project with the changes as discussed to be \$440,000 to \$547,500 excluding sales tax. Staff recognized the significant difference in the budgeted amount and the estimate and pointed out the following:

1. The tenant for the facility has agreed in the lease to provide the standard rate of return (7.5%) on a portion of these costs over the entire term of the lease.
2. The additional scope of work outlined is needed to extend the life of the facility to at least twenty (20) years.

3. With the country still recovering from the recent recession the bidding climate appears to be very favorable to the Port.

COMMISSION ACTION: The commission unanimously approved a revised budget of \$547,500 plus sales tax for building improvements at 11674 Higgins Airport Way.

AIRPORT: Minimum Standards and Guidelines for Airport Construction at Skagit Regional Airport (2010) – Adopt Resolution

Scott Peterson reported that the Port has spent considerable time and energy during the last several years developing a business and economic development plan for Skagit Regional Airport. The Port's primary business and economic development opportunities at the airport are leasing land and buildings at market rates.

In meeting this objective, the Port has implemented policies to allow for longer-term lease terms, address landscape standards, and establish long-term aircraft use along the three (3) flight lines. Long-term use of airport facilities is the framework staff used to determine the Port's minimum standards and guidelines for construction.

The commission and staff reviewed the draft Minimum Standards and Guidelines for Airport Construction at Skagit Regional Airport. The commission requested several changes be incorporated into the document. Staff will make the suggested changes and bring it back before the commission at the May 18, 2010 Work Session meeting.

GOOD OF THE ORDER

No comment.

RECESS

The commission took a short recess 10:12 a.m.

EXECUTIVE SESSION

The commission entered into executive session at 10:25 a.m. The session is expected to last approximately 20 minutes. The purpose of the executive session is to:

Discuss the possible sale, purchase or lease of property the public discussion of which could affect the price. Action may or may not be taken following the executive session.

The executive session ended at 10:40 a.m.

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No action taken.

ADJOURNMNET

Commissioner Ware called for a motion to adjourn.

ADJOURNMENT

The commission adjourned the regular meeting at 10:50 a.m.

ADOPTED IN OPEN SESSION this 15th day of June, 2010 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

Signature on file

Commissioner

Signature on file

Commissioner

Signature on file

Commissioner