



Port of Skagit

Regular Meeting of the Port Commission

Tuesday, June 14, 2011 9:00 AM

MINUTES

PRESENT: Commission - Jerry Kaufman, Kevin Ware and Bill Shuler
Staff - Patsy Martin, Scott Peterson, Kristin Garcia, Sara Young, Carl Molesworth, Karmen Hardy, Paul Mattos, and Debbie Hamilton.
Others - See Sign in Sheet

CALL TO ORDER

Commissioner Kaufman called to order the June 14, 2011 regular meeting.

Confirm or Amend Agenda

1. ADMIN: Matsushige Japan; June 16 Delegation Meet and Greet – Status Update
2. AIRPORT: Skagit Regional Airport Economic Development Conceptual Plan; Consultant Contract; Jay Pickering – Approve Contract Amendments
3. AIRPORT: Runway 10/28 Improvement Project (2008); WSDOT Airport Grant Application (2011) – Letter of Support

CONSENT AGENDA – Port of Skagit

Public Communications
May 10, 2011 Regular Meeting Minutes
Fiscal Report
ADMIN: NARF; 2nd Quarter Billing & Report (2011)

OPEN FORUM

Commissioner Kaufman opened the floor for public comment. With no public comment, the floor was closed.

STAFF REPORTS

ADMIN: Port of Skagit Awareness/Opinion Study; GMA Research Corp. (2011) – PowerPoint

Carl Molesworth provided a PowerPoint presentation on recent participation in an Awareness/Opinion Survey. In preparation for the survey, a list of 18 questions was compiled by GMA president Don Morgan, port advisor Duane Knapp of BrandStrategy and port Communication Manager Carl Molesworth.

The purpose of this survey was to test the prevailing opinion at the Port of Skagit that the public is relatively uninformed about the port's purpose, policies and operations. At the same time, this would provide baseline numbers from which staff can measure changes in public perceptions over time.

The telephone survey reached 200 residents of the Skagit Port District.

Carl reviewed survey results and next steps.

ADMIN: Cash Flow/Budget to Actual Report; April 2011 - Update

Kristin Garcia reviewed the Port of Skagit Budget to Actual report; year-to-date: ending April 31, 2011.

ADMIN: Envision 2060 – Update (Oral)

Patsy Martin reviewed the Envision Skagit Citizen Committee Draft Recommendations dated June 9, 2011. Items in the recommendation are:

1. Regional Coordination, Collaboration, and Cooperation;
2. Natural Resource Lands and Industries;
3. Environmental Resources and Values
4. Compact Communities and Conservation Development;
5. Sustainable Transportation System;
6. Water (in progress);
7. Housing Variety and Affordability;
8. Economics (in progress); and
9. Climate Change

ADMIN: Financial Statements - Information

Kristin Garcia reported that the 2010 financial statements have been submitted to the State Auditor's Office in accordance with state law. Commissioners were provided with a copy for review. 2010 operating revenues were \$4.6 million and came in 6% over budget.

ADMIN: Public Disclosure Commission Correspondence (1999-current) – Information

Patsy Martin reported that staff recently became aware of public agency lobbying violations experienced by the Port of Seattle via the Public Disclosure Commission. The Port of Skagit, from time to time lobbies on behalf of specific issues pertaining to the port, i.e. Swinomish Channel, permitting regulations, infrastructure development. Staff reviewed the regulations with the commission and concluded that the port is consistent with Public Disclosure Commission regulations governing lobbying.

ADMIN: Strategic Plan (2011) – Update (Oral)

Patsy Martin reported to the commission that the Strategic Planning sessions will be held Tuesday, June 21, 2011 and Tuesday, July 19, 2011. Both meetings will begin at 9:00 a.m. and be held at the Kitty Hawk Cafe.

AIRPORT: Runway 10/28 Improvement Project; WSDOT Airport Grant (2011) – Letter of Support

Sara Young reported it is staff's intention to apply to the Airport Aid Grant Program for 2.5% WSDOT matching funds for costs associated with design of Phase Two of the Skagit Regional Airport Runway 10-28 Rehabilitation Project. Staff prepared a letter to Mr. Eric Johnson, WSDOT Aviation Division thanking WSDOT for supporting the construction of Phase One, providing an update on the project status and showing commission support of applying to the grant program.

The consensus of the commission was to participate by signing the letter of support.

BBP: Use Permits; Ragnar Events, LLC (2007-Current) – Information

Sara Young reported that the 2011 Ragnar Relay NW Passage event will pass through the Bayview business Park on July 22, 2011. The event is a running relay with teams covering a course from Blain to Langley. Runners will enter Port property from Josh Wilson Road and exit onto Peterson Road, using Port roads along the way. Ragnar event has provided the Port with a certificate of insurance and signed a Hold Harmless Agreement.

COMM: Board Self-Evaluation (2011)

Patsy Martin reported that it is time for the Board to evaluate its functionality apart from the executive director and staff. She provided the board with an evaluation form and requested each of them evaluate how the Port of Skagit Board functions. The executive director will provide the commission with results once they have completed the survey.

MARINA: Occupancy Report May 2011 – Update

Paul Mattos reported that occupancy was up 11 boats during the month of April. He reported that covered moorage is currently at 85% occupancy and open moorage is at 91% occupancy.

MARINA: Swinomish Channel Dredging (2011) - Update

Patsy Martin reported since the mid-1990's, the port has largely utilized Pacific Northwest Waterways Association (PNWA) to assist in lobbying the Washington congressional delegation to obtain funding for the U.S. Army Corps of Engineers to dredge the channel approximately every three years. In large, this effort has been quite successful. However, a Sedimentation Study (January 2010) by Coastal Geologic Services indicates that the channel will largely silt in by 2015 if dredging is not maintained.

Patsy requested the commission have a discussion of possible future options.

ADMIN: Matsushige, Japan, City of Mount Vernon; Sister City/Port Agreement (2011)

Patsy Martin reported that the port commission, staff and the City of Mount Vernon will participate in a greet and tour with a delegation from Matsushige, Japan on Thursday, June 16 from 10 am to 2 pm.

NEW BUSINESS

ADMIN: Governance Policy (2011) – Adopt Resolution

Patsy Martin reported that the Port of Skagit currently does not have an established policy regarding the governance of the Port wherein the roles between the Board of Commissioners and the Executive Director is clearly defined. Staff presented a resolution to the commission establishing policies and procedures pertaining to the governance policy.

COMMISSION ACTION: The commission unanimously adopted Resolution 11-12 establishing the governance policy of the Port of Skagit dated June 2011.

ADMIN: Prospective Tenant; Malting/Brewery Incubator (2011) – Approve Incubator

Patsy Martin reported that port staff has been working on the concept of developing incubators that support specific sectors of our community to help them become more vertically integrated and, therefore, more sustainable. One of those sectors is agriculture. Staff has been working with contractors and other community members to explore possible methods of adding more vertically integrated crops for the valley. One of those crops is barley. Barley can be used in the processing of malts to be used in the development of beer and scotch.

Port staff has applied for a .09 economic development public facility project grant to start this incubator utilizing the Port of Skagit's 10,500 sf building located at 11966 Westar Lane. Private sector interest have indicated a willingness to contribute \$450,000 to this enterprise should these other funds be secured.

COMMISSION ACTION: The commission unanimously approved the malting/brewery incubator to be located in the Port of Skagit 10,500 sf building at 11966 Westar Lane.

BBP: Higgins Airport Way Stormwater Pipe Replacement (2011) - Update

Sara Young reported two sink holes have developed in the ground above a 36-inch stormwater conveyance pipe located along the west side of Higgins Airport Way. The most recent sinkhole developed last winter. Based on the condition of the pipe and the development of a second sink hole, staff is recommending that a project be undertaken this summer to replace the section of pipe between the two ink holes. This totals 711 linear feet of pipe at an estimated cost of \$187,480.37.

An additional 55-foot section of storm pipe that connects to this pipe from the east side of Higgins Airport Way also developed severe erosion over the winter. It is recommended that replacement of this pipe be included as an additive alternate to the bid at an estimated cost of \$13,629.15.

With the additive alternate, the total construction cost estimate for this work is \$201,109.52. With engineering design costs, staff requested a budget of \$250,000 to complete this work.

COMMISSION ACTION: The commission unanimously approved a budget in the amount of \$250,000 for the replacement of a failed segment of stormwater conveyance pipe on Higgins Airport Way.

AIRPORT: Skagit Regional Airport Economic Development Conceptual Plan; Consultant Contract; Jay Pickering – Approve Contract Amendments

Sara Young reported that Mr. Pickering presented a conceptual economic development plan drawing and 3-D computer model to the Port Commission on April 19, 2011. Following the presentation the Commission requested Mr. Pickering, within the constraints of the budget, to continue with conceptual drawings of future development along the Runway 04-22 flightline and Taxiway F, and to provide an economic phasing study for those developments. Mr. Pickering has provided staff with a proposal for the extra work requested by the commission of \$12,500. Under RCW 53.19.060 a substantial change to a personal service contract scope of work must be submitted to the commission for determination as to whether the change warrants the work to be awarded as a new contract. RCW 53.19.060 also requires commission approval of contract amendments which exceed 50% of the value of the original contract.

COMMISSION ACTION: The commission unanimously modified the Contract for Consultant Services with Mr. Jay Pickering dated August 30, 2010 in the amount of \$12,500.

GOOD OF THE ORDER

EXECUTIVE SESSION

The commission entered into executive session at 10:35 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 commission exited the executive session at 10:55 a.m.

COMMISSION ACTION: The commission unanimously authorized the Executive Director to execute a termination agreement in order to execute a new purchase and sale agreement for the VanPelt property on identical terms to close in 6 weeks or less.

ADJOURNMENT

The commission adjourned the regular meeting at 11:05 a.m.

ADOPTED IN OPEN SESSION this 12th day of July, 2011 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

Signature on File

Commissioner

Signature on File

Commissioner

Signature on File

Commissioner