

PORT OF SKAGIT COUNTY

Regular meeting of the Port Commission

Tuesday, July 21, 2009 5:00 PM

MINUTES

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

Changes or additions to the agenda as follows:

1. BBIP: Industrial Building; 11692 Knudson Road (P115619) Lots 37-38 (2008-Current) – Approve Building Colors
2. PUB AGEN: City of Mount Vernon Flood Project (2009)
3. TENANT: Airport; Chuckanut Building, LLC (Hubner/Carpenter) 2003 Subtenant Ferris Robin Signage (2009) – Approve Signage
4. ADMIN: Strategic Planning (2009)

Public Communications

Published articles noted by commission.

Approval of Minutes

COMMISSION ACTION: The commission unanimously approved the minutes of the May 19, 2009 regular meeting and the June 9, 2009 work session.

Fiscal Matters

COMMISSION ACTION: The commission unanimously approved May & June 2009 vouchers as presented.

Open Forum No public comment

NEW BUSINESS

PUB AGEN: Town of La Conner; Alternate Access Road – Joint Cooperation (2009) – Adopt Resolution

Patsy Martin reported that the port commission expressed an interest in providing an alternate access road to the La Conner Marina. The Town of La Conner desires to put in a ring-dike project. To that end, port staff has been approached by and met with representatives of the Town of La Conner on several occasions to explore options for future planning of an alternate access road from La Conner Whitney Road to the La Conner Marina. This effort will support the Port's industrial boat building, boat repair tenants, employees and deliveries.

John Doyle was present. Mr. Doyle stated this alternate access road has been discussed for a long time in the town of La Conner. He believes it serves everyone's best interest and makes sense for the Town of La Conner and the port. The Town of La Conner is not committed to a particular design at this point in time.

COMMISSION ACTION: The commission unanimously adopted Resolution No. 09-16 which pledges \$35,000 Port of Skagit support and cooperation to the Town of La Conner to explore options for an alternate access road to the La Conner Marina.

STAFF REPORTS

ADMIN: Pleasant Valley Farms (2009) (Oral)

Patsy Martin introduced Bob Rose, representative for Pleasant Valley Farms who was present to brief the commission about the work of Pleasant Valley Farms. Mr. Rose reported that the farming community is exploring ways to make the company visible in a viable way. He stated that a logical starting point would be to explore this idea with public ports.

Mr. Rose provided a history of crops, processing plants, and value added projects in Skagit County. He stated that Skagit Valley crops are currently being shipped out of Skagit Valley to processing plants as there are no plants available here. There are no pickle makers in the Pacific Northwest. Pleasant Valley Farms would like to capture this market. They believe projected sales to be \$11 million and possible employment of 45 employees. Farm acreage could double due to sale projections and the valley could feasibly return to the acreage and produce level that it was 10 years ago.

The commission inquired as to how the Port of Skagit might help. Mr. Rose believes the port can help in the following 3 ways:

1. Industrial development bonds
2. Ports through bonding opportunity can assist Incubator or Start Up Businesses
3. Possibly provide an opportunity to ship value added product by air

Discussion

This commission supports working together with the agriculture community. The commission is interested in exploring mechanisms which may be available in the future.

ADMIN: Budget; 2nd Quarter Budget to Actual (2009)

Kristin Garcia reported the 2009 second quarter results show revenues ahead of budget projections. She believes this is a result of increased marina occupancy and fewer participants in the “tenant austerity program” than originally projected. Although revenues are higher than projected, it’s important to note that operating income declined 9% from first to second quarter. The decline is a result of expenses growing at a slightly higher rate than revenues between 1st and 2nd quarter.

Discussion

ADMIN: Service Awards; Employees (2003 – Current) – Tan Thai 25 Years

Kristin Garcia reported that Tan Thai has earned his 25 year service award. Tan was hired on July 8, 1989 as a Marina Maintenance technician.

ADMIN: Tenant Austerity Program – Update (Oral)

Due to a requirement of the Tenant Austerity Program to provide a quarterly review once a tenant has enter the program, Kristin Garcia reported the following:

- Tri-County Truss is making efforts to become more efficient in their operations. They have 66 full time employees. They also hope to bring a few employees back and possibly hire a couple of drivers in the near future.
- Nordic Tugs has 4 boats in production right now. Their employment is down 50% and the boating industry is still having a difficult time. They report finding innovative ways to keep cash flow and plan to enter a new market by providing repairs on their own product. Three of the current boats they are building right now are 37 footers.

ADMIN: Use Permits; Ragnar Relay – July 21 2009

Sara Young reported that Ragnar Events, LLC will stage a portion of a relay on port owned roads within the Bayview Business Park. The relay takes place on July 24-25, 2009 and extends from Blain to Langley.

MARINA: Monthly Occupancy Report; Month Ending May 12, 2009

Paul Stannert reported overall in-water occupancy is up at 82%. Dry storage is at 74%. The commission is encouraged by the occupancy trends they see at this point in time.

NEW BUSINESS

ADMIN: Commission Meeting Time Change – Adopt Resolution

Patsy Martin reported that the port currently holds its monthly business meeting on the third Tuesday of the month at 5:00 p.m. In an effort to reduce staff costs, during this economic downturn, by eliminating the need for overtime wages due to staff attendance at the meetings it is appropriate to change the monthly regular business meeting time to 9:00 a.m. In addition, staff reviewed the guest sign-in sheets for work sessions and regular meetings. The results were a 50/50 ratio. Staff also believes the 9:00 a.m. meetings will facilitate attendance by contracted port support advisors.

Discussion

The commission will change the meeting time on an as-needed basis to facilitate public that may only be able to attend in the evening.

COMMISSION ACTION: The commission unanimously adopted Resolution No. 09-17 which will change the monthly regular meeting time from 5:00 p.m. to 9:00 a.m.

ADMIN: Strategic Planning (2009) – Adopt Goals

Patsy Martin reported that the port held a strategic planning retreat at the Chuckanut Manor on Tuesday July 14, 2009, for the purpose of (1) conducting a 50-year visioning process for the Port's role and actions in the Skagit County community, and (2) to develop a work plan for 2010 that will focus our resources on those actions that support the Port's long-term vision. The goals are as follows:

- Goal 1: Manage and communicate the mission, vision, purpose, values and actions of the Port to effectively enhance the Port district voters' perception and understanding of the Port's values.

- Goal 2: Develop, communicate and implement economic development initiatives that increase jobs, commerce and trade in Skagit Valley.

- Goal 3: Increase commerce to Skagit County by making the La Conner Marina a Premiere Destination.

- Goal 4: Increase commerce in Skagit County by making the Skagit Regional Airport a Premiere Destination.
- Goal 5: Increase commerce and jobs in Skagit Valley by making Bayview Business Park a Premiere Destination.
- Goal 6: Proactively steward the Port's natural assets.

COMMISSION ACTION: The commission unanimously adopted the 2009 Strategic Planning Goals which came out of the July 14, 2009 commission retreat.

ASSOC: NARF; 2nd Quarter Billings & Report (2009) – Approve Billing

Patsy Martin reported the port received the second quarter billing for the 2009 NARF Service Agreement in the amount of \$6,250. The payment request was included in the voucher approval.

COMMISSION ACTION: The commission unanimously approved the NARF second quarter billing in the amount of \$6,250.

EASEMENT: PUB #1; Watertank Road (2009) – Approve Easement

Sara Young reported that the Port of Skagit granted an easement to the Skagit PUD in 1976 for a section of waterline on Watertank Road extending from the concrete water tank at the north end of the road to south to Airport Drive. The original easement, recorded under Auditor's File No. 839509, was described incorrectly in the legal description and was, therefore, legally located approximately 75 feet west of its intended location. The proposed easement will correct this discrepancy and will extend the easement area to cover the entire right-of-way of Watertank Road. Staff is evaluating options for extinguishing the former easement and will return to the Commission with a recommended action at a later date.

COMMISSION ACTION: The commission unanimously approved granting an easement to PUD No. 1 of Skagit County for a section of waterline on Watertank Road.

BBIP: Industrial Building; 11692 Knudson Road (P115619) Lots 37-38 (2008-Current)

Scott Peterson reported on construction progress for the new industrial building. The construction company needs to order the building supplies. Staff requested the commission review the exterior colors as designed by Carletti Architects.

COMMISSION ACTION: The commission unanimously approved the exterior colors designed by Carletti Architects for the new industrial building.

PUB AGEN: City of Mount Vernon; Letter of Support to FEMA for a Flood Revitalization Plan.

Patsy Martin reported that the City of Mount Vernon requested the port sign a letter to FEMA in support of their flood revitalization plan.

Discussion

The commission consensus is in favor of staff moving forward with the letter of support.

TENANT: Airport; Chuckanut Building, LLC (Hubner/Carpenter) 2003

Scott Peterson reported that Ferris Robin is a new business operating out of the Hubner/Carpenter building. Staff came before the commission with a request for signage as it will provide acknowledgement that Ferris Robin is in business and provide a way for her clients to find her location. Staff provided a depiction of the sign for commission review. Staff believes this signage is within the parameters of port signage.

COMMISSION ACTION: The commission unanimously approved the signage for the Ferris Robin signage and authorized staff to facilitate whatever actions necessary to complete this action.

RECESS REGULAR MEETING

The regular meeting recessed at 6:08 p.m.

EXECUTIVE SESSION

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

The executive session ended at 6:40 p.m.

RECONVENE REGULAR MEETING

The regular meeting was reconvened at 6:41 p.m.


No action taken.

ADJOURNMENT


The commission adjourned the regular meeting at 6:42 p.m.

ADOPTED IN OPEN SESSION this 18th day of August, 2009 and duly authenticated by the signatures affixed hereto.

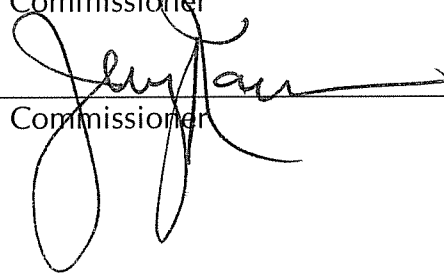
PORT OF SKAGIT COUNTY



Commissioner



Commissioner



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