



# Port of Skagit

Regular Meeting of the Port Commission  
Tuesday, July 8, 2014 – 3:00 PM

## MINUTES

PRESENT: Commission - Steve Omdal, Bill Shuler and Kevin Ware  
Staff - Patsy Martin, Scott Peterson, Sara Young, Kristin Garcia, Heather Haslip, Brady Rowe, Bob Nord, Carl Molesworth, Sadie Shope and Debbie Hamilton  
Others - Legal counsel Brad Furlong. See sign in sheet for others present.

## CALL TO ORDER

Steve Omdal called to order the July 8, 2014 regular meeting of the port commission.

## Changes or additions to the agenda as follows:

### STAFF REPORTS

ADMIN: Economic Development; Buckwheat Mill Visit (2014) – Status Update  
AIRPORT: Rules and Regulations (2014) – Discuss Fuel Tanks

### NEW BUSINESS

ADMIN: Marina/Airport Security Camera System (2014) – Award Contract - Tabled to the August 12, 2014 commission meeting.

## CONSENT AGENDA

Public Communications  
June 10, 2014 Regular Meeting Minutes  
Fiscal Report  
ADMIN: Cash Flow/Budget to Actual Report; Ending May 31, 2014  
ADMIN: Marina Occupancy Report; Month Ending June 30, 2014  
ADMIN: Suplus; Port Assets (2014) – Adopt Resolution  
AIRPORT: R/W 10-28 Improvement Project (2008); Safety Area Grading; WSDOT Airport Aid Grant Application and Offer (2014) – Adopt Resolution number 14-15

The commission reviewed the consent agenda items.

**COMMISSION ACTION: The commission unanimously approved the July 8, 2014 consent agenda.**

## OPEN FORUM

Commissioner Omdal opened the floor for public comment.

Hearing none, the floor was closed.

## STAFF REPORTS

### ADMIN: Audit (2014) – Status Update (Oral)

Kristin Garcia reported that the state auditors have been on site completing the 2013 audit review. It went well.

She also reported that the Port has not required an exit interview for the past couple of years. Steve Omdal is the commission president and he will represent the commission for the exit interview.

### ADMIN: Concrete Heritage Museum – Funding Request (2014)

Patsy Martin reported that Concrete Heritage Museum Association made a written request dated June 16, 2014 for funding assistance with a roof replacement project. Staff and commission discussed the project fitting within criteria of the Targeted Community Partnership Program as it is likely to support tourism, which is one of the sectors that the staff and commission have determined is vital to Skagit County.

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Discussion regarding funding options.

**COMMISSION ACTION: Commissioner Kevin Ware moved that the commission approve funding in the amount of \$3,000 through the Targeted Community Partnership Program to the Concrete Heritage Museum Association with a contingency that the museum raises all other project funds prior to funding distribution. Commissioner Omdal seconded. Motion carried unanimously.**

### ADMIN: Strategic Planning – Review Capital Facility Plan (Oral)

Sara Young and Brady Rowe reported they have received information from engineers as they develop the scope of work for the marina rehabilitation project. They reviewed determinations of priorities, both safety concerns and short term goals. Costs for float replacement are coming in high and staff is recommending float replacement in 2015.

The commission expressed the desire to continue moving forward with the development of the scope of work and staff bring recommendations, priorities and discussion to the August 12, 2014 commission meeting.

### **AIRPORT: Wings of Freedom Tour (2014) – Event Report (Oral)**

Carl Molesworth reported that the Collings Foundation, Wings of Freedom Tour at Skagit Regional Airport in June was a great success. Collings Foundation would like to come back to Skagit Regional in 2015.

### **ADMIN: Economic Development; Buckwheat Mill Visit (2014) – Status Update**

Patsy Martin reported that she and Commissioner Steve Omdal will be traveling to Japan, July 21 – 15, 2014 to discuss the possibility of a buckwheat mill in Skagit Valley. They will report back to the commission on the results of the trip at the August 12, 2015 commission meeting.

### **AIRPORT: Rules and Regulations (2014) – Discuss Fuel Tanks**

Patsy Martin reported on recent conversations regarding above ground fuel tanks at Skagit Regional Airport. She advised that individuals in the recreational aviation community are requesting to bring smaller fuel tanks to be located on the airfield. She also reviewed the established Skagit Regional Airport Rules and Regulations.

The commission asked for public input from those attending the meeting.

Tim Lewis was present and stated that he is in support of the Port of Skagit fuel tank model that is currently in place.

Discussion.

The commission is also in support of the current policy and expressed that any changes in the future will need Federal Aviation Administration approval.

### **NEW BUSINESS**

#### **ADMIN: Marina/Airport Security Camera System (2014) – Award Contract**

Tabled to the August 12, 2014 commission meeting.

#### **ASSOC: WPPA; Port Mutual Aid Interlocal Agreement (2014) – Approve Interlocal Agreement**

Patsy Martin reported that the WPPA has recommended that Washington public ports have an interlocal agreement which will enable them to help each other in the event of an emergency. The agreement allows for the timely sharing of goods, personnel and services during emergency situations.

Discussion.

**COMMISSION ACTION: Commissioner Shuler moved that the commission approve a Washington Public Port District Omnibus Mutual Aid Interlocal Agreement which allows for ports to help each other with good, personnel and services during an emergency. Commissioner Omdal seconded. Motion carried unanimously.**

**PUB AGEN: WSU Food and Bread Lab (2014) – Adopt Resolution**

Patsy Martin reported that the agriculture sector has historically been and continues to be a major economic force in Skagit County. Agricultural research is necessary to maintain the viability of agriculture.

In 2006 a partnership was formed among the WSU Research Center, the Northwest Agricultural Research Foundation, the Port of Skagit, other local public entities, the local agricultural community, and the general public to construct a state of the art research facility at the WSU Research Center.

Plans are moving forward in partnership with the Port of Skagit and WSU Research Center to develop a Food Lab which will focus on value-added product so that crops that are grown in the Skagit Valley can be processed into non-commodity food product.

Discuss grant funding for the continued support of research necessary to facilitate innovative value-added agricultural businesses, food businesses and related activities in Skagit County.

**COMMISSION ACTION: Commissioner Shuler moved that the commission adopt Resolution 14-16 which will grant funding in the amount of \$150,000 to be dedicated for infrastructure improvements for the food/bread lab and \$35,000 per year for operation of the food/bread lab to coincide with the term of the lease. Commissioner Omdal seconded. Motion carried unanimously.**

**TENANT: BBP; Hexcel Corporation; Lease dated 6/1/12 – Approve First Amendment to Lease Agreement**

Scott Peterson reported that the port and Hexcel Corporation entered into a Lease Agreement dated June 1, 2012 for Lots 50, 51 and a portion of Lot 44. The term of the lease is 30 years with two (2) ten (10) year options.

The Lessee now wishes to lease additional premises to expand its operations to Lots 43 and 44 of the Bayview Business Park. Lessee has also requested the right to add additional area to the Lease to expand its operations in the future to Lots 41, 42, 45 and 46.

Discussion of First Amendment to the Lease Agreement.

**COMMISSION ACTION: Commissioner Shuler moved to approve the First Amendment to Lease Agreement dated June 1, 2012 between the Port of Skagit County and Hexcel Corporation. Commissioner Ware seconded. Motion carried unanimously.**

**TENANT: BBP; Launchers Trade, LLC, dba Gamelan Grill; Intent to Lease dated 2/4/14 – Approve conceptual drawings**

Scott Peterson reported that over the past year staff has met with Phoebe Huang who has signed an Intent to Lease the premises located at 15579 Peterson Road. Ms. Huang will operate Gamelan Grill providing a new fusion Asian casual dining experience that has built its core menu around popular grilled items from Southeast Asia. Ms. Huang has provided 2 sets of conceptual drawings by Telesis Architectural Design. Commission reviewed both concepts. The commission prefers concept #1 over concept #2 but will allow Ms. Huang to work with the concept of her choosing.

**COMMISSION ACTION: Commission Ware moved that the commission approve Conceptual Drawing #1 in favor over Conceptual Drawing #2 prepared by Telesis Architectural Design for the building located at 15579 Peterson Road, allowing Ms. Huang to work with the concept of her choosing.**

**TENANT: BBP; Team Corporation – Approve Amendment to Lease Agreement**

Scott Peterson reported the port commission held a special meeting on April 30, 2014 to discuss Team Corporation's project which involved rehabilitation of its current facility, expanding the current facility and purchasing equipment; and the possibility of issuing industrial development bonds. Since that time the port has been notified by Team Corporation that they will pursue conventional financing. Staff provided a draft copy of a new lease agreement for review.

**COMMISSION ACTION: Commissioner Ware moved that the commission approve a lease agreement between the Port of Skagit and Team Corporation. Commissioner Shuler seconded. Motion carried unanimously.**

**GOOD OF THE ORDER**

**EXECUTIVE SESSION**

The commission entered into an executive session at 4:10 p.m. The session is expected to last approximately 45 minutes to discuss the possible purchase, sale or lease of property the public discussion of which could affect the price.

Heather Haslip stepped out at 4:35 p.m. to state the executive session will continue another 30 minutes.

Staff stepped out and posted a sign at 5:05 p.m. to state the executive session will continue another 20 minutes.

The executive session ended at 5:25 p.m.

**RESUME MEETING**

The commission resumed the meeting at 5:26 p.m.

The regular commission meeting ended at 5:27 p.m.

**ADJOURNMENT**

ADOPTED IN OPEN SESSION this 12<sup>th</sup> day of August, 2014 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

*Signature on File*

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Commissioner

*Signature on File*

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Commissioner

*Signature on File*

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Commissioner