



*Changing With the Times*

**Port of  
Skagit**  
2010-2011  
Annual Report

Skagit Regional Airport

La Conner Marina

Bayview Business Park

Nature Trails

# *Taking a Broader Approach*



*It's a new day* at the Port of Skagit. The fact that you are reading this, the port's first-ever annual report, is evidence that we are taking a broader approach to our mission, which we call "Jobs for Our Community."

In this centennial year for public ports in the state of Washington, it's no longer good enough for us to merely serve as landlords for the facilities we control. Ports are the economic drivers for the communities they serve, and at the Port of Skagit our new direction is to inspire success throughout the port district, and not just on port properties.

How are we doing this? By focusing on ensuring that people will have a great experience when they work with our port. By telling anyone who will listen what a terrific place Skagit County is to live and build a business. By seeking out opportunities to grow Skagit County's economy while protecting all those things we treasure about living here.

We can only do this if the port remains financially healthy, and I'm pleased to tell you it is, thanks to the wise leadership of our port commission and the hard work of our staff. I hope this report will help you to understand and appreciate the value of the Port of Skagit. If you have any questions or comments, please contact me at the port offices.

*Patricia Botsford-Martin, Executive Director*

# *Port of Skagit Board of Commissioners - 2011*

District 1: Kevin Ware



District 2: Jerry Kaufman



District 3: Bill Shuler



*The Port of Skagit* is governed by three elected commissioners, each one representing a separate district within the overall port district. The commission sets policy, authorizes major expenditures and appoints an executive director who is responsible for administering policies of the Port of Skagit. Commissioners are elected to six-year terms.

*Commission meetings* normally take place on the second and third Tuesdays of the month and are open to the public. The second Tuesday is a regularly scheduled commission business meeting starting at 9 a.m., and the third Tuesday is a regularly scheduled commission work session also starting at 9 a.m. The commissioners meet in the commission hearing room at 15400 Airport Drive, Burlington, WA 98233.

## Getting Results



*The Port of Skagit* is the proud steward of approximately 1,915 acres of land within the port district. These lands comprise light industrial property, heavy industrial property, agricultural land, high-value wetlands and open space.

*Port tenants* occupy either privately owned buildings on land leased from the port or leased buildings owned by the port. The port and its tenants at Skagit Regional Airport, Bayview Business Park, La Conner Marina and Conway industrial site contribute to the community in the following ways:

- 1,007 direct jobs with an annual payroll of approximately \$39 million;
- 740 indirect jobs in Skagit County with an annual payroll of approximately \$24 million;
- Port properties are home to 82 business tenants that produce approximately \$246 million in annual revenue;
- With a millage rate of 12 cents per \$1,000 assessed value, the port collects just 78 cents per each \$100 of property tax paid in Skagit County;
- The port produces \$52 in direct and indirect wages for each dollar of property tax it collects.
- 60,000 annual operations at Skagit Regional Airport;
- More than a half-million air cargo packages handled per year at Skagit Regional Airport;
- 3,000 overnight boat visits annually at La Conner Marina boost local tourist spending by about \$675,000 a year;
- The port maintains a 10-mile nature trail system used by thousands of people each year.

# 2010 Financial Report

*In 2010, the Port of Skagit* continued austerity measures in response to the uncertainty in the economy and built a conservative budget. At the same time, we were pursuing our mission and positioning our organization for growth in the future. In support of that mission, specific areas of focus with designated resources were incorporated into the 2010 operating and capital budgets. The areas of focus included these:

- Communication and Marketing
- Economic Development
- Infrastructure Improvements

The port's operating revenues for 2010 were \$4.6 million. This was 6 percent over budget as a result of careful planning and better-than-expected occupancy at the La Conner Marina, Bayview Business Park and Skagit Regional Airport. Operating expenses of \$3.8 million (net of depreciation) came within \$14,000 -- or less than 1 percent -- of budget, a result of hard work and careful monitoring of the bottom line. The budget projected a year end cash-on-hand balance of about \$3.3 million and came in well above that figure at \$3.8 million.

The port spent about \$1.7 million on capital projects during 2010. Projects included design and engineering for the Runway 10-28 improvements, environmental remediation, purchases of equipment and building upgrades.

# Skagit Regional Airport



*Skagit Regional Airport* serves a variety of users, including business, commercial and recreational aviation. Medevac, charter and cargo operations add to the airport's value as a community asset.

The primary runway, 10-28, is oriented in a northwest-southeast direction, which is generally in line with prevailing winds. The published dimensions of this runway are 5,477 feet long by 100 feet wide. The secondary runway, 04-22, provides additional operational capabilities, particularly during strong south westerly wind conditions.

Currently the airport is home to more than 150 aircraft, from small recreational aircraft and helicopters up to corporate jets. Annual airport operations are estimated at 60,000.

Aviation-related buildings on the airport include conventional hangars, executive hangars, T-hangars, the airport terminal building and several buildings housing a variety of enterprises.

During 2010, the port completed a set of development standards for Skagit Regional Airport that will allow it to develop as a premier destination; secured a \$3 million grant from the FAA to update the drainage of Runway 10-28; renovated and rented the flight line restaurant building, which had been sitting vacant; and completed the move of FedEx to a renovated facility.

# *La Conner Marina*

*La Conner Marina is a premier destination* for recreational boaters, commercial fishers and marine-related businesses and manufacturers. Located within easy walking distance of charming downtown La Conner, the marina is a clean service-oriented facility that tourists and La Conner residents alike enjoy visiting. Just as important, it's an easy two-hour cruise from the marina into the heart of the beautiful San Juan Islands.

*A premier destination for recreational boaters*

La Conner Marina features two separate moorage basins, which together cover approximately 24 acres. The marina has 366 covered moorage slips, 131 open moorage slips plus 2,400 lineal feet of dock space for overnight moorage and 140 dry boat berths. The marina holds a Clean Marina Program Certification from Clean Marina Washington, a partnership of government agencies and environmental advocates.

During 2010, the port instituted concierge-level service at the marina to boost customer satisfaction on the guest docks and purchased a new negative lift forklift for hauling out larger vessels in support of the marina's dry storage facility.



# *Bayview Business Park*



*At the end of 2010*, the Bayview Business Park had 39 tenants employing approximately 700 people in full- and part-time jobs. These tenants are surrounded by 1,051 acres of beautifully forested industrial property. The property includes many acres of wetlands interspersed throughout the park and walking trails that connect all parcels. All lots have utilities including fiber optics, with a variety of lot sizes that range from one to nine acres.

The Bayview Business Park is uniquely positioned halfway between Seattle, WA, and Vancouver, British Columbia, nestled in the beautiful Skagit Valley of north west Washington. The business park embodies the port's mission,

*“Jobs for Our Community.”*

The business park's proximity to the adjacent Skagit Regional Airport and its easy access to Interstate 5 make this premier facility ideal for professional and manufacturing businesses.

In 2010, the port began developing a marketing plan to spur further build-out of the business park and supported the growth of tenant Impressions Worldwide by moving the company into our newest building in the business park.

## *In Tune with Nature*

*Your Port of Skagit maintains* a popular 10.13-mile system of nature trails around its properties on Bayview Ridge. A gravel system winding through forests, along roadways and around wetlands, it is open to bicycles, pedestrians and their pets on leash. With relatively little change in elevation and a smooth surface, the trail's degree of difficulty is Easy. Trails are open from dawn to dusk.

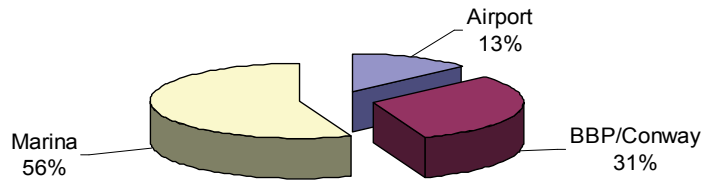
At the Port of Skagit, we strive to tread lightly on the earth. Here are some of the measures we have taken to be responsible stewards of the properties we control:

- Preserved nearly 475 acres of wetlands on Bay View Ridge
- Developed and maintain a unique stormwater system
- Qualified the La Conner Marina for the state's Clean Marina Program
- Committed to green purchasing and carbon-footprint reduction as charter members of the Skagit Council of Government's Resource Conservation Program
- Made a commitment to promote low-impact development on port-owned properties

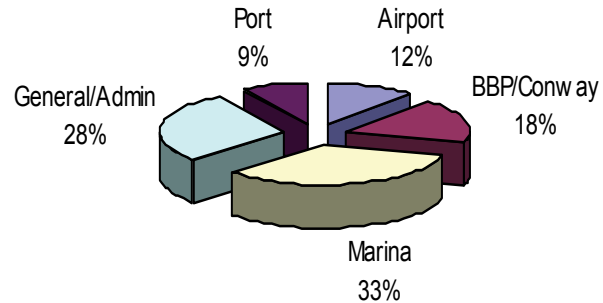


# Port of Skagitit 2011 Operating Budget

Revenue by Economic Unit Total \$4,486,617



Expenses by Economic Unit Total \$4,485,734



Skagitit Regional Airport

La Conner Marina

Bayview Business Park

Nature Trails

# Port of Skagit 2011 Capital Budget

Total Capital budget \$7,160,425

## Skagit Regional Airport

Runway 10-28 Underdrain Replacement \$3,193,425  
 Runway 10-28 Crown Design \$900,000  
 Taxiway F Cleanup \$2,000,000  
 Fuel Tanks Decommissioning \$50,000  
 Airport Total \$6,143,425

## Bayview Business Park

Building Maintenance \$100,000

## La Conner Marina

Construction for Stormwater Improvements \$100,000  
 A Dock \$20,000  
 K and L Dock upgrade \$150,000  
 Marina Total \$270,000

## Administration

Server Replacement \$27,000



## Port

Signage Upgrade \$120,000  
 Property Purchase \$500,000  
 Port Total \$620,000

## Sources of Capital funds

Taxes \$1,074,836  
 Grants \$5,718,589



# Port of Skagit

*Inspiring Success,  
Delivering Excellence*

## Administrative Offices:

PO Box 348, 15400 Airport Drive  
Burlington, WA 98233

Phone: 360-757-0011

Fax: 360-757-0014

## La Conner Marina

PO Box 1120, 613 N. 2<sup>nd</sup> St.

La Conner, WA 98257

Phone: 360-466-3118

Fax: 360-466-3119

Web site: [www.portofskagit.com](http://www.portofskagit.com)

Skagit Regional Airport

La Conner Marina

Bayview Business Park

Nature Trails