



Port of Skagit

Regular Meeting of the Port Commission

Tuesday, February 14, 2017 – 3:00 PM

Port of Skagit Hearing Room – 15400 Airport Drive, Burlington, WA 98233

MINUTES

PRESENT: Commission - Kevin Ware, Steve Omdal and Bill Shuler

Staff - Patsy Martin, Scott Peterson, Sara Young, Greg Thrumer, Heather Haslip, Karmen Hardy, Brady Rowe Jodee Peace, Andrew Entrikin, Keith Love, Kody Skvaril and Debbie Hamilton

Legal Counsel – Brad Furlong

Others - Rye Fogel and Glen Johnson

CALL TO ORDER

Steve Omdal called to order the February 14, 2017 regular meeting of the port commission.

The commission moved to amend the agenda as follows:

Changes or additions to the agenda as follows:

1. Modify Agenda to include letter of support
2. Marina Occupancy Report – Consent Agenda
3. BBP: 11768 Westar Lane (TTM Building) Energy Efficiency; Department of Commerce Energy Efficiency and Solar Grant Program Application (2017) – Authorize Application

CONSENT AGENDA

Public Communications
January 3, 2017 Regular Meeting Minutes
January 5, 2017 Joint Commission Meeting (POA/POS) Minutes
Fiscal Report
MARINA: Occupancy Report – Review Report
BBP: Solar Grant Program

The commission reviewed the consent agenda items.

COMMISSION ACTION: The commission unanimously approved the February 14, 2017 consent agenda.

OPEN FORUM

Commissioner Omdal opened the floor for public comment.

Mr. Glen Johnson, resident of Mount Vernon, WA, was present to discuss flooding – specifically a 100-year flood to the greater Skagit Valley area. Mr. Johnson presented ideas on how to mitigate damage to farm properties.

Discussion regarding the Port of Skagit and Town of La Conner’s possible roles in a pilot project.

The commission requested Mr. Johnson develop a white paper with information on the pilot project and submit the white paper to staff.

STAFF REPORTS

ADMIN: Community Broadband 2017 – Status Update (Oral)

Sara Young reported that port staff has partnered with Skagit County and EDASC. Together they are working on developing a Community Fiber Optic Network Strategic Plan. They are also working with Washington Public Ports Association to assist with possible changes to the Washington State RCW’s which govern port roles in technology infrastructure.

ADMIN: Seattle Boat Show; January 27 – February 4, 2017 – Event Report (Oral)

Kody Skvaril reported that there was an increase in participation this year. Staff had great conversations with attendees, handed out 1,000 tide books and crab gages as well as received several positive moorage slip inquiries.

AIRPORT: Northwest Aviation Conference & Trade Show, February 25-26, 2017 – Status Update (Oral)

Sara Young reported that staff will have a booth at the Northwest Aviation Conference & Trade Show, February 25 & 26 in Puyallup, WA. She invited the commissioners to attend.

Commissioner Kevin Ware will be receiving the Wright Brothers Master Pilot Award during the conference. This award is the most prestigious award the FAA issues to pilots. The award recognizes individuals who have exhibited professionalism, skill and aviation expertise for at least 50 years while piloting aircraft as “Master Pilots.”

ASSOC: Association of Pacific Ports Winter Conference 2017 – Event Report (Oral)

Patsy Martin and Commissioner Ware attended the Association of Pacific Ports Winter Conference, January 11-13, 2017. Commissioner Ware made a presentation during the conference which was entitled, *Latitude 48.50 North*. Patsy reported that his presentation resonated well with the attendees.

ASSOC: EDASC Economic Forecast Dinner; Swinomish Casino & Lodge 1/26/17 – Event Report (Oral)

Patsy Martin reported that the forecast dinner was well attended; the speaker indicated that the economic future is optimistic.

ASSOC: WPPA Port Day 2017; Olympia, WA – Event Report (Oral)

Patsy Martin reported that Andrew Entrikin and Heather Rogerson attended WPPA Port Day. Heather Rogerson reported that the legislators were thrilled with all the work the port is accomplishing. Andrew Entrikin reported on the value of partnering with the Washington Public Ports Association.

TENANT: Skagit Valley Malting – Video Clip

Due to technical difficulties, staff and commission were not able to view the Skagit Valley Malting video clip.

NEW BUSINESS

ADMIN: Amend Personnel Policy to Allow Additional Carryover of Accrued Vacation Hours (2017) – Adopt Resolution

Patsy Martin reviewed the current Personnel Policy regarding accrued vacation leave. Staff is recommending a change to the policy which will allow for additional carryover of accrued vacation hours if approved by the executive director.

Note: See commission action with next agenda item. Commission moved on both personnel policy matters together.

ADMIN: Amend Personnel Policy to Establish a Medical Insurance Incentive Program (2017) – Adopt Resolution

Patsy Martin reported that the current personnel policy provides for medical insurance benefits to all eligible employees. Under certain circumstances, employees may choose to opt out of port provided medical coverage in order to participate in a spouse's plan.

In order to compensate employees who choose to opt out and to provide the ability to continue this compensation to employees in the future, staff is proposing an update to the personnel policy which will compensate opting out employees an additional \$100 per month of incentive pay, to be included in their paycheck as taxable wages.

COMMISSION ACTION: Commissioner Ware moved to adopt Resolutions 17-05 and 17-06 which will amend the personnel policy to allow for additional carry over of accrued vacation hours and establish a medical insurance incentive program. Commissioner Shuler seconded. Motion carried unanimously.

ADMIN: Northern State (SWIFT Center); Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program Application (2017) – Authorize Application

Heather Haslip reviewed the need to apply for a grant with the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program for Northern State (SWIFT Center) cleanup of petroleum contamination.

Applications are due on March 1, 2017.

Discussion.

COMMISSION ACTION: Commissioner Shuler moved to authorize application to Pollution Liability Insurance Agency Revolving Loan and Grant Program and authorize staff to take any and all actions necessary to carry out the intent of this action. Commissioner Ware seconded. Motion carried unanimously.

PUB AGEN: Skagit County Interlocal Agreement for Pictometry Imagery and Software (2017-2018) – Approve Interlocal Agreement

Sara Young reported that staff is preparing to renew a cooperative agreement with Skagit County for Pictometry aerial image and view software. The agreement is for a two-year term covering 2017 and 2018. This partnership gives the port immediate access to aerial images of all Port properties and much of Skagit County to use in our daily operations, long and short-range planning endeavors and property management.

Discussion.

COMMISSION ACTION: Commissioner Shuler moved to approve an Interlocal Agreement with Skagit County to establish a cost sharing partnership for Pictometry imagery and software for a cost not to exceed \$5,000 annually. Commissioner Ware seconded. Motion carried unanimously.

TENANT: AIRPORT; Corporate Air Center West, LLC; 15284 Flightline road; Lease dated 2/01/09 – Approve Termination

Scott Peterson reported that the port originally executed a twenty-seven (27) year lease agreement with Corporate Air Center West, LLC for the building located at 15284 Flightline. The tenant is

currently working with the port to build a new, larger hangar adjacent to the fixed base operation. The port has a policy to terminate an existing lease when a tenant moves to or builds a new building on port property.

Staff is requesting the commission approve a termination of lease agreement.

Discussion.

COMMISSION ACTION: Commissioner Shuler moved to approve a Termination of Lease Agreement between Port of Skagit and Corporate Air Center West, LLC for building located at 15284 Flightline Road, Burlington. Commissioner Ware seconded. Motion carried unanimously.

TENANT: BBP; Chuckanut Brewery (MW Kemper, LLC); Land Lease Agreement dated June 1, 2015 – Approve Consent

Scott Peterson reported that the port has a fifty year lease agreement with Chuckanut Brewery, LLC. Evergreen Business Capital will be closing a SBA 504 loan to MW Kemper LLC and has provided the port with a document entitled, "Consent to Assignment of Lease and Deed of Trust, Agreement to Give Notice of Default" for approval by the port.

Staff recommends commission approve Consent to Assignment document subject to legal review.

COMMISSION ACTION: Commissioner Ware moved to approve and execute Consent to Assignment document subject to legal review and take such other action as is necessary to carry out the intent of this action. Commissioner Shuler seconded. Motion carried unanimously.

BBP: 11768 Westar Lane (TTM Building) Energy Efficiency; Department of Commerce Energy Efficiency and Solar Grant Program Application (2017) – Authorize Application

Patsy Martin reported that staff proposes to submit an application to the Washington State Department of Commerce Energy Efficiency and Solar Grant Program requesting funding for energy efficiency project(s) and or installation of a solar array at the building located at 11768 Westar Lane (f/k/a TTM building)

Applications are due on March 9, 2017.

Discussion.

COMMISSION ACTION: Commissioner Shuler moved that the commission authorize application to Department of Commerce Energy Efficiency and Solar Grant program; and

authorize staff to take any and all actions necessary to carry out the intent of this action. Commissioner Ware seconded. Motion carried unanimously.

ADMIN: Letter of Support – Garden Path Fermentation Project

Patsy Martin reported that a letter to the Skagit County Commissioners has been requested regarding a Garden Path Fermentation Project.

Discussion regarding the project being a worthy value-added agricultural project that fits as an appropriate use in the Agricultural Zone.

The commission advised staff to proceed with letter of support.

GOOD OF THE ORDER – None.

BREAK – 3:52 p.m.

EXECUTIVE SESSION – to discuss the possible purchase, sale or lease of property the public discussion of which could affect the price. The executive session started at 4:00 p.m. and will last approximately one hour.

The Public Records Officer came out of executive session to let public attendees know the executive session was extended for 15 minutes.

The executive session ended at 5:15 p.m.

RESUME REGULAR MEETING – 5:16 p.m.

COMMISSION ACTION: Commissioner Shuler moved on the following two items:

- 1. TENANT: Marina; Mavrik Marine; 780 E. Pearle Jensen Way; Lease dated June 1, 2012 – that the commission approve the purchase of equipment with lease back to Mavrik Marine, with option to purchase up to \$110k plus sales tax.**
- 2. TENANT: BBP; Lindal Cedar Homes, Inc.; lease dated 7/28/94 – that the commission initiate the purchase of a building in an amount not to exceed \$3.2M.**

Commissioner Ware seconded. Motions carried unanimously.

Regarding Northern State; Swift Center - - the commission advised staff to send notice based on executive session discussion. No motion.

ADJOURNMENT


The regular commission meeting ended at 5:18 p.m.

ADOPTED IN OPEN SESSION this 14th day of March, 2017 and duly authenticated by the signatures affixed hereto.

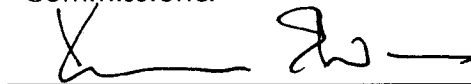
PORT OF SKAGIT COUNTY



Commissioner



Commissioner



Commissioner

