



# Port of Skagit

## Regular Meeting of the Port Commission Tuesday, April 14, 2020 – 2:00 PM

This regular business meeting of the Port Commission was changed to an online teleconference meeting instead of location specific. This change was to meet both the Open Public Meetings Act and COVID-19 social distancing requirement announced by the Governor in Proclamation No. 20-05 and dated March 24, 2020. There was no physical meeting location for this meeting.

### MINUTES

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

Staff - Patsy Martin, Sara Young, Scott Peterson, Greg Thrumer, Brad Furlong, Linda Tyler, Brady Rowe, Andrew Entrikin, Heather Rogerson, Sarah Hastings, Karmen Hardy, Darla Pyke, Maria Miramontes, Cole Vanderschaegen, Keith Love and Debbie Hamilton

Others - Wayne Carpenter and Walt Meagher. No sign-in sheet.

### CALL TO ORDER

Steve Omdal called to order the April 10, 2020 regular meeting of the port commission.

### 1. Necessary and Routine Matters

### CHANGES/ADDITIONS TO THE AGENDA

ADMIN: COVID-19 (2020); Bidding Requirements – Adopt Resolution 20-13

### CONSENT AGENDA

Public Communications

March meeting minutes; March 3, 2020 Special Meeting, March 10, 2020 Regular Meeting and March 20, 2020 Special Meeting

Fiscal Report – March 2020

AIRPORT: Runway 04/22 – Status Update

AIRPORT: Lot 72 Apron; WSDOT Grant Application (2020) – Approve Resolution 20-12

BBP: Northwest Quadrant Wetland Delineation and Habitat Conservation Areas Assessment; Consultant Services Contract – GeoEngineers (2019) – Approve Contract Amendment

BROAD: Federal Broadband Investment (2020) – Approve Letter of Support

BROAD: Fiber Line Utility Easement (2020) – Approve Easement

EASEMENT: Puget Sound Energy; Electrical Service for Systema Technologies Project (2020) – Ratify Easement

MARINA: Monthly Occupancy Report; Month Ending March 31, 2020

The following voucher/warrants/electronic payments are approved for payment:

### Payroll Warrants

Warrant #048853 and #085593 in the amount of \$3,174.57 for a pay date of March 6, 2020.

Warrant #048854 and #085717 through # 085718 in the amount of \$5,175.23 for a pay date of March 20, 2020.

Payroll direct deposit D3062001 through D3062039 in the amount of \$73,213.94 dated March 6, 2020.

Payroll direct deposit D3202001 through D3202038 in the amount of \$75,160.41 dated March 20, 2020.

**General Fund Accounts Payable Warrants**

Warrant #085594 through #085716 in the amount of \$428,764.52 for a pay date of March 9, 2020.  
Warrant #085719 through #085764 in the amount of \$255,116.12 for a pay date of March 21, 2020.

Warrant #085765 through #085792 in the amount of \$62,095.32 for a pay date of March 27, 2020.  
Warrant #085793 in the amount of \$1,449.56 for a pay date of March 30, 2020.

**Wire Transfer Payments**

None.

Grand total of approved warrants issued through March 31, 2020 is in the amount of \$904,149.67.

**COMMISSION ACTION:** The commission unanimously approved the Consent Agenda.

**OPEN FORUM** – In the interest of time, public testimony will be limited to 3 minutes. The chair has discretion to limit time & number of persons speaking.

No comments during open forum.

**NEW BUSINESS**

**TENANT: B.H. Real Estate LLC – Approve Hangar Ground Lease**

Scott Peterson reported that staff has been working with Bjorn Hermann of B.H. Real Estate, LLC to develop a portion of Lot 87 for a large aviation hangar. B.H. Real Estate, LLC wishes to enter into a thirty (30) year lease with two (2) ten (10) year options and construct a hangar building of approximately 14,400 square feet and related facilities.

Discussion.

**COMMISSION ACTION:** Commissioner Ware moved the commission approve: (1) a lease for a portion of Lot 87 of Amended Skagit Regional Airport Binding Site Plan, Phase 1, with Lessee B.H. Real Estate, LLC for a term of thirty (30) years with two (2) ten (10) year options; and (2) authorize the Executive Director to execute a lease upon receipt of current Lessee’s Termination of Lease; and (3) authorize Executive Director and staff take such other steps as are necessary to carry out the intent of this action. Commissioner Shuler seconded. Motion carried unanimously.

**TENANT: DGK, Inc., dba Widener & Associates; Portion of Lot 87; Ground Lease dated June 27, 2019 – Approve Termination of Ground Lease**

Scott Peterson reported that on June 27, 2019, Ross Widener and Jeanette Widener entered into a Ground Lease Agreement with the Port to construct a hangar building of approximately 40,800 square feet and related facilities for aircraft storage and operations. The term of the agreement is for a period of thirty (30) years with two (2) ten (10) year options periods.

Mr. Widener has requested a termination of the ground lease agreement. He has conducted a feasibility study related to the project and has determined the project is not economically viable for him at this time.

Discussion.

**COMMISSION ACTION: Commissioner Ware moved to approve and execute a Termination of Ground Lease Agreement dated June 27, 2019 between the Port of Skagit County and DGK, Inc. DBA as Widener and Associates; and authorize Executive Director and staff to take such other action necessary to carry out the intent of this action. Commissioner Shuler seconded. Motion carried unanimously.**

## **STAFF REPORTS**

### **SWIFT: City of Sedro-Woolley Olmsted Park – Status Update (Oral) – Information Only**

Patsy Martin reported that on March 6, 2020 the Port Commission signed a letter of support for the City of Sedro-Woolley Olmsted Park to be submitted to the Washington State Recreation Conservation Office (RCO) as part of the City of Sedro-Woolley's grant application for the project. At the same meeting the Port Commission approve matching funding up to \$400,000 for the design and construction of the City of Sedro-Woolley Olmsted Park parking and restroom improvements.

The City has determined it will divide the park project into two phases and will be moving forward with RCO grant applications this year for Phase I of the project, which will include the restrooms and parking. The City's cost estimate for Phase I is approximately \$1.4M, the RCO funding requests for this phase will be for \$1M. If funds are awarded, construction would begin in 2020. Grant applications for Phase II will be submitted during later funding cycles and will include picnic shelters and caretaker cottage.

Previously, the City had decided to postpone submittal of a funding application to RCO until the next grant cycle in 2022 due to the current COVID-19 situation and the yet unknown budget implications. However, RCO has extended the application deadline and breaking the project into phases will make it more manageable.

Staff will update the Commission on the design process and on any changes in plans for funding applications.

### **SWIFT: U.S. DOL Signage Request (2020) – Approve Signage Request (Oral)**

Patsy Martin reported that the DOL is requesting signage at the SWIFT Center clearly restricting access. Staff planned to have an update for the commission, but a plan is not ready for review. Staff will bring the signage plan to the commission at a future meeting.

**GOOD OF THE ORDER** – no staff or public comment for the Good of the Order.

## **2. COVID-19 Outbreak and the Current Public Health Emergency**

### **ADMIN: COVID-19 (2020) – Status Update**

#### **ADMIN: COVID-19 (2020) Emergency Response – Adopt Resolutions #20-14, #20-15**

Patsy Martin reported that the impacts of the COVID-19 Pandemic crisis on the Port, our employees, and our tenants have been profound. Fortunately, the entire Port staff are working together to address the impacts. Staff is requesting the following:

1. Port Closure Policy – Pursuant to the Governor's order and for the sake of their health, Port staff has largely been sent home, but with many of us working from home in one fashion or another. Based on consultations with employment counsel and on the enactment of Federal legislation, I declared an emergency and put into place a Port Closure Policy. At this time, a resolution is needed which

recognizes the COVID-19 emergency and ratifies the executive director’s Emergency Declaration and the Port’s Closure Policy.

- 2. General Emergency and Port Tenant Relief Policy – In a very short period, social distancing directives have caused widespread hardships for many businesses to whom the Port leases facilities. Supply chain disruptions, loss of employees due to the “Stay Home, Stay Healthy” directive, and loss of customer demand are but some factors impacting the Port’s tenants. In response to the hardships faced by our tenants, I am asking the commission to adopt a COVID-19 Emergency Resolution which declares a COVID-19 emergency and authorizes the implementation of the Port’s Tenant Rent Relief Program. The program will allow tenants to apply to restructure their rent payment obligations for one, two, or three months, with a payback period to follow.


Discussion.

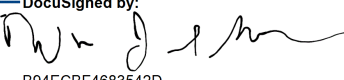
**COMMISSION ACTION: Commissioner Shuler moved to adopt Resolutions 20-14, and 20-15 which will (1) declare a Local Emergency and Ratifying Adoption of the Executive Director’s COVID-19 Emergency Declaration and Closure Policy; and (2) declare a Local Emergency, Delegating Authority, and Conferring Emergency Powers; and (3) authorize and direct staff to take any and all steps necessary to carry out the above action. Commissioner Ware seconded. Motion carried unanimously.**

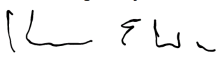
**ADJOURNMENT** – Commissioner Steve Omdal adjourned the meeting at 2:40 p.m.

ADOPTED IN OPEN SESSION this 12th day of May 2020 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

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 Commissioner CD5D39E4145243D...

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