



Port of Skagit

Special Meeting of the Port Commission

Tuesday, January 26, 2016 – 11:00 a.m.

Port of Skagit Hearing Room

15400 Airport Drive, Burlington, WA 98233

MINUTES

PRESENT: Commission - Bill Shuler, Steve Omdal, Kevin Ware via phone

Staff - Scott Peterson, Sara Young, Greg Thramer, Brady Rowe, Andrew Entrikin, Jodee Peace, Sadie Shope, Karmen Hardy and Debbie Hamilton

CALL TO ORDER

Commissioner Bill Shuler called to order the January 26, 2016 special meeting of the port commission.

NEW BUSINESS

BBP: The Bread Lab Tenant Improvements (2016); Phase I – Award Bid

Sara Young reported that the port opened bids on the Bread Lab Tenant Improvement Project, Phase I on January 22, 2016 at 2:00 p.m. The Project is to build Phase 1 of the WSU Bread Lab and King Arthur Flour classroom within the Port's TTM building.

Eleven bids were received and the lowest responsive bidder was HB Hansen Construction, Inc.

Staff has been working with WSU to establish a funding plan for the project. The port has committed \$200,000 toward the project. Approximately \$100,000 of the port's funds are to cover architectural design and permitting fees. The remaining approximately \$100,000 will go toward construction. In addition, the port has been awarded a \$200,000 economic development grant from Skagit County toward project construction, bringing the total project construction funds to \$300,000.

Staff recommends that the port have access to funds adequate to cover the bid price plus a 15% construction contingency, bringing the total required funds to \$630,000. WSU has indicated that they have donor commitments sufficient to cover the remaining required construction funds. Staff recommends the commission award the bid to HB Hansen

conditioned upon a firm commitment of sufficient funds to meet the construction cost plus contingency prior to entering into a contract with HB Hansen. The contractor will hold their bid price for 30-50 days while the port and WSU work out the details of project funding.

COMMISSION ACTION: Commissioner Kevin Ware moved that the:

- 1) Commission accept the bid of HB Hansen Construction, Inc., as the lowest responsive bid from a responsible bidder for Bread Lab Tenant Improvements Phase 1 Project in the amount of \$547,925.00 (including sales tax). Upon a determination by the executive director that the Port of Skagit has identified adequate funds to meet its obligations as owner of the Bread Lab Tenant Improvement Project, Phase 1 through its completion, the executive director is thereupon authorized to enter into a contract with HB Hansen Construction, Inc. for the Bread Lab Tenant Improvement Project, Phase 1, including for the work comprising the base bid and alternatives number 1 and number 2. Should such funds not be identified, the executive director shall allow the bids to expire; and**
- 2) Authorize the executive director and her staff to execute any and all documents and to take all actions reasonably necessary to care out this motion.**

Commissioner Steve Omdal seconded. Motion carried unanimously.

TENANT: BBP: Chuckanut Brewery, LLC – Approve Assignment/Consent/Second Amendment to Lease Agreement and authorize execution of Estoppel Certificate

Scott Peterson reported that the port has a fifty year lease agreement with Chuckanut Brewery, LLC to locate a new brew house on Lot 11 in the port's business park. On November 10, 2015, Chuckanut Brewery intended on assigning its interest in the lease to MW Kemper, LLC by executing a First Amendment to Lease Agreement, but failed to do so in said amendment. Chuckanut Brewery is now assigning its interest in the lease to MW Kemper, LLC via an Assignment of Lease with Consent Thereto and Second Amendment to Lease Agreement. In addition, MW Kemper, LLC has requested an estoppel certificate be issued to their lender, Washington Federal.

COMMISSION ACTION: Commissioner Bill Shuler moved to:

- 1) Approve assignment of Lease with Consent Thereto and Second Amendment to Lease Agreement between the Port of Skagit, as Lessor and Chuckanut**

Brewery, LLC, as Lessee, to MW Kemper, LLC, as Lessee for Lot 11 of the Skagit Regional Airport Binding Site Plan;

- 2) Authorize commission and staff to execute an estoppel certificate proposed by MW Kemper, LLC regarding the Lease Agreement dated June 1, 2015, as amended; and**
- 3) Authorize the executive director and other appropriate officials to take such other action as is necessary to carry out the intent of this action.**

Commissioner Steve Omdal seconded. Motion carried unanimously.

Commissioner Shuler moved to adjourn.

The special commission meeting ended at 11:23 a.m.

ADJOURNMENT

ADOPTED IN OPEN SESSION this 8th day of March, 2016 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

Signature on File

Commissioner

Signature on File

Commissioner

Signature on File

Commissioner