



Port of Skagit

Work Session of the Port Commission

Tuesday, December 14, 2010 9:00 AM

MINUTES

PRESENT: Commission - Jerry Kaufman, Bill Shuler and Kevin Ware

Staff - Patsy Martin, Kristin Garcia, Scott Peterson, Sara Young, Carl Molesworth, Bob Nord, Karmen Hardy, and Debbie Hamilton

Others - See Sign-in Sheet

APPROVAL OF MINUTES

COMMISSION ACTION: The commission unanimously approved the Tuesday, November 16, 2010 Work Session Minutes of the Port Commission.

Changes or additions to the agenda as follows:

ADMIN: Leasing Policy (2011) – Provide Increase Parameters

Issue 1: PUB AGEN: Town of La Conner; Interlocal Agreement and Lease for Public Works Facility

Patsy Martin reported that the Port of Skagit and the Town of La Conner have been negotiating a possible lease for the building adjacent to the Port's offices at the La Conner Marina to serve as the Town of La Conner's public works facility. The Port and Town have come to a 10 year lease agreement. The Port and Town will enter into an interlocal agreement which will lay out the Port and Town's intention to co-locate public works facilities at the La Conner Marina.

Mr. John Doyle was present at the meeting and thanked the commission for providing an option that meets the Town of La Conner needs.

Issue 2: PUB AGEN: Town of La Conner; Solar Project on Sullivan Slough (2011) – Approve Project

Patsy Martin reported that in 1974 the Port of Skagit leased to the Town of La Conner the Sullivan Slough property through an Interlocal Agreement for their sewer treatment facility and public works office, composting facility, stormwater facility and fire station. Since that time the Town has added different facilities and services for the community, and has sought

mechanisms to reduce costs or increase revenues. Two mechanisms in consideration include composting and installing solar panels to their existing buildings.

The Town of La Conner now has potential customers from the private sector who wish to pursue the installation of solar panels on their buildings through new community solar legislation. The Port of Skagit is supportive of this project and asks in exchange for the Town of La Conner to educate port staff on how to implement this project on port facilities.

Mr. John Doyle of the Town of La Conner was present to provide an overview of the Community Solar Program with the commission.

Issue 3: ADMIN: Insurance Property/Casualty (2010); Glenn Ash, Wallace & Associates – Policy Overview

Kristin Garcia reported working with Glenn Ash of Wallace & Associates to review the Port's insurance policies and determine areas that may be of concern from a risk management perspective. Mr. Ash was present to provide a general overview of the Port's insurance policies and provide information regarding 2011 review of coverage.

Issue 4: ADMIN: Economic Opportunity Growth Plan Update - PowerPoint

Patsy Martin reported that staff has been working on an Economic Opportunity Growth Plan Update and provided a PowerPoint overview. Staff is currently working on the plan which includes: industrial land survey, revised lease policy, incubator policy, port marketing plan and airport development plan.

Issue 5: ADMIN: Rate Review; Airport (2011) – Approve Fee Schedule

Patsy Martin reported that staff has prepared a comparative review of airport rates in preparation for establishing the 2011 Skagit Regional Airport Rate Schedule. The comparison includes Anacortes, Arlington, Friday Harbor and Bellingham.

The comparison shows that rates at Skagit Regional Airport are competitive with surrounding airports. Currently, there are vacancies in t-hangars, tie-downs and long-term parking. Based on these reasons, staff is not recommending an increase in airport rates for 2011.

COMMISSION ACTION: The commission unanimously approved the 2011 Skagit Regional Airport rate schedule established by staff.

Issue 6: ADMIN: Rate Review; Marina (2011) – Approve Fee Schedule

Scott Peterson reported that staff has researched marina dry storage rates within our geographic area and determined port rates are below market. It is the goal of the marina staff to increase dry storage rates over time to better reflect the market, and at the same time provide an exceptional service and experience to port customers.

Based on staff research and commission comment, staff is recommending a 5% increase in 2010 dry storage rates for 2011.

COMMISSION ACTION: The commission unanimously approved the 2011 La Conner Marina dry boat storage rates increase of 5%.

Issue 7: ADMIN: Leasing Policy (2011)

Patsy Martin reported that staff is reviewing the leasing policy for 2011 to provide a recommendation regarding a CPI rate increase.

Discussion of current economy, flexibility in negotiating, rate reductions and rate trends.

COMMISSION ACTION: The commission unanimously approved forgoing an annual CPI adjustment for 2011 in the interest of keeping businesses healthy.

RECESS

The commission recessed the regular meeting at 10:25 a.m.

EXECUTIVE SESSION

The commission entered into executive session at 10:45 a.m. The session is expected to last approximately 60 minutes. The purpose of the executive session is to discuss the possible sale, purchase or lease of property the public discussion of which could affect the price and potential litigation. Action may or may not be taken following the executive session.

The executive session ended at 11:45 a.m.

COMMISSION ACTION: The commission unanimously authorized staff to extend the offer to purchase the Van Pelt property by three (3) months to April 7, 2011.

COMMISSION ACTION: The commission unanimously authorized staff to execute a Termination of Lease Agreement with Action Marine Services terminating their operations December 31, 2010 and having the premises broom clean no later than February 28, 2011.

ADJOURNMENT

The commission adjourned the work session meeting at 11:46 a.m.

ADOPTED IN OPEN SESSION this 18th day of January, 2011 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

Commissioner

Commissioner

Commissioner