



Port of Skagit

Regular Meeting of the Port Commission

Monday, March 26, 2018 – 2:00 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, Andrew Entrikin, Heather Rogerson, Brady Rowe, Sarah Hastings, Keith Love, Brad Furlong, Karmen Hardy, Jodee Peace, Darla Pyke and Debbie Hamilton

Others - None

CALL TO ORDER

Kevin Ware called to order the March 26, 2018 regular meeting of the port commission.

The commission moved to amend the agenda as follows:

Change to Staff Reports

Remove: ADMIN: Acquisition; PACCAR and Bouslog (2018) – Status Update (Oral)

CONSENT AGENDA

Public Communications

February 12, 2018 Regular Meeting Minutes

February 13, 2018 Joint POS-POA Meeting Minutes

Fiscal Report

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

Payroll Warrants

Warrant #048606 through #048608 in the amount of \$6,016.72 for a pay date of February 6, 2018.

Warrant #048609 through #048611 in the amount of \$5,492.80 for a pay date of February 21, 2018.

Payroll direct deposit D2061801 through D2061829 in the amount of \$63,711.65 dated February 6, 2018.

Payroll direct deposit D2211801 through D2211828 in the amount of \$56,583.23 dated February 21, 2018.

General Fund Accounts Payable Warrants

Warrant #080649 through #080672 in the amount of \$125,454.70 for a pay date of February 2, 2018.

Warrant #080673 through #080707 in the amount of \$117,000.64 for a pay date of February 9, 2018.

Warrant #080708 through #080754 in the amount of \$148,853.89 for a pay date of February 16, 2018.

Warrant #080756 through #080802 in the amount of \$99,644.58 for a pay date of February 23, 2018.

Warrant #080803 in the amount of \$174,050.68 for a pay date of February 27, 2018.

Wire Transfer Payments

\$8,192,953.38 Payable to Guardian Northwest Title on February 28, 2018.

Grand total of approved warrants issued through February 28, 2018 is in the amount of 8,989,762.27.

ADMIN: Fire District 6 Annual Report (2017) – Report in Commission Packet

ADMIN: Surplus Personal Property (2018) – Adopt Resolution 18-07

EASEMENT: PSE; Burlington Public Station #10; Ovenell Road – Approve Easement

MARINA: Monthly Occupancy Report; Month Ending February 28, 2018

COMMISSION ACTION: The commission unanimously approved the March 26, 2018 consent agenda.

NEW BUSINESS

ADMIN: Northern State (SWIFT Center); Election for Transfer (2018) – Authorize Election for Transfer

Patsy Martin reported that in 2014 the port formed a partnership with the City of Sedro-Woolley and Skagit County through an interlocal agreement to work towards obtaining local control of the approximately 225-acre former Northern State Hospital property, now known as the Sedro-Woolley Innovation for Tomorrow (SWIFT Center).

Staff provided a memo to the commission outlining the project and recognizing the work of the partnership.

Based on the port's evaluation of the risks vs. rewards, staff at this time is recommending the commission (1) Authorize election for transfer of the Former Northern State Hospital Property, now known as the SWIFT Center, from the State of Washington Department of Enterprise Services to the Port of Skagit effective July 1, 2018; (2) Restrict revenues earned at the SWIFT Center to be saved and/or spent at/on/or related to the SWIFT Center with the goal of making the property self-sustaining; and (3) Authorize the Executive Director and staff to take any steps necessary to carry out the intent of this action.

COMMISSION ACTION: Commissioner Shuler moved to:

- (1) Authorize election for transfer of the former Northern State Hospital Property, now known as The Swift Center, from the State of Washington Department of Enterprise Services to the Port of Skagit effective July 1, 2018;
- (2) Restrict revenues earned at the SWIFT Center to be saved and/or spent at/on/or related to The SWIFT Center with the goal of making the property self-sustaining; and
- (3) Authorize the Executive Director and staff to take any steps necessary to carry out all the intent of this action.

Commissioner Omdal seconded. Motion carried unanimously.

ADMIN: Skagit Community Fiber Optic Network Project; Interlocal Agreements with City of Anacortes, City of Mount Vernon and the City of Sedro-Woolley (2018) – Approve Interlocals

The Port of Skagit has been engaged in the work of developing a countywide fiber optic network since October 2016, in partnership with Skagit County, EDASC, the Skagit PUD, and cities and towns around the county. In 2017, entities in Skagit County collectively applied for a total of \$1,523,149.41 in Skagit County economic development infrastructure (0.09) grant funds for fiber infrastructure projects. Another \$425,000 was applied for by the City of Burlington for expanding fiber infrastructure within Burlington city limits.

To this end, staff has negotiated an interlocal agreement with the City of Anacortes, City of Mount Vernon and the City of Sedro-Woolley. Staff is in continued negotiations with the City of Burlington.

Discussion.

COMMISSION ACTION: Commissioner Bill Shuler moved the commission approve interlocal agreements with the City of Anacortes, City of Mount Vernon and the City of

Sedro-Woolley for construction of fiber optic infrastructure. Commissioner Omdal seconded. Motion carried unanimously.

ADMIN: Fixed Assets – Review and Approve Construction in Progress (CIP) as of December 31, 2017 – Approve CIP

Greg Thramer provided a review of Construction in Progress (CIP) accounts to determine which ones, in accordance with the fixed asset policy shall be:

- (1) Capitalized and included in the fixed asset system (substantially completed and placed into service).
- (2) Expensed (does not meet the criteria of a capital asset per policy)
- (3) Carried forward as a CIP to the next year (not substantially completed nor placed into service.)

Discussion.

COMMISSION ACTION: Commissioner Omdal moved the commission approve Year End 2017 CIPs as presented. Commissioner Shuler seconded. Motion carried unanimously.

AIRPORT: Runway 10-28 Rehabilitation Project (2008); Runway Safety Area Grading; Construction Process – Scarsella Bros, Inc. (2018) – Accept as Complete

Patsy Martin reported that in June of 2015 the commission awarded a contract to Scarsella Brothers, Inc. to complete the Runway 11-29 Safety Area Grading project.

All work is complete and Runway 11-29 is fully operational. The Port is in receipt of an FAA-approved updated Airport Layout Plan identifying the current Airport Reference Code for Runway 11-29 as D-II.

The final amount paid to Scarsella Bros. Inc., including change orders and sales tax is \$1,849,786.28. Staff is recommending the commission approve acceptance of the project as complete.

COMMISSION ACTION: Commissioner Bill Shuler moved the commission:

- (1) Accept as complete the Runway 11-29 safety area and object free area improvements, and installation of perimeter wildlife fencing contracted to Scarsella Brothers, Inc.
- (2) Authorize executive director and staff to take all steps necessary to carry out the intent of the action.

Commissioner Omdal seconded. Motion carried unanimously.

BREAK – Commissioner Ware called for a 10-minute break at 1:50 p.m.

RESUME MEETING – the meeting was resumed at 2:00 p.m.

GOOD OF THE ORDER

Commissioner Ware opened the floor for comment.

1. Mayor Steve Sexton of the City of Burlington was present to discuss the broadband project, Skagit County .09 Grant Funding and interlocal contract language.

Discussion.

The commission directed staff, namely Patsy Martin and Brad Furlong to work with Mayor Sexton and City of Burlington designees to discuss interlocal agreement language.

2. Diane Kamionka of NWRIC was present to provide an update to the commission regarding the start-up of Innovation Labs. NWRIC is formalizing details now and the labs will be located in Everett, Arlington and SWIFT Center.
3. Skagit County Commissioner Lisa Janicki expressed her thanks for the partnership work which has brought the SWIFT Center project to where it is today. She would like to find solutions for the City of Burlington regarding community broadband and requested she be included in the meeting with the Port of Skagit staff and City of Burlington.

STAFF REPORTS

ADMIN: 4th Quarter Financial Report (2018) – Review

Staff provided to the commission the 4th quarter financial report for review.

ADMIN: EDASC Spotlight on Skagit (formerly Schmooze Fair); April 19, 2018 – 4:00 to 7:00 PM – Information Update

Staff reported that the date for EDASC Spotlight on Skagit (formerly Schmooze Fair) is Thursday, April 19, 2018 and will run from 4:00 to 7:00 PM.

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

Keith Love reported that the Northwest Aviation Conference and Trade Show went well. Topics of importance to the attendees were hangar development and US Customs.

ASSOC: PNWA Mission to Washington D.C. (2018) – Event Report (Oral)

Patsy Martin reported on attending the PNWA Mission to Washington D.C.

ADJOURNMENT

The regular commission meeting ended at 3:15 p.m.

ADOPTED IN OPEN SESSION this 9th day of April, 2018 and duly authenticated by the signatures affixed hereto.

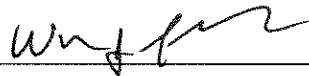
PORT OF SKAGIT COUNTY



Commissioner



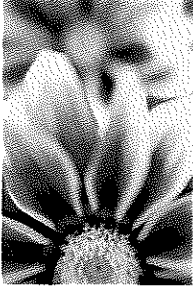
Commissioner



Commissioner



Port of Skagit
Regular Commission Meeting
Date: March 26, 2018, 2:00 PM



| Name/Organization/Company | Address | Phone Number | Do you wish to speak? Topic? |
|---------------------------|------------------------|--------------|------------------------------|
| Curt Dahl | Cob way | | Y/N |
| JAY FINDLAY SASA | Bow | 360941.5223 | Y/N |
| BEN EHRHART DES/SWIFT | SEDRO-WOOLLEY | 360-464-8947 | Y(N) |
| Randy Good | Sedro Woolley | | Y(N) |
| Ron Wesen | Skagit County | | Y/N |
| LISA JANICK | " " | | Y/N |
| Robyn Stirling | WFSE | | Y(N) |
| Julia Johnson | Mayor of SEDRO-WOOLLEY | 360-854-8020 | Y(N) |
| TIM HOLLERAN | SKAGIT COUNTY | | Y/N |

| Name | Address | Phone | Speak today? |
|-----------------|-------------------------------|-------|--------------|
| Kevin Meenaghan | Cascades Job Corps Academy | | N |

Darla Pyke
Ann E SWENZI

Marina
DES