

Port of Anacortes
Regular Commission Meeting
September 17, 2009

The Port Commission of the Port of Anacortes held its regular business meeting and work/study session at 7:00 P.M. on the evening of September 17, 2009. This was a regularly scheduled Commission Meeting held in the Commission Meeting Room of the Port Main Warehouse Building, 1st & Commercial Avenue, Anacortes, Washington.

In Attendance: Commission President Rubin, Commission Vice-President Mooney, Commission Secretary Niver, and Commissioner Short. Commissioner Hopley was excused.

Also in attendance: Executive Director Hyde, Director of Finance & Administration Johnson, Director of Operations & Facilities Hachey, Marina Manager Fowler, Project Manager Dossen, Project Manager Estvold, Engineering Office Manager and Contract Administrator Switalski, Project Manager Rowe, and Administrative Coordinator Lindsey.

CALL TO ORDER

At 7:00 P.M. Commission President Rubin called the regular meeting of September 17, 2009, to order and welcomed all in attendance.

SPECIAL GUEST

Executive Director Hyde introduced special guest Frank Orr, President of the Anacortes Antique Machinery Show. Mr. Orr noted that the show had just completed its 14th year and he wished to thank the Port for its strong and continued support, from storage, forklift, and land use help to assistance with maritime facilities. He cited in particular the assistance from Executive Director Hyde, Marina Manager Fowler, and Port staff.

Mr. Orr explained the purpose of the show was to bring to Anacortes a sense of what made our City the town it is today through displays of machinery and methods that were in use in the canneries, saw mills and other industries in the City's past history. The show is held the second Saturday of September each year and attracts approximately 3000 visitors with no charge for admission. This year 77 exhibitors attended.

Mr. Orr presented President Rubin and the Commission with a brass plaque as a thank you for the Port's continued help and support.

Commissioner Rubin accepted the plaque and thanked Mr. Orr on behalf of the Port.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the floor for public comment pertaining to items on the regular agenda. Hearing no one with a desire to address the Commission, the floor was closed.

CONSENT AGENDA

Commissioner Rubin called for any objections to the consent agenda.

Hearing none, Commissioner Rubin read the titles on the consent agenda which contained two action items for consideration by the Commission:

Construction Authorization for Residing the Airport Fixed Base Operations (FBO) Building, Project #ARP-14, and Project Acceptance of the Construction Contract for P/Q Pier Small Craft Launch Upland Project, Project #CSBH-17a.

The FBO building was built in 1972 and the wood siding has deteriorated and needed replacement. The FBO roof was replaced in 2007. Funding for residing the building was included in the adopted 2009 Capital Improvements Plan. The Port received 10 bids on the project with Pacific Post Frame Construction, Inc. submitting the lowest responsive bid. The action presented authorized funding in the amount of \$116,394 to be spent from the General Fund.

The upland project for the P/Q pier small craft launch included upland excavation of the grassy hill north of P/Q at the Cap Sante Boat Haven, and transportation of the excavated soil to the west basin outdoor room area for reuse, regarding and construction of the former Cap Sante Marine site. The work was performed by Welch Brothers Construction at a cost of \$98,929.98 including Washington State Sales Tax. The action accepted as complete the construction contract with Welch Brothers.

Commissioner Rubin called for any discussion of the items. Hearing none, he called for a motion. Commissioner Mooney moved to approve the consent agenda. Commissioner Short seconded the motion. Commissioner Rubin called for a vote on the motion, which carried 4-0 with Commissioner Hopley absent.

REGULAR AGENDA

STUDY SESSION

Prioritize 2010 Capital Projects –

Executive Director Hyde noted that a draft Operations budget would be distributed to Commissioner mailboxes tomorrow and a draft of the Capital budget would be available for the Commission next week. Scoring sheets for determining the priority for 2010 capital projects were distributed to the Commission this evening. Executive Director Hyde requested that the Commissioners return their completed score sheets to staff next week.

Executive Director Hyde noted that \$1.5 million dollars worth of projects were included; however, staff is recommending that only \$800,000 be spent in capital in 2010 in an effort to save additional funds for expenses related to the eventual replacement of E and F Docks.

Executive Director Hyde informed the Commission that three of the Port's four project managers were working full time on the Scott site project for the next year, and not available for other projects. The Port has chosen to be conservative with spending while completing the Scott Site project. Peak construction on the project will be during the months of January and February, 2010.

Executive Director Hyde introduced Project Manager Dossen presenting on behalf of Director Elsner who was away giving a presentation at the Washington Public Ports Association Trade and Economic Seminar. Manager Dossen thanked the Engineering and Accounting

departments for their assistance in putting together the presentation. He reviewed the current list of identified capital projects for 2010 with the Commission for each operating area, including the Anacortes Airport, Cap Sante Boat Haven, the Marine Terminal, and Property Rentals, as well as Port-wide expenditures. Manager Dossen also reviewed the scoring sheets to be used by the Commission for ranking identified and proposed projects. Commissioner Niver stated he hoped Port staff would provide recommendations to the Commission in regards to projects noting sequencing that would need to be considered. Manager Dossen confirmed that staff would also participate in the scoring process.

Manager Dossen was joined by Director of Operations & Facilities Hachey and Executive Director Hyde in responding to questions from the Commission. Questions included inquiries about the Transportation Worker Identification Card (TWIC) program, the planned replacement of the Port's 1968 truck, grants applied for from the Department of Homeland Security for security surveillance, a guard house, and the purchase of security vehicles through the State pool, pre-construction costs for E&F Docks – including design costs, determination of contaminants that may be present when performing future dredging for E&F at the Boat Haven, and turnaround time on billings paid by the State. Director Hachey noted that a recent Department of Ecology (DOE) inspection at the Airport indicated that a cathodic protection system was needed for the fuel tanks.

Executive Director Hyde explained that staff is recommending that costs for stormwater management for environmental regulatory compliance at the Marine Terminal, notably Pier 2, be taken out of the Tax Fund. The expected cost for stormwater management is \$600,000. Executive Director Hyde explained that funding the stormwater project from the Tax Fund would leave \$800,000 for other identified capital projects. The Port will make the security improvements only if a grant was received to cover those costs. He praised the work of Director Hachey and Manager and Grant Administrator Switalski in applying for security grants.

Scott Site Cleanup Update

Project Manager Dossen briefed the Commission on work underway at the former Scott Paper Mill site. General Contractor Ram Construction is approximately 80% completed with the upland work for Phase 1 with utilities relocated. The Phase 2 contractor, Pacific Pile mobilized to the site last week. The first portion of the Phase 2 work will be the in-water dredging and disposal of the contaminants. Pacific Pile has estimated dredging approximately 21,000 cubic yards of contaminated materials that will be barged to Everett over a three week period. The work that follows will consist of in-water dredging with materials taken to the Port's Pier 2 treatment facility and then sent to the permitted upland facility in Wenatchee for non-water disposal.

COMMUNICATIONS

Update – Small Boat Center

Executive Director Hyde provided the Commission with an update on the Anacortes Small Boat Center group, explaining that the group has formed a 501(c)3 corporation with Bylaws and a mission statement. John Pope will serve as the group's first president. Executive Director Hyde attended and facilitated a charette held by the group last week at the Anacortes Yacht Club. Approximately 40 persons attended. This was the first of several planned sessions for the group to discuss future plans for a Small Boat Center near the north end of the Boat Haven. Executive Director Hyde explained that the charette was very similar to the process used by the Port during meetings for the comprehensive plan in which aerial photos of the Boat Haven were

used with scale templates for public input and planning. In this instance, aerials of the north end and scale templates were used by participants to divide into three groups and come up with three possible layouts representing a lower cost austere plan, a mid-range cost plan, and a high-end or lavish plan. The least cost option group expressed a desire to use the Port's Seafarers' Memorial Park Building, which will be moved from the Scott site while cleanup is underway.

Executive Director Hyde praised the work of Project Manager Rowe in printing the aerials and creating the templates and responded to questions and comments from the Commission regarding the group's ideas. Topics broached by the Commission included a need for careful determination of property ownership in the area where the Port, the City and the Yacht Club all own parcels, whether there would be adequate parking for the Center, possible income generated if a boat storage area were included, design ideas represented, development in stages, comparison to a new maritime center at Port Townsend, built with funding assistance from grants, the community and the City of Port Townsend.

Commissioner Niver questioned whether a small boats center and an alternate use of the Seafarers' Memorial Park Building fit into the Port's Comprehensive Plan. Commissioner Short noted that in creating the Comprehensive Plan the Port had not anticipated the moving of the Seafarers' Memorial Park Building necessitated by the environmental cleanup. Commissioners Rubin, Mooney and Short noted there had been earlier discussions about expanding the present facility and whether an option existed to build a new, larger building for community use at the Seafarers' Memorial Park and move the former building to the north end. Commissioner Niver believed the building may have been constructed due to a public access requirement from the City of Anacortes for permitting and wished to have clarification as to whether that were the case. He also urged that a cost analysis be performed. Commissioner Short noted that grants and donations were received from outside the Port as well and that the Port should check to insure that the spirit of those was still being met.

Executive Director Hyde noted that this was an update on the Small Boats Center group's initial meeting and that the group would work together to present one plan so that an accurate cost analysis could be performed, including what could be a phased in process over a number of years, and with funding from benefactors and sources other than the Port. Staff will check to see if there were any conditional use restrictions for the Seafarers' Memorial Park Building.

COMMISSION DISCUSSION

Commissioner Rubin called for any discussion by members of the Commission on topics of their choosing.

Commissioner Mooney presented a list of items he'd compiled in regards to the 2010 budget. He stated at the Airport he would like to see reduced parking rates and a repair of the ground cable rewind mechanism on the fuel dispenser. Regarding Port properties, he wished to see the Port purchase adjacent property for future development and to provide additional room for current tenants, consider a two-story building for the Seafarers' Memorial Park site, and have the Wyman's Marina building height be no less than 35 feet.

Commissioner Niver was of the opinion that these were staff items, noting that the Commission had delegated the setting of parking rates to the Executive Director and that Port staff worked with tenants to determine their needs.

Commissioner Rubin inquired about the height restriction for the Wyman's property. Executive Director Hyde explained that the current restriction, dating from the year 2000 and placing Wyman's in the wrong part of the zoning code, is for just 20 feet in height. The Port is suggesting that Wyman's be in the Commercial Marine code and have a height restriction of 35 feet, noting the restriction on the Marine Terminal is 50 feet and that homes next door to Wyman's are 35 feet. Executive Director Hyde will work through proposed changes with the City of Anacortes.

UPCOMING MEETINGS

Executive Director Hyde reviewed the Commission's upcoming meeting schedule. The next Regular Port Commission meeting will be October 1, 2009 at 7:00 P.M. The next Commission Regular Meeting and Work/Study Session will be October 15, 2009 at 7:00 P.M. Anthony's restaurant is expected to break ground sometime in October and will hold a ceremony at the Boat Haven.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the public comment period for items not on the regular agenda. Hearing none, the public comment period was closed.

ADJOURNMENT

With no further business to come before the Commission, Commissioner Short moved to adjourn, which was seconded by Commissioner Mooney. Commissioner Rubin called for the vote on the motion which carried 4-0, and at 8:21 P.M. the meeting was adjourned.

Attest:

Keith Rubin, President

Pat D. Mooney, Vice-President

Ray Niver, Secretary

Steve Hopley, Commissioner

William L. Short, Commissioner