

Port of Anacortes

Regular Commission Meeting And Public Hearing on Redistricting December 1, 2011

The Port Commission of the Port of Anacortes held its regular business meeting and a public hearing on redistricting of commissioner districts following the 2010 Census, at 7:00 P.M. on the evening of December 1, 2011. 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, Commissioner Hopley and Commissioner Short.

Also in attendance: Executive Director Hyde, Director of Finance & Administration Johnson, Director of Operations & Facilities Hachey, Accounting Manager Behan, and Executive Assistant Lindsey.

CALL TO ORDER

At 7:00 P.M. Commission President Rubin called the regular meeting of December 1, 2011, to order and welcomed all in attendance. He offered a special welcome to Commissioner-Elect Bob Eberle, who was present. Mr. Eberle will replace outgoing Commissioner Steve Hopley as the representative of port district number three beginning in 2012.

Commissioner Rubin also announced that following the second public comment period, the Port Commission would move into Executive Session for the purpose of considering a personnel issue – review of a public employee. The expected duration was up to one hour and Commissioner Rubin noted that action might or might not be taken.

PUBLIC HEARING - Redistricting of Commission districts following the 2010 Census

Executive Director Hyde noted the Commission had held two public study sessions regarding redistricting with consultant Sammamish Data Systems reviewing the Port's population data from the 2010 Census. That data showed changes in population since the Port last redistricted in 2003. Sammamish Data Systems presented its recommended redistricting plan to the Commission, which would consolidate District 1, make configuration changes in Districts 2 and 4, leave District 3 virtually unchanged, and expand District 5 farther north. Executive Director Hyde explained that a legal description and meets and bounds survey was provided for perusal.

Commissioner Rubin opened the public hearing on the redistricting plan. Hearing no one with a desire to address the Commission in regards to redistricting, the public hearing was closed.

SPECIAL GUESTS

Executive Director Hyde introduced Mr. Mark Bunzel, outgoing president, and Ms. Kristi Gabrielse, incoming president, of the Anacortes Chamber of Commerce, who were in attendance to present the Chamber President's Award to Port Executive Director Bob Hyde. Mr. Bunzel addressed the Commission, noting that Bob and the Port did spectacular things in 2011

and citing the Port's many accomplishments that contributed to Anacortes and the local economy. Among these were:

- Anthony's Restaurant at Cap Sante Boat Haven – one of the top three restaurants in their chain in its first year.
- Seafarers' Memorial Park – newly reopened after an extensive \$30+ million clean-up in cooperation with the Department of Ecology and former Scott Paper site owners Kimberly Clark. Mr. Bunzel described the Park as a beautiful jewel and a great amenity for economic development.
- A myriad of Port sponsored or co-sponsored events, including the Summer Concert Series, The Workboat Races & Pirate Faire (now in its 4th year), the Community Celtic Christmas Celebration, two floating boat shows at the Boat Haven each year, the Passagemaker Trawlerfest, now in its 5th year in Anacortes, the Anacortes Salmon Derby – attracting more than 1,000 anglers each year, an increase to 13,000 transient boater nights at the Boat Haven – the third most visited public marina in the state, and the numerous events at the Port's Transit Shed, a great facility and economic development tool with events such as the Chamber's Wine Festival and Oktoberfest bringing visitors to Anacortes and stimulating the downtown area.

Mr. Bunzel and Ms. Gabrielse presented Executive Director Hyde with the award. Executive Director Hyde thanked the Chamber and observed the Boat Haven would not have been selected for Trawlerfest without the assistance of the Chamber of Commerce and Mr. Bunzel, and the cooperation with the City of Anacortes.

SPECIAL GUESTS

Executive Director Hyde introduced John Herzog of GeoEngineers and Vladimir Shepsis of Coast & Harbor who provided the Commission with a presentation of the overall Former Scott Site / Seafarers' Memorial Park from start to finish, including all aspects of both upland and in-water work for the project. Mr. Herzog noted their professional papers on the site had been accepted to a meeting of the marine terminal association where colleagues were impressed especially with the Port's ability to complete this clean-up in the present economic conditions. Prior to this project, the Department of Ecology's average clean-up project was taking 15 years to complete, whereas the Scott Site was completed in just three years and provided a great economic stimulus. Both gentlemen expressed their pride in the project and honor at being a part of its success.

Executive Director Hyde noted the extensive clean-up could not have been accomplished without the support of the Port Commission. Commissioner Rubin thanked both presenters and all whom they represent who worked on the project.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the floor for public comment. Hearing none, the floor was closed.

CONSENT AGENDA

Commissioner Rubin read the consent agenda items: Approval of Minutes of the Regular Meeting & Budget Public Hearing of November 3, 2011, the Special Meeting/Port Community Roundtable of November 15, 2011, the Regular Meeting/Work Study Session of November 17, 2011, Special Meeting/Ribbon Cutting of November 17, 2011, and the Special Meeting/Ribbon

Cutting of November 21, 2011; Approval of Vouchers No. 12-1 through 12-120 totaling (\$2,030,858.23); and Approval of the October 2011 Treasurer's Report totaling \$15,750,496.56. He called for any objections to the consent agenda. Hearing none, Commissioner Rubin called for a motion for approval of the consent agenda. Commissioner Mooney moved to approve the consent agenda. Commissioner Short seconded the motion. Commissioner Rubin called for a vote on the motion, which carried unanimously.

REGULAR AGENDA

STUDY SESSION

Comprehensive Plan Addendum Update –

Executive Director Hyde noted information had been provided to the Commission in the meeting packets outlining the items to be included at the request of the Commission for a Comprehensive Plan addendum to reflect updates and accomplishments from the 2008 Comprehensive Plan. Among these were property acquisitions, deletion of mention of the "Jazz Festival" event, removal of the reference to demolishing Warehouse No. 4 which was repaired allowing its continued use rather than destruction, and completed projects. Further discussion is scheduled to the Commission's December 15th meeting.

Commissioner Mooney noted he would use that time to look closely at the South Basin area of the Boat Haven. He also observed that the new Puget Sound Rope office was listed as constructed at the East end of the warehouse and this should state it was constructed to the West. Executive Director Hyde will make the change.

Executive Director Year in Review Presentation -

Executive Director Hyde presented a year in review for 2011 to the Commission and those assembled. He highlighted the Port's accomplishments this year, which included:

- An increased number of jobs on Port property
- A fourteenth year in a row of clean audits with thanks to Director of Finance & Administration Johnson
- Operating trends showing steady growth with revenues of approximately \$8 million in 2006 to a projected \$13.7 million for 2012
- Treasury fund balances tracking between \$12-14 million

Executive Director Hyde noted the Port of Anacortes and its staff have a higher production than other similarly sized class A ports. The Port's staff of 27 generates \$368,000 in revenues per full-time equivalent employee.

- Tax revenue as a percentage of operating revenues continues to trend lower at between 4-5%, meaning the Port generates 95% of its revenues.

Executive Director Hyde reviewed the Port's operating areas:

- The Port's Anacortes Airport is relatively quiet with commercial flights down from prior years.
- At the Marine Terminal, bulk ton shipments will hit target amounts by year's end with budgeted amounts coming in at or above expected amounts, thanks to Director of

Operations & Facilities Hachey. The Wyman's Ramp is doing very well with increased activity, and Dockage is up from last year as well.

- The Transit Shed Event Center actually showed a small profit for 2011 with 36 events and a total gross income of \$40,000 projected.
- At the Cap Sante Boat Haven, boat launches are down 9.4% with fewer smaller boats using the launch, although launch revenues were down only 6%, an indicator that boats the Port is launching are larger.
- The 12 for 11 month moorage plan instituted by the Commission last year for 2011 now has 40 accounts taking advantage of the reduced rate for upfront payment.
- Guest moorage or transient moorage was up significantly, increasing 15.4% to approximately 13,000 boat nights. Staff estimates the maximum number this could expand to in the Boat Haven's current configuration is 15,000. Executive Director Hyde credited the increase in part to the "Anthony's effect" and noted the Port is building a destination marina at the Boat Haven.
- Along those lines, newly instituted at the Boat Haven is a reservation system for moorage.
- Fuel dock sales are leveling out after several years of growth, with the number of vessels fueling up 6%.
- There are 30 boats on the Boat Haven's wait list for moorage.
- The Boat Haven experiences very little crime with minimal thefts, Port security patrols the docks nightly.
- Properties – The Port's recent purchases near 3rd Street and of the dog park property near the Boat Haven are close to closing.

Executive Director Hyde extolled the Port's staff. Accounts Receivable Specialist Siechen was named 2010 Employee of the Year; Marina Operations Brad Johnson was honored as a Real Hero by the American Red Cross for his assistance in a rescue of capsized youth sailors; and Director of Finance & Administration Johnson was recently awarded a grant from the Washington Public Ports Association for continuing education.

New facilities or major improvements in 2011 included:

- Anthony's Restaurant
- Improvement to "T" Avenue and low impact development
- The redesign and replacement of Wyman's Ramp with input from barge operators
- Seafarers' Memorial Park Clean-up, a herculean project of more than \$30 million
- The new Stormwater Conveyance System at Pier 2, which sets that Pier up to meet standards for at least the next 50 years, achieved with the cooperation of the City of Anacortes and the support of the Port Commission.
- The new office building for tenant Puget Sound Rope
- Needed tree trimming at the Airport
- The soon to be completed replacement of "E" & "F" Docks, with the new floats being fabricated by Bellingham Marine in Ferndale. The project is currently ahead of schedule. He noted the new slips are perfectly sized to the Port's waitlist and demand.

Also of note is the new U.S. Navy contract with Dakota Creek Industries which could lead to additional jobs for the shipyard. Port tenant Transpac is looking to site a permanent facility on Port property.

Events sponsored by the Port during 2011 included the Opening Day of Boating Season, the Boat Haven Summer Concert Series, The Workboat Races & Pirate Faire, the Community

Celtic Christmas Celebration, and two floating boat shows at the Boat Haven, which was named a certified clean marina for the third year in a row. Executive Director Hyde praise the Port's summer staff members at the Boat Haven and operations as the best ever and great ambassadors. He noted the Port's goal is to have the best marina and be the best small port in America, and explained that the Port trains staff to go the extra mile for tenants and visitors.

Executive Director Hyde responded to questions and comments from the Commission, who noted the positive feedback they had received from visitors and tenants to the Boat Haven. Commissioner Hopley noted that the quality of the Port's staff does not happen by chance, but was a culture created by Executive Director Hyde from the top down with an emphasis on service. Executive Director Hyde noted the Commission also sets the tone for the Port and for staff and that he appreciated the opportunity to serve and the Commission's granting him authority. Commissioner Rubin noted Executive Director Hyde had brought respect back to the Port and extolled his many board positions and community leadership involvements, such as the Economic Development Association of Skagit County (EDASC), the Chamber of Commerce, Toastmaster's, Kiwanis, and a presenter at WPPA.

COMMISSION DISCUSSION

There were no discussions at this time.

COMMUNICATIONS

WPPA Legislative Report –

Commissioner Rubin reported he attended the Washington Public Ports Association Legislative Committee meeting in Olympia on November 18, 2011. He explained that the legislature was back in special session to try to deal with the economy and address budget shortfalls. Commissioner Rubin noted that Model Toxics Control Act (MTCA) funds were among those that would be targeted by the legislature for sweeping as needed to help address budget needs. WPPA has made preservation of the MTCA funds a high priority since that funding is for supporting clean-up efforts, as well as CERB funding.

Commissioner Niver reported on the Skagit Council of Government (SCOG) progress following some reorganization of that entity with positive results.

The Port's Transit Shed Events for November:

- December 2-4 – Island Hospital Foundation Festival of Trees
- December 10 – Community Celtic Christmas Concerts (4 p.m. and 6:30 p.m.) with Boat Parade at 5:30 p.m. This event is free to the public with donations accepted for local food banks, the Anacortes Youth Arts, and Toys for Tots.

Community Tour – The next tour of Port projects will be held December 12th, starting at 4 p.m. at the soon to be completed E & F Docks at Cap Sante Boat Haven.

UPCOMING MEETINGS

Executive Director Hyde reviewed the Commission's upcoming meeting schedule. Members of the Commission and Port staff will be attending the WPPA Annual Meeting in Bellevue, WA December 6-9, 2011. The second regular meeting in December will be held on the 15th. The

first regular meeting in January, 2012 is scheduled for January 5th, 2012 at 7:00 p.m. and will include the oaths of office for Commissioners Eberle and Mooney.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the public comment period. Hearing no one with a desire to address the Commission, the comment period was closed.

EXECUTIVE SESSION

Commissioner Rubin announced the Commission would take a short recess and then move into Executive Session for the purpose of considering a personnel issue – review of a public employee. The expected duration was up to one hour and Commissioner Rubin noted that action might or might not be taken. The Commission entered into Executive Session at 9:00 P.M. At 9:19 P.M. the Commission came out of Executive Session and resumed the regular meeting. Commissioner Rubin announced that no action would be taken regarding the personnel consideration discussed at this time.

ADJOURNMENT

With no further business to come before the Commission, Commissioner Niver moved to adjourn, which was seconded by Commissioner Mooney. Commissioner Rubin called for the vote on the motion, which carried unanimously and at 9:20 P.M. the meeting adjourned.

Attest:

Keith Rubin, President

Pat D. Mooney, Vice-President

Ray Niver, Secretary

Bob Eberle, Commissioner

William L. Short, Commissioner

Julie Johnson Lindsey, Executive Assistant
December 1, 2011