

Port of Anacortes
Regular Commission Meeting
July 21, 2011

The Port Commission of the Port of Anacortes held its regular study session meeting at 7:00 P.M. on the evening of July 21, 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 Operations & Facilities Hachey, Project Manager Dossen, and Executive Assistant Lindsey.

CALL TO ORDER

At 7:00 P.M. Commission President Rubin called the regular meeting of July 21, 2011, to order and welcomed all in attendance. He announced that following the second public comment period, the Commission would take a brief recess and then move into an Executive Session to consider lease, sale or purchase of real property. The Executive Session was anticipated to last for up to one hour and that action might or might not be taken.

SPECIAL GUEST

Commissioner Rubin introduced Evelyn Adams of Transition Fidalgo, who thanked the Commission for inviting her to speak. She explained that the Transitions movement began in 2006 in the United Kingdom and rapidly spread around the world. Transition Fidalgo, 79th in the U.S., is part of a fast-growing number of communities embarked upon learning to live more sustainably. The goal of the group is to prepare people and communities for life beyond fossil fuels, which are rapidly being depleted. Across the country and around the world, Transition communities are building future resilience by growing their own food, re-learning basic skills, localizing economies, re-thinking transportation, installing solar panels, all while reducing reliance on fossil fuels and promoting the use of clean energy. Citing the world's national academies, Ms. Adams noted we are experiencing a de-stabilized climate and although the planet has always experienced some extreme weather events, their rarity is no longer the case. She noted the earth's temperature has risen more than a degree Celsius, the oceans have lost 40% of their phito-plankton, and sea levels are their highest in 21 years. This is believed to be due in part to emissions. Also an issue is the dwindling supply of dependable, fossil fuels with global oil production declining, having reached its peak in 2006.

Locally, Transitions Fidalgo seeks to educate the community about climate conditions and bring awareness to how the shortage of fossil fuels will impact local businesses and tourism. Ms. Adams noted the Transitions movement holds out a positive vision of a scaled down energy future. The group meets the last Tuesday of every month at 6 P.M. at the Anacortes Senior Center. The next program, a 7th generation supper, will feature Eric Shinn, a retired mechanical engineer speaking on "A Tale of Two Futures – how our choices determine the future of our community and world." All are welcome to attend.

Commissioner Rubin thanked Ms. Adams for her articulate and knowledgeable presentation. He asked if there was anything the Port should be doing to improve. Ms. Adams noted that Transitions Fidalgo had an Energy Reliance Assessment to help businesses look at all variables. She will provide the information to the Port.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the floor for public comment pertaining to items on the regular agenda. Hearing none, the floor was closed.

CONSENT AGENDA

Commissioner Rubin read the Consent Agenda, containing one action item, Authorization for Consultant Services for Annual Biological Monitoring of the Fidalgo Bay Eelgrass and “O” Avenue Mitigation sites. This monitoring is a requirement by state and federal agency permits for Project Pier 1. Commissioner Rubin called for any objections to the Consent Agenda, hearing none, he called for a motion. Commissioner Mooney moved to approve the Consent Agenda. Commissioner Niver seconded the motion. Commissioner Rubin called for a vote on the motion, which carried unanimously.

REGULAR AGENDA

2011 Appointment of Commission Delegate to the Port/City Liaison Committee –

Commissioner Rubin noted that Commissioner Hopley had recently resigned from the Port/City Liaison Committee. He stated he did not wish Commissioner Hopley to think it was the Commission’s desire to remove him. Commissioner Hopley noted the discussion prior to his resignation was unpleasant and thus he chose to resign.

Commissioner Rubin opened the floor for nominations by the Commission for a successor to the Port/City Liaison Committee. Commissioner Hopley nominated Commissioner Rubin. Commissioner Short nominated Commissioner Mooney. Hearing no other nominations, the floor was closed. Commissioner Rubin called for a vote on each nomination. Commissioner Rubin received three votes and Commissioner Mooney two votes. Commissioner Short moved to designate Commissioner Rubin as the second delegate to the Port/City Liaison Committee for the remainder of 2011. Commissioner Niver seconded the motion. Commissioner Rubin called for a vote on the motion, which carried 3-2 with Commissioners Short and Mooney opposed.

Request for Additional Funding for Pier 2 Stormwater Management System Project, Project #MRT-12 –

Executive Director Hyde introduced Project Manager Dossen who assisted in reviewing the item, requesting authorization for additional funding for project elements associated with repairs and containment of the leaking City of Anacortes 24” sewer outfall pipe under the Pier 2 detention basin, to be completed as part of the Pier 2 Stormwater Management System Project. In order to proceed with the construction of the new detention basin, the leaking City of Anacortes sewer outfall pipe must be repaired. The Port and City have developed a plan to stop and contain the leak so that construction can continue. The work involves installation of a below grade concrete slurry wall north of the detention basin to stop and prevent effluent from backing up in the detention basin. The requested cost of \$221,000 will be deducted from the executed Interlocal Agreement with the City for sulfur shipments, as this is their pipe.

Construction authorization for the Project is currently \$2,176,000. Of that total, \$125,000 was designated as contingency funds. The Port has spent \$60,000 of those contingency funds in working towards finding the leak.

Members of the Commission expressed an interest in viewing the excavation and leak. Executive Director Hyde extended an invitation for any Commissioner to tour the site firsthand.

Following a brief discussion, Commissioner Rubin called for a motion. Commissioner Mooney moved to authorize an additional construction budget totaling \$221,000 to be spent from the Property Sales Proceeds Fund to complete the Pier 2 Stormwater Management System, Project #MRT-12, which will be reimbursed from sulfur revenues within 5 years. Additionally, this \$221,000 will be deducted from the Interlocal Agreement executed between the Port of Anacortes and the City of Anacortes for sulfur shipments, or the Waste Water general facilities charge. Commissioner Short seconded the motion. Commissioner Rubin called for a vote on the motion, which carried unanimously.

STUDY SESSION

2012 Capital Improvement Plan Review -

Executive Director Hyde reviewed the list of non-discretionary and discretionary projects presented to the Commission at the June 2nd and July 7th regular meetings, noting those non-discretionary projects which needed to be done within two years, totaling approximately \$2.75 million, and those that should be done within 3-10 years, totaling approximately \$22 million, and discretionary projects, totaling \$5.5 million.

Executive Director Hyde introduced Director of Finance & Administration Johnson who noted that following the July 7th discussion, updates were made to include \$17,000 for build out of Port properties and \$200,000 was included as grant revenues. Executive Director Hyde reviewed the need for reducing a backlog of deferred maintenance and staff's recommendation to spend approximately \$1.8 million or more each year on capital renewal of infrastructure.

Commissioner Rubin noted that the next item was closely tied to funding for improvements.

DISCUSSION ITEM

5-Year Tax Planning Strategy –

Executive Director Hyde provided the Commission with a tax fund matrix noting the potential uses of the Tax Fund as outlined in Port Resolution No. 1147 as for funding industrial land acquisition and development, environmental costs, debt service for general obligation bonds, and public access improvements.

The Commission discussed the matrix and found the methodology to be sound. Following a further discussion of the non-discretionary projects, and funds received from taxes, The Port has collected \$530,000 in taxes the past five to six years, accounting for approximately 5% of the Port's revenue.

Commissioner Rubin polled the Commission on their input regarding taxes for 2012. The unanimous consensus of the Commission was that no change in taxes was warranted.

UPDATE

Memorials at the Port of Anacortes – Draft Policy-

Executive Director Hyde reviewed a draft policy for memorials on Port property as discussed and requested by the Commission at their July 7th meeting and requested Commission input.

Commissioner Niver noted that a memorial could be for a living person and that organizations might consider purchase and sponsorship of benches with possible placement along the esplanade at the Cap Sante Boat Haven. By contrast, he noted he would not want to see corporate sponsorship.

Commissioner Short observed that the Commission might consider expanding the policy to include art pieces or limit memorials to a nautical theme. He also wanted it specified that any memorial be moveable as needed.

Commissioner Hopley noted the policy as presented was well thought out and well written. He preferred to see the policy remain limited to benches initially. Commissioner Hopley stated he did not see memorials as a money generating item.

Commissioner Rubin stated that the Commission could choose to broaden the policy now or in the future. He agreed with Commissioner Niver that those other than the Port would pay for the memorials and also meet all criteria requirements.

Staff will make updates as suggested and bring the resolution back the Commission in August.

COMMISSION DISCUSSION

Special Meeting of the Washington Public Ports Association -

Commissioner Rubin noted that members of the Commission and Executive Director Hyde had received correspondence from Eric Johnson, Executive Director of the Washington Public Ports Association (WPPA) reporting on the possible purchase of the building that houses WPPA in Olympia. The building is in a highly desirable location, close to the State Capitol. The WPPA Executive Board has requested a special meeting of the Trustees representing all of the member port districts to vote on the purchase on August 19th in Olympia. Commissioner Rubin stated the Commission would need to take action at their next meeting regarding support of the purchase and selecting a Commissioner to attend if the Port's WPPA Trustee or alternate were not available. He and Commissioner Short both observed that at the WPPA Spring meeting the majority of the Trustees were in favor of the purchase.

Skagit Council of Governments (SCOG) -

Commissioner Niver reported that at a recent SCOG meeting, the proponents of the proposed Pacific Gateway Terminal at Cherry Point gave a presentation regarding the project which they wished to build on over 1,000 acres at a cost of approximately \$600,000,000. They anticipate 4,000 jobs would be created in the building of the facility with approximately 1,600 jobs thereafter, contributing roughly \$10 million in year to state and local taxes. Impact concerns for the project have been raised in regards to the environment, traffic, and safety.

COMMUNICATIONS

Executive Director Hyde updated the Commission on the following items:

The Port's popular free Summer Concert Series starts Friday, July 22nd in its new location at the Seafarers' Memorial Park. Jesse Colin Young will be appearing August 6th at the Seafarers' Memorial Park. This paid concert is separate from the free Friday night concerts with tickets available at brownpapertickets.com or by calling the Snohomish Artists Guild. Also returning to the Boat Haven this summer are the Central Pier performances, two hour entertainments each Saturday and Sunday in July and August. Those interested in performing may contact Executive Assistant Lindsey at the Port's main office for more information,

Community Tour – The next tour of Port projects will be held August 8th, starting at 4 p.m. meeting at the Port' Main Office, 1st & Commercial Avenue. The tour will include information regarding the Marine Terminal.

Upcoming Transit Shed Events – The Anacortes Arts Festival will occupy the Transit Shed for a concert on July 22nd and preparations for their opening to the public July 29th- August 7th.

UPCOMING MEETINGS

Executive Director Hyde reviewed the Commission's upcoming meeting schedule. The first regular meeting in August is scheduled for August 8th at 7:00 p.m. The second meeting in August will be held August 18th at 7:00 p.m.

PUBLIC COMMENT PERIOD

Commissioner Rubin opened the public comment period for items not on the regular agenda. Hearing no one with a desire to address the Commission, the public comment period was closed. He called for a short recess prior to entering into Executive Session to consider lease, sale, or purchase of real property. The Commission recessed from 8:39 P.M. to 8:45 P.M.

EXECUTIVE SESSION

The Commission entered into Executive Session at 8:47 P.M. At 8:59 P.M. The Commission came out of Executive Session and resumed the regular meeting. Commissioner Rubin announced that no action would be taken at this time regarding the matter discussed.

ADJOURNMENT

With no further business to come before the Commission, Commissioner Mooney moved to adjourn, which was seconded by Commissioner Short. Commissioner Rubin called for the vote on the motion, which carried unanimously and at 9:00 P.M. the meeting adjourned.

Attest:

Keith Rubin, President

Pat D. Mooney, Vice-President

Ray Niver, Secretary

Steve Hopley, Commissioner

William L. Short, Commissioner

Julie Johnson Lindsey, Executive Assistant
July 21, 2011