

**Port of Anacortes**  
**Regular Commission Meeting**  
**September 15, 2011**

The Port Commission of the Port of Anacortes held its regular study session meeting at 7:00 P.M. on the evening of September 15, 2011. This was a regularly scheduled Commission Meeting held in the Commission Meeting Room of the Port Main Warehouse Building, 1<sup>st</sup> & Commercial Avenue, Anacortes, Washington.

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

Also in attendance: Director of Finance & Administration Johnson, Director of Operations & Facilities Hachey, Accounting Manager Behan, Project Manager Dossen, and Executive Assistant Lindsey. Executive Director Hyde was excused. Director Johnson served as Acting Executive Director.

CALL TO ORDER

At 7:00 P.M. Commission President Rubin called the regular meeting of September 15, 2011, to order and welcomed all in attendance.

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

There were no items on the consent agenda.

REGULAR AGENDA

ACTION ITEMS

Construction Authorization for Cap Sante Boat Haven West Basin Redevelopment – E & F Docks Replacement, Project #CSBH-08D –

Director Johnson introduced Project Manager Dossen who reviewed the item, requesting Commission authorization for staff to proceed with construction elements associated with the replacement of E & F Docks at the Cap Sante Boat Haven. This project is partially funded by the Boating Infrastructure Grant Program, administered through the Washington State Conversation and Recreation Office and a grant from the Washington State Parks & Recreation Clean Vessel Program.

The replacement of E & F Docks is part of Phase 3 of the West Basin Redevelopment, which has included demolition, dredging and/or replacement of A Dock, B Dock, Docks O-P-Q, and Docks C and D. The replacement of E & F Docks was identified in the adopted 2011 Capital Improvement Plan and includes the demolition of the existing wooden docks, and procurement and installation of new concrete monolithic floats and accessories. The material procurement

section of the work was bid in early 2011 with Bellingham Marine Industries submitting the most responsive and responsible bid. They are currently building the new floats, scheduled for delivery to Anacortes in October.

Contract documents for installation of the new E & F Docks (including demolition of the old docks) were solicited to interested contractors through the Port's public works bid process in August. Eight contractors submitted bids ranging from \$1,333,359 to \$2,604,000, plus applicable Washington State Sales Tax (WSST). Culbertson Marine Construction Inc. of Anacortes submitted the lowest responsive and responsible bid at \$1,333,359 plus WSST of \$109,335.

Manager Dossen reviewed the project scope for the Commission, including an additional allowance of \$215,000 plus WSST for construction allowance for change orders. Construction oversight services from PND Engineers and Elcon Associates is estimated at \$100,000. With project administration costs, the total requested authorization is \$1,800,000.

Commissioner Rubin called for any discussion. Hearing none, he called for a motion. Commissioner Mooney moved to authorize a budget totaling \$1,800,000 to be spent from the General Fund for the Cap Sante Boat Haven West Basin Redevelopment – E & F Docks Replacement, Project #CSBH-08D. Partial funding of \$837,256 will be reimbursed to the Port from a Boating Infrastructure Grant and \$48,414 will be reimbursed to the Port from Washington State Parks & Recreation for the Portable Sanitary Sewer Pumpout System. Commissioner Niver seconded the motion. Commissioner Rubin called for a vote on the motion, which carried 4-0 with Commissioner Short absent.

Commissioner Hopley inquired about the location of the bond proceeds that will be used to pay for a portion of the new docks as well. Director Johnson noted the bond funds are in the Port's construction fund. Funds from the construction fund were moved into the General Fund to be paid from that fund.

Request for Emergency Funding to Repair the City of Anacortes Sewer Outfall as part of the Pier 2 Stormwater Management System Project, Project #MRT-12 –

Manager Dossen also briefed this item, requesting Commission authorization of additional funding for completion of repair of the City of Anacortes' leaking 24-inch sewer outfall pipe under the Pier 2 detention basin as part of the Pier 2 Stormwater Management System Project.

Manager Dossen explained that during construction and excavation for a new detention basin in June, the Port observed significant water influx into the excavated basin. The Port investigated the source and determined that the water was pumping into the excavated basin from multiple leaks in the City's buried sewer outfall pipe. In order to proceed with the authorized construction of the new detention basin in accordance with contract timelines, the sewer outfall had to be repaired. The Port worked with the City and the project contractor to develop a work plan to stop and contain the outfall leak. This involved exposing the outfall north of the detention basin and repairing it. Manager Dossen noted the Commission had authorized additional funding in the amount of \$221,000 to repair the City outfall at Pier 2 on July 21, 2011. The repair ended up costing more than originally estimated when the City changed the method of repair from using concrete to using and injecting foam gel. Staff is requesting authorization of an additional \$140,000 plus \$11,480 WSST for the repair, which was completed by the contractor on August 11, 2011 in order to resume work on the detention basin.

The funding, if approved, would come from the Property Sales Proceeds Fund and the cost of the repair will be deducted from the executed Interlocal Agreement with the City for sulfur shipments.

Commissioner Rubin called for any discussion. The Commission inquired about reimbursement from the City for this expenditure. Director Johnson explained there were a couple of options, one being a reduction of the funds that will be paid to the City for increased truck route traffic from the shipment of sulfur. Commissioner Hopley inquired about the status of sulfur shipments. Director of Operations & Facilities Hachey noted the Sulex storage plant is presently waiting for the sulfur to de-gas to a 55 parts per million reading as noted in their agreement with the Northwest Clean Air Agency. He observed the readings are very close to the 55 ppm number.

Commissioner Hopley noted he would have preferred the Commission be informed ahead of the expenditure being made. Commissioner Niver observed the Commission had discussed the possibility of an emergency expenditure as within the parameters of the Executive Director's authority when updating the resolutions that govern that authority. He explained the Executive Director can authorize a percentage of the total construction project as necessary. Commissioner Rubin agreed, but noted the Commission could come together for a special meeting in as quickly as 24 hours as needed. He noted he would bring the matter forward for more discussion at a future meeting. The Commission agreed it would be good to revisit that authorization.

Director Johnson reported that Executive Director Hyde, Director Hachey, Project Manager Dossen and he were on the site daily while the repair was being determined and implemented.

Hearing no further discussion, Commissioner Rubin called for a vote on the motion. Commissioner Hopley moved to authorize an additional construction budget totaling \$151,480 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 five years. Additionally, this \$151,480 will be deducted from the Interlocal Agreement executed between the Port of Anacortes and the City of Anacortes for sulfur shipments. Commissioner Niver seconded the motion. Commissioner Rubin called for a vote on the item which carried 4-0 with Commissioner Short absent.

### STUDY SESSION

#### Redistricting Report -

Commissioner Rubin noted this item had been removed from the agenda since the independent consultant performing the redistricting study for the Port was not available to attend. The consultant will attend the October 6<sup>th</sup> meeting

### COMMISSION DISCUSSION

#### Legislative Issues –

Commissioner Rubin reported the Washington Public Ports Association Legislative Committee would begin meeting in late September to put a legislative agenda together. He noted he had received a call from Representative Lytton who serves on the ferry caucus. She indicated she is very interested in having more than one shipyard compete for ferry contracts. Members of the

Commission noted Dakota Creek Industries was currently restricted from bidding on ferry contracts due to state regulations. The Commissioners also noted they did not have knowledge of the particular regulations. Commissioner Rubin explained the Commission would identify things they'd like to see worked on and turn them over to the WPPA Legislative Committee for more information and investigation of how regulations were determined or could be changed.

#### Governing Strategically –

Commissioner Rubin noted the Commission had become somewhat tactical in presenting information during Commission discussions. He stated he would like to discuss ways of governing more strategically. After a brief discussion, Commissioner Rubin stated the Commission will revisit the subject at a later date.

#### COMMUNICATIONS

Capital Improvement Projects (CIP) Report – Director Johnson reported the Commission recommended changes to the CIP following the last study session had been made and thanked the Commission for their input.

Community Roundtable - Commissioner Rubin reported he had met with Stephanie Hamilton, Executive Director of the Chamber of Commerce. The Chamber has agreed to host a community round-table meeting for the Commission and the public. This will be after the November elections so the new Commissioner-elect for District 3 will be able to participate, date to be determined. The Commission requested input on the format of the meeting. Commissioner Rubin will place discussion of the format on the October 6<sup>th</sup> meeting schedule.

Community Tour – The next tour of Port projects will be held October 10<sup>th</sup>, starting at 4 p.m. at the main Port office, 1<sup>st</sup> & Commercial Avenue. Tour topic to be determined.

#### UPCOMING MEETINGS

Director Johnson reviewed the Commission's upcoming meeting schedule. The first regular meeting in October is scheduled for October 6<sup>th</sup> at 7:00 p.m. The second meeting for October will be October 20<sup>th</sup> at 7:00 p.m.

#### PUBLIC COMMENT PERIOD

Commissioner Rubin opened the public comment period for items not on the regular agenda.

*1. Mr. Bill Bowman, 3809 37<sup>th</sup> Drive, Anacortes, addressed the Commission in regards to the Tethy's bottling plant. Mr. Bowman noted he had read in the newspaper that the Commission might be discussing Tethys and asked if anything had been discussed earlier in the meeting prior to his arrival.*

Commissioner Rubin stated the Commission did not have any discussion of Tethys on their agenda and did not discuss Tethys. He noted the Commission has requested more information from the City regarding Tethys. Commissioner Mooney believed the headline in the paper was misleading.

Mr. Bowman thanked the Commission.

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

ADJOURNMENT

With no further business to come before the Commission, Commissioner Mooney moved to adjourn, which was seconded by Commissioner Niver. Commissioner Rubin called for the vote on the motion, which carried 4-0 and at 7:47 P.M. the meeting adjourned.

**Attest:**

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Keith Rubin, President

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Pat D. Mooney, Vice-President

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Ray Niver, Secretary

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Steve Hopley, Commissioner

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William L. Short, Commissioner

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Julie Johnson Lindsey, Executive Assistant  
September 15, 2011