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A REPORT TO RESIDENTS OF THE ANACORTES PORT DISTRICT

# Port of Anacortes



1ST QUARTER 2010



## Port celebrates long-term lease with state ferries

The Port of Anacortes recently reached a new milestone in its long-time partnership with Washington State Ferries (WSF), signing a 20-year lease on the Ship Harbor parcel that serves as home to the San Juan Islands/Sidney, British Columbia terminal.

The Port and WSF boast a working relationship that dates back to February 25, 1959, when the state agency was known as the Washington Toll Bridge Authority.

The new lease, which was signed December 16, 2009, is retroactive to July 1, 2008. A prior lease expired in 2006, and then rolled over into a month-to-month tenancy until this lease was

successfully negotiated.

"It is exciting to confirm the continued partnership between the Port and Washington State Ferries," said Executive Director

Bob Hyde. "This community is proud of its long-standing contribution to the state's renowned scenic waterways system."

Hyde extends thanks to a team of "partners" too numerous to name.

"This lease comes as a result of hard work by a number of principals, including WSF officials David Moseley and Tim McGuigan," said Hyde. "On the local front, contributors include Mayor Dean Maxwell, city staff and the business community represented by the Chamber of Commerce."

Base rent of the 35-acre Ship Harbor parcel is \$375,700 per year. The new lease contains provision for two additional, consecutive 10-year terms, which would run to the end of June 2048.



This August 2009 photograph includes Port of Anacortes Cap Sante Boat Haven and deepwater terminals on the Guemes Channel. Pictured in the inset photograph is Anacortes Airport, a public facility also operated under the Port District umbrella. See a 2009 Year in Review on pages two and three.

## 2010 Port District Tours and Events

**Community tours.** The Port hosts community tours of projects and facilities beginning at 4 p.m. on the second Monday of each month. Attendees should meet outside the Dakota Creek office at the corner of 4th Street and "Q" Avenue.

**Anacortes Salmon Derby** March 26-28 – Cap Sante Boat Haven

**Anacortes Floating Boat Show** March 18-21 – Cap Sante Boat Haven

**Anacortes Waterfront Festival** May

14-16 – Cap Sante Boat Haven

**PassageMaker Trawler Fest** May 18-22 – Cap Sante



Boat Haven and Transit Shed

**Nordic Tug Rendezvous** June 10-13 – Cap Sante Boat Haven

**American Cancer Society Relay for Life** June 18-19  
Cap Sante Boat Haven

**Anacortes Workboat Races** July 17 – Pier 1

**Summer Concert**

Series July and August – Cap Sante Boat Haven, dates TBD

**Grand Opening, Anthony's Restaurant**  
August, date TBD

**Anacortes Arts Festival** August 6-8 – Transit Shed  
**Attitudes and Latitudes** August 13-15 – Cap Sante Boat Haven

**Grand Opening, Marine Skills Center** September, date TBD



## Burns named 2009 Anacortes Port Employee of Year

Dan Burns, a familiar face to all who frequent Cap Sante Boat Haven (CSBH), was recently named 2009 Port of Anacortes Employee of the Year.

Burns was honored by his fellow employees,

receiving the most nominations for the annual award.

Burns, who joined the Port team as a part-time security staffer in 2006, moved quickly to full-time status. Following a June 2009 promotion, he serves as boat launch and fuel dock supervisor.



Port Employee of the Year Dan Burns at Cap Sante Boat Haven.

"Dan is the 'Cool Hand Dan' of the marina," said Harbormaster Dale Fowler. "He is not easily flustered, even in peak season when it is not uncommon to interact with 100 people a day."

Burns, a native of Billings, Montana, was introduced to the Pacific Northwest during a 20-year career with the U.S. Navy. Sixteen of those years were spent at NAS Whidbey as an aviation electronics technician.

In the wake of his Navy career, Burns attended five months of training at the Washington State Reserve Law Enforcement Academy. He was then employed as a reserve deputy in the Island County Sheriff's Department. He moved to the LaConner Police Department from 1998, returning to the Island County Sheriff's Department in 2001. He continues to serve part-time there as a reserve sergeant.

Burns has worked in numerous capacities at the marina, taking over lead responsibilities at the new fuel dock when it opened in March 2008. He now supervises a staff including boat launch, fuel dock, dock attendants and seasonal summer staff.

In terms of responsibilities at an often hectic, potentially stress-charged marina, Burns said his

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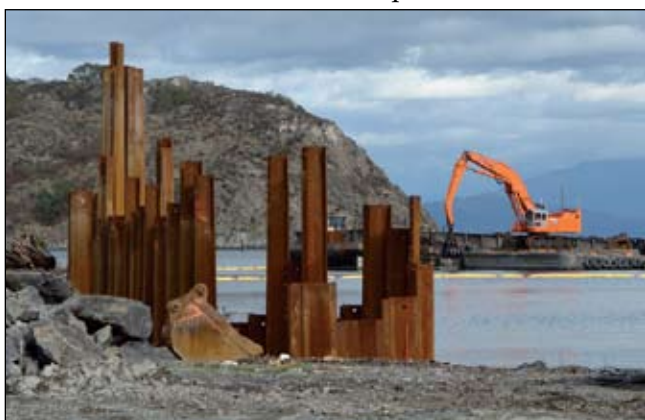
## Port of Anacortes Year in Review

Last year was a highly productive year for the Port of Anacortes, one in which we continued to meet long-term goals, strengthen old and form new partnerships, and advance our contribution as an economic engine in the region. At the Port of Anacortes, we recognize our unique ability and responsibility to further economic development and serve as a leader on environmental issues for the benefit of the entire Port District.

### 1. Third Environmental Cleanup Underway

For several years the Port of Anacortes has been working with the Washington State Department of Ecology (DOE) to clean up contamination at Port-owned properties. In conjunction with Governor Christine Gregoire's Puget Sound Initiative, the Port created a comprehensive framework called Focus Fidalgo to coordinate five different cleanup efforts on Port property.

By leveraging cleanup grant funding from DOE, the Port is pursuing an inclusive program to remove toxins from nearshore, upland and marine environments; restore critical aquatic habitat; create



Dredging at former paper mill site on Anacortes shoreline.

new public facilities and shoreline access areas, and generate new family wage jobs.

Unlike most hazardous waste cleanups, Focus Fidalgo integrates remediation, habitat restoration, redevelopment, and public access improvements into a single, well-planned and coordinated effort that will bring economic benefits along with an improved quality of life to our community.

In June of 2009, the Port broke ground on our third and largest major cleanup and restoration site. The site, once home to the Scott Paper Mill and generations of wood mill production, encompasses both upland and in-water removal of contaminants,



Environmental dredging as viewed from Cap Sante.

beach restoration, and improved public access.

The Port has partnered with DOE and with the Kimberly Clark Corporation, former owners of the site, to embark upon this \$28 million project. Aside from the benefits to the upland and marine environment, the project has already generated approximately \$1 million in wages and will generate

an estimated \$9 million more for local contractors and material suppliers – dollars that translate into hundreds of jobs and a substantial boost for our economy.

This project involves an extensive excavation and removal of creosoted pilings, wood waste, as well as



Port of Anacortes Executive Director Robert W. Hyde

“2009 was a remarkable year for the Port of Anacortes. We are proud of our commitment to the environment, to the economy and to our community. I am proud of our staff, people who put that commitment into practice every day. The accomplishments we've made will have a lasting impact, providing a firm foundation for those accomplishments we are committed to achieving over the next several years.”

contaminated in-water and upland soils at the Port District's Seafarers' Memorial Park.

This project, located adjacent to the Port's Cap Sante Boat Haven in the heart of Anacortes, includes complete shoreline reconstruction along a half-mile section of the waterfront to improve and restore the marine habitat.

The completed project will include enhancements to the shoreline esplanade, the creation of a new embayment and small craft harbor providing a beneficial launching and training area for small craft users. It will also provide improved pedestrian walkways, viewpoints and unique spaces for public gatherings.

Remaining Focus Fidalgo cleanup projects include the Pier 2 Log Pocket mitigation site and a former Shell gas and oil storage facility.

### 2. POA an Industry Leader

Our commitment to the environment and improving our economy doesn't stop at the borders of our Port district. In October of 2008 the Port completed the environmental cleanup and remediation of our marine terminal area leased to tenant Dakota Creek Industries (DCI). The clean-up portion involved the removal of 25,000 cubic yards of contaminated sediments. In order to minimize the historically high costs associated with disposal of the dredge spoils, Port staff and consultants engineered a series of new procedures for sorting, inspecting, cleaning, and drying the materials. These procedures have since garnered attention throughout the marine industry and will serve as a benchmark for others who embark on similar projects in the future.

Port of Anacortes Director of Engineering Bob Elsner serves as Co-Chair of the WPPA Environmental Committee and has been a featured speaker at numerous conference events, sharing this knowledge with other ports and municipalities.

### 3. New Revenue Streams Generated

Now just one year old, our newest addition at the Boat Haven is a state-of-the-art fuel float. The Port took over fueling operations from a former tenant with results exceeding expectations, generating a significant source of revenue and providing improved customer service and competitive prices to our boating community.

In order to insure adequate supply, the Port

installed two 15,000 gallon underground tanks. We have been busy refilling them ever since, pumping more than \$1.3 million worth of marine fuel in 2009.

Substantial improvements at the Boat Haven have continued to catch the eye of a number of boating groups as well. Already the second busiest public marina in Washington State, Cap Sante Boat Haven was selected as new "home" to the Passage Maker Magazine Trawlerfest, a recreational event showcasing the Port's new moorage for 66-foot and larger marine vessels. 2009 saw this event grow to new proportions, becoming the largest of all Passage Maker events nationwide.

Events such as these provide an injection of income not just to the Port, but to a wide variety of local businesses such as marine chandlery and repair, motels, stores, and restaurants.

In July 2009 we expanded our Summer Concert Series at the Boat Haven, providing another economic shot in the arm for local vendors and nearby retailers.

Public access at the Boat Haven, now more than ever a community gathering place, is a high priority



Crowd enjoys Summer Concert at Cap Sante Boat Haven.

for this gate-free, working waterfront. This stretch of shoreline is also home to a fleet of approximately 100 commercial fishing vessels, yacht charters, a passenger ferry, whale watching excursions, and what is now the largest annual Salmon Derby in the state, generating more than \$29,000 in local scholarship funding (see page four).

### 4. Public / Private Partnership

With an estimated completion date of early this year, Project Pier 1, a \$22 million public/private partnership with tenant Dakota Creek Industries, will contribute significantly to efforts to protect the quality of the environment. In addition, the project will enable DCI, a ship building and repair corporation and major employer of skilled labor in the



A tugboat under construction at Dakota Creek Industries.

Anacortes area, to expand its operations and nearly double its workforce. This redevelopment of a portion of our historic marine terminal facility and the adjacent shipyard property has already brought more than 100 additional family wage jobs to our

(Continued on page three)



## Port of Anacortes Year in Review

community, with an estimated 150 more to come upon completion in 2010, as well as numerous peripheral economic benefits to our region.

### 5. Marine Skills Center

More than a year in the making, the Port's exemplary Comprehensive Plan provides, among other things, a ground lease for a new Marine Skills Center scheduled to open September 2010



Marine skills center now under construction on "R" Avenue.

on the Port's Parcel One property.

Heralded as a significant contribution to the health and growth of the marine trades in our community, the Skills Center will be administered through Skagit Valley College, providing hands on instruction for students from Anacortes and surrounding school districts. The Port was among the leaders in bringing the Marine Skills Center to our community. Among those breaking ground in September were Port Executive Director Bob Hyde, Port Commission President Keith Rubin, officials from six area school districts and Skagit Valley College, and State Representative Dave Quall.

### 6. Public Access - P/Q Dock Small Craft Hoist

Also part of our Comprehensive Plan, the Port will begin construction later this month on a small craft hoist system at the Boat Haven. Stem-



New small craft hoist at Cap Sante Boat Haven.

ming from the valued input of our Marina Advisory Committee and community, the Port will remodel the P/Q Pier and adjacent upland area in order to install a 2-ton crane and hoist system for small, hand launch able vessels, such as sailboats.

Addition of the hoist, providing service to an estimated 200 or more small boaters, is expected to attract more boaters, events and boating dollars to our local economy.

### 7. Waterfront Development

Breaking ground recently at the Port's west basin is a new anchor tenant. Anthony's, an iconic full-service Northwest seafood restaurant chain,

will build their newest Home Port restaurant at the Cap Sante Boat Haven.

Anthony's is expected to employ 80 full-time



Groundbreaking for Anthony's restaurant.

year-round staff and an additional 40 full-time personnel during the summer season. The restaurant has been hailed as a much anticipated and welcome addition to our community.

### 8. An Air of Change

Over the past year, the Port-owned Anacortes Airport has been the site of both private and public economic development and improvement projects, including construction of state of the art hangars. These projects joined improved fueling operations, safety improvements, and the installa-

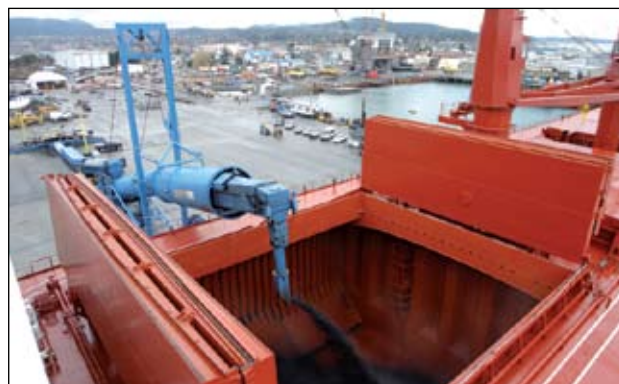


New hangar opening at Anacortes Airport.

tion of surveillance cameras. Pilots can log on to the Port's website to view airport weather conditions, among other data. Funding for these projects was provided in part by the Washington State Department of Transportation and the Federal Aviation Administration.

### 9. Natural Deep Water Terminal

Our natural, deepwater Marine Terminal has for generations been an integral part of the local economy. It provides shipping facilities for bulk commodities (predominantly petroleum coke, a byproduct of the local oil refining process, used



Petroleum coke loaded onto ship at Pier 2.

to create aluminum and other products). In this time of economic insecurity, the Port is gratified that our facilities are engaged by employers who provide more than 600 full-time jobs. Recently, local manufacturer T-Bailey shipped more than 7,900 metric tons of pipe casings destined for the

Port Mann Bridge project in Vancouver B.C., over our Pier 2 terminal.

### 10. Community

The Port of Anacortes values and requests input from our community. Based on the philosophy that an informed community makes better decisions, the Port offers regular tours of Port facilities and projects. The Port publishes both a monthly newsletter and a quarterly marina newsletter. Our newsletters, delivered via electronic and traditional mail service to residents of the Port District, provide information on Port activities and meetings, as well as current projects and



Banquet setting at Port's "Transit Shed" Event Center.

developments.

Anacortes is also among the Port Commissions that film meetings for viewing on local television and provide DVDs of the meetings for checkout from the public library. We are truly immersed in our community.

Our facilities and waterfront properties are home to numerous community events, including the popular Anacortes Waterfront Festival and the Anacortes Arts Festival, significant contributors to our local economy. Certainly not least in our involvement within the community, the Port has hosted the American Cancer Society's annual Relay for Life since 2007.

Our historic main warehouse building, the "Transit Shed," is the largest indoor facility in Anacortes and can accommodate more than 300 people. The Port was among the sponsors of the inaugural Anacortes Work Boat Races this year, with more than 1,500 people lining the Marine Terminal to cheer on some of the hardest working vessels in Puget Sound.

### 11. Productivity

Involvement in our community doesn't diminish our commitment to quality and productivity. The Port of Anacortes is the highest revenue producing Class A Port per full-time employee at \$359,000/FTE. In the wake of honors as Washington Public Ports Association 2008 Port of the Year, we continue to move forward, meeting goals through a commitment to thorough planning, connection to community, and a win-win attitude that fosters successful results.

2009 was a remarkable year for the Port of Anacortes. We are proud of our commitment to the environment, to the economy and to our community. I am proud of our staff, people who put that commitment into practice every day. The completion in 2010 of Anthony's Restaurant, a new breakwater and park, a new marine skills center, and a new small boat hoist, will place Anacortes at the forefront of the Puget Sound marine community. To quote Benjamin Franklin: "Well done is better than well said." At the Port of Anacortes we are indeed getting things done.

*Robert W. Hyde, Executive Director*



**New on the waterfront.** Among recently completed projects on Guemes Channel Port properties are the Dakota Creek Industries pier (above) and public amenities at the "O" Avenue Park, a JDF (state Department of Commerce) project (below). The pier will expand DCI project capabilities, providing opportunity for more family-wage jobs.



## Port seeks input from public

Anacortes Port Commissioners and staff regularly seek input from the community. In addition to open commission meetings, the Port reaches out via such practices as facility tours, presentations to service clubs, comprehensive plan meetings and "round table" sessions with the Chamber of Commerce and local businesses. Pictured above are members of the Cap Sante Boat Haven Advisory panel. See [www.portofanacortes.org](http://www.portofanacortes.org) for more information.

## Burns Employee of Year

*(Continued from page one)*

law enforcement training serves him well.

"This is a fun job for service to the community," he said. "We're working hands-on with our customers all day. It can be stressful, but I always say: 'One customer at a time'."

Burns said he encourages fellow marina staff to "treat each boat like it was your own. That way we're most likely to keep the customer satisfied."

The Employee of the Year said he was "completely surprised" to hear news of his selection.

"I don't know how much customer input had to do with this recognition, but it's gratifying," he said. "It's nice to be recognized for your work."

The Employee of the Year announcement was made in late December at the Port's annual staff holiday party. He was subsequently acknowledged at a Port Commission meeting with a commemorative plaque.

His name will be added to a plaque on display in the Port District's Main Office. Last year's Employee of the Year was Teri Switalski.

## IN THE COMMUNITY

March 27-28, 2010

## Anacortes Salmon Derby

Scheduled March 27 & 28 is the 2010 Anacortes Salmon Derby, a scholarship event established in 2007 by the Fidalgo Island Chapter of the Puget Sound Anglers. Partners in this event include the Port of Anacortes, which provides support including promotional rates for moorage and launching (reserve early).



Derby Chairman Jay Field reports that \$25,000 in cash prizes will be awarded this year, plus thousands of dollars



worth of merchandise. Top prize for the largest salmon has been increased to \$15,000. Second place will bring \$5,000; third place and secret weight, \$2,500 each. Tickets remain at the family-friendly price of \$50.

Last year the Derby resulted in distribution of more than \$20,000 in scholarships.

"In addition to providing scholarships from this event," said Field, "we have created another recreational opportunity for families which allows us to showcase the public marina, its facilities, and our downtown area. Only 1,000 Derby tickets will be sold for this event, starting February 1; local sales at Ace Hardware in Anacortes.

See [www.anacortessalmonderby.com](http://www.anacortessalmonderby.com) for details.

### Mission Statement

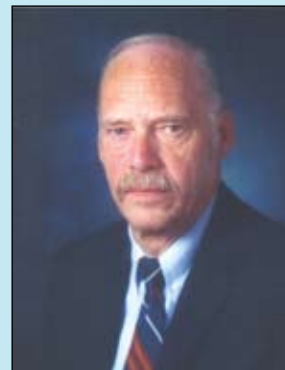
In partnership with public agencies and private business, develop and manage facilities and services which stimulate private job creation and commerce, while protecting the quality of life, needs and desires of area residents.



**Keith Rubin, District 5  
President**



**Pat Mooney, District 4  
Vice President**



**Ray Niver, District 1  
Secretary**



**Steve Hopley, District 3**



**Bill Short, District 2**

**Public Information:** Port Commission meetings are broadcast on public access cable Channel 10 on Wednesdays and Saturdays at 9 a.m., 2 p.m., and 7 p.m. Streaming video of sessions will soon be available on Skagit County Public Access Channel 21.

**Online Information:** Typically, Commission action taken will be posted to the Port website 1-2 business days after the meeting ([www.portofanacortes.com](http://www.portofanacortes.com)). Items are listed chronologically. To view actions taken at the Commission meetings, choose the meeting in which the action took place and then click on the underlined link to the right of the date. Actions taken are shown throughout the agenda.

**Included on the website** under the "News" tab are press releases, and PDF copies of Port newsletters: "Inside the Port of Anacortes" and "The Dock Walker."

**Also available** on the website is information regarding port facilities, tenants and links, public works, employment and contact numbers.



## PORT OF ANACORTES

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**Port Commissioners**

**Steve Hopley Pat Mooney Keith Rubin**

**Ray Niver Bill Short**

**Executive Director Bob Hyde**

The Port of Anacortes Commissioners meet in public session at 7 p.m. on the first and third Thursday of each month, in the Commission Meeting Room, 1st and Commercial Avenue.

[www.portofanacortes.com](http://www.portofanacortes.com)