

**MINUTES OF THE PORT OF BELLINGHAM SPECIAL COMMISSION MEETING
HELD WEDNESDAY, JUNE 6, 2019
SQUALICUM BOATHOUSE, 2600 N. HARBOR LOOP DRIVE
BELLINGHAM, WASHINGTON**

Present:

Bobby Briscoe	President
Ken Bell	Vice President
Michael Shepard	Secretary

Staff:

Rob Fix	Executive Director
Sunil Harman	Aviation Director
Brian Gouran	Environmental/ Planning Director
Don Goldberg	Economic Development Director
Tamara Sobjack	Finance Director
Elizabeth Monahan	Human Resources Director
Shirley McFearin	Real Estate Director
Greg Nicoll	Senior Engineer
Alan Birdsall	Marinas Manager
Scott Crocheron	IT Manager
Alex Hildreth	Maintenance Manager
Mike Hogan	Public Affairs Administrator
David Warter	Marine Terminals Manager
Chris Clark	Marine Terminals Business Development Manager
Alan Birdsall	Marinas Manager
Andy Peterson	Blaine Harbormaster
Kyle Randolph	Squalicum Harbormaster
Diane McClain	Executive Secretary

Guests: Paul Burrell, Sound Pacific Seafood and Peter Border, Marina Advisory Committee member

CALL TO ORDER AND ROLL CALL

On Thursday, June 6, 2019, in the Squalicum Boathouse, 2600 N. Harbor Loop Drive, Bellingham, Washington, a Special Commission meeting/ Budget Retreat was called to order at approximately 8:30.am. All three Commissioners were present.

Introduction: Executive Director Rob Fix and Finance Director Tamara Sobjack explained the timeline and the process for developing the Port's Annual Strategic Budget involves planning for upcoming projects and expenses, taking into consideration public benefit vs. financial return.

The purpose of the special meeting is an informal opportunity for the Port Commission and senior staff to review the Port's ongoing budget, major capital projects, current debt balance & payments, revenues and expenses, present and future budget constraints, 2019 property tax source and use, cash flow and unfunded capital projects.

For purposes of developing the Port's 2020 Strategic Budget, the bulk of the meeting included divisional reports from and discussions with Real Estate, Waterfront District, Aviation, Marinas, Marine Terminals, Economic Development, Planning and Human Resources staff.

Real Estate Director Shirley McFearin presented an overview of the Port's Real Estate holdings, expected revenue enhancements, potential expansion and condition assessments, tenant occupancy of Port facilities at 98.37%, Blaine industrial area condition, improvements and real estate proposed major capital projects over \$250,000.

Bellingham Waterfront Acquisition Site (BWAS) – Environmental and Planning Director Brian Gouran explained 2020 focus on waterfront development i.e. the Whatcom Waterway Phase 2 design-ASB Cleanup, Lignin site redevelopment/Millworks project, ongoing support of Harcourt projects, encouraging interim uses, providing safety and public access to the waterfront site.

Aviation Director Sunil Harman reported on the budget impacts to challenging market conditions, route expansion objectives, enplanements, budget strategy, 2020-2025 capital projects and expenditures, identifying and prioritizing FAA AIP projects keeping in compliance and funding considerations.

Marinas Manager Alan Birdsall, Squalicum Harbormaster Kyle Randolph and Blaine Harbormaster Andy Peterson presented information on occupancy in the marinas, recreational demand, Blaine and Squalicum harbor major capital projects, and moorage model review. The Commission and staff discussed moorage supply and demand, wait lists and differentiation in the two marinas, major projects, demolition of abandoned vessels, new security access controls and the Lummi Nation Implementation Agreement.

Marine Terminals and the Bellingham Cruise Terminal Manager Dave Warter presented projected 2019-2020 revenue, expenses, and major capital projects for both terminals.

Economic Development Director Don Goldberg discussed the Economic Development Tri funders (City, Port and County and State ADO Grant) 2020 proposed funding and goals.

Human Resources Director Elizabeth Monahan reported on the status of the Port's Self Insurance plan, Washington State Family and Medical Leave Act and upcoming implementation of a payroll program upgrade.


Other items discussed included maintaining the Port's reserves, considerations for high construction and repair costs, exploring delay option and/or work done in-house whenever possible.

The next steps to adopting the 2020 Strategic Budget may include another budget retreat in September, additional Commission review and discussion, a first draft Operating and Capital budget to be completed in August, 2020, the draft 2020 Strategic Budget document to be available for review and roll out to the public in October, and

two public hearings prior to presenting the final budget to the Commission for approval
November 19, 2019.

ADJOURN

The Special Commission meeting was adjourned at approximately 1:34 p.m.



Bobby Briscoe, President



Michael Shepard, Secretary