

**MINUTES OF THE PORT OF BELLINGHAM
COMMISSION MEETING
HELD TUESDAY October 22, 2019
THE ROTARY BUILDING
1751 FRONT STREET, LYNDEN, WASHINGTON**

CONSENT AGENDA
ITEM # A

Present:	Commissioners:	
	President	Bobby Briscoe
	Vice President	Ken Bell
	Secretary	Michael Shepard
Staff:	Rob Fix	Executive Director
	Brian Gouran	Environmental & Planning SVCS Director
	Tamara Sobjack	Director of Finance
	Don Goldberg	Economic Development Director
	Shirley McFearin	Real Estate Director
	Greg Nicoll	Senior Engineer
	Alan Birdsall	Strategic Project Manager
	Brady Scott	Senior Property Manager
	Frank Chmelik	Port Legal Counsel
	Mike Hogan	Public Affairs Administrator
	Carey Jones	Executive Assistant

4:30 PUBLIC MEETING, ROLL CALL- At approximately 4:32 p.m., President Bobby Briscoe opened the public meeting and announced that all 3 Commissioners were present.

Advisory Committee Announcements

PUBLIC COMMENT PERIOD-

There was no public comment.

CONSENT AGENDA

- A. Approve the minutes of the October 8, 2019 regular scheduled meeting.
- B. Authorize the Executive Director to execute a one year extension of the Professional Services Agreement for the Flight Information Display System (FIDS) and Advertisement System with Terminal Systems International at the Bellingham International Airport (BLI).
- C. Authorize the Executive Director to sign a two year Services Agreement between the Port of Bellingham and Western Washington University (WWU) to fund Small Business Development Center services.
- D. Authorize the reallocation of \$50,000 from line 170 of the Draft 2020 Strategic Budget to the 2019 Strategic Budget to design the expansion of the Bayview Center Ballroom.
- E. Authorize the Executive Director to execute a FEMA Grant Program Agreement with FEMA and Washington Military Department Emergency Management Division, and subsequent acceptance of any grants approved for the purpose of reimbursement of costs incurred to repair damage incurred during the severe winter weather that occurred in late December 2018.
- F. Commission's authorization to sell vessels, pursuant to Resolution No. 1349.

Motion to approve Consent Agenda items A & B, D – F.

Discussion: Consent Agenda item C was pulled, due to the agreement was already executed at an earlier Commission meeting. There were no other comments.

Motion approved 3-0 Vote

PRESENTATIONS

1. BP Cherry Point Update

Environmental Engineer Jim Verburg stated that British Petroleum (BP) is a key member of the community in which BP operates. They are very interested in being positive contributors in the community; while being safe, environmentally friendly, and contribute to the global economy in a positive way. BP has 70,000 employees, 14,000 of those employees operate in the United States. BP is committed to operate in the United States.

Jim shared the dual energy challenge is driven by a few factors; the global energy demand, population growth, a rising middle class, and climate change. Their goal is to meet the energy needs, while doing it in a low carbon future economy.

Reducing emissions is about how they operate their facilities and assets. Their goal is to lower emissions and their carbon footprint. They have a target of zero net growth by 2025, they are 2/3 of the way there.

They are focusing on improving their products to help consumers lower their emissions. Consumers use about 40 million metric tons a year of fossil fuels. One of their newest projects is turning animal fat into diesel fuel (renewable diesel).

BP is partnering with Fulcrum BioEnergy, Inc., and turning municipal waste into Jet Fuel by using a chemical process (Fischer-Tropsch). They are working with a company in Brazil to turn sugarcane into Ethanol, which is a low carbon option to corn and will reduce emissions by 70%. They have a partnership with a solar company out of Colorado called Lightsource that installs solar farms. They are working with this company on building the largest solar farm in Colorado. Another project BP is investing in is Fast Charging.

The key to BP's success is to reducing emissions, improving energy efficiency, and carbon pricing.

Discussion: Vice President Ken Bell asked what BP is doing with the flares. Jim responded, they are capturing the gas.

Secretary Michael Shepard said he appreciates the jobs, the economic impact and the partnership that BP has on the local community. Commissioner Shepard addressed the need for carbon reduction in the energy industry. Commissioner Shepard said he would like to see a partnership with BP and the Port on local solar energy projects.

Commissioner Bell asked what the Port can do for BP. Jim responded by keeping the dialog going with local governments and the County Council.

President Bobby Briscoe asked, does the local renewal energy project need a larger footprint for the facility that is currently available at the BP Cherry Point refinery. Jim responded potentially yes. Commissioner Briscoe thanked Jim for coming and sharing what BP is doing locally and globally.

Commissioner Bell thanked Jim for the presentation and BP for being a model business in the local community.

2. Q3 Financial & Budget Update

Director of Finance Tamara Sobjack gave a brief update on the Stormwater Program, Safety Report YTD, Public Records Requests, and Risk Management Activities. Then Tamara covered the Q3 2019 Financial results and 2020 Budget Update.

Discussion: Vice President Ken Bell said his concern is the revenue projection is a bit optimistic. Tamara said there are some variable costs that are included. If the Port sees a decline, it can be addressed on the expense side. Commissioner Bell said the airlines are not helping. Executive Director Rob Fix said it is important to note that Plane Field is capped at the amount of flights it is allowed per day. It is going to take years of environment study before they will be able to increase that cap. President Bobby Briscoe agreed with Rob, and said to get a project done at Plane Field is going to take a minimum of 5 years.

Commissioner Bell asked if the Port is seeing any decline in the number of boats in the Marina. Rob said no, it's just the opposite; Squalicum is full and they are seeing unexpected growth in Blaine. Commissioner Briscoe said it is partly due to pushouts from other ports coming to Whatcom County for a more desirable place to live and work.

Rob reminded the Commission that the Port received approximately 80% of the shipyard revenue from the bank through September until the end of the lease. There is no revenue now associated with the shipyard. The Port is marketing the site and hoping to secure a lease for 2020.

Commissioner Briscoe asked if the rocks are included in the 2020 budget, Tamara and Rob confirmed that it is included.

Commissioner Briscoe asked why the audit costs are higher. Tamara said the increase in costs are due to an increase in labor rates.

Commissioner Bell said one item on his plate for the 2020 Budget is for the container operations. Rob said there is allotted funds to do a grass area to put the containers around, and to put in some bathrooms. The plan is to speak with the private sector to bring in the containers; if that does not work out the plan is to come back to the commission. Commissioner Briscoe asked the size of the area they are planning to reserve for the containers, Rob said about an acre. Senior Engineer Greg Nicoll said the permits are about ¾ the way through the process and permits should be approved

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in 2 months. Rob mentioned that Bellingham needs to be a stop for the Red Bull Pump Track Series. Commissioner Bell brought up a discussion on class 'A' Real Estate and the need for it.

Commissioner Shepard asked when the Port should hear back on the BST Grant Update, Tamara replied late Spring of 2020. Commissioner Shepard asked if there is anything the Commissioners can do to help support for this grant. Rob mentioned that the Port hired a grant writer and he will keep the Commission in the loop as it moves forward.

The Commissioners and Executive Director had a discussion on the possible 1% property tax increase proposal.

5:30 PUBLIC COMMENT PERIOD-

There was no public comment.

3. Waterfront District Update- Subarea Plan Amendment

Environmental & Planning SVCS Director Brian Gouran gave a brief update on the Waterfront District; Subarea Amendment Process, City Council Review, and Next Steps.

Discussion:

Secretary Michael Shepard asked if the City Council approves the Sub Area Plan first, or jointly with the Commission. Brian said at this point in the process there is only a couple more meetings before the end of the year for both the City Council and the Commission. In order to get this adopted by the end of the year it needs to be moved along with little to no issues.

President Bobby Briscoe asked Brian if this implementation was city wide. Brian said they are contemplating it being a district only approach. Commissioner Briscoe said, how does the playing field stay level with that approach. Brian responded, in the Ports staff opinion it doesn't, they believe it should be a city wide approach. Vice President Ken Bell said there was some discussion that the Port should maybe be the ones to impose those on the property and have it be a city ordinance. Brian said the Port is proposing no changes to the plan. Port Legal Counsel Frank Chmelik said the developer Harcourt requested the change to the plan, the Port supported that change, and the Commission has to approve that change.

The Commissioners and Executive Director discussed funding, time frames, and alternate possible locations for the visitor moorage/GP Wharf.

The Commissioners and Executive Director discussed affordable housing; funding and possible locations.

OTHER BUSINESS

Vice President Ken Bell had no other business.

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Secretary Michael Shepard brought up the topic of moving from 3 to 5 Commissioners. Executive Director Rob Fix said it will be on the November 5th Agenda. Commissioner Shepard gave an update on the recent Taskforce meeting.

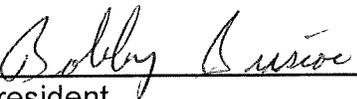
The Executive Director and the Commissioners had discussion on the MakerSpace.

A motion was made to adjourn this commission meeting to 8AM, October 23, 2019 at the POB Commission Chambers, Harbor Center Building, 1801 Roeder Ave., Bellingham, WA. No decisions will be made at that meeting.

Motion approved 3-0 Vote

ADJOURN

With no further business, the meeting was adjourned at approximately 6:30 p.m.



President



Secretary

