

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING
HELD TUESDAY, SEPTEMBER 6, 2011
HARBOR CENTER BUILDING CONFERENCE ROOM
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

Present:	Michael McAuley Scott L. Walker Jim Jorgensen	President Vice President Secretary
Staff:	Rob Fix Mike Stoner Fred J. Seeger Dan Stahl Sylvia Goodwin Lydia Bennett Dan Zenk Dodd Snodgrass Brian Gouran Mike Bozzo John Hergesheimer Marie Duckworth Frank Chmelik Heather MacKay	Acting Executive Director Director, Environmental Programs Director, Facilities Director, Marine Services Director, Planning and Development Director, Real Estate Airport Manager Economic Development Specialist Site Project Manager Maintenance Manager Senior Project Engineer Community Relations Coordinator Port Counsel Acting Executive Secretary

CALL PUBLIC MEETING TO ORDER AND RECESS TO CLOSED EXECUTIVE SESSION

At 12:00 p.m., Commissioner McAuley called the Commission meeting to order and immediately recessed to a closed executive session to discuss personnel matters pursuant to RCW 42.30.110(1)(g). Commissioner McAuley noted that no formal action would be taken during the closed session and he expected the closed executive session to last approximately 2 ½ hours.

RECONVENE PUBLIC MEETING

The Commission meeting was reconvened at 3:05 p.m.

PUBLIC COMMENT PERIOD

1. Eric Gourley, 1005 Tomiki Dr., Eastsound, WA – Airport - Mr. Gourley commented on the Port requiring him to pay a \$50 fee to have a new Security Identification Display Area (SIDA) badge created when he lost his. He said he was not instructed that there would be a fee and that he felt the fee was too steep.

CONSENT AGENDA

Motion: Approve Consent Agenda items A. through B as follows:

- A. Approve minutes of the August 16, 2011 regularly scheduled Commission Meeting.
- B. Approve Voucher Certification and Approval August 1, 2011 – August 31, 2011, totaling \$ 3,824,022.22

Motion approved with a 3-0 vote.

ACTION ITEMS

1. ECONOMIC DEVELOPMENT INVESTMENT (EDI) INTERLOCAL LOAN AND GRANT AGREEMENT

Motion: Authorize the Executive Director to sign an Economic Development Investment (EDI) Program Interlocal Loan and Grant Agreement with Whatcom County for public facility improvements to the 300 Harris Avenue for Index Industries, Inc.

Discussion: Economic Development Specialist, Dodd Snodgrass explained that the proposed Interlocal Agreement is part of the original 2010 low interest EDI loan for \$500,000 to improve the building on 300 Harris for Index Industries to relocate to Whatcom County. This is state funds that are provided for public facilities projects supporting local economic development in rural counties through a .09% rebate on the state sales tax. The project exceeded the original budget and the Port has requested from the EDI advisory board a \$200,000 grant be included with the loan award. Upon approval of the Commission the Agreement will be brought before the County Council on September 27, 2011.

Motion approved with a 3-0 vote.

2. FAA AIRPORT IMPROVEMENT PROJECT (AIP) GRANT NO. 3-53-0005-48

Motion: Authorize the Executive Director to accept FAA Airport Improvement Project (AIP) Grant #3-53-0005-48 on behalf of the Port of Bellingham, in the amount of \$371,943.

Discussion: Airport Manager Dan Zenk explained that on August 12, 2011, FAA authorized the distribution of the remaining 2011 entitlement funds for BLI. The authorization allows BLI to move forward and complete the four remaining projects previously scheduled for earlier FAA Grant funds. Mr. Zenk further explained that these projects include the Construction Plans and Specification for the General Aviation Apron, Purchase of Seating for the Expanded Gate Holding Area, Terminal Directional Signage, and the Commercial Ramp De-ice Containment Modification. Mr. Zenk added that this grant is the third and final FAA AIP Grant the Port will receive this fiscal year.

Motion approved with a 3-0 vote.

3. CORNWALL AVENUE LANDFILL SITE – PROFESSIONAL SERVICES AGREEMENT (PSA) AMENDMENT NO. 5

Motion: Authorize the Executive Director to execute an amendment to the Professional Services Agreement with Landau Associates, Inc. to increase the scope and budget by \$171,800 plus a 10% contingency to provide construction phase engineering and quality assurance for the Cornwall Avenue Landfill Interim Action for a total authorized budget of \$445,610.

Discussion: Site Project Manager Brian Gouran explained that the Cornwall Avenue Landfill site is located at the foot of Cornwall Avenue in Bellingham. Due to historical municipal landfilling operations, the Site requires remedial action under the Washington State Department of Ecology Model Toxics Control Act (MTCA). In addition to ongoing Remedial Investigation Feasibility Study (RI/FS) activities, the Port will be conducting an Interim Action at the Site which includes the beneficial reuse of dredge sediment from the Gate 3 F&G dredge and float replacement projects as component of a low-permeability cap on the Cornwall Avenue Landfill. The PSA Amendment scope focuses on construction management and quality control associated with the Interim Action. An existing MTCA grant agreement will reimburse 50% of eligible costs associated with this PSA. The remaining 50% of the estimated project costs will be reimbursed through the Port's pre-funded insurance package.

Motion approved with a 3-0 vote.

4. CORNWALL AVENUE LANDFILL SITE – AMEND MODEL TOXIC CONTROL ACT (MTCA) GRANT NO. 3 WITH DEPARTMENT OF ECOLOGY

Motion: Authorize the Executive Director to execute Amendment No. 3 for the Cornwall Avenue Landfill site MTCA grant, G0900180, with the Department of Ecology to expand the scope of work to include Interim Actions and increase the State Grant Share by \$2,307,650.

Discussion: Environmental Director, Mike Stoner explained that this proposed action is intended to tie up the rest of the available MTCA funds for this year. The scope of the grant is to reimburse the Port for 50% of eligible costs to complete work under an existing Agreed Order and remedial actions to be performed under a future Consent Decree. This will fully fund the cleanup of this project. Mr. Stoner explained that this will get the property completely prepared for the park work to begin. Project is expected to be completed 2014.

Motion approved with a 3-0 vote.

5. GP WEST SITE – AMEND MODEL TOXIC CONTROL ACT (MTCA) GRANT NO. 3 WITH DEPARTMENT OF ECOLOGY

Motion: Authorize the Executive Director to execute Amendment No. 3 for the GP West site grant, G0900178, with the Department of Ecology to expand the scope of work to include Interim Actions and increase the State Grant Share by \$4,796,472.

Discussion: Environmental Director, Mike Stoner explained that the scope of the grant is to reimburse the Port for 50% of eligible costs to complete work under an existing Agreed Order on the historical waterfront industrial property known as the GP West site cleanup. The scope includes all activities needed to develop a Remedial Investigation Feasibility Study (RI/FS) report and the initial phases of site cleanup. Mr. Stoner explained that the amendment to the grant agreement will expand the scope to include interim actions including Bunker C Tank cleanup, Mercury Hotspot cleanup, and Demolition of buildings. Project is expected to be completed 2014.

Motion approved with a 3-0 vote.

6. HARRIS AVENUE SHIPYARD SITE MODEL TOXIC CONTROL ACT (MTCA) GRANT AMENDMENT NO.4

Motion: Authorize the Executive Director to execute Amendment No. 4 for the Harris Avenue Shipyard site grant, G0900104, with the Department of Ecology to increase the State Grant Share by \$747,041.

Discussion: Environmental Director, Mike Stoner explained that this Amendment would add funds to help complete a site-wide Remedial Investigation Feasibility Study (RI/FS) report and potential interim actions with the Department of Ecology under a Model Toxics Control Act (MTCA) Agreed Order. Mr. Stoner explained the scope for the grant is to reimburse the Port for 50% of eligible costs to complete the work under the Agreed Order.

Motion approved with a 3-0 vote.

7. NORTHWEST FUEL – PROFESSIONAL SERVICES AGREEMENT (PSA) AMENDMENT

Motion: Authorize the Executive Director to execute an amendment to the Professional Services Agreement with Aspect Consulting, Inc. to increase the scope and budget by \$35,765 to provide compliance groundwater monitoring for the Northwest Fuel site for a total authorized budget of \$303,048.

Discussion: Site Project Manager Brian Gouran explained that the Port completed an independent soil removal action at the site under the Department of Ecology's Voluntary Cleanup Program. Initial compliance groundwater monitoring was completed in April 2011. Ecology requires 4 consecutive groundwater monitoring events that indicate stable groundwater conditions meeting cleanup requirements before you are eligible for a No Further Action (NFA) determination from Ecology. Aspect Consulting Inc.'s proposed scope of services covers ongoing coordination with Ecology, completion of 4 additional groundwater

sampling events, and assistance obtaining an NFA determination. Following issuance of an NFA determination the Port will be able to pursue up to \$200,000 in grants from Ecology.

Motion approved with a 3-0 vote.

8. 2011 PAVING, SEALCOAT AND STRIPING CONTRACT: COST INCREASE

Motion: Authorize the Executive Director to increase the contingency of 2011 Paving, Sealcoat and Striping contract with Western Refinery services by \$7,076.00 increasing the overall authorized amount from \$149,600.00 to \$156,676.00.

Discussion: Maintenance Manager, Mike Bozzo explained that there was a cost overrun due to the removal of existing asphalt pavement which was thicker than originally assumed. The crack sealing was overlooked during design.

Motion approved with a 3-0 vote.

9. BELLINGHAM AIRPORT (BLI) SOUTHWEST DETENTION POND – CHANGE ORDER 1

Motion: Authorize the Executive Director to: 1) execute Change Order 1 with RAM Construction General Contractors, Inc. and increase the project contingency amount by \$225,000 to equal a total project contingency of \$349,000 and the total authorized amount from \$1,360,140,148 to \$1,585,148 for the airport's Southwest Detention Pond Improvements, 2) approve a budget transfer of \$9,000 from CIP item 33 (01-1811-05) to CIP item 96 (01-1811-10) for the Port's 5% share of the project costs not reimbursed by FAA grant funds, and, 3) increase CIP item 96 from \$834,000 to \$1,728,049 and increase CIP item 97 (01-1811-10 grant) from \$650,750 to \$1,554,841.

Discussion: Senior Project Engineer John Hergesheimer explained that the Southwest Detention pond project to elevate the pond bottom has encountered unforeseen extra depth of extremely soft soils. What was estimated originally at 1 foot has proven to be 3 feet and it needs to be removed. The extent of this additional work is expected to exceed the contingency amount previously approved by the Commission. The change order will require an estimated additional amount of \$225,000 in additional contract contingency funds. Mr. Zenk, Airport Manager, said that the FAA will be covering the cost of the contingency.

Motion approved with a 3-0 vote.

10. FAIRHAVEN MARINE INDUSTRIAL PARK (FMIP): EMERGENCY ELECTRICAL REPAIR RATIFICATION OF EMERGENCY PUBLIC WORKS CONTRACT

Motion: Ratify the finding of an emergency and the action taken by the Executive Director in declaring Emergency Public Works Contract purchasing procedures be used for the emergency electrical repairs at Fairhaven Marine Industrial Park, and to authorize the Executive Director to execute necessary contracts and related documents for those repairs.

Discussion: Maintenance Manager Mike Bozzo explained that the high voltage power feeding the Fairhaven Marine Industrial Park failed. Puget Power was called in and was onsite to disconnect their service. Potelco was called, under Puget Power's recommendation and they installed a temporary splice allowing the power to be turned back on. The splice is temporary but safe. Under new City standards we must fix the wire and cannot leave a temporary splice in. The City is requiring a new main disconnect on the Port's power feed to the site bringing the service to code.

Motion approved with a 3-0 vote.

WORK-STUDY SESSION

1. Update – Website & Social Media.

Community Relations Coordinator Marie Duckworth provided an overview and update on the Port's website and use of Social Media. Ms. Duckworth reviewed the demographics and usage that is being tracked for our website, pointing out that the upgrade has made it easier for the staff to work on the site and the public to access more information quickly and easily. There are more than 200 pages on the website. Ms. Duckworth also reviewed the use of Facebook for the Port, indicating that we can target specific markets thru our advertising on Facebook and how we use it for Event information. [Click here for PowerPoint presentation.](#)

2. Update – Blaine Industrial Area.

Real Estate Director Lydia Bennett, Maritime Director Dan Stahl, Facilities Director Fred Seeger, and Environmental Director Mike Stoner provided an overview and status of the Port facilities in the Blaine Industrial Area. These properties will be reviewed in more detail on the 20th of September at the Commission meeting and public tour to be held in Blaine. The update is a rough overview of the Blaine Industrial Area, and a plan for moving forward. [Click here for Power Point presentation.](#)

ADJOURN

As there was no further business, the meeting was adjourned at 5:35 p.m.

Michael McAuley, President

Jim Jorgensen, Secretary