

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING
HELD TUESDAY, JANUARY 17, 2012
HARBOR CENTER BUILDING CONFERENCE ROOM
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

Present:	Scott L. Walker Michael McAuley	President Secretary
Staff:	Charlie Sheldon Rob Fix Dan Zenk Fred J. Seeger Sylvia Goodwin Carolyn Casey Elizabeth Monahan Shirley McFearin David Warter Frank Chmelik Diane McClain	Executive Director Chief Financial Officer Director, Aviation Director, Facilities Director, Planning and Development Director, External Affairs Director, Human Resources Real Estate Development Manager Terminals Manager Port Counsel Executive Secretary

CALL PUBLIC MEETING TO ORDER AND RECESS TO CLOSED EXECUTIVE SESSION

Commissioner Walker called the meeting to order and reported the purpose of the closed session will be to discuss personnel matters pursuant to RCW 42.30.110(1) (g). The closed session is expected to last approximately thirty minutes. There will be no formal action taken by the Commission in the discussion.

RECONVENE PUBLIC MEETING

Commissioner Walker called the meeting to order at 3:02 p.m. and announced that Commissioner Jorgensen would be participating via teleconference call due to inclement weather.

RECESS TO INDUSTRIAL DEVELOPMENT CORPORATION (IDC) BOARD MEETING.

1. Services Agreement with Technology Alliance Group (TAG) of Northwest Washington for Economic Development Services.

Motion: Authorize the President of the Port of Bellingham Industrial Corporation (IDC) to sign a Services Agreement between the Port of Bellingham IDC and Technology Alliance Group (TAG) of Northwest Washington for \$33,000 for a coordinated approach to funding and contracting with economic development service providers.

Discussion: Economic Development Specialist Dodd Snodgrass explained that the Port previously entered in an Interlocal Agreement with multiple providers for a coordinated approach to economic development services and the proposed agreement extends and

prorates the scope of services that TAG would provide in 2012. Mr. Snodgrass then introduced TAG Executive Director Summer Cronk and Board Member Shawn Kemp. Mr. Snodgrass reported that TAG was successful working with existing and attracting a few new companies in Whatcom County. Commissioner McAuley commented that he had reviewed the scope of work being proposed and he questioned the tasks, outcomes and continuing to fund TAG. Chief Financial Officer Rob Fix reported that the current Interlocal Agreement between the City County and Port approved by the Commission in 2011 included the Commission approval of annual agreements with the multiple agencies. Commissioner Walker suggested the Port further examine the service being provided and reevaluate the funding allocation in the future.

Motion approved with a 2-1 vote. Commissioners Walker and Jorgensen voted in favor, Commissioner McAuley voted against.

CLOSE THE INDUSTRIAL DEVELOPMENT CORPORATION (IDC) BOARD MEETING AND RECONVENE THE PUBLIC MEETING.

PUBLIC COMMENT PERIOD

1. Matt Paskus, 1151 Old Marine Drive, - Airport - Mr. Paskus presented a power point presentation focusing on growth at the airport. Click here for presentation:
<http://wa-portofbellingham.civicplus.com/DocumentView.aspx?DID=886>

CONSENT AGENDA

Motion: Approve Consent Agenda item A through D as follows:

- A. Approve minutes of the December 5, 2011, and December 20, 2011, scheduled Commission meetings.
- B. Authorize the Executive Director to approve payment of the Port of Bellingham's 2012 Washington Public Ports Association (WPPA) membership dues in the amount of \$45,336.00.
- C. Authorize the Executive Director to execute the renewal of a 5 year Lease Agreement between the Port of Bellingham and the City of Bellingham for a portion of the Sehome Repeater Station for the annual amount of \$3,000.00.
- D. Authorization to sell vessels, pursuant to Port Resolution No. 947.

Discussion: There was none.

Motion approved with a 3-0 vote.

ACTION ITEMS

1. INTERLOCAL AGREEMENT WITH WHATCOM COUNTY FOR BELLINGHAM CRUISE TERMINAL MODIFICATIONS.

Motion: Authorize the Executive Director to execute an Interlocal Agreement with Whatcom County for modifications to the Bellingham Cruise Terminal.

Discussion: Director of Facilities Fred Seeger explained that Whatcom County approached the Port in 2010 to perform a test docking of the Whatcom County Lummi Island ferry as an alternate docking station to the primary Gooseberry Point location. The County then contacted the Port to investigate the feasibility of making modifications to the Bellingham Cruise Terminal facility in order to accommodate the ferry should the need arise. Mr. Seeger further reported that the Port hired a consultant to design the necessary modifications and provide a cost estimate for construction; efforts which were reimbursed by the County. Mr. Seeger added that the Port and County staff drafted the proposed Interlocal Agreement and will have a separate Use Agreement for the facility. Mr. Seeger further added that the project will be a joint participation between the Port and County with the Port acting as the lead agency for the project construction and administration and the County reimbursing the Port for the approximately \$25,000 in estimated cost.

Motion approved with a 3-0 vote.

2. CONTINGENCY INCREASE FOR THE WATERFRONT DISTRICT BUILDING DISMANTLING & RECYCLING PROJECT.

Motion: Authorize the Executive Director to increase the total authorized contract amount with Parberry Environment Solutions, Inc. for The Waterfront District Building Dismantling & Recycling Project by \$40,000 from \$454,366 to \$494,366.

Discussion: Director of Facilities Fred Seeger explained that Port staff is requesting the total authorized contract for dismantling and recycling materials at the former Georgia Pacific site be increased by \$40,000 restoring the project contingency. Mr. Seeger further explained that the contingency was spent to provide necessary safety measures for the crews working on the Bleach Plant roof and for disposal of the tar coated concrete roofing tiles from the Pulp Storage Building and Bleach Plant roofs.

Motion approved with a 3-0 vote.

3. COMMERCIAL LEASE AGREEMENT FOR AQUACARE ENVIRONMENT, INC. AT MARINA SQUARE.

Motion: Approve a Commercial Lease Agreement between the Port of Bellingham and Aquacare Environment, Inc. for use of 2,000 square feet of office space at 708 Coho Way (Marina Square).

Discussion: Real Estate Development Manager Shirley McFearin explained that Aquacare

Environment Inc. is a water technology company established in 1987 and focused on land-based controlled environment aquaculture marine systems and ecological wastewater treatment systems. Ms. McFearn further explained that the company develops and designs complete fish farms for clients worldwide and the proposed commercial lease agreement will provide their staff office space for two years beginning in February 2012; with the Port anticipating approximately \$39,400 in rental revenue.

Commissioner Walker asked about the percentage of Port tenants obtaining waterfront properties for office and other non-marine related use and suggested Port staff review current policies and prepare a memo regarding marine retail and marine related use of Port facilities.

Motion approved with a 3-0 vote.

WORK-STUDY SESSION

1. Update - Port of Bellingham Construction Projects.

Director of Facilities Fred Seeger provided a power point presentation and an overview of the Port's 2011 Schedules for Capital Improvement (CIP) Projects including those at the Bellingham International Airport, Squalicum Harbor, various painting, paving and roofing projects, dismantling and recycling work at The Waterfront District, Bellingham Shipping Terminal repairs, the 300 Harris Avenue project to name a few. Mr. Seeger outlined the construction contract spending amounts and planned vs. actual schedules for 2011 capital projects both ongoing and completed.

RECESS TO A 5 MINUTE BREAK AND RECONVENE PUBLIC MEETING.

2. Update - Fairhaven Station Lobby Seating.

Terminals Manager David Warter reported that as directed by Commission, Port staff conducted a study of the availability of lobby seating at Fairhaven Station. Mr. Warter added that Port staff worked with David King Architecture to look at maximizing the existing seating layout at the Fairhaven Station and to develop possible options for expansion. Mr. Warter added that by exploring reconfiguring furniture, displays, vending machines, and existing benches, two alternatives were developed. Alternative A1 would increase the seating in the existing area 70% from 34 to 58 seats at an estimated cost of \$16,000. Alternative A2 would increase the seating overall by 88% adding 30 additional seats at an estimated cost of \$19,000. Mr. Warter further added that Port staff will look to Commission for direction as to acceptance of the alternatives, budgeting and implementation. Commissioner Walker commented that seating, passengers and luggage at train and bus stations differ from those found in an airport and Commissioner Walker asked for more time to review the station seating situation.

NEW BUSINESS

Bellingham Cruise Terminal Food Service - The Commissioners and Port staff discussed

exploring options for cafeteria and/or catering operators at the Bellingham Cruise Terminal facility; currently without food service. Dan Stahl mentioned that Vicki Rogers may be available to add a “grab n go” on a short term basis. It was decided that Port staff will continue to develop alternatives for increasing the activity and services at the Bellingham Cruise Terminal for future Commission consideration.

ADJOURN

As there was no further business, the meeting was adjourned at 5:40 p.m.

Scott L. Walker, President

Michael McAuley, Secretary