

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING
HELD MONDAY, JULY 3, 2012
HARBOR CENTER BUILDING CONFERENCE ROOM
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

Present:	Scott L. Walker	President
	Jim Jorgensen	Vice President
	Michael McAuley	Secretary

Staff:	Rob Fix	Interim Executive Director
	Dan Zenk	Aviation Director
	Lydia Bennett	Business Development Director
	Mike Stoner	Environmental Programs Director
	Carolyn Casey	External Affairs Director
	Fred Seeger	Facilities Director
	Elizabeth Monahan	Human Resources Director
	Dan Stahl	Maritime Director
	Sylvia Goodwin	Planning and Development Director
	Steve Shipman	Real Estate Representative
	Brian Gouran	Environmental Site Project Manager
	Mike Bozzo	Maintenance Manager
	Adam Fulton	Senior Project Engineer
	John Sitkin	Port Counsel
	Diane McClain	Executive Secretary

CALL PUBLIC MEETING TO ORDER

Commissioner Walker called the meeting to order at approximately 3:02 p.m.

PUBLIC COMMENT PERIOD:

No one signed up for public comment.

CONSENT AGENDA

Motion: To adopt Consent Agenda items A through F as follows:

- A. Approve the minutes of the June 5, 2012, and June 19, 2012, regularly scheduled Commission meetings.
- B. Motion to approve Voucher Certification and Approval for May 30, 2012, - June 20, 2012, totaling \$2,206,632.53.
- C. Approve the 2012 Bellingham International Airport Tariff Schedule.
- D. Authorize the Interim Executive Director to execute amendment No. 3 to the Professional Services Agreement (PSA) with KPFF Consulting Engineers on the Bellingham Shipping Terminal Bulkhead and Main Pier Repairs Project to provide

additional permitting services in the amount of \$8,532 for a total authorized contract amount of \$262,782.

- E. Authorize the Interim Executive Director to enter an insurance contract for the renewal of the Port's Property insurance for period from July 1, 2012, through July 1, 2013.
- F. Authorize the Interim Executive Director to sign a Compromise of Misdemeanor document to dismiss the legal case pending against Michael Donoian.

Discussion: None.

Motion approved with a 3-0 vote.

WORK STUDY SESSION:

1. Update - Boat Haul out Study

Planning and Development Director Sylvia Goodwin provided a comprehensive district wide approach applied to the Vessel Launch and Haul-out Site Study. Ms. Goodwin reviewed twelve Port facility sites including: former Mt. Baker Plywood, Seaview North, former Olivine, Hilton Harbor Colony Wharf & former Chevron Log pond area, Bellingham Shipping Terminal Fairhaven Marine Industrial Park (FMIP), Fairhaven Boat Launch and Stub Pier acres, Harris Avenue Shipyard, Blaine Industrial area and Blaine Marine Services. Ms. Goodwin gave a brief overview of the assets and limitations in terms of location, depth, accessibility, equipment, railway, etc. and provided potential recommendations for short term projects to address upgrades, restoration and expansion of some of the sites in terms of vessel launch and haul- out facilities.

Click here for the presentation: <http://www.portofbellingham.com/DocumentCenter/View/1562>

2. Update - Executive Director Search- Job Description

Human Resources Director Elizabeth Monahan presented the Commission with a draft job description for the Executive Director position. There was some discussion and review of the key priorities, key competencies and the ideal candidate profile. Commissioners Walker and Jorgensen suggested a few changes to the job description language regarding the key priorities, strategic vision, leadership and management focus and minimum qualifications. Ms. Monahan added that the application submittal period will be posted without an end date; open until filled and that anyone interested should be encouraged to apply sooner rather than later.

Ms. Monahan asked for Commission approval of the job description with the addition of the Commission's requested changes and for Commission direction to move forward with the revised document as final. Commissioner McAuley reported that he had been out of town and required more time to review and submit his changes. The Commission discussed and

agreed that Commissioner McAuley would have any changes in to Ms. Monahan by the end of the week.

Note: Under New Business on the agenda, this matter was revisited and following further discussion, Port legal counsel Jon Sitkin made the recommendation that assuming there are no material changes to the job description necessitating the need for a special meeting, the Commission may wish to vote on the approval of the draft Executive Director Job Description, with the approval of any changes made by Commissioner McAuley sent to Ms. Monahan and then subjected to and approved by the chair.

Motion: Commission approval of the proposed draft Executive Director Job Description, with the approval subject to final review and any staff changes approved by the chair, final due by July 13, 2012.

Motion approved: with a 3-0 vote.

Click here for the presentation: <http://www.portofbellingham.com/DocumentCenter/View/1563>

3. Update - EcoDistrict

Business Development Director Lydia Bennett presented an overview of the May 8, - 10, 2012, EcoDistrict workshop that she and Planning and Development Director Sylvia Goodwin attended and participated in at Portland University, Oregon. Ms. Bennett added that representatives from the City of Bellingham (City), Western Washington University (WWU) and 20/20 Engineering (private firm) also attended and together, the group discussed the Waterfront, Old Town and Downtown neighborhoods potential consideration as an EcoDistrict. Ms. Bennett explained that the concept of an EcoDistrict formation is that the area being considered has a broad commitment to sustainability and will develop into a high performance neighborhood. Ms. Bennett further explained the tools used to measure the performance include Equitable Development, Health and Well Being, Community Identity, Access and Mobility, Energy, Water, Habitat and Ecosystem Function and Materials Management. This concept is consistent with current City, Port, and WWU policies and planning, including the Waterfront District Guiding Principles. Benefits to the ecodistrict concept include efficient use of energy and resources, increased property values, and long-term economic sustainability. Currently, we are at the "District Organization" stage of an ecodistrict development, with assessment, project feasibility, project development, and district monitoring to follow. Ms. Bennett reported that the next steps for this group are to build on existing plans, develop a long term strategy (concurrent with getting the Waterfront District master plan approved), and identifying a first project, such as the City's development of the utilities infrastructure for the waterfront district using ecodistrict concepts.

Click here for the presentation: <http://www.portofbellingham.com/DocumentCenter/View/1561>

ACTION ITEMS

1. MODIFICATION OF LEASE AGREEMENT FOR INDEX INDUSTRIES.

Motion: Approval of a Modification of Lease Agreement between the Port of Bellingham (Port) and Index Industries, Inc. (Index).

Discussion: Real Estate Representative Steve Shipman explained that in 2010, the Commission approved a ten (10) year lease with Index for premises at 300 Harris Avenue in Fairhaven. Mr. Shipman added that Index has requested and will pay to reimburse the Port prep and exterior paint work and installation of approximately 600' of extruded concrete curb. Mr. Shipman further added that both of these projects have gone out for bid with bids due July 5th.

Motion approved with a 3-0 vote.

2. GRANT APPLICATION AND AGREEMENT - BLAINE MARINA, INC. SITE .

Motion: Authorize the Interim Executive Director to make application for and execute a Grant Agreement with the Department of Ecology for a Remedial Investigation/ Feasibility Study and an Interim Action at the Blaine Marina, Inc. site.

Discussion: Environmental Programs Director Mike Stoner explained that the Blaine Marine, Inc. site includes upland and aquatic land that is currently used for operation of retail gasoline and diesel sales at a fueling dock as well as filling a tanker truck for delivery of home heating oil; and retail for boating supplies and home/office furniture. For purposes of addressing the cleanup of the hazardous site, Mr. Stoner further explained that the Commission authorized entering into an Agreed Order with the state Department of Ecology to perform a Remedial Investigation/Feasibility Study (RI/FS) and interim action work plan under the Model Toxics Control Act (MTCA) and that Landau Associates was retained to provide consulting support, and assist the Port with the development and design work. Mr. Stoner added that the funding of the proposed application and Remedial Action Grant Agreement would provide partial reimbursement of Landau's \$850,000 estimate to the Port.

Motion approved with a 3-0 vote.

3. AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH LANDAU ASSOCIATES, INC. FOR THE CORNWALL AVENUE LANDFILL SITE.

Motion: Authorize the Interim Executive Director to execute an amendment to the Professional Services Agreement (PSA) with Landau Associates, Inc. to increase the term, scope and budget by \$156,500 to conduct a supplemental remedial investigation for Cornwall Avenue Landfill site for a total authorized budget of \$602,000.

Discussion: Environmental Site Project Manager Brian Gouran explained that under the Washington state Department of Ecology Model Toxics Act (MTCA), the Cornwall Avenue Landfill site requires remedial action and Landau Associates Inc. was selected in 2007 to assist with the Remedial Investigation Feasibility Study (RI/FS). As part of the recently completed Interim Action at the landfill, a number of monitoring wells were decommissioned. The additional work proposed in the PSA amendment addresses the replacement of the decommissioned monitoring wells and additional groundwater sampling as required by the Department of Ecology. Mr. Gouran added that the 50 % of the proposed work is eligible for reimbursement under an existing MTCA grant agreement and the other 50% will be

reimbursed under the Ports' environmental pre-funded insurance package.

Motion approved with 3-0 vote.

4. AWARD 2012 PAVING, SEALCOAT AND STRIPING CONTRACT TO WESTERN REFINERY SERVICES.

Motion: Authorize the Interim Executive Director to execute a contract with Western Refinery Services of Ferndale, Washington for the 2012 Paving, Sealcoat and Striping Project in the amount of \$248,490.82 plus a 15% contingency for a total of \$285,764.44; and the transfer of \$12,000 from Capital Improvement Projects (CIP) account 07-1812-12.

Discussion: Maintenance Manager Mike Bozzo explained that Western Refinery Services submitted the lowest responsive and responsible bid to the Port's advertisement for 2012 combined small repair and capital budget projects.

Motion approved with 3-0 vote.

5. OTHER TRANSACTIONS AGREEMENT WITH THE TRANSPORTATION SECURITY ADMINISTRATION FOR THE AIRPORT COMMERCIAL TERMINAL EXPANSION PROJECT - PHASE TWO .

Motion: Authorize the Interim Executive Director to execute an Other Transactions Agreement (OTA) with the Transportation Security Administration (TSA) for the Airport Commercial Terminal Expansion - Phase Two project in the estimated amount of \$4,195,701.

Discussion: Senior Project Engineer Adam Fulton explained that with the increase in air travel and the expansion of the airport terminal, the purchase and installation of a larger Checked Baggage Inspection System (CBIS) comprised of the Explosive Detection System (EDS) machines and supporting infrastructure is reimbursable by the TSA (national security measure). Mr. Fulton further explained that the Port will bid the supply and installation of the CBIS and baggage carousels later this summer once the TSA has approved the design.

Motion approved with 3-0 vote.

6. INTERLOCAL AGREEMENT WITH WESTERN WASHINGTON UNIVERSITY FOR PRE-FEASIBILITY STUDY OF CONTAINER BARGE PROJECT.

Motion: Authorize the Interim Executive Director to sign a Services Agreement with Western Washington University (WWU) for the Center for Economic and Business Research (CEBR) to complete a pre-feasibility study of a barge container service facility.

Discussion: Business Development Director Lydia Bennett explained that a privately operated barge container facility on the Mt. Baker Peninsula could serve as a conduit for the Seattle to Alaska barge trade, serve many different users (including Bellingham Cold Storage) shipping goods from northern Washington and lower B.C. to and from Alaska as well as goods to and from Canada and Whatcom County, currently being trucked via Washington freeways. Ms. Bennett further explained that the cost of the data and market feasibility study should not

exceed \$5,000 and will be available by the end of August.

Motion approved with 3-0 vote.

NEW BUSINESS

See Workstudy: - Executive Director Search- Job Description .

ADJOURN

As there was no further business, the meeting was adjourned at 5:00 p.m.

Scott L. Walker, President

Michael McAuley, Secretary