

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING  
HELD TUESDAY, OCTOBER 2, 2012  
HARBOR CENTER BUILDING CONFERENCE ROOM  
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

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Present:	Scott L. Walker Jim Jorgensen	President Vice President
Staff:	Rob Fix Dan Zenk Lydia Bennett Mike Stoner Carolyn Casey Elizabeth Monahan Dan Stahl Sylvia Goodwin Norm Gilbert Brian Gouran Frank Chmelik Diane McClain	Interim Executive Director Aviation Director Business Development Director Environmental Programs Director External Affairs Director Human Resources Director Maritime Director Planning and Development Director Project Engineer Environmental Site Project Manager Port Counsel Executive Secretary

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**CALL PUBLIC MEETING TO ORDER**

Commissioner Walker called the meeting to order at approximately 3:05 p.m. and reported that Commissioner McAuley would not be attending.

**PUBLIC COMMENT PERIOD:**

The following persons signed up for public comment on matters pertaining to the airport.

1. Mary Terese Boettner, Bellingham, WA. - G-Pac site Idea - (presentation attached.)  
<http://www.portofbellingham.com/DocumentCenter/View/1706>
2. John Blethen 1123 Railroad Ave., Bellingham, WA.-Developer - Granary- Presented a concept drawing for the restoration of the building, Concerned with the current state of the building and lack of protection from the elements, working with James Willson and other developers, considering making a proposal to the Port for developing a potentially \$5 Million restoration project, would like to see the original Granary drawings, asked that the Granary be broken off from the rest of the waterfront project in order to attract developers . James Willson - Developer - agreed with John Blethen's comments - keep site separate from the 10 acre development site.
3. Matt Lubetivch, - changed mind, no comment.
4. Mike Smith, 209 Prospect, Bellingham, WA -Principal, Architect with Zervais, - Granary- Working with John Blethen and others excited about the potential options for the facility, requested that the Granary not be bundled with the other properties in the 10 acre parcel; rather presented as a stand-alone project.

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5. David Christianson, Bellingham - Granary, Architect- Requested original drawings of the Granary, spoke in favor of the Granary as an early action redevelopment project for the site and would like to see it removed from the larger parcel when requesting development responses.

## **CONSENT AGENDA**

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

- A. Approval of September 4, 2012, and September 18, 2012, Port Commission meeting minutes.
- B. Authorize the Voucher and Approval September 5, 2012 - September 26, 2012, in the amount of \$4,012,490.91.
- C. Authorize the Interim Executive Director to enter into insurance contacts for the renewal of the Port's liability and auto insurance for the period October 1, 2012, through September 30, 2013.

Discussion: None.

Motion approved with a 2-0 vote.

## **PRESENTATIONS**

### **1. Update - 2013 Strategic Budget.**

Interim Executive Director and Chief Financial Officer Rob Fix presented the Commission with a PowerPoint (attached) overview of the 2013 Budget Cash Flow Summary. Mr. Fix outlined the 2013 Key Corporate Goals: 1) Strategic Management of a Growing Airport, 2) maintaining a focus on Economic Development and Jobs, 3) Restoration & Repair of Aging Infrastructure, 4) Waterfront Redevelopment, 5) Environmental Cleanups & Stewardship, and 6) Greater Utilization of Existing Assets. Mr. Fix explained that the continued increase in expenses for the Airport including multi-million dollar major Capital projects in 2013 will result in a negative cash flow in Aviation. Mr. Fix provided a summary of the projected 2013 Revenue, Operating Cash, Overhead, and Cash from Operations, Bond Proceeds, Debt Service, Net Capital Spending, Annual Cash Flow and Cumulative Cash projections for Marinas (a closed loop system), Marine Terminals, Real Estate, Public Priorities/Other Divisions, Bellingham Waterfront Acquisition Site (BWAS) and Environmental Programs.

Budget ideas: There was some Commission discussion regarding planning for a new building to house the Port offices on the waterfront site, videotaping and/or improvements to the audio recording equipment in the Commission chambers/ Harbor Center room.

<http://www.portofbellingham.com/DocumentCenter/View/1701>

### **2. Update - City of Bellingham Fire Ordinance**

Marine Terminals Director Dan Stahl reported that in complying with the newly adopted City of Bellingham Fire Ordinance, the scope and proposal for increasing the standpipe capacity at Squalicum Marina Gate 3 has been placed on the agenda for an update. Port staff and the Marina Advisory Committee (MAC) have been working together with the boathouse owners to develop a stronger contractual relationship through a more streamlined organization and communication process. Mr. Stahl also added that staff will bring an action item to the Commission that will incorporate the new ordinance language into the Rules and Regulations for the harbors. This language would include a five (5) year compliance period. Port counsel Frank Chmelik added that the Port may explore upgrading its insurance performance criteria and policy requirements for the boathouses. Mr. Chmelik noted that if done carefully, these changes could potentially add to the value of the boathouses.

**ACTION ITEMS:**

**1. AMENDMENT NO. 15 TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH REID-MIDDLETON FOR THE REBUILD GATE 3 LATERALS F&G PROJECT.**

Action: Authorize the Interim Executive Director to execute Amendment No. 15 to the Professional Services Agreement with Reid-Middleton, Inc. on the Rebuild Gate 3 Laterals F & G project for the design of a fire standpipe system at Gate 3 to comply with the newly adopted City of Bellingham Ordinance in the amount of \$49,350 increasing the total authorized amount to \$1,195,031; and approve the establishment of an initial 2012 Capital Improvement Program budget line item for "Gate 3 Fire Ordinance Improvements" in the amount of \$55,000 by transferring the funds from line item 97, "Rebuild Gate 3 Laterals F & G o-Dredging."

Discussion: Project Engineer Norman Gilbert explained that the Port would retain consultant Reid-Middleton, Inc. to perform an assessment of the existing standpipe system and develop preliminary design options of the standpipe improvements for Gate 3, then develop the preferred alternative, design and detailing of the new standpipe system, hydraulic calculations and preparation of a complete bid ready set of documents for the construction of the project intended for 2013.

Motion approved with 2-0 vote.

**2. AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH ANCHOR QEA, LLC FOR THE CENTRAL WATERFRONT SITE.**

Motion: Authorize the Interim Executive Director to execute the first amendment to the Professional Services Agreement (PSA) with Anchor QEA, LLC for Interim Action support at the Central Waterfront site for an estimated cost of \$130,200 and a total authorized budget of \$324,130.

Discussion: Environmental Site Project Manager Brian Gouran explained that under the existing PSA, Anchor QEA has completed the initial review of the Remedial Investigation Feasibility Study (RI/FS) documents and the scoping and development of the overall approach for the shoreline Interim Action Work Plan for approval by Department of Ecology. Mr. Gouran further explained that the proposed amendment to the PSA will allow for Anchor to develop a detailed design and prepare engineering documents for technical and regulatory

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support during the project bidding process as well as the initial revisions to the existing RI/FS documents, based on Ecology input and comments. Mr. Gouran added that future proposed amendments will include finalization of the Central Waterfront site RI/FS and interim action construction management supports.

Motion approved with 2-0 vote.

### **NEW BUSINESS**

None.

### **ADJOURN**

As there was no further business, the meeting was adjourned at 4:15 p.m.

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Scott L. Walker, President

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Michael McAuley, Secretary