

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING  
HELD TUESDAY, MAY 19, 2015  
HARBOR CENTER BUILDING CONFERENCE ROOM  
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

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Present:	Commissioners:	
	President	Dan Robbins
	Vice President	Jim Jorgensen
	Secretary	Michael McAuley
Staff:		
	Rob Fix	Executive Director
	Dan Zenk	Aviation Director
	Mike Stoner	Environmental Programs Director
	Tamara Sobjack	Finance Director
	Fred Seeger	Facilities Director
	Elizabeth Monahan	Human Resources Director
	Dan Stahl	Maritime Director
	Sylvia Goodwin	Planning and Development Director
	Shirley McFearin	Real Estate Director
	John Hergesheimer	Senior Project Engineer
	Jon Sitkin	Port Counsel
	Diane McClain	Executive Secretary

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**CALL PUBLIC MEETING TO ORDER AND ROLL CALL**

Commissioner Robbins called the meeting to order at 3:00 p. m. and reported that all three Commissioners were in attendance.

**PUBLIC COMMENT PERIOD**

No one signed up for the public comment period.

**PRESENTATION**

**1. Annual Audit Entrance Conference**

Finance Director Tamara Sobjack introduced Audit Manager Andy Asbjornsen, Audit Supervisor Karyna Shapovalova, and Audit Lead Jordan Helms from the Washington State Auditor's Office. The group explained the scope of the 2014 Port of Bellingham audit by the Washington State Auditor's Office will involve an accountability audit (with a focus on the Open Public Meetings Act) as well as audits of the fuel cards, self-insurance program, facility rentals, leave accruals and cash receipting procedures. Audits of the financial statements and federal grant compliance as well as the agreed upon procedures, the engagement letter, reporting levels for audit issues and exit items were also explained. The estimated cost of the

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fiscal year 2014 audit is approximately \$39,900 and the results of the audit will be summarized by the group to the Commission at a future exit conference.

### **CONSENT AGENDA**

Motion: Adopt Consent Agenda items A through F as follows:

- A. Approve the minutes of the May 5, 2015, regular Commission meeting.
- B. Approve the Modification of Airport Lease between Port of Bellingham and Alaska Airlines, Inc. to modify ticket counter space from exclusive to common area ticket counter space at Bellingham International Airport.
- C. Approve Lease Amendment No. 7 between the Port of Bellingham and U.S. Customs Border Patrol to renew Lease No. GS-10B-06384 for about 1,745 square feet at the International Arrivals Building, Bellingham International Airport.
- D. Approve Consent to Assignment of Lease between the Port of Bellingham and members of Sound Pacific Seafood LLC for property located at 285 Marine Drive, Blaine, Washington.
- E. Authorize the Executive Director to execute a contract with Henifin Construction, LLC of Bellingham, Washington for Multiple Building Painting and Sealing Projects for 2015 base bid Item Nos. 1 and 2 in the amount of \$56,524 plus a \$6,000 contingency for a total authorized contract amount of \$62,524.
- F. Authorize a refund to be issued to the State of Alaska for overpayment of the cost of repairs made to the Berth 1 breasting dolphin at the Bellingham Cruise Terminal.

Discussion: None.

Motion approved with a 3-0 vote.

### **ACTION ITEMS:**

#### **1. BID AWARD FOR THE WHATCOM WATERWAY PHASE 1 SITE CLEAN-UP PROJECT**

Motion: Authorize the Executive Director to execute a contract with American Construction Company of Tacoma, Washington for the Whatcom Waterway Phase 1 Site Clean-up Project for the base Bid and alternate A in the total amount of \$30,609,755.86, which includes sales tax, and includes a contingency amount of \$1,000,000 for a total authorized amount of \$31,609,755.86, and increase the Year 2015 Whatcom Waterway Phase 1 Cleanup Budget by \$15,000,000 by advancing this amount from the Year 2016 Budget for a revised total Year-2015 Budget amount of \$35,220,500.

Discussion: Senior Project Engineer John Hergesheimer presented an overview of the Whatcom Waterway Phase 1 Site Clean-up Project and explained the action requested and associated costs stated within the motion. Of the four bids submitted, American Construction Co. was the low bidder and also met the qualifications prescribed in the Supplemental Bidder Responsibility Criteria. Mr. Hergesheimer further added the upland construction work will commence in July and the in-water work will take place August, 2015 through March 2016. Commissioner Robbins asked about the expense and the availability of Model Toxics Control Account (MTCA) funds. Environmental Programs Director Mike Stoner responded, explaining that a state grant contract has been approved, that the funds are bonded, and will provide 50% of the project cost. The Port's environmental insurance policy with AIG will provide the other 50% project costs. Because the project is fully designed with permits approved and funding sources secured, the certainty of project implementation within the authorized budget is relatively high. In any event, the Port has the option to terminate the public works contract at any time, should that be necessary.

Commissioner McAuley stated he did not find the proposed action supported the Marine Trades and he would not vote in favor. Commissioners Jorgensen and Robbins responded they would vote in support of the motion.

Motion was read again and approved with 2-1 vote. Commissioners Robbins and Jorgensen voted in favor, Commissioner McAuley opposed.

**2. AMENDMENT NO. 39 TO THE PROFESSIONAL SERVICES AGREEMENT WITH ANCHOR QEA FOR THE WHATCOM WATERWAY PHASE 1 SITE CLEANUP PROJECT.**

Motion: Authorize the Executive Director to execute Amendment No. 39 to the Professional Service Agreement (PSA) with Anchor QEA for the Whatcom Waterway Phase 1 Site Clean-Up Project, in the amount of \$401,345 for a total authorized amount of \$9,114,090.50.

Discussion: Senior Project Engineer John Hergesheimer explained the proposed scope of support services included in Amendment No. 39 to the PSA with Anchor QEA for the Whatcom Waterway Phase 1 Clean-up Project. These tasks include project management, engineering re-design for changes for Addendums 1 and 2 and bid support services, performing an Ecology-required update to the Engineering Design Report (EDR) and Sampling and Analysis Plan (SAP), as well as continued permitting, management and pre-construction support. Commissioner McAuley inquired and Mr. Hergesheimer explained the permit requirements for the temporary barge ramp function during the cleanup project.

Motion approved with 2-1 vote. Commissioners Robbins and Jorgensen voted in favor, Commissioner McAuley opposed.

**PRESENTATIONS:**

**1. Update –Blaine Marina Fire Ordinance**

Maritime Director Dan Stahl explained that there are two Multi-Party Boathouses, privately owned and moored structures in Blaine Marina at Gate 2. Fire response services for the

Harbor are provided by North Whatcom Fire and Rescue. North Whatcom Fire and Rescue has requested that the City of Blaine update their fire ordinance covering Blaine Harbor to require sprinklers for these private structures. The older of the two structures does not currently have sprinklers internal to the boathouse. Mr. Stahl added if the ordinance is passed, installing sprinklers in the privately owned boathouse would be a significant expense to the owners, and they would likely be given a five year time frame to comply.

## **2. Update – Bellingham International Airport (BLI) Master Plan**

Aviation Director Daniel Zenk introduced John Yarnish of URS to provide an update on the BLI Master Plan process started in 2011 and now completed. The completion of the Master Plan process included an inventory of existing conditions, forecasts of aviation demand and facility requirements, identification and analysis of alternatives, as well as development of the Airport Layout Plan (ALP), the environmental checklists and the phasing plan. Mr. Yarnish provided an overview of the Airfield and Terminal Projects, General Aviation (GA) Area Plan, and other recommendations which include a noise study, rental car facility, fuel farm expansion, environmental for phase 4 GA and west side development, many to be addressed in phases over the next 5 to 25 years. The next steps include the approval and signing of the ALP and closing out the project.

### **RECESS PUBLIC MEETING AND OPEN PUBLIC HEARING ON THE BELLINGHAM INTERNATIONAL AIRPORT MASTER PLAN**

Planning and Economic Development Director Sylvia Goodwin explained the purpose of the public hearing was to provide an opportunity to receive public comments on the adoption of the Airport Master Plan and the Master Plan as an element to the Port's Comprehensive Scheme of Harbor Improvements.

The following people signed up for public comment during the public hearing:

1. Loni Rahm, - Bellingham/Whatcom Tourism -5168 Spoonhill Lane, Ferndale WA- Ms. Rahm stated that she lives close to the airport and appreciates the benefits a growing airport has on the tourism industry and its contribution to Whatcom County's economy.
2. Steven Kessinger, Commercial airline/ General Aviation pilot- Mr. Kessinger suggested solar panels be installed on top of GA hangars vs. the west side of the airport. Mr. Kessinger asked to be informed of any plans for relocation of current hangars including his.
3. Robert French, Member of 5 year Master Plan planning committee (TAC) – Mr. French spoke of air traffic demand, security, taxiways, growth, noise and congestion, Aircraft Service Radar (ASR), airport development/ and expansion on the west side of Kope Road.
4. Written Comments: Entered into the record, 4 written public comments submitted to the Port via email: 1 from Les Seelye, 2 from Anonymous, and 2 from Matt Paskus.

**CLOSE PUBLIC HEARING ON THE BELLINGHAM INTERNATIONAL AIRPORT MASTER PLAN AND RECONVENE PUBLIC MEETING:**

**ACTION ITEMS**

**3. ADOPTING THE BELLINGHAM INTERNATIONAL AIRPORT MASTER PLAN - RESOLUTION NO. 1342.**

Motion: Approve Resolution No. 1342 adopting the Bellingham International Airport Master Plan Update.

Discussion: Aviation Director Daniel Zenk explained the development of the Airport Master Plan began when the Port entered into a contract with URS Corporation in 2011. During the 4 year period, public, Port and Master Plan Technical Advisory Committee (TAC) meetings were held and multiple updates presented to the Commission. To assist in the Master Plan development process, the TAC was formed with representatives from the airport tenants and users, residential neighborhoods, local business and environmental interests. Commissioner McAuley commented that the Bellingham International Airport Advisory Committee (BIAAC) had not yet weighed in on the plan and suggested the vote be delayed to June 16<sup>th</sup> after the BIAAC has had a chance to review and comment. BIAAC chair April Barker also suggested the BIAAC have time to review as a committee. Mr. Zenk recommended that the Port move forward based on the input received from the TAC and given the many public meetings held. Executive Director Rob Fix and Commissioner Robbins agreed. Commissioner Robbins called for a vote on the suggested amendment to delay the vote to June 16, 2015. Amendment failed with a 2-1 vote. Commissioner McAuley voted in favor, Commissioners Robbins and Jorgensen opposed. Commissioner Robbins asked that the original motion again be read for a vote.

Motion approved with 2-1 vote. Commissioners Robbins and Jorgensen voted in favor, Commissioner McAuley opposed.

**4. COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS FOR THE BELLINGHAM INTERNATIONAL AIRPORT RESOLUTION NO. 1343**

Motion: Incorporate the May 2015 Bellingham International Airport Master Plan as an element of the Port's Comprehensive Scheme of Harbor Improvements.

Discussion: Planning and Economic Development Director Sylvia Goodwin reported that RCW 53.20.010 establishes procedures for Port Districts to prepare Comprehensive Schemes of Harbor Improvements pertaining to Port facility improvements. The proposed Resolution No. 1343 would incorporate the final draft Airport Master Plan as an element of the Port's Comprehensive Scheme of Harbor Improvements.

Motion approved with 2-1 vote. Commissioners Robbins and Jorgensen voted in favor, Commissioner McAuley opposed.

**NEW BUSINESS**

Commissioner McAuley asked that the Commission be provided more frequent Bellingham Shipping Terminal updates from Maritime Director Dan Stahl.

**ADJOURN**

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



Daniel M. Robbins, President



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Michael McAuley, Secretary