

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING
HELD TUESDAY, JULY 7, 2015
HARBOR CENTER BUILDING CONFERENCE ROOM
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

Present:	Commissioners:	
	President	Dan Robbins
	Vice President	Jim Jorgensen
	Secretary	Michael McAuley
Staff:		
	Rob Fix	Executive Director
	Brian Gouran	Environmental Programs Director
	Tamara Sobjack	Finance Director
	Adam Fulton	Facilities Director
	Elizabeth Monahan	Human Resources Director
	Dan Stahl	Maritime Director
	Sylvia Goodwin	Planning and Development Director
	Shirley McFearin	Real Estate Director
	Mark Leutwiler	Interim Aviation Director
	Marie Duckworth	Airport Landside Manager
	Norman Gilbert	Project Engineer
	Frank Chmelik	Port Counsel
	Diane McClain	Executive Secretary

CALL PUBLIC MEETING TO ORDER AND ROLL CALL

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

PUBLIC COMMENT PERIOD

No one signed up for public comment.

CONSENT AGENDA

Motion: To adopt Consent Agenda items A and B as follows:

- A. Approve the minutes of the June 16, 2015, regular Commission meeting.
- B.
 - i) Approve the Consent Agreement between the Port of Bellingham and Command Aviation Inc. - (Lease #54) and Northwest Business Development Association.
 - ii) Approve the Consent Agreement between the Port of Bellingham and Command Aviation, Inc. (Units #1A & 2A located within Lease #38C Bellingham Hangars Condo Owners' Association), and Northwest Business Development Association.

Discussion: None.

Motion approved with a 3-0 vote.

PRESENTATIONS:

Update – Audit Exit Conference

Finance Director Tamara Sobjack discussed the results of the recently completed 2014 audits performed on site by the Washington State Auditor's Office. Following the annual audit of accountability, financial statements, federal grant compliance, and other audit items agreed upon ahead of time, an exit conference was held to go over the results. Other areas of focus this year were the Open Public Meetings Act, fuel cards, self-insurance program and cash receipting processes to ensure compliance and accountability. During the exit conference, any exit items (lowest level), management items, and findings (most serious) issues of concern are revealed. A few minor recommendations were made pertaining to the cash receipting, meetings and events facility rentals procedures but there were no findings.

ACTION ITEMS:

1. RENEWAL OF PORT PROPERTY AND CRIME INSURANCE PROGRAMS FOR 2015- 2016.

Motion: Authorize the Executive Director to enter into an insurance contract and authorize payment for the renewal of the Port's Property and Crime insurance coverage for the period July 1, 2015, through July 1, 2016.

Discussion: Finance Director Tamara Sobjack reported the proposed Port's 2015-2016 property and crime insurance program is once again being provided through an agreement with Alliant Insurance Services; the Port's broker of record and to the members in the PNWPA (Pacific Northwest Ports Association). Lexington Insurance will continue as the lead underwriter for the property insurance policy and the Port's crime policy will be provided through National Union Fire Insurance Company. The total premium cost is \$636,700, plus taxes and fees; a 2% decrease from last year

Motion approved with 3-0 vote.

2. BELLINGHAM INTERNATIONAL AIRPORT ART POLICY.

Motion: Approve the attached Bellingham International Airport Policy and authorize the Executive Director to execute contracts between the Lender and the Port of Bellingham for the artifacts as stated in the Bellingham International Airport Art Policy.

Discussion: Interim Aviation Director Mark Leutwiler acknowledged the past and present Art Committee members: Commissioner McAuley, Kelli Hart from Allied Arts, Loni Rahm, Tourism Bureau, Sylvia Goodwin, Marie Duckworth, past Aviation Director Dan Zenk and Carol Williams and then introduced Landside Supervisor Marie Duckworth to explain the

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proposed Airport Art policy. Ms. Duckworth reported one benefit to the recently completed commercial terminal expansion is that it provides ample display space for public works of art. The proposed Airport Art Policy provides a framework for this opportunity by establishing a committee and set of guidelines in the policy, enhancing the airport traveler experience through visual, auditory, experiential or performances; rotating exhibits, permanent and temporary art installations.

Motion approved with 3-0 vote.

3. 2015 BELLINGHAM INTERNATIONAL AIRPORT TARIFF SCHEDULE

Motion: Approve the 2015 Bellingham International Airport Tariff Schedule, effective July 14, 2015, to include changes to parking fees and security ID access card fees.

Discussion: Interim Aviation Director Mark Leutwiler explained that commercial passenger traffic in and out of the Bellingham International Airport has declined about 10% in the last year which has resulted in decreased airport parking revenue to the Port prompting consolidation of the offsite parking operators from six to four. The proposed action will allow flexibility in setting rates by providing promotional opportunities and competitiveness in response to demand and seasonal fluctuations. Standard Parking Regional Manager of West Airports David Hellerud reiterated that competition for parking is an issue and encouraged the Commission to support the proposed action to attract travelers to use the BLI parking facilities. Airport Landside Supervisor Marie Duckworth presented ideas for the Port's website and engaging the traveler when on the internet by providing creative search terms, display advertising, offering incentives, exploring ways to connect parking options directly with the airlines when booking flights.

Motion approved with 3-0 vote.

4. PROFESSIONAL SERVICES AGREEMENT WITH REID MIDDLETON, INC. FOR THE CONDITION ASSESSMENT OF SHORELINE, BULKHEADS AND ROADWAY ALONG A PORTION OF MARINE DRIVE AT BLAINE HARBOR.

Motion: Authorize the Executive Director to execute a Professional Services Agreement with Reid Middleton, Inc. to perform a condition survey/assessment of the shoreline, bulkheads and roadway along a portion of Marine Drive at Blaine Harbor in the amount of \$69,000 plus a contingency of \$6,900 for a total authorized contract amount of \$75,900.

Discussion: Project Engineer Norman Gilbert reported that of the six responses the Port received to the Request for Professional Services advertised, Reid Middleton, Inc. was selected the most qualified firm. The scope of services under consideration fulfill a number of the Port's commitments as outlined in the approved Amendment No. 1 to the Interlocal Agreement between the Port and City of Blaine regarding development in the Wharf District.

Motion approved with 3-0 vote.

NEW BUSINESS

Commissioner McAuley inquired about the status of the IDD Industrial Development District and Executive Director Rob Fix reported staff would provide to the Commission.

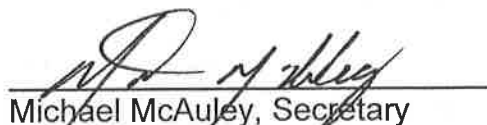
Commissioner McAuley also mentioned his interest in C Street, Mt. Baker Peninsula and Kope Road properties and will plan to discuss those items further with the Executive Director.

ADJOURN

As there was no further business items, Commission President Robbins announced the meeting was being continued to the dedication of the new ASB Trail to occur at the head of the trail just off Hilton Avenue at 5:00 PM, and then return for a social event with Port staff and representatives of Harcourt at 6:00 p.m. No action will be taken. The meeting was adjourned at approximately 6:30 p.m.



Daniel M. Robbins, President



Michael McAuley, Secretary

