

A. Authorization to accept and administer two grant funding project agreements awarded by the Recreation and Conservation Office (RCO) for the Squalicum Harbor and Fairhaven Boat Launch Replacement projects.

B. Approve a Renewal and Modification of Lease Agreement with Mt Baker Products, Inc., for premises located in the Squalicum Harbor Industrial Area.

C. Approve a Modification of Lease Agreement with Yamato Properties LLC, for premises located at Airport Industrial Park.

D. Execute a Purchase Order to Shelter One in the amount of \$30,389.26 for the purchase of the replacement Staging Booth at the Bellingham Cruise Terminal.

Discussion: None.

Motion approved with a 3-0 vote.

ACTION ITEMS:

1. Professional Services Agreement with Kennedy/Jenks Consultants for the Bellingham Shipping Terminal Stormwater Improvements

Motion: Authorize the Executive Director to execute Amendment No. 8 to the Professional Services Agreement (PSA) with Kennedy/Jenks Consultants to perform facility programming and construction estimating for the conversion of the Rail Span Pier for the Bellingham Shipping Terminal (BST) Stormwater in the amount of \$23,000 for a total authorized amount of \$249,704.

Discussion: Facilities Director Adam Fulton reported that there are 2 aspects to this item; stormwater planning and getting the facility back to revenue producing status. The PSA Amendment is about the programming and estimating of the Rail Span Pier. Commissioner McAuley asked if this would impact the International Sailing Center's proposal. Adam Fulton said that for the barge plans to work out, the entire chemical pier does not need to be removed.

Motion approved with a 3-0 vote.

2. Professional Services Agreement (PSA) with Moffatt & Nichol for the Bellingham Shipping Terminal, Former GP Pier Condition Survey and BST Pier Repair project.

Motion: Authorize the Executive Director to execute Amendment No. 3 to the Professional Services Agreement (PSA) with Moffatt & Nichol to perform design, engineering and bid support services for the Bellingham Shipping Terminal (BST) and former Georgia Pacific Pier

Condition Survey and BST Pier Repair Project in the amount of \$83,353 for a total authorized contract amount of \$258,003.

Discussion: Project Engineer Norman Gilbert explained that the proposed PSA Amendment is to capture a window of opportunity that the Port has identified to do some major maintenance repair work at the Bellingham Shipping Terminal, predominantly at Berth 2, where the Horizon Fairbanks is currently tied up. The vessel will be shifted during the Whatcom Waterway work which will open up the area for this maintenance work to happen. The scope also includes addressing some repairs made necessary from the Horizon Fairbanks incident in December of 2014.

Motion approved with a 3-0 vote.

3. Approval of Bellwether Gate - Cohanim Bellwether LLC Real Estate Documents

Motion: Approve the Following Documents:

- a) Consent to Assignment of Lease, Trademark Licensing Agreement and Development Design Agreement from Bellwether Gate, LLC to COHANIM BELLWETHER LLC (Building A).
 - b) Consent to Assignment of Lease, Trademark Licensing Agreement and Development Design Agreement from Bellwether Gate B, LLC to COHANIM BELLWETHER B LLC (Building B).
 - c) Consent to Assignment of Lease, Trademark Licensing Agreement and Development Design Agreement from Bellwether Gate C, LLC to COHANIM BELLWETHER C LLC (Building C).
 - d) Consent to Assignment of Lease, Trademark Licensing Agreement and Development Design Agreement from Bellwether Gate D, LLC to COHANIM BELLWETHER D LLC (Parcel D-1)
 - e) Fourth Amendment to Amended and Restated Capital Ground Lease between the Port of Bellingham and COHANIM BELLWETHER D LLC, (Parcel D-1), and;
 - f) Fifth Amendment to Development Design Agreement between Port of Bellingham and COHANIM BELLWETHER D LLC.
- (ii) Authorize the Executive Director to execute the following documents in connection with the Closing of this transaction and any other necessary documents to Close:
- a) Ground Lessor's Estoppel Certificate --Wells Fargo Bank, National Association (Building A).
 - b) Notice of Purchase Money Leasehold Mortgage – First Financial Northwest Bank (Building B). and;
 - c) Notice of Purchase Money Leasehold Mortgage – First Financial Northwest Bank (Building C).

Discussion: Director of Real Estate Shirley McFearin introduced the Cohanim's to the Commission, i.e., Porta Lee Cohanim, CEO of Cohanim Bellwether, Margaret Amo, CFO of Cohanim Bellwether, David Cohanim, Director of Development, Cohanim Bellwether, and Erich Guenther, the Principal of Glacier Real Estate Financial. Real Estate Representative Judy Harvey presented a Staff Report in that this transaction assigns the leases for Buildings A-C and Parcel D-1 from Bellwether Gate to Cohanim Bellwether. The assignments are effective upon Closing, provided, however, that all outstanding amounts from Bellwether Gate are paid in full, Porta Lee Cohanim assigns all right, title and interest in the Leases to each respective Cohanim Bellwether LLC entity through an IRC 1031 tax deferred intermediary, the Fourth Amendment to the Amended and Restated Capital Ground Lease for Parcel D-1 is executed; and, Cohanim's Extension Fee for Building D is paid pursuant to the Fourth Amendment. If any of these actions do not occur, the assignments are void. The Fourth Amendment for Parcel D-1 extends the construction commencement of Building D to the earlier date of when the permits are obtained from the City of Bellingham to construct Building D or no later than one calendar year after Closing. Cohanim will pay an extension fee of \$100,000, with \$30,000 being non-refundable. Provided each Extension Date is met, \$70,000 of the \$100,000 will be applied to the Base Rent. If any Extension Date is not met, the \$70,000 is retained, (in addition to the \$30,000), as the "Extension Fee" and the entire Base Rent of \$866,124 is payable. The Fifth Amendment recognizes the extended dates for Building D in the Development Design Agreement. If Closing does not occur by October 23, 2015, all documents are void. The Lender documents required for this transaction are the Ground Lessor's Estoppel Certificate with Wells Fargo Bank in connection with Building A and the Notice of Purchase Money Leasehold with First Financial Northwest Bank for Buildings B and C.

Commissioner Jorgensen, Commissioner McAuley and Commissioner Robbins welcomed the Cohanim's.

Motion approved with a 3-0 vote.

NEW BUSINESS

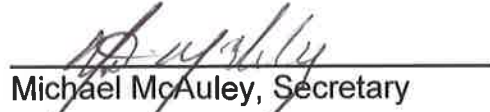
Commissioner Robbins requested an update on Harcourt Developments. Executive Director Rob Fix stated that Harcourt has until 2019 to complete the work on the Granary building, and they are underway on the design process. Harourt has retained architect John Reid, who has rented space with the Port of Bellingham and previously worked on the Titanic Quarters in Belfast with Harcourt. John Reid will be going to the city office in the coming months for permits. Mr. Fix believes the building will be completed sooner than the 2019 deadline.

ADJOURN

As there was no further business, the meeting was adjourned at 3:30 p.m.



Dan Robbins, President



Michael McAuley, Secretary

