

**MINUTES OF THE PORT OF BELLINGHAM COMMISSION MEETING
HELD TUESDAY, DECEMBER 15, 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
	Sunil Harman	Aviation 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 & Economic Development Director
	Shirley McFearin	Real Estate Director
	John Michener	Economic Development Specialist
	Dodd Snodgrass	Economic Development Specialist
	Mike Hogan	Public Relations Administrator
	Judy Harvey	Real Estate Representative
	Terry Ilahi	Real Estate Analyst and Representative
	John Hergesheimer	Senior Project Engineer
	Frank Chmelik	Port Counsel
	Diane McClain	Executive Secretary

CALL PUBLIC MEETING TO ORDER AND IMMEDIATELY CLOSED

Commissioner Robbins called the meeting to order at 1:30 p.m. and immediately recessed to closed executive session to discuss litigation and pending real estate transactions pursuant to RCW 42.30.110 (g) (c). The closed session is expected to last approximately 1.5 hours. There will be no formal action taken by the Commission in closed session.

RECONVENE PUBLIC MEETING, ROLL CALL

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

Commissioner Jorgensen Retiring- Acknowledgement

Commissioner McAuley presented Commissioner Jorgensen his Commission meeting name plaque signed by senior staff and commissioners. Commissioner Robbins announced this meeting was Commissioner Jorgensen's final commission meeting after 12 years' service; approximately 275 commission meetings and acknowledged Mrs. Jorgensen's presence and

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support. Executive Director Rob Fix presented Commissioner Jorgensen with a baseball cap with the 12 (12th man and 12 years of service).

PUBLIC COMMENT PERIOD

No one signed up for public comment.

CONSENT AGENDA

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

- A. Approve the minutes of the November 17, 2015, regular Commission meeting.
- B. Authorize the Executive Director to execute Amendment No. 1 to the Professional Services Agreement with Bennett Engineering, LLC to perform landfill monitoring at the Airport Woodwaste Landfill for an estimated cost of \$29,348 for a total authorized budget of \$70,633.
- C. Approval of the following documents:
 - 1. Third Amendment to the Amended and Restated Capital Ground Lease between the Port of Bellingham and Cohanim Bellwether LLC (Building A),
 - 2. Third Amendment to the Amended and Restated Capital Ground Lease between the Port of Bellingham and Cohanim Bellwether LLC (Building B),
 - 3. Fifth Amendment to the Amended and Restated Capital Ground Lease between the Port of Bellingham and Cohanim Bellwether D LLC (Building C), and;
 - 4. Sixth Amendment to the Amended and restated Capital Ground Lease between the Port of Bellingham and Cohanim Bellwether D LLC (Parcel D-1).
- D. Authorize the executive Director to sign a Merchant Application contract with ChargeltPro for credit card processing services in Blaine and Squalicum Harbors.

Discussion: None.

Motion approved with a 3-0 vote.

PRESENTATIONS

- 1. **Update –Small Business Development Center (SBDC):** In keeping with proposed agenda Action Item No. 1 for a Services Agreement between the Port and WWU in support of the Small Business Development Center (SBDC), Economic Development Specialist John Michener introduced CJ Sykes from the SBDC to present a brief overview of the 2015 accomplishments supporting over 600 local businesses. A full report will be provided in January 2016.
- 2. **Update –Whatcom County Tourism:** In keeping with agenda Action Item No. 2 pertaining to the proposed Master Agreement between the Port and Bellingham Whatcom

County Tourism (Tourism), Economic Development Specialist Dodd Snodgrass reported the Port maintains an annual membership with Bellingham Whatcom County Tourism (Tourism), the lead agency to promote tourism, which supports economic development in Whatcom County. Mr. Snodgrass introduced Tourism's Executive Director Loni Rahm to provide an update on the 2015 Bellingham Whatcom County Tourism program and the ongoing partnership with the Port. Ms. Rahm explained the goal of the partnership is to promote the County and provide Public Relations services to businesses and people visiting and/or relocating to the area. Ms. Rahm discussed the Tourism's airport and cruise terminal ambassador programs and then presented an article featured in HGTV magazine about the recent Holiday Port event at the Bellingham Cruise terminal.

ACTION ITEMS:

1. SERVICE AGREEMENT WITH WESTERN WASHINGTON UNIVERSITY FOR ECONOMIC DEVELOPMENT SERVICES

Motion: Authorize the Executive Director to sign a Services Agreement between the Port of Bellingham and Western Washington University (WWU) in the amount of \$225,000 to fund Small Business Development Center (SBDC) services.

Discussion: Economic Development Specialist John Michener reported for the past 5 years, Whatcom County, the City of Bellingham and the Port have funded the WWU Small Business Development Center (SBDC). The Tri-Funders Allocations Committee representing these three entities has recommended 2016 funding for the SBDC as defined in the Service Agreement to provide economic development services such as business retention, business expansion, start-up assistance, as well as supportive research and data services.

Motion approved with 3-0 vote.

2. BELLINGHAM WHATCOM COUNTY TOURISM MASTER AGREEMENT

Motion: Authorize the Executive Director to execute the 2016 Master Agreement with Bellingham Whatcom County Tourism.

Discussion: The partnership between the Port and Bellingham Whatcom County Tourism was discussed in the previous update. Economic Development Specialist Dodd Snodgrass explained the financial details of the proposed Master Agreement between the two agencies.

Motion approved with 3-0 vote.

3. APPROVAL OF SHARED LEGISLATIVE OBJECTIVES

Motion: Approve the Draft 2016 Legislative Objectives shared between the Port of Bellingham, City of Bellingham and Whatcom County.

Discussion: Public Relations Administrator Mike Hogan explained the Port, City of Bellingham and Whatcom County entered into an Interlocal Agreement in 2013 to develop a shared State legislative agenda and fund McBride Public Affairs consultation and government affairs services in support of joint legislative objectives. The 2016 list of Legislative shared Objectives: Model Toxics Control Act (MTCA), Infrastructure Projects and Improvements,

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Aquatic Invasive Species Control, Local Revenue Sharing, Criminal Justice and Social Services Funding and Rail Safety.

Motion approved with 3-0 vote.

4. NEW COMMERCIAL LEASE – CREAYTIVE INC. – BELLWETHER ON THE BAY

Motion: Approve the Commercial Lease between the Port of Bellingham and Creaytive, Inc. for Suite 106 located at 11 Bellwether Building.

Discussion: Real Estate Representative Judy Harvey reported Creaytive Inc. is a startup company of 6 employees. President Alex Korobov explained the function of the company is to help businesses grow through social media. The plan is to expand to 14 full time employees by the end of 2016. Ms. Harvey added the proposed new Commercial Lease between the Port of Bellingham and Creaytive, Inc. is for a term of 1 year with two (2) one- year renewal options.

Motion approved with 3-0 vote.

5. ZEPHYR INVESTMENTS, INC. HARBOR LAND LEASE FOR PROPERTY LOCATED AT SQUALICUM HARBOR, BELLINGHAM, WASHINGTON

Motion: Approve a Modification of Harbor Land Lease between the Port of Bellingham and Zephyr Investments, Inc. for property located at 2551 Roeder Avenue, Bellingham, Washington.

Discussion: Real Estate Representative and Analyst Terry Ilahi reported the Port and Peoples Bank entered into a 30 year Harbor Land Lease in 2010. The Port consented to an assignment of lease from Peoples Bank to Zephyr Investments, Inc. in 2011 and consented to a sublease agreement with TD Curran in 2012. The lease with Zephyr Investments, Inc. requires a rent renegotiation every five years. The proposed modification includes rent adjustments through August 2020.

Motion approved with 3-0 vote

6. AMENDMENT NO. 41 TO THE PSA WITH ANCHOR QEA FOR THE WHATCOM WATERWAY PHASE 1 SITE CLEAN-UP PROJECT

Motion: Authorize the Executive Director to execute Amendment No. 41 to the Professional Service Agreement with Anchor QEA for the Whatcom Waterway Phase 1 Site Clean-up Project in the contract amount of \$185,396 and an additional contingency of \$14,604 for a total of \$200,000 to be added of the authorized amount, resulting in a total authorized amount of \$11,252,282.50.

Discussion: Senior Project Engineer John Hergesheimer explained the proposed amendment will provide the scope and fee for services related to the structural design of the permanent in-water support and lifting structure and its control system for the barge ramp at the C Street Terminal facility.

Motion approved with 3-0 vote

7. CONTINGENCY INCREASE IN CONTRACT WITH AMERICAN CONSTRUCTION CO. FOR THE WHATCOM WATERWAY PHASE 1 CLEANUP PROJECT

Motion: Authorize an additional \$175,000 of contingency funds for the construction contract with American Construction Company to cover costs for an added scope of Change Order Proposal (COP) No. 4 Hot Spot Cleanup work for the Whatcom Waterway Phase 1 Cleanup Project for a total authorized amount of \$31,784,755.86.

Discussion: Senior Project Engineer John Hergesheimer explained the proposed increase is in response to the Department of Ecology's request for additional excavation and backfill work to be included in the Whatcom Waterway Phase 1 cleanup project. This Hotspot Removal Action meets the requirements and qualification for 50% funding by the Model Toxics Control Act (MTCA) Grant and 50% from the AIG pre-funded insurance account.

Motion approved with 3-0 vote.

8. EMERGENCY PUBLIC WORK CONTRACT- FAIRHAVEN MARINE INDUSTRIAL PARK (FMIP) PRESSURE SEWER BREAK REPAIR –UPDATE AND CLOSURE

Motion: Authorize the Executive Director to conclude the contracting required for the emergency repairs performed on the Fairhaven Marine Industrial Park (FMIP) sewer force main by executing the final contract amount of \$27,000 with Faber Construction of Lynden, Washington.

Discussion: Facilities Director Adam Fulton reported the October 2015 emergency repairs have been made to the sewer force main in at FMIP. The Port is negotiating with Puget Sound Energy (PSE) to recover about \$4,000 in costs associated with the portion of the line broken by PSE.

Motion approved with 3-0 vote

9. AMENDMENT NO. 4 TO THE PSA WITH CARLETTI ARCHITECTS, PS FOR THE ALL AMERICAN MARINE (AAM) FACILITY EXPANSION PROJECT

Motion: Authorize the Executive Director to execute PSA Amendment No. 4 with Carletti Architects, PS for the final design of the All American Marine Manufacturing Facility project in the amount of \$277,701 for a total authorized PSA amount of \$606,429; and increase CIP 107-655-1900 in the amount of \$300,000 for an approved project budget of \$635,000.

Discussion: Facilities Director Adam Fulton explained that with the decision to change the building expansion site from its current location at Fairhaven Shipyards to Hilton Avenue, the proposed amendment will complete the necessary design and permitting issues.

Motion approved with 3-0 vote

10. CONTRACT WITH HILLCO CONTRACTING, INC. FOR THE HVAC REPLACEMENT PROJECT 2015

Motion: Authorize the Executive Director to execute a contract with Hillco Contracting, Inc. of Bellingham, Washington for the HVAC Replacement Project- 2015, in the amount of \$82,610.91 plus a 10% contingency for a total authorized contract amount of \$91,000.

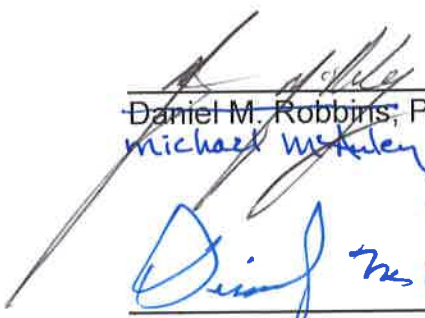
Discussion: Facilities Director Adam Fulton reported the scope of work advertised included the replacement of three 30 year old HVAC units. Of the three bids received, Hillco Contracting was selected as the responsible bidder. While one other bid was lower, that bid was incomplete and not accepted.

Motion approved with 3-0 vote

NEW BUSINESS

1. **Granary Avenue-** Executive Director Rob Fix asked for commission input on the naming of Granary Avenue. The Commissioners did not have any objections.
2. **Staff Recognition** Executive Director Rob Fix announced Electrician, Jeff Gray is retiring after 31 years with the Port and Susan French, Contracts Administrator, Port employee for 26 years will retire at the end of the year.
3. **Commissioner Jorgensen Recognition-** Executive Director listed many accomplishments/ Port projects that have taken place during Commissioner Jorgensen's 12 years with the Port; the first one was the Georgia Pacific property condemnation and acquisition in 2004.

ADJOURN With no further business, Commissioner Jorgensen thanked everyone and adjourned the meeting at 4:23 p.m.



Daniel M. Robbins, President

Michael McAuley



Michael McAuley, Secretary

Daniel m. Robbins.