

FRIDAY HARBOR PORT DISTRICT
Port Commission Meeting at
Spring Street Landing, 10 Front Street, Suite #105
January 10, 2018

Minutes

Port Commissioners Present: Barbara Marrett
Greg Hertel
Graham Black (via telephone)

Port Staff Present: Todd Nicholson, Executive Director
Phyllis Johnson, Auditor
Tami Hayes, Harbormaster
Stuart Hansen, Airport Manager
Shane Krause, Executive Assistant

Public Present: Jim Hooper
Beth Wilks
John Moalli
Jerry McElyea
Kyle Loring
Shann Weston
Gary Williams
Don Nixon

Commissioner Marrett brought the meeting to order at 4:00 pm.

1. Citizen comments/requests:

- a. Jim Hooper, a member of the Citizen's Advisory Committee for the potential purchase of Jenson's Shipyard gave the Commission feedback on the Committee's work so far.
- b. Daniel Miller expressed concern about the Obstruction Removal Project and making comments before the presentation. Commissioner Marrett informed Mr Miller that comments will be accepted after the presentation.
- c. John Moalli asked what program the Port's lease transfer fee funds, to which the Airport Manager stated that it goes towards the hangar rebuild fund. The Executive Director explained that all airport generated revenue goes back into the airport.

2. Friday Harbor Airport Obstruction Removal Project presentation

The Executive Director gave a presentation on the Port of Friday Harbor Airport Obstruction Removal Project. He explained the consequences of inaction, the possible approaches to resolving current and future obstructions, and thoughts on long term solutions to prevent a need for future disruptive actions.

3. Friday Harbor Airport Obstruction Removal Project Q&A session

A citizen asked what areas are to be cut, which the Executive Director pointed out on a map.

A citizen asked how many trees are to be removed, to which the Airport Manager responded the count was established by the Port's Airport Engineer at 383 in the main stand which is located around the building currently leased to the Animal Protection Society.

A citizen asked if there is a document that explains the cutting process and activities. The Executive Director stated that a construction specification was created for the bid process that explained constraints and applicable regulations in relation to the project as well as steps to be taken after cutting to reestablish the area and prevent erosion.

Commissioner Hertel asked if there is a "cutting window" to work in, to which the Executive Director explained that early-mid spring would be best for establishing erosion control and that there are periods of time that are off limits due to nesting birds.

A citizen asked what it will look like, to which the Executive Director explained that it will look like a clear cut at first but as native vegetation is re-established it will look good again. Commissioner Hertel and a citizen noted that the planned native vegetation will be an improvement to songbird habitat.

A citizen asked about a neighboring property which recently sold and is heavily treed, to which Commissioners Marrett and Hertel noted those trees are not likely going to be an impact on the airport.

Commissioner Marrett asked if there will be anyone observing the contractor during the project, to which the Executive Director responded that there will be a CESCL (Certified Erosion and Sediment Control Lead) on site as well as Port staff monitoring activities for compliance. Additionally the Engineer will be on site weekly to monitor the project.

A citizen asked what the cost of the project is, and expressed concerns about wind exposure after the clearing. The Airport Manager and Executive Director explained that the project cost is approximately \$550,000, of which 90% will be paid by an FAA grant and the remaining 10% is to be paid by the Port. The cost has been offset partially from the original project estimate of \$888,000 by the chosen low bid contractor receiving the marketable timber as partial compensation.

A citizen asked if there was an independent forestry estimate, to which the Executive Director responded that an independent engineer's estimate was performed and the selected low bid contractor came in approximately \$200,000 below it.

A citizen asked about ground disturbance in relation to the forest practice, which the Executive Director explained that an amount of disturbance is unavoidable but that no new roads will be built and stumps will remain cut as flush to the ground as possible to minimize ground disturbance.

A citizen asked about the future of the building currently leased to the Animal Protection Society, to which the Executive Director stated that the structure itself is not a problem but the potential future use of the structure is dependent on the Master Plan and FAA regulations.

A citizen asked about an existing obstruction south of the airport. The Executive Director and Airport Manager explained that it is known and will be part of phase 3 of the Obstruction Removal Project which is expected to take place in 5 years.

A citizen asked how much tree cutting will be on private land, to which the Executive Director explained that phase 1 of the Obstruction Removal Project mainly involves airport properties, and phases 2 & 3 involve private properties surrounding the airport.

A citizen who stated he served on a management board for an airport in California noted that the FAA instructed that airport to remove obstructions located on private property surrounding that airport. The private property owners did not cooperate and the state's Department of Transportation closed the airport.

4. Action Items:

A. Approve 2018 Commission meeting schedule

Commissioner Hertel moved to approve the proposed schedule. Commissioner Marrett seconded and the motion carried unanimously.

B. Review and approve Commission Committee assignments

Commissioners Marrett and Hertel explained the rotation of assignments and interval of change being every two years, to coincide with the Commissioners' terms of six years.

Commissioner Marrett proposed Commissioner Hertel serving as President, Commissioner Black serving as Vice President, and Commissioner Marrett serving as Secretary.

C. Assign Trustee and Alternate Trustee for Washington Public Ports Association board

Commissioner Marrett explained this appointment as it applies to the Port being represented at the annual Washington Public Ports Association board meeting.

She moved to assign Commissioner Hertel as the Trustee and Commissioner Marrett as the Alternate Trustee. Commissioner Hertel seconded, and the motion carried unanimously.

D. Review and approve Q3 & Q4 2017 Commission timesheets

Commissioner Hertel requested to table this item until Commissioner Black is available in person at the next regular Commission meeting.

E. Approve amended MOU with Jensen & Sons, Inc

The Executive Director explained that the amended MOU with Jensen & Sons, Inc. includes minor changes that clarify some of the terms of the agreement. Commissioner Marrett asked if the Port would be paying the 1% Land Bank Tax. The Executive Director explained that since the Port is a public entity it may be exempt from paying the Tax. The Port Attorney is researching the matter. Commissioner Marrett asked if there would be a prepayment penalty in the MOU's proposed amortization schedule, to which the Executive Director and Port Auditor responded that there would be no prepayment penalty. The Executive Director noted that the transitional support is included in the purchase and that if the support is not received the associated value would be deducted from the purchase price.

Commissioner Hertel moved to approve the Memorandum of Understanding between the Port of Friday Harbor and Albert Jensen and Sons, Inc. Commissioner Black seconded and the motion carried unanimously.

F. Approve Employee Handbook updates

The Executive Director and Port Auditor explained the purpose of changes to the Employee Handbook as they relate to the recent union contract negotiations as well as a new Washington State law on sick leave accrual for all employees that went into effect on January 1st 2018.

Commissioner Marrett moved to approve the proposed updates to the Port Employee Handbook. Commissioner Black seconded, and the motion carried unanimously.

5. Regular Business

A. Minutes for the December 13, 2017 Special Meeting and the December 13, 2017 Regular Meeting approved with 3-0 vote.

B. Vouchers #017136-017194 for \$274,644.54 and #017195-017206 for \$10,164.72 approved with 3-0 vote.

C. Administrative Items: none

6. Staff Reports

A. The Airport Manager updated the Commissioners on discussion with the Department of Natural Resources regarding topping of trees in an area near the South end of the runway.

B. The Harbormaster updated the Commissioners on a grant received from the Victor B. Scheffer Foundation for the Spring Street Landing aquarium. The funds will provide updates and upgrades to the aquarium and accompanying educational information.

C. The Harbormaster shared details on trials of a new reservation system called Dockwa, which is used by a few other local small ports. This will be used in conjunction with the Port's existing reservation system at no cost to the Port, and provide another method of taking reservations from customers.

- D. The Harbormaster notified the Commissioners of a boat in the marina, the owner of which is indigent and now in assisted living. He has no next of kin or family, and unable to take care of the vessel. She hopes that the individual will be able to sign a document to sign it over to the Department of Natural Resources rather than go through the normal impound process.
- E. The Harbormaster updated the Commissioners on changes to the Port's summer music program, to be scaled back for 2018 to one day a week instead of two. It will be held on Saturdays this summer at a new time so that it doesn't compete with other events in town, and this will reduce the budget required. The Harbormaster and Commissioners discussed the past venue in Fairweather Park and possible alternate locations on Port property for the concerts.
- F. The Harbormaster notified the Commissioners that Orcas Eclipse Charters has been sold to Outer Island Excursions, also out of Orcas Island.
- G. The Executive Assistant updated the Commissioners on the Port's email subscription service for updates to the Port's website and Commission meeting announcements, as well as a new inline PDF viewer that was added to the website to further improve the experience. The Harbormaster noted that customers are also now able to apply for the Port's marina waitlists through the website. Commissioner Marrett asked how many customers pay their bills via the website, to which the Harbormaster noted that it is becoming a popular choice resulting in faster collection of revenue by removing the delay of paper mailings.
- H. The Executive Assistant shared details of a new electronic guestbook that will replace the paper guestbook currently in use in the Marina office, and which will collect some additional information and enable analysis of the collected data.
- I. The Executive Assistant shared details of the Port's new photo contest, soliciting the public for photo submissions with selected monthly and annual prize winners. The submitted photos will be used to create the annual Port calendar as well as provide content for the Port's publications, website, and social media.
- J. The Port Auditor shared the 2017 Q4 signed contracts summary with the Commissioners.
- K. The Port Auditor noted that the Request for Qualifications for Airport Engineers will be published in January.
- L. The Port Auditor noted that with the MOU with Jensen and sons Inc now in place, she will be visiting with them to inspect their business documents as noted in the MOU.
- M. The Executive Director shared that Island Boatworks would like to enter into an MOU as the Operator of Jensen's Boatyard if the purchase goes forward. Commissioner Hertel asked if any other applications will be considered, to which the Executive Director summarized the Port's previous advertisements for applicants and noted that Island Boatworks was the only applicant responding. Commissioner Marrett asked who will maintain the facility's name, to which the Executive Director responded that the Port will retain rights to the name of the

facility and the Operator would function under the existing business name and release it back to the Port when the lease ends. Commissioner Black asked if the Port would retain ownership of the Travelift, to which the Executive Director confirmed that the equipment would remain Port property but other equipment included in the purchase may be sold to the Operator. Commissioner Hertel noted a desire to discuss the details of the Operator and possibility of multiple businesses using the facility. The Port Auditor shared additional details of the applicant and their existing operations at other locations.

- N. The Executive Director updated the Commissioners on the previously presented development proposal that was to involve utility easement through the Port's marina parking lot. That individual has decided to continue his development with all utilities and access via the street rather than the Port's parking lot.
- O. The Executive Director shared that the same developer is interested in the available parcel which the Port owns adjacent to the parking lot and Friday Harbor House, formerly slated for a US Customs office project. The Executive Director and Commissioners discussed details of other potentially interested parties and actively advertising the parcel for lease.
- P. The Executive Director noted that the Airport failed the Q1 stormwater testing for zinc, which now requires action. He and the Airport Manager are investigating Biochar filters as a possible solution, sharing details of it being used successfully at Port Townsend. Commissioner Marrett asked about the source of the zinc being the older hangar roofs, which the Executive Director and Airport Manager confirmed. She asked how the Port will avoid this recurring with new construction, to which they responded that painted steel will be used instead of galvanized. Commissioner Marrett asked if there are any consequences for failing the testing, to which the Executive Director responded that taking action is most important and continuing to fail 3 quarters in a row would trigger the requirement for a water processing plant. Commissioner Marrett asked and staff confirmed that the cause of the issue is the older hangars which are all slated for demolition.
- Q. The Executive Director updated the Commissioners on the Citizen's Advisory Committee's work which is progressing well. The phase 2 Environmental Site Assessment design is complete, as well as the testing and sampling plan, and quality assurance plan. The grant for the Assessment will cover all costs associated, and there may be additional grant funding available for any mitigation required. The Executive Director will create a personal services contract for preparing the Integrated Planning Grant application.
- R. The Executive Director will meet with Island Rec and San Juan County to discuss prospects of creating a combined master plan for the Island Rec pit area, County barge landing, and Jackson Beach. Commissioner Hertel suggested including the University of Washington, who owns the marsh next to Jackson Beach. The Executive Director and Commissioners discussed envisioned improvements.

7. Port Commissioner Issues and Committee Reports

- A. Commissioner Black asked about timeline of the Airport master plan, to which the Executive Director shared details of the next steps and timeline. Commissioner Marrett suggested that Commissioner Black contact the consultant with comments and for any clarification needed.

The Executive Director noted that the consultant has been clear that all progress is still in draft and not final until the master plan is completed.

- B. Commissioner Black requested copies of all Port facility master plans. The Executive Director noted that staff will provide him with copies.
- C. Commissioner Marrett attended the San Juan Island Trails Committee meeting, and updated them on the status and details of the Airport Obstruction Removal Project.
- D. Commissioner Hertel requested a copy of the draft Airport master plan chapters, to which the Airport Manager responded that the consultant has provided them via a website for the project. The Executive Assistant will provide the Commissioner with a link.
- E. Commissioner Hertel suggested providing refreshments for the Citizen's Advisory Committee meetings.
- F. Commissioner Hertel suggested moving ahead with designing a boardwalk style sidewalk along Front Street where it passes Fairweather Park.
- G. Commissioner Marrett shared that the County is interested in hiring a skilled mechanic and providing maintenance services to a number of entities on the island. The Executive Director noted an interest in the Port taking advantage of this service.

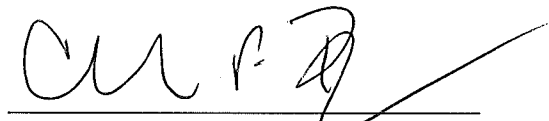
8. Citizen comments/requests:

- A. Don Nixon suggested keeping Jackson Beach "wild" and not developing it, noting its history and geologic makeup.

Commissioner Hertel adjourned the Regular meeting at 5:48 pm.


Barbara Marrett, Commissioner


Greg Hertel, Commissioner


Gib Black, Commissioner