

FRIDAY HARBOR PORT DISTRICT

Port Commission Meeting at

271 Front Street

February 28, 2018

Minutes

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

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

Public Present: Jim Hooper, Chair, Citizen Advisory Committee
Duncan Wilson, Town of Friday Harbor
Debbie Rishel, Downriggers Restaurant
Brian Goodremont, San Juan Safaris

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

1. Citizen comments/requests: None

2. Action Items:

A. Approve Resolution 18-001 - Delegation of Authority for Executive Director to sign on a Washington State Recreation and Conservation Office (RCO) grant

The Port Auditor explained that the Port was awarded an RCO grant in the summer of 2017, however the signature RCO had on file was from a previous Port Director. RCO requested an official updated signature from the current Executive Director.

Commissioner Hertel moved to approve the Delegation of Authority for the Executive Director to sign on the RCO grant. Commissioner Black seconded, and the motion passed unanimously.

B. Approve grad night event activities on Port property

Port Staff explained that this is an annual event for the high school graduates, and the Port has previously participated in providing a venue for a portion of the night. Commissioner Marrett asked if a waiver is signed by the participants which Port Staff confirmed that one will be, and noted they will provide proof of insurance coverage as well.

Commissioner Black moved to approve the proposed grad night event activities on Port Property. Commissioner Marrett seconded and the motion passed unanimously.

C. Discuss and approve allowable uses and marketing budget for the vacant Spring Street Landing spaces.

The Executive Director explained that Port Staff feel it is not good policy for the Port to engage in policies or actions that limit competition. He went on to ask whether the Commission intends to direct marketing efforts to a specific segment of business, and if it is acceptable for that to result in long term vacancies.

Commissioner Black asked for details of the building lease history and current status, which the Executive Director provided including details of prospective tenants that have approached the Port and were either turned down by the Commission or did not pursue a lease. The Executive Director explained that the questions of acceptable rates and whether the Commission wants to create restrictions on what types of businesses are acceptable are preventing staff from leasing the spaces.

Commissioner Hertel focused the discussion on whether the Commission wishes to restrict prospective businesses or not. The Commissioners agreed that any legally allowable business should be permitted by the Commission. Debbie Rishel of Downriggers Restaurant and Brian Goodremont of San Juan Safaris expressed their concerns to the Commission. The Commissioners and Staff discussed the history of the initial lease negotiations, and possible approaches to and preferences for new leases going forward, and a marketing plan and budget.

3. Executive Session pursuant to RCW 42.30.110 § 1(c)

Commissioner Hertel tabled this agenda topic until the end of the meeting.

4. Discussion Items

A. Discuss Unocal parcel

The Executive Director shared details of the history of the undeveloped property, and the pros and cons of possible uses for it. He recommended the Commission put the parcel up for sale and gave a number of possible beneficial uses for the proceeds. The Commissioners and Staff discussed concerns previously expressed by neighboring property owners. The Commissioners agreed that a land lease would be preferred over sale of the property.

B. Discuss timeframe and prerequisites for decision to purchase Jensen's Shipyard

The Executive Director shared pros and cons of several decision timelines for Commission consideration, and discussed details of associated environmental testing and remediation. He recommended that the Commission proceed based on the Phase II Environmental Site Assessment (ESA) results which are expected to be received in the near future. The Commissioners and Executive Director discussed the ESA testing, and environmental mitigation and remediation associated with brown fields. The Commissioners agreed to make a decision based on the upcoming Phase II ESA results and Citizen Advisory Committee's input.

C. The Commissioners may discuss any issues or other items as required

No additional topics raised.

5. Regular Business

- A. Minutes for the January 24, 2018 Special Meeting and February 14, 2018 Regular Meeting approved with 3-0 vote.
- B. Vouchers #017272-017290 for \$14,688.06 and payroll approved with 3-0 vote.
- C. Administrative Items: none

6. Staff Reports

- A. The Port Auditor will have a financial over for 2017 at a future meeting.
- B. The Airport Manager shared that the San Juan Pilot's Association will be holding the annual Pilot Museum featured pilot announcement at Brickworks on April 22nd from 2-4pm.

7. Port Commissioner and Committee Reports

- A. Commissioner Black noted that the sailing season has started with the Friday Harbor Sailing School.
- B. Commissioner Black noted that the short term winter tenant in Spring Street Landing suite 104 will be holding an open house for the public.

8. Citizen comments/requests:

9. Executive Session pursuant to RCW 42.30.110 § 1(c)

Commissioner Hertel called for an Executive Session per RCW 42.30.110 § 1(c) to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. Any action of selling or leasing public property shall be taken in a meeting open to the public. He anticipates the Executive Session to last 30 minutes.

Commissioner Hertel closed the Executive Session at 6:22pm, and a minimum lease price was set.

Commissioner Hertel adjourned the Regular meeting at 6:22 pm.


Barbara Marrett, Commissioner


Greg Hertel, Commissioner


Gib Black, Commissioner