

**FRIDAY HARBOR PORT DISTRICT**  
Port Commission Meeting at  
221 Weber Way – Skagit Valley College Community Room  
April 11, 2018

Minutes

**Port Commissioners Present:** Barbara Marrett  
Greg Hertel  
Graham Black

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

**Public Present:** Shannon FitzGerald, Citizen’s Advisory Committee  
Don Nixon  
Darryl Swenson  
Johannes Krieger, San Juan Excursions  
Jack Corey, Island Guardian  
Sharon Kivisto, San Juan Islander

(RCW 42.30.040, A member of the public shall not be required, as a condition to attendance at a meeting of a governing body, to register his or her name and other information, to complete a questionnaire, or otherwise to fulfill any condition precedent to his or her attendance. Therefore, any individual present including speaking who has not stated their name for the record or signed in shall not be listed on the minutes.)

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

**1. Citizen comments/requests:**

Johannes Krieger requested to be contacted if any questions for San Juan Excursions came up in regards to the Executive Session.

Jack Corey expressed confusion over the agenda noting not seeing the public hearing listed. Staff explained that the agenda is multiple pages and you need to scroll or page down.

**2. Executive Session pursuant to RCW 42.30.110 § 1(b) and RCW 42.30.110 § 1(c)**

Commissioner Hertel called for an Executive Session at 4:05 pm per RCW 42.30.110 § 1(b) “To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price” and 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. However, final action selling or leasing public property shall be taken in a meeting open to the public;". He anticipates the meeting to last 45 minutes.

Commissioner Hertel brought the meeting out of Executive Session at 4:48 pm, and immediately extended the Executive Session until 4:55 pm.

Commissioner Hertel closed the Executive Session at 4:55 pm, no action taken.

Commissioner Black motioned for Staff to negotiate with the Lessees in the lower level of the Spring Street Landing Building to bring those leases in line with the appraised fair market value and standard practices of NNN and CPI increases. Commissioner Marrett seconded and the motion passed unanimously.

Commissioner Hertel noted that an additional Executive Session will be required later in the meeting to continue discussions on the purchase of the Jensen & Sons Shipyard.

**3. 5:00pm: Public hearing on the prospective purchase of the Jensen & Sons Boatyard and Marina.**

Commissioner Hertel called for public testimony on the prospective purchase of the Jensen & Sons Boatyard and Marina. There were no public comments. Jack Corey asked about the Citizen's Advisory Committee report, and Commissioner Hertel called the Committee forward to make their presentation.

Jim Hooper, Chair of the Citizen's Advisory Committee, introduced Bill Severson (Vice Chair), Jim Slocum, Bill Feyerherm, Shannon FitzGerald, Bob Brunkow, and Chuck Dalldorf (not present) . Jim Hooper presented the Committee's final report on the prospective purchase of the Jensen & Sons Boatyard and Marina to the Commission, noting the purpose of the Committee as charged by the Port Commission, and timeline of the Committee's meetings. He explained the Committee's process and information that was considered including a visit to the site. He concluded with the Committee's recommendation that the Port purchase the Jensen & Sons Boatyard and Marina, and adopt and implement the associated Master Plan. Bill Severson noted goals of the facility being cash positive for the Port, retaining jobs, keeping a treasured facility in operation, and possibly of expanding into other marine and public interests.

Commissioner Hertel thanked the Committee for their efforts and time, which Commissioner Marrett echoed. A citizen asked Jim Hooper about the purchase price, which he deferred to the Executive Director who explained that the price has been set at \$2.2 Million via appraisal. Commissioner Marrett asked Shannon FitzGerald if any permitting issues had been discovered, which Shannon noted no findings. Bob Brunkow noted the purchase would create opportunity for public benefits and job opportunities. Shannon FitzGerald noted some existing structures on the property are below flood elevations and recommended a survey of the site before any renovations. Sharon Kivisto asked the Commissioners about unknowns and remediation costs, in regards to final price negotiations. Commissioner Hertel responded that remediation depends on what Ecology demands, but noted that the site only has expected contaminants and is not a superfund site. Commissioner Marrett noted that funding through grants and insurance coverage is possible. Commissioner Hertel shared that insurance policies prior to 1986 would still cover cleanup costs. Sharon Kivisto asked about prior discussion on remediation only being

required as part of a project, which the Commissioners and Executive Director confirmed. The Executive Director and Commissioner Hertel noted the benefits of grant and insurance funding likely to become available as part of any project involving a contaminated area.

The Commissioners and Port Attorney discussed the Resolutions and next steps. Commissioner Hertel closed the public hearing at 5:16pm, and explained the need for an additional Executive Session due to a late ferry for the Port Attorney to complete his presentation to the Commissioners

Commissioner Hertel called for an Executive Session at 5:18 pm per RCW 42.30.110 § 1(b) "To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price". He anticipates the Executive Session will last 20 minutes.

Commissioner Hertel closed the Executive Session at 5:34pm, no action taken.

#### **4. Action items**

##### **A. Resolution 18-003: Adopt Port of Friday Harbor Albert Jensen & Son Boatyard and Marina Master Plan**

Commissioner Marrett moved to adopt Resolution 18-003 to adopt the Port of Friday Harbor Albert Jensen & Son Boatyard and Marina Master Plan. Commissioner Black requested some flow edits to the Master Plan and addition of consideration for non-industrial use in the undeveloped uplands. The Executive Director noted that the document was developed by Staff and the public as an initial Master Plan, and will be revisited in the future. The motion passed unanimously.

##### **B. Resolution 18-004: Purchase of the Albert Jensen & Son Boatyard and Marina property and facilities**

Commissioner Hertel moved to adopt Resolution 18-004 for the Purchase of the Albert Jensen & Son Boatyard and Marina Property. Commissioner Marrett seconded, and the motion passed unanimously.

##### **C. Resolution 18-005: Approve amending PMA to incorporate Jensen's Marina**

Commissioner Marrett moved to adopt Resolution 18-005 to approve amending the Port Management Area to incorporate Jensen's Marina, and Commissioner Black seconded. Commissioner Marrett noted that the boundaries of the existing DNR lease may be modified in the PMA, and Commissioner Hertel confirmed. The motion passed unanimously.

##### **D. Resolution 18-002: Approval of WSDOT application**

The Port Auditor shared details of the application for grant funds from WSDOT for 2018 to match the remaining Airport Master Plan invoices. Commissioner Marrett moved to adopt Resolution 18-002 for approval of the WSDOT application, and Commissioner Black seconded. The motion passed unanimously.

**E. Approve Contract for construction management of the Obstruction Removal project**

The Port Auditor shared details of the contract with Precision Approach Engineering for construction management of the Obstruction Removal Project. Commissioner Black moved to Approve awarding the construction management contract to Precision Approach Engineering, and Commissioner Marrett seconded. The motion passed unanimously.

**F. Approval for Airport Engineer for the years 2018-2022**

The Port Auditor shared results of a Request For Qualifications, noting two respondents, DOWL Engineering and Precision Approach Engineering. A selection committee review and scored the responses, recommending Precision Approach Engineering be selected for the Airport Engineer for 2018-2022. Commissioner Hertel moved to approve Precision Approach Engineering for 2018-2022, and Commissioner Marrett seconded. The motion passed unanimously.

**5. Discussion Items**

**A. Verify cancellation of April 25th regular meeting due to lack of quorum, and schedule special meeting on April 18th.**

Commissioner Marrett confirmed that she will not be available for the regular meeting on April 25<sup>th</sup>. Commissioner Black noted that he will be available, and Commissioner Hertel stated that the April 25<sup>th</sup> regular meeting will be held as scheduled.

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

No additional topics were raised.

**6. Regular Business**

**A.** Minutes for the March 28, 2018 Regular Meeting and April 4, 2018 Special Meeting approved with 3-0 vote.

**B.** Vouchers #017354-017389 for \$80,632.52 and payroll approved with 3-0 vote.

**C.** Administrative Items: none

**7. Staff Reports**

**A.** The Executive Assistant noted increased interest in the available spaces in the Spring Street Landing building, and shared that Staff expect to bring a lease proposal to the next regular meeting.

**8. Port Commissioner and Committee Reports:**

- A. Commissioner Marrett noted a story in newsprint about a new boat chartering business at Spring Street landing. The Harbormaster shared details of the operation which includes 3 small power boats and 1 small sailboat.
- B. Commissioner Marrett asked about conditions at the Animal Protection Shelter in regards to the Obstruction Removal Project, which the Executive Director noted that equipment has been moved away from the shelter and he recommended any directly related costs incurred be covered by the Port.
- C. Commissioner Black shared details of the Island Cup happening April 14<sup>th</sup> at Roche Harbor, with 16 teams participating.

**9. Citizen comments/requests: none**

Commissioner Hertel adjourned the Regular meeting at 5:58 pm.

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Barbara Marrett, Commissioner

  
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Greg Hertel, Commissioner

  
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Graham Black, Commissioner