

## Friday Harbor Port District

Port Commission Meeting Minutes

San Juan Island Yacht Club

Friday September 30, 2021 at 9:00 AM

*With Covid-19 restrictions lifted, the public is now able to attend the meeting in person. You may also dial into the meeting via Zoom. Please note that if you are attending via Zoom, it will be in listen only mode, and comments will not be able to be made. Comments can be e-mailed to the Port to be addressed to the commission during the public comment section.*

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

**Port Staff Present:** Todd Nicholson, Executive Director  
Phyllis Johnson, Auditor  
Tami Hayes, Harbormaster  
Amber Garcia, Executive Assistant  
Mike Roling, IT System Administrator  
Erik Edshammar, Facilities Maintenance Manager  
Kyle Gropp, Capital Projects Lead

**Public Present:** Citizens Observed on Zoom  
Craig Melvin  
David Vallor  
Erin Graham & Matt Aretta, A1 Marine  
Gary & Ludie Westby, Friday Harbor Marine  
Greg Williams  
Ken Olson  
Randy Buterbaugh  
Scott Boye  
Victoria Compton, EDC

**Citizen comments/requests:** Citizens can make a brief comment or may ask the Commission to schedule a topic for further discussion at a future meeting.

### **Discussion Items:**

- A. The Executive Director requested the Port Commission to grant him authority to negotiate and execute a voluntary termination of Jensen's Boatyard Lease tentatively, as of October 31, 2021. Any monetary components of the transaction

would be within the existing delegated authorities of the director and including transferring the website, phone number, boatyard permit, store inventory, etc.

It is suggested that a Port Townsend model boat yard versus a single operator, would be in the Port's long-term interest. Having a Port Townsend model, Port Staff would oversee the facility, perform haul-outs, block the boats, pressure wash, schedule boats in and out, operate the lift, obtain boatyard permits, and manage the stormwater. The remainder of the work would be done by either the boat owner or local onsite or offsite contractors.

It will take time to transition to running the boat yard. Staff proposes a two-month shutdown for November and December to perform yard cleanup, stormwater improvements, reorganization, and coordinate with the suite of businesses that will be offering marine services. Doing this will also help to open as effectively and successfully as possible.

Citizen, David Vallor is a boat owner and uses the services of the boatyard for haul out and maintenance. He inquired why is it necessary to terminate the operation of the boatyard while making decisions on how it will operate? How do you minimize the amount of time that the boatyard is out of operation?

Commissioner Black responded that he has a lot of faith in the Executive Director and staff to run a multi-faceted business very efficiently. He has a lot of confidence that they're going to be able to quickly work the kinks through and get up and running in a reasonable amount of time.

Citizen, Scott Boye asked the Executive Director, and the Commissioners what are the financial ramifications of this?

The Executive Director stated that he has seen the Profit and Loss Statements from when the Ahrenius' ran it and has also seen the profit share from MICO. Running the boat yard will be solidly cash positive even after expenses and employees; the Port is primarily taking the boatyard over to support local businesses.

Citizen Craig Melvin shared his unpleasant experience with Jensen's Shipyard. He was told in early August they wouldn't be able get to it until sometime in September, they were 6 weeks out because they only had one employee. Mr. Melvin was told he was not allowed to work on his boat and not allowed to visit it. He had to make several trips to the mainland to get needed parts for the repair.

When he called to check on the status of the boat, he was told that they are closing their doors and he would need to get his boat.

Citizen, Greg Williams added that MICO could not accommodate him, and he had to take his boat to Lopez Island. He also inquired about environmental cleanup

regulations and rules.

The Executive Director replied that the Port absolutely appreciates that the Environmental Protection is a key component, and that staff are well skilled at storm water management.

The Commission granted the Executive Director authority to negotiate and execute a voluntary termination of Jensen's Boatyard Lease tentatively, as of October 31, 2021. Commissioner Hertel moved, Commissioner Marrett seconded, approved unanimously with 3-0 vote.

The Executive Director will bring back a partial budget to the October 13th meeting to begin planning with the Commission and Staff.

**Action Items:**

- A. The Executive Director presented a comprehensive list of in progress and future capital projects to the Commission to discuss the strategic priority on a Port wide basis.

*In Progress/2022*

1. Phase 1 Jensen's rebuild including electric back in.
2. Main marina shower remodel is currently being designed.
3. Eco barge and holding tank.
4. A/B Hangar rebuild.

The Commission would like to continue with these projects and complete them.

*In Progress/2023*

1. Phase 2 Jensen's rebuild, getting the covers on and finishing the reconfiguration beyond the boathouses.
2. Jackson Beach parking & toilets redesign and upgrade.

The Commission would like to look at the ongoing costs of the new toilets at Jackson Beach.

*In progress/2023-2025*

1. Southwest hangar area, access road, & taxiway (CIP). Consider high level Hangar design and execution by a private partner. Potentially 10-30 hangars depending on the size and configuration. Volunteer group has been meeting to discuss potential configurations and uses.

The Commission would like this not to be a high priority, but the Executive Director can explore the feasibility.

Citizen, Craig Melvin inquired if E Hangars will remain or if they will be reconstructed and sold.

The Executive Director responded that there are currently no plans to sell A, B, E, or G Hangars.

*In Progress/2027*

1. Snow Removal Equipment Building/Business Pads (CIP). The area behind Boothman's. The County is in favor with the land exchange, waiting to get FAA sorted out to complete the exchange. There currently is a temporary structure for Snowplow which is good for five to ten years. Boothman's would possibly get demolished, and an improved shop area built along with a new structure for the snow removal equipment. In addition, consider adding business pads as a type of a business incubator.

The Commission is in favor of this project.

*Net shed reinforcement*

- Not urgent from a structural or economic development viewpoint
- Consider effort to shift responsibility and expense to the sole nonprofit user

The Commission agrees to hold off on this, if San Juan Sailing Foundation would like to make improvements it would be on them, and the Port would support that decision.

*Office building & heated storage space at old office supply lot*

- Staff recommends pursuing this option if land remains vacant after higher priority work is completed

The Commission agrees to not use Port resources to develop this lot and hold off and leave it vacant.

*Solar installations*

- Shows environmental leadership
- Low/slow payback
- Possible private partner opportunity

Corley, the Airport Engineer has identified areas that could work around the airport where other items don't fit into FAA's category, but solar could.

The Executive Director will continue to work with OPALCO, but this will not be a high priority.

*Composting, glass crushing, recycling facility*

- Shows environmental leadership
- Composting with food waste will be challenging on airport properties
- Facility may not be independently commercially viable
- Partnership opportunities may be possible

The South Storage area could possibly work for this type of facility.

The Commission would like the Executive Director to research if there are any grants available. This will not be a high priority project.

*APS area office complex (Port or Private)*

- Recommend high level Port design/objectives and advertise for private partner construction and operation

The Commission would like to hold off on developing this area.

*South Storage small business park*

- Meets urgent small business need for affordable workspace
- Project is a good fit for internal Port capabilities
- Can meet 10% or greater ROI for Port investments
- May be attractive to a private partner for construction and operation

The Commission suggests being cautious on which parcel this would be located on and to not make this a priority.

*Westerly 10 Ac. Buyback and business park*

- Meets urgent small business need for affordable workspace
- Project is a good fit for internal Port capabilities
- Can meet 10% or greater ROI for Port investments
- May be attractive to a private partner for construction and operation
- Recommend pursuing FAA buy back but waiting to design pending Town annexation

The Executive Director would like to get this appraised independently at the beginning of 2022.

The Commission would like to know what the price would be to purchase it back.

*Jensen's parking expansion*

- Needed for MTC, marina, & boatyard parking.
- Can be executed in 2022 – 2023
- Cost estimated at less than 200K

The Commission would like to wait until this is necessary.

*SYC marina expansion*

- Meets some of the large boater demand
- Excellent revenue versus cost prospect
- Likely to have a significant permitting period

The Commission agrees that this project should move forward.

*SYC barge landing/Boat lift replacement*

- Design and permitting critical to effective grant funding
- Likely to have a significant permitting period
- Essential for Island economy

The Commission would like to proceed.

*Jensen & SYC consolidation/expansion (post landing construction)*

- Meets some of the large boater demand
- Excellent revenue versus cost prospect

The Commission would like to continue moving forward on the consolidation/expansion once the barge landing is complete.

*MTC construction phase*

- Recommend waiting for clarity on Town sewer availability prior to prioritizing/scheduling

The Commission agrees that this project should move forward if we get sewer availability.

*SYC master planned road and facility modifications*

- Staff recommends waiting for clarity on Town annexation, sewer availability, and MTCA details prior to further planning or scheduling of work.

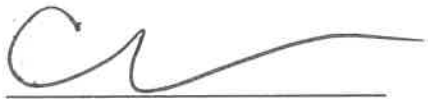
The Commission would like to hold off on the facility modification until SYC is annexed into the town. In addition, the road should have the large rock removed, it is a safety hazard.

**Staff Reports: None**

**Port Commissioner and Committee Reports: None**

**Citizen comments/requests:** Citizens can make a brief comment or may ask the Commission to schedule a topic for further discussion at a future meeting.

**Adjourn: 11:45 AM**

A handwritten signature in black ink, appearing to be 'Graham Black', written over a horizontal line.

Graham, Black, Commissioner

A handwritten signature in blue ink, appearing to be 'Barbara Marrett', written over a horizontal line.

Barbara Marrett, Commissioner

A handwritten signature in blue ink, appearing to be 'Greg Hertel', written over a horizontal line.

Greg Hertel, Commissioner

