

Friday Harbor Port District

Port Commission Meeting Minutes

San Juan Island Yacht Club

Wednesday January 25, 2023 at 12:00 pm

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: Barbara Marrett
Graham Black (via Zoom)
Victoria Compton

Port Staff Present: Todd Nicolson, Executive Director
Phyllis Johnson, Auditor
Tami Hayes, Harbormaster
Amber Garcia, Executive Assistant
Mike Roling, IT System Administrator
Kyle Gropp, Capital Projects Supervisor
Shane Moore, Fabrication Lead
Viorel Ghinet, Dock Manufacturing
Russell Fredy, Capital Projects & Maintenance

Public Present: Bill Cumming, Tenant
Brian Goodremont, SJ Safaris & Outfitters
James Crossley, Ernie's Café
Jim Slocomb, Tenant
Lynne Barnes, Tenant
Marcy Montgomery, SJI Innovations Center (via Zoom)
Matt Marinkovich, Citizen
Mike Smith, Anchors Down Ventures LLC
Necia Quast, LWVSJ
Roger Ellison, SJI Grange

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.

The Executive Director shared an email that was received by Citizen, Marilyn Gresseth who supports the Makers Guild proposal. She also is encouraging the Commission to look at noise abatement compliance as part of lease renewals, lease assignments, and new leases.

Commissioner Compton added that she also received an email. The email from Emma of Bookkeeping Solutions, and she said once again, the Port has done an outstanding job on,

your newsletter. I love learning about all the port that is doing and so appreciate your efforts.

Staff Introduction:

Viorel Ghinet, Dock Manufacturing
Russell Fredy, Capital Projects & Maintenance

New Port Staff was introduced to the Commission.

Discussion Item:

A. Lease Concept Proposals

The Executive Director presented the Lease Concept Proposals of the parties that were not present at the meeting.

Tarragon Northwest is interested in the Spring Street parcels as well as the parcel at 27 Airport Circle Drive, which is adjacent to their current property they own on Spring Street. Their concept plan is to build flex-industrial buildings that will be leased to related and third party businesses. The uses of the buildings include warehousing, distribution, cold storage, light manufacturing, and office spaces.

Forrest Dick has a concept of stump grinding and composting at the south end of the Airport, near South Storage. The Executive Director shared that it might be difficult for them to get a conditional use permit.

Brian Goodremont owner of San Juan Safaris, San Juan Outfitters, and Riptide Café shared his proposal to the Commission. With their businesses continuing to grow at an exponential rate, they are running out of space. He is interested in building a 4,000 square foot warehouse on a small Weber Way parcel. The warehouse would house a commercial kitchen, office space, provide storage for kayaks, bicycles, expedition equipment, maintenance bay for servicing vehicles/vessels, outdoor storage, and plenty of parking. He would also like the Commission to consider the potential of staff housing. Commissioner Marrett is not in favor of the housing portion of the proposal.

Marcy Montgomery with the San Juan Island Innovations Center (SJIC) shared that they have expanded from being makerspace oriented and more of a business incubator that includes a food center, makerspace, and including education training facilities, environmental programs, and green tech type developments. They are particularly interested in the three acres that are adjacent to the college and have new ideas of the possibility of working with the college. In addition, they are also interested in space at the south end near the Animal Protection site.

The Commission agrees that the concept from Tarragon Northwest for the Spring Street parcels would be a great use of Port property and that they can proceed to

to four months to bring the full proposal back to the Board. The Commission would like to see the Spring Steet buildings pulled forward toward the street with most of the parking in the back.

They also agree that Mr. Goodremont's concept can move forward. The Commission will grant them three to four months to come up with a little bit more detailed final proposal to present to the Board.

The Commission encourages the SJIC and their various partners to please continue working on their very ambitious proposal and the new parcels they are interested in are not currently in the hopper for this round of proposals. They also enjoyed Mr. Dick's proposal, but share that it's not an appropriate time to be talking about it because the parcels he's interested in are not available in this round of proposals.

Consent Agenda:

- A. Approval of Minutes: January 11, 2023 Meeting Minutes
- B. Approval of Vouchers: Payroll and Vouchers #03422-03445 for \$25,065.19

Commissioner Compton moved to approve all items in the Consent Agenda, Commissioner Black seconded, all items approved unanimously.

Action Items:

- A. Adopt Strategic Plan

Commissioner Marrett moved to adopt the Port's new Strategic Plan, Commissioner Compton seconded, approved unanimously.

- B. Approve Aeronautical Services Lease

Commissioner Compton moved to approve Aeronautical Services Lease which includes additional leased space for their expansion, Commissioner Marrett seconded, approved unanimously.

Discussion Items:

- A. Ernie's Assignment of Lease

The Executive Director announced that the Ernie's has an interested party who would like to take over their lease. There are two options the Commission can choose from. The first option, they can assign the initial lease with James Crossley to a new restaurateur in which the Lessee is responsible for maintaining the structure. The second option would be to not assign it, in which case it could be a new lease where the Port maintained structure. A new lease would have both higher Port costs and revenues.

Current lessee, James Crossley introduced Mr. Smith to the Commission, and he shared that the Roy Franklin Museum will remain, and he will continue to preserve the building exactly the way it is.

The Commission decided the Ernie's lease will stay the same and will be reassigned to the new tenant, Mike Smith with Anchors Down Ventures LLC.

B. Crossley Hangar Lease Conditions

The Executive Director stated, Mr. Crosley has several buyers interested in purchasing his hanger. Our policy has laid out generally that we're looking to limit new leases extending an expiring lease to 10 years if there is no substantial lessee investment. If the improvements are made, or conditioned in the new lease, the term plus extensions could be up to 25 years. The Director's recommendation is the new lease could be an initial term of 10 years. During that 10 years the lessee, or assignee, will reroof and reside the structure. This work would be a condition of granting a total of 15 years of extensions resulting in a total lease duration of 25 years.

The Commission agrees with the recommendation with the addition of, at least 30% of the South facing roof be covered with solar panels. The lease will be prepared for the Commission to approval.

C. Airport Capital Improvement Plan Update

The Executive Director displayed the Airport Capital Improvement Plan Summary Sheet, no projects have changed from what was originally decided.

D. Tribal Canoe Journey

For many years the Port has been a partner in the Tribal Canoe Journey. Commissioner Marrett received a call from Stephanie Buffam, who's been very involved in this over the years. She is proposing that this year maybe the four canoes can land at Jackson Beach. The County side of the beach would be ideal because it's flatter and they could camp there easier overnight. They would need to use the facility on May 22nd and 23rd.

The Commission thinks this is a great idea and likes the idea of building relationships with all the tribes. Freddie Lane, Chairman of the Lummi Tribe might be available to speak at the next meeting to give a proposal. Since the Port has an interlocal agreement with the County for that section of the beach, the Executive Director will follow up with the County to see if this use is acceptable.

E. Delegation of Authority

The Executive Director and Commission had a brief discussion about the Delegation of Authority and what constitutes a material amount of staff time for community members and individual Commissioners.

The consensus from the Commission was to stay with the status quo.

New Business: Commissioners May Share Information or Introduce Topics for Discussion at a Future Meeting.

Commissioner Compton announced that the long postponed community listening session is scheduled for Saturday February 4th at 10:00 AM at Lime Kiln Café. Both Commissioner Compton and Commissioner Marrett will be in attendance and therefore a Special Meeting Agenda will be posted.

Commissioner Black would like to encourage us to revisit what properties we should make available for lease in our next round of concept proposals in July. He would like to see more properties made available and asked the Commission to consider which parcels they would like included or excluded. He also stated that he feels we need to be consistent with our Lease Policy.

Staff Reports:

Kyle Gropp- King Tide Report

Mr. Gropp shared about an extreme tide event that beat records that were set back in 1982 and how it affected the Port properties.

Executive Director- He will give a report at the next meeting.

Port Commissioner and Committee Reports:

Commissioner Compton said thank you to Commissioner Marrett for her excellent suggestions around improving communications both in house and in the public. She really appreciates the fact that she works so hard to get the word out.

Commissioner Marrett will save her communication report with Northern Waterways Association for the next meeting.

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. **None**

Adjourn: 2:27 PM



Graham, Black, Commissioner



Barbara Marrett, Commissioner



Victoria Compton, Commissioner