Friday Harbor Port District

Port Commission Meeting
San Juan Island Yacht Club
Friday October 10th at 10:00 AM
Regular Meeting Minutes

Commissioners Present: Graham Black
Barbara Marrett
Richard Goodhart

Port Staff Present: Todd Nicholson, Executive Director
Kyle Gropp, Deputy Director
Phyllis Johnson, Port Auditor
Mike Roling, IT Administrator
Megan Workman, Staff Accountant

Public Present: Jill Belcovson, LWVSJ
Craig Blake, Blake Marine

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

Consent Agenda:

A. Approval of Payroll & Vouchers
B. Approval of Minutes: September 26, 2025, Meeting.
Commissioner Marrett moved to approve the consent agenda, Commissioner Black seconded. Motion approve unanimously.

Action Items:

A. Approve HB Hansen Change Order 2 – Repair existing taxi lane and apron pavement failures adjacent to Hangar 80 with a cost of $197,820 – bringing the total to $2,591,072.27.
Commissioner Marrett moved to approve the change order, Commissioner Black seconded. Executive Director Nicholson explained that this is to repair some of the pavement that was damaged while building Hangar 80. This will be covered 95% by BIL funds. Approved unanimously.

B. Approve Port Angeles Grant Writing & Technical Support Interlocal
Commissioner Marrett moved to approve the interlocal, Commissioner Black seconded. Deputy Director Gropp explained that while talking to other Ports about MARAD grants to fund a breakwater project for Shipyard Cove it was determined that Port Angeles has an experienced grant writer that can offer support and assistance in the process. This interlocal

authorizes a formal working relationship with Port Angeles for grant writing support up to $10,000. All of the commissioners indicated support for the interlocal. Motion approved unanimously.

C. Approve Downriggers Lease Amendment / Extension
Commissioner Marrett moved the lease amendment, Commissioner Black seconded. Executive Director Nicholson explained that the amendment simply adds an additional extension to the existing lease, under the existing terms. This is in line with how the lease was handled prior to the fire. Commissioner Marrett asked if there was a downside. Executive Director Nicholson explained the only downside would be if the Commission wanted to renegotiate the base terms of the lease, however the current lease is one of the most successful leases currently. Motion approved unanimously.

D. Approve Resolution 25-009 - Authorize Executive Director to submit for a $750,000 CERB Rural Ports Grant Application
Commissioner Black moved to approve Resolution 25-009, Commissioner Marrett seconded. Executive Director Nicholson explained that this is a new program. The request will be for $750,000 to help build out the haul-out pier for the boatyard. He believes it will be compelling, since the requested funding is just part of a larger project. Resolution approved unanimously.

Discussion Items:
A. Staff Introduction: Megan Workman
Port Auditor Johnson introduced Megan Workman as the new staff accountant. The commissioners welcomed her to the staff.

B. Citizen Budget Guide 2026
Port Auditor Johnson presented the Citizen Budget Guide. She highlighted the 2026 budget items including 2026 projected revenue, expenses and grants. It was noted that the Port is on schedule to be debt free by 2040.

Commission Black asked for an explanation between Operating Income and Non-Operating Income. She explained that operating income is income from direct operations, such as lease and moorage fees. Non-operating income is indirect income such as taxes.

Commissioner Marrett suggested some labeling changes to a chart to improve readability.

C. Blake Marine – First lease amendment
Executive Director Nicholson explained that due to delays in getting the updated infrastructure in place this amendment would extend a 25% rent abatement for the next 2 years, with a prorated 50% abatement for larger disruptions due to the clean-up. Commissioner Marrett wanted to have clearer terms for the 50% abatement.

Craig Blake of Blake Marine indicated that for the larger abatement it would just be for when *the Travelift is unable to operate.*

Executive Director Report:
Port Auditor Johnson presented financial reports for the first 3 quarters of 2025. The 2025 Capital Budget through Q3 was also presented.

Port Commissioner and Committee Reports:
Commissioner Black noted he has had lots of positive feedback on the Cannery purchase.

Commissioner Marrett said she was still working on the newspaper insert but she should be done in the next few days.

New Business: Commissioners May Share Information or Introduce Topics for Discussion at a Future Meeting.
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.
None

Tour: The Commission will tour the Cannery site. *(Due to the purchase awaiting final closing and zoning issues this is not open to the public.)*
The commission took a recess to travel to the Cannery site. The tour started at 11:26 am and finished at 12:05 pm. No action was taken.

Adjourn: 12:05p

Barbara Marrett, Commissioner

Graham Black, Commissioner

Rich Goodhart, Commissioner