

Friday Harbor Port District

Port Commission Meeting
San Juan Island Yacht Club
Friday February 13th at 10:00 AM
Regular Meeting Minutes

Commissioners Present: Graham Black (Zoom)
Barbara Marrett
Richard Goodhart

Port Staff Present: Todd Nicholson, Executive Director (Zoom)
Kyle Gropp, Deputy Director
Phyllis Johnson, Port Auditor (Zoom)
Mike Roling, IT Administrator

Public Present: Jill Belcovson, LWVSJ
Inness Davis

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.

Inness Davis introduced themselves as a potential buyer of the Oystertale restaurant in the Spring Street Landing building. Commissioner Black noted that a discussion on that unit will be taking place later in the meeting and asked Inness to participate at that time.

Consent Agenda:

A. Approval of Payroll and Vouchers

B. Approval of Minutes: January 23, 2026 - February 3, 2026, Special Meeting

Commissioner Marrett moved to approve the consent agenda as a whole, Commissioner Goodhart seconded.

Commissioner Marrett asked what the equipment holding account is. Port Auditor Johnson replied that it was a placeholder account for equipment purchases until it is booked as a fixed asset. Commissioner Marrett then asked about the \$10,000 Department of Ecology charge. Executive Director Nicholson explained that as part of the Jensen Boatyard clean-up the Department of Ecology sends us an invoice for their review time of the project.

Commissioner Marrett then asked about the propane at Shipyard Cove and at the Main Marina. Port Auditor Johnson explained that the Shipyard Cove tank is used for heating the building there and the Main Marina tank is used for the laundromat. Commissioner Marrett asked if there are plans to replace the propane at Shipyard Cove with a heat pump. Deputy Director Gropp explained that the building was somewhat complicated due to how segmented it is. Executive Director Nicholson added that while a heat pump might be

cheaper to run, with the limited usage currently in that building it would take a long time to pay off the capital investment. There is also some uncertainty about the future activities in that building, so it is a low-priority task right now.

Motion approved unanimously.

Action Items:

- A.** Consider signing a joint County, Town, and Port letter of support for the Mosquito Fleet Act HB 1923.

Executive Director Nicholson gave the commissioners a short background on the Washington State House Bill 1923. The Bills intent is to make it easier to allow passenger ferries to operate. The County has approached the Port and the Town asking if they would sign a letter of support. It was noted that the letter has not yet been generated.

Commissioner Marrett asked about funding mechanisms. Executive Director Nicholson indicated that while HB 1923 does allow for a 0.3% sales tax, most of the funding would have to come from other sources.

Commissioner Goodhart noted that even supporting the HB 1923 it still must be approved at the state level and then if the County wanted to there would be a lot of local discussions before anything happened. He was comfortable allowing the Executive Director to sign a letter of support that was in line with the discussion.

Commissioner Marrett voiced reservations about not seeing a draft of the letter and the viability of a ferry but trusts Executive Director Nicholson to sign the letter of support.

Commissioner Black also supports allowing Executive Director Nicholson to sign if he thinks the letter is representative of the Port's best interests. He stated that he feels that any action out of this bill would be years away. He also noted that the legislature is in session which is why it seems a little rushed.

Executive Director Nicholson added that in a situation like this where the county is going to ask him to sign a letter of support on behalf of the Port he looks to see if the situation leads to a new tool or opportunity for the Port. He will not sign anything that commits or appears to commit the Commission to action.

Commissioner Black made the motion to authorize the Executive Director to sign a joint letter with the Town and County in support of the Mosquito Fleet Act, HB1923.

Commissioner Goodhart seconded. Motion approved unanimously.

Discussion Items:**A. SSL Building Lease - Unit 101**

Deputy Director Gropp explained that the current operator of Oystertale restaurant had recently initiated termination of her lease, there is a prospective operator for Oystertale who is in negotiations to buy the business.

Inness Davis explained their history and experience in the restaurant business and their plans for the future of the Oystertale restaurant as well as the request to be able to establish a long-term lease.

Commissioner Black indicated that he would like Staff to bring back a draft lease for Oystertale based on the original Oystertale lease of 5 years with the 5-year extensions.

B. Public Art RFP Proposal

Commissioner Marrett thinks the current RFP is very comprehensive and suggests that when it gets sent out the Art Museum may be able to send it out to their registry of local artists.

Commissioner Goodhart agreed that the RFP looked good.

Commissioner Marrett then pointed out that some decisions still had to be made regarding the financial contributions. Commissioner Black said that he thinks the selected location works better for a community type of project. He also noted that the draft RFP is currently set to have the Port contribute 50% of the cost up to the cap amount.

Executive Director Nicholson confirmed that the RFP was currently set up to have the Port cover 50% of the total, but that was up to the commissioners to decide if that was the right amount.

Commissioner Marrett feels the Port contribution to the 'documented material' costs assumes the piece has not yet been created and there could be a piece that has already been created. Commissioner Black suggested maybe the Port just contribute a fixed amount with the bullet points for material cost and artist compensation going away.

Commissioner Goodhart agreed with removing the percentage-based term. Commissioner Black suggested that the RFP could require the cost of the completed piece as part of the proposal for the Commission to take into consideration.

Commissioner Marrett wondered if the piece already exists and is in someone else's collection, such as a non-profit that would be selling the piece to fund their mission. Commissioner Black suggests that they could explain that in their proposal.

Executive Director Nicholson said that the RFP can be tweaked slightly to make it clear that completed pieces would be considered as well as purchases from the owner of the art, not

just the artist. Language could also be added to clarify that a piece beyond the stated budget may still be considered.

Commissioner Black started off suggesting that maybe a \$12,500 mark for the suggested budget and asked the other Commissioners what their thoughts were. Commissioner Marrett said that it will vary greatly depending on the type of proposal received but she would start at \$20,000.

Commissioner Goodhart was conformable in the \$10,000 – \$30,000 range. The commission agreed to use \$25,000. The RFP will be brought back as an action item for the next meeting.

C. Floating Sauna RFP Discussion

Commissioner Black stated that he would like the RFP to consider proposals with a plunge element, but otherwise liked the RFP. He also feels that the sooner it gets put out the more likely an operator could be setup for the summer.

Commissioner Marrett was in favor of keeping a plunge pool element and likes the suggested location but worries about DNR allowing it.

Deputy Director Gropp stated that DNR's stance is this would be a non-water dependent use, so 85% of the revenue would be required to be remitted to the state.

Commissioner Black still favors the sauna as a community amenity but does think that revenue for the space should be at least comparable to what it generates now.

Commissioner Marrett said that some of the questions they have to consider are:

Is it in the Port's Mission?

Is it creating jobs?

Is there an economic benefit?

Does it make the Port more attractive?

Would it be considered a gift of public funds?

Would it be good for marketing and PR?

She then suggested that maybe a portable sauna at Jackson Beach or something in the Cannery might be workable as well.

Commissioner Black agreed that there are many tangential benefits for the Port that would be hard to quantify monetarily. He also thinks that it would be important for the RFP to stress that the sauna would have to be in operation a specified number of months of the year at least covering the shoulder seasons. That while it should move forward as non-water dependent, but he thinks if the cold plunge element stays that over time, we might be able to convince the DNR of it being water dependent.

Commissioner Goodhart noted that floating debris can accumulate in the corner near the floating restrooms so that may have to be addressed. He also reiterated that his main sticking point for the pungle element is the Port's liability and would like to have that run past legal and insurance.

Commissioner Black asked if there were other places that make sense for revenue and deeper water for the plunge. Executive Director Nicholson indicated by design there aren't many zero revenue spots in the marina. Commissioner Black then asked about over by the clock tower building. Deputy Director Gropp said that there was one space there but there are currently discussions with a commercial operator for it. Plus, that space is close to the ferry and the town outfall.

Executive Director Nicholson said he'd update the RFP and bring it back for action after talking to legal and insurance for their takes.

Executive Director Report:

Executive Director Nicholson indicated that frustrations with Ecology have been growing with the Jensen's clean-up. He is considering requesting an audit to try finding out what is causing the issues.

Commissioner Marrett asked if WPPA could help. Executive Director Nicholson said he has talked with WPPA and Port of Tacoma and indicated that several other Ports share in his frustrations.

Port Commissioner and Committee Reports:

Commissioner Goodhart mentioned that Heather managed to remove the old vessel auction advertisement that was displayed on the Journal's website. He then asked Commissioner Marrett how long his article for the newsletter should be. Commissioner Marrett asked for around 500 words, and she'd like to have it by the end of the month if possible so she can work on editing.

Commissioner Goodhart then said that one item that he had on his list that hasn't been discussed is the uses of the net shed.

Commissioner Marrett noted that she has been on the Climate and Sustainability Committee. They meet every 2 months from 5:30 to 7:30. She thinks it is good to have a Port representative on the committee, but she was wondering if anyone else from the Port would like to take her spot.

New Business: Commissioners may share information or introduce topics for discussion at future meetings.

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.

Deputy Director Gropp added that the Fourth of July transportation has been set with Jolly Trolley to shuttle passengers between the Port and Fairgrounds.

It was also mentioned that Music in the Park will be starting on the 4th and the Lions intend to do a beer garden, this will fill some of the time between the Pigwar Picnic and the Fireworks.

Adjourn: 12:02p



Barbara Marrett, Commissioner



Graham Black, Commissioner



Rich Goodhart, Commissioner