

Friday Harbor Port District

Port Commission Meeting
San Juan Island Yacht Club
Friday September 11th at 10:00 AM
Regular Meeting Minutes

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

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

Public Present: Jill Belcovson, LWVSJ
Michelle Herko, UW
Adam Rogowski, UW

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.

[10:00a] *None*

Presentation: K-12 Water Testing Program

[10:00a] *Michelle Herko thanked the commission for their support in prior years and introduced her assistant, Adam Rogowski. She explained the testing methodology that she leads the 5th grade students through and provided an overview of the testing sites. She explained that the program is important for teaching students the scientific method while allowing them to provide results that are used beyond the lab.*

She continued providing the results of the water testing for the past year. All results were in the excellent range. Then she provided a cost breakdown for the last year and made an ask for \$3900 in funding to help continue the program for the 2026-2027 school year.

Commissioner Goodhart asked if they see much variance in the testing between the students. Michelle Herko responded that they don't typically see much variance between the student samples. Part of the program teaches the students how to properly sterilize and prepare samples to make the results repeatable and comparable.

Consent Agenda:

A. Approval of Payroll and Vouchers

B. Approval of Minutes: August 28, 2026

[10:27a] *Commissioner Goodhart moved to approve the consent agenda, Commissioner Black seconded the motion. Commissioner Marrett asked about the charge for an access card system. It was explained that is for Shipyard Cove to limit access to facilities to the marina customers. She then asked why propane was utilized in the laundromat. It was explained that the machines that were put in when it was built use propane, so there'd be a cost to replace them. Propane is also more efficient and faster in drying clothes. The existing machines still have useful life. Consent agenda approved unanimously.*

Discussion Items:

A. Cannery Parcel near term use

[10:30a] *Executive Director Nicholson explained he was looking for a sense of what type of uses should be pursued that don't require a zoning change.*

Commissioner Black stated that he would like to see part of the outside area opened up as an extension of Jackson Beach. He was less sure about the inside but would be open to letting it be used as short-term storage for community groups while continuing to develop a long-term plan.

Commissioner Goodhart said he looked at the results of the Mullis Center event and the county zoning structure and to him it seemed like storage, and parking were what would be the quickest to implement. Most of the other potential items seemed like they would require a longer process. He noted that it can be difficult to change uses if it is allowed to be used for something else first.

He mentioned that he was contacted by the sailing program looking for a temporary spot to store their pond boats and dock because the building they are currently in is falling down.

Commissioner Marrett feels that using the yard for boat storage but keeping the building access restricted would be best. She asked Executive Director Nicholson for his thoughts regarding allowing people to come and go from the building.

Executive Director Nicholson responded that it sounded like there was agreement regarding some sort of small boat and/or commercial kayak activities and potentially some sort of public access to the grounds. He noted that it would likely be relevant to the county if it was Port Staff or a business inside of the building regarding what type of upgrades that would be required, both options could be explored with the county.

Executive Director Nicholson asked the commission if they had a general idea of what they'd like to see in the next 15 years.

Commissioner Black wanted to clarify that public access to the grounds would keep the building and old piers behind a fence. Just opening up the eastern part of the parcel up for exploration. He is also comfortable letting the Sailing Foundation utilize the building to store their boats and dock for this winter with staff controlling access.

Commissioner Black continued that for the long-term picture he is a fan of some sort of restorative aquaculture plus tribal center.

Commissioner Goodhart agreed that he would support a business doing aquaculture.

Commissioner Marrett also agreed that in the long term it would be great to have some aspects of aquaculture happening in the building. She does not want to have the Port running it and noted that the business needs to at least break even. She would also like to see some tribal interpretation.

Executive Director Nicholson asked the commission if their vision is to have the building be a mixed-use facility and which uses would be the priority.

Commissioner Goodhart replied that he feels the building is large enough to require multiple uses. Commissioner Marrett also feels multiple uses can occupy the building she does have concerns about uses like a museum that may cause frequent foot traffic to and from the building. Commissioner Goodhart noted that he could envision a multi-use interior space that could be used by various groups.

Commissioner Black stated that his vision would include a significant remodel of the interior space. He envisions a tribal interpretive center, common meeting space, aquaculture, and small boating center coexisting together. He notes it will take a few outside parties investing financially to make that happen.

Commissioner Marrett says she sees the space staying more industrial. She prefers working toward a small boat center then adding aquaculture.

Executive Director Nicholson stated that his current understanding is for the short term try to open up some of the grounds for public access as long as it doesn't interfere with the work being done to the building and docks. Explore short-term use options for kayak and boat storage in the open flat space of the main building. Mid-term work on plans to get a small amount of public dockage for commercial fishing and small boats. Longer-term work on masterplan and zoning changes to allow for aquaculture and mixed-use center.

Commissioner Black is optimistic that something great will come of the site in the long-term. Short term he'd like to see more small boats and feels as the site develops there will be room for small boats to exist with the other operations. He is not in favor of spending much money to accommodate short term uses in the building as he feels the building will need a significant overhaul to accommodate the long-term uses.

Director Nicholson asked if the commission was ok with potentially offering a year-to-year lease to a tenant to do small boat storage and maintenance.

Commissioner Goodhart was fine with that assuming the county would allow it. Executive Director Nicholson agreed that there was the risk the county wouldn't allow any public usage as it currently is. Commissioner Marrett was also okay with it if the county approved. Commissioner Black agreed as a short-term use.

All the commissioners felt that a small boat component could work with the larger vision of the parcel.

Commissioner Black defined his preference list as Aquaculture, 1; Tribal Interpretive, 2; Small Boats, 3; Community Space 4. He doesn't feel it needs an indoor meeting room or anything like that but would like to have a common area where people could see the activities happening there.

B. Hangar 80 Abatement

[11:20a] Executive Director Nicholson explained that Hangar 80 was finished and ready to be leased. However, due to FAA repair facility approval taking longer than anticipated, Island Air would like a 3-year abatement period rather than 2 to allow them to get fully certified through the FAA.

Commissioner Black asked if they were running the business before getting certified. Executive Nicholson confirmed they were already doing business. However, they need to be FAA certified before they can do certain maintenance items. Commissioner Black asked if the primary source of the delay was the FAA or if the tenants delayed things. Executive Director Nicholson said the tenant immediately put in their application and have been in the FAA queue. Deputy Director Gropp added that they are also already scheduling training for their mechanics to get them certified for the new equipment. The tenant does not appear to be the cause of the delay in certification.

The commissioners were in favor of allowing an extended abatement period. This lease will be brought for approval in a future meeting.

C. Preliminary 2027 Capital Budget

[11:24a] Port Auditor Johnson reviewed the preliminary capital budget for 2027. Airport projects include Hangar Rehabilitation, Airfield Lighting and signage updates and purchase of a building in the Runway Protection Zone. These items would be mostly funded by FAA grants.

Additional airport projects include decommissioning of the old unground fuel tanks and EV charges.

Marina projects include the barge landing road, EV chargers, and electrical upgrades in the marina and breakwater. These items would mostly be funded by commerce and WSDOT grants.

Equipment purchases include a Polaris electric vehicle for the airport, a rough terrain mowing tractor as well as a new commission table and miscellaneous equipment. Equipment purchases are expected to be \$200,000.

The preliminary capital budget expenditure is currently forecasted to be \$1,750,300.

Port Auditor Johnson noted that the CPI announced today came out at 4.4% - that is the value used for tariffs.

Commissioner Goodhart noted that many of the grants require reimbursement of expenses and wanted to make sure that wasn't going to be an issue. Executive Director Nicholson confirmed that fronting the money and waiting for the reimbursement can sometimes be tricky. He works with Port Auditor Johnson to sequence things to try avoiding any cash flow issues. Commissioner Marrett asked what the reserves were at. Port Auditor Johnson replied that they were a little over 3 million.

Executive Director Report:

[11:39a] Executive Director Nicholson noted that there were a bunch of administrative items happening in the background related to MTCA and permitting. He is hopeful that the MTCA project will be able to move to the next phase of the clean-up next year. Some of the electrical projects have plans that are pretty much finalized and will be put out for bid once all parties sign-off on the plans.

Deputy Director Report:

[11:41a] Deputy Director Gropp provided an update he received regarding the eelgrass mural. They are most of the way through the first big panel and are anticipating everything to be complete and installed by the end of summer 2027.

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

[11:42a] Commissioner Black noted that he saw a wedding happening at the Jackson Beach Pavilion over the weekend and saw the party pile the trash bags up next to a garbage can. He was wondering if there are guidelines for how parties are to handle the trash they generate when they reserve the pavilion.

Executive Director Nicholson reported that he was unsure of the current language used when reserving the pavilion but would check on it. Deputy Director Gropp noted that most events don't generate multiple bags of garbage, he also mentioned that Port staff does service the beach on a daily basis.

Commissioner Marrett noted that the National Park Service does request parties to pack out their trash from events.

Commissioner Goodhart wanted to mention that he was in agreement with Gib about opening some of the Cannery parcel grounds to public if the county was ok with it. He forgot to mention it earlier. Commissioner Marrett agreed but asked if the Port would be putting any garbage collection or picnic tables there.

Commissioner Black responded that his idea would be to just remove the barrier and see how the area develops for a season or two first but noted that he thinks the eastern point would be a nice spot for a picnic table.

Commissioner Marrett noted a newspaper article regarding the county's part of Jackson Beach and was curious if anyone knew what was happening. Executive Director Nicholson mentioned that he has discussed this with different people at the county. A county department got a grant to remove some armoring from the shore at the east end of the beach. SJC Public Works and Executive Director Nicholson advocated against that plan because it would affect the ability to do bulk barge landings there.

As of now the project is on hold while the county figures out what balance they want for a barge landing vs restoration.

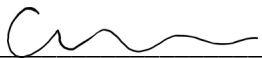
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[11:51a] Jill Belcovson noted that the Travelift wasn't on the 2027 preliminary capital budget and asked if it has already been purchased. Executive Director Nicholson answered that it has been ordered, two installments have been paid and the final should be paid before the end of the year.

Jill Belcovson asked if the Port does buy the Kilpatrick building if that means the planned Port HQ building was not going to be built. Executive Director Nicholson confirmed that the planned HQ building would no longer be built.

Adjourn: 11:53a

Barbara Marrett, Commissioner



Graham Black, Commissioner



Rich Goodhart, Commissioner