

**MINUTES OF THE PORT OF BELLINGHAM
COMMISSION MEETING
HELD TUESDAY JANUARY 24, 2017
HARBOR CENTER ROOM
1801 ROEDER AVENUE, BELLINGHAM, WASHINGTON**

Present: Commissioners:
President Dan Robbins
Vice President Bobby Briscoe
Secretary Michael McAuley

Staff:

Rob Fix	Executive Director
Sunil Harman	Aviation Director
Brian Gouran	Environmental Programs Director
Tamara Sobjack	Finance Director
Adam Fulton	Facilities Director
Elizabeth Monahan	Human Resources Director
Sylvia Goodwin	Planning & Economic Development Director
Shirley McFearin	Real Estate Director
Dodd Snodgrass	Economic Development Specialist
John Michener	Economic Development Specialist
Terry Ilahi	Real Estate Analyst/Account Representative
Frank Chmelik	Port Counsel
Diane McClain	Executive Secretary

3:00 p.m. – OPEN PUBLIC MEETING AND IMMEDIATELY RECESS TO EXECUTIVE SESSION. The purpose of the closed session was to discuss real estate transactions pursuant to RCW 42.30.110 (c). The closed session was expected to last an hour with no formal action to be taken by the Commission during the discussion.

4:00 p.m. – OPEN PUBLIC MEETING, ROLL CALL Commission President Robbins called the meeting in the Harbor Center room to order at approximately 4:00 PM., noting that all 3 Commissioners were present.

PUBLIC COMMENT PERIOD – The following persons voiced concerns regarding the Port's recently approved lease transaction with GrandCamp International, LLC for future storage, handling, debarking and loading of logs at the Port's Bellingham Shipping Terminal facility: Roaren Ranta, Geoff Middaugh, Traesti Gudmundson, Barb Schumacher, Lena Hemmer, Shilo Britt, Izzy Saylor, Izzi Lavallee, Melody Ruediger, Maddy Ruppel, Talli Johnson, Richard Reese, Ben Petropoulos, Tyson Kioteg, Doug Taulsan, Nicole Brown, Jamie Douglas, Brad Owens. Darren Williams, Joe Schmidt, Jim Kyle spoke in support of increased activity at the Shipping Terminal. Jane Bright commented on Railroad crossing safety, Edward Yuri-Commission Districts.

BREAK- RECONVENE PUBLIC MEETING, ROLL CALL- Following a five minute recess, Commission President Robbins called the meeting back to order.

CONSENT AGENDA

- A. Approve the minutes of the December 20, 2016, and January 3, 2017, regular commission meetings.
- B. Authorize the Executive Director to execute an Interlocal Agreement with the City of Bellingham for the reciprocal use of public facilities for up to a maximum of three uses per year, per each user.
- C. Authorize the Executive Director to sell vessels pursuant to Res. No. 1349.
- D. Approve Resolution No. 1358A which reaffirms that Port staff may utilize a Small Works Roster for projects estimated under \$300,000 in accordance with Revised Code of Washington (RCW) Nos. 53.08.120 and 39.04.155. Resolution No. 1358A supersedes Resolution No. 1358.
- E. Approve a Modification of Airport Lease with Alaska Airlines Inc. for additional premises at the Bellingham International Airport Main Passenger Terminal Building.

Motion: Approve Consent Agenda items A through E.

Discussion: There was some discussion as to Consent Agenda Item C: selling of vessels- the condition and location of the vessel, potential disposal and pollution factors of vessels deemed not seaworthy. Executive Director Rob Fix suggested staff research the matter and prepare information for the Commission.

Motion approved with 3-0 vote.

PRESENTATIONS

1. 2016 ECONOMIC DEVELOPMENT UPDATE

Economic Development Specialists Dodd Snodgrass and John Michener presented an update on the Port's Associate Development Organization (ADO) designation as the lead Whatcom County agency for Economic Development. Together, Mr. Snodgrass and Mr. Michener explained ways in which they were able to support business development in the county as well as making contacts in Canada through retention/ expansion and recruitment activities in 2016 and looking ahead to 2017.

BREAK- RECONVENE PUBLIC MEETING, ROLL CALL- Following a short break, Commission President Robbins called the meeting back to order.

PUBLIC COMMENT PERIOD - No one opted to participate in the second public comment period.

ACTION ITEMS

1. 2017-2020 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE PORT AND THE ILWU- MAINTENANCE UNION LOCAL 7

Motion: Authorize the Executive Director to execute the 2017-2020 ILWU Collective Bargaining Agreement between the Port of Bellingham and the ILWU- Maintenance Union Local 7, including any necessary budget adjustments.

Discussion: Human Resources Director Elizabeth Monahan explained the 2014-2016 Collective Bargaining Agreement between the Port of Bellingham and the ILWU- Maintenance Union Local 7 expired in December 2016. The proposed action is the result of successful negotiating efforts by multiple team members that started in October 2016 and required only six sessions to develop and unanimously vote for the proposed new four year Collective Bargaining Agreement. The proposed agreement includes general wage increases of 2.5% effective January 1, 2017; 3.0% effective January 1, 2018; 2.5% effective January 1, 2019; and 2.5% effective January 1, 2020.

Motion Approved with a 3-0 vote.

2. WORKFORCE DEVELOPMENT FOR ITEK ENERGY

Motion: Authorize the Executive Director to execute a grant contract for \$125,553 for workforce training with the Washington Department of Commerce, amending the 2017 Economic Development budget to increase both grant-related expenses and grant revenues in the amount of \$125,553 and approving a sub-agreement with Impact Washington to provide workforce development training to Itek Energy.

Discussion: Economic Development Specialist Dodd Snodgrass explained the Port, as the Whatcom County Associate Development Organization (ADO), has been working with Itek Energy, a Bellingham based solar panel manufacturer, and Impact Washington, a nonprofit organization specializing in training small manufacturing firms, to secure a grant through the State Strategic Reserve Fund to be used for training resources. The training program will benefit Itek's current 85 person workforce as well as the additional 25-40 employees joining its new expanding facility on Cornwall Avenue. Mr. Snodgrass introduced Itek's Human Resources and Community Outreach Coordinator Michelle Simmons and Regional Account Executive Steve Winters to discuss Itek products and to answer any questions.

Motion Approved with a 3-0 vote.

3. MODIFICATION OF LEASE AND REAL PROPERTY PURCHASE AND SALE AGREEMENT WITH TEAL JONES LUMBER SERVICES, INC. - SUMAS, WA.

Motion: Approve a Modification of Lease and Real Property Purchase and Sale Agreement between Teal Jones Lumber Services, Inc., and the Port of Bellingham.

Discussion: Real Estate Analyst and Representative Terry Ilahi reported Teal Jones Lumber Services, Inc. (Teal Jones) is a lumber planing and remanufacturing company that became a Port tenant at the Sumas International Cargo Terminal in 2004. Teal Jones employs 25 to 50

workers at their site. Their lease with the Port includes an option to purchase the property, tenant improvements and a right of first offer to purchase or lease an additional nine acre parcel to the west of Bob Mitchell Way in Sumas, Washington. The proposed lease modification adds the nine acre parcel to the lease, includes a rent free three month period to complete tenant improvements, as well as an option to purchase an additional adjacent five acres to accommodate Teal Jones future expansion plans.

Motion Approved with a 3-0 vote.

- **RECESS PUBLIC MEETING FOR A PUBLIC HEARING ON THE PORT OF BELLINGHAM COMMISSION DISTRICTS**

Background: As mentioned in the last meeting under New Business: In the past the Port, County and PUD Districts all had three districts. The shared map showing the boundaries of the three districts was posted on the County website. With the County increasing its Legislative Districts from 3 to 5 last year, it was agreed that the Port should formally establish its commission district boundaries by reaffirming its 3 existing districts, Port staff would prepare a resolution and prior to adopting; advertise a public hearing to receive public comment on the matter of commission districts at the next Commission meeting.

Purpose of Public Hearing: Port legal counsel Frank Chmelik explained the legislative districts for the three member Port Commission previously matched those of the three Whatcom County Council legislative districts. These three districts were determined by the 2010 population census and in keeping with RCW 53.12.010 and RCW 29A.76.010, reflected in Port Resolutions 1003 and 1153 adopted in 1993 and 2001. A map of these three County, Port and PUD districts was placed on the Whatcom County Auditor's website. With the County increase from three to five council districts last year, the Port needs to affirm its districts and draft a new Port resolution to replace Resolution No. 1153 adopted in 2001. Mr. Chmelik further explained the purpose of the public hearing is to receive comment from the public regarding the intended affirmation of the three existing districts.

The following three people participated in the public hearing:

1. Carole Jacobson would like to see the board expand to five commissioners, five districts, same as the County.
2. Edward Yuri would like to reopen a conversation on expanding the Commission to five districts.
3. Darren Williams was a co-author in a 2012 ballot position statement against expanding the Commission and again spoke in favor of keeping three districts, three commissioners and saving the taxpayers money.

Next steps: A new resolution affirming the three districts will be placed on the next agenda and submitted for a vote by the Commission Tuesday, February 7, 2017.

- **CLOSE THE PUBLIC HEARING AND RESUME PUBLIC MEETING**

NEW BUSINESS

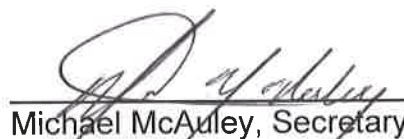
The following items were discussed briefly under New Business: Weblocker policy issues and lease agreements, Sawtooth reconfiguration in Blaine, The Landings at Colony Wharf crane pad and dunnage, and Tent removal at the Walsh Marine site in Blaine.

ADJOURN

With no further business, the meeting was adjourned at approximately 6:55 p.m.



Daniel M. Robbins, President



Michael McAuley, Secretary