

PORT OF BELLINGHAM

**MAC (MARINA ADVISORY COMMITTEE) MEETING
TUESDAY, DECEMBER 8, 2015
HARBOR CENTER CONFERENCE ROOM
BELLINGHAM, WASHINGTON**

Minutes

Committee Members Present:

Elizabeth Kilanowski
Jerry Writer
Jim Young
Brian Pemberton
Ian Puchlik
Byron Richards
Peter Border
Bill Douglas
Jim Kyle

Committee Members Absent:

Doug Sterrett
Paul Burrill

Port Representatives Present:

Andy Peterson
Pam Taft
Dan Stahl
Kyle Randolph

Visitors/Guests:

Bert Rubash
Dan Robbins

Roll Call

The meeting was called to order at 6:00 pm.

Minutes

The November 10th Minutes were approved unanimously. The motion to approve the minutes was made by Peter Border and seconded by Jerry Writer.

Public Comment

None.

Dockside Feedback

Bill Douglas passed along a comment from one of his neighbors on Gate 8 about the lack of dinghy rack storage. Kyle talked about his policy of policing the dinghy racks and impounding dinghies that are not kept in compliance with harbor requirements.

Elizabeth Kilanowski had a comment about a dock box that she saw blown partially over in a recent wind storm. Kyle explained the method of securing dock boxes to the docks and how unsecured lids have been giving harbor staff some challenges in the recent high winds. He also mentioned that harbor staff makes efforts to secure dock box lids with zip-ties; however it is not practical to secure every box in the harbor.

Byron Richards mentioned that the fueling station in Squalicum Harbor has posted their winter hours, which was appreciated by members of the MAC.

Rules and Regs Update – Merchant Leaseholder Review + LLCs

Dan Stahl introduced this item as the culmination of over a year of coordinated work with the Port Commission, MAC, port staff and the Port's Merchant Leaseholder tenants (those tenants who have both an upland lease and vessel moorage that engage in the charter and brokerage of vessels). The meeting agenda item contained three different segments: Merchant Leaseholder Review (Attachment #1), LLC Document (Attachment #2), and the Moorage Agreement Addendum (Attachment #3). Each of these was handed out and given a brief overview.

The impetus for this review surfaced during the Port's budget process in the fall of 2014, and was eventually included as an objective for the marinas division during calendar year 2015. The Port Commission discussed this topic at their work study meeting on June 16th, 2015. At this meeting, staff was given direction for the review which was then initiated with the Merchant Leaseholder tenants and the MAC. During the balance of the year, staff met four times with tenants. Each of these meetings was followed up with an update to the MAC. Dan Stahl characterized the discussions with the Merchant Leaseholders as a robust professional discussion where numerous items were negotiated back and forth between the Merchant Leaseholders and Port staff. At the last Merchant Leaseholder meeting on December 2nd all the outstanding issues were discussed and resolved with the Merchant Leaseholders then in attendance.

One of the items included in the Merchant Leaseholder Review was an analysis of how LLC's (Limited Liability Corporations) are being used in the marinas. As staff delved further into this analysis it became apparent that the LLC concern was a broader issue throughout the marinas, not just with the Merchant Leaseholder vessels. Outside Legal counsel was used to develop most of the LLC work product being reviewed by the MAC. The recommendations presented at the MAC meeting would cover all vessels at Blaine and Squalicum Harbors, not just the moorage for the Merchant Leaseholders.

Dan then described the Moorage Agreement Addendum. This form has been developed by staff to help with clarity on insurance requirements and sub-leases for multiple users, including Boathouses and Merchant Leaseholders.

Dan also mentioned to the MAC, in full disclosure, that he had received a lengthy email from Roger Van Dyken, owner of San Juan Sailing, on short notice the previous afternoon (the day before the MAC meeting) with additional suggestions for the Merchant Leaseholder Review. As the Port's largest merchant leaseholder, and a long-standing Port business, Dan wanted to be sure that the MAC was aware of Roger's correspondence. Roger had been out of the country since the initial meeting with the tenants on May the 11th, although his staff attended the subsequent meetings. Many of Roger's issues had previously been discussed and were already incorporated into the documents, with one item specifically added by staff the morning of the meeting based on his request. Dan committed to loop back to Roger to ensure that all of his issues were discussed.

Dan then turned the floor over to Kyle Randolph who went through the attached Merchant Leaseholder document line by line. Significant discussion ensued. One item discussed at some length was the name for these businesses. It was suggested that "Commercial Marine Brokers and Charterers (CMBC)" would be more appropriate. Dan explained that this change was outside the direction he had been given by the Port Commission at their work study meeting in June. Additionally, this topic had been discussed at length with the Merchant Leaseholder businesses during the summer. It was agreed that this topic could be folded into a future discussion on Port policies for Marine Trades. When all items had been addressed, a motion was made by Byron Richards to adopt the document as discussed and forward to the Commission for inclusion into the rules and regulations in January. The motion was seconded by Jim Young and passed unanimously.

Jim Young commented on behalf of a number of recreational boaters that the Merchant Leaseholders have a very good deal at the Port of Bellingham, and that recreational boaters on the Port's wait list would be more than happy to accept the slips that were not being used by the merchant leaseholders.

Andy Peterson next reviewed the LLC document with the MAC, working through each section of the document. Two grammatical issues were raised and refinements were added to the document. At the conclusion of that discussion a motion was made by Jerry Writer to adopt the document as amended for inclusion into the Port's rules and regulations. That motion was seconded by Ian Puchlik and it was adopted unanimously.

Dan thanked the MAC for their patience in reviewing both documents in such detail, and reminded the MAC that the final documents would go through legal review before they were included in a Commission action item in January.

Lastly, Kyle Randolph described the process of developing the Moorage Agreement Addendum. A suggestion was made that if the document was a writable PDF and attached to the website it would be easier for customers to fill out and provide to staff. Staff agreed and promised to make it available on the website.

Outside Storage Survey.

This was an item that was requested by Ian Puchlik several meetings ago. Kyle Randolph passed out the dry storage survey of other marinas and discussed several other Ports' operations.

Staff Updates

Dan mentioned to the MAC that Doug Sterrett has decided to come off of the MAC after a number of years of service and he thanked Doug for his attendance and for his interest in the Port's marinas.

Commissioner Jorgenson

Commissioner Jorgensen was the last item on the agenda. As an avid boater and fishermen, Commissioner Jorgensen was a dedicated supporter of the MAC. Unfortunately Mr. Jorgenson was under the weather and was not able to attend, however an unauthorized roasting ensued. Brian Pemberton, MAC chair, read a resolution honoring Jim's contribution to boaters throughout Whatcom County. This resolution is included as Attachment #4. The motion was moved by Peter Border and seconded by Byron Richardson and enthusiastically adopted by all.

With no further discussion the MAC meeting was adjourned for the evening and the year at 8:00 PM.