

**PORT OF ORCAS
REGULAR MEETING MINUTES
January 22, 2024**

Commissioners Present: Robert Hamilton, Jason Laursen, Michael Triplett, Annalies Schuh on zoom, Mia Kartiganer on zoom.

Commissioners Absent: none

Staff Present: Kim Kimple

Guests Present: Members of the Public

CALL TO ORDER/PRESENCE OF QUORUM

Chair Hamilton called the meeting to order at 5:00 p.m., noting a quorum. AN ANNOUNCEMENT WAS MADE STATING THIS MEETING WAS BEING RECORDED AND WILL BE AVAILABLE ON OUR PORT WEBSITE.

It was further announced that the 2024 pay for Commissioners as updated by the State of Washington was to be \$161 per meeting.

AGENDA AMENDMENTS

Several agenda amendments were offered and accepted.

PUBLIC ACCESS

Eric Gourley stated his understanding that the through the fence fee is not linked to the annual aircraft tiedown tariff and as such should not be changed.

ELECTION OF 2024 OFFICERS

By acclamation, Robert Hamilton was elected Chairperson and Michael Triplett was elected Secretary.

MONTHLY BUSINESS

1. Previous Minutes

Robert stated that he had not read the December 2023 minutes and by consensus tabled any motion to accept those minutes.

2. Approval of Vouchers

ACTION: Michael moved, Jason seconded approval of vouchers a-f. as submitted, and the motion unanimously passed.

- a. 12-19-2023 c-aofe \$4,986.10
- b. 12-19-2023 d-cfe \$62,090.58
- c. 12-31-2023 e-aofe \$6,865.38
- d. 12-31-2023 f-aofe \$8,187.97
- e. 12-31-2023 g-cfe \$16,617.27
- f. 12-31-2023 Excise Tax \$626.59

MONTHLY REPORTS

1. Manager's Report

The Port Manager explained that the report had not yet been posted online and stated some issues as follows:

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- a. The remaining slab for the removed biplane hangar is of poor quality and since the airports apron is not scheduled to be resurfaced for about 6 years, options to make this slab area available to aircraft are being researched.
- b. The new PAPI for Runway 34 is awaiting the required FAA flight check before it is operational.
- c. The Westside Development Stakeholder Committee has yet to meet.
- d. Federal Audit will need a soon-to-be-scheduled exit interview after which we can expect the Port has passed that audit.
- e. Noise Abatement Brochure is finished and has been positively received. Praise for those involved in the development with special thanks to Eric Gourley and Rick Fant.
- f. Fuel tracking, 5000 gallons remain of the 10,000 gallons purchased 4 months ago. fuel now being sold at our cost in an effort to sell what we have and purchase a full load of fuel in about two months.

2. Financial Reports

The report was posted earlier online.

Kim further explained that the financial reports are always one month in arrears.

OLD BUSINESS

1. WA Dept of Commerce—EV Charge Grant

The EV Charge Project Committee is comprised of Commissioner Mia and Manager Kim. Bruce Benton was given the floor and he explained that the grant is to be only 70% of the requested amount. He feels we can still accomplish 11 of the 14 charging stations from the original request. He added that there is hope that the amount awarded will be increased to the original grant request. To avoid delay in accepting the Grant, it was suggested that Kim be authorized to accept the EV Grant on behalf of the Port.

ACTION: Robert moved, and Jason seconded that the Port authorize Kim to accept the EV Charge Grant when it is offered to expedite the programs start date. 4 Yeas with Michael abstaining.

2. Noise Abatement Procedures Review

The Noise Abatement procedure update is finished and available online as well as a printed brochure. Michael wanted to add that while the brochure is finished, it is a living document and the Port welcomes and will consider any changes as suggested by the public. Noise Abatement Procedures accepted by acclamation.

3. Fuel Station Options - Ed Addicks from Precision Approach Engineering

A new above ground fuel station will cost the Port \$1.2-1.45 Million. Decommissioning the existing underground tank (within 5-10 years of expected useful life) will cost the Port \$60-80K if we fill the existing tank to make it inert OR it will cost \$115-135K to remove the underground tank completely. Such decommissioning of the tank will be completely out of the Port's pocket as there are no known agencies that can help us with that cost. The Port can access the Bipartisan Infrastructure Law award \$\$\$ toward the project. Expecting that the Port will need to commit 10% of our own funds to the project and 100% of the decommissioning, we can expect \$250-300K out of the Port's pocket to purchase that new

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above ground fueling station. At this point, the location of a new above ground fuel station is assumed to be the same location as our present fuel station.

There was some confusion as to the deadline that the Port is under to claim Bipartisan Infrastructure Law monies which seemed resolved when one Commissioner produced the document showing we have until Sept 30, 2025, to obligate to a project or we will lose the promised initial \$1M funding. Kim reviewed the costs for a new fuel station and costs expected to keep our current fuel station operational. The Commissioners were polled on whether they would like to commit to this new fueling station and one Commissioner stated they would prefer the Bipartisan Infrastructure Law money to be spent on Revenue producing projects--still another Commissioner suggested paying good money to keep our old fuel station operational was questionable...." Buy nice not twice" and if we hesitate, the new fuel station will only get more expensive due to inflation. No action was taken on this issue. Issue tabled by Chair.

4. Bipartisan Infrastructure Law Funding Priorities

Michael wanted to review with the board his opinion that the \$5M Bipartisan Infrastructure Law award "promised" to the Port of Orcas has within the legislation a caveat that airports that do not meet FAA standards and without a current Modification of Standards may not claim the award. Orcas has only been given verbal assurances that the money is available and our efforts to obtain a Modification of Standards has been rejected. On the one hand, this money, if realized, has the potential to create annual revenue for the Port. On the other hand, if we commit to a large project with the expectation of this money and the Federal Government decides to reverse their verbal commitment, we might find the Port in financial peril. Michael stated he prefers to "test the waters" a smaller project (\$250K) as a claim to the promised money and if the funds materialize, that should embolden the Port to embark on future projects with greater costs. There was much discussion with no solid conclusions or plan of action and no action was taken.

5. Commissioner Duties

This item was tabled to the next meeting.

6. Annual Contact with Neighbors

Michael suggested that the Port continue to contact our neighbors at least annually for two main purposes: to ask them how we can be a good neighbor and to remind them that while we are opposed to taking their property by eminent domain, we encourage them (should they desire to sell their property) to offer it to the Port first. Two properties in particular (Smugglers Marina and Larson Storage) are ongoing revenue producing entities that in likelihood would continue to produce revenue (under Port ownership) for the taxpayer benefit instead of for private benefit. Michael suggested Annalies resume this annual contact. Robert asked Annalies if she would accept this task and she agreed. Michael said he is happy to provide background help.

7. Community Water Taxi

Mia asked if the Port would be interested in providing a letter of support or commit to being a conduit for funds to establish a passenger ferry in the San Juans. There was some debate on the advisability of helping to create another taxpayer funded ferry to compete with our

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existing (poorly run) WSF system. There seems to be \$2M available in the State budget for a passenger ferry advisory study and Mia suggested we ask the Governor to commit the money to a passenger water taxi in the San Juans that would collect the data desired in the study. There was interest among the Commission to see the letter Mia planned to write before deciding on any action.

8. Hangar Drainage Concerns

This item was raised by Jason in previous meeting. It was still not clear as to whether the hangar owners or the Port is responsible for drainage problems around and inside the hangars. Kim was tasked with reviewing the land lease contracts the Port has with the eastside hangar owners and report at the next regular Port meeting. No action taken.

9. Third Employee

Kim gave a report on the number of applicants and suitability for the job description. At the time of this meeting, it was hoped there would be an interview soon but Kim cautioned that unless there is the right candidate, it might be better not to hire a third employee at this time. No action taken.

NEW BUSINESS

1. Reimbursement for Commissioner meals

Kim stated there seems to be no guidance as to meal reimbursement for Commissioners while they are attending training and education events. Kim was directed to find out the policy of our County or School systems for ideas. Kim will report back and no action was taken.

2. 10 Year Budget Review

Robert presented a simplified version of our annual budget for 2024. Robert warned that the numbers are not wholly accurate but are close enough for the document to have value as a quick reference tool. Michael felt the simplification was brilliant as most people do not have accounting backgrounds and this document provides a solid picture of the Ports finances without the exhausting details. In addition, Michael pointed out that 54.7% of the Ports revenue currently comes from property taxes. That 54.7% of our revenue can increase by just 1% each year while 100% of our expenses will likely increase by the rate of inflation annually. This trend projected into the future suggests a future need to ask for a property tax increase if we cannot find additional sources of revenue. No action taken.

3. Annual Pay Increase for Port Manager

ACTION: Robert moved, and Michael seconded a motion to increase the Port Manager pay to \$112K annually effective start of next pay period. Robert, Michael and Mia voted Yea, Jason voted Nay and Annalies was no longer on Zoom and the motion carried.

4. Through the Fence (TTF) fee

Jason relayed a conversation he had with a lawyer he met at conference who stated that when the annual aircraft tiedown tariff is increased, the TTF fee is also increased. Kim stated she has already sent out the 2024 TTF billings. Michael was tasked (as Secretary) to go over the past Minutes to find guidance from past Commission action on this issue.

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PUBLIC ACCESS

There was no public comment.

NEXT MEETING AND ADJOURNMENT

The next regular meeting is scheduled for 5:00 PM February 26, 2024

The meeting adjourned at 7:08 pm

Respectfully submitted,

Michael Triplett, Secretary