

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

May 10, 2006

Freeland, Washington

Present at the meeting were:

Commissioner Lynae Slinden, Clinton
Commissioner Rolf Seitle, Langley
Commissioner Geoff Tapert, Freeland
Ed Field, Port Manager
Chuck Edwards, Port Accountant
Amber O'Brien, Port Clerk

Jeff Van Derford, South Whidbey Record
Doug Allderdice, City of Langley
Dan M. Pederson, Marine Resources Committee
Michael Nutt, Langley Resident
Diane Kendy, Langley Resident
Larry Dobrin, S.W. Yacht Club

Absent: None

1. MEETING CALL TO ORDER:

Following a Workshop session from 7:00 to 7:30 pm, the regular meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on May 10, 2006, at the Freeland Library conference room, 5495 S. Harbor Avenue, Freeland, WA. Commissioner Slinden, President, called the meeting to order at 7:30 pm., followed by the Pledge of Allegiance.

2. BUSINESS MEETING – THE CONSENT AGENDA:

A. Consent Agenda -

1. Minutes: Draft Minutes from the Regular Meeting of April 4, 2006 were submitted to the Commissioners and will be reviewed for approval at the next regular Port meeting.
2. Vouchers: Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the Board, and have been presented to the Board for review. The vouchers so listed and presented are summarized on the attached Voucher Listing **(EXHIBIT A)**.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Slinden to accept the Consent Agenda, including authorization of Vouchers #2646 - #2670 for a total amount of \$84,243.36 (signed at this Meeting) and Vouchers #2630 –#2645 for a total amount of \$2,830.31 (signed and processed on April 19, 2006). The motion passed unanimously.

3. ACCOUNTANT REPORT:

A. Financial Statements: The Commissioners accepted the March 2006 Financial Statement **(EXHIBIT B)**. Port Accountant Chuck Edwards reported total revenues for March 2006 were \$375,373, and expenditures were \$216,956.

B. Status Update on 2006 Budget: Port Manager Ed Field had prepared a one-page worksheet showing the quarterly status of Port's budget. **(EXHIBIT C)** Edwards confirmed the worksheet, noting that the cash total at the beginning (as of 12/31/2006) was \$1,167,992 and at the end of the quarter (as of 3/31/2006) was \$1,326,409. Commissioner Seitle was concerned that the Port's expenditures may exceed its revenues by the end of 2006. Edwards said that he was not aware of any reason that the Port should not stay on budget in 2006 (pending future Commissioner direction), since there have not been any unexpected expenses consuming the budget outside of the added \$115,000 expenditure at Bush Point. He also pointed out that the Port still had \$450,000 set aside in the budget for "potential projects" that could be used in 2006 if necessary. Field added that he considers it highly unlikely that the City of Langley will request full disbursement of the Port's commitment for the Ramp & Park funding in 2006, since it does not appear likely that major construction operations will be substantially underway before 2007.

4. NON-AGENDA ITEMS / PUBLIC PRESENTATIONS:

A. Marine Resources Committee (MRC): Dan M. Pedersen of the MRC was on hand to discuss the Application for Funds submitted by the Marine Resources Committee. **(EXHIBIT D)** The application requested a \$3,000 contribution from the Port to help toward the estimated \$20,000 in printing costs for 5,000 copies of the book, "*Getting to the Water's Edge*," to be published in 2006 by Island County Marine Resources Committee (MRC) and Washington State University Beach Watchers. This is a field guide to shoreline public access, including the Port of South Whidbey facilities, marine life, trails, history and natural history of Island County. The book is approximately 100-150 pages, full color, and includes maps and photography. All proceeds from the book will go into a dedicated account to help pay for future reprinting. The manuscript is undergoing final review and editing at this time and the MRC expects to send this project to the printer during the 3rd or 4th quarter of 2006. *Getting to the Water's Edge* promotes the economic development of South Whidbey and the use of the Port of South Whidbey's parks and facilities by informing residents and visitors of where public shoreline access facilities are located, and what they will find at each location – boat ramps, restrooms, parking, shelters, etc. It includes detailed information about facilities owned by the Port of South Whidbey. Commissioner Seitle said he was familiar with the book "*Getting to the Water's Edge*" and encouraged the Commissioners to support the MRC's request for funding.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to approve the Marine Resources request for a \$3,000 contribution for publication of the book "*Getting to the Water's Edge*." The motion passed unanimously.

Ed Field asked Dan if some of the text from the document could be available for public use on the Port website. Pederson said that he did not see a problem with the Port using the information about the Port's facilities on their website. Ed thanked Dan, and noted that *Getting to the Water's Edge* would of course be credited and highlighted on the website.

5. PROJECT ACTION ISSUES:

A. Langley:

1. Fuel Facility: The Port had received a copy of the May 4, 2006, Resolution from the City of Langley documenting the unanimous approval by the Langley City Council and Mayor of Langley to support the idea of a fuel dock at the Langley Harbor that would be owned, operated and built by the Port of South Whidbey. **(EXHIBIT E).**

2. Technical & Economic Feasibility Study Proposal for Langley Fuel Facility:

Commissioner Seitle said that the basis of the 2004 Master Plan for Langley Boat Harbor & Environs (by J.A. Brennan Associates) assumed certain cooperative activities by private owners in the area that did not come about, so the plan for a 200-slip Marina was in jeopardy. Commissioner Seitle felt that the Port should reduce the scope to keep it economically feasible and concentrated on the transient aspects rather than the permanent marina aspects. This could be done within the confines of the Harbor between the Nichols Pier and the existing Langley facilities. He said that the Port had a memorandum of understanding with the City of Langley that this would be done in some fashion but it has not happened. He continued, noting that the 2004 Master Plan is becoming infeasible because Matt Nichols, who was reportedly originally in favor of giving the pier to the Port and leasing it back from the Port for his operations, has now withdrawn his interest in doing that. Commissioner Seitle said that in a recent conversation with Nichols, he had said that he might still be interested in some sort of arrangement with the Port. Commissioner Seitle said that the Port does not own any facilities in the area and there is no basis to proceed with any further planning. Commissioner Slinden agreed that there was no basis to proceed on the full marina build-out plan, but that there could be a basis to proceed with a fuel dock.

Commissioner Slinden asked Ed and Commissioner Tapert to report on the meeting they had with Reid Middleton regarding a fuel facility feasibility study. Commissioner Tapert said that looking at the overall financial feasibility of an expanded marina in Langley made more sense than just studying a fuel facility. He said that, based on the numbers he has seen from Anacortes and other marinas, the fuel facility is a minor part of an overall marina revenue stream. He said that a fuel facility in the Langley Harbor would help the existing boat harbor improve its traffic and economic abilities, but he said he still would like to look at the feasibility of building a major marina expansion. He would also like to look at the possibility of combining the fuel dock and the sewage disposal pump-out facility. Commissioner Tapert said that he also had met with Matt Nichols and Tony Puma regarding their holdings at the Langley Harbor. He said that they were in favor of the plan as conceptually laid out and they would like to move forward too. Commissioner Tapert said that he would also like to pursue the possibility of getting the surplus Hood Canal Bridge pontoons, which could potentially save the Port millions of dollars. Ed said that they had discussed a wide range of possibilities at the meeting. While it was agreed that conducting a feasibility study and permitting process for an entire project vs. individual components is appropriate, it was also pointed out by the consultants that conducting feasibility and permitting prematurely (before finalization of scope, or more than 5 years in advance of construction) can result in a lot of wasted effort and money. Commissioner Slinden said that an effective full-marina study by Reid Middleton (RM) would require that the Port have an agreement finalized with the City of Langley, so that RM can factor in the impact of such an agreement within the scope of the feasibility study. Commissioner Slinden also said that

she did not see the Port building an expanded marina within a five-year timeline, and to spend money now to study something that is so far out would be a poor use of funds.

Commissioner Slinden recommended that the Port reconsider approving the \$11,000 it would cost to set up a scope that studies the possibilities of: sewage disposal system, floats possibly in the area between Nichols Brothers' pier and the Harbor, and transient moorage buoys and building a long pier to accommodate larger boats including emergency boats. Commissioner Slinden was in favor of moving forward with the fuel facility feasibility study. Commissioner Seitle asked where the fuel facility would be located. Commissioner Slinden said that according to the resolution from Langley, the fuel dock would be located over tidelands leased by the City from the Department of Natural Resources (DNR) and connected to the existing Harbor facility. Commissioner Seitle said that the Port would be required to lease space from the DNR for the fuel facility and be responsible for all pollution control and all control of the waters. Commissioner Seitle recommended that the Port Manager conduct telephone polling of Puget Sound marinas to determine solely what are the base margins in today's environment for fuel. Commissioner Seitle said that the margin in fuel sales should help cover the operating costs of the facility. Commissioner Tapert said that fuel facilities typically do not make money, but rather operate at a net loss for larger purposes, and it is up to the Port to decide if they want to spend money to have a consultant tell them that. Commissioner Slinden said that the consultant would give the Port an educated figure as to the financial impact that the Port may sustain from owning and operating a fuel facility.

Commissioner Slinden also felt that Ed does not have time to do a fuel study, with all of the other Port projects that are going on. Commissioner Seitle said he was not in favor of spending \$11,000 on a study that the Port could perform on its own. He said he was in favor of a fuel barge but has always proposed that such a barge be part of a transient pier because you must be in fairly deep water to sell fuel. He said that the present sewage barge is located in a place that is difficult for most boats to gain access, and he summarized that there is limited opportunity for facility improvement and the Port does not need to spend \$11,000 for Reid Middleton to find that out. Commissioner Tapert said that it was his understanding that the \$11,000 was an estimate. The Port would be billed monthly for Reid Middleton's work and the Port could give them specific guidelines on the scope of work, which he expected could significantly reduce the costs below the \$11,000 estimate. Commissioner Tapert was in favor of approving Reid Middleton's proposal with careful oversight and direction for a very specific scope of work from the Port. Commissioner Seitle also said that he liked the idea of a floating dock because it is somewhat moveable and as the Harbor is developed, the barge could be relocated. Commissioner Slinden said that one of the proposals that Reid Middleton should study was placing the fuel barge at the end of an extension pier. Commissioner Seitle suggested giving Reid Middleton his recommendations for possible locations for a fuel barge, noting that fuel barges must be located in deep water to allow access to large boats. Commissioner Slinden asked Commissioner Seitle to prepare his recommendations to be submitted to Reid Middleton as part of the feasibility study. Commissioner Seitle said that he had a discussion with Matt Nichols who said that he would like to bid on a number of barges that are coming off of the San Francisco Bay bridge repair job. The barges contain moveable piles that would anchor them in the seabed. Nichols was still in favor of a partnership with the Port on that basis. Commissioner Slinden said that the Port could recommend that Reid Middleton contact Matt Nichols to find out what facilities would be available for fuel barges. Ed said that it does make sense to give Reid Middleton the recommendations and information, that but it is important not to restrict the scope of their feasibility study.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Slinden to accept the proposal from Reid-Middleton and BST for a financial and technical feasibility analysis of a fuel dock with the understanding that the scope may change.

Commissioner Tapert said that he would prefer that Reid Middleton give the Port one scope and if there are any objections to the first scope then they continue on to a second scope. This would help keep the total cost low. Commissioner Slinden agreed. Commissioner Seitle said that the components of the study should only be the operating costs verses available margins and fuel sales to determine the economic feasibility. Commissioner Slinden pointed out that those components had already been included in Reid Middleton's recent/updated proposal. Commissioner Seitle said he had not received a copy of that proposal from Reid Middleton. Ed pointed out that the proposal had been attached to the Port Manager's April report, which was mailed to all of the Commissioners. Commissioner Tapert concurred, and noted that based on the pending motion, the Port is simply authorizing Reid Middleton's proposal with a ceiling. Commissioner Tapert asked Ed to notify Reid Middleton that they would be authorized to move forward with the understanding that the scope may change, and that a preliminary meeting should be planned when initial results are available, so that the Port may refine the study to allow for a cost-effective focus on the best possibilities. Commissioner Slinden called for a vote on the motion.

The motion passed in a 2-1 vote, with Commissioner Seitle voting against approval of Reid Middleton and BST's proposal.

Ed asked Commissioner Seitle to forward the information for the locations he recommends for a fuel barge.

B. Possession Beach:

1. **Storm Damage Repair & Cleveland Trail Maintenance:** Ed reported that he and Park Manager Art Pratt met on-site with EarthCorps representatives Bill Brosseau, Field Operations Director, and his project manager Jammie Stauffer. They all reviewed the scope of work in detail, including calculation of repair material quantities. Commissioner Tapert asked what materials the Port would be providing for the Possession Park repairs. Ed said that based on their discussions, the Port will be responsible for providing gravel and geotextile repair materials, as well as the rental of a small loader to assist the crew with big logs and gravel placement. The work could not be scheduled before May 22, but Bill and Jammie are confident that they will have the picnic area repaired and the trail readied prior to Memorial Day. Commissioner Slinden asked if EarthCorps would be available for other Port projects. Ed said that they were fully booked up in the near future, but later on could be used for larger Port projects with an environmental focus, since they prefer to work on jobs that are conservation oriented. Ed will handle setting up the materials, supplies and equipment rentals, and Art will be responsible for onsite supervision of the crews. The proposed agreement from EarthCorps for the work at Possession was for \$6,078.40 (**EXHIBIT F**). Ed said that he had reviewed the agreement and recommended approval, but given its size, requested final approval from the Port Commissioners.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to approve EarthCorps proposal for \$6,078.40 to repair the Possession Point facility. The motion passed unanimously.

C. Clinton Beach:

1. Construction Update: Although there was significant progress in April, Ed reported that the big action really did not start until Monday May 1, when the contractor finally hit the site with multiple crews. In the past week, he said that the irrigation system installation, the final structural assembly and building finish work, and the major concrete flatwork have all seen significant progress. He noted that the stucco main coat for the restroom facilities is up, requiring a seven-day cure time, with the interior scheduled to be completed Thursday May 18, 2006. He continued that the trees that were donated by the Garden Club will be delivered on Friday May 12, the topsoil should be delivered within the next two days, the septic rework will begin next week and the paving is scheduled for May 17. Ed said that he believes the facility will be open to the public by Memorial Day weekend, but the final details and the punch list inspection/correction process will certainly extend into the summer. Commissioner Tapert suggested using sod instead of hydro seed for the grass at the park, noting that it would be more expensive but much easier to maintain. The Commission concurred, and directed Ed to notify the contractor of the change. Commissioner Seitle asked if the Port was planning to hold a celebration at the park. Commissioner Slinden said that there would be a Clinton Beach dedication ceremony during Memorial Day weekend, which has been advertised on the Clinton Days brochure. She added that a formal celebration of the Park could occur when Bush Point is completed, and would presumably include public officials as well as the IAC. Jeff Vanderford of the Record asked what day the dedication ceremony would be held. Commissioner Slinden said it would be held on Saturday May 27, 2006, at 11:00 am. Commissioner Seitle asked if the Clinton Beach Park was a “dog friendly” park. Commissioner Slinden said that the Port would need to accommodate dogs at the park or they would spend a lot of time cleaning up after them. Ed said that there would be bags and garbage cans available at the park for waste collection. Commissioner Seitle said that the Park should have signs posted that it is an “on leash” park. Commissioner Slinden said that these issues have already been addressed in the Clinton Beach plans. Commissioner Seitle said that he would like to be on record that he does not think the bathrooms will be finished by Memorial Day.

C. Bush Point:

1. Construction Update: Ed said that it now seems possible that the contractor could sufficiently complete the bathroom and major project components to allow the facility to be open for use over Memorial Day. As of Tuesday May 9, they had the bathroom facility structure and the roof on, the septic tanks and pumps were in, but they had not installed the septic system in the upper lot because of problems with the septic contractor. The paving is scheduled for Tuesday May 16. Ed said that the parking lot had finally dried out after the new water lines and cut off drains were installed. Commissioner Slinden asked if the drainage basins were still there. Ed said that they were, and that WDFW was working toward an agreement with the County to drain the ponds into the County’s storm water system. At this point, Ed said that if the contractor has a big crew working from now until Memorial weekend, they could conceivably be ready to open, although there will be no launching floats and there would certainly be landscaping and other final details to complete. The Commission asked Ed to make sure WDFW is fully aware that the Port will not take over the facility until the project is complete.

2. Manager/Caretaker Solicitation: Ed reported that he had received five applications, for the Bush Point Manager/Caretaker position. He noted that the preceding week had been extremely busy, so he had not had time to complete full reference and background checks. However, he said that he had done a detailed review of the applications and made a number of phone calls to the references listed on the applications. Based on his review, he said that there are three preferred candidates out of the five, and he said he would like to set up interviews with all three of them. Larry Dobrin asked if the Manager/Caretaker position for Bush Point had been posted in the newspapers. Ed said that the Port advertised the position during the first week of April. Dobrin asked what the salary was for the position. Ed said the salary is \$900 per month, and the rent for the Bush Pt. House was \$800 per month, so it is a net of \$100 per month. Dobrin said that he had a copy of the job description and he felt that it was not a well-done document. Dobrin said he would be happy to provide a revised and simplified job description. Ed said that the job description has already been posted and the applicants that applied had done so based on the original application. Commissioner Tapert that one of the things he learned from the WGEP Seminar handout on Selecting & Hiring Employees was that an employer could test candidates for employment. One of the things that the Bush Pt. Manager/Caretaker might have to do is help boaters in distress. Commissioner Tapert emphasized that does not want to discriminate against people with physical disabilities, but since the job does demand a certain physical ability, the Port could consider having some sort of physical ability testing. Ed said that the job was listed as a light duty position. The Commission suggested that that the contract could include a requirement that the applicant must be able to lift 50 lbs. Commissioner Seitle said that there was staff recommendation from both Chuck Edwards and Ed that the Caretaker/Manager occupy the Bush Point residence, and asked if the three preferred candidates were all interested in occupying the residence. Ed said that all three candidates were interested in renting the residence. Edwards explained that an employer is permitted to have an employee, and if it is part of the employment conditions that that person be on site, the employer is permitted the right of housing and not pay employment taxes on it. Commissioner Slinden asked if Ed had other comments from the WGEP seminar. Ed said that he would review the interview questions prior to interviewing the candidates because there are several things that are critical to ask and/or not ask according to WGEP. Ed said that he planned revise the Port's application form based on the criteria he received at the seminar. Commissioner Seitle said that the Port would need to generate a new employment contract outlining the Manager/Caretaker responsibilities. Ed said that he would ask Port Attorney Al Hendricks if he has a template that could be used to draft the new contract. Ed said that he would like one of the Commissioners involved in the interview process. Commissioner Slinden said that she would be happy to help with the interviews, and the other two agreed to let Commissioner Slinden take the lead. Ed recommended only interviewing the three preferred candidates. The Commission had no objections, and authorized Ed and Commissioner Slinden to hire one of the three candidates. Commissioner Slinden said she was hopeful of hiring a Caretaker/Manager by June 1, 2006.

Commissioner Seitle suggested putting a "web TV" camera at Bush Point. Commissioner Tapert thought that was a good idea. Commissioner Slinden asked Seitle to find out what it would take to install some type of monitoring system at Bush Point.

6. ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC): No update.

B. Council Of Governments (COG): Commissioner Slinden said that the COG met and made recommendations regarding the 0.08% funding requested for the Cities of Langley and Oak Harbor. Both cities were instructed to get a permit in hand before they are eligible to receive 0.08% funding. Oak Harbor is asking for \$1.4 million for their sewer extension project. There are three potential Langley projects but they must issue a permit for one of them and prove to the County that the project will improve economic development before COG will approve the funding to expand Wharf Street.

C. Regional Transportation Planning Organization (RTPO): No Update.

D. Marine Resources Committee (MRC): Commissioner Seitle distributed copies of a letter that had been submitted to Washington State Ferries by the MRC Chair to address their concerns regarding the environmental impacts a new ferry terminal would have at the Keystone location. The letter contained 48 scoping questions that the MRC would like Washington State Ferries (WSF) to answer. Two Island County Commissioners, Bill Bird and Mike Shelton, signed the letter, endorsing the questions asked by the MRC in their letter. The MRC recommended the WSF build a boat that can use the current facility rather than changing the facility to accept boats.

E. Washington Public Ports Association (WPPA): Ed noted that WPPA has two pertinent meetings coming up: a Finance & Administration Seminar on June 14-16 at Campbell's Resort, Lake Chelan, and a Director's Only Seminar on July 13-14 at Sun Mountain Lodge, Winthrop. The Commissioners did not indicate that they anticipated attending either session, although the F & A Seminar was noted to be interesting.

7. OLD BUSINESS:

There were no Old Business items raised.

8. NEW BUSINESS:

A. Celebrate America: The Port's sanitary support (porta-potty funding) has again been requested for the Celebrate America event at Freeland Park on July 3. As noted on the funding request (EXHIBIT G), the estimated cost to the Port would be about \$620, which seems reasonable for a popular event.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Tapert to approve Celebrate America's request for funding in the approximate amount of \$620 for the July 3 event at the Freeland Park. The motion passed unanimously.

B. Future Meeting Locations: The Freeland Library has notified the Port that their conference room will be under construction from July 1, 2006, through January 2007. The Commissioners indicated that they would like to meet at the Cameron Road Fire Hall in Freeland, WA, and asked O'Brien to find out if it is available for the Port meetings, or to investigate other possibilities if it is not.

C. Island County Six-Year Capital Improvement Program 2007-12: Ed said that he had received a letter from Island County requesting Port input on their Six-Year Capital Improvement Program for 2007-2012. Commissioner Tapert asked to table the discussion until after the executive session.

9. EXECUTIVE SESSION:

The Board of Commissioners went into executive session to discuss Port properties at 8:45 pm. The executive session concluded at 9:00 pm.

10. PORT COMPREHENSIVE PLAN:

The Commissioners briefly discussed some ideas they had for the new Port Comprehensive Plan. Commissioner Tapert requested that the Comprehensive Plan be discussed at the June Port meeting. The Commission had no objections.

11. ADJOURNMENT:

ACTION: A motion was made by Commissioner Seitle and seconded by Commissioner Tapert that the meeting be adjourned. The motion passed unanimously.

The meeting was adjourned at 9:15 p.m.

Approved:

Minutes prepared by:

Commissioner Lynae Slinden, Clinton

Edwin S. Field, Port Manager

Commissioner Rolf Seitle, Langley

Commissioner Geoff Tapert, Freeland

- Exhibit A: Voucher Listing
- Exhibit B: March 2006 Financial Statement
- Exhibit C: Port Budget Status: 1st Quarter (printed 5/9/06)
- Exhibit D: Application for Funding, Marine Resources Committee (MRC)
- Exhibit E: Resolution, City of Langley (dated 5/4/06)
- Exhibit F: EarthCorps, Contract Proposal
- Exhibit G: Celebrate America, Request for Funding