

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

February 14, 2007

Freeland, Washington

Present at the meeting were:

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

Dennis Gregoire, Comp Plan Facilitator
Jim Recuperero, Langley City Council
Jeff VanderFord, S. Whidbey Record
Phil Pearl, Langley Resident
Don McCarther, SWYC
Mike Dolan, Freeland Resident
Harrison Goodall, Langley Resident
Trevor Arnold, Chamber
Jill VanHeuser, Freeland Resident
Kathy McLaughlin, Good Cheer Exe. D
Chet Ross, Freeland Chamber
CM Sawyer
Sam Wolfe, Freeland Resident
Todd Bitts, S.W. Rotary Club
Jack Penland, Freeland Resident
Mike Blair, Clinton, WA
Maury Hood, Clinton, Resident
Herb Helsel, Langley Resident
Jennifer Blair, Clinton Resident
Ruth Denadel, Langley Resident
Nancy Rowan, Langley Chamber
Robert Breedlove, Langley, WA
Jill Heuse, Freeland Chamber

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 February 14, 2007, at the Freeland Library Conference Room in Freeland, WA. Commissioner Tapert, 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: Minutes from the Regular Meeting of January 10 and Special Meetings of January 8, 15 and 25, 2007.
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 Slinden and seconded by Commissioner Seittle to accept the Consent Agenda, including approval of the Minutes and authorization of Vouchers #2933 - #2959 for a total amount of \$34,647.19. The Motion passed unanimously.

3. ACCOUNTANT REPORT:

A. Financial Statements: The Commissioners accepted the December 2006 Financial Statement (**EXHIBIT B**).

4. NON-AGENDA ITEMS / PUBLIC PRESENTATIONS:

A. Langley-Freeland Chamber of Commerce Application for Funding: Many people attended the meeting in support of the Langley-Freeland Chamber of Commerce Application for Funds for a Visitor Information Center. (**EXHIBIT C**) Todd Bitts with South Whidbey Rotary reported that the Langley and Freeland Chambers of Commerce have formed a joint operating agreement to operate a Visitor Information Center (Kiosk) at Ken's Korner, and he provided the following information. The South Whidbey Rotary Club has "adopted" the project, and will provide development, labor and materials along with both Chambers of Commerce to get the new Kiosk operational. When complete, the corner of Langley Road and Highway 525 will be dedicated as the "Rotary Park and the Visitor Information Center." The new Visitor Information Center will provide tourists and visitors with information about South Whidbey merchants, hotel/motel operators and B&B owners. The Kiosk will extend the efforts of the Langley and Freeland Chambers to 'touch' as many people as possible, encouraging them to shop and stay on South Whidbey. This would be economic development for local businesses. The estimated project cost for moving the Kiosk from its current location, including utility hook ups and landscaping, is estimated at \$28,500.00. Todd concluded his initial comments by noting that most of the labor and many materials are being donated to help reduce the overall cost, and so the amount requested from the Port of South Whidbey is \$10,000.

Commissioner Tapert asked what kind of assurance could be given that the Kiosk would be adequately staffed. Nancy Rowan, Langley Chamber of Commerce, said that the Kiosk would be initially staffed on a part-time basis but information would always be available outside of the Kiosk. She said they plan to keep track of the busiest times of year to ensure adequate staffing of the Kiosk. Commissioner Tapert asked what kind of vandalism and/or security measures have been researched for the Kiosk, especially considering it would not be staffed on a full-time basis. Rowan said that they had not yet looked into that but the Kiosk would be located in a highly-visible area with a lot of traffic. Commissioner Tapert asked if the Kiosk would have a telephone and computer inside. Todd Bitts, South Whidbey Rotary Club, said that Lincoln Computers would provide a computer and printer for the Kiosk and George Henny of Whidbey Telephone would provide a telephone. Commissioner Slinden asked if the County had been approached for funding. Bitts said that the County has agreed to give them a "no cost lease." Commissioner Slinden asked what kind of signage they planned to have for the Kiosk. Bitts said that they had not yet determined what signage they would use but would be sure to include some kind of plaque to give credit to those who helped with the project. Commissioner Slinden asked how the traffic would be handled around the Kiosk. Bitts said that there would be access to the Kiosk

from both Highway 525 and Langley Road. Charlene Sawyer that the Ken's Korner mall clients would be happy with the Kiosk because it would help generate foot traffic in the mall area. Maury Hood said that there is a great need for the Kiosk because there is no other information available to tourists along the highway where people can stop. Commissioner Seitle said that he was skeptical that people would stop at the Kiosk. He also asked if the group had requested funds from any other sources. Rowan said that \$4,000+ has already been expended by the Langley Chamber of Commerce, \$5,539 has been allocated from the 2% tourist fund, \$5,000 has been committed from South Whidbey Rotary Club, \$1,000 has been committed from the Freeland Chamber of Commerce, and there is an estimated \$4,000 in additional funding which will be raised locally to pay for landscaping. Bayview Farm & Garden has also agreed to provide all plants at 30% off the retail price and Fran Abel will provide the landscape plan "pro bono."

Commissioner Slinden expressed concern because the Kiosk is to be placed in a location past her community and visitors will likely not turn around to go visit Clinton. Rowan said that many people travel south from the north end of the Island, so would probably continue on to visit the Clinton community. Commissioner Slinden asked if the group had heard a response from the Clinton Chamber regarding the Kiosk project. Bitts said he had contacted them but had not yet heard anything back. Commissioner Seitle said he was not convinced that this was a priority for the Port and said that the \$10,000 request was too much money for the purpose. Kathy McLaughlin said that it is a lot of money, but the Kiosk would be serving the three communities and help with the economic development of those communities. Commissioner Tapert was in favor of the request for funding because it is such a unique opportunity that does not exist in any one community but would benefit all three. Commissioner Slinden said that she would like some sort of assurance that all of the communities would be represented and visible on the Kiosk. Chet Ross said that as the President of the Freeland Chamber of Commerce, he would assure the Commissioners that all three communities would be represented. Ruth Denandale, President of the Langley Chamber of Commerce gave her assurance as well.

ACTION: A Motion was made by Commissioner Slinden and seconded by Commissioner Tapert to approve the Langley-Freeland Chamber of Commerce Application for Funding request in the amount of \$10,000.00 on the condition that the signage adequately addresses all three communities.

ACTION: Commissioner Seitle made an alternate Motion to make to make a contribution of \$5,000 to the Langley-Freeland Chambers of Commerce for the Kiosk project, noting that he would consider that amount to be more reasonable in terms of the Port's overall budget

Port Manager Ed Field noted that he had given Port Attorney Al Hendricks a full copy of the Langley-Freeland Chamber of Commerce Application for Funding to review. Hendricks said that a contribution from the Port to the Langley-Freeland Chamber of Commerce is acceptable as long as it is a Capital Expenditure grant under the Economic Development banner and not distributed as Tourism Development funding. Ed said that Al had been a little concerned with the long-term commitment because the Kiosk would be sitting on leased property, but with the evidence and documentation of the lease, he said it would be marginally acceptable. Commissioner Tapert pointed out that the Port has \$30,000 in its 2007 budget for Capital Expenditures under Economic Development.

The motion made by Commissioner Seitle failed for lack of a second.

Voting then proceeded on the motion made by Commissioner Slinden and seconded by Commissioner Tapert to approve the Langley-Freeland Chamber of Commerce Application for Funding request in the amount of \$10,000.00 on the condition that the signage adequately addresses all three communities, and it passed unanimously.

Todd Bitts thanked the Commissioners, and said that the ribbon-cutting ceremony for the Kiosk has been tentatively scheduled for April 13, 2007.

5. PROJECT ACTION ISSUES:

A. Langley:

1. **City – Port Negotiations:** Ed reported that the previous day's negotiation session with the City had been productive. He said that they went over the "Summary of Agreements" **(EXHIBIT D)** developed from prior meetings, and the participants had concurred with the City of Langley's summaries on almost all issues. Ed also provided each of the Commissioners with a copy of a recent memorandum from the City regarding the ongoing relationship between the City and the Port. **(EXHIBIT E)** The first priority for the City is to jointly amend the Harbor Master Plan to reflect current thinking of both parties and for the amended Harbor Master Plan to be adopted by reference into the Comprehensive Plans of the City and the Port. With a mutually agreed-upon Master Harbor Plan, the City would not expect to require an "advisory group" as previously suggested. Ed said that there are still a number of "fine" details that need to be resolved but they are working on those issues. Commissioner Seitle was concerned that the Port would be subject to the City's shoreline plans and the shoreline authorities when trying to make any changes to the property, since anything the Port decides to do with the property would require normal permit actions from the City. All of the other major concerns have been addressed with the exception of the valuation issue.

Commissioner Tapert said that the issues are less clear-cut than that, based on the bold-typed paragraph in the memorandum from the City that states that "The first priority of the City is to amend the Harbor Master Plan to reflect current thinking of both parties and for the amended Harbor Master Plan to be adopted by reference into the Comprehensive Plan of the City and the Port." He said that while this is perfect timing for the Port if it can be done quickly enough to amend Harbor Master Plan in time to be included in the Port's comprehensive plan, he also expressed concern about seemingly-arbitrary revisions to an agreed-upon Master Plan. Commissioner Tapert asked Dennis Gregoire if the revised Harbor Master Plan could be considered to be the new Comprehensive Scheme of Harbor Improvements. Gregoire said that the Port's Comprehensive Plan update does not have to be coincident with the Langley Harbor Master Plan. He said that the Port's new Comprehensive Plan would help support the need to update the Harbor Master Plan, and that the Port can first adopt its new Comprehensive Plan, then adopt and incorporate the revised Harbor Plan into it by Resolution after appropriate public process. Commissioner Slinden expressed concern over whether or not the Port would be able to come to an agreement with the City on any of the outstanding issues. Commissioner Seitle said that although there are major issues, the developing concurrence with the City could well allow for the amendment of the existing Harbor Plan to be fairly simple. He said that the amended Plan does not need to be an extensive Plan and only needs to show the Port's intentions over the period of its new Comprehensive Plan. Commissioner Tapert asked if the main reason the Plan needs to be changed is because of the change of leadership in Langley and changed direction on where they want to go, along with the fact that the Harbor Plan is for a 20-30 year period that now

needs to fit into the Port's six year comprehensive plan. Commissioner Seitle said he believes that the Harbor Plan should be changed because it is not financially feasible. Commissioner Slinden asked what the proposed Harbor Plan amendments are going to be. Commissioner Seitle said that the Plan would be amended to become a Phase I plan over the next five years that would correspond to the things that the Port has agreed to potentially do including the use of an additional breakwater and to maintain the existing Harbor to standards that are as good as or better than they are now. Ed said that the Master Plan would need to follow some preliminary engineering, and said that it would make more sense to incorporate the revised Master Plan into the new Comprehensive Plan, which may also allow for a more efficient public review and hearing process.

After further discussion, Commissioner Seitle stated that the City and Port are not in agreement on the valuation issue. He said that the City basically has two options, to continue to operate the Harbor as they have in the past or to transfer it to the Port. He said that the Port needs to encourage the City to move forward. At this point, the City representatives are going to talk to the City Council on the subject, and the negotiation teams will meet again on February 27, 2007. The valuation issue will also be discussed at the City of Langley meeting on February 21, 2007. Commissioner Seitle said that he is preliminarily planning to attend that meeting to give a presentation to the City Council. Jeff VanderFord asked if the Port believed the differences would be irreconcilable, and Commissioner Seitle responded that he did not believe so but it is possible.

2. Breakwater Acquisition: Draft ILA from Port of Bremerton: Ed noted that he had distributed to the Commissioners copies of the draft InterLocal Agreement (ILA) for purchase of the breakwater floats from the Port of Bremerton. **(EXHIBIT F)** Commissioner Seitle said that unless and until the valuation issue can be settled, the Port should try to delay a decision on the breakwater floats until after the City Council meeting on February 21, 2007. There was no further discussion of the draft ILA.
3. Marine Engineering: Ed referred to the recent proposal from Art Anderson Associates (AAA) addressing the marine engineering needed for storage and relocation of the Bremerton breakwater floats. **(EXHIBIT G)** Commissioner Slinden said she was in favor of hiring AAA to prepare a report regarding moving the breakwater floats. Commissioner Seitle wanted to delay both issues until the valuation issue with the City is settled. Commissioner Slinden would like to get the information from AAA so that the Port will have a better idea of the options they have with the Breakwater Floats. She agreed that the Port should delay making a decision on the Port of Bremerton ILA at this time. Commissioner Seitle was concerned that AAA would not have enough time to prepare any information before the February 21, 2007, Langley City Council meeting. Ed said that AAA could have a preliminary report ready before then. Commissioner Tapert asked if the Port could delay making a decision on the Port of Bremerton ILA until they receive the information from AAA. Ed said that approval of the ILA could be delayed for about two weeks, but any further delay would be pushing it. Commissioner Seitle said that he could not possibly agree to purchase the breakwater floats until the Port has figured out what to do with them. Commissioner Tapert said that the Port has already effectively agreed to purchase the floats, and it is now important to follow through with that decision. Commissioner Seitle reiterated that he would like to delay making any final decision on the matter until City of Langley declares its position.

ACTION: A Motion was made by Commissioner Slinden and seconded by Commissioner Tapert to authorize Art Anderson Associates to proceed with Tasks #2 and #3 from their 2/1/07 proposal for the Bremerton breakwater floats.

Commissioner Seitle suggested limiting the scope of work that AAA would be studying. He said that they should study various methods of transporting the floats and what the permitting issues would be involved. Ed said that the Port of Coupeville has offered a location in Penn Cove as a temporary moorage site for the floats. He said that Coupeville would likely not be able to afford the floats on a long-term basis but it would be an appealing possibility for short-term moorage. Commissioner Slinden said that the Oak Harbor Marina was also strong possibility for permanent storage. Commissioner Tapert said that the Port could give AAA some suggested priorities to focus on. Commissioner Seitle still felt that a decision on this should be delayed until the Port knows the City's position. Commissioner Tapert said that it is important for the Port to have good information in order to make good decisions moving forward. Commissioner Seitle said that it was not his intention to say that the Port should not obtain additional information; he would like a delay on a decision so that Art Anderson's scope of work can be limited by using one location. After further brief discussion, the Commissioners agreed that they should not expect to have an answer from the City of Langley within a three-week period of time so it is important to move forward with the study.

The Commissioners voted and the Motion passed unanimously.

Commissioner Slinden said that it is important for Langley to know that the Port would like to take over the management of the Marina in a reasonable fashion, so it needs to be at a reasonable price so that the Port can afford to make the much-needed improvements to the facility. Commissioner Seitle said that it has been made clear to the City that the Port would be taking on a large liability by taking over the Marina and would be relieving the City of that liability.

4. Ramp & Park Project Update: Ed reported that the InterAgency Committee has approved an additional \$32,000 for the Ramp and Park project in consideration of the additional \$25,800 matching funds proposed by the Port. He also noted that the City had recently sent drawings to the Corps of Engineers which were copied to the Port and subsequently distributed to the Commissioners **(EXHIBIT H)**

B. Possession Beach Waterfront Park:

1. Preliminary Consideration: Easement Requested for Water Tank along West Boundary: On behalf of the Possession Shores Inc. water system, Andy Campbell has submitted a preliminary plan for Commission consideration regarding a possible new water tank location along the western edge of the Possession Point property. **(EXHIBIT I)** The proposed location of the new 14' diameter tank is along the west park boundary. Andy estimated that it would require a 17' x 34' easement, and his initial proposal is that the association would pay for the easement at a rate of 50% of the actual property cost based on recent sales prices and the actual square footage of the easement. The location of the tank would be below the ridgeline, and the trails do not run anywhere near it. Ed suggested that the Port might view this proposal favorably because it might enable the Port to get a long-sought trailhead at the upper end of the Cleveland trail. This is a preliminary concept proposal, and before proceeding further with any planning or other work, the association is trying to find out if this is something that the Commission would consider. Ed said that he had inspected the site and the proposal seemed reasonable to him. Also, he noted that the Port Commission should consider

that this proposal would facilitate a gravity-fed emergency water supply and minimize the need for emergency-generator pumping, all of which could possibly be identified for wider use during extended emergency conditions. The Commissioners took no objections to Andy Campbell's preliminary proposal, but suggested that Ed work with Andy and the association to work toward alternative compensation that would be more beneficial than minor monetary compensation, such as establishment of a small parking and access site for the upper trailhead and/or provision of a water fountain or similar water source for hikers at the trailhead.

C. Bush Point Boat Launch:

1. Outstanding WDFW Invoice for \$57,500: Ed said that Fiscal Analyst Frank Gesswein from WDFW has contacted the Port regarding the status of the remaining \$57,500 invoice for the work at Bush Point. Ed asked if the Commission was ready to pay the invoice. The Commissioners agreed that they did not want to pay the invoice at this time, in consideration of the deteriorating and imperiled condition of the as-yet-incomplete facility.

D. Marine Trades Cluster Study:

1. Call for Marine Related Businesses to Step Forward and Be Counted: Ed reported that the Marine Industry cluster-based study that the Port has undertaken with various other Port Districts and Economic Development Councils was now digging into the topic, and their consultant Berk & Associates is gathering data including identification of all marine-related businesses in this region. He emphasized that it is very important that all Whidbey Island marine-related businesses be counted in the study because the initial list of ship- and boat-building industry firms to interview included only Nichols Brothers from Island County. Ed said that he spoke to Sharon Hart of the EDC who assured him that she would work to get other local businesses identified and included in the study.

6. COMPREHENSIVE PLAN:

Dennis Gregoire said that the draft of the Comprehensive Plan was moving along and should be available for review by the end of the month.

7. ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC):

1. Uniquely Whidbey Trade Fair: Ed said that EDC has submitted their request for continued \$5,000 funding from the Port for this year's Uniquely Whidbey Trade Fair. **(EXHIBIT J)** Ed reported that the Port of Coupeville's \$1,500 commitment to the EDC for 2007 includes their \$500 membership and \$1,000 to this year's Trade Fair. The Commissioners briefly reiterated their frustration over the EDC's lack of responsiveness to their repeated concerns that this Coupeville-based event does not benefit businesses in the South Whidbey Port District commensurately with the Port's recent contributions.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Tapert to match the Port of Coupeville's contribution of \$1,000 to the EDC for the Uniquely Whidbey Trade Fair. The motion passed unanimously.

- B. Council Of Governments (COG):** Commissioner Slinden said that the COG met with Puget Sound Energy at its last meeting to discuss undergrounding power lines.

C. Regional Transportation Planning Organization (RTPO): Commissioner Slinden said that they discussed the shared position on the RTPO Board with the Port of Coupeville and the possibility of having a representative from each Port on the Board.

D. Marine Resources Committee (MRC): Commissioner Seitle said that the MRC had a retreat at Tom Campbell's house. They looked at a work plan for 2007. They also had an Election of Officers for 2007. The new MRC Executive Director is Rex Porter. One of the things that the might have an impact on the Port is that the Department of Natural Resources has money from the Governor for the Puget Sound Initiative to work on the further removal of creosote structures that are in the water. Lisa Kaufman, project manager, has an interest in the old wharf in Langley because it would be an attractive target because it can be removed by barge in one trip, which is an effective situation. On the other hand, Ed pointed out that if DNR removes the old structure and piles on its own, the Port would lose valuable mitigation credits that will likely be needed during any major marina improvement project. Commissioner Tapert firmly suggested that the Port first finish the project design and then seek options to have the structure removed, but to not allow the mitigation to be "lost" from the project. Commissioner Seitle said he will keep the Board informed on the issue.

E. Washington Public Ports Association (WPPA): No Update.

F. Seminars: No Update.

8. OLD BUSINESS:

A. Port Logo Contest:

- 1. Recent Entries:** Ed noted that he had included copies of the recently-received Port Logo Contest entry from Richard Saunders in each of the Commissioner's packets. The Commissioners instructed Ed to continue accepting entries and to also contact South Whidbey High School regarding possible student entries **(EXHIBIT K)**.

9. NEW BUSINESS:

A. Future Meetings: Due to the large number of hot issues, particularly the negotiations with Langley, it was agreed that another Board of Commissioners meeting should be scheduled in February, and it was tentatively scheduled for 8:30 am on Wednesday, February 28.

10. EXECUTIVE SESSION:

The Board of Commissioners went into Executive Session at 9:30 pm to discuss property acquisition issues and came out of Executive Session at 10:40 pm.

11. ADJOURNMENT:

The meeting was adjourned at 10:41 pm.

Approved:

Minutes prepared by:

Commissioner Geoff Tapert, Freeland

Edwin S. Field, Port Manager

Commissioner Rolf Seitle, Langley

Commissioner Lynae Slinden, Clinton

- Exhibit A: Voucher Listing
- Exhibit B: December 2006 Financial Statement
- Exhibit C: Application for Funds from Langley and Freeland Chambers for Kiosk, dated 2/5/07
- Exhibit D: "Summary of Agreements between City and Port re Improvements...", Draft dated 1/30/07
- Exhibit E: "Proposal on what our future relationship might look like" Memo from City, dated 2/12/07
- Exhibit F: Draft ILA from Port of Bremerton (with Ed's recommended revisions), rev. draft dated 2/9/07
- Exhibit G: "Prof. Engineering Svc. Proposal for the Breakwater Reloc...", Art Anderson Assoc., dated 2/1/07
- Exhibit H: "Boat Launch Improvement Project: Ramp and Float System:", City of Langley, dated 1/29/07
- Exhibit I: "Posses. Shores Inc. request for purch. or lease of Port property" w/ sketches, PSI, dated 2/11/07
- Exhibit J: EDC letter, dated 2/11/07
- Exhibit J: Port Logo Contest Entry