

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting
April 15, 2009
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
Dane Anderson, Port Financial Manager
Molly MacLeod-Roberts, Port Clerk
Rick Brewer, Port Harbormaster

Tony Puma, Bainbridge Island Resident
Bruce Brereton, Langley Resident
Maureen Cooke, Langley Resident
Bill Carruthers, Clinton Resident
Wayne Morrison
Robert Trenchard, Clinton Resident
Jeff VanDerford, South Whidbey Record
Ed Young, Whidbey Island Kayaking Co.
Chris Jerome, Langley Resident
Leanne Finlay, Langley Resident
Bill Mare
Mynda Myres, Boatyard Inn

Absent: None

1. MEETING CALL TO ORDER:

The Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on April 15, 2009, in Grigware Hall at Trinity Lutheran Church in Freeland, WA. Commissioner Slinden, President, called the Regular Meeting to order at 7:30 p.m., followed by the Pledge of Allegiance.

2. BUSINESS MEETING – THE CONSENT AGENDA:

A. Consent Agenda:

1. Minutes: Minutes from the Regular Meeting of January 14, 2009, and the Special Meeting of February 2, 2009.
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 #3768 - #3813 in the amount of \$67,636.80. The Motion passed unanimously.

3. PUBLIC COMMENT – Including Items not on Agenda:

There was no public comment.

4. ACCOUNTANT REPORT:

A. Financial Statement: The Commissioners acknowledged the March 2009 Financial Statement, which had been mailed to them previously **(EXHIBIT B)**.

5. PROJECT ACTION ISSUES:

A. Whidbey Airpark:

- 1. Compliance Report: Discussion of Draft Report:** Consultant David Ketchum had not arrived yet, due to confusion over the changed location of the meeting. Commissioner Tapert said they needed to decide whether or not to proceed with the planning process and take the next step, which is for a Commissioner and the consultant to meet with representatives from the Federal Aviation Administration (FAA) and Washington State Department of Transportation's Aviation Division (WSDOT). Commissioner Seitle said he was very impressed with Ketchum's work. Although it would be a good idea to sit down with the agencies to get their input, he was concerned that the longer time spent on the matter, the closer they will be to commitment and he noted that there is not enough Staff time to deal with it. Commissioner Seitle said he is not anxious to see the project go forward.

Commissioner Slinden asked if anyone from the public wished to comment. **Leanne Finlay** stated, "I think we'd be remiss not looking into it and taking the next step."

Commissioner Slinden said she was concerned about the lack of commitment from Island County regarding the Crawford Road situation. Ketchum arrived at the meeting at that point. He said at least one article had incorrectly indicated that the FAA was "on board" with the project – they are NOT. Ketchum explained the FAA has seen the report and commented on it from an editorial standpoint, but they have not commented in terms of whether or not they are in agreement with assisting the Port with the airport if the Port decides to pursue it. The FAA is neutral at this stage. If the Port, the FAA and WSDOT agree to move forward with the project, the next step would be to conduct an Environmental Assessment. In the past, the FAA has put up 95% of the cost for the Environmental Assessment and WSDOT another 2.5%. The Port would then only pay for the remaining 2.5%. After that, the State would want to reassess what's already been done, with the FAA probably paying 95%, the State 2.5% and the Port 2.5% for the Master Plan process. Once all that is completed, if everything looks okay and it appears the project should go forward for the benefit of the public and there is property available for purchase – the FAA has a history of providing the same level of grant funding (95%) for property purchase and facility development to make the airport a viable facility.

Commissioner Slinden asked if the FAA would provide funding for Crawford Rd., and Ketchum said the FAA would not get involved in any funding for the road. He noted that public ownership of and improvements to Crawford Rd. would be necessary as part of the overall program.

Commissioner Seitle asked about the estimated cost for the Environmental Assessment and the Master Plan process, and Ketchum responded, "Probably about \$75,000 each." Commissioner Slinden said she would like to see a viable study of public interest, and Ketchum noted that in a popularity vote, an airport would lose. Commissioner Tapert felt the Environmental Assessment would provide a lot of the information regarding public support and issues, etc. Commissioner Slinden noted that the Port is a small facility without a lot of assets to be utilized, and she feels that anything done towards the airpark will deter from the marina. Staff focus and Port funding should be directed to the marina. She had reservations about continuing further unless the Commission is seriously committed to the airport being a goal they want to accomplish. Ketchum said the Environmental Assessment is just the 2nd stage of the feasibility study, but one that involves the public. The Port doesn't need to commit to buying and developing the airport and surrounding properties in order to do the Environmental Assessment.

Commissioner Seitle was concerned with going further because "projects take on a life of their own." The public was strongly opposed to the Port's taking on the airport 22 years ago, and he doesn't want to go through that again. Although the Port might have to pay only 2.5% of the cost of conducting an Environmental Assessment, it would also take a lot of Staff time, and could result in the Port being committed to developing an airport. Ketchum said the Port would have the ability to write an "opt out" portion into the scope of work for the Environmental Assessment, and he noted that the Port's purpose is to further economic development.

Like Commissioner Seitle, Commissioner Slinden was concerned about how many steps the Port should take if they are not seriously considering building and developing the airpark as the Port's chosen method of economic development. If the Port doesn't want to develop an airpark in the future, they should stop right here and quit wasting time and money. Commissioner Tapert said the Comprehensive Scheme states that the Port will study the potential for acquiring the Whidbey Airpark, and this is only the 1st half of the study – it hasn't been finished yet. He said the Environmental Assessment would provide the information necessary to make a good decision regarding whether to develop the airport or not, and the cost to get to that point is minimal.

Commissioner Tapert said he is not as concerned about the airport as he is about the job potential in that area, which is the only area in the Port district currently zoned for industrial use.

Commissioner Seitle agreed with Commissioner Slinden, that if the Port does not want to own and operate an airport, they should stop immediately. Ketchum said it's not so much operating an airport as it is operating what could be an economic engine, based on sidelined uses and airport-compatible, airport-related, and airport-dependent operations that provide jobs. Commissioner Slinden said she sees two separate issues – the improvement of the airport and the industrial zoning to it and they are not necessarily in tandem. The Port doesn't have to develop that airport in order to make it an industrial development area. Economic development is important, but there are other ways that don't involve an airport and there are alternative areas as well. She said it might be more advantageous to buy an

existing parcel/building in the area and developing it as an incubator. Commissioner Tapert said the question it becomes is “how do we pay for it?” but through the airport, there is a potential opportunity to have 95-97.5% matching funds from FAA and WSDOT. That would allow the Port to get a foothold in that area and do some industrial development without raising taxes and at very little cost to the Port.

If the Port doesn't want to run an airport, Commissioner Seitle said it is not very intellectually honest to continue to spend time and money on it. Ketchum said the next logical step is not necessarily committing to an Environmental Assessment – it could be sitting down with the FAA to discuss it and determine if there is interest on the part of the FAA. Ketchum recommended that one Commissioner and one Staff person should attend the meeting, along with himself as consultant.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Tapert to arrange a meeting with the FAA to be attended by Commissioner Tapert, Financial Manager Dane Anderson and Consultant David Ketchum. The Motion passed unanimously.

B. South Whidbey Harbor:

1. Transfer Process: Ed reported that the original of the Title Insurance Policy arrived today for the actual property transfer.
 - a. Department of Natural Resources (DNR) Aquatics Land Leases and Port Management Agreement (PMA) Status: Dane is working on getting a PMA with DNR, which would significantly reduce the Port's lease payments. Getting ownership documentation has been challenging with the County being several years behind on recording transfers. He hopes to have the surveys from Fakkema & Kingma sometime next week, and sit down with DNR shortly after to discuss all the findings. Dane said that the Port does not have control of all the uplands in the area, but he noted that Tony Puma and Paul Schell have offered the tidelands to the Port. **Tony Puma** noted that although they own just 3 parcels, they recently received 5 tax statements.
 - b. Recreation and Conservation Office (RCO) Transfer Process: Ed reported that RCO Project Manager Myra Barker had emailed electronic versions of all the original project agreements to date. Dane will begin reviewing all of the documents with a fine-tooth comb, to determine if updated/revised manuals can actually be applied to and have affect on the original agreements, etc., to determine the extent of encumbrances and restrictions.
2. Expansion Project:
 - a. Funding Update - Department of Ecology (DOE) Planning Grant: Dane said the application for the integrated planning grant of \$187,300 was sent last Thursday. He noted that the House capital budget included funding for this grant program. Dane said he is hopeful it will be approved.
 - b. Design – Final Draft Pre-Design Report and Design/Permit Proposal from Reid Middleton (RM) (EXHIBIT C): Ed said due to some email glitches, the report came in yesterday morning and he emailed it to the Commission, without attachments (still to come). It is still a draft and there are some numbers Ed would like to cross-check, but the scope and content of the report pretty much match up everything discussed during the Special Meeting two weeks ago. RM also provided their proposal for taking the design to the 30% stage (EXHIBIT D), which is basically for the full permit submittal.

The proposal was faxed to the Port office late yesterday and was included in the Commissioners' meeting folders. The proposal includes the evaluation of the uplands electrical situation and preliminary design for that. RM's estimate for taking it to that level was \$50,000. Ed noted that GeoEngineers is currently under contract for all the permit work, but has been "on pause" while the Port figured out the design direction. Ed intends to discuss the proposal with Shannon Kinsella of RM to get a better understanding, and then cross-coordinate with Joe Callaghan of GeoEngineers to make sure there is no overlap in either the proposed scope or actual work. Ed said he needs a status report from Callaghan and would also discuss scheduling issues. As far as the design goes, Ed said RM is ready to proceed with Alternate #4 as directed by the Commission at the Special meeting.

Tony Puma introduced himself as co-owner of The Boatyard Inn, and applauded the Commission for their selection of Alternative #4. He said the Commission's decision to build a portion of that is practical and makes sense, but he would like them to go beyond that slightly by including finger slips in Phase 1. Since the Port has constraints on its money, Puma suggested a partnership between The Boatyard Inn and the Port for the funding of those additional finger slips. Puma urged the Port to use the design/build process rather than the design/bid/build process to develop the marina, because he felt they would get a more competitive price. Regarding RM's draft report, he said he'd appreciate it if the Port would present it to the public at the next meeting and take public comments on it. He would also like the Port to add slips to the 400 ft. breakwater now. The Commission thanked Puma for his comments, and said they would speak with RM first.

c. Permits – Direction for 5/1/09 Corps of Engineers (Corps) and 6/19/09 Washington State Department of Fish and Wildlife (WDFW) Breakwater Permits:

The Corps' permit for the temporary location of the breakwater has an initial expiration date of May 1st, and the WDFW extension for the mitigation plan deadline has a June 19th deadline. The Corps reminded GeoEngineers about the deadline last week. Since the Port has Alternate #4 as the conceptual design direction, Ed requested approval to direct Callaghan to respond to the Corps and WDFW with a status update such as...“a design has been determined, we're proceeding into final design and permitting, we do need additional time to complete that permitting, but we expect to submit within 'x amount of time'.” The Commission agreed and approved Ed's request to proceed with Alternate #4 as the basis for extensions of existing permits..

d. Park Relocation for Summer 2009 – Plan prep and bid process, including Emerge proposal (EXHIBIT E): Ed said it is unlikely that the Port will receive any stimulus money for the park & ramp project, and Dane said Representative Smith informed him yesterday that the Port's request for funds from the State's capital budget was denied. Ed noted that there is \$10,000 in the budget and although the Port has a permit, the Port does not have a good design for a small \$10,000 Park relocation. He proposed using Emerge Garden Design as landscape designer to get some plans that can be sent out to bid for hardscaping/relocating, and the plantings, etc. could be handled by a community group. Paul Frederick of Windermere Real Estate indicated that they would be interested in volunteering and Ed Young of Whidbey Island Kayaking Co. said he would as well. Commissioner Slinden said Nancy Waddell has also expressed interest in volunteering.

3. Harbor Operations: Commissioner Slinden read aloud Michael Rosenwood's 4/11/09 email **(EXHIBIT F)** praising Harbormaster Rick Brewer.

a. Resolution No. 09-01: Adoption of South Whidbey Harbor Regulations **(EXHIBIT G)**:

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Tapert to approve and adopt Resolution No. 09-01, relating to Regulations governing the public's use of South Whidbey Harbor at Langley as presented. The Motion passed unanimously.

b. Harbor Fee Schedule **(EXHIBIT H)** – Adoption for 4/15/09 through 10/1/09: The Board adopted the fee schedule as proposed by Staff. Ed noted that the change to 2-hour limits for Day Visitors and the 4pm transition to Overnight Moorage may cost a few dinner visitors, but the Harbor revenue should improve from more Overnight Moorage and the restaurants may pick up some breakfast business

c. Harbormaster Report **(EXHIBIT I)**: Rick provided a summary of his March report. Commissioner Slinden thanked him and said he was doing a great job. **Maureen Cooke** of Langley asked why the divers aren't paying for using the marina since they are using the showers, etc. Rick explained the showers are metered, so they are paying for them. Divers are encouraged to come to the marina, especially during the winter, because when they are done diving they spend money at restaurants and shops in Langley. **Bob Trenchard** said there was a lot of concern expressed regarding the sunken tire reef at the City of Langley's meeting. Dane said that the State wants the tire reef removed. Ed explained that the Port is encouraging and supportive of the establishment of another artificial reef. Rick noted that once an alternative location has been identified, there are 130 divers who have signed on to help move the "sea critters" and set up an artificial reef.

d. Seasonal Labor Assistance – Stimulus Funding Possibility through Service Education Adventure (SEA) program: Rick and Ed have been working with Susie Richards of SEA and they've put together a Summer Intern Program. SEA has submitted the package of job descriptions, etc., Washington State Workforce has provided encouragement and it looks like "it's going to be a go." If approved, the Port will receive two months of wages (32 hours per week for 8 weeks) for three marine vocational training candidates (two 17 years old or older and one 19 years old or older up to age 24). Commissioner Seitle said Ed and Rick wrote excellent work descriptions. The Commission and Staff agreed that SEA is an excellent organization.

e. Alternate Fuel Possibilities – Research results from Dane: Completion of the full Joint Aquatic Resource Permit Application (JARPA) process would be required in order to establish a fueling site down at the marina, so the potential fuel supply companies that Dane talked to are no longer interested. Commissioner Tapert recommended that it be put into the JARPA for the bigger expansion. Rick suggested that upon expansion, the Port could instead contract with a company such as Petrol Marine because they handle all the liability and the permit process and the Port could leave it out of the JARPA. The Commission agreed to leave fuel out of the JARPA.

C. Clinton Beach, Fishing Pier, Dock and Parking Lot:

1. Dock – Rub Rail Replacement project completion report: Ed provided photos of the rub rails before and after, and noted that Shawn Ogle of Coastal Soul Construction had done a really nice job. The diamond-plated triangular section of the dock is loose and Ed will meet with Rex Lukinich of Greenbank Metalworks on site tomorrow morning to inspect it.

D. Freeland Park:

1. Harborside Parade: Leanne Finlay provided copies of the description of route, date and time of day for use of County right-of-way for the parade (**EXHIBIT J**), and requested Port permission to block the boat ramp for 1.5 hours from 11:00 a.m. to 12:30 p.m. Island County has provided a permit for the event and the presence of County sheriffs will address any public safety issues. The Commission gave permission for the closure of the ramp for the 1.5 hours as requested.

E. Staff & Operations:

1. Website Upgrade & Maintenance Solicitation Results: Dane reported three additional proposals were received in response to the classified ad, ranging in price from \$4,800 to \$3,200. Dane and Commissioner Slinden indicated their preference was for Carrie McDougall’s proposal, which was also one of the lower priced bids. The other Commissioners agreed, and directed Dane to proceed with the website upgrade.

6. ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC):

1. Report from Annual Member Meeting – Thursday, March 26th in Oak Harbor:

B. Council of Governments (COG): Commissioner Seitle referred to the letter from Mayor Nancy Conard requesting the Port contribute to the Sustainable Whidbey Coalition (**EXHIBIT K**). Commissioner Tapert felt the Commission needed to be consistent and accept Applications for Funds only at the March and September meetings.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Tapert to provide \$1,000 for the Sustainable Whidbey Coalition.

Commissioner Tapert asked when they need the money, and Commissioner Seitle said he didn’t know. Commissioner Tapert suggested they could agree to support it in principle and allow it to be the first request at the September meeting when the Commission next considers Applications for Funds. Commissioner Slinden agreed they should be consistent and postpone consideration of the request until the September meeting.

Commissioner Slinden called for a vote on the Motion. The Motion failed by a vote of 1 in favor and 2 against, with Commissioner Seitle voting in favor.

C. Skagit-Island Regional Transportation Planning Organization (RTPO): Nothing new to report.

D. Marine Resources Committee (MRC): Nothing new to report.

E. Washington Public Ports Association (WPPA):

1. Report from Legislative Port Day – March 24th-25th in Olympia: Nothing to report.

F. Community Trade & Economic Development (CTED): Nothing new to report.

G. Holmes Harbor Shellfish Protection District (HHSPD): Nothing new to report.

H. Puget Sound Partnership (PSP): Nothing new to report

I. Center for Wooden Boats Cama Beach/Whidbey Summer Event (September 5, 2009):
Nothing new to report.

7. OLD BUSINESS:

A. County-wide Parks Issues – Multiple emerging topics: Nothing new to report.

8. NEW BUSINESS:

A. Green Power Proposal from Commissioner Tapert: Commissioner Tapert asked to strike the item from the agenda – he is waiting for legislation from Olympia.

B. Uniquely South Whidbey Trade Fair – Tenant Improvement request from Island County Fair Association (EXHIBIT L): Commissioner Seitle said he had a problem with investing Port money in a fixed improvement to someone else's facility. Commissioner Slinden wondered if it would be acceptable for the Fair to offer rent-free use of the building in exchange. Ed had spoken with ICFA Administrator Sandey Brandon and Port Attorney Al Hendricks regarding the request. If it was a simple grant to do all the electrical with no agreement in place and with all \$7,000 spent for this year's Trade Fair with nothing in the future, Al didn't think that was a good idea. However, if it is in the context of a tenant improvement, with the South Whidbey Trade Fair conducted over multiple years and an agreement in place to hold the Fair at this location over the next several years, then that would be a perfectly reasonable request.

The ICFA is concerned that there isn't enough publicity for the Trade Fair, which is less than 45 days away, and applications haven't even been sent out to vendors yet. Commissioner Tapert felt it would be inappropriate to provide \$7,000 for electrical work for an event that might not happen, or may only happen this year. He reiterated that Applications for Funds should be considered only at the March or September meetings. Since the Port approved the Trade Fair's request for \$4,000 and indicated support in March, Commissioner Slinden said she is disappointed that the Port hasn't heard anything back from the Trade Fair organizers. The Commission agreed to deny the request from ICFA, but noted that a request for next year's Trade Fair could be submitted at the September meeting or the March 2010 meeting, when the Trade Fair will hopefully be better organized and prepared.

9. EXECUTIVE SESSION:

There was no Executive Session.

10. ADJOURNMENT:

The meeting was adjourned at 9:52 p.m.

Approved:

Minutes prepared by:

Commissioner Rolf Seitle, Langley

Edwin S. Field, Port Manager

Commissioner Lynae Slinden, Clinton

Commissioner Geoff Tapert, Freeland

- Exhibit A: Voucher Listing
- Exhibit B: March 2009 Financial Statement
- Exhibit C: Reid Middleton – DRAFT Summary Report of Langley Small Boat Harbor Expansion Pre-Design
- Exhibit D: Reid Middleton – Agreement for Professional Services: Langley Small Boat Harbor Expansion – Permit Level 30 Percent Design
- Exhibit E: Emerge Garden Design Proposal for design work relating to Phil Simon Park
- Exhibit F: Email dated 4/11/09 from Michael Rosenwood regarding Harbormaster
- Exhibit G: Resolution No. 09-01, relating to Regulations governing the public’s use of South Whidbey Harbor
- Exhibit H: South Whidbey Harbor Fee Schedule (Effective 4/15-10/1/09)
- Exhibit I: March 2009 Harbormaster Report
- Exhibit J: Harborside Parade description of route, date and time of day...
- Exhibit K: 3/25/09 Letter from Coupeville Mayor Nancy Conard re: Sustainable Whidbey Coalition
- Exhibit L: 4/13/09 Letter from Island County Fair Association requesting \$7,000 for electrical improvements