

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

May 11, 2010

Langley, Washington

Present at the meeting were:

Commissioner Geoff Tapert, Freeland
Commissioner Curt Gordon, Clinton
Commissioner Chris Jerome, Langley
Ed Field, Port Manager
Dane Anderson, Port Financial Manager
Molly MacLeod-Roberts, Port Clerk
Wayne Nance, Possession Park Manager
Abram Abella, Bush Pt./Clinton Bch Manager

Andy Campbell, Clinton Resident
Don McArthur, South Whidbey Yacht Club
Dennis White, Clinton Resident
Leslie Tidball, Clinton Resident
Doug Struthers, Clinton Resident
Marcia Monma, Clinton Resident
Christina Drake, Langley Resident
Clyde Monma, Clinton Resident
Mike Seymour, Clinton Resident
Maggie Seymour, Clinton Resident
Debbie Webster, Clinton Resident
Micki & Tom Ryan-Sulich, Clinton Residents
Eric Weichmann, Clinton Resident
Vivian & Michael Smith, Clinton Residents
Jeff VanDerford, South Whidbey Record
Richard Engstrom, Clinton Resident
Burse Buls, Clinton Resident
Paul Schell, Langley Resident

Absent: None

1. MEETING CALL TO ORDER:

The Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened Tuesday, May 11, 2010, at the South Whidbey Parks & Recreation Meeting Room at 5475 Maxwellton Rd., Langley, WA. Commissioner Geoff Tapert, 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 Special Meeting of January 13 (in lieu of the January Regular Meeting), and Regular Meeting of February 10, 2010.

ACTION: A Motion was made by Commissioner Jerome and seconded by Commissioner Gordon to approve the Minutes from the Special Meeting (in lieu of the January Regular Meeting) of January 13 and the Regular Meeting of February 10, 2010 as submitted. The Motion passed unanimously.

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 Jerome and seconded by Commissioner Gordon to accept and authorize Vouchers #4284 - #4333 for a total amount of \$49,029.57. The Motion passed unanimously.

B. Staff Contracts:

1. **Financial Manager Dane Anderson (for 6/9/10 thru 12/14/10)**: Port Manager Ed Field explained that renewal of the contract would be “a stop-gap measure” to get through the end of the year and the office relocation. Dane’s status would have to be re-evaluated in December. Ed explained that at the June meeting the Commission could either offer an employment agreement to Dane or renew the contract and deal with the employment decision during the budget process in the Fall.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Jerome to approve the renewal of the contract with Financial Manager Dane Anderson for the period of 6/9/10 through 12/14/10. The Motion passed unanimously.

3. **PUBLIC COMMENT – Including Items not on Agenda**: There was no public comment for items other than as noted below under Possession Beach Waterfront Park.

4. ACCOUNTANT REPORT:

A. Financial Statement: The April 2010 Financial Report is pending receipt of the Island County Treasurers Report for April 2010, and the 2009 Annual Report is in progress.

5. PROJECT ACTION ISSUES:

A. Possession Beach Waterfront Park:

1. **Recreation & Conservation Office (RCO) Initial Determination on Property Status and Commission Direction**: According to the note sent on April 27th, RCO felt the whole 26 acres was encumbered by the Deed of Right. However, RCO Grant Manager Sarah Thirtyacre telephoned Dane today and subsequently emailed the following: *“Based upon further review of the Possession Beach project file, conversations with our federal partner (National Parks Service), and additional review of Island County parcel records—RCO has determined that the 6f protection encompasses only the 11.94 acres (with the acreage in-boundary lying east of, and bordered by, Possession Rd. and Franklin Rd.). The proposed site for the cell tower lies OUTSIDE of the protected boundary of the park and therefore is not encumbered by either the 6f protection or the RCO Deed of Right. I will update the project file and PRISM to clarify this determination for future reference.”*

Commissioner Gordon said, “It seems to me that takes RCO out of the question as to whether or not we could permit the cell tower, and the water tank in the other exchange that

occurred.” He added, “It’s good news because it makes that piece of property available for the Port for whatever.” Commissioners Tapert and Jerome agreed.

Commissioner Tapert noted that Goodman Networks/AT&T have been “on hold” for several months pending a determination regarding the encumbrance issue and they would like to move forward.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Jerome to authorize Goodman Networks/AT&T to proceed with their plans with full support, provided that there are no additional costs to the Port.

Commissioner Gordon felt that up until now, the issue was not whether or not to proceed with a cell tower lease but whether or not the Port had the right to proceed. Now, he would like to discuss and determine whether that 14 acres is viewed as a park. If it’s a park, he doesn’t necessarily think they should put a cell tower up there. If it is a park that is not connected with waterfront recreation directly and does not serve economic development, he doesn’t think the Port should own or maintain it. Since the two parcels are separate and one is encumbered and one isn’t, if the upper area is a park, he would like to explore the options of having another steward take it over. Commissioner Gordon doesn’t think the Port should be funding parks and it would not be inappropriate to “actually get rid of this.” Commissioner Tapert agreed and asked, “If the opportunity arose and we could surplus that property – would you be in favor of selling it?” Commissioner Gordon said yes, because there are groups (such as Friends of Camano Parks) that have found ways to be a viable, quality steward that can be trusted by the County to maintain a public facility. He reiterated his belief that a Port District should not be the owner of a park, especially an upland park – it’s not appropriate. He said, “We’re working on changes to our Comprehensive Plan and one of the most important changes in there to me is there is so much mention of parks – parks need to be referred to specifically in combination with water access, when it’s for recreation and tourism, bringing money to the community – that’s what the Port is for.”

Commissioner Jerome said, “We need to deal with the reality that we own the park or whatever it is, and we do have an application from Goodman Networks/AT&T to proceed with their process for a cell tower.” Although he doesn’t disagree that it might be a good idea for the Port to sell that property, he thinks the Commission needs to give Goodman Networks/AT&T an answer. Commissioner Gordon disagreed – just because they made an application to lease the space for a cell tower for \$750/month doesn’t mean the Port must respond. Commissioner Tapert clarified that the \$750/month is just a number that was thrown out – the Port has not engaged in any contractual relations whatsoever with the potential tenant for the property, and that number is just a starting point.

Commissioner Tapert said the one thing that has him in favor of allowing Goodman/AT&T to proceed is the first responders of Island County Fire District #3’s need for improved communications signals and reception.

Commissioner Gordon said he is not opposed to putting a cell tower at that location if it is not a park. If the Possession neighbors could come up with a solution that creates a park that the Port doesn’t have to maintain, he would be open to that. He doesn’t feel any urgency to comply with AT&T’s schedule. Commissioner Tapert said the Port is simply the owner of the property that AT&T would like to lease, and AT&T still has several months or even a year of going through the permitting process with the County. There was additional discussion about the process of declaring property surplus and acknowledgement that it

would be appropriate to inform Goodman Networks that they were considering doing so and selling the property.

Commissioner Tapert said he wanted to amend his motion to include, “and alert Goodman Networks/AT&T that the possibility exists that the property could be surplussed.” Commissioner Jerome said he would like to further amend the motion. The availability of the tower for emergency communications is a very important aspect, and AT&T has had an issue with the emergency communications on its cell tower on Camano Island, so he would like to any proceeding with AT&T subject to a satisfactory resolution to the issue on Camano Island. Commissioner Gordon noted that at the April meeting, Commissioner Tapert had indicated that Camano Island was not our jurisdiction, so it was not the Port’s issue. Commissioner Gordon felt the Camano Island issue could be dealt with later if they entered into negotiations. Dane pointed out that the next step in the process is actually get a draft lease from Goodman/AT&T.

The Motion was withdrawn by Commissioner Tapert.

Commissioner Tapert said he would like AT&T to be able to proceed with the permitting process, because that’s when a lot of the information and public opinion will come out – as part of the SEPA process, etc., but they can’t proceed until there is a draft lease agreement. Commissioner Gordon reiterated his position by saying, “I don’t want to maintain parks. If this is a park, I don’t want to put a cell tower on it. If it’s not going to be a park and no one’s going to take it over and we can’t get rid of it, I’m not opposed to a cell tower because that speaks to our Comp Scheme and what we’re supposed to be doing.” The Commission agreed to table the issue.

Leslie Tidball asked for clarification of the area that the Commission discussed surplussing, and Dane explained that it is all the property west of Possession and Franklin Roads.

Marcia Monma asked if that meant that everything up the hill is not part of the park, and Commissioner Tapert said, “It’s part of the park; it’s just not encumbered by grant funding that restrict the use of it.” Commissioner Gordon differed, saying “I would have to see somewhere in the historical records that declared that area as part of the park. The trails were built by AmeriCorps, but did anyone designate it as a park?” Since RCO says it is not encumbered, he believes the Port has the ability to have that parcel NOT be a park. In his review of what port districts are meant to do with their properties, he concluded they are not to maintain and build trails.

Tidball asked about the size of that area, and Ed said it was 14-16 acres. Ed asked for Staff direction going forward. Commissioner Gordon said he would like to see an initial proposed lease from Goodman/AT&T. Commissioner Tapert agreed and said, “If we have a proposed lease agreement we can enter into negotiations and come to a conclusion.” The Port now knows the property is unencumbered, but doesn’t have the other needed details. Without a proposed lease agreement, he doesn’t think the Port is in a position to authorize Goodman/AT&T to move forward. Ed proposed the following response to Goodman/AT&T: *“Based on the latest determination from RCO, the property is unencumbered. The Commission is now considering whether or not to proceed with a cell tower on the property and would be interested in seeing a proposed lease as part of that evaluation.”* Commissioner Gordon added, *“...as well as considering other options for the property, including sale to a third property.”* **Tidball** requested that the Commission authorize the

Staff to provide to their ad-hoc group with the same information provided to Goodman/AT&T, and Commissioner Tapert said, “Absolutely – it’s public record.”

Bruce Buls asked for clarification as to the potential sale of the property and the Commission being “open to anything”: Did that mean they’d be open to selling it to a housing developer? Regarding development potential, Commissioner Tapert noted that at best they could only get 2 lots at the top of the hill. Commissioner Gordon said the answer to Buls’ question was yes, but the development potential is quite limited.

Clyde Monma said there were several things that would have to be done before going forward with the cell tower: 1) The Port needs to get a hard number for the monthly lease amount. 2) There are a lot of unresolved questions. There’s no rush, and the Port should leave the options open. 3) In his view, a 140 ft. cell tower basically in his backyard to improve communications for emergency responders seems like “overkill” just to accomplish that one goal. He doesn’t think it’s valid and it doesn’t make any sense. He and **Marcia Monma** showed pictures of the Dorothy Cleveland Trail and pictures of the view from the homes in Division 4 with the proposed cell tower superimposed in them.

Michael Smith thanked the Commissioner for listening to them.

2. Backhoe:

- a. Replacement Recommendation and Commission Direction: Possession Manager Wayne Nance was on hand to discuss his research findings. He explained he was leaning toward a Case backhoe because they are 1/3 lighter than a Caterpillar or a John Deere (an advantage when used on the sand) and have no problems with using biodiesel.

Ed noted that \$30,000 was budgeted for the backhoe in 2010. After additional discussion, the Commission agreed that they should lease a good, used backhoe for a term of five years.

- b. Surplus Declaration for Existing Backhoe – As-Is Offers to be Accepted until June 1: Ed said one of the Port’s vendors is interested in a trade of his services for the backhoe. Commissioner Tapert asked if they could just use it as a trade-in rather than surplus it, and Wayne said they could. The Commission agreed that a trade-in was preferable, and directed Wayne to look into it.

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Tapert to allow Staff to proceed with the lease or purchase of a used backhoe this month. The Motion passed unanimously.

B. South Whidbey Harbor:

1. Expansion Project:

a. Design & Permit Prep:

1. City Comment Response – Issues and Status: Ed reported receipt of Reid Middleton’s response today, and said, “Priority #1 will be to get that incorporated into the rest of the permit responses for submittal to the City of Langley in about a week (after Commissioners have approved the draft).
2. Boat Ramp Boarding Float Design & Permitting – Proposal from Reid Middleton: Although the InterLocal Agreement (ILA) originally called for the Port to reconstruct the boat ramp and put in boarding floats, subsequent discussions led the Commission

to agree that reconstruction of the boat ramp would be premature and not really necessary given the increased maintenance and cleaning that the Port is providing for the ramp. However, the boarding floats are still desired and needed. The City of Langley previously obtained a permit (which has since expired) for the reconstruction of the ramp, but the original design was flawed. Reid Middleton has submitted an estimate of \$19,000 (not to exceed) to resubmit the permit and get to the 30% design stage. Ed thinks the amount will be considerably less if the Port can get the City's permit reactivated.

Commissioner Gordon said it would be prudent to get something in writing from the City that acknowledges that the Port will only be adding boarding floats at this time and not reconstructing the ramp as originally called for in the ILA. After additional discussion, the Commission agreed that they should probably amend the ILA. Rather than delay the process further, the Commission agreed that Ed should prepare a letter requesting a written statement from the City indicating agreement with the concept and willingness to renegotiate/modify the ILA. The Commission agreed they would not be comfortable moving forward with the Reid Middleton proposal until the City has agreed to modify the ILA, Commissioner Gordon suggested Ed's letter should include a request for a timely response as time is of the essence. The Commission agreed.

b. Property Issues:

1. Department of Natural Resources (DNR) Port Management Agreement (PMA) & Lease Insurance Requirements: The PMA previously signed by the Port contained a great deal of typos, and DNR Representative Don Olmsted told Dane he will be correcting those and resubmitting it for Port signature. Additionally, Dane noted that the lease payment is nearly 3 times more than what the City paid for their lease, so he is currently negotiating with the DNR representative. Another issue with the lease is that the insurance requirements are significantly greater than what they were previously. The initial estimate from Enduris indicates those requirements will cost the Port an additional \$7,000-\$10,000 per year. Dane and Ed said they would continue to work with Olmsted on the insurance issues.

c. Funding Issues:

1. Rural County Economic Development Funds (RCEDF) InterLocal Agreement (ILA): The ILA has been signed and transmitted to Island County for contract review and County Commission action.
2. Boating Infrastructure Grant (BIG) Application: Initial submittal of the Application was completed on April 28th, prior to the May 3 deadline. Dane reported that the Port continues to receive letters of support and added that he is working with Representative Larsen's office on the land donation matching-fund issue.
3. Port Security Grant Program – Status Update: Dane said he had “an enlightening meeting” regarding the program last Thursday, and learned that the fiduciary agent responsible for managing the program's funds really likes consortia – they like to provide money to agencies that are supported by multiple different agencies. He has already started to develop a consortium, beginning with the Washington State Department of Fish and Wildlife, local law enforcement and Island County Fire District #3 first responders on the cameras component of the grant application.

2. Harbor Operations:

- a. Adoption of Harbor Regulations revised to reflect PMA: Ed explained the revisions were very limited and pretty straightforward; the Regulations were just modified as needed to specifically reflect the insurance requirements of the PMA.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Gordon to approve the revisions to the Harbor Regulations as submitted. The Motion passed unanimously.

- b. Phil Simon Park Relocation Project: Sign being prepared by Simon family.

- c. Clean Water Contract with Washington State Parks for Septic Pump-out Cost Reimbursement - Status: Dane reported that the Port is 2nd on the list, right behind Magnuson Park.

- d. Summer Operations – Discussion of Bait Sales, Seasonal Staff and “Dockstock”: Ed reported that Harbormaster Rick Brewer would like to proceed with bait, gear & ice sales on the dock for boaters. A use certification has been requested from RCO, but Dane said they have not heard anything back yet.

Although the overall budget at the harbor is less than wonderful (thanks to the electricity numbers), Rick is doing well at getting people in there. “Dockstock” is getting lots of attention and there will be costs associated with it, so Ed proposes isolating \$2,000 from the Harbor’s promotions budget to be used for “Dockstock” and/or additional seasonal staff. The Commission had no objections to the dock sales or the budget reallocation.

Commissioner Gordon said he would like to see the Harbor expenses encapsulated into one form a little more tightly to include Staff’s time and expense, so he could get a better handle on the balance they are looking at. Ed said they are working on breaking in a system to track time and expenses for specific facilities, etc. and hope to implement it after the office relocation.

Ed said he agreed with Dane’s suggestion that next year, Rick should be placed in charge of the budget and operations for the Harbor and the Commission agreed as well. Dane clarified that the direct expenses for the Harbor are included in the monthly financial statements and Commissioner Gordon is interested in the overhead load of Staff.

Commissioner Gordon said he would like estimates on how much time Staff spends on the parks, on capital expenditures, on the Harbor, and life cycles costs, etc. Before bonding, the Port needs to have a better handle on set costs. Dane said that would be a really good thing to incorporate into the next budget cycle.

C. Staff & Operations:

1. Home Office Relocation – Update on Move to 1804 Scott Road: Ed reported the first purchase of equipment – the port clerk’s old computer from Edwards & Associates. He said they also have a bid on some office furniture from a company that is relocating out of state. The walls are up and the wires are in and Staff hopes to be moved in and fully operational by the 1st week of June.
2. Maintenance & Operational Wrap-up – Proposal from GeoEngineers: Ed explained that the \$44,000 proposal was for “a blanket approach” to permit all the maintenance and operational

projects for the Port's facilities, just as GeoEngineers has prepared for other agencies. There was a brief discussion regarding the current budget and the timing of the expenditure. Commissioner Tapert pointed out that in the past, there have been issues with permit requirements that involved a great deal of time and expense by Staff and consultants. He feels it's a matter of "pay now or pay later" and he feels the blanket approach would eliminate those "hiccups" that have previously occurred. He said he was in favor of GeoEngineers' proposal. Commissioner Gordon asked if they could get other proposals, and Ed said they could but noted that Joe Callaghan of GeoEngineers has been very helpful and GeoEngineers has done a good job so far with all other permit issues. Commissioner Tapert asked if having such a blanket permit in place would help the Port's position in getting certain grants or bond ratings, etc., and Dane said he thought it would. Commissioner Gordon said he would like to see more of a breakdown in the proposal - \$44,000 seems high. Commissioner Tapert agreed and suggested that along with progress invoices, GeoEngineers could submit a work schedule so the Commission could evaluate their progress as they go. The Commission agreed and Ed said he would ask GeoEngineers to provide the additional information.

D. New Project Opportunities:

1. **Sustainable Economic Development and Innovative Partnership Zone (IPZ) Issues (Tapert):** Per Commissioner Tapert's request, Commissioner Jerome agreed to sign Resolution #10-03 (relating to an IPZ), which was adopted in his absence at the regular April meeting.

Commissioner Tapert reported that he toured the Langley sewage treatment plant and obtained a gallon of effluent, which he hoped to have a senior student at the University of Washington study to see if algae can be grown from it. He asked if his fellow Commissioners had any objections to his inviting potential real estate partners to an Executive Session to discuss potential partnerships, and Commissioners Jerome and Gordon said they did not.

2. **Ferry/Commuter Issues (Gordon):** Commissioner Gordon said he had not met with David Moseley of Washington State Ferries as scheduled because Moseley was delayed coming from Olympia. On the Mukilteo side, Commissioner Gordon said, "we're dead in the water" but he is still working on proposing off-highway staging on the Clinton side.
3. **Island Transit Circulation/Shuttle Service Possibilities (Jerome):** No update

6. ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC):

1. **Annual Membership Luncheon, April 21st:** Commissioner Jerome was unable to attend because he was unable to get a flight out from London. Commissioner Gordon attended and said it was quite a good meeting with an excellent speaker (an economic forecaster).

B. Council of Governments (COG): Commissioner Gordon said the COG is trying to decide between two solar project applicants for a \$25,000 grant (from the Puget Sound Energy Green Power Challenge). One solar project is at the Greenbank Farm and the other at the Island County Fairgrounds.

C. Skagit-Island Regional Transportation Planning Organization (RTPO): Commissioner Gordon reported that the Port Townsend/Keystone ferry run would be changed to the Port Townsend/Coupeville ferry.

D. Marine Resources Committee (MRC): Commissioner Tapert did not attend. Minutes are available on their website at <http://www.islandcountymrc.org>.

E. Washington Public Ports Association (WPPA): Nothing new to report. Their website is <http://www.washingtonports.org>.

1. **Spring Meeting in Chelan, May 12-13:** Commissioners Jerome and Gordon will be attending (leaving immediately after this meeting).
2. **Finance & Admin. Seminar in Leavenworth, June 16-18:** The Commission agreed Dane should attend.

F. Holmes Harbor Shellfish Protection District (HHSPD): Commissioner Tapert had nothing new to report.

7. OLD BUSINESS:

A. Comprehensive Scheme Mid-Term Review – Planning & Scheduling: Commissioner Gordon said his position on the Comp Scheme hasn't changed, but his feeling about dealing with it has. He said, "I'd like to change some things about the mission statement and make sure we plant some things in that we're doing, because the regulations are very specific about making sure that you're talking about every thing that you're thinking about and then let it go and start a very serious planning process to redo the Comprehensive Scheme." He wouldn't mind taking it on and doing it in-house – take the next year and rewrite the thing, and then have some public meetings and I don't think we'll have to hire any help. Commissioner Jerome believed everything they have been discussing is already covered in the existing Comprehensive Scheme, so there's no need to change anything now. Commissioner Gordon said, "Too much of the emphasis is not correct." Commissioner Jerome agreed that the emphasis is "not where we want it to be" but there's nothing in there to preclude what they are discussing – legally, we're covered.

Commissioner Tapert thought for the mid-term they could have 2 or 3 meetings with some Commission-appointed stakeholders where they could throw out some ideas and make some tweaks but not throw out the whole thing. It would require a good facilitator, but he would rather make adjustments to the Comp Scheme as opposed to redoing it. Commissioner Gordon thinks the existing Comp Scheme is way too elaborate and that there is a lot of unnecessary comment in it, and they could make it simpler. He said, "I just don't like the emphasis and the way the bullet points read – a lot of them are upside down and a lot of them should be completely thrown out."

Commissioner Tapert asked his fellow Commissioners if they would prefer to a) come to an agreement within the Commission as to what they'd like to see changed in the Comp Scheme and go out for public review, or b) appoint a stakeholders' committee to review and make recommendations. Commissioners Jerome and Gordon both preferred the former option, but Commissioner Jerome said he would propose doing nothing to it right now. He'd rather first spend the time completing current initiatives (notably the Harbor Expansion) and developing specific initiative concepts that fit the existing Comp Scheme, which is broad enough that they "just don't need to mess with it", and then tackle a revision or new Scheme. The Commission agreed.

8. NEW BUSINESS:

A. Request for Letter of Support from Whidbey Camano Land Trust (WCLT): The Commissioners had each received a letter requesting the endorsement of the Port for WCLT's fund raising effort to purchase of the 664-acre Trillium property. The Commission agreed that more information was needed and they were not prepared to respond at this time.


9. ADJOURNMENT:

The meeting was adjourned at 9:20 p.m.

Approved:



Commissioner Geoff Tapert, Freeland



Commissioner Chris Jerome, Langley



Commissioner Curt Gordon, Clinton

Minutes prepared by:



Edwin S. Field, Port Manager

Exhibit A: Voucher Listing