

**THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING**

Held at South Whidbey Parks & Rec District, 5475 Maxwellton Rd, Langley WA
Tuesday, September 13, 2016 at 6:30 p.m.

AGENDA

WORKSHOP (6:15 – 6:30 PM): Commission review of vouchers and recent correspondence

REGULAR MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

Consent Agenda

Approval of September Vouchers in the amount of **\$99,559.77**

PUBLIC COMMENT – This is time set aside for members of the public to speak to the Board regarding subjects of concern/interest, or items on the Agenda. The Board will take all information under advisement, but generally will not take any action unless it is emergent in nature. To ensure your comments are recorded, please state your name and city of residence. Please limit comments to 5 minutes. If you have any documents to present to the Board, please hand them to the Port Clerk prior to speaking.

FINANCIAL UPDATE

July 2016 Financial Statement and Executive Director Report

STATUS REPORTS

South Whidbey Harbor

- Harbor Operations & Harbormaster Report
- Resolution No. 16-06: Authorization of Limited Tax Obligation Bond for the Acquisition of Property located at 203 Wharf Street

Port Operations

Maintenance & Operations Supervisor Report

City of Langley – Meeting Update

Mukilteo Parking

Clinton Market Study

Clinton Dock

Island County Fairgrounds

- Fairgrounds Property Manager Report
- Operations Update

Possession Beach Waterfront Park

- Boat Ramp Renovation Project
- Construction Manager Update
- Caretaker/Manager Position Update

Bush Point Boat Launch

- Residence Update

ACTIVITIES/INVOLVEMENT REPORTS

Island Regional Transportation Planning Organization (IRTPO)

- Interlocal Agreement to Form IRTPO
- Resolution No. 16-07 Acknowledging the IRTPO and Authorizing Membership

Gordon: Council of Governments (COG), Island Regional Transportation Planning Organization (IRTPO), Washington Public Ports Association (WPPA) and Clinton Community Council (CCC)

Halloran: Marine Resources Committee (MRC) and City of Langley Council Meetings

Ng: Economic Development Council (EDC)

OLD BUSINESS

Island Beach Access: Update on Clinton Beach Park Universal Accessibility Project

NEW BUSINESS

Washington State Ferries: Notice of Liquor License Application

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

September 13, 2016

Langley, Washington

Commissioners Present: Ed Halloran (Langley), Curt Gordon (Clinton) & Jack Ng (Freeland)

Port Staff Present: Jan-Marc Jouas (Acting Executive Director), Angi Mozer (Executive Director), Molly MacLeod-Roberts (Port Clerk/Accountant), Pat Kisch (Maintenance & Operations Supervisor), Roxy Taylor (Fairgrounds Property Manager), and Rick Hill (Possession Construction Project Manager)

MEETING CALL TO ORDER: Following a Workshop from 6:15 p.m. to 6:30 p.m. for informal Commission review and discussion of vouchers and recent correspondence, the Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, September 13, 2016, at the South Whidbey Parks & Recreation District Meeting Room at 5475 Maxwellton Rd., Langley, Washington. Commissioner Ed Halloran (President) called the Regular Meeting to order at 6:30 p.m., followed by the Pledge of Allegiance.

CONSENT AGENDA

Approval of Current 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.

ACTION: A Motion was made by Commissioner Curt Gordon and seconded by Commissioner Jack Ng to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated September 2016 as signed today in the amount of \$99,559.77. The Motion passed unanimously.

PUBLIC COMMENT:

Robin Black (President, Langley Chamber of Commerce) said the Chamber really appreciated the wonderful partnership with the Port on the South Whidbey Harbor's DockStock 2016. The Beer & Wine Garden on D Dock was a resounding success and the Chamber is looking forward to partnering on future events. She thanked Harbormaster Duncan McPhee and all the Harbor staff for their work in making it a great community event.

FINANCIAL UPDATE

July 2016 Financial Statement and Executive Director Report: The Commission acknowledged receipt of the July 2016 Financial Statement which was distributed to them previously. Acting Executive Director Jan-Marc Jouas reported the Port received \$52,000 in tax, operating and grant revenue and incurred \$126,000 in operating and capital expenses during July 2016. Ending cash balance at 7/31/16 was \$418,000. Jouas said Island County is expected to address the Interlocal Agreement for the Rural County Economic Funds grant of \$100,000 for Fairgrounds maintenance in mid-October, and the funding should follow soon after.

STATUS REPORTS

South Whidbey Harbor

- Harbormaster Operations & Harbormaster Report: Harbormaster Duncan McPhee was on vacation but had submitted his monthly report prior to the meeting. The summer season was great, and DockStock 2016 was well attended with the addition of the Beer & Wine Garden. Annual moorage is back up to its limit of 200 linear feet with the addition of a 49' sailboat, a 35' trawler and a 30' utility vessel. All three owners are South Whidbey residents who had been on the moorage waiting list since 2008. The golf cart

rented for July and August carried a recorded 210 people with an estimated 30 additional passengers that were not recorded.

- Resolution No. 16-06: Authorization of Limited Tax Obligation Bond (LTGO) for the Acquisition of Property located at 203 Wharf Street: Halloran read the first page of the Resolution aloud. Jouas explained the Port's Purchase Offer of \$140,000 for the property was contingent upon a "clean bill of health" from the Phase II Subsurface Investigation and closure by the end of the month. The Port has already spent \$2,000 on the Environmental Site Assessment and \$1,000 on the Valuation. The Phase II SI will be an additional \$9,000, the closing fees another \$2,000-\$2,500, bank fees of no more than \$3,500, and bond counsel cost is estimated at \$2,000. Total cost will be \$157,000-\$160,000. The Port Commission can choose to finance all, part or none of that. Jouas added that any excess obligation can be applied to any capital investment that is part of the project.

Gordon said the acquisition of the property is about allowing this or future Commissions to expand the South Whidbey Harbor, because the City of Langley will not allow expansion without additional parking spaces.

Heritage Bank had provided a Letter of Interest for the LTGO Bond. The Payment Schedule states that interest payments will be due semiannually on June 1 and December 1, beginning December 1, 2016. The letter provided the following options for the principal payment schedule and interest rates:

Option #1: Principal payments due annually on December 1, **beginning December 1, 2016** through and including December 1, 2025 (maturity date). Interest rate will be 2.40%.

Option #2: Principal payments due annually on June 1, **beginning June 1, 2017** through and including June 1, 2026 (maturity date). Interest rate will be 2.45%.

Option #3: Principal payments due annually on December 1, **beginning December 1, 2017** through and including December 1, 2026 (maturity date). Interest rate will be 2.50%.

ACTION: A Motion was made by Gordon and seconded by Ng to consider financing \$150,000 for the purchase of 203 Wharf Street using Option #2 as presented. The Motion passed unanimously.

ACTION: A Motion was made by Gordon and seconded by Ng to approve and adopt Resolution No. 16-06 authorizing the issuance of a Limited Tax General Obligation Bond of the Port in the principal amount of not to exceed \$150,000, principal payments due annually on June 1, beginning June 1, 2017 through and including June 1, 2026 and the fixed Interest Rate of 2.45%. The Motion passed unanimously.

Port Operations

Maintenance & Operations Supervisor Report: Pat Kisch was on hand to provide his monthly report on maintenance & repairs completed/ongoing/planned at Clinton Beach, Humphrey Road Parking Lot, Bush Point, Possession Park and the Fairgrounds. Kisch completed the re-striping of the Humphrey Road Parking Lot, and touched up the lines at Bush Pt., Possession, and Clinton Beach. Executive Director Angi Mozer noted that the budgeted amount for the re-striping was \$4,000. By doing the work in-house, the Port spent just \$2,700 for the purchase of the paint striper. Float removal has been scheduled for October 12th at Possession and October 17th at Bush Point.

Clinton Dock: Moffatt & Nichol's draft final report was received and the repair options range in cost from \$38K to \$481K. The Port's August 31st meeting with Lynne Griffith (Director, Washington State Ferries) was cancelled by Griffith on August 29th. She asked to reschedule that meeting for October, and Jouas is trying to coordinate that meeting so both Gordon and Island County Commissioner Helen Price Johnson can meet with the WSF Director. Topics to be discussed include future plans for the Clinton Terminal and the Mukilteo Terminal (particularly parking), and the Port's lease for the Clinton Pier & Dock which expires in 2025. Jouas asked for the signed copy of that lease in July but has not yet received

it. Jousas said he would call the engineers and ask what can be done to stabilize it over the winter. Halloran would like to be even more proactive and send a letter to WSF. Gordon suggested sending the letter describing the urgency in conjunction with scheduling the October meeting with WSF. Jousas believes the Port may be eligible to get a grant from the State's Recreation & Conservation Office for the repair, but noted that the deadline for application submittal is November 1st.

City of Langley – Meeting Update: Jousas is working with Langley Mayor Tim Callison and Director of Community Planning Brigid Reynolds on developing a draft agenda and scheduling a Joint Meeting with the Port Commission and the Langley City Council. Proposed agenda items include the Fairgrounds, Langley's Comprehensive Plan, collaborative grant funding for economic development, and reviewing the City's vision for parking requirements for the marina and the details of the marina overlay.

Mukilteo Parking: Ownership of the tank farm property in Mukilteo will soon be transferred to the Tulalip Tribes. Last month, Gordon and Quin Clements (Davido Consulting Group) met with representatives from the Tribes and the City of Mukilteo's Planning Department regarding the use/development of the tank farm property as a temporary parking facility. The current City of Mukilteo code does not allow a revenue collecting parking lot in that location. However, a development agreement is possible between the Tribes and the City and any other agency if there is mutual benefit. The Tribes' CFO Brian Carroll plans to attend the next Mukilteo Council meeting.

At the upcoming meeting with WSF Director Griffith, the Port will bring up the issue of providing access from the temporary parking lot to the current ferry line during construction of the multi-modal terminal.

Clinton Market Study: Mariano & Associates previously suggested the Port could obtain funding for Clinton from the Washington State Transportation Improvement Board's Complete Streets Award Program. The Port is not eligible to apply; but Island County could be. Complete Streets is a competitive grant program for cities and counties. In order to be eligible, the County would have to adopt a system-wide Complete Streets policy.

The Port will host a dinner for Clinton business leaders on September 29th at Hong Kong Gardens. Tom Beckwith of Beckwith Consulting Group will present the current results of the market study and ideas for developing the economy of Clinton, including conceptual drafts, workforce housing, and drainage issues. Gordon will attend and seek input and feedback from the business leaders.

Island County Fairgrounds:

- Fairgrounds Property Manager Report and Operations Update: Roxy Taylor was on hand to provide her monthly report, including an overview of all the current tenants and upcoming events. The Fair Association will hold a Volunteer Appreciation party on September 16th, and the Artists of South Whidbey will hold their 42nd annual art show September 15-18. South Whidbey Fire/EMS will perform a walk-through/inspection of the entire property on September 19th. Taylor is receiving a lot of feedback for the one-year repair/improvement list for the Fairgrounds. She has asked all stakeholders to submit their comments/items by September 30th. Halloran asked her to summarize that data and add the results of the walk-through so the Port can hold a work session to prioritize the list, and Taylor said she will do so with safety items as top priority. She recently met with Langley's Public Works Director and the Director of Community Planning. Taylor also met with Goosefoot representatives; Goosefoot is interested in partnering with the Port on upgrading the commercial kitchen in Coffman Building to provide incubator space for small businesses.

- Island County: Jousas has been speaking with Island County representatives regarding the transfer. The Port is putting together a list of expenses, overdue repairs and renovations to present to the County. The County has asked the Port to take the lead on drafting the legal documents (Interlocal Agreement or ILA) for the transfer. Port Attorney Brad Cattle has agreed to do the work and Jousas will provide him

with copies of the ILA used to transfer the South Whidbey Harbor from the City of Langley to the Port for use as a template. The County's five conditions will be included in the ILA. Gordon suggested providing Cattle with a deadline of "well before the end of year" to get that draft ILA to the County. Jouas is also working on putting together a charter for the Advisory Committee.

Possession Beach Waterfront Park

- **Boat Ramp Renovation Project:** Jouas introduced Rick Hill, Construction Manager for the project.
- **Construction Manager Update:** Hill reported that he had submitted the purchase order for the precast panels as approved by the Commissioners at the Special Meeting held on September 2nd. The original lead time was projected at 14 weeks, but he was able to get it reduced to approximately 10 weeks. The panels should be ready for delivery around November 21st, and the total cost with tax is \$164,667.46. The building permit application was submitted to and accepted by Island County, and the Planning Department estimates the permit will be issued within 8-10 weeks. He provided a revised timeline for the project with Advertisement, Pre-Bid Meeting, and Bid Opening Oct 5th-27th, followed by Bidder verification and Contract Award at the Nov 8th regular meeting and Notice of Award Nov 9th. Notice to Proceed will go out November 23rd, with a Pre-Construction meeting on November 28. Start of Construction is scheduled for December 1st, and the most favorable tides for panel installation occur December 11th-18th. Jouas will ask Mott MacDonald to submit a proposal for design engineering services (hourly basis) to answer engineering questions and onsite visits as needed.
- **Caretaker/Manager Position Update:** The current tenants of the residence are scheduled to vacate by September 30th. Kisch will conduct an inspection of the residence to determine how much repair/renovation work will be needed prior to the next occupancy. The Caretaker/Manager position is currently being advertised and will close on September 30th. Mozer will help with interviews and selection.

Bush Point Boat Launch

- **Residence Update:** The Condition of Title shows a 1996 agreement with Washington State Department of Fish & Wildlife and a 1998 land use agreement that may preclude the Port's ability to sell the property. The issue will be moved to the back burner for a while.

ACTIVITIES/INVOLVEMENT REPORTS

Island Regional Transportation Planning Organization (IRTPO)

- **InterLocal Agreement (ILA) to Form IRTPO:** The Island Transportation Planning Organization (ITPO) decided to form a Regional Transportation Planning Organization. The policy board subsequently dissolved the ITPO and terminated the ILA. A new ILA is required to establish the IRTPO.

ACTION: A Motion was made by Gordon and seconded by Halloran to enter into an Interlocal Agreement among Island County, City of Oak Harbor, City of Langley, Town of Coupeville, Island County Public Transportation Benefit Area Corporation, Port of South Whidbey, and Port of Coupeville to form the Island Regional Transportation Planning Organization and define its jurisdictional area and duties. The Motion passed unanimously.

- Resolution No. 16-07 Acknowledging the IRTPO and Authorizing Membership

ACTION: A Motion was made by Gordon and seconded by Ng to approve Resolution No. 16-07 acknowledging the Island Regional Transportation Planning Organization and authorizing membership therein. The Motion passed unanimously.

Gordon: Council of Governments (COG), Island Regional Transportation Planning Organization (IRTPO), Washington Public Ports Association (WPPA) and Clinton Community Council (CCC)

COG: The COG is working on the legislative agenda. Continuing with the Public Works Trust Fund is very important and maintaining the Capron Fund which is 25% of Island County's transportation budget.

The Port and the City plan to co-author a joint Rural County Economic Development Funds (RCEDF) application to maximize tourist activities and recruit businesses to South Whidbey. The COG also discussed the affordable housing crunch for rentals. Langley Mayor Tim Callison said there will be a community forum on affordable housing on October 16th at the Langley United Methodist Church.

IRTPO: No additional update.

CCC: No report.

WPPA: All three Port Commissioners plan to attend the Small Ports Seminar in Leavenworth in October.

Halloran: Marine Resources Committee (MRC) and City of Langley Council Meetings

MRC: Sound Water Stewards provided an excellent overview presentation of last year's activities. The Northwest Straits Commission annual conference with all 7 of the county MRCs will be held in Port Townsend on November 5th. At the last MRC meeting, the group spent much of the time discussing the Citizen Science Opportunity Fund, looking for new & fresh ideas. Planning is underway for Sound Waters University 2017 – a one-day event with more than 60 classes and presentations.

Langley: The Council discussed restricting usage in parks at night due to drug use and other concerns.

Ng: Economic Development Council (EDC): The next meeting is scheduled for September 21st.

OLD BUSINESS

Island Beach Access – Update on Clinton Beach Park Universal Accessibility Project: Mel Trenor of Island Beach Access (IBA) was unable to attend, but he provided a written update on the group's activities that Kisch read aloud. Members of St. Augustine Church in Freeland contacted IBA offering assistance with the project via "work parties" of volunteers. Trenor estimates that will reduce the estimated cost of \$25K to \$8K. IBA requested the Port create a \$10K expense in the 2017 budget for public beach accessibility development.


NEW BUSINESS

Washington State Ferries – Notice of Liquor License Application: Currently, Olympic Cascade Services, Inc. (a local company) provides the food and beverage services on the Anacortes/Sidney B.C. ferry route. Volume Services, Inc. (a national company) has submitted an application to assume that agreement for services. There are petitions against the change on all the ferry routes. The Port has 20 days to give input (approve/disapprove), and if no response is received the WSF will assume the Port has no objection to the issuance of the license. The Commissioners opted to take no action.


ADJOURNMENT: The Meeting was adjourned at 8:20 p.m.

Approved:

Minutes reviewed by:



Commissioner Ed Halloran, Langley



Angi Mozer, Executive Director



Commissioner Jack Ng, Freeland



Commissioner Curt Gordon, Clinton

Public Disclosure Statement: The foregoing Meeting Minutes, audio recording and all supporting documents presented are available at the Port of South Whidbey, 1804 Scott Rd., Suite 101, Freeland WA 98249.