

THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
WORKSHOP and SPECIAL MEETING
Held at Port Office Conference Room, 1804 Scott Rd, Freeland, WA
Tuesday, June 5, 2012 at 6:00 p.m.

AGENDA

WORKSHOP (6:00 – 6:30 P.M.): Informal discussion of recent correspondence and project status

SPECIAL MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

PROJECT ACTION ISSUES** (6:30 – 7:00 P.M.)

Clinton Beach, Fishing Pier & Dock

1. Emergency Stabilization and Ramp Removal Project – Direction to Proceed ASAP

South Whidbey Harbor

1. Electrical Maintenance Project – Final Change Order (#3) Approval
2. Schools/City/Port Memo of Understanding for LMS Parking - Approval

PORT OPERATIONS ** (7:00 – 7:30 PM)

Finance Manager Position – Review of Schedule and Status

Auditing Officer Revisions

Part-Time Accounting Assistant

SHORELINE MASTER PLANNING** (7:30 – 8:00 PM)

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Special Meeting

June 5, 2012

Freeland, Washington

Commissioners Present: Curt Gordon (Clinton), Dennis Gregoire (Freeland) and Chris Jerome (Langley)

Others Present:

Port Staff: Ed Field (Port Operations Manager) and Molly MacLeod-Roberts (Port Clerk) **Others:** Bruce Livingstone (Clinton)

MEETING CALL TO ORDER: The Special Meeting (in workshop format) of the Port District of South Whidbey Island's Board of Commissioners was convened on at 6:00 p.m. on Tuesday, June 5, 2012, in the Port office conference room at 1804 Scott Rd. in Freeland, WA. As announced, the primary purpose of the Special Meeting was for Commission and Staff review, discussion and direction on several topics, with primary focus on the condition of the Clinton Dock and plans for emergency work including stabilization. Although the Meeting was of course open to the public, it was scheduled for detailed Commission consideration of several technical and/or Port operational issues as listed, and public participation was not on the Agenda.

After informal discussion of recent events and correspondence, Commissioner Gordon, President, called the Special Meeting to order at 6:30 p.m., followed by the Pledge of Allegiance.

PROJECT ACTION ISSUES

Clinton Beach Fishing Pier & Dock

1. Emergency Stabilization and Ramp Removal Project – Direction to Proceed ASAP: Port Operations Manager Ed Field provided background information regarding the structural issues of the Clinton Dock. The L-shaped dock has a 20'x32' section and a 10'x82' section, with an 80-ft. aluminum gangway leading to a heavy wooden structure that provides ADA access to the dock. The float sections are moving independent of one another, indicating that the connecting through-rods are broken. The series of skip welds connecting the steel cover plate to the triangular frame on the inside corner of the floats are all broken parallel to the long float.

Reid Middleton provided a draft Condition Report dated May 22, 2012 (**EXHIBIT A**), which recommended removal of the wooden structure from the floats, stating: *"Its failure is imminent and it should be removed before it begins breaking apart. Its removal will allow a complete look at the float's condition."* Based on Reid Middleton's report along with his own personal observations and professional opinion, Field said it had become an emergency situation and preventive action must be taken quickly to prevent further deterioration and potential major damage to Washington State Ferries, Port or other facilities. As Operations Manager, he formally declared it as an emergency situation. He explained that RCW 39.04.280 allows the Port to then waive formal competitive bidding requirements and award the emergency stabilization and ramp removal work immediately to the firm best prepared to proceed ASAP, in consideration of approximate cost issues. He had been working on draft bid documents for the ramp removal and emergency stabilization when he observed the further deterioration of the dock connections (after Reid Middleton had provided the report). Field subsequently contacted the only two marine contractors on the Port's Small Works Roster and rechecked the Roster for smaller, local general contractors and/or metal fabricator/welders who had provided previous urgent dock repairs and found one who provided several prior Clinton dock repairs as well as Freeland and Possession dock repairs. Field spoke with all three contractors, and two of them submitted rough proposals for the emergency stabilization and ramp removal per the very rough draft bid package based on plans provided by Reid Middleton. (The third contractor declined to submit since they are based in Okanogan.)

Neptune Marine in Anacortes submitted a bid of \$9,200 (**EXHIBIT B**) and Greenbank Metalworks, Inc. of Greenbank (sole proprietor) submitted a bid of \$8,750 (**EXHIBIT C**). Field recommended the Port award the project to Greenbank Metalworks, based on the initial cost proposal and in consideration of the previous successful work the company has done for the Port.

ACTION: A Motion was made by Jerome and seconded by Gregoire to accept the recommendation of Operations Manager Ed Field for Greenbank Metalworks to complete the Clinton Dock Emergency Stabilization and Ramp Removal Project.

Jerome said he agreed with Gregoire's opinion that ultimately the dock will have a longer life if there is a flexible connection, if one can be designed. Field said that is the challenge, and he and the Commission agreed this is only a temporary measure, and the Port plans to come up with a more permanent solution near term.

The Motion passed unanimously.

Field said, *"In accordance with the RCWs, I will make comments for the record at the regular Port meeting next week, documenting the conditions and findings of fact, etc."*

Bruce Livingstone said, *"Thank you very much for your due diligence here. I think this project is sorely needed and it's a safety issue for the boaters and the public."*

Field explained that the dock would remain closed with no public access for now, but the intent is to make it usable. Gordon said he is optimistic that removing the heavy wooden structure will alleviate much of the problem.

South Whidbey Harbor

1. Electrical Maintenance Project – Final Change Order (#3): Field reported, *"We are finally done! We have a signed electrical inspection card, and the only item Whidbey Island Electric owes the Port now (other than close-out, lien release, etc.) is a final record document. But basically we feel we have everything in hand, with everything fixed out there that we could find to fix, and we've got some spare parts."* He recommended approval of the final change order of approximately \$3,970.

ACTION: A Motion was made by Jerome and seconded by Gregoire to approve Whidbey Island Electric's Final Change Order #3 as presented. The Motion passed unanimously.

Field said the final payment to Whidbey Island Electric would be processed this month, but the check would not be issued until all the necessary paperwork/documentation has been received.

2. South Whidbey School District (SWSD)/City of Langley/Port of South Whidbey Memorandum of Understanding (MOU) for Langley Middle School (LMS) Parking (**EXHIBIT D**): Gordon explained that both SWSD and Langley have signed the MOU, so only the Port's signature is pending. The Commission acknowledged that they had read the MOU and noted that the only change to the document was the phrase suggested by the Port's attorney.

ACTION: A Motion was made by Gregoire and seconded by Jerome to adopt the Memorandum of Understanding as presented, which will result in a comprehensive InterLocal Agreement to be developed at some future date. The Motion passed unanimously.

PORT OPERATIONS

Finance Manager Position – Review of Schedule and Status: Gordon provided a brief overview of the current situation, explaining that after the job was offered to Angi Mozer, she provided a schedule that has her working much more part-time than originally anticipated (in addition to maternity leave, she will also be gone on vacation for two weeks in June). He further explained that both of the previous Port Finance Managers had a lot of strength in finance and business development, but after pretty extensive advertising for the position, the Port did not receive applicants that had the exact same strong qualities. Search firms indicated that the amount the Port was able to offer for the position was probably too low. The Commission hired Mozer based on her strength of grant writing/management. Gordon noted that Edwards & Associates had agreed to provide accounting services (review monthly financial statements, etc.) during the six-month transition before Mozer can get up to speed and take on those duties.

Jerome believed hiring Mozer was the right decision and he was comfortable with “muddling through” until mid-September when she would be able to work full time.

Gregoire said, *“The Port has restructured the system based on our limited experience, and what I want to do is (and I think the opportunity is still there) to have the port industry’s parallel framework that we can relate to. I think we need to have a third party (specifically, a retired director) to provide an assessment after interviewing Staff and the Commission, and then indicate some options for getting down the road. I’m not happy with the hiring, but I see an opportunity because with the reduced tasks, the position should cost less money and the outside assessment wouldn’t cost much money. I am not comfortable with just our assessment and want a 3rd party parallel assessment that will show what we are doing compared with what the port industry is doing, etc. I think we need to set more specific criteria of what we want out of the Finance Manager position over a period of time.”*

Gordon said the Port could do both – move forward with the newly hired Finance Manager and complete an outside assessment. He added, *“We have a Staff in place and to give continuity to the staff we have, we’re working with the system that they’ve helped design. Let’s move forward with this, and I have no problem with having a retired director provide an assessment as long as it doesn’t cost too much.”*

Jerome agreed that bringing in an oversight consultant was a good idea, subject to the cost.

The Commission agreed that since Mozer is not able to work full time until mid-September, she will be offered the position on probation and paid on an hourly basis with no benefits. Gordon indicated that he would meet with Mozer in the next couple of days to negotiate an initial hourly wage, and Gregoire urged him to get legal input. The Commission expects to enter into salary negotiations when Mozer begins working full time after her maternity leave.

Auditing Officer Revisions: MacLeod-Roberts explained that currently Ron Rhinehart (former Port Finance Manager) is still listed as the Auditing Officer and Gordon is the Alternate Auditing Officer. She contacted Island County and was informed that although an Alternate is not required, it is “highly, highly recommended.” At a minimum, Rhinehart must be removed and Staff recommended appointing Gordon as Auditing Officer and Chuck Edwards (Edwards & Associates, CPAs) as the Alternate Auditing Officer. The Commission agreed and Staff was directed to prepare the resolution for action at the next regular meeting on June 12th.

Accountant Engagement Letter: Field presented copies of Edwards & Associates’ engagement letter received in the Port office June 4, 2012. He noted that although the letter includes the hourly rates, it does not provide any estimation of time needed to complete the accounting services. The Commission agreed to review the letter for discussion and action at the next regular meeting.

Part-Time Accounting Assistant: MacLeod-Roberts explained that during the busy summer months, she spends at least 10 hours a week processing the receipts from the South Whidbey Harbor and the Humphrey Road Parking Lot. During July and August of last year, former Finance Manager Dane Anderson (who had QuickBooks experience) was able to assist with that processing and she was able to get caught up on preparing the Minutes, preparing the financial statements, etc. Mozer is unfamiliar with QuickBooks and will be on maternity leave during the busiest months. Staff posted the job in the South Whidbey Record and six individuals applied. After conducting interviews, Staff selected Sandy McCabe to work 10-18 hours per week now through Labor Day. McCabe actually started yesterday, so if the Commission gives approval she will continue to work 10-18 hours per week through Labor Day.

ACTION: A Motion was made by Gregoire and seconded by Jerome to accept Staff recommendation to hire a part-time accounting assistant. The Motion passed unanimously.

SHORELINE MASTER PLANNING: Gregoire said both Island County and the City of Langley are working on their Shoreline Master Plans (SMP), and “the County’s train is currently out in front.” The County has drafted a set of written statements (goals, objectives, regulations, policies, etc.). He said, “*So they have their SMP pretty much in initial draft format. Their big review with public hearings throughout the County will start at the end of August/September.*”

Gregoire explained that the Shoreline Management Act talks about 3 major focal points: appropriate water-dependent uses along the shoreline, public access, and addressing impacts on habitat. Single family homes are exempt from getting shoreline permits, even if they are in a shoreline zone, but if property owners bulkhead their property or any work toward or below the high water mark, Gregoire said, “*You run into a buzz saw – the Army Corps of Engineers, Hydraulic Project Approval and shoreline permits. And over the last 20 years, there’s been a movement afoot among the environmental people and the State that single family homes on the waterfront are evil. They would rather have all the bulkheads taken out. But on Whidbey Island, my observation of single family homes on the shoreline is that it seems to me they contribute a lot to the economy in terms of tax base, and from the standpoint of construction jobs. Those homeowners make up a portion of the Port’s constituents. There is no format in the shoreline program to deal with how these people mitigate, so one of the things that the Shoreline Master Plan allows is to look at watershed planning.*” He said the Port should be pushing the County to allow for the opportunity of broader watershed planning. In recent years, the Corps has said they want to issue development of shoreline permits in the context of watershed planning – they want mitigation to be off-site. Gregoire said, “*So the SMP should include watershed planning, because the framework is there.*”

Gregoire said watershed planning is expensive, so maybe something could be included in the SMP for single family homes to pay a fee to the local watershed. That fee would help with restoration and enhancement, and make it easier for those property owners to get permits. By promoting the watershed issue, Gregoire explained that the Port would help habitat and provide good stewardship and help constituents. It would also provide the Port with a spot for mitigation if needed.

He continued, “*In order to do that, we need to gather information and do some mapping. And I have stumbled across a local landscape architect student whose focus is in this area. The student is a resource that would cost about \$15/hour. He has access to visuals, aerial photographs and layering process that makes it easy to put verbal terms in pictorial form.*” Gordon said he supported the effort to make sure the SMP allows the opportunity for mitigation options, including banking mitigation or “fee in lieu of” option. From an expenditure standpoint, Gregoire said, “*We’re probably talking about \$2,000 for the information gathering/mapping of the watershed concept. It would also apply to Langley, where we are trying to get a zone designated as an ‘urban harbor’ (commercial waterfront).*”

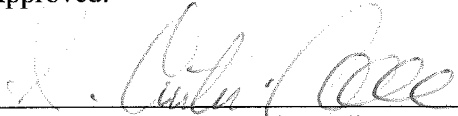
Gordon said, "I think it's important that the County's planners that are working on the SMP need to hear all this. In concept, in terms of an economic development driver (for the long-term economic development benefitting the community), it isn't bad to send this message." Jerome said, "Conceptually I think it's a good idea, but if you've got somebody you'd like to hire to do this, I think they should submit a proposal that says what the deliverables are, what the point of it is, and what the total dollar amount will be so we can consider it." Gregoire agreed.

After some additional discussion, the Commission agreed Gregoire should work on these action items:

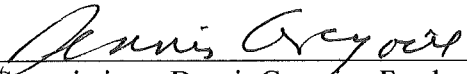
- 1) Develop some materials for the watershed concept; obtain a proposal for the work
- 2) Continue to work with the City of Langley to get the verbiage for an urban harbor inserted in the City's SMP; have the City's consultant meet with the Port to discuss the issue and share concerns
- 3) Arrange for the retired director to meet with the Port and discuss providing an assessment; obtain a proposal for the work

ADJOURNMENT: The Special Meeting was adjourned at 8:14 p.m.

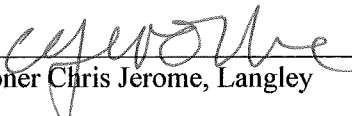
Approved:



Commissioner Curt Gordon, Clinton



Commissioner Dennis Gregoire, Freeland



Commissioner Chris Jerome, Langley

Minutes prepared by:



Edwin S. Field, Port Operations Manager

- Exhibit A: Reid Middleton's draft Condition Report for Clinton Dock dated 5/22/12
- Exhibit B: Neptune Marine's proposal for Clinton Dock
- Exhibit C: Greenbank Metalworks' proposal for Clinton Dock
- Exhibit D: SWSD/City/Port Memorandum of Understanding for LMS Parking