

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

Held at South Whidbey Parks & Rec District, 5475 Maxwellton Rd, Langley WA
Tuesday, September 9, 2014 at 7:30 p.m.

AGENDA

WORKSHOP (7:15 – 7:30 PM): Commission review of vouchers and recent correspondence

REGULAR MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

Consent Agenda

Approval of September 2014 Vouchers in the amount of **\$52,353.70** and approval of Minutes from the Regular Meetings of May 13 and June 10 and the Workshop of June 10, 2014.

PUBLIC COMMENT – Items not on Agenda: Please limit comments to 5 minutes

FINANCIAL UPDATE

July 2014 Financial Statement and Finance Manager Report

Spending Limits Policy

Social Media Policy

Resolution No. 14-05: Establishing Agreements for Port Grant Funding per Commission Action (Island Beach Access Application for Funds)

2015 Preliminary Budget

STATUS REPORTS

Port Operations

Maintenance & Operations Supervisor Report

South Whidbey Harbor

Phase 1 Project

- Signage
- Outside Mooring

Harbor Operations

- Harbormaster Report

Possession Beach Waterfront Park

Boat Ramp Renovation Project

ACTIVITIES/INVOLVEMENT REPORTS

Gordon: Council of Governments (COG), Skagit-Island Regional Transportation Policy Organization (RTPO) Technical Advisory Committee (TAC), Washington Public Ports Association (WPPA) and Clinton Community Council (CCC)

Gregoire: Economic Development Council (EDC), Langley Shoreline Master Plan (SMP) Committee and Island County SMP Committee

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

OLD BUSINESS

Island County Fairgrounds

Resolution No. 14-06: Authorizing Grant Application for Community Economic Revitalization Board (CERB) Grant

NEW BUSINESS

Food Shed in Clinton

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

September 9, 2014

Langley, Washington

Commissioners Present: Curt Gordon (Clinton) and Ed Halloran (Langley) **Absent:** Dennis Gregoire (Freeland)

Others Present:

Port Staff: Angi Mozer (Interim Executive Director), Molly MacLeod-Roberts (Port Clerk) and Wayne Nance (Maintenance & Operations Supervisor) **Public:** Hal Schlomann (Whidbey Island Conservation District), Jim Sundberg (Langley City Councilmember) and Laura Nance (Clinton)

MEETING CALL TO ORDER: Following a Workshop from 7:15 p.m. to 7:30 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 9, 2014, at the South Whidbey Parks & Recreation District Meeting Room at 5475 Maxwelton Rd., Langley, Washington. Commissioner Curt Gordon (President) called the Regular Meeting to order at 7:32 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. The vouchers so listed and presented are summarized on the attached Voucher Listing (**EXHIBIT A**).

Approval of Minutes: Minutes from the Regular Meetings of May 13 and June 10 and the Workshop of June 10, 2014.

ACTION: A Motion was made by Commissioner Ed Halloran and seconded by Gordon to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated September 2014 as signed today in the amount of \$52,353.70. The Motion passed unanimously.

PUBLIC COMMENT – Items not on Agenda

Hal Schlomann said he represented the Whidbey Island Conservation District and the Farm Tour Steering Committee. He thanked the Port for its continued support through sponsorship of the Farm Tour. With the grant funds, the Farm Tour was able to expand their outreach to include ads on the televisions aboard the Clinton/Mukilteo and Coupeville/Port Townsend ferry runs and in the AAA Journey publication. The Everett Herald will feature the Farm Tour in an upcoming article. As in previous years, Schlomann presented the Port with the current year's Farm Tour print by artist Stacy Neumiller. He encouraged everyone to attend the Tour September 20th-21st.

Clyde Monma emailed the Port the previous evening with the subject line: "Island County Review Letter of March 31 2014" (**EXHIBIT B**). It was regarding the 2/28/13 permit application related to the lease of land at Possession Beach Waterfront Park to AT&T for construction of a cell tower, and the Review Letter issued by Island County on 3/31/14. Since he was not able to attend the meeting, he requested the email be included in the Public Comment period. Port Clerk Molly MacLeod-Roberts read it aloud. Monma wrote that since it is now over 5 months later, he is contacting the Port to determine if the Port plans to resubmit the permit application or plans to have it officially withdrawn. He included six items that he referred to as his "observations" explaining his issues with the lease and the application. His closing statement read: "*Given this background, I request that the POSW Commissioners decide whether to refile this application or formally withdrawn (sic) it. In the latter case, we request that AT&T be informed that their lease is being revoked. In the former case, we will seek legal advice regarding your*

actions.” Monma also indicated that a written reply to his email is requested prior to the Port’s regular October meeting.

Halloran said the mistakes made in the permit application by The North Group seemed almost amateurish. Since there has been no additional word from AT&T since Island County issued the Review Letter, he believes it is incumbent upon the Port to at least call them out. Gordon noted that former Port Operations Manager Ed Field signing the permit application on the Port’s behalf is simply permission for AT&T’s representative to submit the application. At that point, it’s up to AT&T to make adequate application – not the Port. He agreed the Port should get AT&T to get an accurate application submitted. Halloran said they should have an AT&T representative sit down with the Port to discuss the delays and the impact they are having. Gordon asked if Halloran if he would be willing to do that along with Interim Executive Director Angi Mozer, and Halloran agreed.

Gordon shared two observations regarding AT&T’s lack of response and probably cause for delay. The first is that it was important to AT&T to acquire this tower location at Possession, not just for their own use but probably to make sure no other carrier did – and once the tower is built, other carriers will be able to use it. He added, *“That doesn’t do us any good; because we’re not getting any rent until they begin construction.”* Secondly, he was recently out on the water between Sandy Hook and Possession and there is no cell service out in that channel. The Port has had numerous lengthy discussions as to why the cell tower works economically for the community, why it helps for safety, why it’s good for the community, and why the benefits for the South Whidbey community outweigh the few that object. He said, *“The two points I want to make are 1) We’re not getting any service, and 2) I think AT&T is not motivated to move forward because by delaying they keep other cell providers away and they are not paying rent. It’s time we do something about that.”* Halloran agreed and added, *“It is not up for debate to have a tower or not. That’s done. We need to tell AT&T if they just want to hold onto it – fine, but they need to start paying the bill. And if they are genuinely interested in building the cell tower, they need to take action on the permit application.”*

Mozer’s research indicates that under RCW 53.08.085, the Port can leverage Security for rent, at the minimum rate of one year’s worth of rent. She also noted that AT&T (Cingular Wireless) has released The North Group from their contract, and she doesn’t know if they have been replaced. The only contact person she has is the individual on the lease. She will try to set up a meeting with that individual. Halloran added, *“You have the authority to inform them we intend to have a Commissioner sit in as a witness (not a participant) because if something doesn’t change, the Commission is going to get involved.”* Gordon agreed. He said, *“We’re done waiting. At the very least, we need rent. Personally, I’d like to see the tower up because I want the service.”* Halloran said he couldn’t agree more. Mozer and Halloran said they will work on it together.

FINANCIAL UPDATE

July 2014 Financial Statement and Interim Executive Director Report: The Commission acknowledged receipt of the July 2014 Financial Statement (**EXHIBIT C**) which was distributed to them previously. Interim Executive Director Angi Mozer reported the Port received \$44,000 in tax, operating and grant revenue and incurred \$74,000 in operating and capital expenses during July 2014. Ending cash balance at 7/31/14 was \$525,000. She noted that the Harbor revenue is about 7% less than projected. Mozer realized her projections were based on linear moorage for the entire length of the 266’ breakwater, but it can actually accommodate only 160’ of moorage because of the gangway, etc.

Spending Limits Policy (EXHIBIT D): Mozer had drafted the policy to formally indicate the spending limits for Port personnel and staff. The South Whidbey Harbor Staff, Maintenance & Operations Supervisor and Port Clerk positions each have a \$500 limit per transaction. The Executive Director is limited to \$4,000. The Executive Director has the responsibility of overseeing the application of the

policy and must present all purchases over \$4,000 to the Port Commission approval. The Commission approved the Spending Limits Policy as presented.

Social Media Policy and Procedures (**EXHIBIT E**): Mozer had drafted the policy to provide guidelines and define individual responsibilities for the use of social media, including but not limited to social networking sites such as Facebook, LinkedIn, Google+, micro-blogging tools such as Twitter and Instagram, and audio-visual sites such as YouTube and Flickr. The Commission approved the Social Media Policy as presented.

Resolution No. 14-05: Establishing Agreement for Port Grant Funding per Commission Action (EXHIBIT F): Mozer explained that Island Beach Access had revised the scope and resubmitted their Application For Funds (**EXHIBIT G**) in the amount of \$5,000 to provide signage identifying public beach access from both the land and water. Gordon said the amended Application was done very well.

ACTION: A Motion was made by Halloran and seconded by Gordon to approve the Island Beach Access' request of \$5,000 as presented in the amended Application for Funds dated August 22, 2014. The Motion passed unanimously.

ACTION: A Motion was made by Halloran and seconded by Gordon to approve Resolution No. 14-05, Establishing Agreement for Port Grant Funding In Support of Economic Development with Island Beach Access. The Motion passed unanimously.

2015 Preliminary Budget: Mozer had prepared a Rough Draft of the 2015 Budget (**EXHIBIT H**), and she explained that it is just for high level discussion. Gordon said it was a good start. He suggested the line items for **Per Diem – Commissioners** and **Travel Exp – Commissioners** should be increased as it includes lodging and mileage.

STATUS REPORTS

Port Operations

Maintenance & Operations Supervisor Report (**EXHIBIT I**): Wayne Nance was on hand to present his August Report. He said everything is going smoothly during this busiest time of the year. The floats will be removed at Bush Pt. and Possession early in the mornings of October 10th and October 12th, respectively. Inspections of the septic systems at Bush Pt. and Possession have been scheduled.

South Whidbey Harbor

Phase 1 Project

- Signage: All work has been completed. Mozer is preparing the final invoice for submittal to the Recreation & Conservation Office (RCO), and that will close out the Boating Facilities Grant for the South Whidbey Harbor Boarding Floats grant (75% reimbursable).
- Outside Mooring: Collins Engineers will conduct the underwater survey September 29th-30th. Mozer received their Dive Operations Plan the day before and she will review it with Harbormaster Duncan McPhee. Per Gordon's request, she will forward that Plan to the Commission. Halloran had previously mentioned that there was no "constructive change" in the contract; i.e., if Collins finds something, what is the process for them to notify the Port before doing anything? Mozer said the original contract states: "*Collins will not commence work on any additional services without the written consent of the client.*"

Harbor Operations

- Harbormaster Report (**EXHIBIT J**): McPhee was on vacation, so Mozer presented his September 2014 Report. Transient moorage was exceptional during the month of August and the Harbor had very good numbers for both DockStock and Labor Day weekends.

Possession Beach Waterfront Park

Boat Ramp Renovation Project: After the Special Meeting on August 19th, Bob Snyder (Clinton resident) had emailed his concern that the proposed overlay of the existing ramp would result in a net loss in the level of service and safety presently provided, with the use of the floats at lower tides becoming an issue. To mitigate the added ramp height, Snyder believed an additional 16 feet of float length would be required. Snyder's email was forwarded to Coast & Harbor Engineering (CHE) for assessment. Subsequently, Gordon sat in on a conference call with Nance, Mozer and Joel Darnell (CHE). Following that call, Mozer prepared an Interim Executive Director Report Supplement for the Possession Beach Boat Ramp Construction Project (**EXHIBIT K**). The Report summarized the engineer's quantitative assessment of usability, noting that at the end of the proposed floats, float usability at lower tides would theoretically decrease by approximately 4.1% compared to existing conditions. She recommended proceeding with the permitting documents as written, reflecting a new ramp to fully replace the existing ramp. The project will focus on raising the level of service of the ramp from the perspective of reducing the extreme level of maintenance currently required to keep the ramp clean, thereby allowing boaters to be able to use the ramp more frequently, and also from the perspective of the replacing the surface of the ramp which currently has exposed concrete rebar. Prior to construction, the Port could decide not to add planks to the end of the boat ramp so as not to elevate that part of it. It would be a viable option to permit that part of the project but then decide against its construction. Additionally, the existing boarding floats will need to be replaced at some time in the future. As part of that project, if after construction of this project the level of service in either scenario is reduced enough for continued concern, the Port can extend the boarding floats to allow access much further out in the water, but it would require a higher level of permitting, with mitigation and studies/assessments required to offset the additional structures. Gordon said she did a really good job encapsulating the conference call and making the recommendation. The Commission agreed to proceed with the permits as prepared, per Mozer's recommendation.

ACTIVITIES/INVOLVEMENT REPORTS

Gordon: Council of Governments (COG) and Skagit-Island Regional Transportation Policy Organization – Technical Advisory Committee (RTPO-TAC), Washington Public Ports Association (WPPA), and Clinton Community Council (CCC)

COG: The COG has asked to have a representative from the Island Transit Board attend their October meeting to brainstorm on the cuts in service, layoffs, etc. At the last meeting, Mayor Fred McCarthy brought up the topic of collecting fares. Sami Postma (Executive Assistant, Economic Development Council) had recently sent out an email showing comparisons of small transit districts that had collected fares and what percentage of their budget is funded by fares and it was 5%-8%. Island Transit does not collect fares, and the rationale has been that would be too costly to set up the process and collect fares. Gordon asked what is the total annual budget for Island Transit and Island County Commissioner Aubrey Vaughan said it is \$12 million. Gordon said, *"Well, 8% of \$12 million is \$1 million. How many of those 22 people whose jobs were cut could we have kept if we were already set up to collect fares?"* He reiterated that Saturday and Sunday bus service is very important to the South Whidbey economy.

RTPO-TAC: Meeting was cancelled. Gordon plans to meet with Island County Transportation Planner Doug Cox to find out who the Port can partner with to conduct a study on passenger-only ferry service in Saratoga Passage.

WPPA: Gordon will attend the Transportation & Infrastructure Seminar in Richland later in the month.

CCC: Along with the Clinton Chamber of Commerce and the Clinton Progressive Association, the CCC is holding the first ever "Clinton Town Picnic" at Dan Porter Park on Saturday, September 13th from 3-6 p.m. He said the CCC is comprised of committed volunteers with a lot of energy.

Gregoire: Economic Development Council (EDC), Langley Shoreline Master Plan (SMP) Committee and Island County SMP Committee: Absent; no reports.

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

MRC: Of the 11 projects proposed to the Northwest Straits Commission, only 5 were awarded funding and 2 of them were from Island County (a group called The Landowners Incentive to Reduce Puget Sound Shoreline Armoring in Island County). MRC will host the Cornet Bay Shoreline Restoration Celebration Event at 11 a.m. on September 18th at Cornet Bay, Deception Pass State Park.

Langley: The meeting was cancelled.

OLD BUSINESS

Island County Fairgrounds

Resolution No. 14-06: Authorizing Grant Application for Community Economic Revitalization Board (CERB) Grant (**EXHIBIT L**).

NEW BUSINESS

Food Shed in Clinton

[At Gordon's suggestion, the Commission chose to combine the discussions regarding property management of Island County Fairgrounds and the Food Shed in Clinton.]

Gordon and Mozer met with County Budget Director Elaine Marlow last week. Marlow also manages the Rural County Economic Development Funds (RCEDF) and the InterLocal Agreements for those funds. As a result of that meeting, Mozer believes the Port can come up with a good agreement with Island County to provide some funds for due diligence/research into what it would look like if the Port were to manage the Fairgrounds property and have it be at least revenue neutral. She believes the Port can also apply for a CERB planning grant. CERB funds are designed as "gap funding" – if an entity has applied for other grants and there wasn't sufficient money for the project or if the project is not applicable for certain grants, CERB will consider providing funding. The grants are for public spaces – infrastructure, planning, etc.

The Clinton Community Council (CCC) is working diligently to provide Clinton with a local food identity and trying to revitalize the Clinton area. Their idea is to use a retail space as a "Food Shed." The Food Shed would have a take-out restaurant made with local foods, a grocery store that would sell local produce and locally produced goods like jams, etc., a local goods shop that would sell cookware and wood items created locally, and an education center/meeting space. Mozer explained the CCC is trying to bring growers and producers of local food and food-related products and consumers/users together in Clinton. They are working with the owner of the Dodge Building (Marian Henny) on a lease agreement to use that space. There would be no rent in the beginning and it would provide her with a tax write-off since the CCC is a non-profit. There would then be graduated rent increases as the organization gets itself going.

Halloran wondered if that activity wouldn't be in competition with the Clinton Food Mart and Cozy's Restaurant. Mozer explained the group fully intends to work with those businesses rather than compete against them. For example, the take-out restaurant portion might sell Cozy's wings that can be taken home and reheated.

The proposed Resolution authorizes the Interim Executive Director to submit an application for the maximum CERB planning grant of \$50,000 for the Fairgrounds. The proposed match of \$12,500 would come from Cash Reserves or a successful RCEDF grant application.

Gordon explained why he combined the discussion for these items. He said, "*We found out if you use CERB funds for a planning project, and it is done well, you have a better chance of getting CERB funds when you go for a capital project grant.*" He originally thought CERB funds would be for the Clinton Food Shed, but that is unlikely due to the private ownership of the building. RCEDF can be used for a

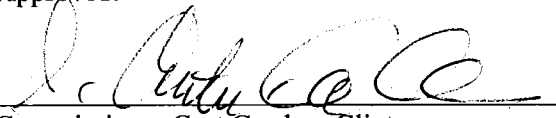
business model and a business plan, but probably no capital improvements. Mozer noted that the Washington State Department of Agriculture provides grants for non-profit groups through its Rural Beginning Enterprise Grant (RBEG) funding, and she thinks that would be an excellent source of funds for the CCC's Food Shed project.

ACTION: A Motion was made by Halloran and seconded by Gordon to approve and adopt Resolution No. 14-06 authorizing grant application for a Community Economic Revitalization Board (CERB) Grant in the amount of \$50,000 for the Fairgrounds. The Motion passed unanimously.

The Commission agreed that in the near future, the Port would apply for RCEDF grants for both the Fairgrounds and the Clinton Food Shed. The application for the Clinton Food Shed should be submitted by October 30th, but the Fairgrounds application will probably not be grouped with the other applications at that time.

ADJOURNMENT: The Meeting was adjourned at 9:27 p.m.

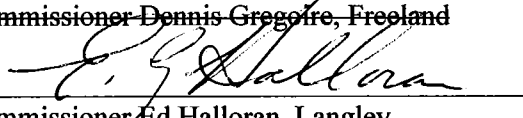
Approved:


Commissioner Curt Gordon, Clinton

Minutes reviewed by:


Angi Mozer, Interim Executive Director

ABSENT

~~Commissioner Dennis Gregoire, Freeland~~

Commissioner Ed Halloran, Langley

- Exhibit A: Voucher Listing
- Exhibit B: 9/8/14 Email from Clyde Monma re: Possession Cell Tower Permit Application
- Exhibit C: July 2014 Financial Statement
- Exhibit D: Spending Limits Policy
- Exhibit E: Social Media Policy and Procedures
- Exhibit F: Resolution No. 14-05: Establishing Agreement for Port Grant Funding per Commission Action
- Exhibit G: Island Beach Access' Revised Application for Funds
- Exhibit H: Rough Draft of 2015 Preliminary Budget
- Exhibit I: Maintenance & Operations Supervisor Report
- Exhibit J: Harbormaster Report
- Exhibit K: Interim Executive Director Report Supplement re: Possession Boat Ramp Renovation Project
- Exhibit L: Resolution No. 14-06: Authorizing Grant Application for Community Economic Revitalization Board (CERB) Grant