

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

Meeting held at South Whidbey Parks & Rec District, 5475 Maxwellton Rd, Langley WA
Tuesday, October 8, 2013 at 7:30 p.m.

AGENDA

WORKSHOP (7:15 – 7:30 p.m.): Commission review of vouchers and recent correspondence

REGULAR MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

Consent Agenda: Approval of October 2013 Vouchers in the amount of \$265,300.36 and approval of Minutes from the Regular Meeting of July 9, 2013

FINANCIAL UPDATE

August 2013 Financial Statement and Finance Manager Report

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

STATUS REPORTS

Possession Beach Waterfront Park

Ramp Rebuild Consultant Selection

RCO Project Agreement

South Whidbey Harbor Update

Phase 1 Project

- Construction

- Funding

Overall Permit

Boat Ramp Boarding Floats

Harbor Operations

- Outside Mooring

- Existing Condition Survey

- Offsite Parking at Langley Middle School

- Harbor Staffing Update

- Proposal from Dive Shops

Port Operations

Port Comprehensive Scheme for 2013-2019

Marine Surveillance Camera Project (Port Security Grant)

2014 Budget

Radar Feedback Signs in Clinton

ACTIVITIES/INVOLVEMENT REPORTS

Gordon: Economic Development Council (EDC), Council of Governments (COG), Skagit-Island Regional Transportation Policy Organization (RTPO) and Clinton Community Council (CCC)

Jerome: Washington Public Ports Association (WPPA)

Gregoire: Marine Resources Committee (MRC), Langley Shoreline Master Plan (SMP) Committee and Island County SMP Committee

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

October 8, 2013

Langley, Washington

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

Others Present:

Port Staff: Ed Field (Port Operations Manager), Angi Mozer (Port Finance Manager), Molly MacLeod-Roberts (Port Clerk) and Duncan McPhee (Harbormaster); **Others:** Celeste Erickson (South Whidbey Record) and Jim Sundberg (Langley City Councilmember)

MEETING CALL TO ORDER: Following a Workshop from 7:15 p.m. to 7:30 p.m. for informal Commission review of vouchers and recent correspondence, the Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, October 8, 2013, at the South Whidbey Parks & Recreation District Meeting Room at 5475 Maxwellton Rd., Langley, Washington. Commissioner Curt Gordon (President) called the Regular Meeting to order at 7:30 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. The vouchers so listed and presented are summarized on the attached Voucher Listing (**EXHIBIT A**).

Approval of Minutes: Minutes from the Regular Meeting of July 9, 2013

ACTION: A Motion was made by Commissioner Chris Jerome and seconded by Gordon to approve the Consent Agenda as submitted, including the authorization and acceptance of Vouchers dated October 2013 as signed today in the amount of \$265,300.36. The Motion passed unanimously.

FINANCIAL UPDATE

August 2013 Financial Statement and Finance Manager Report: The Commission acknowledged receipt of the August 2013 Financial Statement (**EXHIBIT B**) which was distributed to them previously. Port Finance Manager Angi Mozer said the Port received \$95,000 in tax, operating and grant revenue and incurred \$503,000 in operating and capital expenses during August 2013. Ending cash balance at 8/31/13 was \$623,000, consisting of \$211,000 in the Bond Fund and \$411,000 in the General Operating Fund. She noted that in September the Port received \$411,000 from Island County for reimbursement of capital expenditures incurred in August. Operating expenses are running about \$72,000 less than anticipated. Approximately \$15,000 of that underrun is from the Department of Natural Resources tidelands lease, and the rest is from maintenance contracts, facility improvements and staffing.

2014 Budget (re-ordered): Mozer summarized the revisions she made in the Draft 2014 Budget (**EXHIBIT C**) as follows:

- Removed the budget for the Major Inner Harbor Maintenance (\$30,000). If Harbor generates more revenue than budgeted, those additional funds can be used for this activity.
- Removed the budget for Comp Scheme Capital Improvements (\$50,000). Suggested deferral to 2015.
- Removed the budget for the Harbor Master Plan (\$10,000). Will be a joint effort by City of Langley and potentially supported by a joint application for Rural County Economic Development Funds (RCEDF).

- Maintained a \$25,000 contingency, which can potentially be used for some portion of the above items.
- Kept the outside mooring, harbor survey and breakwater maintenance in the budget (\$100,000) with potential RCEDF money to offset the costs.

After those revisions, the current draft budget has a net excess of \$4,489 and an estimated ending cash balance of \$435,159. Gordon said Mozer did a great job on the budget. She brought it into balance and this budget demonstrates that the Port will live within its means. Jerome and Gordon said they were happy with the work she had done.

The application for an RCEDF grant is due on October 31st, and the Commission directed Mozer to work on the numbers to ensure there was enough for the design, engineering & construction of outside mooring and a survey/inspection of South Whidbey Harbor. Mozer will make the presentation during the Council of Governments meeting on November 27th. Gordon will be out of town, so Jerome agreed to attend in his place.

PUBLIC COMMENT – Items not on Agenda: There was none.

STATUS REPORTS

Possession Beach Waterfront Park

Ramp Rebuild Consultant Selection: Per Commission direction during the September 24 Special Meeting, Port Operations Manager Ed Field had emailed Vladimir Shepsis of Coast and Harbor Engineering (CHE) and requested him to respond fully to the three options that he had sent previously. Shepsis' email dated 10/1/13 did not fully respond as requested, but yesterday Matthew Boyle of Grette Associates (part of the CHE team for the project), after coordinating with Shepsis and other CHE team member Matt Kukuk of Saratoga Environmental Services, had provided a detailed, complete response (**EXHIBIT D**). The Commission agreed Boyle's response was good and provided the necessary clarification.

Gordon suggested they wait until the Special Meeting to take action on selecting a consultant so that Commissioner Dennis Gregoire could be there, but he asked if there was some urgency in making a decision. Field said they needed to notify the Recreation & Conservation Office (RCO) of the Port's agreement to the project by the 15th. Mozer explained it was 90 days from August 6th, which makes the deadline November 11th. Jerome said that at the previous meeting, Gregoire seemed to be advocating for CHE. Jerome feels CHE has been responsive and he liked the team.

ACTION: A Motion was made by Jerome and seconded by Gordon to select Coast and Harbor Engineering as the consultant for the Possession Beach Waterfront Park Ramp Rebuild Project. The Motion passed unanimously.

Recreation & Conservation Office (RCO) Project Agreement: Field said RCO indicated an extension to the two-year time frame would likely be approved. Gordon said the key to this project is to get the ramp improved enough so that cleaning it doesn't result in tearing it up even more.

South Whidbey Harbor

Phase 1 Project

- **Construction:** Field said there is still one pile remaining, but the breakwater was taken off of the existing stockade for the first time in 6 years. There is good wave attenuation so far on the inside of the breakwater. The contractor plans to use a wire saw tomorrow to separate the breakwater into two sections (266' and 133'). Once separated, Neptune Marine will leave them moored for a week or two while they go to work at another job site. Jerome said, *"So they'll moor it with the final cables and then they will just have some tweaking to do?"* Field replied, *"Exactly."*

For the onshore work, Field reported that the water line was heading toward the south end earlier in the day, so within the next couple of days the contractor should be done with the waterline trench excavation. He has set up an account with Cemex in Everett for disposal of the contaminated soils. The wood waste disposal (for the large logs that were excavated) in Burlington rates are \$80-\$90 per ton compared to Everett rates of \$115-\$135 per ton. Field said the City of Langley is currently not taking any dirt or wood.

Next on the schedule is the duct bank excavation. Ed David of Harbor Power Engineers has suggested the service could be changed to overhead, moving the service equipment near the pier abutment. Although it would not be attractive, it would reduce installation costs. They can also do the service as-is and do a shift to an aerial feeder between the service and the pier disconnect and take Puget Sound Energy completely out of the equation. Field said he would look into it and report on his findings at the special meeting next week. Gordon said it would be good to minimize the amount of trenching there. He noted that Paul Schell (co-owner of the Boatyard Inn) is going forward with his project. He thinks it's time for a conversation with the City of Langley and Schell. He told Field he needed to go talk to Jeff Arango (Langley Director of Community Planning), and say, *"We want to back up and negotiate one major underground plan here and take this out temporarily. Are we still going to get occupancy?"* Field said he would dig into it over the next few days and get back to the Commission on Tuesday.

- **Funding:** Field said he doesn't have an update on funding or cost issues, but it doesn't look like there will be much change on the cost of the big shackle and rigging re-work. Gordon said Reid Middleton needs to help negotiate the costs.

Overall Permit: No update.

Boat Ramp Boarding Floats: Mozer said it appears that the Port will run out of time (deadline is December 31, 2013) to expend the remaining funds in the RCO grant (\$100,000) and therefore will not be able to use the funds for the Harbor signage. Since RCO has said the signage is an acceptable use of the funds, the Port is required to get the signage done per the building permit, and staff doesn't have time to do it, Jerome wondered if the Port could hire someone else to do it working with the design concept that Jay Davenny submitted and the Commission liked. They could send out a Request for Proposals. Field said it would have to be developed conceptually to take to the Design Review Board and then developed technically to get it built. Mozer said she could request an extension from RCO, but added that she thinks RCO will require a defined budget and scope by the original deadline of 12/31/13. The Commission agreed to take it off Field's plate and directed Mozer to take the lead and put together a package for RCO to consider.

Harbor Operations

- **Outside Mooring:** As discussed earlier, Mozer is working on the RCEDF grant application.
- **Existing Condition Survey:** On hold until construction completion and resolution of budget and cash flow issues.
- **Offsite Parking at Langley Middle School:** Mozer reported that she has been working with Arango on the issue. He is hoping the South Whidbey School District will work with the Port and City for use of the bus parking area. She will provide the Commission with any updates.
- **Harbor Staffing Update:** Eileen Cronin has been hired as full-time Assistant Harbormaster. Field noted that Harbormaster Duncan McPhee has submitted a compensation request for budget consideration. Gordon said they would hold an executive session at the end of the meeting to discuss the performance of a public employee. Upon returning to open session, the Commission will then address the compensation request.
- **Proposal from Dive Shops (EXHIBIT E):** Three dive shops from Oak Harbor, Anacortes and Bellingham had submitted an unsolicited proposal dated October 2, 2013. They would like have limited access granted to them to use the harbor shoreline and waters to access a diving area to the north of the

Harbor boundary for the sole purpose of conducting SCUBA diving training and certification dives. McPhee explained that having divers use the Port property, including the boat ramp and floats, to access the water would create safety issues. He also noted the area they want to hold classes in is the eelgrass habitat, and east of that he has noticed increased small boat traffic, creating even more of a safety hazard. Furthermore, once dive activity is seen there, the Port will not have the ability to control it and it won't be just dive classes but recreational divers in the water. Diving is no longer a compatible activity in the area, and granting access from Port property is a major safety concern.

Gordon noted that dive groups (not shops) had contacted the Port previously. He would rather hear from them as local divers rather than shops that are not in the Port District. Field said he would contact those individual divers and get their input/feedback.

Port Operations

- Port Comprehensive Scheme for 2013-2019: Per Commission direction, Mozer had asked Port Attorney Brad Cattle if the Port needed to go through the SEPA review process for the Comp Scheme. His response was that as long as the Port does not direct any projects to occur IN our comp scheme, and any projects will be followed by a separate SEPA process, then we do not need to do a SEPA review on that document.

Late that afternoon, Makers (Comp Scheme consultant) had provided a revision to the Strategic Plan Goals (**EXHIBIT F**). Mozer said that because it is so late and the Commission needs time to review it, they do not have to decide on it today, but basically the Port needs to either keep the existing goal or accept their alternative goals with changes. *Existing Goal 1: Enhance the Island's Economy* would become two goals: *Goal 1: Support business growth* and *Goal 2: Enhance transportation opportunities*. Jerome provided his written comments and Gordon suggested changing the wording of Goal 2 from: *Currently, 71% of residents commute outside the district for employment and 46% of the jobs in the district are taken by workers who commute to the Island* to more accurately read *Currently, 71% of employees commute outside the district for employment and 46% of the jobs in the district are taken by workers who commute into the district, including workers from Greenbank, Oak Harbor and Coupeville.*

Since Gregoire was not in attendance, Gordon suggested they table further discussion of the Strategic Plan Goals until the special meeting next week. Jerome agreed.

As for the schedule, Makers plans to have a draft Comp Scheme in the next 2-3 weeks. They would like the Commission to review it for any red flags. Makers will then host a community meeting/open house to get input from the community. Next, the Commission will provide their input/comments and Makers will then do just one major revision to the draft that incorporates ALL the comments from the Commission and the public.

- Port Security Grant (PSG) Program – Marine Surveillance Camera Project: The Request for Proposals was published on September 20th, and Mozer said they are due in two days. Although no one has submitted yet, she said at least 3 firms have expressed interest.
- Radar Feedback Signs in Clinton: Gordon heard from Doug Cox of Island County Public Works/RTPO Staff today that the project will be delayed due to the federal government shutdown. The Clinton Community Council concurred with the proposed sign locations. Mozer noted that the InterLocal Agreement between the County and the Port has been signed and executed by both since the last meeting.

ACTIVITIES/INVOLVEMENT REPORTS

Gordon: Economic Development Council (EDC), Council of Governments (COG) and Skagit-Island Regional Transportation Policy Organization (RTPO), and Clinton Community Council (CCC)

EDC: No report. Meets every two months; the next meeting is in a week.

COG: The COG discussed emergency preparedness. Sherrye Wyatt from the Island County Joint Tourism Committee provided an interesting paper about emergency preparedness for tourism. They also discussed restructuring the RCEDF grant process.

RTPO: The group is going through the Special Project (formerly Enhancement Funds), and Gordon said he is still trying to figure out how to get a study for a water taxi to fit the grant.

CCC: No additional report.

Jerome: Washington Public Ports Association (WPPA): No report. Field will attend the Continuing Legal Education session of the Annual Conference next month.

Gregoire: Marine Resources Committee (MRC), Langley Shoreline Master Plan (SMP) Committee and Island County SMP Committee: Gregoire absent; no report. Gordon said there is talk about absorbing MRC into Island County, and he would like to see the MRC keep its autonomy. He will try to attend the next meeting if Gregoire is unable to be there to ensure the Port is represented. Port Clerk MacLeod-Roberts was directed to find out prior to the meetings whether Gregoire would be attending and coordinate with the other Commissioners if he is not so one of them can take his place.

EXECUTIVE SESSION: The Board of Commissioners went into Executive Session at 8:50 p.m. for an expected duration of 25 minutes to review the performance of a public employee. At 9:15 p.m., the Board extended the Executive Session for an additional 10 minutes. The Board came out of Executive Session at 9:25 p.m.

Gordon told Harbormaster Duncan McPhee that the Commission agrees he is doing a great job. The Commission agreed the salary of \$41,600 in the draft 2014 Budget will remain, and they will revisit his request for a salary increase in April 2014.

OLD BUSINESS: Mozer reported that the Leadership Snohomish County course is going very well. She attended a two-day retreat that included a lot of exercises and public speaking. She has made a lot of connections, and had the opportunity to meet several influential people who have gone through the Leadership program before. They don't have their community impact project yet, but Mozer said she likes her Island County cohorts and thinks it's going to be great experience.

NEW BUSINESS: There was none.

ADJOURNMENT: The Meeting was adjourned at 9:30 p.m.

Approved:



Commissioner Curt Gordon, Clinton

Minutes reviewed by:



Edwin S. Field, Port Operations Manager

ABSENT

~~Commissioner Dennis Gregoire, Freeland~~

Commissioner Chris Jerome, Langley

- Exhibit A: Voucher Listing
- Exhibit B: August 2013 Financial Statement
- Exhibit C: Draft 2014 Budget
- Exhibit D: 10/7/14 Email response from Matthew Boyle of Grette Associates on behalf of CHE team
- Exhibit E: Proposal from dive shops
- Exhibit F: Makers' Alternative Strategic Plan Goals