

THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND

PUBLIC HEARING and REGULAR MEETING

Meetings held at South Whidbey Parks & Rec District, 5475 Maxwellton Rd, Langley WA
Tuesday, November 12, 2013 at 7:00 p.m.

AGENDA

7:00 PM PUBLIC HEARING: **THE PRELIMINARY BUDGET FOR 2014**

WORKSHOP: Commission review of vouchers and recent correspondence
(Time approximate; follows immediately after Public Hearing)

7:30 PM REGULAR MEETING: CALL TO ORDER and PLEDGE OF ALLEGIANCE

Consent Agenda:

Approval of November 2013 Vouchers in the amount of \$161,784.45 and approval of Minutes from the Regular Meetings of August 13 & September 10 and Special Meetings of July 30, August 27, & Sept. 5, 2013.

Correction of Minutes from the Regular Meetings of Nov. 13 and Dec. 11, 2012 and Jan. 8, Feb. 12, Apr. 9, May 14, June 11 and July 9, 2013, to insert the omitted phrase: "The Motion passed unanimously"

FINANCIAL UPDATE

September 2013 Financial Statement and Finance Manager Report

2014 Budget Discussion

1. Approval of 2014 Final Budget
2. Ordinance/Resolution No. 13-07 to Establish 2014 Levy

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

STATUS REPORTS

Possession Beach Waterfront Park

Ramp Rebuild Consultant Agreement (incl. Comp. Scheme issues)

RCO Project Agreement

South Whidbey Harbor Update

Phase 1 Project

- Construction
- Funding

Overall Permit

Boat Ramp Boarding Floats & Signage

Harbor Operations

- Outside Mooring
- Existing Condition Survey
- Offsite Parking at Langley Middle School

Port Operations

Port Comprehensive Scheme and Strategic Plan for 2013-2019

Marine Surveillance Camera Project (Port Security Grant)

SW Fire/EMS Fire Boat (Port Security Grant)

Radar Feedback Signs in Clinton

Healthcare Status

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)

- WPPA Annual Conf./Tacoma: Cont. Legal Educ. 11/19, PR Seminar 11/19, Annual Meeting 11/20-22

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

November 12, 2013

Langley, Washington

Commissioners Present: Curt Gordon (Clinton), Chris Jerome (Langley) and 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 the Public Hearing on the 2014 Preliminary Budget from 7:00 p.m. to 7:27 p.m., the Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, November 12, 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. (The Pledge of Allegiance was said at the beginning of the Public Hearing.)

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 August 13 & September 10 and Special Meetings of July 30, August 27 & September 5, 2013.

Correction of Minutes: Minutes from the Regular Meetings of November 13 and December 11, 2012 and January 8, February 12, April 9, May 14, June 11 and July 9, 2013 to insert the omitted phrase "The Motion passed unanimously" to the Action approving the Consent Agenda.

ACTION: A Motion was made by Commissioner Chris Jerome and seconded by Commissioner Dennis Gregoire to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated November 2013 as signed today in the amount of \$161,784.45. The Motion passed unanimously.

FINANCIAL UPDATE

September 2013 Financial Statement and Finance Manager Report: The Commission acknowledged receipt of the September 2013 Financial Statement (**EXHIBIT B**) which was distributed to them previously.

2014 Budget Discussion: Gregoire noted that the Action item "Approval of 2014 Final Budget" as listed on the final Agenda today was not listed on the draft Agenda that was published on Friday, and expressed his displeasure about that. Port Finance Manager Angi Mozer explained that the Port Clerk was not in the office on Friday, and the item was inadvertently omitted when the draft Agenda was sent. The updated, final Agenda was re-sent to the public earlier today. It was noted that at a Regular Meeting, the Commission is allowed to discuss and take action on items that are not on the Agenda; it is only during Special Meetings that discussions and actions are limited to items on the Agenda. It was also noted that the Public Hearing on the 2014 Preliminary Budget was advertised in the newspaper and on the Port's website for two weeks prior, and Gordon pointed out that during Port meetings over the last 2-3 months,

the Commission has discussed approval of the budget during the Regular November meeting several times. Gordon said to Gregoire, *"I think we can go ahead with approval of the budget tonight, but you made a point and I think in the future that all resolution-type items should be on the draft Agenda or we pull it out of that meeting."* Jerome cautioned, *"I don't want to go too far here, because by law we can take action on anything during a general meeting. The budget is due at the end of the month and this is the only general meeting the Port has this month, so anyone who is paying attention should be aware the budget approval action is going to happen tonight. And it would have been on the draft Agenda except for an unfortunate oversight."*

- Approval of 2014 Final Budget (**EXHIBIT C**)

ACTION: A Motion was made by Jerome and seconded by Gregoire to approve the 2014 Final Budget as presented. The Motion passed unanimously and Gordon provided his signature as President.

- Ordinance/Resolution No. 13-07 to Establish 2014 Levy (**EXHIBIT D**): The Ordinance/Resolution No. 13-07 states that the actual levy amount for the previous year was \$502,713.61 and authorizes a 1% increase over that amount to be collected in the 2014 tax year. The Levy Certification (**EXHIBIT E**) requests the levy amount to be collected in 2014 as \$520,000.00 for Regular Levy and \$901.95 for Refund Levy.

ACTION: A Motion was made by Jerome and seconded by Gregoire to approve and adopt Ordinance/Resolution No. 13-07 and Levy Certification as presented, providing authorization for the levy to be collected in the 2014 tax year. The Motion passed unanimously.

PUBLIC COMMENT – Items not on Agenda

Jim Sundberg of Langley recently purchased a book titled "Puget Sound: A Boater's Guide." He said, *"And it has the best P.R for the upcoming improvements to the Harbor that I've seen anywhere."* Port Operations Manager Ed Field noted that the book was published by Dreamspeaker and the Port had actually paid for that listing.

STATUS REPORTS

Possession Beach Waterfront Park

Ramp Rebuild Consultant Agreement: Coast & Harbor Engineering (CHE) has provided a revised Technical Approach and Budget (**EXHIBIT F**) and a Standard Agreement (**EXHIBIT G**) for the Boat Ramp Renovation Project at Possession.

Recreation & Conservation Office (RCO) Project Agreement: RCO has signed and returned the grant funded project agreement and the project is now active.

Regarding CHE, Gregoire said their proposal was one of the best he's seen in 30 years of dealing with projects like this. He said the 5 tasks are laid out really well and provides the Port with lots of flexibility and opportunity to follow each task. He continued, *"The interesting opportunities presented rang my bell as related to things I thought needed to get into the Comp Scheme, but with budget and time constraints, etc., I'm willing to not worry about getting them in there. Instead, they really need to come in the next year or so under the Possession project."* Gregoire explained that he and others have spent the last 2 years trying to get Island County to include an environmental designation for South Whidbey Harbor and for the boat ramps in the County's Shoreline Master Plan. The Possession project gives the Port an opportunity to feed into the County much more data about the boat ramps to help make the needed changes in the shoreline process, but it would cost the Port more money. He noted that there would be at least 3 or 4 decision points as CHE completed the steps for the Commission to consider if additional funds should be spent, but it would be a minor rather than a major adjustment.

ACTION: A Motion was made by Gregoire and seconded by Jerome to approve the Standard Agreement between the Port and Coast & Harbor Engineering as presented. The Motion passed unanimously.

South Whidbey Harbor

Phase 1 Project

- **Construction:** Field presented the updated Pending Work/Cost Issues spreadsheet (**EXHIBIT H**). Field asked for Commission approval of the three change orders related to the onshore work as follows:

Change Order #6

Reason: Scope revision. Additional costs for: Waterline plan, Pipe substitution, Additional hydrant and connection to 3 services. Final Cost: \$8,289.38 plus 3 days.

Change Order #7

Reason: Unexpected conditions. Additional costs for: Bad conditions (logs, contaminated soils) and repairs. Final Cost: \$22,284.54 plus 6 days.

Change Order #8

Reason: Scope revision. Additional costs for: Abandon existing Asbestos-Concrete waterline. Final Cost: \$3,423.04 plus 1 day.

Regarding the contaminated soil costs, Field is compiling the cost information as recommended by the Port Attorney and will provide the Commission with a draft letter for review at the regular December meeting before taking it any further toward cost recovery from the City (property owner).

For the offshore work, Field said, *“The expected configuration of the dock was such that the gangway would come down and land roughly in the middle of the 16’ wide, 266’ section of the breakwater. The outside wall was cut off in anticipation that during extreme high tide the gangway could project off of the outside, and at extreme low tide we wanted to make sure we were still bearing on the dock. The conditions right now are that it’s off the inside during both high and low tides.”* He said there is something going on with the way it is configured with the rigging and the clump weights that is causing it to do that. It’s a rigging issue. After discussions with Jack Seipel of Reid Middleton, a request for information has been sent to Jay Tomasko of Neptune Marine, to get detailed records of the tensioning, initial construction and positioning, etc. Neptune Marine was initially talking about returning to the site in early December, but Mike Carlson of Mike Carlson Enterprises (MCE) finds that timeframe as unsatisfactory as the Port does because the gangway and dock are his until substantial completion. Hopefully, Neptune will be back late this week or early next week after the information has been reviewed, etc.

Field said, *“We have a preliminary number from Neptune of \$12,000 plus tax to revise the rigging (Cable #262-2, the pile actually located pretty much underneath where the gangway starts). Our current intention is to reconfigure and re-tension that rigging, and pull the dock a little more under the gangway so it’s landing more in the middle/center of the dock. During that process, we’ll also be figuring out what’s going on with the rigging, why it’s behaving like it is, and get the whole thing re-calculated.”*

Since there would likely be a lot of information and cost numbers developing over the next week to ten days, Field suggested a special meeting would be needed prior to the Thanksgiving holiday. The Commission agreed to schedule it on Monday, November 25th.

Gordon told Field, *“We have done a lot to compensate this contractor, and we (you as our agent) did not push back on his pay requests. We have funded his pay requests. They dumped a crane in the water; they slowed a lot of action down. We need them to help us out here. Because if they are going to come in with full bore numbers, we’re going to have to get some kind of peer review or something because we don’t seem to get any comparables. They have \$154K in changes to date, and if they’re going to hold us hostage for some of this re-rigging...I don’t know if we need to go back to Reid Middleton or what.”*

Field said if it's incorrect design – that's Reid Middleton; if it's incorrect construction and performance – that's clearly the contractor (MCE). Jerome noted that costs to the Port so far total \$154K and the contingency amount is \$158,971.

Overall Permit: No update.

Boat Ramp Boarding Floats & Signage: Mozer submitted an extension request for the RCO grant so the Port can use some of the remaining funds to get reimbursed for the signage. She reported the grant has been extended through August 31, 2014, so any appropriate expenditures that can be charged to the grant will be reimbursed at 75%. She plans to meet with artist Jay Davenny and Harbormaster Duncan McPhee tomorrow to discuss a signage plan for the Harbor.

Harbor Operations

- Outside Mooring/Existing Condition Survey: Mozer reported the Rural County Economic Development Funds (RCEDF) grant application for South Whidbey Harbor Passenger Ferry Mooring (**EXHIBIT D**) was submitted October 31st and the \$130,000 request will be presented at the Island County Council of Governments meeting on November 27th.
- Offsite Parking at Langley Middle School: No update.

Port Operations

- Port Comprehensive Scheme for 2013-2019 and Strategic Plan: As discussed at the Special Meeting on November 6th, Mozer said it would be great if the Commissioners could get their comments to her by Friday, November 15th so she can forward them to Makers. Regarding the schedule for adopting the Comp Scheme and Strategic Plan, after a brief discussion the Commission agreed to go ahead with adoption of the Strategic Plan at the regular December meeting, but put off adoption of the Comprehensive Scheme until the regular January meeting, following a Public Hearing.
- Port Security Grant (PSG) Program – Marine Surveillance Camera Project: Mozer reported Port Attorney Brad Cattle provided a good amount of support in developing the contract and it is now at Whidbey Telecom for their legal review. A copy of the contract was provided to the Marine Exchange (the Port's fiduciary agent) and they were very pleased with it. Mozer added that she has already gone on site visits and had a technical meeting with Whidbey Telecom, so as soon as the contract is signed they will be ready to go.
- South Whidbey Fire/EMS Fire Boat (Port Security Grant): Mozer submitted an invoice to Marine Exchange on behalf of the fire district and the Port received that reimbursement payment. Unfortunately, a voucher for South Whidbey Fire/EMS was not included in this month's voucher listing and will have to wait until the next meeting.
- Radar Feedback Signs in Clinton: No update.
- Healthcare Status: In October, Mozer organized a meeting with all full-time Port employees and arranged for a couple of healthcare industry providers to talk with the group about other options. Following the presentations, the Port's full-time employees decided as a group to stay with the current system of providing a taxed healthcare contribution.

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: Gordon missed the previous meeting but will attend next week's meeting. Using RCEDF money, the EDC was able to support the study on the Fairgrounds. He noted that RCEDF money can be used for economic development planning, but only through either the EDC or the ports.

COG: Gordon said there are "a lot of great things going on there."

RTPO: He attended the recent joint meeting with Skagit RTPO in Anacortes. There are some changes in funding for the organizations. Gordon also attended the dedication ceremony at the tank farm in

Mukilteo. U.S. Senator Patty Murray spoke, as well as the Port of Everett's Executive Director and the mayors of Mukilteo and Edmonds. It was a neat event and he was able to do some networking.

CCC: Gordon said the Council continues to do great things; with a simple mailer to all postal residents in the Clinton zip code they were able to pack the Clinton Progressive Hall for a meeting with him, Island County Commissioner Helen Price Johnson and other CCC members. The CCC now has 501(c)3 status, and has received a grant for a project to be managed by Mozer and the other Whidbey Island members of Snohomish Leadership group.

Jerome: Washington Public Ports Association (WPPA): No report.

- WPPA Annual Conference in Tacoma: Continuing Legal Education 11/19 (Field will attend depending on construction status), Public Relations Seminar November 19 and Annual Meeting November 20-22, 2013. Mozer received a scholarship from WPPA for her enrollment in the Snohomish Leadership class and will attend the Seminar on November 22nd to receive a certificate and thank them for the support. Both Field and Mozer plan to sit in on the Contract Webinar on November 21st.

Gregoire: Marine Resources Committee (MRC), Langley Shoreline Master Plan (SMP) Committee and Island County SMP Committee: No reports. Gregoire has not been able to attend the MRC meetings, so Jerome said he would attend the December meeting in his stead.

OLD BUSINESS: There was none.

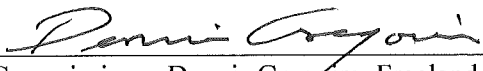
NEW BUSINESS: There was none.

ADJOURNMENT: The Meeting was adjourned at 9:16 p.m.

Approved:



Commissioner Curt Gordon, Clinton



Commissioner Dennis Gregoire, Freeland

Minutes reviewed by:



Angi Mozer, Port Finance Manager

Commissioner Chris Jerome, Langley

- Exhibit A: Voucher Listing
- Exhibit B: September 2013 Financial Statement
- Exhibit C: 2014 Final Budget
- Exhibit D: Resolution No. 13-07 to Establish 2014 Levy
- Exhibit E: Levy Certification
- Exhibit F: Coast & Harbor Engineering Technical Approach and Budget
- Exhibit G: Coast & Harbor Engineering Standard Agreement
- Exhibit H: SWH Pending Work/Cost Issues spreadsheet
- Exhibit I: RCEDF Grant Application for SWH Passenger Ferry Mooring