

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

Held at South Whidbey Parks & Rec District, 5475 Maxwelton Rd, Langley WA
Tuesday, November 8, 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 November Vouchers in the amount of **\$65,917.56**
- Minutes from the Regular Meeting of April 12, the Island County Work Session of March 16, and the Special Meetings of April 27, May 10 & May 16, 2016

SPECIAL PRESENTATIONS

Goosefoot: Proposed Collaboration with Port regarding Commercial Kitchens at Fairgrounds

Island Beach Access: Clinton Uplands Project

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

September 2016 Financial Statement and Executive Director Report
2017 Budget and Levy

STATUS REPORTS

South Whidbey Harbor

Harbor Operations & Harbormaster Report

Port Operations

- Maintenance & Operations Supervisor Report
- Port of South Whidbey Website Re-Design Proposals

City of Langley – Meeting Update

Mukilteo Parking

Clinton Market Study

Clinton Dock

Resolution No. 16-08: Boating Facilities Program Application Resolution/Authorization

Island County Fairgrounds

- Comprehensive Scheme Amendment – Fairgrounds
- Fairgrounds Property Manager Report
- Operations Update
- Island County

Possession Beach Waterfront Park

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

Bush Point Boat Launch**ACTIVITIES/INVOLVEMENT REPORTS**

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**NEW BUSINESS****ADJOURNMENT**

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

November 8, 2016

Langley, Washington

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

Port Staff Present: Angi Mozer (Executive Director), Molly MacLeod-Roberts (Port Clerk/Accountant), Pat Kisch (Maintenance & Operations Supervisor), Duncan McPhee (Harbormaster), Rick Hill (Possession Construction Project Manager), and Roxy Taylor (Fairgrounds Property 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, November 8, 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.

Approval of Minutes: Minutes from the Regular Meeting of April 12, the Island County Work Session of March 16, and the Special Meetings of April 27, May 10 & May 16, 2016.

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 November 2016 as signed today in the amount of \$65,917.56. The Motion passed unanimously.

SPECIAL PRESENTATIONS:

Goosefoot: Sandy Whiting (Executive Director) and Marianne Myszkowski (Director of Program and Fund Development) were on hand to present the latest on Goosefoot's plans for a collaborative effort with the Port to modify and enlarge the Commercial Kitchen in the Coffman Building on the Fairgrounds property. Since February 2014, Goosefoot has been actively researching ways to support the local food system and incubator food businesses. They learned that a shared commercial kitchen will really fulfill some needs in South Whidbey and Central Whidbey as well. The most obvious need is a space for "value added producers." Value added products are made from raw commodities like flour into baked goods, strawberries into jam, etc. Goosefoot has held monthly workshops on introduction to food processing and licensing, with 50 people attending. They also conducted an online survey of potential commercial kitchen users: nine people said they would use it right away and eight said they would use it within two years. There are also several new farmers and new farms in the area who will likely be interested in processing the food they produce, opening up new markets for themselves by allowing them to sell produce to schools, hospitals and other businesses that require commercial kitchen use for preparation prior to selling. The Organic Farm School in Maxwellton Valley is also interested in using the commercial kitchen as a location to teach farmers about value added produce. Agricultural and culinary tourism is growing on the Island, and a commercial kitchen can be a great nexus point to help develop it further.

In order for the Commercial Kitchen to succeed and be financially viable, it needs to have more equipment (commercial grade mixers, a baking oven, etc.). Expansion is needed; cold storage and dry

storage is fairly limited in the existing space. The work space needs to be efficient and allow two different users at the same time, with room to grow into. Goosefoot's recommendations are to expand the footprint of the kitchen, purchase equipment, add a walk-in cold storage facility, reconfigure the dry storage, and create space to allow for future growth. Myszkowski said they are finalizing the equipment list, visiting other commercial kitchens, and working on setting up an advisory committee (bakers, sauce makers, etc.). Closing for 4 days during the Fair would be okay, but closing the commercial kitchen for 3-4 weeks would be very tough. She emphasized that it must be a shared kitchen; users must be able to use the entire space in the kitchen (not reserved space by one user).

Whiting presented the following proposal:

- Goosefoot will purchase up to \$75K of equipment for the kitchen. They would not expect to collect any rental fees or Return On Investment for the use of equipment, but Goosefoot would keep ownership of the equipment.
- Port would match the value (\$75K) with expansion/renovation of the space. Goosefoot would like the Port to be responsible for marketing & managing the kitchen and for maintenance & repair. Once the kitchen fully running, their research indicates a half-time person will be needed.
- Goosefoot will continue to offer workshops to assist kitchen users in achieving success.
- Goosefoot will assist with marketing.
- Goosefoot will collaborate with the Port on applying for a USDA Rural Business Development Grant (RBDG) to purchase additional equipment.

Goosefoot has come up with an aggressive timeline. By the end of December, finalize expansion plans and retrofits needed, finalize the equipment list and have a Memorandum of Understanding or a draft InterLocal (ILA) between Goosefoot and the Port. RBDG applications are due at the end of January, and Goosefoot is prepared to purchase equipment in January. Assuming the transfer of the Fairgrounds property from the County to the Port takes place between January & March, the expanded commercial kitchen could open sometime between March and May 2017.

Halloran suggested Goosefoot could ask the South Whidbey School District if there is interest in using the commercial kitchen for a culinary program. Gordon thought it might be best if Goosefoot rents the facility from the Port and manages the commercial kitchen themselves. The Port could modify/expand the building, buy the equipment and own it, but Goosefoot would run the kitchen. Ng and Halloran agreed. Whiting and Myszkowski noted they had run a pro forma for the kitchen at the South Whidbey Primary School that included rental costs and the cost for a half-time person to manage it. Whiting believed that if they didn't have to pay rent for the Coffman kitchen, the revenue would offset the cost of the half-time person and it would break even.

The Commission agreed to hold a separate workshop on the topic in the near future, and thanked Whiting and Myszkowski for presenting.

Island Beach Access: Mel Trenor of Island Beach Access (IBA) provided an update on the status of the Clinton Beach Park Universal Accessibility Project. The goals of the project are as follows:

- 1) Create ADA approved access to and from the public beach area
- 2) Increase standard parking spaces from current 5 to 6
- 3) Create 2 ADA Van accessible parking spaces
- 4) Create ADA paved pathway to picnic shelter
- 5) Create additional ADA paved pathway to restroom facility
- 6) Install appropriate ADA signage indicating "universally accessible park"

Trenor identified the sequence as 1) Approval & funding by the Port, 2) Permitting, 3) Parking Area & Paved Pathways, and 4) Sandy Beach & Driftwood Area. The Pre-Application Conference (with five representatives from Washington State and Island County) will take place later this month, and they will

decide by December 7th whether to allow the Port to apply for the permits, with permit application submittals in December or January. He provided cost estimates the permitting fees and for 3 size options of Ecoprior pavers (1,000 sq. ft., 1,700 sq. ft. and 2,300 sq. ft.) and cost estimates for the 3 size options of the Blue Accessmat that would be on the beach from May through October and removed during the months of November through April. Gordon suggested holding off on selecting any option and waiting until after the Pre-Application Conference to make sure the project is doable. The Commission agreed, and Trenor will meet with Mozer to discuss the details. The Commissioners thanked Trenor for doing such a great job.

PUBLIC COMMENT: **Greg Richardson** of Clinton expressed his support of the Clinton Beach Park Universal Accessibility Project, noting that a lot more people will be able to access the beach. He thanked Island Beach Access and the Port.

FINANCIAL UPDATE

September 2016 Financial Statement and Executive Director Report: The Commission acknowledged receipt of the September 2016 Financial Statement which was distributed to them previously. Executive Director Angi Mozer noted that the Port received an LTGO Bond for \$150,000 and purchased the 203 Wharf Street property with those proceeds. Therefore, the September finances reflect that revenue and capital purchase which offset each other for zero impact to the Port's September cash balance. She reported the Port received \$225,000 in bond proceeds and tax, operating and grant revenue and incurred \$245,000 in operating and capital expenses during September 2016. Ending cash balance at 9/30/16 was \$409,000.

2017 Budget and Levy: Mozer had provided the final draft of the 2017 Preliminary Budget. If the Commission approves it, it will be published in advance of the Public Hearing scheduled for November 22nd. The final budget will then be considered for approval and adoption during the Special Meeting immediately following the Public Hearing and provided to Island County by November 30th.

ACTION: A Motion was made by Gordon and seconded by Ng to approve the 2017 Preliminary Budget for publication in advance of the Public Hearing on the 2017 Budget on November 22, 2016. The Motion passed unanimously.

STATUS REPORTS

South Whidbey Harbor

- Harbormaster Operations & Harbormaster Report: Harbormaster Duncan McPhee was on hand to present his monthly report. Assistant Harbormaster Drew Dixon resigned to pursue other interests and Patrick Boin has been hired to replace him. Clipper Vacations is still interested in making Langley part of its itinerary. The Clipper III vessel and the VP of Marketing will visit the Harbor on November 21st to conduct a "test fit" of the outside mooring and discuss logistics of future visits. The company is tentatively planning 10 visits (two hour day stops) during their gray whale watching trips in March & April.

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. Floats were removed for the season at **Bush Point** and **Possession**. The tenants at **Possession** have vacated the residence and renovations are underway in preparation for the new caretakers. At the **Fairgrounds**, Island County hired Jerry Beck & Company to replace the power pole near the entrance in preparation for the new backflow valve building. Another power pole near the Coffman Building was noticeably leaning and inspection revealed it had substantial rot at the base and a loose tie back anchor, so it was also replaced. Kisch's interventions to keep the two pieces of the **Clinton Dock** from rubbing together failed – there's just too much movement with the high

tides, etc. The Port received two quotes for putting concrete in the open-to-the-elements crawlspaces in the **Possession** caretaker residence, ranging from: one for \$9,239.50 and one for \$9,840. Kisch also received a quote of \$10,913.41 to replace the roof of the building where the Port has its office at the **Fairgrounds**. Gordon noted that the property has not been transferred to the Port from the County. It is a capital expense, and if it has to be replaced now then the County would need to do it per the current lease. Kisch will keep the Commission updated.

- **Possession Caretaker Residence:** Regarding the foundation and crawlspaces, Kisch explained his concern regarding the air quality in the home and the need to seal out moisture and vermin.

ACTION: A Motion was made by Gordon and seconded by Ng to authorize Executive Director Angi Mozer to approve the expenditure of up to \$10,000 to solve the crawlspace/basement issues in the Possession Beach Waterfront Park residence. The Motion passed unanimously.

- **Port of South Whidbey Website Re-Design Proposals:** The current website is antiquated and staff does not have the capability to update the content. Instead, the Port must request an individual to update the website and the response time has lagged. The Port received only two responses to its Request for Proposals: the lowest was from the current website manager (local) and the other from a Canadian company that was much more expensive. The Canadian company's proposal was lengthy (40 pages) and complicated, but did not state that the Port would be able to manage the content. After a brief discussion, Mozer agreed to seek out additional bids.

ACTION: A Motion was made by Gordon and seconded by Ng to authorize Executive Director Angi Mozer to approve the expenditure of up to \$5,000 for the redesign of the Port's website. The Motion passed unanimously.

City of Langley – Meeting Update: Gordon said it was a good joint meeting, with both the Council & Mayor amenable to working with the Port on the Fairgrounds. Regarding further expansion of the Harbor, the Mayor continues to contend that there won't be any parking issues with the City code. However, Mozer pointed out the Port/City InterLocal Agreement (ILA) for the Harbor states that any expansion of the Harbor requires a study by a parking expert. Other topics discussed included Fairgrounds zoning and widening the bottom of Fairgrounds Road, and managing parking on Langley Road during the Fair with County, City & Port working together. Gordon reiterated that the Port and City need to meet twice per year.

Mukilteo Parking: Gordon, Mozer and Island County Commissioner Helen Price Johnson met with Lynne Griffith (Assistant Secretary for the Department of Transportation's ferries division) and Nicole McIntosh (Washington State Ferries Terminal Engineering Director). Gordon brought up the concern that drivers will need a way to cross through the construction zone (of the new Mukilteo multi-modal facility) in order to access the temporary parking on the Tribe-owned tank farm. Griffith didn't make any promises, but WSF will try to make sure Sound Transit can get through and the Port might be able to "piggyback" on that access.

After that meeting, Gordon, Brian Wood (Island County Transportation Planner) and Patricia Love (Mukilteo Community Development Director) met with Sound Transit regarding the results of the parking study.

Mukilteo City Council thinks parking needs to be up at Paine Field with drivers shuttled to and from the ferry terminal. On November 14th, Gordon will attend the Mukilteo City Council meeting along with Brian Carroll (Tulalip Tribes Director of the Office of Financial Management) to defend the Port's position that parking is needed near the terminal and it is mutually beneficial for the City's businesses as well since employees & customers currently don't have enough places to park.

Clinton Dock: During the meeting with Washington State Ferries, Gordon & Mozer also discussed the lease for the Clinton Dock/Pier. Griffith indicated there would be no problem with extending the Port's lease, with the only condition being no commercial enterprise there. Ownership or long-term lease for a property is an application requirement for the Washington State Recreation & Conservation Office (RCO) Boating Facilities Program grant, which the Port is seeking to fund the long term repair of the Clinton Dock (based on the Assessment provided by Moffatt & Nichol).

- Resolution No. 16-08: Boating Facilities Program Application Resolution/Authorization: Mozer submitted the grant application for \$206,000. If awarded, the Port's required match is 25% (\$50,000). She will provide the first round presentation of the application in Olympia next week. She will also pursue an Emergency Management grant for the match.

ACTION: A Motion was made by Gordon and seconded by Ng to approve Resolution No. 16-08 as presented, authorizing submittal of the application for grant funding assistance for Boating Facilities Program project to the RCO Funding Board for the Clinton Dock Long Term Repairs. The Motion passed unanimously.

- **Clinton Market Study:** Gordon would like to meet with Tom Beckwith (Beckwith Consulting Group) to follow up on the meeting held with Clinton business owners. Mike Mariano of Mariano & Associates hopes to meet with Island County Public Works Director to discuss the Complete Streets Program.

Island County Fairgrounds:

- Comprehensive Scheme Amendment – Fairgrounds: Mozer drafted the following text to amend the Comprehensive Scheme to reflect the transfer of the Fairgrounds property from Island County to the Port:

Fairgrounds

- The Island County Fairgrounds is a 12.8 acre site located in Langley traditionally used to host the annual Whidbey Island Area Fair along with other community events. The first buildings were constructed in 1923 and the iconic Pole Building was completed in 1937. Presently there are 27 structures, and over time the buildings and infrastructure at the Fairgrounds have deteriorated and many aspects of the Fairgrounds are in poor condition. In 2014 the Island County Commissioners asked the Port to assist them in developing a solution to this issue. In 2015 and 2016, the Port conducted studies while managing and marketing the property, and realized that there is great potential to renovating and rejuvenating the Fairgrounds. In August 2016 the Port conducted a ballot measure to ask if the South Whidbey residents would support the transfer of ownership of the property from the County to the Port, along with a 5 cent per thousand assessed value property tax increase for the Port to support the management of the property. The ballot measure was supported by a majority of the South Whidbey voters.
- The Port will work on transferring the property ownership to the Port, and upon receiving ownership, will begin the process of renovating the buildings and infrastructure on the property and marketing the facility.

Mozer asked the Commission to approve the wording for publication, with a Public Hearing scheduled for November 22nd and Commission approval during a Special Meeting immediately following the Hearing.

ACTION: A Motion was made by Gordon and seconded by Ng to approve the wording of Comprehensive Scheme Amendment 1 for publication and schedule a Public Hearing for November 22, 2016. The Motion passed unanimously.

- Fairgrounds Property Manager Report: Roxy Taylor was on hand to provide her monthly report, including an overview of all the current tenants and upcoming events. She met several times with Goosefoot and visited two commercial kitchens and a small business (Marnie's - value-added food producer). Taylor obtained leasing policies and documents from the Port of Anacortes and Port of Skagit

for comparisons on best practices for Port's lease and/or event rental agreements. She is planning the following events in 2017:

- 1) "How Does Your Garden Grow Show" – a two-day weekend in April for nurseries, garden clubs, etc.
- 2) "Tiny House Show" – a three-day weekend in August similar to a boat show or an RV show, but featuring tiny houses.
- 3) "Whidbey Island Harvest Bounty Festival" – a two-day weekend in November (date TBD) to include all makers & businesses of Whidbey Island grown & made products (beverages, food, soft goods & hard goods, etc.)

Taylor previously provided Mozer with her suggested revisions to the City of Langley's codes regarding the Fairgrounds Overlay District use and zoning. She looks forward to working with the City and updating the code for the future growth of the Fairgrounds and economic development on South Whidbey.

- Operations Update: No additional update.
- Island County: The draft InterLocal Agreement (ILA) for the transfer of the Fairgrounds from the County to the Port has been sent to the Island County Deputy Prosecutor.

Possession Beach Waterfront Park

- Boat Ramp Renovation Project & Construction Manager Update: Rick Hill was on hand to present his report. Bids for the construction project will be opened the following day, and a Special Meeting has been scheduled for November 15th for the Commission to award the project. Hill reported several companies have expressed interest, with eight plan holders to date. He visited the plant that is making the precast concrete panels last Friday – they are pouring four per day.
- Caretaker/Manager Position Update: Previously discussed.

Bush Point Boat Launch: No update.

ACTIVITIES/INVOLVEMENT REPORTS

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

COG: At the recent meeting, Mozer and Langley Mayor Tim Callison presented the joint Rural County Economic Development Funds application for business recruitment and marketing. The COG recommended restructuring the application slightly before sending it on to the Island County Commissioners for approval. The COG annually identifies its legislative priorities and typically has only state legislators attend the meeting. This year, federal legislators were invited and U.S. Representative Rick Larsen and a representative from U.S. Senator Patty Murray's office attended in addition to Washington State Representative Norma Smith and State Senator Barbara Bailey.

IRTPO: The group is outlining specific projects; Gordon will update as it progresses.

CCC: Due to lack of a quorum last month, the attendees just reviewed old business.

WPPA: Gordon and Halloran will attend the Annual WPPA Meeting in Tacoma next week.

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

MRC: All seven MRCs met at the annual conference in Port Townsend last weekend. Halloran said the event was very well done.

Langley: The joint Port/City meeting was very beneficial in opening up discussions between the two entities.

Ng: Economic Development Council (EDC): The meeting is next week.

OLD BUSINESS: None

NEW BUSINESS: Gordon would like to have a Port Marketing/Promotion Committee appointed by the Commission. The Committee should include one Commissioner, the Executive Director, any of the Staff Managers who are interested, and 3 or 4 community members to help market the Port's expanding ventures (Harbor, Fairgrounds, Humphrey Road Parking Lot, and all of the Port's facilities). The Commission agreed to work on it.

ADJOURNMENT: The Meeting was adjourned at 8:54 p.m.


Approved:



Commissioner Ed Halloran, Langley



Commissioner Jack Ng, Freeland



Commissioner Curt Gordon, Clinton

Minutes reviewed by:



Angi Mozer, Executive Director

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.