THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND REGULAR MEETING

Meeting held at South Whidbey Parks & Rec District, 5475 Maxwelton Rd, Langley WA Tuesday, September 10, 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 (7:30 p.m.)

Consent Agenda: Approval of September 2013 Vouchers in the amount of \$185,147.34 and approval of Minutes from the Regular Meeting of June 11

FINANCIAL UPDATE

July 2013 Financial Statement and Finance Manager Report

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

Applications for Funds

Whidbey Island Arts Council: Off-Island Advertising

Clinton Progressive Association: Readerboard Improvements

Island Shakespeare Festival: Promotional Materials

Resolution No. 13-06: Establishing Agreements for Port Grant Funding per Commission direction

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
- Policy and Fee Schedule for 2014

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 September 10, 2013 Langley, Washington

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

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), Jim Sundberg (Langley City Councilmember), Shannon Kinsella (Reid Middleton), Kevin Smith (RPS Evans Hamilton), Amy Leitman and Nam Sin (Marine Surveys & Assessments), Gordy Edberg (Whidbey Island Arts Council), Carol Flax (Clinton Progressive Association) Peggy Juve and Rose Woods (Island Shakespeare Festival), Don McArthur (Freeland resident) and Dave Hoogerwerf (Clinton resident)

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, August 13, 2013, 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 7:30 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 June 11, 2013

ACTION: A Motion was made by Commissioner Chris Jerome and seconded by Commissioner Dennis Gregoire to approve the Consent Agenda as submitted, including the authorization and acceptance of Vouchers dated September 2013 as signed today in the amount of \$185,147.34. The Motion passed unanimously.

FINANCIAL UPDATE

July 2013 Financial Statement and Finance Manager Report: The Commission acknowledged receipt of the July 2013 Financial Statement (EXHIBIT B) which had been distributed to them previously. Port Finance Manager Angi Mozer said the Port received \$85,000 in tax, operating and grant revenue and incurred \$109,000 in operating and capital expenses during July 2013. Ending cash balance at 7/31/13 was \$1,031,000, consisting of \$211,000 in the Bond Fund and \$820,000 in the General Operating Fund. She noted that \$289,000 was transferred from the Bond Fund to the General Operating Fund in July.

PUBLIC COMMENT – Items not on Agenda: **Don McArthur** introduced himself as a member of the South Whidbey Yacht Club and the Holmes Harbor Rod & Gun Club, but explained he does not speak for them; only for himself. He said he was disappointed with what he read in the newspaper in the last week about the Port's Comp Plan. The Port's consultant seems to think boaters here are too old and don't spend any money here. McArthur continued, "But my number one concern is the Harbor. I've been following this thing since you started and it ain't going well. I don't see any new provisions for permanent slips, and people on the south end of Whidbey Island are spending money to keep their boats

in Anacortes, Everett and Oak Harbor. I spend a lot of money to moor my boat at Oak Harbor and I would rather keep it in Langley and spend my money on the south end instead. I also want to comment on the ramps, which are pretty much in deplorable shape. The one in Freeland (Holmes Harbor) is tragic and the pier is worse. I know you're addressing the one at Possession. The one at Mutiny Bay – even the fisherman don't like it. I just wish you guys could pay some attention to that and maybe get out and listen to what your constituency has to say and not the consultants."

Applications For Funds

Whidbey Island Arts Council (WIAC) – Off-Island Advertising (EXHIBIT C): Gordy Edberg (WIAC President) was on hand to present a \$2,000 request for off-island promotion of five of their current programs, especially the Whidbey Art Trail and the Whidbey Open Studio Tour. The five programs are expected to draw at least 4,800 attendees, of which 1,950 will be from off-island. Art sales of \$135,000 from the Art Trail and the Open Studio Tour should have an economic multiplier effect of about 2.5 times, so the economic impact is estimated at \$275,000-\$337,500. WIAC is proud to have served as an incubator for development of arts programs and activities such as WICA and Choochokam who have since become independent and this year – Island Shakespeare Festival is on its own and doing well. Jerome commended WIAC for collecting data and providing the numbers for the economic value of the activities.

Clinton Progressive Association (CPA) – Readerboard Improvements (EXHIBIT D): Carol Flax (CPA President) was on hand to present the \$800.00 request to complete the upgrade of their readerboard. It is important for Clinton to focus on economic development and find ways to make that community thrive. The Clinton Chamber of Commerce, the Clinton Community Council and the CPA are collaborating on events, etc., and the readerboard at the Hall is an informational gateway to South Whidbey and an asset to the community.

Island Shakespeare Festival (ISF) – Promotional Materials (**EXHIBIT E**): Peggy Juve was on hand to present ISF's request of \$3,470 for promotional materials and distribution of posters and rack cards for the annual event. She thanked the WIAC for being ISF's umbrella for their first three years and explained that this year they are in the process of forming their own 501(c)3. The group has a good system for gathering information about the people who attend the performances – they provide a chance to win a beautiful glass paperweight at each performance for those who take the time to complete a survey about where they're from, if they are spending the night, dining out, etc. Juve said they get about a 30% response rate for the survey. The 16 performances this year had an average attendance of 120 per show. Next year, they will do two shows in repertoire (this year there was only one show), with one show on Thursday night and the other on Friday night. That will encourage visitors to spend the night and see both shows.

<u>MOTION:</u> A Motion was made by Gregoire and seconded by Jerome to approve all the requests (totaling \$6,270) submitted and allocated as follows:

0	Whidbey Island Arts Council: Off-island Advertising	\$2,000
0	Clinton Progressive Association: Readerboard Improvements	\$800
6	Island Shakespeare Festival	\$3,470

Jerome noted that the current total of all requests for this year (including the 3 today) is \$20,330, and when setting the budget at \$20,000 it was intended to be firm and not exceed that amount. Mozer said, "However, included in that total is the Port's contribution for the golf cart shuttle. I don't think the intention of that was to take away from the sponsorship funds, but for auditing purposes it was the only place we could allocate it in the budget. It couldn't be used as a capital expense." The Commission agreed it was not their intention to have the sponsorship budget reduced because of the shuttle and acknowledged it was the only way to allocate the expenditure.

Gordon called for a vote and the Motion passed unanimously.

Resolution No. 13-06 – Establishing Agreements for Port Grant Funding per Commission direction (EXHIBIT F):

MOTION: A Motion was made by Gregoire and seconded by Jerome to approve Resolution No. 13-06, Establishing Agreements for Port Grant Funding In Support of Economic Development with Whidbey Island Arts Council, Clinton Progressive Association, and Island Shakespeare Festival. The Motion passed unanimously.

STATUS REPORTS

Possession Beach Waterfront Park

Ramp Rebuild Consultant Selection: Shannon Kinsella was on hand to present Reid Middleton's 8/14/13 Letter of Interest with Qualifications for Environmental/Predesign/Permit Preparation & Submittal Work for the Boat Ramp Renovation Project (EXHIBIT G) and the 9/10/13 Summary of Technical Approach — Boat Ramp Renovation at Possession Beach Waterfront Park (EXHIBIT H). Kinsella introduced proposed team members Kevin Smith (RPS Evans Hamilton) and Amy Leitman and Nam Sin (Marine Surveys & Assessments). Their presentation lasted approximately 20 minutes and was followed by a 20-minute period for Commission questions regarding the proposal. Port Operations Manager Ed Field asked Kinsella to remain for the next agenda item.

Recreation & Conservation Office (RCO) Project Agreement: Field explained that because of the lengthy permit process the Port has experienced on all of its projects and RCO's 2-year cycle, when the planning grant application was submitted the Port proposed doing the site investigations, complete the SEPA process and then get the JARPA and all the permits out to the various agencies within the 2-year timeframe. The expectation was that once the permits were issued, the Port would then be ready to go to final design and construction in the next 2-year cycle. Field said, "That's what we presented at the Project Review and that's what we gave at the Evaluation Presentation in August 2012 with our RCO Project Manager Sarah Thirtyacre sitting next to us. That is the information that was included in the application submitted in RCO's PRISM format." When the Legislature finally funded the grant program in June, Myra Barker (the Port's new RCO Project Manager) notified the Port that the Project Agreement would be coming out and sent a draft Milestone Schedule that included construction documents and permits received. Field and Mozer had responded with the Port's schedule and written objection to the addition of construction documents and permit completion on the Milestone Schedule since they were not part of the approved grant application. Barker called yesterday to say RCO had rejected that position, and although they could give the Port some time extension, they would expect that for the \$99,000 grant the Port would proceed through submittal and receipt of permits and construction documents ready to construct. She indicated the Port could get an additional 1-2 years on the timeline, but there is no additional money in the pot at this time. Barker said that has been RCO policy and she offered no explanation as to how/why the then project manager never brought it up when the Port was presenting and submitting the grant application.

Gordon asked for a wild guess as to what the additional cost would be to get to that point, and Field said \$50,000-\$100,000. Kinsella noted that their proposal includes design up to 30-35% and estimated an additional \$50,000-\$70,000 would be needed to get to construction documents. Gregoire noted that would be in addition to the Port's match requirement of \$25,000. Gordon added that it would be 100% Port money.

Gordon said too many of the boat ramps on the Island are just too flat, making it very hard to launch unless the conditions are just right. He would rather give the grant back than just do an "as-is" replacement. He said, "If we're going to put money into a ramp, let's make it a ramp that works. If we're going to do something, we need a better design. We need to do it right, even if it means going back

and applying for another grant. I would just as soon not do this at all if we can't make some improvements."

Jerome said there are three alternatives: 1) try to fit something within the \$99,000 budget (doesn't seem to be support for that), 2) go back for another grant for the money we really need to do this and delay it by a year or however long it takes to get that grant, or 3) eat the extra costs and get it out of Port funds.

After a brief discussion, the Commission agreed they should inform the other two consultants of the change in the project scope and give them the option of presenting their proposals and being interviewed at the September 24th Special Meeting. Field was directed to contact the two other firms as discussed. Kinsella said she will provide a Supplement to Reid Middleton's project approach by September 19th.

South Whidbey Harbor Update

Phase 1 Project

• Construction: Field said Neptune Marine should be mobilizing their equipment tomorrow with piles going in starting on Thursday. They hope to get 2 piles in per day and plan to work on Saturdays. For the onshore work, his understanding is that the City of Langley's Engineer and the Public Works Director are supposed to work out the details tomorrow and then the Port should be able to proceed to construction. Mike Carlson Enterprises plans to schedule their crew to come down in 2-3 weeks and start work on the water line. Field said the electrical rough-in should start on the docks any day now and the conduit duct bank onshore will probably happen at the same time as the water line work. He said they are working with Puget Sound Energy on the lights in the parking lot (trying to efficiently get them down to one pole, etc.).

GeoEngineers' original scope for the required marine mammal monitoring during pile driving included two biologists for three days. Because of Neptune's "less than productive schedule" so far, GeoEngineers has used up much of that budget after 3 days and only 1 pile installed. They would like to adjust the scope and budget to include only 1 senior monitor on an on-call basis, if the Port can provide a secondary individual during pile driving. Field can serve as the secondary, except for during the time he is on vacation. During that week, Port employee Laura Nance will fill in as the low level monitor.

Field said that unfortunately, it is not a cost issue for the contractor. Connecting the contractor's progress to our inspection time is a challenging contract-bid issue and was not included in this contract. For future projects, he will endeavor to redirect potential inspection cost over-runs to a contractor who is making less-than-satisfactory progress. If the water line is approved, there will be some significant savings from using C-900 pipe instead of ductile iron pipe. However, there will also be additional costs for the second set of water line drawings that the City now says is extra.

• Funding: Mozer provided copies of "Harbor Construction Snapshot, 9/10/13" (EXHIBIT I) to the Commission. It provided totals for the 2013/2014 Budget, the Expenses to Date and the Anticipated Budget Variance. The construction budget includes a 10% contingency of \$158,971. A change order of \$19,662 submitted by Mike Carlson Enterprises has been approved, leaving a contingency balance of \$139,309.47. The GeoEngineers cost overrun totals \$7,930.00 and Puget Sound Energy has billed the Port \$7,927.98 for additional electrical work. Once those are paid, the total contingency remaining is \$123,451.49.

Overall Permit: No update.

Boat Ramp Boarding Floats: Mozer said they spoke with Barker at RCO regarding possible appropriate uses for the remaining grant funds. It looks like they are willing to pay for signage. Harbormaster Duncan McPhee has indicated the existing gangway could use some work (resurfacing). RCO will fund it at 75% if the Port replaces it; however, they will not pay to just resurface it. Field added that the

gangway structure is sound, so replacement is not necessary and could actually create additional Code-compliance issues. Jerome asked if there was any chance the remaining funds could be diverted to the Possession boat ramp project. Field was very skeptical, but Mozer said she had no problem with asking and the Commission directed her to do so.

Harbor Operations

- Outside Mooring: On hold.
- Existing Condition Survey: Will be done later in the year.
- Offsite Parking at Langley Middle School: Mozer has been working with Jeff Arango (Langley's Director of Community Planning) on the issue. He thinks he can put together data that shows it will work.
- Harbor Staffing Update: Field said McPhee has done a great job since May 1 when he took on the role of Acting Harbormaster. Based on his performance, he will become the official Harbormaster and receive an increase in full time salary from \$18/hour to \$20/hour effective October 1, 2013. Field and McPhee will be interviewing applicants for the Assistant Harbormaster tomorrow. The salaried position will be full time and pay is at \$15/hour. The new hire will hopefully start on September 20th; the same day the Seasonal Dock Attendant position ends.
- Policy and Fee Schedule for 2014: Mozer explained that in the original rate analysis/projections, she did not include a price break for annual and winter moorage customers who sign a lease for at least 3 months over those who are month-to-month with no lease. Based on public feedback and discussions with McPhee, she proposes reducing the rate for those with leases to \$11.00 per foot per month from the \$11.50 per foot per month charged for month-to-month customers.

<u>ACTION:</u> A Motion was made by Jerome and seconded by Gordon to reduce the rates for moorage customers with leases to \$11.00 per foot per month as discussed. The Motion passed unanimously.

Staff carefully reviewed the Harbor regulations and noted that as currently written, a winter monthly moorage customer has priority over people who have been on the waiting list the longest (i.e. several years). Mozer recommended the Port continue to give priority to commercial opportunities which enhance the marine recreational experience and/or advance economic development, and then if there are no commercial proposals when a space becomes available, first priority should be given to boaters whose boats fits the available space, have been on the list the longest, and are either property owners in or residents of the Port District.

<u>ACTION:</u> A Motion was made by Jerome and seconded by Gregoire to modify the South Whidbey Harbor Regulations to prioritize available Annual Moorage as discussed. The Motion passed unanimously.

Port Operations

- Port Comprehensive Scheme for 2013-2019: Mozer needs to provide Makers with comments on the draft Strategic Plan and the draft Comp Scheme Project List they presented at the Special Meeting on September 5th. She can either coordinate with each of the Commissioners individually or the Port can hold another Special Meeting to consolidate those comments. Gordon and Gregoire said they would like to meet with Mozer individually. Jerome said he would provide written input and schedule a meeting with her if needed. Gregoire specifically requested that Mozer contact Port Attorney Brad Cattle for his opinion on whether or not a SEPA is required for the Comp Scheme. The Commission agreed and directed Mozer to do so.
- Port Security Grant (PSG) Program Marine Surveillance Camera Project: The Port's Fiduciary Agent was scheduled get an update on the Environmental & Historical Preservation (EHP) status today, so Mozer hopes to have that information tomorrow. She also spoke to the Marine Exchange about the fireboat, since they have not been responsive to Chief Rusty Palmer. It appears the easiest way to move

forward from here is if the Port (as the granted agency) works with the Marine Exchange, receives the Fire District's reimbursements from the granting agency and then provides the Fire District with the funds. The Port does not need to front any of the money – the Fire District has already done that with the contractor. She still needs to work out the details, but it looks like the Port will provide the administrative service for the Fire District.

• 2014 Budget: Based on Commission discussion at the August 27th Special Meeting, Mozer made some changes to the planned capital efforts. She provided them with the two tables below that provide a summary of those changes:

<u>Previous</u>				
\$50,000	Comp Plan Project List			
\$20,000	Harbor Survey/Eval/Inspection			
\$30,000	Breakwater Maintenance			
\$50,000	Inner Harbor Maintenance			
\$25,000	Contingency/Misc. Consultants			
\$175,000	Total budget impact			

Current							
		Associated Grant					
\$50,000	Comp Plan Project List	_	-				
\$20,000	Harbor Survey/Eval/Inspection	\$20,000	RCEDF				
\$30,000	Breakwater Maintenance	\$30,000	RCEDF				
\$30,000	Inner Harbor Maintenance	_	-				
\$25,000	Contingency/Misc. Consultants	-	-				
\$50,000	Outside Mooring	\$50,000	RCEDF				
Total budget impact: \$105,000							

At the previous meeting, the draft 2014 budget resulted in a deficit of (\$152,749). The current Draft 2014 Budget (EXHIBIT J) now reflects a deficit of (\$95,216). Mozer explained that 3 things fit into the \$75,000 pot for Comp Plan Project List and Contingency/Misc. Consultants: 1) The Harbor Master Plan, 2) Any additional projects the Port decides to do from the Project List, and 3) Contingency funds if something happens to one of the boat ramps and needs emergency repairs not accounted for elsewhere in the budget. Jerome suggested they not budget the \$25,000 contingency. Gordon believed they should leave something in there, and there must be room in some of the numbers to eliminate the deficit. Gordon said he doesn't want a deficit budget; he doesn't want to pass it until it balances.

Gregoire said, "I heard Makers suggest doing an uplands study of the South Whidbey Harbor. That's what I think we need to do. We need to look at the Port-owned property in Langley and have an internal process and discussion to refine what we think needs to occur in the uplands. Doing that is critical before we get into a Harbor Master Plan. That's an internal thing, and we don't need to spend \$50,000. We can spend less and the \$50,000 for the Master Plan can be put off for 2-3 years."

Jerome suggested that the \$20,000 for Harbor Survey/Eval/Inspection could be done in 2014, but they could push out the \$30,000 Inner Harbor Maintenance until 2014. Gordon suggested that the Commissioners should take the draft budget home for review and provide comments on it as well as the draft Strategic Plan and draft Comp Scheme project list when they meet with Mozer individually. The Commission agreed.

• Radar Feedback Signs in Clinton: Upon reviewing the Interagency Agreement for Surface Transportation Program – Rural (STP-R) Grant for Radar-Reader Feedback Signs along State Route 525 in Clinton (EXHIBIT K), it has been determined that the Port's contribution will not be the expected \$2,000; it will be not to exceed \$4,999 to include not just the 13.5% match but also Island County's installation costs which are not covered by the grant funds.

<u>ACTION:</u> A Motion was made by Gregoire and seconded by Jerome to approve the Interagency Agreement with Island County as presented. The Motion passed unanimously.

Gordon provided his signature as President.

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 meeting last month.

COG: No report. RTPO: No report.

CCC: Gordon said they are doing a great job. They have fought their way through the 501 process. They plan to hold an Open House to explain to the public that the CCC is there to be a voice for Clinton and they are not there to be a planning agency.

Jerome: Washington Public Ports Association (WPPA): No report. The Small Ports Seminar will be held October 17-19 in Leavenworth.

Gregoire: Marine Resources Committee (MRC), Langley Shoreline Master Plan (SMP) Committee and Island County SMP Committee: Gregoire had nothing to report.

OLD BUSINESS: There was none.

NEW BUSINESS: Mozer said there was an opportunity for her to participate in the Signature Leadership Class offered by Leadership Snohomish County, in partnership with Island County EDC. Four of the 30 seats in the class are for Whidbey Island representatives. She said WPPA has a scholarship program that can help fund the cost of the class. Gordon asked what she thought she would get from it that would benefit the port. Mozer said that in addition to leadership training, there will be a specific project that will be performed as part of the program in South Whidbey and that would give her the opportunity to work with people in the Port District community. Gordon asked what time commitment would be required, and she explained that after the 2-day kick off session at the end of this month, it would be approximately one day per month for 8 months. The Commission thought it was a very good idea and supported her application to the class.

ADJOURNMENT: The Meeting was adjourned at 10:07 p.m.

Approved:

Commissioner Curt Gordon, Clinton

Commissioner Dennis Gregoire, Freeland

Commissioner Chris Jerome, Langley

Minutes reviewed by:

Edwin S. Field, Port Operations Manager

Exhibit A: Voucher Listing

Exhibit B: July 2013 Financial Statement

Exhibit C: Application for off-island promotion funds – Whidbey Island Arts Council

Exhibit D: Application for readerboard improvements funds – Clinton Progressive Association
Exhibit E: Application for promotional materials & distribution funds – Island Shakespeare Festival

Exhibit F: Resolution No. 13-06: Establishing Agreements for Port Grant Funding

Exhibit G: Reid Middleton's Letter of Interest with Qualifications for Environmental/Predesign/Permit

Preparation & Submittal Work for the Boat Ramp Renovation Project

Exhibit H: Reid Middleton's 9/10/13 Summary of Technical Approach - Boat Ramp Renovation at Possession

Beach Waterfront Park

Exhibit I: Harbor Construction Snapshot, 9/10/13

Exhibit J: Draft 2014 Budget

Exhibit K: Interagency Agreement with Island County for Rural (STP-R) Grant for Radar-Reader Feedback Signs