

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING
LOCATION: SWPRD Meeting Room, 5475 Maxwelton Rd, Langley WA
DATE: October 11, 2011

7:00 PM – 7:30 PM PUBLIC HEARING FOR THE PRELIMINARY BUDGET FOR 2012

7:30 PM REGULAR MEETING CALL TO ORDER
(Time approximate, follows immediately after Public Hearing)

1. Pledge of Allegiance

BUSINESS MEETING

1. Consent Agenda:
 - A. Vouchers: Vouchers dated **October 2011** as signed today in the amount of **\$70,311.94**
2. Approval of Minutes
 - A. Minutes on file: Minutes from Regular Meeting of June 14, 2011.

FINANCIAL ACTION ISSUES - Staff Report, Public Comment, Commissioners' Discussion

1. August 2011 Financial Report (distributed on September 20, 2011)
2. 2008-2010 Accountability Audit: Report from 10/7/11 Exit Conference – *No Findings!*

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

1. Applications for Funds Presentations and Commission Discussion
 - A. Whidbey Island Garden Tour: Off-Island Advertising Campaign
 - ~~B. Clinton Progressive Assoc: New Windows Request withdrawn~~
 - C. Freeland Chamber of Commerce: New Brochure printing and 3 new Signs
 - D. Whidbey Island Arts Council: Off-Island Advertising
2. Resolution No. 11-05: Establishing Agreements for Port Grant Funding per Commission direction

PROJECT ACTION ISSUES - Staff Report, Public Comment, Commissioners' Discussion

1. Possession Beach Waterfront Park
 - A. Draft Lease transmitted to AT&T: Initial comments just received from new AT&T contact
2. South Whidbey Harbor
 - A. Expansion Project:
 1. *Status of Concept Design 266' + 133'*
 2. *SWH Expansion Permit Status:*
 - Hydraulic Proj. Appvl: HPA **approved** by WDFW (Issued 2/13/10, rev. 3/8/11), follow-up HPA for Temp. Breakwater Parking **approved** by WDFW (Issued 3/4/11, revis. TBD by Geo.)
 - USACE Permitting for Complete Expansion: JARPA **submitted** Aug, 2009. Review of Impact-driving underway per MM & MM PP from Geo (**submitted** 4/21/11). Review 6-24 mos.
 - USACE Permitting for 266+133: **Submitted** 8/19/11 c/o Joe Callaghan/GeoEngineers
 - City of Langley: Coordination in progress
 3. *Boarding Floats & Uplands Design:* In progress, working toward 60% review submittal

4. *Boarding Floats & Uplands Permit Status:*
 - Permit Extension Request to USACE: Revised JARPA *submitted* 2/22/11; USFWS questions issued 6/3/11; Response *submitted* 6/9/11 by RM; Clean plans *submitted* 7/13/11, ESA Informal Consultation *issued/OK* on 10/4/11 which should allow renewal to proceed soon.
 - Master Permit Appl. to Langley; *Approved* thru 12/29/11, w/ 1-year extension *pre-approved*.
 - DOE Water Qual. Cert & CZM: Valid through 12/29/11, with one-year extension *pre-approved*
 - HPA: #122942-2 *approved* on 3/3/11, with 30% grating requirement.
 5. *Property Issues:* No update
 6. *Funding Issues*
 - Port Security Grant (Phase 1A): FEMA site visit conducted 8/15, Signed MOA rec'd 8/23
 - Boating Facilities Grant (Floats only): *Approved* June 22, Funding Agreement rec'd 8/9/11
 7. *Consortium Coordination*
 - InterLocal Agreement with ICFD #3: Waiting for FEMA
 - InterLocal Agreement with Is. Co. Sheriff: Waiting for FEMA
- B. Harbor Operations
1. *Electrical Refurb:* Underway, with scoping partially dependent on schedule for Expansion project
 2. *Insurance Provisions:* For Long-term Leases
3. Port Operations
- A. Maintenance & Operational Wrap-up:
 1. *Langley Ramp Cleaning:* HPA revised by WDFW to allow ltd. cleaning if we check for sand lance eggs
 - B. Septic System Inspections per Island Co: Clinton Beach TBD
 - C. Float Removal Dates: Bush Pt removed on October 8, Possession due out on Oct. 15 (latest)
5. New Project Opportunities
- A. Sustainable Economic Development and IPZ Issues (Tapert & Gordon)
 1. *Potential Langley-area 'Green' Business Park*
 - B. Mukilteo Parking Issues (Gordon)

ACTIVITIES/INVOLVEMENT REPORTS

1. Economic Development Council (EDC): Tapert
2. Council of Governments (COG): Gordon
3. Skagit-Island Regional Transportation Policy Organization (RTPO): Gordon
4. Marine Resources Committee (MRC): Jerome
5. Washington Public Ports Association (WPPA): Jerome
 - A. Small Ports Seminar, October 20-21 at Leavenworth: Ron to attend
6. Holmes Harbor Shellfish Protection District: Tapert
7. Puget Sound Partnership: Policy Devel./Tech Advisory Committee: Gregoire
8. Langley Shoreline Master Plan Committee: Gregoire
9. Pacific Coast Congress of Harbormasters
 - A. Fall Conference in Olympia Oct. 25-28: Ron to attend Day #2

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

October 11, 2011

Langley, Washington

Commissioners Present: Curt Gordon (Clinton) and Geoff Tapert (Freeland); Chris Jerome (Langley) was delayed and arrived at 8:10 p.m.

Others Present:

Port Staff: Ed Field (Port Operations Manager), Ron Rhinehart (Port Finance Manager), and Molly MacLeod-Roberts (Port Clerk); **Clinton Residents:** Doug Struthers, Clyde & Marcia Monma, Barry Pomeroy and Bruce Buls; **Langley Residents:** Brian & Nell Woloshin, Toni Grove and Frank Rose; and **Freeland Residents:** Dennis Gregoire and Leanne Finlay

WORKSHOP SUMMARY & MEETING CALL TO ORDER: Following a Public Hearing on the 2012 Preliminary Budget from 7:00 p.m. to 7:10 p.m. (Minutes recorded and filed separately) and a Workshop from 7:10 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 11, 2011, at the South Whidbey Parks & Recreation District Meeting Room at 5475 Maxwellton Rd., Langley, WA. Commissioner Chris Jerome (President) was delayed, so Commissioner Curt Gordon, Vice President, called the Regular Meeting to order at 7:30 p.m.

BUSINESS MEETING

Consent Agenda

A. 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**).

B. Minutes: Minutes from the Regular Meeting of June 14, 2011.

ACTION: A Motion was made by Tapert and seconded by Gordon to approve the Consent Agenda as submitted, including the authorization and acceptance of Vouchers dated October 2011 as signed today in the amount of \$70,311.94. The Motion passed unanimously.

FINANCIAL ACTION ISSUES

August 2011 Financial Report: The Commission acknowledged receipt of the August 2011 Financial Statement, which had been distributed to them previously (**EXHIBIT B**). Port Finance Manager Ron Rhinehart said there are no significant variances to the budget and the Port is still on track to meet with the forecast included in the preliminary 2012 budget.

2008-2010 Accountability Audit – Report from 10/7/11 Exit Conference (EXHIBIT C**):** Port Clerk Molly MacLeod-Roberts reported that the Port's audit was "100% clean." The State Auditor specifically commended the Port on its Audit History, which states, "*We audit the Port for accountability purposes every three years. The Port has never received a finding and has been responsive to auditor recommendations.*" The auditor said that was quite remarkable. Gordon congratulated Staff and thanked them for their work.

Preliminary 2012 Budget: Gordon noted that the Commission had reviewed the draft budget with the three options for 2012. Gordon said, "*I think we need to act on it and approve it as a draft, having had*

our Public Hearing on the budget tonight. Could I hear a motion to approve it?" Tapert said it wasn't on the Agenda, and Gordon explained that there had been discussion with Staff indicating that Preliminary Budget approval is usually conducted during the Hearing. Tapert said, "I've never been in a position where I've approved a draft, so I am not going to make a motion."

PUBLIC COMMENT – Items not on Agenda: No one came forward to speak.

Applications for Funds Presentations and Commission Discussion

A. Whidbey Island Garden Tour - Application for Off-Island Advertising Campaign (EXHIBIT D):

Toni Grove introduced herself as the "publicity person" for the group. She explained that the Tour exists solely to raise funds for local non-profits and educational programs, such as the garden at the Good Cheer Food Bank. The Tour sells about 1,000 tickets every year, and about half of them come from off-island. The attendees spend the day on the Island, shopping, eating in restaurants, etc. and providing a real boost to the economy. This is the first year the Tour has applied for grant funds from the Port. Their request of \$850 is to help pay for printing of posters and several thousand bookmarks (mostly distributed off-island to businesses such as Molbaks, Christiansons, Flower World, etc.).

B. Clinton Progressive Association – Application for New Windows for Clinton Community Hall:

Request withdrawn due to ineligibility as outlined in grant guidelines, per letter dated 9/26/11
(EXHIBIT E).

C. Freeland Chamber of Commerce – Application for New Brochure Printing and 3 New Signs

(EXHIBIT F): Leanne Finlay was on hand to present the Chamber's request of \$1,900 to be used for printing new brochures (\$1,250) and 3 new signs (\$650). The signs are needed at the Chamber's new office in Freeland and the Visitor Information Center at Ken's Corner. The brochures are displayed on all the ferries and many other tourist destinations. Last year, the brochures were redesigned with the addition of a really nice map and bright colors. Each year they've ordered the minimum 12,500 copies of the brochure, but they've never used them up. After just six months, the Chamber is down to just 600 copies so they will need to order more.

Gordon noted that this is the second round of grant requests, and the full budgeted amount was awarded in March. He said he would like to fund the brochures for the Chamber, but thought they could find a way to make their own signs.

D. Whidbey Island Arts Council – Application for Off-Island Advertising (EXHIBIT G): Frank Rose (President of WIAC) was on hand to present the request of \$1,800 to promote four of their current programs: Island Shakespeare Festival, Whidbey Island Music Festival, Whidbey Art Trail and Whidbey Open Studio Tour.

Although the budget for tourism and economic development has been exhausted, Gordon felt the Port should go over budget in order to support tourism because Island businesses need injections now.

ACTION: A Motion was made by Gordon and seconded by Tapert to approve the requests, allocated as follows:

- | | |
|--------------------------------|---------|
| • Whidbey Island Garden Tour | \$ 850 |
| • Freeland Chamber of Commerce | \$1,250 |
| • Whidbey Island Arts Council | \$1,000 |

The Motion passed unanimously.

Resolution No. 11-05 (EXHIBIT H) – Establishing Agreements for Port Grant Funding per Commission direction:

ACTION: A Motion was made Tapert and seconded by Gordon to approve Resolution No. 11-05, Establishing Agreements for Port Grant Funding In Support of Economic Development with Whidbey Island Garden Tour, Freeland Chamber of Commerce and Whidbey Island Arts Council. The Motion passed unanimously.

PROJECT ACTION ISSUES

Possession Beach Waterfront Park

A. Draft Lease transmitted to Berke/AT&T: Initial comments just received from new AT&T contact.

Clyde Monma asked, “Who is the new company?” Rhinehart said he would find out the name of the company, which is based in Spokane and asked Monma to call or email him to get the information. Monma asked, “What were their initial comments?” Rhinehart explained that it is too early to go through in detail right now. Monma asked, “Did they give it to you in writing, and if so, can you read it out loud right now? If not, why not?” Rhinehart responded that yes, it is in writing, but since he hadn’t finished reviewing it and the Port’s attorney hasn’t seen it, it is inappropriate to conduct that negotiation in public.

Bruce Buls said, “I was definitely having to do a double take listening to some of these proposals for sponsoring and promoting tourism for the Island, and how that’s good for economic development and your support for it (which is, of course, entirely appropriate given the mission of economic development), but then I get back to my main issue of the (Dorothy Cleveland) Trail and the Park at Possession. I’ve said it before and I’m going to say it again in this context – this Trail is a tourist draw, and it could be more of a tourist draw. I don’t see you promoting it at all, but it could be, along with your other recreational waterfront facilities. People love to come over to the Island. I don’t know why we don’t have an Island-wide or South Whidbey Island-wide promotion directed to the Seattle/Everett area with a ‘Come to Whidbey’ ad, etc.” Tapert said he has heard Whidbey promoted on the radio all the time, and Gordon agreed, noting that Sherrye Wyatt, Director of the Island County Joint Tourism Board, has done a great job in spite of the fact that they have no money.

Leanne Finlay said, “Since we no longer have a state tourism agency, there is a private partnership and I’m wondering if the Port could join it because there are all different levels of membership.” Gordon said it was something the Port should look at.

Buls continued, “I think the Trail and the Park and your other assets could very easily be promoted to get tourists over here. And the tourists that we’ve talked to on the Trail don’t think that a cell tower at the top of it is necessarily a hiking goal to go to. It would be a big gash in the Park. We had a great presentation about all the birds there – put up some signage- promote that. This is a resource that we own, that we could be sharing with other people and bringing some economic development, and it doesn’t include a cell tower that just doesn’t fit in this little teeny squeezed top of the ridge spot that AT&T likes, but for the neighbors and visitors to the park, it’s not a good place for a huge tower. And the road, and the concrete, and the power, and the lights and everything else that goes with a 140-150 ft. cell tower. It’s never been the right place for that. It’s the right place to get people to walk in there, appreciate it, for people to come to Whidbey or people who live here to come there on an excursion. We should be letting them know it’s there and what it means.”

Marcia Monma said, “Almost every time I walk the Trail (well, a lot of times I’m the only one walking the Trail), but when I do meet somebody...half the time they are from off-island. The last time, I met a

group of 4 people and asked them what they thought of the Trail and if they liked it. They said yes and that they'd come over just to hike the Trail. I asked them what they thought it would be like if there was a cell tower at the summit of it and they said, 'Oh, no. Don't let that happen and do whatever you can to stop that from happening. That's not why we come over here to hike this Trail.'"

Monma continued, *"We have a new member of the Friends of the Dorothy Cleveland Trail who is actually getting his degree in Environmental Studies, and he has talked about turning it into a nature trail as a capstone project. Also, famous photographer Craig Johnson has a special website of all the birds he has photographed on the Trail."*

Doug Struthers said, *"I just wanted to say – 'No Tower', but I better elaborate. I wonder if there are any words that we can say that would influence your decision as to a tower or no tower. Are there any words? Like, if I told you I went up there the other day and found a great big hole right under where you're going to put the tower – would that change anything for you?"* Tapert said, *"Well, we're not building the tower, we are simply negotiating a lease. Even if we do all that, it doesn't mean it's going to happen – it still needs to go through permitting and environmental review, etc."* Struthers asked again if there were any words. Tapert said that when the property was on the market, the words would have been: *"I've got an offer."*

Struthers said, *"A tower up there is not helping to bring tourists to the Island. It's generating some money for you in the short-term, but are there any words that people could say that you might say: 'No, this is a bad idea. Let's put it somewhere else.'...if your goal is to improve communications on the Island?"* Gordon responded, *"If I knew conclusively that the constituents in the whole Port District were clearly against it, then that would be enough for me. But I'm hearing people are 3-1 in favor of it. I'm trying to be a good steward of this Port District. I tried to work very hard to ensure that this had all the due process it needed and that it was extremely transparent. And there were opportunities, but I don't want to go back over all those tonight. You have always been great and respectful, and I appreciate what all of you have to say, but I really think I'm acting in the best interest of my constituents."*

Finlay said good cell service is very important and shared her firsthand experience of a time when a contractor accidentally started a fire in a field but his cell phone had no signal. Fortunately, a neighbor saw the smoke and was able to call for help from their land line.

At that point in the meeting, Commissioner Jerome arrived (8:10 p.m.).

Clyde Monma said to Gordon, *"So you said if the constituents of your area didn't want the tower, then you wouldn't build it."* Gordon replied, *"I said that if I was certain there were more constituents of the whole Port District against the tower than for the tower, then I would reconsider."*

Monma said, *"Then why not put it on the next election ballot so you'll know?"* Gordon responded, *"You could put everything that comes to us on an election ballot. But part of the reason why we elect local officials is so that we don't have to put everything on the ballot. And it's a hard thing to make these decisions, because there is always somebody that is adversely affected. I don't think it's necessary to put this on the ballot. We've made the decision."*

Marcia Monma said, *"Why is this different than Glendale Road? That was chosen to not be completed by the people that live right around there. So why can't the people that live right around Possession do the same thing and say it's not a suitable place for a cell tower?"* Gordon said, *"The Glendale Road community wanted a one-lane road; the County made it two-lane against their wishes. So, whatever you want to talk about...but I really think we should move on."*

Bruce Bulls asked Gordon, *"You said the people you talked to were 3-1 in favor of the cell tower?"* Gordon said, "Yes." Bulls said that hasn't been true at the meetings, though.

Clyde Monma said, *"If you guys had run on the platform of building the cell tower – you would not have won the election. So this is 3 individuals who happen to have been elected, who are putting their own agenda in front of everything else and doing whatever they darn well please, regardless of what anyone else thinks. So, just keep that in mind, all right? That's all."*

South Whidbey Harbor

A. Expansion Project

1. Status of Concept Design 266'+133': Field said the Reid Middleton design team is charging ahead and we're probably around 60% design. He received the first upland and utility plan last week, but it was more in schematic form. No response yet from the City of Langley, but supposedly there will be a staff level follow-up meeting tomorrow afternoon. Jerome doubted the Port would hear anything until after the next Council meeting on Monday evening. He planned to attend.

Finlay said, *"I was at that meeting with the City of Langley, and I thought you guys did a very good job presenting the information and educating everyone as to where you were, what was going on, etc., and Chris Jerome's presentation was wonderful."*

Barry Pomeroy asked, *"Is there any stakeholder lobbying that can be done by marina users or people who want to be involved in the marina in the future that can be done through a Langley process?"* Jerome replied, *"At the City Council meeting next Monday, there should be an opportunity for public comment, or comments can be emailed to council@langleywa.org ."*

2. SWH Expansion Permit Status

- Hydraulic Project Approval (HPA): Approved by Washington State Department of Fish & Wildlife (WDFW): Issued 2/13/10, revised 3/8/11. Follow up HPA for Temporary Breakwater Parking approved by WDFW: Issued 3/4/11, revision being coordinated by Joe Callaghan of GeoEngineers.
- United States Army Corps of Engineers (USACE) Permitting for Complete Expansion: Joint Aquatic Resource Permit Application (JARPA) submitted August 2009. Review of impact-driving underway per pending Marbled Murrelet and Marine Mammal (MM&MM) Protection Plan from GeoEngineers, submitted on 4/21/11. Review may take 6 to 24 months.
- USACE Permitting for 266'+133': Submitted 8/19/11 by Joe Callaghan of GeoEngineers.
- City of Langley: Coordination in progress

1. Boarding Floats & Uplands Design: In progress, working toward 60% review submittal.

2. Boarding Floats & Uplands Permit Status: On October 5th, the National Marine Fisheries Service notified the Port that the boarding floats project is "likely to affect; not likely to adversely affect." Field said, *"That's probably the last bit of green flag needed by USACE to issue that permit renewal, so we would expect to see that very soon."*

- Permit Extension Request to USACE: Revised JARPA submitted 2/22/11, U.S. Fish & Wildlife Service questions issued 6/3/11; Response submitted 6/9/11 by Reid Middleton; Clean plans submitted 7/13/11, Endangered Species Act (ESA) Informal Consultation issued/OK on 10/4/11 which should allow renewal to proceed soon.
- Master Permit Application to City of Langley; Approved through 12/29/11 with one-year extension pre-approved.
- Department of Ecology (DOE) Water Quality Certification and Coastal Zone Management (CZM) valid through 12/29/11 with one-year extension pre-approved.
- HPA: #122942-2 approved on 3/3/11, with 30% grating requirement.

3. Property Issues: No update

4. Funding Issues

- Port Security Grant (Phase 1A): Federal Emergency Management Agency (FEMA) site visit conducted 8/15/11; Signed Memorandum of Agreement (MOA) received 8/23/11
- Boating Facilities Grant (Floats only): Approved June 22nd, Funding Agreement received 8/9/11.

5. Consortium Coordination

- InterLocal Agreement with Island County Fire District #3: Waiting for FEMA.
- InterLocal Agreement with Island County Sheriff's Office: Waiting for FEMA.

B. Harbor Operations

1. Electrical Refurbishment: Underway, with scoping partially dependent on schedule for Expansion project.

2. Insurance Provisions for Long-Term Leases: Rhinehart explained that the current requirements for liability insurance are \$100,000 liability for boats under 26' and \$300,000 for boats over 26'. If boats are moored in the Harbor for more than 90 days, the required liability coverage goes up to \$1 million. Moorage customer Brian Woloshin had contacted the Port regarding the insurance provisions, believing that it places a financial burden on boat owners to carry an excessively high policy. In doing the research, Rhinehart said two things came to light:

- Both a local insurance agent and the Port's insurance provider (Enduris) have clarified that a \$1 million umbrella liability policy would give the Port sufficient protection, and in some instances might actually give the Port more protection than a boat insurance policy (because it would also cover personal actions, not just actions taken while on your boat).
- Rhinehart further explained that the original logic behind the 90-day requirement and the \$1 million coverage was a reading and interpretation of the Port Management Agreement (PMA) with DNR that talked about subleases. However, he contacted Don Olmsted at DNR, and Olmsted provided written clarification that moorage agreements are not actually considered subleases by DNR.

Field said correspondence with DNR has been frustrating as it is frequently unclear and inconsistent with previous correspondence. Now, DNR says it is completely within the Port's discretion to determine the level of insurance coverage for tenants and what duration different tiers kick in.

Tapert asked what Enduris had to say on the matter. Rhinehart responded, *"Enduris said they didn't see any downside to the Port relying on umbrella policies rather than boat insurance policies, and in fact saw some upside with regard to personal liability having a broader scope)."*

Tapert also asked what other ports require for insurance coverage, and Rhinehart say they range from the Port of Bellingham, which says "the moorage tenant shall carry adequate insurance" to ports that require very specific amounts. A requirement of \$100,000 is very unusual, whereas \$300,000 is very common and \$1 million seems to be unusual.

Brian Woloshin said he had some additional information to share. He spoke with Olmsted at DNR, who gave him the names of 4 other marinas that are also operating under a PMA. Woloshin subsequently contacted those marinas (Bellingham, Bremerton, Edmonds, and Port Townsend). He said, *"All four told me that they had a \$300,000 boat insurance requirement basically, period."* He continued, *"The issue of liability below or above 26' is interesting to me, because typically if you have a 26' runabout, it's probably gas-powered and it's actually a much more dangerous vessel than a larger vessel which is diesel-powered. So if you have a runabout and its gas tank blows up, you can do a lot more damage than*

my boat can because I have a diesel engine and it's extremely unlikely that my fuel is going to blow up and burn. So to me, that 26' is rather arbitrary. The umbrella policy issue is also interesting, because it brings up the topic of personal liability. The point being that other marinas don't require an umbrella policy – they only require the \$300,000 liability policy period, and I think that is reasonable and is the position the Port should take, rather than require a \$1 million liability policy. The \$300,000 should be adequate."

The Commission agreed that \$300,000 seemed to be a reasonable level. Gordon asked if there was a way to be very specific in the moorage agreements and include a Hold Harmless Agreement for the Port. If the Port attorney says that's fine, then he's okay with reducing the requirement to \$300,000. Field and Rhinehart said they would discuss it with the Port's new attorney on Thursday. The Commission also agreed the \$300,000 should be the requirement for all boats, regardless of size. Jerome added, *"I'm not so certain that \$300,000 is enough, but if our attorney and insurance agent thinks that plus a Hold Harmless Agreement is enough, then I'd go along with it."*

Rhinehart said he would talk to Enduris and the Port attorney and come back with the information for next month's regular meeting.

Port Operations

A. Maintenance & Operational Wrap-up

1. Langley Ramp Cleaning: HPA revised by WDFW to allow limited cleaning if we check for sand lance eggs.

B. Septic System Inspections per Island County: Clinton Beach - To be determined.

C. Float Removal Dates (Tentative; subject to change): Bush Pt. floats removed on October 8th and Possession floats due out on October 15th (at the latest).

New Project Opportunities

A. Sustainable Economic Development and IPZ (Innovative Partnership Zone) Issues: (Tapert & Gordon)

1. Potential Langley area "Green" Business Park and "Impact Washington" Possibilities: No report.

B. Mukilteo Parking Issues: (Gordon) Gordon said, *"There was a fascinating opportunity that came up but led nowhere. Ron Nelson (Executive Director of the Economic Development Council) got me to the Air Force contact person for the tank farm in Mukilteo, and he gave me the full tour. I haven't gotten anywhere with that yet, but I now have a firsthand understanding from the individual that's in charge of that facility."* He continued, *"It looks pretty certain that if something changes, it will happen by October of next year, or it could be years."* Gordon explained that in the meantime, the City of Mukilteo has worked out a deal to use 2½ of the tank farm pads as a parking lot to replace the 110 parking spaces behind the Diamond Knot that will convert to Park use only (no overnight or commuter parking). Gordon concluded, *"So there's a no net gain in Mukilteo parking, even if they do this. It's relatively definitive that we're not going to get any part of it."*

ACTIVITIES /INVOLVEMENT REPORTS:

Economic Development Council (EDC): (Tapert) Tapert said the biggest news is that Oak Harbor is pursuing funding for a feasibility study for Nichols Brothers Boat Builders to be able to expand near the Navy's seaplane base. He said, *"I think our Port might be able to assist them in some way, but nothing solid there."* The Whidbey Island Biz Expo is scheduled for the upcoming weekend. There are fewer participants this year, so the event will fit in the gym at Coupeville Middle/High School.

Council of Governments (COG): (Gordon) Gordon said Sherrye Wyatt from the Island County Joint Tourism Board provided a report at the last meeting, and Ron Nelson provided an excellent PowerPoint presentation. He also distributed the report from the State's Chief Economic Advisor. Gordon said, *"Basically, everything is being revised downward. However, he thinks this area will recover faster than the rest of the nation."*

Gordon said the COG will be meeting with our State senator and representatives over the next couple of months, and he asked his fellow Commissioners to let him know what legislative requests they believe are pertinent. COG hears from all its representatives and then prioritizes the list.

At the end of the last COG meeting, Gordon said that Island County Commissioner Kelly Emerson had presented a sort of "fact sheet" about potential cost savings in closing the County's Juvenile Detention Facility, and send the kids over to Skagit County. Subsequent to that meeting, Superior Court Judges Alan Hancock and Vickie Churchill responded to Emerson's proposal with a 7-page letter addressed **(EXHIBIT D)** addressed to State Senator Mary Margaret Haugen and State Representatives Barbara Bailey and Norma Smith, with copies sent to all COG representatives. The letter strongly opposed Emerson's proposal to change State law to eliminate or suspend the requirement that counties with populations of over 50,000 have Juvenile Detention Facilities. The purpose of the letter was *"...to elicit your support in keeping any such ill-advised bill from being dropped, and if it is, to defeat it."* Gordon explained that in the letter, the judges asserted that financially it wouldn't work, and in terms of our kids and the benefit of the community, it won't work.

Skagit-Island Regional Transportation Planning Organization (RTPO): (Gordon) Gordon said there was \$1 million in current RTPO funds, with "all the same players." The City of Langley is doing a Park & Ride but the bids came in higher than the amount they had funding for, so rather than scrub it and rebid, they got the contractor to hold his price and went back to the COG and got more money from the RTPO. Oak Harbor is trying to do some 7th Avenue improvements to make it more pedestrian-friendly.

Marine Resources Committee (MRC): (Jerome) No report.

Washington Public Ports Association (WPPA): (Jerome)

A. Small Ports Seminar, October 20-21 in Leavenworth: Rhinehart to attend.

Holmes Harbor Shellfish Protection District (HHSPD): (Tapert) Tapert said he had nothing to report there, but "off-topic" he had talked to Jim Patton (Executive Director, Port of Coupeville) regarding the idea of a passenger-only service between Whidbey and Camano Islands, which the Port of Coupeville had pursued a couple of years ago but was blocked by no access on Camano. He would like the Port of South Whidbey offer a letter of support for revisiting the idea of a passenger-only ferry service between Coupeville, Langley and Camano Island. Tapert said he would draft the letter for Commission consideration at the next regular meeting.

Puget Sound Partnership (Policy Development/Technical Advisory Committee): (Gregoire) Gregoire reported the PSP has not yet officially appointed him to the Committee, but they are including him in emails, etc.

Langley Shoreline Master Plan Committee: (Gregoire) Gregoire said Island County is doing their shoreline planning next year as well, and the Port needs to be at the table in both of those processes. He said, *"Under the shoreline program, there is a connection between the MRC and the HHSPD, so I think next year we could revisit those and see if we can restructure it a little differently so that one Commissioner has the responsibility for all three."* He said Langley is currently doing an inventory of their waterfront and reviewing what's going on there and putting designations there for what will be

developed there in the future. Gregoire noted that the Port has a great amount of data that was properly gathered and needs to go into the Shoreline Master Plan. He thought it could be done in conjunction with revisiting the Port's Comprehensive Scheme and updating the Harbor Master Plan, and the Harbor Master Plan should either be done before Langley wraps up their Shoreline Master Plan, or the Shoreline Master Plan should have language that states it will accept the Harbor Master Plan when it is completed.

Pacific Coast Congress of Harbormasters:

A. Fall Conference, Oct 25-28 in Olympia: Rhinehart to attend Day #2.

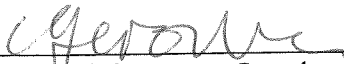
OLD BUSINESS: None.

NEW BUSINESS: None.


ADJOURNMENT: The meeting was adjourned at 9:02 p.m.

Approved:

Minutes prepared by:



Commissioner Chris Jerome, Langley



Edwin S. Field, Port Operations Manager



Commissioner Curt Gordon, Clinton

Commissioner Geoff Tapert, Freeland

- Exhibit A: Voucher Listing
- Exhibit B: August 2011 Financial Statement
- Exhibit C: State Accountability Audit Report from 10/7/11 Exit Conference
- Exhibit D: Application for Advertising & Promotion Funds for Whidbey Island Garden Tour
- Exhibit E: Clinton Progressive Association's 9/26/11 Letter of Withdrawal of Application of Funds
- Exhibit F: Application for Brochure Printing & New Signage Funds (Freeland Chamber of Commerce)
- Exhibit G: Application for Off-Island Advertising Funds (Whidbey Island Arts Council)
- Exhibit H: Resolution No. 11-05: Establishing Agreements for Port Grant Funding
- Exhibit I: Letter dated 10/4/11 to State Legislators re: Emerson proposal to close Co. Juvenile Detention facility