

**AGENDA**  
**THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND**  
**SPECIAL MEETING of the BOARD OF COMMISSIONERS**  
**Thursday, May 26, 2011 at 9:00 am**  
**Port Office Conference Room, 1804 Scott Rd. Freeland, WA**

1. SPECIAL MEETING

- A. Call to Order
- B. Pledge of Allegiance

2. PROJECT ACTION ISSUES – Commission & Staff Review and Direction on:

- A. South Whidbey Marina Expansion Project Design & Schedule Review Workshop
  - 1. *Review of 266' + 133' Concept and Design Engineer Input*
  - 2. *Commission Direction for Further Action*

- B. Harbor Operations
  - 1 *Electrical Refurb:* Authorization of Harbor Power Engineering Proposal

- C. Mukilteo Parking

3. ACTIVITIES/INVOLVEMENT REPORTS

4. UPCOMING MEETING COORDINATION - Topics for:

- A. June 14 Regular Meeting
- B.

5. ADJOURNMENT

## **PORT DISTRICT OF SOUTH WHIDBEY ISLAND**

Minutes of the Special Meeting

May 26, 2011

Freeland, Washington

**Commissioners Present:** Chris Jerome (Langley), Curt Gordon (Clinton) and Geoff Tapert (Freeland)

**Others Present:**

**Port Staff:** Ed Field (Port Manager), Dane Anderson (Port Financial Manager) and Molly MacLeod-Roberts (Port Clerk); **Others:** Shannon Kinsella (Reid Middleton) and Paul Schell (Boatyard Inn Co-Owner)

**MEETING CALL TO ORDER:** The Special Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Thursday, May 26, 2011, in the Port office conference room at 1804 Scott Rd. in Freeland, WA. As announced, the primary purpose of the Special Meeting was to conduct a workshop for Commission and Staff review and direction on design issues for the South Whidbey Harbor Expansion Project. Although the Meeting was of course open to the public, this Special Meeting was scheduled to enable the Commission to fully review project details with Staff and designers, and to address scoping, prioritization and direction for the designers and Staff, and public participation was not on the Agenda. Other topics on the Agenda to be addressed included Harbor Operations (electrical refurbishment) and Mukilteo Parking. Commissioner Jerome, President, called the Special Meeting to order at 9:00 a.m., followed by the Pledge of Allegiance.

### **PROJECT ACTION ISSUES**

**South Whidbey Marina Expansion Project Design & Schedule Review Workshop**

*Review of 266' + 133' Concept and Design Engineer Input:* Port Operations Manager Ed Field recapped the previous design meeting, during which the Commission authorized Reid Middleton to do a feasibility analysis of the 266' + 133' concept. The analysis should include looking at the location, the layout, the wave conditions behind the breakwater, and the reflected wave conditions along the shoreline. Reid Middleton was asked to re-check the cost estimate and "see where we're at as far as this 266' + 133' concept charging ahead." Field explained the intent is to develop something that would credibly be "all season" to satisfy the requirements for the Port Security Grant funding. Field referred the Commission to Reid Middleton's Memorandum: Initial Feasibility Analysis of Existing Breakwater Separated into Two Sections dated May 24, 2011 (**EXHIBIT A**) and the Opinion of Probable Construction Cost for the Separated Breakwater (**EXHIBIT B**). The cost estimate includes some conservative assumptions that Shannon Kinsella of Reid Middleton spelled out in the Memorandum, and also some conservative assumptions that Dr. Kim of Texas A&M University spelled out in his Performance Evaluation (included with the Memorandum). Harbormaster Rick Brewer had also provided input suggesting a realignment issue. Field suggested that in addition to discussing the assumptions and realignment, they would also want to discuss risk management and duration – he thinks the understanding with this 266' + 133' concept or any of the other minimal scope concepts is it is not likely to be a 25- to 50-year installation. He said, "We would all hope it would be more in the 5- to 10-year range before we can build out." There are other conditions that are more applicable to a 5- or 10-year installation – in particular, the Nichols' dock. It would not be prudent to consider the presence of that dock for a 25- to 50-year analysis, but it could be considered for the shorter term.

Field said, "Staff and designers can provide as much information as possible, but ultimately it is the Commission's call because it is a risk management issue. No matter how well you design it, if Nature decides to get nasty, it's going to get nasty." Anderson said his understanding is that the anchoring plan was done to accommodate a 100-year return event, and Kinsella said, "Yes, that's what we've been looking at – structurally making sure that that stays in place. It's going to move quite a bit, but the anchor, chains, and rubber connections are designed for that 100-year storm." Anderson asked if the wave analysis was done on a 50-year return event, and Kinsella said, "Yes." She continued, "As Field said, what it really comes down to is operational consideration."

Jerome asked, "Is the issue is that the breakwaters do not knock down the waves as much as we'd like and then those waves reflect off the stockade, or is it because of the gap to the northwest?" Kinsella said it is primarily because of the gap, with wave energy passing through, causing waves to reflect off the vertical wall and the breakwater as well.

Field asked if it would be possible to open up the angle of the sections beyond 90 degrees, and Kinsella said it was possible. She said they could also look at other ways to reduce reflection off the stockade. Gordon asked if the gap on the north end was for traffic, for debris, or something else. Field said there are a couple of reasons and one of them is definitely debris. Without a good opening there, Brewer is very concerned that he would have to spend a vast amount of time at a chokepoint moving logs and debris that come from the southeast. The gap is also required to accommodate the height and length of the gangway.

Field asked, "How much are we going to pick up off the Nichols' dock as we get in there?" Kinsella said the modeling does not include any of the effect of the Nichols' dock, which technically is an open pier structure so it's tough to say numerically how much of an influence it has.

Anderson pointed out the south and north property lines and noted, "We want to minimize the space outside of those lines from a lease perspective, and keep as much as possible within the Port Management Agreement (PMA)." Kinsella noted that there would be anchor lines that would extend beyond the Port's leased space, and Anderson said that the Department of Natural Resources (DNR) has been relatively accommodating on the anchors, but it is a lot less complicated if we're not into the Nichols' lease.

Gordon noted that one of the drawbacks of the 400' breakwater solo concept was the lack of year-round usability. He asked if there is a substantial difference between that concept and the 266' + 133' concept. The original layout submitted in the application for the Port Security Grant (PSG) was a \$1.4 million request. With the 266' + 133' concept, the portion paid by PSG funding would be approximately \$800,000. Field said, "If we could come up with something off-the shelf (that doesn't involve a lot of design and fabrication effort) that would allow us to put up just a wave attenuator (not a dock, etc.) off of one of the ends or sides that would be relatively economical, it could be wholly tied to the PSG." Kinsella said there could be usability of the float in the summer with a removable ramp providing seasonal connection.

Gordon asked, "Can this piece (the additional wave attenuator) be a phased piece where if we don't get the money from PSG, we don't do it? Or is it going to be a decision issue where you have to know whether or not you're going to do it before you start?" Field said it could be done as a bid alternate. Jerome said, "If we decide the projected wave conditions are acceptable and that we can afford it, then the 266' + 133' concept (without the additional piece) is okay 'as is', and then if we can afford and are able to put in the additional breakwater – it gets better." Field explained that the Port might be able to present it to the PSG representatives as: "Here are the conditions with and without the additional piece. We will be building without, if that's good enough for your boats – great, let's proceed without. If you think you need more protection, then you need to pay for the additional piece."

Anderson noted that in the event of winter storms, there is still some opportunity for the two PSG 32' boats to seek shelter within the stockade, where the Port is required to have 25% of the space available for transient moorage during the winter months.

Jerome asked Anderson if the \$2.5 million cost estimate was in line with his previous estimates used in the models for the last meeting. Anderson said, "It's a little bit higher, but it includes some stuff that we might be able to remove (uplands development, electrical refurbishment, etc.). The short answer is that the unaltered budget is higher than what I had in the models, but I'm confident we can get it down to an amount that fits in the models." Jerome said, "If I remember correctly, the models showed that if we didn't have the Port Security Grant at all, we could still afford to do this." Anderson said, "It puts us right to the wall and maximizes our bonding capacity."

Gordon asked what the annual payment would be for a \$1 million, 20-year bond. Anderson said it would be about \$110,000. Gordon noted that the projection has the Harbor going from losing \$45,000 per year to a breakeven scenario instead. For it to work for him, Gordon said the Harbor has to show a \$50,000 per year improvement, which would pay for a large portion of that bond. Jerome pointed out, "But if we get the Port Security Grant funding, the bond might be reduced or even eliminated." Anderson agreed, and noted that according to the federal regulations, there is an option to get a pre-sale draw on the Port Security Grant so it could be used as working capital.

Jerome said the design wave conditions were not bad for the kinds of boats that would use it. Kinsella said, "Yes, it all comes down to operational and risk management, and looking at the cost benefit during the winter to see if it offsets the cost of closing it off further."

Anderson asked Kinsella to explain "viscous damping." She explained that the way Texas A&M modeled it was basically with a box, so they have all 3 dimensions, and then with the chains, they put a stiffness coefficient on them, so they give it a little bit of movement. That interaction of how the breakwater moving actually dampens the waves gets pretty complicated (as it dampens the wave then it moves differently), so they are mainly looking at what is reflected off of it and what passes underneath it with just a little bit of movement. It ignores that interaction of the wave moving the breakwater, reduces some energy in the wave so it responds with viscous damping. Kinsella and Dr. Kim discussed it, and agreed there is about a 10% reduction of the wave. She noted that the numbers are somewhat conservative. Field added, "There are conservative assumptions and conservatism built into pretty much all of the calculations and all of the steps along."

Anderson summarized, "So, with Kinsella we've put together the scenario on a conservative side. From my perspective, it is a facility that is certainly operational during the summer season, and it's very serviceable in the winter season as well. I think we can do a lot with this structure (the Bremerton breakwater) and this configuration, and coloring the rest of it with carefully worded leases and understandings with the guests, tenants and insurance. I don't think we have any other real opportunity to go in another direction given our capacity."

Gordon said he was comfortable with the 266' + 133' concept because it gives the Port the ability to move forward and can be done without the Port Security Grant.

Boatyard Inn Co-Owner Paul Schell encouraged the Port to look into the potential of having an additional piece for a dinghy dock or a float plane dock, for which they could get money from the State Aeronautics Board. Right now, float planes can and do land on the beach, and providing a dock would be safer and would "organize what is happening now in a haphazard way."

Schell continued, "I'm not against (the Port) building what you have money for, but don't preclude the ability to expand. I think there is more capability needed. Secondly, regarding summertime use, people are tying up now with buoys, and dinghy dock would be a really useful thing in the summer. Make sure whatever you do that you can expand it and build on it." Schell said they were also going to try to put together island-hopping tours in the shoulder season for larger boats and that would definitely help tourism development, and he hopes the Port would be able to accommodate that kind of vessel. Regarding a fuel dock, Schell said, "It seems to be environmentally irresponsible to require everybody to go all the way over to Everett to get fuel, and if there's a way to have that capacity with a floating fuel dock, you should do it." Anderson explained that the idea to revisit the fuel facility concept at the Harbor remains in the Port's Comprehensive Scheme as one of the Potential Projects & Initiatives, but the last time it was reviewed it was found to be financially non-feasible.

Schell noted that he and his co-owner (Tony Puma) were willing to ask the City of Langley to pay a portion of the lodging taxes towards the Harbor expansion project. Gordon's response (independently, as a Commissioner) was: "Go get it, and when you get it, we'll make something happen. What we're talking about here allows for adding a piece on here or there, or adding a dock that's for dinghy use only." Schell said they would like a "cartoon drawing" of the additional piece to show the City of Langley what they would be funding. Schell said they also found a better way to do the funicular, without involving any of the Port's uplands, by putting the funicular landing inside the next building to be constructed on the adjacent (Drake) property. One possible plan is to have a restaurant on the 2<sup>nd</sup> floor of that building, and Schell suggested the ground floor would be a great location for the harbormaster office. Prior to leaving the meeting, Schell said that as long as the marina project is expandable, he and Puma would support it and go to the City to get part of the lodging taxes to help fund additional transient moorage.

Field said the idea of a seasonal-only dinghy float was a good one and added, "If we pay for 50 feet, and the City provides \$40,000/year from the lodging taxes, then it could be 100 feet." Gordon said, "I'm really glad to hear you guys saying this. If you can make that work, it just throws the options open. Let them go dig for money." Field said the key is in understanding that it will be seasonal – it will not be year-round.

*Commission Direction for Further Action:* Gordon said, "I like everything I've heard, especially the potential add-on at the end and maybe even a free floating pier if the money becomes available. Let's get something going that we know we can actually build." Jerome said, "I agree. I'd like us to make a decision and be moving ahead and this looks like we can do it." Tapert also agreed. Anderson said he would continue his conversations with the Port Security Grant representatives and show them the configurations presented today. He reported that their initial feedback to the separated breakwater concept was "it's probably fine."

Field said he would appreciate a motion to proceed with optimizing the design of the 266' + 133' layout, and to develop bid alternatives and/or add-ons for additional, expandable floats on the north side (just feasibility – not detailed; just a concept evaluation to see what's out there, etc.). Gordon said, "Just the feasibility – I'm good with that, because that gets our base job going no matter what. Until we know more from FEMA (about the Port Security Grant funding), there's no sense spending a whole lot of money on more than feasibility for the other floats." Jerome said, "But it would have us ready if FEMA says yes, and it would have us ready if Puma and Schell are successful at obtaining the money from the City's lodging taxes."

Gordon asked what it would cost to go from feasibility to a bid alternate phase for the additions. Anderson responded, "I think there's a half-step in between needed for my conversations with FEMA, and that's the Estimation of Probable Construction Costs for whatever the feasible design is." Field said the float plane possibility also needs to be included in that feasibility, etc. Anderson said, "I think what I

need to discuss with FEMA and probably WSDOT (Washington State Department of Transportation) is the feasibility on an option to make it a full, year-round facility (close off one end) and an estimate of what that might cost. Jerome added, "And presumably, part of the feasibility is to find out if it has any impact at all on the wave analysis." Kinsella added, "Yes, wave reduction, etc. What are the layouts? What is the performance with it in place? And then what are the general costs."

Gordon asked if float plane passengers could be brought in by dinghy rather than connecting the float. Field thought the hope would be that a seasonal ramp/gangway could be used.

**ACTION:** A Motion was made by Gordon and seconded by Tapert to proceed with the 266' + 133' concept as presented as quickly as possible. The Motion passed unanimously.

Regarding feasibility of any addition(s) to that base concept, Jerome asked, "The kind of budget we're talking about is less than \$1 million, right?" Anderson said he would be much more comfortable with a \$600,000 option. Jerome summarized the issues to look at for feasibility as: What is feasible on the north end for \$500,000 or \$1 million? Can it accommodate float planes? What does it do for the wave analysis? Gordon said they need to look at both: Option A: If the connector can be \$500,000 more from FEMA (stand-alone) and then Option B: Another \$500,000 for an additional float funded by the lodging taxes (\$500,000). Jerome recapped: For \$500,000, there is Option A and for \$1 million there is Option A plus Option B.

**ACTION:** A Motion was made by Gordon and seconded by Tapert to consider the feasibility for a \$500,000 Option A or a \$1 million Option A+B additional add-on options separate from the 266' + 133' base project, as follow-on tasks to the 266' + 133' concept work. The Motion passed unanimously.

Field said his expectation would be that the bid documents should be "out on the street" early in 2012, and based on the scope so far, there would be substantial completion of the project before the end of 2012. Jerome asked about permits. Field said, "Once Reid Middleton has completed the optimization of the 266' + 133' design and we know we've got a good layout for that (base design with no add-ons), at that point, we're back to permits. We wait for the ESA (Endangered Species Act) work to be completed on the big Army Corps of Engineers permit, and once that permit is issued, we go back and say 'Thanks – this is what we're actually going to build right now.' We sequence it carefully so as not to disrupt any permitting in progress, but GeoEngineers thinks 6 months should be more than sufficient for a mere revision."

The Commission thanked Kinsella for coming, and she left the meeting at 10:30 a.m.

### **Harbor Operations**

*Electrical Refurbishment – Authorization of Harbor Power Engineering Proposal (EXHIBIT C):* Field explained the proposal was to direct-hire Harbor Power Engineering to do the electrical refurbishment, which would help keep the numbers down on the big project. The scope includes evaluating the existing electrical distribution system in the marina, identifying and prioritizing recommended repairs/alterations, and supporting Port staff in the oversight of repair work. The estimated Electrical Design Fee was \$4,805 for the Investigation Phase and \$1,990 for the Repair Phase for a total of \$6,795. The estimated expenses for the project were less than \$100.

**ACTION:** A Motion was made by Gordon and seconded by Tapert to accept Harbor Power Engineering's Electrical Engineering Fee Proposal as submitted. The Motion passed unanimously.

**Mukilteo Parking:** After talking with John Mohr (Executive Director, Port of Everett), Gordon said, "It has become apparent that the City of Mukilteo has been negotiating directly with the Air Force. It doesn't necessarily please the Port of Everett, but it's a reality." Gordon plans on meeting with the Port of Everett's staffer who has been dealing with the Air Force, as well as the individual serving as Boeing's legislative liaison. Ron Nelson, Executive Director of the Economic Development Council, is very excited about the parking garage concept, but he doesn't think Boeing will be interested in helping at all. However, the unions at Boeing are also very excited about the parking garage concept. Gordon said, "Hopefully I'll have reports from those meetings before the July meeting and then I'll put everything together and we can either move ahead with something or not."

Gordon said the City of Mukilteo is negotiating with the Air Force to lease a small area that would provide the exact same number of parking spaces to replace those that are currently being used behind the Diamond Knot, so there will be no net gain in spaces. They are talking about paying \$50,000 per year for that space, so they will actually make less net revenue than they were before.

Anderson said the Port and the EDC will continue pushing the Air Force on the issue.

**ACTIVITIES/INVOLVEMENT REPORTS:** The Skagit-Island Regional Transportation Policy Organization (RTPO) has approved the Port position on the Technical Advisory Committee (alternating with the Port of Coupeville).

**UPCOMING MEETING COORDINATION – Topics for:**

**June 14 Regular Meeting:** Jerome noted that the Commission would need to revisit the Possession uplands issue. Anderson said an extension of the listing agreement is available, and Goodman Networks is essentially in a holding pattern for their proposed lease for a cell tower on the property. The original purchase offer from Gilbert has not been changed (no easement for the upper loop portion of the Dorothy Cleveland Trail). Gordon suggested Staff should contact the realtor and try to arrange a meeting with the buyer at the property to discuss the Trail.

**ADJOURNMENT:** The Special Meeting was adjourned at 10:50 a.m.

Approved:

  
Commissioner Chris Jerome, Langley

  
Commissioner Curt Gordon, Clinton

  
Commissioner Geoff Tapert, Freeland

Minutes prepared by:

  
Edwin S. Field, Port Manager

- Exhibit A: Reid Middleton 5/24/11 Memorandum: Initial Feasibility Analysis of Existing Breakwater Separated Into Two Sections
- Exhibit B: Reid Middleton Separated Breakwater (266', 133' Sections) Opinion of Probably Construction Costs
- Exhibit C: Harbor Power Engineers 5/11/11 Electrical Engineering Fee Proposal