

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING

LOCATION: SWPRD Meeting Room, 5475 Maxwellton Rd, Langley WA
DATE: December 14, 2010

7:00 PM – 7:30 PM WORKSHOP

7:30 PM – REGULAR MEETING CALL TO ORDER

1. Pledge of Allegiance

BUSINESS MEETING

1. Consent Agenda:
 - A. Minutes on file: Minutes from the Public Hearing on Amendment of the Comp Scheme of October 20, 2010.
 - B. Vouchers: Vouchers #4592 through #4638 as signed on December 8 in the total amount of **\$119,805.63**
2. Request for Financial Support for *Sound Waters 2011* (Feb. 5, 2011 event at SW High School)

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

- 1.

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

1. October 2010 Financial Report (distributed earlier)

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

1. Possession Beach Waterfront Park –
 - A. Uplands Property Surplus Sale
 1. Commission Action on Brokerage RFP
 2. Preliminary Discussion of Sale Process

2. South Whidbey Harbor
 - A. Expansion Project:
 1. *Design & Permit Status Update:*
 - Phase 1A Reconfiguration Design, Permitting and Schedule Review & Direction
 - Permitting for Impact Driving (if needed): Commission Review & Direction
 2. *Property Issues*
 - Coordination with Adjacent Properties and Tribes: DoH response issued 12/1/10
 3. *Funding Issues*
 - BIG Application: Status update
 - Port Security Grant: Status update
 4. *Consortium Coordination*
 - InterLocal Agreement with ICFD #3: Proposed Meeting with Fire Commis – Jan 11?
 - InterLocal Agreement with Is. Co. Sheriff: Coordination in progress
 - B. Harbor Operations
 1. *ICFD#3 Cooperation:* Commission Action on Memo of Understanding
 2. *Pump-out Barge Survey and Repair Project:* Final Work authorized & underway
3. Port Operations
 - A. Maintenance & Operational Wrap-up:
4. Commercial Kitchen at Fairgrounds, incl USDA Rural Business Enterprise Grant (RBEG)
 - A. Schedule and Status Update
5. New Project Opportunities
 - A. Sustainable Economic Development and IPZ Issues (Tapert)
 1. *Potential Langley-area 'Green' Business Park and "Impact Washington" possibilities*
 - B. Ferry/Commuter Issues (Gordon)
 - C. Mukilteo Parking Issues (Gordon)
 1. *Parking Garage Concept*

ACTIVITIES/INVOLVEMENT REPORTS

1. Economic Development Council (EDC): Jerome
2. Council of Governments (COG): Gordon
3. Skagit-Island Regional Transportation Policy Organization (RTPO): Gordon
4. Marine Resources Committee (MRC): Tapert
5. Washington Public Ports Association (WPPA): Jerome
6. Holmes Harbor Shellfish Protection District: Tapert
7. Training: "Developing & Managing RFPs and RFQs" c/o Enduris, Monday Jan 10, Tukwila (Ed)

OLD BUSINESS

- 1.

NEW BUSINESS

- 1.

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

December 14, 2010

Langley, Washington

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

Others Present:

Port Staff: Ed Field (Port Operations Manager), Dane Anderson (Port Finance Manager) and Molly MacLeod-Roberts (Port Clerk); **Others:** Helen Price-Johnson (Island County Commissioner), Toni Grove (Whidbey Examiner), Graham Johnson (WSU Island County Beach Watchers) **Clinton Residents:** Amely Leito and Clyde Monma and **Langley Residents:** Mynda Myres and Christina Drake.

MEETING CALL TO ORDER: Following a Workshop from 7:00 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, December 14, 2010, at the South Whidbey Parks & Recreation District Meeting Room at 5475 Maxwellton Rd., Langley, WA. Commissioner Tapert, President, called the Regular Meeting to order at 7:30 p.m., followed by the Pledge of Allegiance.

BUSINESS MEETING:

1. Consent Agenda:

A. Minutes: Minutes from the Public Hearing on Amendment of the Comprehensive Scheme of October 20, 2010.

B. 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**).

ACTION: A Motion was made by Jerome and seconded by Gordon to approve the Consent Agenda as submitted, acknowledging acceptance and authorization of Vouchers #4592 through #4638 (as signed on December 8, 2010) for a total amount of \$119,805.63. The Motion passed unanimously.

2. Request for Financial Support for Sound Waters 2011 (February 5, 2011 event at South Whidbey High School (EXHIBIT B): Port Operations Manager Ed Field explained that the \$500 request from WSU Island County Beach Watchers for support of "Sound Waters – A One-Day University for Everyone" was submitted last month. Although it is out of sequence with the usual timing for Applications for Funds, the event is such an applicable and appropriate event for Port sponsorship that he recommended the group send a representative to this meeting to present it directly. Graham Johnson of the WSU Island County Beach Watchers (ICBW) was on hand to do so. Johnson provided the Commission with a brief history of the Sound Waters event, which has been one of the predominant educational programs of ICBW for 16 years. It has always been held in Coupeville, but this year the group decided to move the event to the south end of Whidbey Island, for several reasons. In the last few years, 550-575 people have attended the event and that is more than the Coupeville venue can handle for the keynote address. The auditorium at South Whidbey High School seats 600 so it is perfect for the crowd size they hope to attract. Johnson said another reason for the move south is to reach out to a new audience. ICBW is also trying to reach property owners in the area, and they have identified 15,000

properties in South Whidbey where the tax bills go to addresses off-Island. ICBW is trying to reach out to some of those property owners. They have sent Sound Waters postcards to 500 of those owners in the Everett and North King County areas, and ICBW will also advertise the event in the Everett Herald newspaper during the month of January.

The focus and primary theme of this year's Sound Waters is water quality, and ICBW is seeking financial support from organizations that have an interest in clean water and asking them to become partners in making this a successful event. Johnson said ICBW would like to offer the Port the opportunity to have an exhibit at Sound Waters. There will be 40-50 exhibitors, including Puget Sound Energy, Skagit Farmers, etc. Johnson explained the event is "an entirely volunteer effort." There are about 65 different classes taking place during 3 time blocks, and none of the presenters are compensated.

Jerome said he would like to support the program, especially since it is coming to South Whidbey for the first time. Gordon agreed. Tapert said his only objection was the timing (with the request coming out of sequence from the regular March and September meetings). He said, "I'm all for it, but this is a one-time exception and if ICBW requests funds next year, they should apply at those designated meetings."

ACTION: A Motion was made by Gordon and seconded by Jerome to approve the \$500 request for sponsorship of Sound Waters 2011. The Motion passed unanimously.

PUBLIC COMMENT – Including Items not on Agenda:

Clyde Monma said he would like to make a request of the Commissioners. He stated, "*At the public hearing, it was specifically suggested very strongly by Chris (Jerome) that the cost of doing a Boundary Line Adjustment (BLA) was significantly higher than splitting it the way it was decided at the meeting, and when we asked Staff, they didn't really have an answer to it. So, I think for the sake of transparency, since that question was raised by the audience (or by me in particular), I'd like to request that the Commissioners ask the Staff to look into it to see if there is a significant difference.*" Gordon said that would be easy to do since they actually did look into it. A BLA requires a full survey, and the original estimate for a survey was over \$3,000. He asked Staff to provide Monma the information regarding the difference in cost between a BLA and the unregulated segregation the Port ended up doing instead.

FINANCIAL ACTION ISSUES:

1. October 2010 Financial Report: The Commission acknowledged receipt of the October 2010 Financial Statement, which had been mailed to them previously (**EXHIBIT C**).

PROJECT ACTION ISSUES:

1. Possession Beach Waterfront Park:

A. Commission Action on Brokerage Request for Proposals (RFP): Port Finance Manager Dane Anderson referred to the draft RFP (**EXHIBIT D**) requesting proposals from licensed real estate brokers to act as the Port's representative in the sale of the 14.04 acre parcel of property located on the ridge west of Possession Beach Park that was declared surplus by the Port.

Gordon asked if Staff had discussed with the Port Attorney how to take this forward, and Anderson reported that the attorney previously indicated there was nothing in the RCWs that would give the Port any direction as to how the property is sold.

Tapert noted that the Port had previously considered obtaining an appraisal for the property, but the cost was exceedingly high. Anderson confirmed that it was about \$8,000. A market analysis by a qualified broker; however, could essentially be done at no cost. Tapert asked, "Following this RFP work, are we looking at doing a listing?" Anderson pointed out that there are at least 2 entities interested in the property (as noted in the draft), and the idea is that those two would be excluded from any listing agreement. Gordon said he didn't necessarily agree with that piece of it, and they needed to discuss it. Anderson explained that with the RFP, the Port wants to get a market analysis, find out how well a broker will market the property, and how much it will cost the Port. Gordon asked, "If a broker comes and does all their homework and we end up selling to one of the prospective buyers that are excluded from the listing, does the broker end up with nothing?" Anderson said, "Right. The intent of the RFP (subject to Commission approval) is to hire a broker to find new potential buyers for the property."

Gordon thought the Port might receive fewer proposals if the two interested entities were excluded from any listing. Jerome suggested rewording the final paragraph, which reads: *The Port has identified a group of buyers that has shown interest in the property. Named members of this group shall be excluded from any listing agreement. Sale to members of the excluded group will not require any services; sales commission will not be paid.* The Commission agreed and directed Anderson to leave the first sentence, but replace the remainder with: *The proposed listing agreement should identify and treat these prospective buyers separately from those prospective buyers identified by the broker.*

Anderson asked if the Commission wanted to be involved in the selection of the broker or if Staff should handle it. The Commission agreed Staff should narrow the choices down to 3, provide the information to Commissioners for review at the January meeting and discuss with Staff as needed.

B. Preliminary Discussion of Sale Process: **Clyde Monma** asked, "When you start negotiating with whoever the parties are, do you intend to proactively discuss the possibility of putting an easement on the (Dorothy Cleveland) Trail? Tapert said, "I am." Gordon responded, "I'm open to that." Jerome pointed out that it is mentioned in the RFP, and read the following aloud: *The Board of Commissioners reserve the right to accept an offer priced lower than the highest priced offer if that lower priced offer includes provisions to keep and maintain the existing Dorothy Cleveland Trail that runs through the parcel, or otherwise serves Port purposes.*" Gordon said the Commission owes it to the constituents to get as much money as possible, but if there are public benefits those can be considered.

Monma said, "I assume Friends of the Dorothy Cleveland Trail (FOCDCT) is one of the interested parties. Who is the other one?" He believed that information should be made public. The Commission said they didn't know who the parties were, and Monma said, "Whoever does know, should say so." Tapert disagreed and said discussions regarding the sale of property should be held during an Executive Session, because disclosing a potential buyer could affect the price of the property.

In response to additional discussion regarding the sale process, the Commission explained that the format and process has not been set; at this point they have only determined that the draft RFP will be sent as amended. Gordon said they do not need to discuss the players, particular dollars, the timing, etc. – all of that needs to wait until they have figured out the format and process and inform the public when it is set. Field noted that the bidding and negotiation process for real estate would absolutely be covered under an Executive Session, but any decision must be made in an open public meeting. It was agreed that there is no rush for the actual property sale and that the format and process must be fair and open.

2. South Whidbey Harbor:

A. Expansion Project:

1. Design & Permit Status Update:

- Phase 1A Reconfiguration Design, Permitting and Schedule Review and Direction: As a result of

the special meeting on December 8th, Anderson and Field produced scheduling information for Phase 1A (as a baseline) and Phase 1A Cheap (reconfiguration of design phase) including comparisons with and without impact hammer, the timing and permit issues, etc. (EXHIBIT E). Field noted, "This is all on a feasibility level. As far as the agencies are concerned, regarding the final configuration of the Harbor – nothing has changed. This is simply an interim phasing issue; what is the first project we can build?"

- Permitting for Impact Driving (if needed) – Commission Review and Direction: Jerome summarized the issue as follows: "If we proceed with the permits as they are now (only dealing with a vibratory hammer), and it turns out we need an impact hammer, we would be dead in the water for at least one year. So the alternative we're considering isn't necessarily to use an impact hammer, but to have permits in place so we could if had to." It would cost an additional \$10K-\$20K to do the permitting to allow use of an impact hammer. If they could reduce the 20% risk of being dead in the water by spending \$20K or so, the Commission agreed that was the preferred option. Field said GeoEngineers has not provided a proposal yet for the permitting process for the impact hammer and the associated Marine Mammal Protection Plan. It will be on the table for consideration at the regular January meeting.

Reid Middleton has submitted a proposal for the feasibility aspects of the reconfiguration. Field said, "While I'd certainly agree with not getting design ahead of permitting or funding, it would be good to know whether the proposed reconfiguration is technically feasible." He suggested they might want to do at least that much of the evaluation and then pause. Gordon asked about the cost estimate for that work, and Field said the evaluation was about \$20,000 for "Phase 1A Cheap" and \$44,000 for "Phase 1A Curt." Tapert summarized that the Commission needs to determine if they want to authorize the consultants to proceed on the feasibility of a reconfigured design. Based on not knowing the status of grant funding and other issues, his preference is that they hold off even doing that, because "\$20,000 is \$20,000." Gordon agreed, noting that the Port needs to "steam forward and get the permits as applied for, because it is easier to get an amendment after they have been issued." He added that only plan that has even a slight chance to start in 2011 is the original Phase 1A, which costs \$5¾ million and leaves "a catcher's mitt." For those reasons, the Commission agreed the original Phase 1A is off the table. Since neither Phase 1A Cheap nor Phase 1A Curt can begin in 2011 due to the required changes in permitting, Gordon would like to use 2011 to shore up the funding, figure out the funding sources and figure out what the design should be. He said, "I'd like Reid Middleton to basically stop now and I'd like to go after these permits as hard as we can and get them all lined up so that when we figure out our funding, we'll know what the design is. I don't want to waste money on something we don't build." Tapert agreed they should not authorize Reid Middleton to charge forward with the feasibility until we know about the grants and the permits. Jerome also agreed and said, "There's nothing we can do in 2011 because we either don't have the permits or don't have the money. There are a number of different scenarios where we might get something done in 2012. We don't know what those are, but there is a date on which we have to make some sort of decision (either proceed with the feasibility study or go to design documents on one of the other things), in order to allow construction to start in 2012. I don't believe that date is right now – it's probably a couple of months from now, and I would like to defer that decision (to spend money with Reid Middleton) until we are closer to that critical date. Hopefully by then we will also know about the grant funding." Field said they would do some schedule reviews to try to determine that date.

2. Property Issues:

- Coordination with Adjacent Properties and Tribes; Department of Health response issued 12/1/10: Noted.

3. Funding Issues:

- Boating Infrastructure Grant (BIG) Application – Status Update: No update.
- Port Security Grant – Status Update: No update.

4. Consortium Coordination:

- InterLocal Agreement (ILA) with Island County Fire District #3 (ICFD #3): Anderson forwarded the draft ILA (**EXHIBIT F**) to the Port Attorney for review. Once the attorney has approved it, it will be sent to ICFD #3 for their approval. The Fire Commission has proposed meeting with the Port at the Port's regular January meeting regarding the partnership with the Port Security Grant. Anderson said the ILA is really the foundation for that meeting. He will advise the Commission when the meeting has been confirmed.
- InterLocal Agreement with Island County Sheriff: Coordination in progress. Anderson explained this is also concerning the Port Security Grant, and he expects to use the same ILA as the one for ICFD#3 and have the same conversation with the Sheriff's Department.

B. Harbor Operations:

- ICFD#3 (Island County Fire District #3) Cooperation – Commission Action on Memo of Understanding (MOU) (**EXHIBIT G**): Anderson explained that the Port inherited a fire-fighting foam/pump cart when the Harbor was transferred from the City of Langley. ICFD#3 tested the equipment, determined it was in good working order and they would like to have it, as well as a location to practice specialized fire and rescue activities associated with harbor locations and vessels. In exchange, ICFD#3 will provide surplus fire hoses to be used in the fire-hose cabinets at the Harbor. The Commission had no objection to the MOU as presented, and Tapert signed the agreement as President.
- Pump-out Barge Survey and Repair Project: Final work authorized and underway. The barge should be returned to the Harbor late this week or early next week.

Anderson reported that Washington State Parks does have a grant opportunity for new pump-out facilities. Staff passed on it because Parks wants the project finished by June 30, 2011, and there isn't enough time to get the permits, etc. The opportunity may show up again next year, though, if it is funded again. Gordon asked about the matching requirement, and Anderson explained because of the way it is structured with two grants, it wouldn't actually cost the Port any money for the capital expense. The Port would be responsible for maintenance and operations costs, though. Gordon asked Anderson to look into it a little bit if he had time.

3. Port Operations:

A. Maintenance & Operational Wrap: Field said Staff has done extensive research and received the legal response back from Joe Callaghan of GeoEngineers. Everything indicates that the process recommended by GeoEngineers (doing the SEPA, JARPA and shoreline permitting process) is the minimum that needs to be done. Staff therefore recommends proceeding with the program as proposed by GeoEngineers last month. Field recommended the Port proceed with the submittals, but not with the biological evaluation authorization because Staff is looking at alternatives that might save half the cost. He also thought they should hold off on the coordination Task for now because none is needed until the permits are in.

Gordon noted that the Port is going the extra mile by obtaining the additional permits (JARPA, SEPA, etc.), although not all agencies do this. The Commission agreed the Port should be fully permitted and compliant, even though it will cost an additional \$15,000 or so. The Commission agreed to go forward with Tasks 4, 5 and 6 of the proposal as discussed.

4. Commercial Kitchen at Island County Fairgrounds, including USDA RBEG (Rural Business Enterprise Grant):

A. Schedule and Status Update: Anderson reported that the program has been funded for next year. Although they haven't made an announcement on the applications yet, the Port's application has been submitted. He has asked the Mt. Vernon office to confirm that the application is sufficient but has not received a response, so he will continue to call them weekly.

Island County Commissioner Helen Price Johnson thanked the Commission for pursuing the USDA grant. It is an excellent project and fulfills a lot of the goals of Island County with economic development and agricultural support, etc. She thought it could also serve as a model for other opportunities that present themselves. Since Island County is the underlying property owner, they would love to be "kept in the loop" as the project proceeds. Price Johnson said the Island County Fair property itself presents the opportunity for more economic development that different agencies (Economic Development Council, the Port, Island County Board of Commissioners, Tourism Board, etc.) could participate in jointly. She said, "None of us have a lot of money, but we do have a very collaborative community." She suggested the groups could collaborate on putting a short list together with some preliminary parameters of the common goals, so when those kinds of grant opportunities arise, they can put something forward. Instead of waiting around for the "big money" to come in for the large projects, they could do some smaller projects such as this one.

Price Johnson said the fairground property holds some real value because it already has infrastructure, etc. and Field added, "And parking!" She said, "We all support the Fair and would never impede on that, but that property is available year-round."

5. New Project Opportunities:

A. Sustainable Economic Development and IPZ (Innovative Partnership Zone) Issues: (Tapert) No report.

B. Ferry/Commuter Issues: (Gordon) Gordon said he and Price Johnson had attended the Washington State Ferries (WSF) presentation the night before regarding budget and service reduction, etc. They learned that the Seattle/Bainbridge ferry makes 114% of its costs from fares, the Edmonds/Kingston run makes 104% and the Clinton/Mukilteo run makes 92%. All the other ferry routes make 50% or less.

Gordon said he also planned to meet with the planner for Mukilteo to discuss a property that could be used for parking. He would update them when it is scheduled.

Price Johnson said if anyone is interested in weighing in on the Clinton ferry issue, there is a Ferry Advisory Committee that is advocating on behalf of the Clinton ferry riders. Their website is:
<http://www.whidbeyfac.com>

C. Mukilteo Parking Issues: (Gordon)

1. Parking Garage Concept: Gordon said he planned to meet with the planner for Mukilteo to discuss a piece of property there. He would update them when the meeting is scheduled.

ACTIVITIES /INVOLVEMENT REPORTS:

1. **Economic Development Council (EDC):** (Jerome) No report.

2. **Council of Governments (COG):** (Gordon) No report. (Cancelled last month due to snow.)


3. **Skagit-Island Regional Transportation Planning Organization (RTPO):** (Gordon) Gordon said the Technical Advisory Group (TAG) had completed their major round of funding, but found an extra \$80,000 due to groups giving back money that were not able to use. There will be another small round of requests coming up.
4. **Marine Resources Committee (MRC):** (Tapert) Tapert said the last meeting he attended was mainly concerning an ongoing University of Washington study of the water quality in Penn Cove.
5. **Washington Public Ports Association (WPPA):** (Jerome) No report.
6. **Holmes Harbor Shellfish Protection District (HHSPD):** (Tapert) No report.
7. **Training – “Developing & Managing RFPs and RFQs” c/o Enduris:** Field is scheduled to attend this one-day session on Monday, January 10, 2011 in Tukwila.

OLD BUSINESS: None.


NEW BUSINESS: Jerome said he and Price Johnson had attended a meeting earlier that day with Island County Public Works Director Bill Oakes, in which there was a lot of public input regarding public beach access in Island County. He explained, “The issue is there are a number of places where theoretically there is public access to the beach, but in actuality they either can’t get to the beaches there or they run into confrontations with landowners there.” Many of the attendees were trying to impress on the County that public beach access is a right we need to protect. Jerome thought it was an interesting issue and it is germane to the Port’s mission of marine access. Ed Young of Whidbey Island Sea Kayakers made a good point at the meeting: A lot of kayakers spend a lot of money at the places they go, but they mostly head to the San Juan Islands because of the limited beach access in places like Whidbey Island. Jerome said he would meet with Young at some point, and work with him to identify the key locations within the Port District. He had also informed Young that overnight parking would soon be available at Possession Beach Waterfront Park. Jerome said one of the biggest issues is the lack of signage for the public access, and signs that are visible from land and the water are needed.

ADJOURNMENT: The meeting was adjourned at 9:08 p.m.


Approved:



Commissioner Geoff Tapert, Freeland
CURT GORDON, CLINTON




Commissioner Chris Jerome Langley



Commissioner Curt Gordon, Clinton
COMMISSIONER GEOFF TAPERT, FREELAND

Minutes prepared by:



Edwin S. Field, Port Manager

- Exhibit A: Voucher Listing
- Exhibit B: Sound Waters 2011 Request for Financial Support
- Exhibit C: October 2010 Financial Statement
- Exhibit D: Draft RFP For Licensed Real Estate Broker
- Exhibit E: Alternative Scheduling Information for SWH Phase 1A and Phase 1A Cheap
- Exhibit F: Draft ILA with ICFD#3
- Exhibit G: MOU with ICFD#3