

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING
LOCATION: Freeland Library Conference Room, Freeland WA
DATE: February 10, 2010

7:00 PM – 7:30 PM WORKSHOP

1. 7:30 PM - REGULAR MEETING

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

2. BUSINESS MEETING

- A. Consent Agenda:
 - 1. Minutes on file: Minutes from the Regular Meeting of December 9, 2010.
 - 2. Vouchers: Voucher #4184 through #4212 (as signed today) for a total amount of **\$31,221.07**.
- B. Staff Contract: Port Manager Ed Field for 2010
- C. Resolution No. 10-02: Revise Regular Meeting Date to 2nd Tuesday of each month, and Revise Regular Meeting Location to S. Whidbey Park & Rec. Meeting Room
- D. Blanket Voucher Process: Commission Discussion and Direction
- E. Auditing Officer and Treasurer Status and ByLaw Discussion

3. PUBLIC COMMENT – Including Items not on Agenda.

4. ACCOUNTANT REPORT:

- A. December 2009 Financial Report (mailed earlier)

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

- A. Possession Beach Waterfront Park
 - 1. Proposed Cell Tower: Presentation by Steven Berk/Goodman from AT&T
(May be moved up in Agenda)
- B. South Whidbey Harbor
 - 1. Expansion Project
 - 1. Design & Permit Prep: Status Update, and the Next Steps
 - 2. Property Issues:
 - 1. Update on Tidelands Appraisal & Donation Process from Tony Puma
 - 2. Update on PMA Status from DNR
 - 3. Funding Issues
 - 1. Financial Policy issues from 2/3/10 Workshop
 - 2. Draft InterLocal Agreement for accessing RCEDF
 - 3. RCO Opportunities and February 26 Seminar
 - 4. Appropriations Request; Commission Authorization to Submit
 - 4. Phil Simon Park Relocation Project: Sign and Grand Re-Opening Pending

2. Harbor Operations
 1. Initial Review of Proposed Regulation and Rate Revisions for 2010-2011
 2. Clean Water Act Contract with WA Parks for Septic Pump-out Cost Reimbursement

- C. Staff & Operations
 1. Port Home Office & Clerical Staffing: Current Status and Plans for 2010

- D. New Project Opportunities
 1. Possession Pt. State Park Acquisition/Development, Clinton (Young)
 2. Commercial Development along Highway, Clinton (Jenkins #2)
 3. Dog House participation, Langley (Jenkins #3)
 4. Ferry Commuter Parking, Mukilteo (Parrish)
 5. Island Transit Circulation/Shuttle Service Possibilities
 6. Coordination on Individual Commissioner Initiatives
 7. Economic Development Workshop Scheduling: Discussion

6. ACTIVITIES/INVOLVEMENT REPORTS

- A. Economic Development Council (EDC): Jerome
- B. Council of Governments (COG): Gordon
- C. Skagit-Island Regional Transportation Policy Organization (RTPO): Gordon
- D. Marine Resources Committee (MRC): Tapert
- E. Washington Public Ports Association (WPPA): Jerome
- F. Department of Commerce (formerly CTED): Gordon
- G. Holmes Harbor Shellfish Protection District: Tapert
- H. Puget Sound Partnership: Tapert – Need for continued involvement?

7. OLD BUSINESS

8. NEW BUSINESS

9. ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

February 10, 2010

Freeland, Washington

Present at the meeting were:

Commissioner Geoff Tapert, Freeland
Commissioner Chris Jerome, Langley
Commissioner Curt Gordon, Clinton
Ed Field, Port Manager
Dane Anderson, Port Financial Manager
Molly MacLeod-Roberts, Port Clerk
Rick Brewer, Harbormaster

Steven Berke, Goodman Networks
Tony Puma, Co-Owner of Boatyard Inn
Marty Behr, Langley Resident
Kathleen Waters, Langley Resident
Michaela Wheatley, South Whidbey Record
Leanne Finlay, Freeland Resident
Ed Jenkins, Clinton Resident

Absent: None

1. MEETING CALL TO ORDER:

The Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened Wednesday, February 10, 2010, at the Freeland Library Conference Room in Freeland, WA. Commissioner Geoff Tapert, President, called the Regular Meeting to order at 7:30 p.m., followed by the Pledge of Allegiance.

2. BUSINESS MEETING – THE CONSENT AGENDA:

A. Consent Agenda:

1. Minutes: Minutes from the Regular Meeting of December 9, 2009.
2. 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 Commissioner Jerome and seconded by Commissioner Gordon to accept the Consent Agenda, including authorization of Vouchers #4184 - #4212 for a total amount of \$31,221.07. The Motion passed unanimously.

B. Staff Contract – Port Manager Ed Field for 2010:

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Jerome to approve the Employment Agreement for Edwin S. Field as presented (**EXHIBIT B**). The Motion passed unanimously.

C. Resolution No. 10-02 (EXHIBIT C) - Revise Regular Meeting Date and Location: The proposed resolution was to change the regular meeting date to the 2nd Tuesday of each month and to change the regular meeting location to the Meeting Room at the South Whidbey Parks & Rec District office at 5475 Maxwellton Avenue.

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Jerome to approve and adopt Resolution No. 10-02 to revise the regular meeting date and location of the Port District of South Whidbey Island. The Motion passed unanimously.

D. Blanket Voucher Process – Commission Discussion and Direction: Commissioner Gordon explained that Port Manager Ed Field and Port Clerk Molly MacLeod-Roberts had looked into the blanket voucher process and reported that it is doable. He explained that with the blanket voucher process, the Auditing Officer would still be required to sign each voucher but the Commissioners would sign only the cover page listing the vouchers at the regular meeting (rather than all three Commissioners signing each voucher). Commissioner Gordon said he preferred that the Auditing Officer should be a member of the Commission, rather than the Port Accountant. He recommended they wait to adopt the blanket voucher process until after the Port office has been relocated and the Commission has appointed one of the Commissioners as Auditing Officer.

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Jerome to table the discussion of the blanket voucher process until a later date. The Motion passed unanimously.

E. Auditing Officer and Treasurer Status and ByLaw Discussion: Commissioner Gordon said having a treasurer is not as critical as having an Auditing Officer who is a member of the Board, since Island County serves as the Port's Treasurer. The Auditing Officer can be assigned later.

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Tapert to table the discussion of the Auditing Officer and Treasurer status until a later date, in conjunction with the blanket voucher process. The Motion passed unanimously.

3. PUBLIC COMMENT – Including Items not on Agenda:

Marty Behr, Owner of Warehouse on Crawford Road: Behr provided the Commission with a prepared statement (**EXHIBIT D**) summarized the salient points regarding his recommendation that the Port purchase the warehouse he owns on Crawford Road. He would like it to be discussed at the upcoming financial workshop (to be scheduled). He noted the warehouse could be used as an economic development incubator as well as potential office space for the Port.

Ed Jenkins, Clinton Resident: Jenkins read aloud his 4½ page prepared statement (**EXHIBIT E**). He believed the Port had misinformed the public regarding the revenue from the marina, and repeated his request that no more time or money be spent on the marina until the Port creates a proper business plan, pro forma cash flow projections and an exit strategy. Jenkins further claimed that the negotiations between the City of Langley and the Port were done in secret and were most likely illegal; possibly putting the entire marina deal at risk. His statement included comments regarding Langley such as “the downtown is in a free fall of declining business” and “the Langley Chamber of commerce is not respected by the businesses.” He added, “Despite giving lip service to tourism the actual practices are very contrary. The long-term prospect under the current

administration is anti-tourism and destructive towards downtown business.” He concluded that, “...the marina deal most likely breached due diligence, fiduciary responsibility, open government laws as well as generally accepted accounting rules and financial projections necessary for a bank loan.”

Tony Puma, Co-Owner of Boatyard Inn in Langley: Puma stated, “I don’t agree with a thing he (Jenkins) said.” Puma thinks the Port should keep doing exactly what they are doing.

Leanne Finlay, Freeland Resident: Finlay said, “I don’t think it (the marina) necessarily has to pay for itself.”

Jenkins: Jenkins read aloud from his 2-page prepared statement titled “Economic Viability for Langley Marina’ (EXHIBIT F). He provided some calculations and concluded that, “...no matter how you try to spin the marina it is a financial loser without huge amounts of tax subsidy” and “the Port could do more for Langley for much less money by hiring a knowledgeable advertising agency to promote growth and tourism.” Jenkins believed an industrial/research and development park in Clinton would be a better investment and provide “ten times the economic stimulus” than the marina could.

When he reached the 2nd page, Commissioner Tapert asked if Jenkins would allow them to accept the statement as written into the record, without reading the entire thing aloud. Commissioner Tapert said he appreciated and shared Jenkins’ focus on industrial development. Jenkins said he strongly supports the idea of a Langley Marina “per se” – he believes it’s a necessity for Langley’s future. His big concern is that, “It does not appear to be something the Port has any business being involved in, and it would be far better left to a developer to run the marina and develop it in a more expansive way than the Port.” Commissioner Tapert said he agreed to a degree, but the Port has certain obligations regarding property acquisitions and encumbrances by Washington State’s Recreation & Conservation Office (RCO). Property acquired through RCO funding is limited to non-commercial activities, and the Port has very little property at the marina that is not RCO-encumbered.

Commissioner Jerome told Jenkins, “I fundamentally disagree with your characterization of Langley and its current efforts.” Commissioner Jerome said he thinks there is a misunderstanding about the way ports are supposed to operate and the kinds of projects they are intended to fund, but more importantly, he noted that the Port has a contractual obligation to the City of Langley to proceed with the marina. Jenkins said that contract may have been entered into illegally in secret meetings. Commissioner Jerome said the InterLocal Agreement is a matter of public record.

Commissioner Gordon said the new Commission is researching the marina completely to “get up to speed” – including design review, potential costs and revenues. He felt it was premature of Jenkins to come in and make a lot of demands. Commissioner Gordon also disagreed with Jenkins’ characterization of Langley, but wasn’t sure what he thought about Jenkins’ suggesting the marina should be privately owned. He concluded that Jenkins’ comments were completely peremptory and “kind of a waste of our time” at this point. Jenkins said his requests were not premature – proper business plans and pro forma cash flows should have been done a long time ago, and no additional Port money should be spent on attorneys or bond research until proper financials on the marina are done.

Regarding Jenkins’ impugning the legality of the InterLocal Agreement, Port Manager Ed Field pointed out the fact that the Port attorney was participant in all meetings, all meetings were fully reviewed with the City’s attorney, and the State Auditor personally ruled positively on the

applicability and the legality of the ILA following a joint public meeting with elected officials from both Port and City. Full written documentation of the Auditor's review and approval is in Port files.

There was no other public comment.

4. ACCOUNTANT REPORT:

A. Financial Statement: The Commissioners acknowledged receipt of the December 2009 Financial Statement, which had been mailed to them previously (**EXHIBIT G**).

5. PROJECT ACTION ISSUES:

A. Possession Beach Waterfront Park:

1. Proposed Cell Tower: Presentation by Steven Berke/Goodman Networks for AT&T:

Berke explained that Goodman Networks has a contract with AT&T to locate, develop and construct cell towers and antenna sites throughout Oregon, Washington and Idaho. He said they are eager to move forward and take the next step, noting that he first approached the Port several months ago and had been advised to wait until the new Commission was in place. Berke explained that AT&T normally enters into lease agreements with property owners, but since the Port is a public agency the best way might be a license agreement instead.

Commissioner Tapert asked Berke if he had a site plan indicating the location of the 40'x40' footprint. Berke said he did; he had walked the site with Ed earlier in the day. He showed the Commission a rough sketch of the proposed location. Commissioner Tapert said he was concerned that potential development opportunities could be prohibited by a long-term lease, so it was critical to see that site plan.

Commissioner Gordon said he looked forward to hearing the details, but he would really like this conversation to take place at a public meeting held specifically for this purpose by the Port. Berke said, "I thought we were doing that tonight." Commissioner Gordon further explained that it was important to have a special meeting to get public input and to provide the public with a site plan, maps, pictures, etc. so everyone can see what is involved. The Commission agreed.

Commissioner Tapert noted that an additional road and power line would be needed and a lot more details than simply "an X on a map" would be required before the Port could consider going forward. Berke said prior to his company investing money for site plans, etc., they would at least like some assurance that the Port is interested in going forward. He would subsequently schedule a site walk for the Port, himself, a construction manager, a radio frequency engineer, surveyor, an architect, and perhaps utility company representatives. Commissioner Tapert asked how long it would take to set it up and Berke responded, "Probably 2-3 weeks."

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Jerome to formally state that the Port of South Whidbey is interested in exploring a specific site for an AT&T cell tower on Port-owned property at Possession Beach Waterfront Park.

Commissioner Gordon didn't like the terminology of the motion. He would support a motion that addresses an application for a cell tower, and the Port will do what is needed to address that application for the benefit of the public. Commissioner Tapert noted that the Port is not the proponent in this situation; just the lessor of the land. As a Port Commission, they are just deciding whether or not it is the best interest of the Port and its residents to have a cellular/wireless antenna on Port-owned property and allow Goodman Networks to proceed with the permit process.

At Commissioner Gordon's request, the motion was read back. He explained his objection as, "I don't want to explore it – I want to address their application." Berke said a cell tower would be a great revenue source for the Port without any out-of-pocket expenses. He realizes that the final decision will be contingent upon a public meeting, public input, an acceptable license agreement and obtaining planning and zoning permit approval. Berke added that a public hearing/public comment period is required by the Island County Planning Department, but Commissioner Tapert explained that is "not our bailiwick" – the Port is simply expressing an interest in having AT&T as a tenant on Port-owned property.

The Motion was withdrawn by Commissioner Tapert.

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Jerome for the Port to review the request from Goodman Networks (representing AT&T) for application to Island County for a cell tower located on Port-owned property at Possession Beach Waterfront Park.

Commissioner Tapert asked Berke if that was enough to go on, and Berke replied that he would like to be able to tell his company that the Port is interested and wants to go to the next step and prepare a site plan. That site plan would then also be submitted to Island County for their planning review. Berke said he understood it is contingent upon zoning approval, license agreement review & approval, etc., but he wants assurance that the Port is interested in going to the next step of getting a site plan, etc.

Commissioner Tapert suggested amending the motion to include language expressing the Port's interest in pursuing a cell tower at Possession. Commissioner Gordon disagreed; explaining he wanted more information prior to stating they were interested in pursuing it. He is interested in pursuing more information, such as the site plan.

Commissioner Jerome reported that the Fire Department had contacted him, and indicated that if there is a cell tower, they would like the lease to include language that allows public safety access to tower space for emergency services communications antennas at no charge. Berke noted that the tower would be equipped with E911, per the FCC requirement.

Commissioner Tapert called for a vote, and the Motion passed unanimously.

Berke's second request was for Board approval to place a COW (Cell On Wheels) near the restroom building along the driveway at Possession temporarily. Commissioner Tapert said he had no problem with it if the County approves it. Ed noted that the property is encumbered by the Recreation & Conservation Office (RCO); however, the cell service would be serving the people on the property and all revenue generated from the license would be going back into that facility.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Jerome to allow a COW to be placed at Possession Beach Waterfront Park.

Commissioner Gordon said, "I think it's presumptuous until we have our own public meeting – we could decide then." He felt they should table it until then.

Commissioner Tapert called for a vote on the Motion. The Motion passed by a margin of 2 – 1, with Commissioners Tapert and Jerome in favor and Commissioner Gordon opposed.

Berke said he would try to schedule a site walk before the end of the month, and the Commissioners and Staff would be invited to attend. He said it would take 10-14 days after that to have the site plan prepared.

After a brief discussion, the Board agreed to tentatively schedule a special public meeting on the topic for Tuesday evening, March 16th (subsequently changed to Monday evening, March 15th). The purpose of the meeting would be to review the site plan, coverage area, propagation map, etc. and to receive public input. Commissioner Tapert encouraged Berke to send a preliminary site plan to Ed prior to finalization.

Commissioner Gordon asked Berke for additional details on the COW: What's the process? How soon will it happen? How will the preliminary agreement be set up? Berke said he would email a proposal for license agreement. The terms would probably be for 6 months with an option to extend for another 6 months. He stressed the C.O.W. would not be a testing site – it would be an operating site in lieu of the permanent site.

Berke also explained that the permanent site would be an ETC site (Eligible Telecommunications Carrier), so it would be eligible for the stimulus package money provided to the telecommunications industry to develop broadband internet access to the more rural areas to help generate more income for small businesses in those areas.

B. South Whidbey Harbor:

1. Expansion Project:

1. Design & Permit Prep – Status Update, and the Next Steps: Ed referred the Board to their copy of the final permit comments on the proposed expansion from the City of Langley dated February 8, 2010 (**EXHIBIT H**). He noted that most of the comments are related to the impact issues on parking for transient vs. permanent boaters.

Ed reported that Shannon Kinsella of Reid Middleton and Joe Callaghan of GeoEngineers would be available in two weeks to discuss and address the Commissioners' concerns regarding technical and design issues. The Commission directed Ed to schedule a special workshop meeting (subsequently scheduled for February 23rd at 2 p.m.).

2. Property Issues:

1. Update on Tidelands Appraisal & Donation Process from Tony Puma: Puma was on hand and had intended to hand the Commission the signed documents today, but he brought the wrong file. He promised he would hand deliver them to the Port office next week and have them notarized at that time.

ACTION: A Motion was made by Commissioner Tapert and seconded by Commissioner Gordon to agree to accept and sign the transfer of tidelands from Boatyard Inn (Tony Puma) to the Port of South Whidbey. The Motion passed unanimously.

2. Update on Port Management Agreement (PMA) Status from Department of Natural Resources (DNR): Port Financial Manager Dane Anderson reported that DNR "...continues to be rather challenged in their ability to present us with a contract that is actually written into Washington State law." The Port's contact at DNR has indicated the PMA is ready to go and is just waiting for the administration to approve it. Dane said the good news is that the Port is not making lease payments on the property while the PMA is in process.

3. Funding Issues:

1. Financial Policy Issues from 2/3/10 Workshop: Dane referred the Board to their copies of the "Revenue Policies: *Statements dealing with taxes and the means whereby the Port District raises revenue to fund operations*" (**EXHIBIT I**) as revised per the discussions during the workshop.

ACTION: A Motion was made by Commissioner Gordon and seconded by Commissioner Tapert to approve and adopt the Revenue Policies as revised. The Motion passed unanimously.

Ed Jenkins said he strongly disagreed with going into a bond situation. He stated, "There are no financial provisions in place to show that the Port has any reasonable expectation of being able to sustain itself without constant infusions of tax money. In my book, that's no different than what brought down our financial system a couple of years ago." He went on to say, "To borrow that kind of money if you don't have a financial plan that shows how you're going to service that debt without obligating the taxpayers... basically you're borrowing money on the full faith and credit of us and that bothers me." Commissioner Tapert said that at this point the Port is only pursuing obtaining a bond rating. He explained that the Port is not necessarily going to get bonds, but you can't get bonds without a bond rating as the first step. Jenkins asked if the Port is spending tax dollars for attorneys and advisory or consultant fees to do that, and was told they were not. The presentation by the bond underwriter at the 2/3/10 workshop was done at no charge to the Port and was for the purpose of providing information on obtaining a bond rating. Commissioner Tapert said it is worth exploring and added that by going through this process, the Commission has had to formalize its financial policies, which hasn't been done until now. Jenkins said he withdrew his objections.

2. Draft InterLocal Agreement for accessing Rural County Economic Development Funds (RCEDF): Dane explained that in order to access the funds previously awarded, the Port must sign an InterLocal Agreement (ILA) with Island County. He presented a draft ILA provided by the County for Commission review, modeled on the ILA between the County and the City of Oak Harbor for another RCEDF grant. In response to Commissioner Tapert's question regarding timing of accessing the funds, Ed explained that per the direction of the prior Commission, the Port would not be submitting for engineering costs so the RCEDF funds would not be accessed until the Port has a contract. Dane concluded that there is no rush and this agenda item is informational only – no action required at this time.

Commissioner Jerome asked if Staff had any concerns about the draft ILA. Dane explained that there are a lot of details and the Department of Commerce is “deep into our business with these grants” so there are a lot of reporting requirements, etc. He said it is important for the Commission to understand what those requirements are and know that the ability of the Port to affect that is somewhat limited. Ed said the draft ILA will be on the agenda for the March meeting and will be discussed in further detail then.

3. Recreation and Conservation Office (RCO) Opportunities and Feb. 26th Seminar:
Dane reported that they have identified RCO dollars that they might be able to use for the outer breakwater. If RCO provides funding for that breakwater, it would have the same encumbrances that the marina has and would be a transient facility for the summer. He explained that might be okay, because the Port would still have the unencumbered Bremerton breakwater for commercial use. The Commission was very supportive of the approach. Dane said he would attend the RCO Kickoff Meeting on February 26th in order to “stay in the loop” with regard to the Boating Infrastructure Grants (BIG).

4. Appropriations Request; Commission Authorization to Submit: Dane said the Request was ready to be sent to U.S. Senator Maria Cantwell along with the appropriate support letters from our Olympia delegation, the Chambers of Commerce from Clinton, Langley & Freeland, and Island Transit. The Commission acknowledged they had reviewed the documents and had no objections, and formally authorized Dane to submit the Appropriations Request as presented.

4. Phil Simon Park Relocation Project – Sign and Grand Re-opening Pending: No update on the Grand Re-opening. Harbormaster Rick Brewer said he had seen Phil Simon’s proposed boat transom sign and liked it; he thought the Commissioners might want to go take a look at it.

2. Harbor Operations:

1. Initial Review of Proposed Regulation and Rate Revisions for 2010-2011

(EXHIBIT J): Ed said the proposed regulation revisions were relatively minor, and the rate revisions were “interesting.” The proposed changes to Regulations are:

- III.A.4 (page 7): Change the due date for long-term moorage fees from the 10th of the month to the 1st of the month.
- III.C.5 (page 7): Allow some flexibility for assessing overnight transient fees by adding the phrase, “*without PRIOR arrangement with the Harbormaster.*”
- III.C.5 (page 12): Revise the insurance requirements for private vessels to be \$100,000 per occurrence for boats <26’ LOA (length overall) or \$300,000 per occurrence for boats >26’ LOA.

The proposed changes to the Rates are:

- Institute a \$10 reservation fee to reduce amount of “no-shows”. The fee would be non-refundable but would apply to the first night’s moorage.
- Increase day use moorage fee for vessels >30’ LOA from \$5 to \$10.
- Proposed increase of \$5 per night from \$4 per night for the transient utility fee and increase the monthly utility fee to \$50 from \$40, pending a “testing of the waters” by Harbormaster to see if it would be tolerable for boaters.

Ed provided additional details regarding the utilities. He noted that the Port was not billed for electricity until August, so there is no history available for January through July to base projections on. It is clear that the utility fees collected are not covering the bills, and the monthly and annual moorage customers are using a lot more electricity in the winter months than anticipated. Regarding recycling, Rick explained that what had been tried so far was not successful. The Commission felt recycling was very important and discussed different ways of implementing a recycling program. They agreed to place recycle bins near the restrooms, and Dane volunteered to pick up the recycling each week and take it to Island Disposal.

Commissioner Jerome expressed concern that the proposed \$10 day use fee might put off customers, but Rick believed only a couple would be put off – most would willingly pay the amount.

Ed reminded the Commission that the final Proposed Regulation and Rate Revisions for 2010-2011 would be submitted for action at the regular March meeting.

2. Clean Water Act Contract with Washington State Parks for Septic Pump-out Cost Reimbursement: Dane reported that they are still waiting for the contract, which has been delayed due to the current budget constraints and general disarray of Washington State Parks.

C. Staff & Operations:

1. Port Home Office & Clerical Staffing – Current Status and Plans for 2010: Regarding the new home office space, Ed suggested Staff should first define the general terms of the required and desired features of the space before considering a Request for Proposal. He noted that Port Accountant Chuck Edwards has requested the move not take place until after April 15th (Tax Day). Since the Port needs to hire a new full-time Clerk and secure new office space, that provides a reasonable timeline. Ed said the move will likely occur between late April and May, with a definite intention of being fully operational in the new space with the new Clerk by June 1st. Ed added that he had begun work on a job description for the Port Clerk.

D. New Project Opportunities:

1. Possession Point State Park Acquisition/Development, Clinton (Young): Ed explained that Ed Young of Whidbey Island Sea Kayaks (WISK) had approached the Port with the concept of swapping the Bush Pt. facility with the Possession Point State Park, where he could operate his business and the Port could receive revenue. Commissioner Jerome said he liked the plan of providing potential revenue at low cost through a successful entrepreneur. He expressed interest in getting additional information. Commissioner Tapert said he was in favor of it if it could be done at either low cost or no cost to the Port. Dane asked if they wanted a formal proposal and feasibility done. Commissioner Gordon indicated that he was “not as enamored with the idea.” He wanted to first find out from the State if the swap is possible before wasting any Staff time. The Commission agreed that Dane should contact the State Parks and inquire about the possibility.
2. Commercial Development along Highway, Clinton (Jenkins #2): Jenkins was on hand to encourage the Port to purchase the 12.5 acres for sale for \$350,000, located across from the Dairy Queen in Clinton. He felt it was a great economic opportunity for the Port to develop as an industrial/research and development park. He believed it was commercial zoned and

would be an ideal place for the Port to pursue economic development. Commissioner Gordon noted that the proposed property has not been rezoned and is in fact still rural.

3. Dog House participation, Langley (Jenkins #3): Jenkins was on hand to encourage the Port to purchase the Dog House in Langley, which he identified as “a lynchpin for Langley.” He felt it would be an ideal location for the Port office and suggested they could also provide small home-based businesses with use of common office equipment and meeting space. Commissioner Tapert felt the building was too expensive for the Port and the Port’s home office should be elsewhere in the District (noting that the marina and harbormaster office are already in Langley).
4. Ferry Commuter Parking, Mukilteo (Parrish): Parrish was not able to attend the meeting. Commissioner Gordon said he would continue to look into the matter.
5. Island Transit Circulation/Shuttle Service Possibilities: Commissioner Jerome presented his Summary (**EXHIBIT K**) of the February 9th meeting that he and Dane attended with representatives from the Island Transit (IT), the Freeland, Langley and Clinton Chambers of Commerce and the Langley City Council. The attendees discussed transit solutions for connection from the harbor to the wider South Whidbey community, collaborative grant opportunities and Island Transit promotional activities.

The group talked about the possibility of obtaining one or more surplus small buses or vans from Island Transit for a nominal cost and operate a service independent of IT for a short-term solution to the current lack of transit for evenings, Sundays and holidays. All of the group members expressed interest in pursuing that possibility and agreed that feasibility information on the cost would be needed.

Dane explained that there was also the opportunity for the Port and IT to cross-support each other for grant opportunities, such as when the Port signed the support letter for IT’s grant application for a hybrid bus and IT signed the support letter for the Port’s appropriations request.

ACTION: A Motion was made by Commissioner Jerome and seconded by Commissioner Tapert to direct Port Manager Ed Field to gather the feasibility information for the proposed harbor shuttle.

Commissioner Gordon said he was “really interested in this being the preliminary information – fact finding and financial data” because he thinks that is the Port’s role: to figure out how to make it happen and not necessarily be the one running it. Commissioner Tapert strongly agreed, and added that shuttle and offset parking also fit into the Port’s long--term goals for the marina.

The Motion passed unanimously.

6. Coordination on Individual Commissioner Initiatives: Ed explained this item was placed on the agenda so that as Commissioner Jerome focuses on transit, Commissioner Gordon focuses on transportation and Commissioner Tapert focuses on industry, the Commissioners would have the opportunity to share and discuss what each of them are doing individually. The Commission agreed that they should keep Ed informed as to what they were working on, what meetings they were attending, etc. so he could keep the other Commissioners informed and they could avoid duplication of their efforts. The

Commission also agreed that New Project Opportunities/Individual Commissioner Initiatives should remain an Agenda item for all future meetings, and agreed with Dane's recommendation to post a calendar of all the major scheduled Committee meetings they attend as representatives. For the individual meetings such as Commissioner Jerome's recent transit meeting, the Commission agreed Ed could simply email the other Commissioners about them.

7. Economic Development Workshop Scheduling – Discussion: After a brief discussion, the Commission agreed to schedule the workshop for Thursday, March 4th at 2 pm in the conference room at the Port office.

Prior to moving to the next agenda item, Ed asked if the Commission wanted to take any action on either of Jenkins' proposals for purchase (the Dog House or the Clinton acreage). Commissioner Tapert felt they were simply public comments so no action needed to be taken. Commissioner Gordon suggested Staff should look into the zoning of the Clinton property. He recused himself from any Dog House discussion, as it was a conflict of interest for him. Commissioners Gordon and Jerome agreed they were "a unified no" on the Dog House. The Commission agreed that since both proposals had been discussed at this meeting, Ed should remove them from the agenda for the next regular meeting. Commissioner Jerome said a discussion of economic/industrial development would also involve talking about property acquisition, so the workshop would be a better place to address Jenkins' proposals.

6. ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC): Commissioner Jerome attended the last meeting and also spent a couple of hours with EDC Director Sharon Hart.

B. Council of Governments (COG): Commissioner Gordon did not attend the COG meeting.

C. Skagit-Island Regional Transportation Planning Organization (RTPO): Commissioner Gordon did not attend the RTPO meeting. He noted that the current rotation with the Port of Coupeville requires his membership be non-voting for two years, but he will continue to attend. He had attended the RTPO's Technical Advisory Committee (TAC) meeting that morning, and learned that there is some more stimulus money "dribbling down" next year, but unfortunately it is all for "shovel ready projects" and no one has any. So basically the cities (Oak Harbor, Coupeville and Langley) and Island County are doing just asphalt overlays because they qualify as "shovel ready."

Dane noted that if the Port wants to be considered for Federal Department of Transportation grants, the harbor expansion project must be identified as a priority on RTPO's list. Commissioner Gordon agreed, and added that he was working on getting the Port as a lead agency for RTPO funds, rather than the Port having to go through the County or the City of Langley. Commissioner Gordon felt the whole marina wouldn't qualify for DOT grants, but a piece of it would (such as shuttle service or passenger-type ferries). He and Dane agreed to work on identifying that piece.

D. Marine Resources Committee (MRC): Commissioner Tapert did not attend. Minutes are available on their website at <http://www.islandcountymrc.org>.

E. Washington Public Ports Association (WPPA): Commissioner Jerome was unable to attend the Legislative Port Day in Olympia on February 1. The Annual Spring Meeting will be held in May. A schedule of all their meetings is on the website at <http://www.washingtonports.org>.

F. Department of Commerce (formerly CTED): Commissioner Gordon is the representative, but there was nothing new to report since no meeting had been held. Dane explained that neither the Department of Commerce nor the Puget Sound Partnership has a set schedule for their infrequent meetings. After a brief discussion, the Commission agreed to remove both the Department of Commerce and the Puget Sound Partnership from this list on future agendas.

G. Holmes Harbor Shellfish Protection District (HHSPD): Commissioner Tapert had nothing new to report.

H. Puget Sound Partnership (PSP): To be removed from the list due to inactivity.

Ed asked the Commission to tentatively schedule the engineering workshop with representatives with Reid Middleton and GeoEngineers, and they subsequently agreed to hold the meeting at 2 p.m. on Tuesday, February 23rd in the conference room at the Port office.

7. OLD BUSINESS: There was no old business.

8. NEW BUSINESS:

A. Public Comment Procedure: Commissioner Gordon asked if the bylaws contain any limitation on how long an individual can speak during the public comment period of the meeting. Commissioner Tapert didn't think so, but added, "Typically if it's a crowded meeting, we've traditionally limited it to three minutes." Commissioner Gordon said he would like to set a reasonable limit. Dane noted that other entities actually publish the public comment speaking time limit on the agenda. The Commission agreed to add a 5-minute limit to the public comment period on all future agendas.


9. ADJOURNMENT:

The meeting was adjourned at 10:30 p.m.


Approved:



Commissioner Geoff Tapert, Freeland

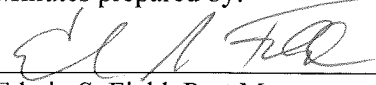


Commissioner Chris Jerome, Langley



Commissioner Curt Gordon, Clinton

Minutes prepared by:



Edwin S. Field, Port Manager

- Exhibit A: Voucher Listing
- Exhibit B: Employment Agreement for Edwin S. Field
- Exhibit C: Resolution 10-02 (Revise Regular Meeting Date and Location)
- Exhibit D: Marty Behr's prepared description of his Crawford Road Warehouse
- Exhibit E: Ed Jenkins' prepared statement, "February Port Meeting, 2-10-2010)
- Exhibit F: Ed Jenkins' prepared statement, "Economic Viability for Langley Marina"
- Exhibit G: December 2009 Financial Statement
- Exhibit H: 2/8/10 Comments from City of Langley re: SSD 2009/02 Langley Boat Harbor Expansion
- Exhibit I: Revenue Policies: *Statements dealing with taxes and the means whereby the Port District raises revenue to fund operations.*
- Exhibit J: DRAFT South Whidbey Harbor Regulations and Fee Schedule
- Exhibit K: Commissioner Jerome's Summary of Meeting with Island Transit 9 Feb 2010