

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING

LOCATION: SWPRD Meeting Room, 5475 Maxwellton Rd, Langley WA

DATE: February 14, 2012

7:15 PM – 7:30 PM WORKSHOP: Commission review of vouchers and recent correspondence

7:30 PM REGULAR MEETING CALL TO ORDER

1. Pledge of Allegiance

SPECIAL PRESENTATION FROM WSF

WSF Mukilteo Terminal Project: Laura LaBissoniere Miller/WSF to address Draft EIS, issued 1/27/12

BUSINESS MEETING

1. Consent Agenda:
 - A. Vouchers: Vouchers dated **February 2012** as signed today in the amount of **\$82,549.05**.
2. Approval of Minutes
 - A. Minutes on file: Minutes from Regular Meeting of December 13, 2011, Special Meetings of November 29 and December 28, 2011, and Regular Meeting of January 10, 2012.

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

1. December 2011 Financial Report (distributed on January 19, 2012)

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

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

1. Possession Beach Waterfront Park
 - A. Property Lease to AT&T: Awaiting AT&T countersignature and initial rent payment
 - B. Planning Activities: Commission discussion re: RCO Planning Grant application for BFP (due 7/2/12)
2. South Whidbey Harbor
 - A. Phase 1: Breakwater Relocation and Boat Ramp Floats with Uplands & Utility Improvements
 1. *Design Status*: Reid-Middleton submitted 90% Plans & Specs on 12/19/11, review in progress
 2. *Permit Status – Breakwater Relocation* – Updated:
 - City of Langley: JARPA **submitted** 11/21/11, New SEPA Checklist **submitted** 12/12/11, \$8,000 Fees submitted 12/15/11, Additional Info per City request **submitted** 1/25/12, **Complete Application determination issued 2/2/12**
 - USACE Permitting: JARPA **submitted** 11/18/11 c/o Joe Callaghan/GeoEngr, with SPIF and Letter **Submitted** 12/12/11 to modify NWS-2007-1672
 - Hydraulic Proj. Appvl: HPA #122970-1 for Temp Storage Mitigation **approved** by WDFW (Issued 3/4/11, revis. TBD by Geo.), New HPA for Relocation to be issued pending new SEPA
 3. *Permit Status - Boarding Floats* - No update
 - Permit Extension Request to USACE: ESA Informal Consultation **issued/OK** on 10/4/11, Letter of Permission NWS-2005-396 **approved** 11/9/11, valid thru July 31, 2013.
 - 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.
 4. *Permit Status – Construction Staging/Office and Uplands Improvements*
 - Crit. Areas & Shoreline Exemption: Requested by City, **submitted today**

5. *Property Issues:*
 - DNR: Plans for PMA and Aquatics Land Leases modifications submitted, review underway
6. *Funding Issues*
 - Boating Facilities Grant (Floats only): Initial reimbursement request being prepared
 - RCEDF Grant: ILA approved, but extended performance schedule to be submitted (Gordon)
 - Debt Financing: Preparing for indicative ratings request
 - Port Sec. Grant incl Consortium Coord: Ron's report on Marine Exchange meeting on 2/8/12
- B. Phase 2 & Beyond: The Rest of the Story...
 1. *Planning:* Port Comp Scheme & Master Planning process with Langley TBD
 2. *Permit Status:*
 - Hydraulic Proj. Appvl: HPA #118222-2 **approved** by WDFW (Issued 2/13/10, rev. 3/8/11),
 - USACE Permitting for Complete Expansion: JARPA **submitted** Aug, 2009, Formal ESA Consult. on Impact-dr. & Geo MM & MMPP (**subm.** 4/21/11) underway, **Site tech meeting on March 3**
 3. *Design Status:* On hold pending permit action and planning direction
 4. *Funicular:* Commission discussion of draft letter supporting redirection of RCEDF \$\$ to funicular.
- C. Harbor Operations
 1. *Electrical Maintenance Project:* Project status update
 2. *2012 Ramp Cleaning:* Latest news on sand lance eggs and ramp cleaning
 3. *Annual Review of Harbor Regulations:* Postponed until March for Harbormaster participation
3. Port Operations
 - A. 2012 Landscape Maintenance: Start-up underway with major gains on backlog
 - B. Surveillance / Port Security Project: Application in, EHP submitted 11/16/11
 - C. Septic System Inspections per Island Co: No update (Clinton Beach TBD)
4. New Project Opportunities
 - A. Mukilteo Parking Issues (Gordon)
 1. Draft Negotiation Proposal for Mukilteo Site (Gordon)
 - B. Saratoga Passage Walk-on Ferry Concept: Update (Ron)
 - C. Capital Facilities Plan: Being prepared by Ron

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): Gregoire
5. Washington Public Ports Association (WPPA): Jerome
6. Holmes Harbor Shellfish Protection District: Gregoire
7. Puget Sound Partnership: Policy Devel./Tech Advisory Committee (ILIO): Ron
8. Langley Shoreline Master Plan Committee: Gregoire
9. Island County Shoreline Master Plan: Gregoire
10. RCO WWRP Water Access Committee: Ed (still, despite efforts to the contrary)
11. Island Co. Hazard Mitigation Plan Update:
 - A. Report from FEMA-sponsored Presentation on Cascadia Subduction Zone 9.0: (Jan. 12, Coupeville)

OLD BUSINESS

1. Island Co. Comp Plan / Parks & Rec Element: Discussion of Co-owned facilities

NEW BUSINESS

1. Event Participation
 - A. Report from Sound Waters University (Feb. 4) at SWHS (goes to Oak Harbor next year?)

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

February 14, 2012

Langley, Washington

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

Others Present:

Port Staff: Ed Field (Port Operations Manager), Ron Rhinehart (Port Finance Manager), and Molly MacLeod-Roberts (Port Clerk); **Others:** Sandy Glover and Laura LaBissoniere Miller (Washington State Ferries), Jim Sundberg (Langley City Council Member), Clyde and Marcia Monma (Clinton), Kathleen Waters (Langley) and Bruce Didier (Clinton).

WORKSHOP & MEETING CALL TO ORDER: Following a Workshop from 7:15 p.m. to 7:30 p.m. for informal Commission review of vouchers and recent correspondence, the Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, February 14, 2012, at the South Whidbey Parks & Recreation District Meeting Room at 5475 Maxwellton Rd., Langley, WA. Commissioner Curt Gordon (President) called the Regular Meeting to order at 7:30 p.m., followed by the Pledge of Allegiance.

SPECIAL PRESENTATION FROM WASHINGTON STATE FERRIES (WSF): Sandy Glover and Laura LaBissoniere Miller from WSF were on hand to present the Mukilteo Multimodal Project Update via PowerPoint (**EXHIBIT A**) and the Community Guide to the Draft Environmental Impact Statement (**EXHIBIT B**). The Draft EIS was released January 27th, and the 45-day comment period runs through March 12th. There are 4 project alternatives: No Build Alternative (\$60-65 Million), Existing Site Improvements (\$130-140 Million), Elliot Point 1 (\$150-165 Million) and Elliot Point 2 (\$120-130 Million). Public Hearings are scheduled for February 22nd at the Rosehill Community Center in Mukilteo from 5-8 p.m. and for February 23rd at the Clinton Community Hall in Clinton from 5-8 p.m. Comments must be submitted by March 12, 2012. The WSF representatives wrapped up the presentation and discussion at approximately 8:45 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 C**).

B. Minutes: Minutes from the Regular Meeting of December 13, 2011, Special Meetings of November 29 and December 28, 2011 and Regular Meeting of January 10, 2012.

ACTION: A Motion was made by Jerome and seconded by Gordon to approve the Consent Agenda as submitted, including the authorization and acceptance of Vouchers dated February 2012 as signed today in the amount of \$82,549.05. The Motion passed unanimously.

[NOTE: Gregoire signed the Minutes from January 10, 2012 only, since he was not yet a Commissioner when the other Meetings took place.]

FINANCIAL ACTION ISSUES

December 2011 Financial Report: The Commission acknowledged receipt of the November 2011 Financial Statement, which had been distributed to them previously (**EXHIBIT D**). Port Finance Manager Ron Rhinehart reported 2011 revenue was \$663,000 (from operations and property taxes; excluding capital income) against the 2011 budget of \$662,000. Operating expenses came in at \$575,000 against the budget of \$612,000. Jerome confirmed with Rhinehart that the negative cash flow was due to capital expenditures.

PUBLIC COMMENT – Items not on Agenda:

Kathleen Waters wished to discuss the comments she had previously sent to the Commission via e-mail on 1/31/12 (**EXHIBIT E**). In the email, she asked the Port to consider the feasibility of restoring the Hein dock rather than demolishing it and she also encouraged the Port to work collaboratively with the City of Langley on improving the waterfront. Waters explained that her interest is in shoreline issues. Langley's Shoreline Advisory Board has had a lot of great deal of discussion on making the waterfront more accessible to the public. She said, *"If at all possible, if we could have a replacement for the Hein dock – that would be a community asset. I would love to see it replaced. And I don't know, in the environment of regulatory requirements, if once that's gone it could ever be replaced."* Gordon noted that the Port would be trading off overwater coverage (the Hein dock for the expanded marina) and getting mitigation credits for the removal of the Hein dock's creosote pilings, so it will be removed.

Waters said, *"From what I understand, the marina expansion plan is centered around moorage for boats, larger vessels for tourism, and possibly even float planes, but not a public pier where there could be picnicking, fishing, band concerts, a real community kind of resource on the water. My thought is the creosote pilings could be replaced with concrete or whatever, but I view it as waterfront usage (which is what the shoreline is all about), it's different than boating, and we don't have anything like that anywhere that I know of on Whidbey Island. My intent is to just to tell you that one person on South Whidbey would like to see that opportunity for community involvement over the water, that's not in a boat, considered by the Port that is in charge of that area right now."*

Gregoire said, *"Under the shoreline update process that Langley is going through, there is an opportunity to directly address broader public access opportunities in a more definitive public access plan. Since the discussion is so complicated, we probably need to have a separate workshop on it, so the Commissioners better understands what this public access plan can do for us, for the private property owners that are there, and for the broad public."*

Jerome noted, *"We are committed, with the City, to update the Harbor Master Plan in the next year, so this would be a good thing to bring forward. I think as far as what's currently in the permit applications and what we're reasonably committed to at this point, that Hein dock has got to go. There's no funding or plan at the moment to replace it, but if it gets into the Harbor Master Plan, it has a chance of happening."* Port Operations Manager Ed Field pointed out that removal of the Hein dock is in the InterLocal Agreement between the City and the Port. Gregoire said the Shoreline Plan would need to be completed first, and then the Harbor Master Plan, but they could talk about that at a workshop.

There was no additional public comment on items not on the Agenda.

PROJECT ACTION ISSUES

Possession Beach Waterfront Park

A. Property Lease to AT&T: Awaiting AT&T countersignature and initial rent payment.

Clyde Monma said he wanted to give an update on the petition he read into the Minutes at the regular January meeting. He claimed, *"The petition was circulated as well as an online petition site and we just cleared 500 yesterday. That's 500 people who are adamantly opposed to what you are doing. I think that will accomplish several things. Curt (Gordon), you had requested evidence of strong opposition. I think 500 people is pretty strong evidence. You indicated that you thought it was 2-1 for it, so if by the next meeting you could bring 1,000 names who'll sign a specific petition and not just someone you sat with and said 'yeah, I'd like better cell phone coverage', that would be good. The main goal, though, is to rally public opinion against what you all are doing and what AT&T is trying to do. This is South Whidbey, it's not Newark, New Jersey or something and all it takes is a few really passionate people backed up by hundreds of other people to stop something like this. It's not up to a few career politicians and bureaucrats to decide these things; it's up to the public. You were elected by the public and you're accountable. So, the side goal on this is to make the three of you and the former commissioner to pay the political price for what you're doing. Because it's incumbent upon you as elected officials and us as the public to come in and say you've done something we don't like. That's our right, and frankly, it's our responsibility in a democracy to do something. So, you have 500 more people that are pissed at the four of you and will tell their friends, so if you have any desire to run for higher office (which you obviously do), that's 500 more people you have to deal with. That'll be a side benefit of this whole thing."*

Monma continued, *"The main point for rallying public opinion is to block AT&T, obviously. I've spoken to Bob Pederson at the Island County Planning Board. He has assured me that as soon as the application comes in, I can sit down with him and his people to present the reasons why this shouldn't happen. And there's a lot of reasons that I know you don't care about, but there are a lot of reasons for blocking the permitting based on the impact in the area and lots of other things that I will have documented and available to you when the time comes. I've also talked to (Island County Commissioner) Helen Price Johnson about it, and obviously she's suggesting to go through Planning first and see how that turns out, but then after that there will be an opportunity to go to the County Commissioners and have 500 people or whatever show up and indicate that it's not a good idea. And I think we'll have a lot better reception and a much fairer hearing at that level than we've had down here. I'm really sad to say that I feel like I've wasted two years of my life on this thing with you guys. So I'm taking it up to Island County and I'm pretty confident we'll be able to block it there, and you won't see any money other than the initial \$2,000 payment and you will have wasted two years on this. That's where we are now, and here are the 500."* (Monma waved some papers at that point, but did not give them to the Commission or the Port Clerk.)

Gregoire told Monma, *"You're doing just what I think you have the right to do, but I think you need to focus on the facts and don't make accusations about where you think we want to go. Frankly, I have no aspirations for higher political office."*

Marcia Monma said, *"My comments are along the same lines, but more specifically addressed to the dollar amounts. Mostly, the people who have shown up here are from our neighborhood (Lupine Lane), on our side of where the construction would take place. But there's only been one person that has shown up from Possession Ridge. For most of us (on Lupine), our view is not impacted by this tower – it's to our backs. But to them (Possession Ridge), their view south would look right at this tower. It's like right in their face. The 6 homes on Lupine Lane and the 5 homes on Possession Ridge have a County-assessed value of over \$5 million, and the property tax for those homes is \$38,000. To me, my house will be worthless. I would not have bought this house; nobody could have paid me to buy this house if a tower had been there. So, we're going to try and get everybody in our whole neighborhood to petition the County for lower property taxes if the cell tower goes in. So you start to weigh the money values here and what you're going to be bringing in could be way less once you offset the reduced property taxes. (Not that you would get all of that property tax, but the rest of the County wouldn't).*

B. Planning Activities – Commission discussion regarding Recreation & Conservation Office (RCO) Planning Grant application for Boating Facilities Program (BFP) due 7/2/12: Field said, “Obviously, it’s a Staff work issue, and there’s also some discussion as to whether we might be competing against ourselves if there are other BFP grant applications going in for other projects in Langley.” Gordon asked how much work is involved in preparing the application, and Field explained that because the RCO has a very structured process, we would want to start within the next month. Gregoire believed the Port “should keep its toe in the water” with the BFP grant, even though Langley might also be considering pursuing a BFP grant. He thought there were some questions as to whether Langley’s project would meet the grant criteria, and that should be known in a short period of time. If it doesn’t meet the criteria, then the Port could move ahead. If Langley’s project does meet the criteria, then the Port could decide to back off. The Planning Grant would be for the boat ramp at Possession, which Gregoire noted is one the Port “owns in total – there’s no other agency that the Port has to deal with on it.” Since the BFP is on a 2-year cycle, he thinks the Port should apply for the Planning Grant this year. Field explained that his understanding is that RCO looks for two project phases or components, with the first grant for planning & design through permitting (about 30% design), then stop, and a second grant presumably would be from there through construction. Gordon asked if those two types of grants compete with each other and Field said yes, that grants for planning, for building and for acquisition compete with each other for the same pot of money.

As Island County updates its Shoreline Master Plan, Gregoire pointed out that the Port would need to provide information to the County about the Port’s boat launches under County jurisdiction. He said, “*It has to be technical information and it has to be supportable. We’ll be able to get that information on Possession through the BFP application process.*”

Jerome noted that the Possession boat ramp is in poor condition. The BFP planning grant application due in July is the best opportunity the Port will have for the next two years, and he doesn’t think the Port can afford to pass it up. Field agreed, and added, “*We have the site, so we’re not looking for acquisition money – we’re seeking funding for planning & design. So I think our request will be on the low side compared to others, and that makes it appealing.*” Jerome believed the Port should move ahead with the application regardless of whether or not Langley decides to submit an application as well. The Commission agreed.

Clyde Monma asked for an explanation about the discussion, and Field provided a brief summation per Gordon’s request. Monma thanked him and prepared to leave. Port Clerk Molly MacLeod-Roberts asked Monma if he wanted to leave the petition signatures, and Monma responded, “*No. This is for the County.*” Clyde and Marcia Monma left the meeting at that time.

South Whidbey Harbor

A. Phase 1: Breakwater Relocation and Boat Ramp Floats with Uplands & Utility Improvements

1. Design Status: Reid Middleton submitted 90% Plans & Specs on 12/19/11; review in progress.
2. Permit Status – Breakwater Relocation – Updated:
 - City of Langley: Joint Aquatic Resource Permit Application (JARPA) submitted 11/21/11. New State Environmental Protection Act (SEPA) Checklist submitted 12/12/11. \$8,000 fees submitted 12/15/11. Additional information requested by City 1/5/12. Complete Application determination issued 2/2/12. Field said, “*Based on what I delivered to Jeff Arango (Langley’s Director of Community Planning) this morning, at this point we believe we have submitted the entire preliminary permit documentation. I asked him today if the date has been set with the Hearing Examiner and Arango said it has not. We’ve already given him one round of additional information after the determination of complete application and met with him to discuss peak traffic conditions, but this morning Arango indicated he really wants to be comfortable with the “peak peak” conditions (like*

the worst Saturday in the worst condition. So he still hasn't set the date yet for the Hearing Examiner, and it would be really nice if a fire was lit there." Gordon asked, *"But the 90-day clock has started ticking, right?"* Field said, *"I believe it started, but I thought once the clock started that at that point you had to have scheduled dates, and we don't have them yet."* Gregoire agreed with Field. Gordon asked if that is in Langley's code, and Field said he wasn't sure, but it was his understanding that once notice of complete application was issued, the 90-day clock started. Gordon asked Field to look into the City code. Rhinehart said he would resolve the "peak peak" analysis tomorrow.

Jerome suggested the Port should send a letter requesting that the City schedule the dates for the Hearing Examiner since the notice of complete application has been issued and per the City code. The Commission agreed to let a week go by and check into the City code before submitting a formal written request to schedule the dates.

- United States Army Corps of Engineers (USACE) Permitting: JARPA submitted 11/18/11 by Joe Callaghan of GeoEngineers, with Special Project Information Form (SPIF) and Letter submitted 12/12/11 to modify NWS-2007-1672.
 - Hydraulic Project Approval (HPA): HPA #122970-1 for Temporary Storage Mitigation approved by Washington State Department of Fish & Wildlife (WDFW) - Issued 3/4/11, revision to be determined by GeoEngineers, New HPA for Relocation to be issued pending new SEPA.
3. Permit Status – Boarding Floats & Uplands
- Permit Extension Request to USACE: Endangered Species Act (ESA) Informal Consultation issued/OK on 10/4/11. Letter of Permission NWS-2005-396 approved 11/9/11, valid through July 31, 2013
 - 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.
4. Permit Status – Construction Staging/Office and Uplands Improvements
- Critical Areas and Shoreline Exemption: Requested by City, submitted today.
5. Property Issues
- Department of Natural Resources (DNR): Plans for Port Management Agreement and Aquatics Land Leases modifications submitted, review underway.
6. Funding Issues
- Boating Facilities Grant (Floats only): Initial reimbursement request being prepared.
 - Rural County Economic Development Funds (RCEDF) Grant: InterLocal Agreement (ILA) approved, but extended period performance schedule to be submitted. Rhinehart asked Gordon if he wanted him to draft a presentation to Island County Council of Governments (COG) that summarizes where the Port is at with the project and makes the case for extending it. Gordon said he would sit down with Rhinehart to discuss it, but COG just wants to know where the money is going, what the total scope is, and how much it has changed, but it is still clearly appropriate use of RCEDF funds. Rhinehart said he would do some outlining and the presentation would be made at the May COG meeting.
 - Debt Financing - Bond Rating Processes: Preparing for indicative ratings request. Rhinehart said, *"So far – all good news. The bond underwriters have put together their presentation package, the market is favorable, and we've tentatively scheduled the first week of week for the bond underwriter*

and me to make presentation calls to two rating agencies. We'll practice the week before, and then about a week after the calls, we'll get the rating. Assuming the rating is positive, the underwriter will then go out and talk to investors, and we are on track to complete the process with funds available at the end of March (at the earliest) or late April (at the latest)."

- Port Security Grant, including Consortium Coordination: Rhinehart attended the Marine Exchange's Area Maritime Security meeting in Seattle on 2/8/12. One of the major topics has been that everyone has been frustrated trying to get money out of the Port Security Grant, and he said it appears it is finally breaking loose and starting to move. Rhinehart said, *"The one thing everyone around the table was complaining about was the Environmental & Historical Preservation (EHP) process – the reviews are the biggest single obstacle in getting funding, and that's where our Surveillance Camera project has been hung up since mid-November. The Port's fiduciary agent checked on it and reported that it's still there, they are reviewing it, and it's going to take a while."* The other major FEMA grant the Port has applied for is looking slightly more favorable than it did a month ago. Field explained that the EHP process appears to essentially be a completely duplicative process that FEMA & Homeland Security do on top of everyone else's permits (USACE, City, etc.).

B. Phase 2 & Beyond: Complete Expansion Project

1. Planning: Port Comprehensive Scheme and Master Planning process with the City of Langley to be determined.
2. Permit Status
 - HPA Approval: HPA #118222-2 approved by WDFW (Issued 2/13/10, revised 3/8/11).
 - USACE Permitting for Complete Expansion: JARPA submitted August 2009. Formal Endangered Species Act (ESA) Consultation on impact-driving issues and GeoEngineers' Marbled Murrelet and Marine Mammal (MM&MM) Protection Plan underway (submitted on 4/21/11). Site tech meeting on March 6.

As reported at last month's meeting, Joe Callaghan of GeoEngineers had received initial comments from the National Marine Fisheries Service, and the Commission had directed him to "keep up the negotiations and push back hard, but lightly, and proceed along that path and work toward getting our permit at some point. Callaghan submitted a response on 2/6/12 and on 2/8/12 received an email response from NMFS who seemed to be quite upset personally by Callaghan's response. The NMFS representative made comments such as, *"...simply does not agree with the consultant's analysis"* and *"Per the Protected Resources Division of NMFS, I will refer the Marine Mammal consultation back to PRD, who will then refer this project to be evaluated by the Marine Mammal division for D.C. for acquisition of an incidental take. In a nutshell, it will be out of my hands and Seattle's hands until it's resolved. It's your applicant's choice whether he wants to continue to work with me or if he wants to work with PRD. I am a fish biologist, not a marine mammal expert. If we do not have adequate monitoring for the expected amount of area that the project will create, I can no longer consult on marine mammals. If your applicant wants to contest the sound issues, he'll have to take it up with PRD, and I'll be frank with you – that will take time. It's your choice."*

At this point, the USACE manager has suggested a site visit. It has been scheduled for March 6th, and it will be purely technical. Field explained that one of the things the NMFS representative is looking for is 8 observers when we're doing pile driving – scattered from Camano to Everett to Langley to make sure no marine mammals are impacted.

Field also reported that FEMA representative Science Naylor had emailed him today and asked for a status update on the USACE review. Staff will take this opportunity to let her know that we are deep in consultation, making progress and moving along.

3. Design Status: On hold pending permit action and planning direction.

4. Funicular – Commission discussion of draft letter (**EXHIBIT F**) supporting redirection of RCEDF grant money to funicular (previously distributed to the Commission). Gregoire said, *"The problem I have with the funicular is there is an opportunity being missed. Under the Shoreline Plan that Langley is updating, there is an opportunity to do something a more specific public access plan. And that would allow the framework to be set up that would benefit the City, the Port and the multitude of private property owners along the waterfront there that would have to get shoreline permits and go through the shoreline criteria of public access. The funicular needs to be talked about in the broader context, because it is only one way to get down to the shoreline, but there are other ways. I'm concerned the funicular is being addressed out of context."*

Gordon noted that at the previous regular meeting, the Board had approved a Motion to support the funicular and this letter is just the follow up action to that Motion. He stated, *"I really support anything that's going to get more people down there with less cars."* Jerome agreed, and Staff was directed to prepare the letter as presented for Gordon's signature.

Returning to the topic of Funding Issues, Jerome noted that at the February 1st workshop, the Commission had discussed the possibility of applying for the Boating Infrastructure Grant (BIG) and noted that the Port had only one opportunity in two years to do it. He said, *"I received a phone call from City Councilmember Rene Neff strongly urging us to do that, saying that the City would be very supportive and willing to work with us on the application and they are willing to put money into the equation. I'm feeling strong pressure from the City to take the opportunity that's there with the BIG application process this year and won't be there again for two years."* Gordon asked Staff to provide a summary of the Port's history with BIG and what involvement would be needed to apply for it this year. Field explained that BIG has two tiers – anything under \$100,000 is administered locally and anything over \$100,000 is administered nationally. It goes through the RCO process to an extent, but Field explained that unlike the other RCO grants where we actually go to Olympia and make the presentation ourselves and control our own fate, for the BIG grants of over \$100,000, the Port submits the application to RCO, they do something with it (and we don't know what that is) and then they present the information to the National Park Services in Washington, D.C. Field said, *"We don't have an opportunity to go back there or participate in any way, shape or form."* He noted that the BIG program is geared toward marinas of national significance. When the Port submitted a BIG application in 2010, there were 21 applicants and 19 of them got money – the Port of South Whidbey was one of two that didn't. It's a very competitive process. Anacortes did get money in that round, but they have 400+ slips. He said, *"It is major projects and major funding for marinas of national significance, and it states that right in the criteria."* Staff found the process very frustrating. Staff was confident in their presentation abilities, but they had no control and no input on the presentation. Field said, *"While we could recycle the application and it would look different because the marina layout has changed, I honestly don't know why we would have a better chance than we did last time."*

Gordon said Staff will be very busy in the next year, so in order to go forward with a BIG application, the Port would need clear commitment from the City (such as staff time or funding to hire a grant writer). After additional discussion, the Commission directed Staff to review the criteria for the grant and provide an update. Per Gordon's suggestion, Staff was also directed to talk to the City and provide the finer particulars of the BIG grant process to see if it is something they are serious about backing.

C. Harbor Operations

1. Electrical Maintenance Project (EMP) – Project status update: The lights finally arrived on Friday. Field hopes the project will reach completion by the end of the month.

2. 2012 Ramp Cleaning – Latest news on sand lance eggs and ramp cleaning: Ran tests last week; no eggs found, so ramp was cleaned on Friday. Hopefully, the next ramp cleaning can be pushed out to March 1st. Field noted that each round of egg testing costs \$300-400, in addition to the ramp cleaning cost. Gregoire asked if we could get a copy of the written report that Marine Surveys & Assessments submits to WDFW. He explained that the Port needs that type of information as input for the shoreline process. Field said he would get it. Gordon asked if the Port had received any complaints about the ramp not being cleaned enough, etc. and Field explained that he had developed an email list with ICFD3 and Whidbey Telecom who use the ramps to provide essential public services. He suggested that the email list could be expanded to all interested parties and email notifications sent to all on the list when the ramp at Possession or SWH has been cleaned, and it could be posted on the Port's website as well.

3. Annual Review of Harbor Regulations: Postponed until March for Harbormaster participation.

Port Operations

A. 2012 Landscape Maintenance: Start-up underway with major gains on backlog.

B. Surveillance/Port Security Project: Application in, Environmental & Historical Preservation submitted 11/16/11. (Discussed earlier)

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

New Project Opportunities

A. Mukilteo Parking Issues (Gordon): Later this month, Gordon, Langley Mayor Larry Kwarsick, and RTPO Transportation Planner Donna Keeler will meet with Mukilteo Mayor Joe Marine and the head planner for Mukilteo and walk around the site.

B. Saratoga Passage Walk-on Ferry Concept – Update: Rhinehart said he is still working on the action item of updating the 1995 survey to make it current. Keeler will help validate some of the questions, etc. They will look at whether it's something that can be set up using Survey Monkey or something similar and administer it themselves, or if they need to contract with a call center. Per Gordon's suggestion, Rhinehart said he is also discussing the RTPO grant process with Keeler to see how the Port could apply for a grant to do the survey.

C. Capital Facilities Plan: Being prepared by Rhinehart, he should have a draft by early March.

ACTIVITIES /INVOLVEMENT REPORTS

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

Council of Governments (COG): (Gordon) Gordon said the recent meetings have been "relatively short and sweet."

Skagit-Island Regional Transportation Planning Organization (RTPO): (Gordon) There will be a regional RTPO meeting on February 23rd. U.S. Congressional Representative Rick Larsen will be there as well as WSF Assistant Secretary David Moseley.

Marine Resources Committee (MRC): (Gregoire) No report. Gregoire said he has not received any correspondence from MRC. Staff said they would contact all the organizations and inform them of the changes made to the Port's committee representatives.

Washington Public Ports Association (WPPA): (Jerome) No report.

Holmes Harbor Shellfish Protection District (HHSPD): (Gregoire) No report.

Puget Sound Partnership (Policy Development/Technical Advisory Committee)/ILIO: (Rhinehart) Gregoire attended in Rhinehart's stead. He said it looks like PSP will be adding a representative from the EDC as well as Port of Coupeville's Executive Director (Jim Patton). The Conservation District is also on there now, because they represent the farmers.

Langley Shoreline Master Plan Committee: (Gregoire) No report.

Island County Shoreline Master Plan: (Gregoire) No report.

Gregoire said they needed to have a workshop to figure out a way to provide input to the Langley and County Shoreline Master Plans. Gordon said, *"Tell us what we should discuss in the workshop when we call it."* Gregoire said, *"We could input some fairly specific information into County's and City's process. For that input, we may have to draw on some technical assistance. But the key thing for the shoreline is the need for a public access plan in Langley, which can be developed under the Shoreline Master Plan. It could help the Port's development, but primarily it could help with the private development down there. A workshop is needed because it is so complicated and I need to show some graphics, etc. We also want to talk about the Harbor Master Plan. We need to get a better idea of how it matches up with the Shoreline Master Plan and matches up with our marina."*

Recreation & Conservation Office (RCO) Washington Wildlife & Recreation Program (WWRP) Water Access Committee: Field will serve on the Committee per specific RCO request.

Island County Hazard Mitigation Plan Update:

A. Report from FEMA-sponsored Presentation on Cascadia Subduction Zone 9.0 –Jan 12th: Gregoire said, *"They essentially said that Whidbey Island won't get hit that hard when the world falls apart, but you're not going to get any help either, because all the money is going to flow into the more populated areas."*

OLD BUSINESS

Island County Comprehensive Plan/Parks & Recreation Element – Discussion of Co-Owned Facilities: No update. Gregoire said he would like to discuss the item at a workshop.

NEW BUSINESS

Event Participation

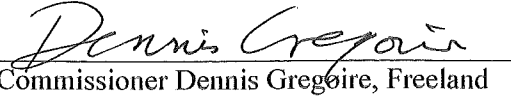
A. Report from Sound Waters University (February 4) at South Whidbey High School (to be held in Oak Harbor next year): Field said it was very well attended, as always.

ADJOURNMENT: The meeting was adjourned at 10:03 p.m.

Approved:



Commissioner Curt Gordon, Clinton



Commissioner Dennis Gregoire, Freeland

Minutes prepared by:



Edwin S. Field, Port Operations Manager

Commissioner Chris Jerome, Langley

- Exhibit A: WSF's Powerpoint presentation: "Mukilteo Multimodal Project Update"
- Exhibit B: WSF's "Community Guide to the Draft Environmental Impact Statement"
- Exhibit C: Voucher Listing
- Exhibit D: December 2011 Financial Statement
- Exhibit E: Kathleen Waters' 1/31/12 email
- Exhibit F: Draft Letter of Support for funicular project to Island County COG