

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
SPECIAL MEETING of the BOARD OF COMMISSIONERS
Tuesday, February 23, 2010 at 2:00 pm
Port Office Conference Room, Freeland, WA

1. SPECIAL MEETING

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

2. PROJECT ACTION ISSUES – Commission & Staff Discussion with Design Professionals

- A. Introductions: Shannon Kinsella with Reid-Middleton and Joe Callaghan with GeoEngineers
- B. Design Review Workshop for South Whidbey Marina Expansion Project
 - 1. Review of Technical/Design Concerns
 - 2. Consideration of Design Alternatives, including cost and permit impacts
 - 3. Permit Issues, incl. City comments
 - 4. The Next Steps, and proposals to accomplish same

3. UPCOMING MEETING COORDINATION - Topics and Format for:

- A. March 4 Economic Development Workshop - 2:00pm at Port office
- B. March 9 Regular Meeting
 - 1. Workshop with Port Attorney Al Hendricks at 7:00?
 - 2. Applications for Funds being received
- C. March 15 Special Meeting - 7:00pm at Clinton Progressive Hall:
Public Meeting on Proposed Possession Cell Tower

3. ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Special Meeting

February 23, 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

Shannon Kinsella, Reid Middleton
Joe Callaghan, GeoEngineers
Tony Puma, Boatyard Inn Co-Owner
Christina Drake, Langley Resident

Absent: None

1. SPECIAL MEETING:

A. Call to Order: The Special Meeting of the Port District of South Whidbey Island's Board of Commissioners convened on February 23, 2010, at the Port office located at 5492 S. Harbor Ave. in Freeland, WA. As announced, the purpose of the Special Meeting in workshop format was to conduct a workshop for Commission and staff to review and address South Whidbey Harbor Expansion Project details with the design team from Reid Middleton and GeoEngineers. Although the Meeting was of course open to the public, the Special Meeting was scheduled to enable the new Commission to be fully briefed on project details by the design professionals and to address scooping, prioritization and direction for the designers and staff, and public participation was not on the Agenda. Commissioner Tapert, President, called the meeting to order at 2:00 p.m., followed by the Pledge of Allegiance.

2. PROJECT ACTION ISSUES – Commission & Staff Discussion with Design Professionals:

A. Introductions: Commissioner Tapert introduced Shannon Kinsella with Reid Middleton and Joe Callaghan with GeoEngineers to Commissioners Jerome and Gordon.

B. Design Review Workshop for South Whidbey Marina Expansion Project:

1. Review of Technical/Design Concerns and 2. Consideration of Design Alternatives, including cost and permit impacts: Ed explained this review was basically focused on South Whidbey Harbor Document Review (**EXHIBIT A**) prepared by Commissioner Jerome in January. Commissioner Tapert asked if everyone had a copy of the email sent by Tony Puma, co-owner of the Boatyard Inn. Puma said he had emailed the Commissioners individually and provided copies to Staff just prior to the start of the meeting (**EXHIBIT B**).

Commissioner Jerome said it seemed that the earlier reports recommended a much bigger and deeper breakwater than we have, and there were some discrepancies in the wind & wave analysis between the reports which seemed to be related to the models. He understands that

“we’re talking about risk management here – we can’t create perfect conditions within the marina, and maybe we don’t need to.” He would like to understand what kinds of conditions might we expect and what that means for the boats in the marina given the current design.

Commissioner Gordon said he appreciated Commissioner Jerome’s study and report very much. His specific interest is how to get started building the marina in phases, so he is looking at it from “a phased perspective.” He had previously discussed how Phase I might work and how much it would cost, but now he was concerned that Phase I might not be safe. He reiterated his interest in a phased project that starts at one level and is finished at one or two more levels, and whether or not that is possible. Commissioner Gordon felt a lot of money has been spent on design work, and he “doesn’t want to spend any more until we figure out where we’re going.”

Kinsella said the site has a long history with a variety of concepts developed and a variety of design levels that went along with them. She noted that Reid Middleton has been in Puget Sound for 58 years, and she has worked at Reid Middleton for 20 years. Her interest is the waterfront and her background is civil engineering, oceanography and coastal engineering. She noted that when designing a building on land there are specific codes and you know exactly what you are designing to, but when you get in the water amongst the waves and wind there is a lot of variability and a whole spectrum of waves and wind. The series of studies that have been done have taken different wind speeds and calculated wave conditions, and in general the significant wave height in summer is 3-4 ft., up to 5 ft. She reiterated that there is no one right answer and one wrong answer, there are a lot of different answers that all have different operational issues and space opportunities.

Reid Middleton looked at the existing configuration and how best to orient the opening, the slips and the breakwater(s) for optimization and reviewed previous configurations and alternatives to come up with the current design configuration. Kinsella pointed out that Reid Middleton has taken it only to 30% design, to get the permitting process started. She cautioned that there is still analysis that needs to be done. There are certain structural minimums that have been considered and discussed and included in the permit documents in terms of anchoring systems. She said they usually use a 2 to 3 factor of safety and they are conservative in their wave loads. In addition to structural issues and layout and configuration, operations in marinas are equally important. She explained that operations is where it “gets a little more gray” because there are no codes, guidelines or regulations that say, “you will have this condition inside your marina”. It’s really site-dependent and operationally dependent. Ideally, there would be waves of less than 1 ft. inside the marina. She reiterated that it comes down to risk management and affordability.

Kinsella said Reid Middleton had worked on a Port of Brownsville project about 10 years ago, and it provided an example that paralleled the South Whidbey Harbor project to some degree. The initial preliminary design phases included a 20-22 ft. wide breakwater with the standard 4-5 ft. draft. When they sent out the Requests for Proposal to design/build, it they received a variety of proposals and different types (mostly all concrete). After further refining the design and conducting physical wave model studies in a lab, the Port of Brownsville was actually able to use a 12½ ft. wide breakwater with a wave fence. There was a brief discussion of wave fences. In Commissioner Jerome’s document review, he asked, “Can we add a wave fence to improve the performance of this existing breakwater.” In response, Kinsella reported that they had discussed in the early stages and Reid Middleton’s recommendation was that they should NOT add wave fences. She stressed the importance of maintaining the structural integrity of the concrete. Adding the additional

weight of the wave fence and drilling inserts into the side of the breakwater without having extra reinforcement to support the fences would reduce the long-term durability of the structure. Regarding Puma's idea of adding slips to the breakwater, Port Manager Ed Field noted that it had also been discussed with the same types of concern about the structural integrity of the existing breakwater.

The reason Kinsella provided the example of the Port of Brownsville was to emphasize the importance of being somewhat conservative when going into permitting – it's a lot easier to scale back.

Commissioner Tapert asked about the possibility of using C-Flex to soften the impact of the breakwater cables tautening. Kinsella said they've used C-Flex before, and it is designed to absorb that shock, so it is a possibility.

There was detailed discussion about previous wind and wave studies and designs and the placement of the breakwater as well as mitigation issues with phasing. Commissioner Gordon asked Callaghan about permit window, and Callaghan explained that the Port would basically have 2 years from the time of issuance by the Army Corps of Engineers. However, the permit could be extended up to five years. He said that one reason the Corps doesn't issue longer term permits is because of the changing conditions, such as updates to the endangered species list.

Callaghan explained that they had tried to come up with the best scenario to fit the mitigation that the Port had for a phase that is "at least close to what's doable." This Phase I is close to what is doable up front, and although it might not be within the timeframe of the original permit, that can be adjusted later. He said, "We want to put forward the best case scenario for construction of Phase I, including the outer G Dock." He noted that the Corps would allow a permit extension based economic hardship, and the Port just needs to make sure to "keep this active and you keep the mitigation plan approved" so you don't lose it.

After additional discussion about exposure, Commissioner Gordon asked, "Is this (Phase I) safe?" Commissioner Tapert said he felt comfortable with the general layout. He said, "We might want to make some minor adjustments, but we're already in the permit process and the key is if there is any major change, it needs to be done soon so the permit process can keep going." Kinsella said in terms of the marina layout for Phase I, the protection in that basin is there. Ideally the existing breakwater would be wider if it were built new, but the other two are going to be sufficient and will be designed to knock down the waves to 1-2 ft within the basin.

Commissioner Gordon asked if Reid Middleton would plan on doing another wave study if they did the remaining 70% design. Kinsella said given a range of wave conditions, they would look specifically at what's going to be inside the marina, what are the transmission coefficients, do we get down below 2 ft. for a 50-year storm, do we get down below 1 ft. for a 25-year storm, etc. Reid Middleton would also look at the entrance carefully and see if it needs "tweaking."

Commissioner Jerome asked how much it would cost for a new, wider breakwater with a wave fence instead of using the one purchased from Bremerton. Kinsella said, "A lot more." Dane said a new breakwater would cost at least \$1 million. Commissioner Jerome said everything hinges on the waves, and he noticed that no one has put a buoy out there to measure the wind and the waves at the same time. Kinsella said it wouldn't be difficult, but

you would get a certain set of data. You would still have to go back into the model system and interpreting and plugging into models assumptions and data. She explained that they "...would still look at a 5 ft. wave coming from the northwest or coming from the east and what is that inside the marina" whether they have that specific site data or not, and they are going to design it accordingly.

Looking at his original questions, Commissioner Jerome said he was "feeling okay about the conditions inside this marina with these breakwaters, subject to more detailed analysis." But he felt they still don't have a clear answer about the Phase I they can actually do financially.

Ed said, "Given what Harbormaster Rick Brewer has done to increase the volume of transients, the possibility of chasing after RCO (Recreation & Conservation Office) money through the BIG (Boating Infrastructure Grant) program for the outer breakwater is really appealing and becomes viable.

Commissioner Gordon asked if Rick would be able to manage the marina and keep it from losing money with just the JARPA Phase I completed. Dane said at the end of a 20-year bond, the Port would have \$1.5 - \$2 million ending cash. Commission Gordon said, "Put aside the purchase price, the bonding and the capital expense it takes to build it...is this thing manageable and can it cover its own expenses. Does it even breakeven operationally?" Dane responded, "If you build it with free money, sure."

Commissioner Gordon said, "If all of you are comfortable with the proposed Phase I and operationally it won't cost the Port on a monthly basis other than whatever debt service it takes to build it, that is appealing to me." Dane believed the additional revenue space could be added and the marina could continue to run under the existing expense structure.

Commissioner Jerome said he was okay with the JARPA Phase I (less E Dock & F Dock), with some tweaking and fine-tuning of G Dock. The Commission agreed they should keep the breakwater purchased from Port of Bremerton.

Puma said he has always suggested that the Port must have a sufficient number of slips for transient moorage, because then they can reserve them, sell them on the internet, etc. and the revenue would skyrocket. He stated, "If you have the slips in this marina, I will organize people in the business community to do loan guarantees, and I will buy two of these slips and guarantee the 20-year debt on those slips because I'm convinced people will use it." He pointed out that the Seattle Yacht Club is interested in buying slips as well. Puma added that he would like to get the Hotel/Motel Tax for 1 year and give it to the Port for the marina instead of the 3 hotels in town, but Commissioner Tapert pointed out that would require agreement by the Economic Development Council, which allocates the funds. Commissioner Gordon said he was in favor of local businesses supporting slips. Dane said it is a very interesting idea, but the challenge he sees with all those different funding options (selling to yacht clubs on a guaranteed lease basis, loan guarantees for individual slips, etc.) is that they don't increase the slip count. The Port needs to increase the slip count so that we have more revenue to service the debt, regardless of who is guaranteeing it. Commissioner Gordon disagreed; he believed that if they provided a guarantee for 20 years – they would be servicing that portion of the debt. Dane and Ed pointed out that the Port would not receive any revenue for the slip for that period, but would still need to pay the expenses for maintaining it.

Commissioners Gordon and Tapert expressed their views that if Phase I were successfully completed and the marina was making money and providing economic benefit to the District, then the Port could go back to the voters for the money needed for the complete build-out as well as other economic development projects within the Port District. Ed pointed out that with the smaller Phase I project, they are credibly building for transients so there is not an issue with parking. Commissioner Gordon still believed they could sell some slips, resulting in great political capital.

At the end of the discussion, Commissioner Tapert said did not want to change the course on the permit at this time. Commissioner Jerome didn't feel they was any reason to change direction on the permit, because any of the things discussed could be done as a revision of the permit as submitted as long as the footprint is not increased. Callaghan said revisions could be done fairly quickly. He asked if the Port had considered bringing on an agency like the transit authority (that would have access to some of the federal stimulus dollars that will be coming in) to bring on a passenger-only ferry service, etc. Commissioner Tapert noted that the federal stimulus money is mainly going to the areas hardest hit, and the Port District's income is too high and unemployment too low to qualify. Dane agreed, and explained that he has not pursued "big Department of Transportation/Federal Transit Administration money" because a requirement for eligibility is that the local Regional Transit Planning Organization must have the Port listed as a priority, and the passenger-only ferry service is not even in the Port's Comprehensive Scheme, much less a priority for RTPO.

Commissioner Gordon believed the Port should pursue the D Dock plan and concurrently figure out how to pay for the rest of it. The position would have to be changed, and it would have to be re-anchored prior to the next phase, but it allows the Port to get started. Commissioner Tapert felt they should stay the course and not interrupt the permit process, because it sounds like they can make those types of changes with a permit revision. Callaghan agreed that they should let it ride as submitted, and once the permits have been issued it would be simple to revise.

In response to Commissioner Gordon's questions about where the project is at, does more design or study need to be done, etc. Ed explained that Reid Middleton and GeoEngineers have reached the end of their existing contracts/proposals, which required getting to 30% design and getting the permits in and start fielding questions. At this point they are on hourly having reached the end of the authorized scope. Ed said the question is, "Do we have them complete the design for the whole shooting match, or a portion of it, or submit proposals to proceed with that?" Commissioner Gordon noted that Callahan brought up the only possible glitch with that: If we don't believe we're going to be able to fully build it out, will we be able to get an extension? Callaghan said it might be an issue and there is a risk of time since they might have to go back and resubmit. Ed pointed out that there is another complication – the permit for the ramp reconstruction has expired. General discussion has indicated that the Port probably won't proceed with ramp reconstruction at this point and the City of Langley is generally okay with that, given the increased ramp maintenance by the Port. However, the floats and piles for the ramp still need to happen.

3. Permit Issues, including City of Langley comments: Commissioner Tapert recommended that they should focus in on addressing the comments and addressing the questions from the City. He wants to see the permit process move forward, and that requires responding to the City. He would like Reid Middleton and GeoEngineers to provide proposals for completing the responses. Ed asked Kinsella, "How much more engineering would you need for the permits to kick in?" She responded, "The permits are in – we've done the pile and anchor

design and the basic layout.” There is still a little bit of the budget left of the 30% design and Reid Middleton could just keep going in that response mode to the technical questions by the Army Corps of Engineers, etc. Commissioner Jerome noted the City is asking about parking, and he suggested the Port should put in plan for parking, such as “if we add 30 slips, this would be the parking..., if we add 60 slips..., if we build the whole thing..., etc. so we cover the spectrum.” Commissioner Gordon agreed even if it was somewhat vague. He said the Port can only make a “best guess” and provide a range – the City will have to work with the Port on it.

4. The Next Steps, and proposals to accomplish same: The Commission agreed to proceed with the permit as is.

Commissioner Jerome said they should at least have a stab at figuring out “if we have 30 slips, this is the revenue and this is the debt capacity we have so we can try to marry up some sort of design modification with the real world feasibility and where the money will come from.” He added that at this point, it seems to him that the Port doesn’t need engineering help on that – it’s a conceptual thing. Dane said he has the tools and can provide all that information and a great deal of details, and he offered to sit down with them individually and go over it.

Ed summarized the meeting as follows: Reid Middleton and GeoEngineers are directed to respond to the permit comments that they can on an hourly basis and get those responses back to Staff. Ed and Dane will start working on the financial items and get back to the Commission in a week or two with the responses from Reid Middleton and GeoEngineers and the results of Staff research.

3. UPCOMING MEETING COORDINATION – Topic and Format for:

A. March 4 Economic Development Workshop – 2:00 p.m. at Port office: Scheduled; public participation included.

B. March 9 Regular Meeting:

1. Workshop with Port Attorney Al Hendricks at 7:00 p.m.? Ed asked if the Commission wanted Hendricks to attend in order to discuss the transit topic and issues. Commissioner Jerome said he would not be at the regular March meeting, so he would just go to Hendricks’ office and meet with him there. The need for the Port Attorney’s presence at the 3/9/10 meeting was therefore eliminated

2. Applications for Funds being received: Not addressed.

C. March 15 Special Meeting – 7:00 p.m. at Clinton Progressive Hall: Public Meeting on Proposed Possession Cell Tower: Scheduled.

4. ADJOURNMENT:

The meeting was adjourned at 4:25 p.m.

Approved:



Commissioner Geoff Tapert, Freeland

Minutes prepared by:



Edwin S. Field, Port Manager



Commissioner Chris Jerome, Langley



Commissioner Curt Gordon, Clinton

Exhibit A: South Whidbey Harbor Document Review by Chris Jerome, January 2010

Exhibit B: Tony Puma's drawings