

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING

LOCATION: SWPRD Meeting Room, 5475 Maxwellton Rd, Langley WA
DATE: June 8, 2010

7:00 PM – 7:30 PM WORKSHOP

1. 7:30 PM - REGULAR MEETING

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

2. Presentation of Clean Marina Certificate for South Whidbey Harbor at Langley,
Eric Olsson, Washington Sea Grant / Univ. of Washington

3. BUSINESS MEETING

- A. Consent Agenda:
 - 1. Minutes on file: No Minutes have been prepared due to the office relocation and related complications. We apologize for the inconvenience, but expect to make major progress with reduced distractions in coming weeks.
 - 2. Vouchers: Voucher #4334 through #4377 (as signed today) for a total amount of **\$52,362.30**.
- B. Resolution No. 10-05: Cancel Missing Warrant #325320 in amount of \$2,032.50 (12/16/09)
- C. Blanket Voucher Process: Proposed to be developed & implemented in 1-2 months, with Port Accountant continuing as Auditing Officer

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

5. ACCOUNTANT REPORT:

- A. April 2010 Financial Report (Mailed earlier)
- B. 2009 Annual Report (Mailed earlier)

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

- A. Possession Beach Waterfront Park
 - 1. Commission Review of Pending Possibilities for Property East of Possession/Franklin
 - 1. Proposed Cell Tower: Commission review and/or action on:
 - 1. AT&T Lease Proposal
 - 2. AT&T Request for Pre-Application Approval
 - 2. Alternate Possibilities
 - 2. Backhoe
 - 1. Replacement update

- B. South Whidbey Harbor
 - 1. Expansion Project
 - 1. Design & Permit Prep:
 - 1. City Comment Response: Submitted May 20
 - 2. Boat Ramp Boarding Float Design & Permitting: Paused pending City Response
 - 2. Property Issues:
 - 1. DNR Lease: Revised Version (with reduced insurance req's) Ready for Approval
 - 3. Funding Issues
 - 1. RCEDF InterLocal Agreement: Revised per County, Ready for Approval
 - 2. BIG Application: Initial submittal complete, waiting on checklist for July 1 Final
 - 3. Port Security Grant: Initial submittal complete/accepted, finalizing consortium and scope for July 1 Final
 - 2. Harbor Operations
 - 1. Phil Simon Park Relocation Project: Sign being prepared by Simon family
 - 2. Clean Water Contract with WA Parks for Septic Pump-out Cost Reimb: Status
 - 3. Dockstock Music on the Pier August 28
 - 1. Sponsorships and T-shirts
 - 2. Raffle
- C. Staff & Operations
 - 1. Home Office Relocation: Update on Successful Move to 1804 Scott Road
 - 2. Maintenance & Operational Wrap-up: Revised Proposal from GeoEngineers
- D. New Project Opportunities
 - 1. Sustainable Economic Development and IPZ Issues (Tapert)
 - 1. Potential Langley-area 'Green' Business Park
 - 2. Ferry/Commuter Issues (Gordon)
 - 3. Island Transit Circulation/Shuttle Service Possibilities (Jerome)
 - 4. RTPO Electric Car Grant (Gordon)
 - 5. LMS Tech Center (Gordon)

7. 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
 - 1. Finance & Admin Seminar, June 16-18, Leavenworth: Dane to attend
- F. Holmes Harbor Shellfish Protection District: Tapert

8. OLD BUSINESS

- A.

9. NEW BUSINESS

10. ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND
Minutes of the Regular Meeting
June 8, 2010
Langley, Washington

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

Others Present:

Port Staff: Ed Field (Port Manager), Dane Anderson (Port Financial Manager), Molly MacLeod-Roberts (Port Clerk), Duncan McPhee (Assistant Harbormaster), and Wayne Nance (Possession Park Manager);
Clinton Residents: Wayne Morrison, Cldye & Marcia Monma, Karl Seemann, Vivian & Michael Smith, Bruce Buls, Nadine Joy, Darek Edmonson and Doug Struthers; **Freeland Resident:** Carl Robinson;
Greenbank Resident: Bob Boehm; and Don McArthur (South Whidbey Yacht Club).

MEETING CALL TO ORDER: The Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, June 8, 2010, at the South Whidbey Parks & Recreation Meeting Room at 5475 Maxwelton Rd., Langley, WA. Following a workshop from 7:00 p.m. to 7:30 p.m., Commissioner Geoff Tapert, President, called the Regular Meeting to order at 7:30 p.m., followed by the Pledge of Allegiance.

SPECIAL PRESENTATION: Eric Olsson, Outreach Coordinator from the Washington Sea Grant program at the University of Washington, was on hand to present the Port with a Clean Marina Certificate (**EXHIBIT A**) for the South Whidbey Harbor at Langley. Olsson thanked the Commissioners and Port Manager Ed Field for "all their support in getting this done" and especially thanked Harbormaster Rick Brewer for all his work, adding that it had been a real pleasure to work with him. Olsson explained that the Clean Marina Certification is an industry-sponsored recognition program and said, "It really does acknowledge that the commitment and support is there to establish ongoing programs and stewardship practices throughout the marina." It is a pretty rigorous program, "...*recognizing excellence in exemplary environmental stewardship practices*" and the Certificate is well deserved. Olsson read aloud the cover letter and the Clean Water Certificate, and again thanked the Port for participating in the program, and added that he really wanted to thank all boaters as well. The Commission thanked Olsson for attending and a round of applause was given for Rick and all his work to obtain the certification.

BUSINESS MEETING – THE CONSENT AGENDA:

A. Consent Agenda:

1. Minutes: No Minutes had been prepared due to the office relocation and related complications. Staff apologized for the inconvenience and noted that additional Minutes would be prepared for approval at the regular July meeting.

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 B**).

ACTION: A Motion was made by Gordon and seconded by Jerome to accept and authorize Vouchers #4334 - #4377 for a total amount of \$52,362.30. The Motion passed unanimously.

B. Resolution No. 10-05 (EXHIBIT C): Field explained that Warrant #325320 (dated 12/16/09 and payable to Reid Middleton in the amount of \$2,032.50) had not been cashed and is presumed to have been lost in the mail. A replacement voucher has been requested (approved with the above Motion), but Island County requires an approved resolution to cancel the outstanding warrant.

ACTION: A Motion was made Jerome and seconded by Gordon to approve Resolution No. 10-05 calling for the cancellation of Warrant Number 325320. The Motion passed unanimously.

C. Blanket Voucher Process: Field said that a Blanket Voucher Process would be developed for Commission review and subsequent implementation in 1-2 months, with Port Accountant Chuck Edwards continuing as Auditing Officer for the time being.

PUBLIC COMMENT – Including Items not on Agenda:

Clyde Monma presented the Board with draft copies and a brief summary of the draft document he prepared, titled “Dorothy Cleveland Park: A Position Paper” (EXHIBIT D). He explained that he intended to submit a proposal to the South Whidbey Parks & Recreation District (SWPRD), which would involve the Port transferring ownership of the property west of Possession and Franklin Roads to the SWPRD for the formation of the Dorothy Cleveland Park.

There was no additional public comment except as noted below.

ACCOUNTANT REPORT:

A. Financial Statement: The Commissioners acknowledged receipt of the April 2010 Financial Statement, which had been mailed to them previously (EXHIBIT E).

B. 2009 Annual Report: The Commissioners acknowledged receipt of the 2009 Annual Report (EXHIBIT F), which had been mailed to them previously and submitted to the State Auditor’s Office as required by law (Chapter 43.09 RCW).

PROJECT ACTION ISSUES:

A. Possession Beach Waterfront Park:

1. Commission Review of Pending Possibilities for Property West of Possession and Franklin Roads:

1. Proposed Cell Tower – Commission review and/or action on:

- AT & T Lease Proposal: Field reported no change in the lease proposal.
- AT&T Request for Pre-Application Approval: Field said Steven Berke of Goodman Networks/AT&T continues to email requests that the Port sign off on the Pre-Application to allow them to start the permitting process, in spite of the fact that the issue of whether Berke would be an agent and an agent of whom has not been clarified. Jerome asked, “Wouldn’t we have to sign a lease first, prior to signing the Pre-Application?” Gordon didn’t think so, and said, “A pre-application is simply a walk-through by Island County to see if a project would fly.” He said he was not interested in signing the lease agreement as it is written, and the only way he would only consider signing the pre-application is if Goodman Networks/AT&T were aware that

they could lose all their efforts and money they've put it into this. It needs to be crystal clear that the Port is not making any commitment. Tapert believed the Port shouldn't sign anything until they have a lease agreement, which the Port hasn't even begun to negotiate. Without a lease agreement, he feels "...it would not be appropriate to engage in some sort of assumed contractual obligation with whom we have no contract." However, there is no reason why AT&T can't pursue information gathering through the pre-application process with Island County. Although the pre-application form says owner consent is required, Tapert said it is not always enforced in practice. He reiterated his belief that the Port signing anything, even a pre-application, is premature without a signed lease agreement.

Karl Seemann asked, "Has anyone asked for a firm, conclusive lease agreement?" Tapert explained that a draft lease agreement has been received, but the Port has not responded yet. Gordon said the Port is not in a hurry and noted that the Port has given the people in that community some time to get feedback on the issue. He doesn't like the draft agreement as written, and feels no urgency to respond or enter into any negotiations unless and until the Port is "dead serious about going forward." Tapert's view differed; he felt that the lease negotiations could take place at the same time that the Port considers other possibilities (including the sale of the property). Jerome agreed with Tapert's concept of "parallel paths" as long as AT&T is aware that it is contingent upon a number of things, including the potential sale of the property. As for the Pre-Application, Jerome said it sounds like AT&T can do that without the Port's signature. Field thought owner consent of some kind would be required, and suggested it could be worded as conditional consent.

For clarification, Seemann asked, "Is the Port saying that you could allow AT&T to proceed with the preliminary investigations they have to go through, as long as they understand that this is not a firm and binding commitment from the Port?" Gordon said, "Less than that – it's not a commitment of any kind." He reiterated that would have to be made clear to AT&T. Tapert said they could conduct lease negotiations parallel with the pre-application process, but Gordon disagreed because that might imply consent and there is no hurry. Seeman said, "*The hurry is that we could stumble around here for years, and most of the people I've talked to would like to have this tower, and they want it now. Why should we wait years to get up with technology? You want to stonewall everything and the rest of the community would like to see this thing proceed and come to a conclusion. The community would like it resolved – either positive or negative – but not slow rolled for 5 years.*" Gordon explained that unfortunately, governmental process has to go slow and we do that in the best interest of everybody's interaction. Tapert noted there is a deadline, because at last month's meeting, the Port gave the community group opposed to the cell tower 90 days to provide alternative options. During that time frame, the Port can continue to look at the lease and be open to proposals for purchase of the property. Jerome saw no problem with such parallel tracking as long as AT&T is aware that in 60 days, "it could all be off because we may sell the property."

Darek Edmonson said Tapert's comments regarding parallel tracking and considering all the options made total sense. He asked Gordon, "You mentioned there were things in the lease you didn't like – have you told AT&T you don't like those things?" Gordon said he had not, and explained that he disagreed with Tapert and Jerome because he doesn't think they should negotiate the lease yet – there is no urgency. The Port needs to take time and not hurry to make the decision as to what is in the best interest of the people of the District. His position is that the Port is not ready to start lease negotiations; it's not in the best interest of the people right now. He doesn't see any problem with AT&T going ahead with the pre-application process as long as they are "well aware that this property could change hands and they could lose all their efforts."

The Commission reiterated that no action would be taken tonight. Gordon added, "It is in the best interest of the Port to wait – timing is on our side; we're not the ones in a hurry and it's going to be

put us in a better bargaining position and give other groups the opportunity to come up with alternate possibilities.”

Carl Robinson submitted photos (**EXHIBIT G**) of a cell tower platform located on his property in the north end of Langley and explained that he has leased that portion of his property to T-Mobile for the last six years. Regarding the proposed cell tower at Possession, Robinson said, *“I think we might be missing the boat if we kick the can down the road, because AT&T and Verizon entered into an agreement with the Federal Communications Commission (FCC) in order to promote the spread of technology into rural areas, and they did that with a carrot. The carrot was to allow the companies to broadcast television from the towers, giving them a leg up on Direct TV, DISH Network and cable.”* Robinson doesn’t think that will last forever – AT&T and Verizon will satisfy their obligation to the agreement and attempt to spread technology into rural areas. Regarding the visibility of the platform at the proposed site, Robinson referred to the photos he had provided and pointed out that after six years, the platform on his property is almost completely obscured. He concluded, *“If we ignore this possibility to grab onto this cell tower, we probably won’t get it in our lifetime.”* For the people that own property in the Possession area, that would mean they would never have high tech access and capability, including improved 911 service, and it would negatively impact real estate values because that would have to be disclosed to buyers.

Marcia Monma presented pictures of her home and the homes of neighbors with the proposed cell tower superimposed in them (**EXHIBIT H**). She said there is nothing that will obscure it *“unless you can grow bamboo 100 ft. high in a year or so.”* She added, *“There’s no way I can sell my house once the cell tower goes up – it’s not possible. No one is going to buy it.”* Monma said she also had major medical and noise concerns related to the cell tower. She said there are huge air conditioners that go in with cell towers, and since the proposed cell tower is only 150 feet from her house, she will hear it all the time. The environmental health issues are also very major. Tapert noted that if the proposal goes forward and they have a lease and an active permit, those concerns are all elements within the SEPA (State Environmental Policy Act) process that Monma and others could document and could control. He explained that the SEPA process is a very strong environmental umbrella that Island County can use to require additional mediation and mitigation.

Monma said the County does recognize that the area is fragile, and the proposed cell tower location is well within that zone that’s fragile. She also said that contrary to what has been reported, the proposed fence would not be 35 ft. from the trail – it would only be 11.5 ft. from the trail, and she presented drawings (**EXHIBIT I**) to demonstrate that. Monma believed AT&T had provided a lot of misinformation regarding the size of the road and the amount of trees to be removed, etc.

Doug Struthers said, *“I hear two constituents here: people who want the tower and people in our community who don’t want one, and I’ve never met anyone who wants a cell tower this tall in their lawn – would you? So why aren’t we looking at an alternative location? We all want the cell tower – we just don’t want it in our lawn.”* He said whatever amount of money the Port received from the cell tower lease would be offset by the loss of resources such as Clyde Monma, who is a teacher, and the Port should find an alternative place to put the cell tower. Struthers asked why the Port couldn’t just say no to AT&T right now. Tapert pointed out the Port is merely the receiver of this cell tower proposal – the Port did not initiate or propose it and the Board is simply entertaining it. The Port is just the owner of the particular land that AT&T wants. As far as finding an alternate site, that would be up to AT&T to decide. Gordon agreed by saying, *“We’ve been presented with a project and we need to determine what is in the best interest of the Port’s constituents.”* He is in favor of going into the pre-application process because it begins to address the environmental concerns, the planning, the bluff, and the other issues and that would be helpful to everybody. Gordon reiterated that he is not interested in negotiating the lease agreement yet – he wants more information. He added that it is not

up the Port to determine the best place for a cell tower – the Board has received a request and must accept it or deny it.

Struthers noted some constituents believe a cell tower is very much needed and the basis for supporting the proposal is that the Island needs better coverage, but he thinks the current proposal should be put in context because “it is not the same thing.” Gordon said AT&T is a business, and the coverage provided won’t be just for the South Whidbey Island population. He explained that AT&T has made a business proposal and since the Port is supposed to be focused on economic development on South Whidbey, the Board needs to review the proposal in that light and weigh all the consequences. He thinks it would be beneficial to everybody if they went ahead with the pre-application conference, as long as there strict stipulations regarding the lack of commitment of the Port. Struthers asked all three commissioners to “...please consider the harm that you will do to our little community, and if there is an alternative place that would be a far better solution (because I’m sure there are places that wouldn’t involve putting it on their lawn).” Tapert said, “We’re open to anything.”

Bruce Buls responded to Seemann’s earlier comments by saying, “Maybe some of the community support the cell tower proposal, but others certainly do not.” As for the Port just receiving the proposal, Buls said that the Port could just say no and they should because the location is just wrong. To him, it is clearly the wrong location when the neighbors say, “Please don’t do it – we don’t want it.” He also stated that “Yes, it IS a park – no question. It is a park and it is not the right place for a cell tower.” He went on to say that the neighborhood (which he calls Nationhood because it is on Nation Drive) feels that the Port doesn’t even acknowledge that it is of real concern to them. Tapert recalled that in 2007, the neighborhood didn’t want the public to be encouraged to use the connector trail (between the loop of the Dorothy Cleveland Trail and Lupine Lane) because they didn’t want the public to affect their privacy. So three years ago the neighborhood discouraged public use of that connector trail, but now the neighborhood opposes the cell tower because it will affect the Trail and the public’s use of it. Buls said the issue in 2007 had to do with the lack of available space to park in the neighborhood at the top of the ridge, and that connector trail was never intended to be a part of the Dorothy Cleveland Trail.

Buls said that by putting in a 12 ft. wide road with a 6 ft. wide ditch and a 140 ft. cell tower and pad, they would be damaging the park, and would be in conflict with the part of the Port’s mission is to be good stewards for the environment. He doesn’t consider the Port putting a cell tower in and damaging their property values as being a good neighbor.

If the upper portion is indeed a park, Gordon said he believed it is not in the mission of a port district to maintain and manage an upland park. Other than direct enhancement to some economic development venture (i.e. a small park at a marina or a business park facility), he thinks this is totally the wrong use of Port District dollars to continue to own and maintain it if it is a park. He truly believes that if it is a park, the Port should try to liquidate that asset and put the money into some of the other endeavors the Port has as soon as possible. If that isn’t doable, another option would be to get some kind of income with the cell tower (if the Port felt there would be more benefit than detriment to the South Whidbey community). He stated, “If it is park, we shouldn’t own it and should find a buyer for that property.” He pointed out that one of the potential buyers might be AT&T. Struthers said, “Then I would question the value of selling that park property that the Port has owned and developed as a park. You built the trail...” Gordon said, “We can build parks, and other port districts have done that, but owning, holding and maintaining is not within the mission of what we should be doing.” Buls reiterated that the Port developed it as a park and implored the Board to say no to this location for the cell tower.

Tapert suggested Staff be directed to draft a letter to Goodman Networks/AT&T and explain that the Port is in no way making any commitment to a lease agreement at this time, but has no objection to them moving forward with the Pre-Application. The letter could then be submitted by AT&T to Island County in lieu of the Port signing the Pre-Application as owner.

ACTION: A Motion was made by Jerome and seconded by Tapert to authorize Staff to send a cover letter to Goodman Networks/AT&T stating the Port's position (i.e. no commitment at this time to enter into a lease, as discussed above) to allow Goodman Networks/AT&T to proceed with the Pre-Application on the basis of the letter in lieu of signature. The Motion passed unanimously.

Noting that all 3 Board members are interested in selling the property, Jerome said, "I don't want this to get bogged down endlessly." He thought they should move (albeit incrementally) forward, and asked about the process. Port Financial Manager Dane Anderson explained that the property would have to be declared surplus prior to the sale, and noted that since the property is currently one piece, it would have to be short-platted as well. Jerome suggested that Staff be directed to figure out the steps that must be taken to make the property saleable for presentation to the Board at next month's regular meeting. The Board agreed.

Regarding the draft lease submitted by AT&T, Jerome suggested that he, Tapert & Gordon should each submit their comments/issues to the Port Staff so they can start compiling the information and if the Port does proceed with any lease negotiations, they won't be starting from scratch. The Board agreed.

2. Alternate Possibilities: Discussed earlier (ref. Clyde Monma's presentation).

2. Backhoe:

1. Replacement Update: Field and Possession Manager Wayne Nance reported that the Port has acquired a 2002 Cat Backhoe 416 as described in **(EXHIBIT J)**. The old backhoe was used as a trade-in, and the backhoe will be leased for 60 months with monthly payments of \$620.55, with a residual of \$8,750 in five years.

B. South Whidbey Harbor:

1. Expansion Project:

1. Design & Permit Prep:

➤ City Comment Response - Submitted May 20th: Anderson said he attended the City of Langley's workshop meeting yesterday with the City Council & Staff. The City expects to launch a second set of comments back to the Port soon.

➤ Boat Ramp Boarding Float Design & Permitting – "Paused" pending City response: Anderson noted that the City is moving ahead to consider the boat ramp reconstruction issue. While reconstruction of the boat ramp was initially included in the InterLocal Agreement (ILA) as part of the first phase of the Harbor Expansion Project, the Port has subsequently determined that the reconstruction should not be included in the first phase, although boarding floats are still needed now. An amendment to the ILA is required to document that change in scope. The City Council will take that issue up in earnest at their next meeting, but during the discussion at the workshop, Anderson reported that none of the council members had any problems with the proposed amendment to the ILA. He summarized, "It's moving ahead slowly, but it's moving ahead."

2. Property Issues:

- Department of Natural Resources (DNR) Lease – Revised Version (EXHIBIT K) (with reduced insurance requirements) Ready for Approval: Anderson reported that the revised version had been received and was awaiting signature and notarization.

ACTION: A Motion was made by Jerome and seconded by Gordon to authorize Tapert (as President of the Board of Commissioners) to sign the revised Department of Natural Resources Lease. The Motion passed unanimously.

Tapert agreed to stop at the Port office later in the week to sign the Lease and have his signature notarized. Anderson reported the good news on the DNR Lease is that the Port saved about \$10,000 in insurance premiums per year because we pulled the pollution liability insurance out of the lease. By rearranging the parcels used to value the lease, he was able to save an additional \$4,000 per year in lease payments. To summarize, since the DNR Lease negotiations process started in spring of 2009, the Port has saved a combined \$14,000 per year (even excluding savings related to PMA issues).

3. Funding Issues:

- Rural County Economic Development Funds (RCEDF) InterLocal Agreement (ILA) (EXHIBIT L) – Revised Per Island County, Ready for Approval: Anderson reported that at the Board of Island County Commissioners (BOICC) meeting on Monday, the ILA had been pulled from the Consent Agenda and placed on the Regular Agenda. The BOICC unanimously voted to authorize its president to countersign the RCEDF ILA as soon as the Port has signed it.

ACTION: A Motion was made by Jerome and seconded by Gordon to authorize Tapert (as President of the Board of Commissioners) to sign the Rural County Economic Development Funds InterLocal Agreement as submitted. The Motion passed unanimously.

Tapert signed the ILA and Port Clerk Molly MacLeod-Roberts signed as a witness.

- Boating Infrastructure Grant (BIG) Application – Initial submittal complete, waiting on checklist for July 1 Final: Anderson said he is “on the edge of becoming a nuisance” to the Washington State Recreation & Conservation Office (RCO) because the Port has not heard anything back from them on anything we’ve submitted (the BIG Application, the Use Certification request for bait sales on the dock, etc.). If he hasn’t heard anything this week, he will probably drive to Olympia next week to try to meet with RCO representatives in person and get the responses. Anderson explained that RCO’s role in the BIG Application process is that of intermediary between the Port and the U.S. Fish & Wildlife Service. The RCO is on our team in this national competition for the grant, but Anderson provided the following football analogy to their lack of response: “Our quarterback is asleep and I can’t wake him up.” Field pointed out that in this case, the RCO is supposed to be the Port’s advocate and partner, so it’s very frustrating that they have not responded. Anderson explained that the worst-case scenario if the RCO doesn’t respond is that the application would go forward to the USF&W without any advocacy and wouldn’t get approved. Jerome asked if there would be any value in talking to our legislative representatives, and Anderson said he viewed that as the next step after “camping out” at RCO in Olympia.
- Port Security Grant Program – Initial submittal complete/accepted, finalizing consortium and scope for July 1 Final: Anderson said he continues to work very closely with the fiduciary agent (Seattle Marine Exchange) for FEMA (Federal Emergency Management Agency) on the grant, and they’ve been very helpful. During a telephone review of the pre-application today, the representative suggested breaking the grant up into three different Investment Justifications (IJs)

instead of just one because of how they are related. That's not a problem, but it does create a possible situation (worst-case scenario) where the Port would get the money for the video cameras or the communication devices but doesn't get the large amount of money needed to launch the breakwater. He did talk the representative out of the idea of having five different IJs with the Island County Sheriff and Island County Fire District #3 on separate IJs from launching the breakwater, because it could result in agreement to buy the boats but not agree to provide funding for a place to put those boats, AND it would put the Port (as lead agency in the consortium) in the position of managing the grants for those agencies without getting any grants for the Port's project. After today's review, the fiduciary agent and Anderson agreed that there would be three IJs: 1) the breakwater and the two marine response assets (Sheriff & Fire District boats), 2) the communication equipment that allows interlocal communication with the different agencies and 3) the surveillance cameras at Bush Point, the Harbor at Langley, and Possession Park. The grant consortium includes the Port of Everett, Island County Sheriff Dept., the City of Langley and the Langley Police Dept., Island Transit, Island County Fire District #3 and the Port of South Whidbey.

ACTION: A Motion was made by Jerome and seconded by Gordon to authorize Tapert to sign the Memorandum of Understanding for the South Whidbey Marine Security and Resiliency Consortium (EXHIBIT M) in its final form. The Motion passed unanimously.

2. Harbor Operations:

1. Phil Simon Park Relocation Project: Sign being prepared by Simon Family.
2. Clean Water Contract with Washington State Parks for Septic Pump-out Cost Reimbursement - Status: Anderson reported, "We're getting close."
3. Dockstock Music on the Pier August 28: Field noted that Harbormaster Rick Brewer had expanded and revised his initial proposal for Dockstock, so this item is on the agenda for Commission review.
 - Sponsorships and T-shirts: Brewer proposes local businesses would provide sponsorships and their business names would appear on the Dockstock T-shirts that will be available for sale at the event.
 - Raffle: Brewer also proposed holding a raffle at Dockstock.

Field had contacted Port Attorney Al Hendricks to review the Dockstock proposal, and although Hendricks was okay with the sponsorships and t-shirt sales, he had "a lot of heartburn" with the raffle. Gordon pointed out that a gambling license is required for a raffle. Based on the conversation with Hendricks, Field had suggested that the harbormaster should go ahead with the sponsorships and T-shirt sales, but put off the raffle idea until next year, and Brewer agreed. Tapert said he had no problem with a non-profit group coming in and doing a raffle as part of the event, but he did have a problem with the Port District engaging in what essentially is gambling and the Board and Field agreed. Jerome asked if the City has been apprised and Field explained that is the next step once the Board has given their okay. The Board approved the Dockstock event, including sponsorships and t-shirt sales but without a raffle.

C. Staff & Operations:

1. Home Office Relocation – Update on Successful Move to 1804 Scott Road: Field said it was a great place and landlord Jack Ng has been very helpful. He noted that he planned to provide the Board with a total cost summary for the move within the next couple of months (once all the bills have come in).

2. Maintenance & Operational Wrap-up – Revised Proposal from GeoEngineers (EXHIBIT N): Field noted that GeoEngineers’ initial proposal was for \$40,000 for “the whole shooting match,” including evaluation of facilities, development of a scope, permitting process, etc. Joe Callaghan of GeoEngineers acknowledged that since such a blanket permit has not been done a lot, there was some cushion in the proposal to allow for the unknowns of dealing with the agencies. Callaghan also heard the Board’s concerns about overall costs and where exactly this is going/how big will this be, so in his revised proposal he has cut it down to the first piece of it, which is the evaluation and determination of what we’re doing and what permitting would be required. The idea would be once that point is reached, there would be a pause to review and take the opportunity to make changes if needed and then presumably proceed to the permitting process.

Gordon noted that the price hadn’t been revised in the proposal; Callaghan just reduced the scope. Tapert thought the Board’s concern with the original proposal was “having such a big chunk of money dedicated to something that might take a long time.” By cutting it back to ¼ of the scope, the Port would be able to see how it goes with the first quarter of the work and can change courses if needed at that point. Jerome thought the activities would be beneficial regardless of how they decide to proceed, but he added, “We still don’t have a schedule.”

ACTION: A Motion was made by Tapert and seconded by Jerome to authorize GeoEngineers to proceed with fulfilling the scope of work as submitted in their revised proposal, subject to providing a schedule of events and expectations to the Board.

Gordon said he had some concerns with continuing to use one company and asked for Tapert’s opinion and expertise. Tapert noted that marine engineering is a highly specialized field and GeoEngineers is highly qualified and the Port selected them after sending out Requests for Qualifications, deeming GeoEngineers as the best company to do the work. In his opinion, they should retain GeoEngineers as they are best suited to do the work.

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

D. New Project Opportunities:

1. Sustainable Economic Development and Innovative Partnership Zone (IPZ) Issues (Tapert):

1. Potential Langley area “Green” Business Park: Tapert said the University of Washington professor that he provided with an effluent sample for algae growth study had informed him that students can’t actually work on it because it is considered hazardous material. As a result, Tapert said he created a laboratory in his garage and is trying to grow algae from the effluent sample.

2. Ferry/Commuter Issues (Gordon): Gordon has scheduled a meeting with Washington State Ferries chief David Moseley on June 29th. He plans to present some of his ideas and maps about queuing for the ferry in Clinton, and will report back to the Board at the next regular meeting.

3. Island Transit Circulation/Shuttle Service Possibilities (Jerome): No updates, and Jerome said it could be removed from the agenda in the future.

4. Regional Transportation Planning Organization (RTPO) Electric Car Grant (Gordon): Gordon said there is a STEP (State Transportation Enhancement Program) grant opportunity and suggested Anderson could look into it to obtain funding for golf carts or electric cars to transport people up and down Wharf St. Tapert added that the group “Transport Whidbey” is converting cars to all electric vehicles and are trying to build an industry on the south end. He suggested they could potentially partner with the Port on the grant application, or at least provide a letter of support or write a letter to the editor. The Board agreed Anderson should look into the STEP grant opportunity as suggested.

5. Langley Middle School (LMS) Tech Center (Gordon): Gordon said it's still in the early stages. He would like to have a meeting with South Whidbey School District Superintendent Fred McCarthy, Whidbey Telecom Co-CEO George Henny, Langley Mayor Paul Samuelson and some others to find out if a high-tech conference center at LMS is even possible. Jerome noted that at a City Council meeting, McCarthy said he had 8 letters of intent so far from people interested in LMS. Jerome suggested the Port should also submit a letter of intent and Tapert agreed they should, but Gordon said he'd like to finish formulating the concept first. Jerome and Tapert agreed, and Gordon said he would try to have enough information by the next meeting for the Port to consider whether or not to submit a letter of intent.

ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC): (Jerome) Jerome reported that EDC is now offering social media classes for local businesses. The first class went well and the next one is on June 23rd. The classes advise businesses on whether and how to set up a social media presence. The EDC is also organizing the All Whidbey Trade Fair, scheduled for October 9-10. Jerome said he attended the Uniquely South Whidbey Trade Fair last weekend and thought it was rather poorly attended. At the City Council meeting, Sherry Mays (Executive Director of the Langley Chamber of Commerce) said she would come back to the Port to discuss ways to improve the event. Gordon said, "I think it's the responsibility of the Langley Chamber, once they were awarded the funds from the Port, to try and promote the event so that doesn't happen. I think without a good explanation, it should weigh heavily on the Port's decision next year when they submit an Application for Funds." Tapert suggested the poor economy and the short planning time were contributing factors to the low attendance.

Wayne Morrison said the Uniquely South Whidbey Trade Fair was poorly attended this year and last year. In 2009, the EDC cancelled the All Whidbey Trade Fair last year because they anticipated low attendance that would make it economically non-viable. He also suggested the Fairgrounds weren't the best location for the Uniquely South Whidbey Fair (poor visibility, no traffic from other events). Morrison thought the flyer for the event did not get distributed properly to the newspapers for some reason.

Anderson said the Port holds the trademark for the "Uniquely Whidbey" name and suggested they should make it available to EDC by giving them the authority to use it.

B. Council of Governments (COG): (Gordon) Gordon reported that the COG had awarded the Puget Sound Energy Green Power \$25,000 grant to the Port of Coupeville for a community solar panel array at Greenbank Farm. He said their presentation was very complicated and well thought out. Gordon said the COG is also struggling to sort out the structure of the 2% hotel/motel tax and working on figuring out how it should be distributed, etc.

C. Skagit-Island Regional Transportation Planning Organization (RTPO): Gordon said the local RTPO had previously awarded a \$1 million grant to Oak Harbor for a traffic re-routing or roundabout project but the City hasn't managed to make it happen, so that money might come back to the local RTPO. The RTPO also has between \$500-600,000 for the STEP grants mentioned earlier.

D. Marine Resources Committee (MRC): (Tapert) Nothing to report. Minutes are available on their website at <http://www.islandcountymrc.org>.

E. Washington Public Ports Association (WPPA): (Jerome) Nothing to report. Their website is <http://www.washingtonports.org>.

1. *Finance & Admin. Seminar:* Leavenworth, June 16-18: Anderson will be attending.


F. Holmes Harbor Shellfish Protection District (HHSPD): (Tapert) Nothing to report.

OLD BUSINESS: None.

NEW BUSINESS: None.

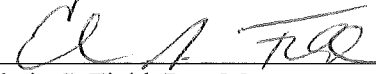
ADJOURNMENT: The meeting was adjourned at 9:15 p.m.

Approved:



Commissioner Geoff Tapert, Freeland


Minutes prepared by:



Edwin S. Field, Port Manager



Commissioner Chris Jerome, Langley



Commissioner Curt Gordon, Clinton

- Exhibit A: Clean Marina Certificate
- Exhibit B: Voucher Listing
- Exhibit C: Resolution No. 10-05
- Exhibit D: Dorothy Cleveland Park: A Position Paper (DRAFT) by Clyde Monma, dated 6/8/10
- Exhibit E: April 2010 Financial Statement
- Exhibit F: 2009 Annual Report
- Exhibit G: Photos of cell platform enclosure provided by Carl Robinson
- Exhibit H: Photos of Possession neighbors' properties w/cell tower superimposed, provided by Marcia Monma
- Exhibit I: Maps of proposed cell tower area provided by Marcia Monma
- Exhibit J: A-Z Auto backhoe description and lease details
- Exhibit K: Revised DNR Lease Agreement
- Exhibit L: Revised RCEDF ILA
- Exhibit M: Memorandum of Understanding/South Whidbey Marine Security & Resiliency Consortium
- Exhibit N: Revised GeoEngineers Proposal dated 5/13/10