

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING

LOCATION: Freeland Library, Freeland

DATE: August 8, 2007

7:00 PM – 7:30 PM WORKSHOP

1. 7:30 PM - REGULAR MEETING

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

2. BUSINESS MEETING

- A. Consent Agenda:
 - 1. Minutes on file: Minutes from Regular Meeting of June 13, Comp Scheme Public Hearing on June 20, and Special Workshop of July 9, 2007.
 - 2. Vouchers: Vouchers # 3129 through # 3156 in the total amount of \$78,227.13 as signed today.

3. ACCOUNTANT REPORT:

- A. June 2007 Financial Statement (mailed earlier)

4. PUBLIC COMMENT – Including Items not on Agenda.

- A.

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

- A. Port Logo Development
- B. Langley
 - 1. InterLocal Agreement: Status of Auditor issue
 - 2. Breakwater Status Update: Detachment date now September 8-10, 2007
- C. Bush Pt. Boat Ramp
 - 1. Reconstruction Update
- D. Facility Operations
 - 1. Establishment of Port Phone Lines at Possession and Bush Pt.
 - 2. Float Removal Schedule

6. COMPREHENSIVE SCHEME:

- A. Adoption of 2007-2013 Comprehensive Scheme of Harbor Improvements
- B. Wrap-up: Production (# and timing) and Distribution, incl. "Thanks!" to Committee

7. ACTIVITIES/INVOLVEMENT REPORTS

- A. Economic Development Council (EDC)
- B. Council of Governments (COG)
- C. Skagit-Island Regional Transportation Policy Organization (RTPO)
- D. Marine Resources Committee (MRC)
- E. Washington Public Ports Association (WPPA)

8. OLD BUSINESS

- A.

9. NEW BUSINESS

- A. Resolution 07-___: Levy Rate Increase

10. EXECUTIVE SESSION

11. ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

August 8, 2007

Freeland, Washington

Present at the meeting were:

Commissioner Lynae Slinden, Clinton
Commissioner Rolf Seitle, Langley
Commissioner Geoff Tapert, Freeland
Ed Field, Port Manager
Molly MacLeod-Roberts, Port Clerk

Helen Price Johnson, Comp Scheme Facilitator
Jeff VanderFord, South Whidbey Record
Sue Ellen White, Graphics Consultant
Wayne Nance, Possession Park Manager

Absent: None

1. MEETING CALL TO ORDER:

Following a Workshop session from 7:00 p.m. to 7:30 p.m., the regular meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on August 8, 2007, at the Freeland Library Conference Room in Freeland, WA. Commissioner Tapert, President, called the meeting to order at 7:30 pm., followed by the Pledge of Allegiance.

2. BUSINESS MEETING – THE CONSENT AGENDA:

A. Consent Agenda:

1. Minutes: Minutes from the Regular Meeting of June 13, 2007, and Special Meetings of June 20 and July 9, 2007.
2. Vouchers: Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the Board, and have been presented to the Board for review. The vouchers so listed and presented are summarized on the attached Voucher Listing (**EXHIBIT A**).

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to accept the Consent Agenda, including authorization of Vouchers #3129 - #3156 for a total amount of \$78,227.13. The Motion passed unanimously.

3. ACCOUNTANT REPORT:

- A. Financial Statements:** The Commissioners accepted the June 2007 Financial Statement which had been mailed to them previously (**EXHIBIT B**). Ed also mentioned that he had mailed the Commissioners a copy of his mid-year budget status update.

4. NON-AGENDA ITEMS / PUBLIC PRESENTATIONS:

There was no public comment other than as noted below on Agenda issues.

5. PROJECT ACTION ISSUES:

A. Port Logo Development: Sue Ellen White presented 3 logos plus a variation of one of those logos. White provided the Commissioners with copies of the logos (**EXHIBIT C**) and a display board for the public to view. White said she had met with the two Commissioners who had been available to discuss design considerations and to come up with logo design guidelines, which she included in their copies. The three logos were 1) a boat ramp with waves, 2) A clam and 3) A kingfisher and a simplified variation of the kingfisher. Commissioner Slinden asked White if she had brought the 2nd variation of the kingfisher that showed water and land behind it. White passed around that version of the logo. Commissioner Seitle said he liked the kingfisher and noted that Langley had used a heron for its logo for some time. He suggested working the kingfisher into the boat ramp version. After discussion, it was decided it wouldn't work as the scale would be wrong and the logo would then be "too busy." White said that when design consideration was discussed, the Commissioners had said they wanted something that was bold and simple. She thinks each logo has its own strengths in portraying the mission of the Port and what is unique about the Port community. Commissioner Slinden commented that the kingfisher logo might be better on a pier piling as Port Manager Ed Field had suggested to her rather than a branch so that it would be more marine industry related. Ed said he wanted to put in a "big push" and lobby for the boat ramp logo. He said he had shown the logos to the people in the office of Edwards & Associates and the boat ramp logo was the unanimous choice. Ed said it was extremely comparable to other port logos he has seen. Ed said he knows the Commissioners are looking to go beyond the ramps and he thinks that is great, but right now the Port is really about ramps and there are a lot of people using them. In working with Mike McCarthy, Bush Pt. manager and Wayne and Laura Nance, Possession Park managers, Ed said he has seen that the boat ramps are heavily used and very much a part of the community. Commissioner Slinden asked the public for their opinion. Helen Price Johnson said the boat ramp and the clam are the cleanest and easiest to come across and she agrees with White that clean and direct is the best way. Nance said he liked the 2nd variation of the kingfisher with the mountains in the background and the boat ramp, too, but thought a fir tree or something at the end of the ramp should be added to it. Jeff VanderFord of the South Whidbey Record asked if the kingfisher was eating a fish. He said he liked the kingfisher, but not the fish. It didn't look right to him. VanderFord the boat ramp logo was also good. Commissioner Slinden another option could be to just use the head of the kingfisher. Commissioner Seitle thought the boat ramp should be the base; he liked it. VanderFord asked how hard it would be to put the kingfisher on the ramp. White said if it was done in proportion, it would no longer be readable. Commissioner Tapert said he still liked the clam because it is different and said a slogan for it could be, "Come to Port of South Whidbey – be happy as a clam." Commissioner Seitle said he doesn't recognize it as a clam.

Commissioner Slinden suggested a way to select the logo would be to have each Commissioner rank their preferences as 1st, 2nd and 3rd choice and tally up the score, and the logo with the lowest total would be the winning logo. The Commissioners agreed that method of selection would work. The kingfisher received one 1st, one 2nd and one 3rd place vote for a total of 6 votes. The clam received one 1st place vote and two 3rd place votes for a total of 7 votes. The boat ramp received one 1st place vote and two 2nd place votes for a total of 5 votes. The boat

ramp was therefore selected as the new Port logo. The Commissioners thanked White and all present applauded her efforts.

Commissioner Tapert asked VanderFord if he was considering running all 3 versions in the paper. White said she would only be sending the boat ramp version. VanderFord said if the Port only sends one logo, it won't run. His editor will want all three logos for the story.

White said the next thing to do would be to make the business cards and letterhead and that could be done pretty quickly. She said she would get it to the Port electronically. Ed said the Port is running out of everything – cards, envelopes, etc. so the timing is good.

ACTION: A Motion was made by Commissioner Slinden and seconded by Commissioner Seitle to accept the boat ramp as the logo and authorize Sue Ellen White to proceed with preparations for printing.

Commissioner Slinden asked White for an estimate of cost on doing that additional work. White said it would take approximately 3 hours and cost approximately \$105. Commissioner Slinden suggested “not to exceed \$150.” White agreed that would be fine and said she would get all the information from Ed regarding the business cards. White then asked if she had the Commissioners’ permission to send all 3 logos to the South Whidbey Record. Commissioner Seitle said he doesn’t want the public to get involved in this now that a decision has been made. VanderFord explained that when he writes the story about the Port choosing a logo, he will discuss the clam and the kingfisher logos and his editor and the readers will want to know what they look like. Commissioner Slinden thinks they should give the newspaper only the winning logo and if the editor “really wants them, make him ask for them.”

The Commissioners voted and the Motion passed unanimously.

B. Langley:

1. InterLocal Agreement (ILA): Status of Auditor issue: Ed said he had spoken with Jan Jutte of the State Auditor’s Office around 3 p.m. that afternoon. Jutte told him she had gone through the whole package and said she was very appreciative of the pictures because she had no idea what it looked like down there and she couldn’t believe the condition of the old wharf. Regarding the ILA, Jutte said she has “no problem with that at all” and asked Ed if he wanted that in writing. Commissioner Slinden said she hoped Ed had said, “Yes!.” Ed said, “Oh, Yeah.” Jutte said the State Auditor’s approval of the ILA will be sent in a letter by the end of the week. VanderFord asked Ed if he sent Jutte photos, and Ed explained he had sent pictures taken from the bluff of the whole wharf and the new facility, etc. VanderFord asked if any pictures had been sent originally with the ILA. Commissioner Seitle said no, none had.

2. Breakwater Status Update: Ed said there were lots of interesting developments regarding the breakwater. He said that it is looking like the “break date” will certainly not be prior to Labor Day and will quite possibly be the week after Labor Day. The contractor is still figuring out exactly how he will be doing his pile driving, and the pile driving crew is discovering that the breakwater is kind of in their way, but the other crew isn’t ready to remove the breakwater yet. Greg York from Art Anderson Assoc. said he will have a package for Ed by early next week with the anchoring criteria for Holmes Harbor. York’s recommendation has been revised from anchoring on one end (resulting in a “400 foot windmill”) to their current proposal of anchors on the front and back of the breakwater, so it will be aligned north-south in Holmes Harbor. Commissioner Seitle asked why it would

be aligned north-south and Ed explained that the major blows come from the north or northwest and the prevailing winds of the storms are northerly or southerly. Ed had mentioned that the area sometimes gets major westerly blows, but York said the geography of that area leaves it mostly protected from those. Commissioner Tapert said a lot of the boating traffic is also north-south, so orienting the breakwater in that same way would be the least restrictive to boating. Ed said once he has received the package with the specifications, he will get it out to some contractors like Island Tug & Barge to get some bids by the time he returns from vacation. Commissioner Seitle asked if it wasn't necessary to get a contract with a tugboat company now since the breakwater is scheduled to be moved in just 45 days. Ed said he doesn't know what to write the contract for yet, and won't until he gets the package from York with the specs regarding the anchor dimensions, etc. York told Ed that Island Tug & Barge has a good A-frame rig that can drop the anchor, so it could all be done with one company and one contract for transport and mooring. Commissioner Seitle said there is no time to waste. Ed said he is working on it, and Commissioner Slinden agreed. She added they were "putting them to bed one at a time." Commissioner Slinden asked Ed if he needed approval for funding before the Port's next meeting to get it started. Ed said the Port Commission might well need to plan a Special Meeting in late August (either shortly before or shortly after Labor Day) for this specific topic.

Ed said the other half of the breakwater equation is the permitting to put it in Holmes Harbor. He said he had spent much of the afternoon on the phone with two different branches of the Coast Guard in Seattle. The first branch called the Port to find out what the stuff is in Holmes Harbor. Ed said there is a "humongous" yellow algae stain around the beach, extending past the dock. A resident had called the Coast Guard about it thinking it was a chemical spill, and the Coast Guard decided to call the Port. Ed went down to Holmes Harbor, took some pictures and reported back to the Coast Guard.

Shortly after that, Ed said Lieutenant Commander Wickman phoned him. She is new on the job, having recently moved from California. Wickman told Ed the Port needed more public outreach. Commissioner Tapert asked if the front page of the paper wasn't enough. Ed said he sent her a copy of it. Her comment was, "That looks like a pretty pristine area up there." She said that maybe the Port could contact the golf course and the homeowners. Commissioner Slinden said no, it is only a permit for temporary moorage. Wickman said her concern was that the floats may be there more than a year and complaints will arise. Commissioner Tapert said the Port is only asking for a year. Ed told Wickman he would contact the golf course and maybe they could put it in their newsletter or something, but he felt the front page of the newspaper is as thorough as it gets. VanderFord said it had been in the paper several times. Ed said Wickman had told him she was okay with the safety and location and she was pleased to hear about the two-anchoring. Ed said her main concern seemed to be that it would run long and there could be a large outcry resulting in the Port being forced to move it elsewhere. Wickman asked why the Port didn't look at pulling it onshore now, and Ed explained that the Port had looked at that option but it was far more expensive. He told Wickman the Port doesn't want the breakwater in Holmes Harbor any longer than the Coast Guard does. Commissioner Tapert said the only delays will come in permitting and Ed said that is not Coast Guard's permitting, it is a Joint Aquatic Resource Permit Application (JARPA). Ed suggested to Wickman one possibility is if there is a public outcry after a year and the permit process is well underway, perhaps the Port could get initial approval based on the permit process to date to start moving the breakwater to Langley. Commissioner Seitle said Wickman was not totally wrong in her concern because if something 400 ft. long and 16 ft. wide showed up in front of his house,

he would probably call and ask somebody about it. Commissioner Slinden said it has already been on the front page of the paper twice, so people already know about it. Ed said the breakwater is only 3 feet high, so profile and view-wise, it is minimal. There will be lights on it so people don't run into it. Commissioner Seitle said they should put something on the bulletin board and Ed said he would try to contact the golf course and the homeowner's association. Commissioner Slinden asked if Wickman had given Ed a timeline. Ed said the quicker they get something to her, the quicker the Port might get something out of it. He said Wickman had only one person call her about the breakwater, and it was the same person who called Ed and questioned how long it would be there. Commissioner Slinden asked VanderFord if the person had called him, too. He said no, but he was thinking about a great story about a little tugboat and this 400 ft. thing called "The Breakwater Without A County" and it goes from one place to another as everyone says, "No, not in my backyard." Ed said Wickman felt the breakwater would also need lots of lights and boats to accompany it on its journey from Bremerton. Commissioner Tapert asked if Ed would be contacting the Holmes Harbor community for inclusion in their newsletter as the Port's community outreach and Ed agreed he would. Commissioner Seitle asked if it is possible to identify the homeowners who would see the breakwater. VanderFord asked if the Port had an aerial photograph of Holmes Harbor. Commissioner Seitle said yes, they did. VanderFord suggested superimposing the breakwater (to scale) onto that photograph and publishing that in the newspaper. Ed said he would see if Greg York could do that. Commissioner Seitle asked what the Commissioners wanted to do: put a one-page flyer out or give it to the newspaper to publish, etc. Commissioner Tapert said if a simple explanation is given to the Holmes Harbor community for inclusion in their newsletter that describes where the breakwater will be located, what it is, when to expect it, and how long it is anticipated to be there, that should be sufficient. Ed said he could send it to both the South Whidbey Record and the Holmes Harbor community.

C. Bush Point Boat Ramp:

1. Reconstruction Update: Commissioner Slinden asked if the other Commissioners had seen the most recent email exchange between Ed and Kristen Kuykendall, and they said they had. Ed said Kuykendall had copied Kye Iris, the Land's Agent in Everett that the Commissioners had met six months ago with her supervisor. Ed discussed with Iris the condition of the grid which is not fixed and is not even near to being fixed, the fact that the hoops are obviously failing and the bathrooms aren't working. Ed told Iris that every plumber that has looked at the bathrooms said the problem is with the valves and piping, but Kuykendall is insistent that the problem must be the water pressure. Iris said Kuykendall doesn't have an expert, and asked Ed if the Port could get an estimate to fix the bathrooms. Ed told her he has not been authorized to spend any construction dollars until the project is finished. He asked Iris how much of the \$100,000 had been spent so far, and she told him about \$90,000. Ed said he had expressed the frustration the Port had because in the early spring, they had a contractor who said he could fix everything out there for \$100,000 and he was ready to go then. Iris said that would have been a good idea, and Ed explained that Kuykendall told the Port it couldn't get the money because it was only available in-house through Washington Department of Fish and Wildlife (WDFW). Iris asked if the Port would be interested in taking it over if given the last \$10,000. Commissioner Slinden said more money would be needed to do the project. Commissioner Tapert said he was thinking the Port should get a full refund of everything it had spent and walk away from it. Commissioner Seitle said this project isn't going to happen because a project like this can't be run without specification and without drawings. Ed said Iris was astounded that Kuykendall had sent a crew to Bush Point without plans and without supervision. Commissioner Seitle thinks the Port should tell WDFW it will finish the

project, but the Port wants to change the agreement to take possession of the facility now. He thinks that's the only way the Port can justify spending more money on the project. Commissioner Slinden would like the Port to consider asking WDFW if the Port got its own crew and estimate to complete the project, would WDFW cover that cost. Commissioner Seitle said he didn't think that would be very practical because WDFW doesn't have any money and Commissioner Slinden agreed. She thinks having WDFW turn over the property to the Port is a legitimate solution. Commissioner Seitle said he is concerned that Bush Point is not going to get fixed right and further fighting with WDFW could have unintended consequences. Commissioner Slinden asked if in doing some type of ILA or conveyance of property, would what the Port commits to doing be enough to substantiate the transfer of property. Commissioner Seitle said he thinks the justification is that the Port cannot spend taxpayers' money on a facility it doesn't own, where there is an existing agreement that it will be turned over to the Port in perfect condition. The Port's 35-year commitment is based on not having to do immediate work at Bush Point. Commissioner Seitle said the Port should continue to explain to the public that this is not the Port's fault. Commissioner Slinden thinks that the Port taking ownership now is a very legitimate thing to do. She thinks they will need to be careful creating an agreement so that it spells out what the Port has already done and what the Port is going to do. That way, when there is a transfer of property it won't be questioned as far as value of agency to agency.

Port Manager Ed Field said WDFW had brought up one more complication that they consider to be a significant issue, that of conversion with IAC. With the IAC, if a facility is taken from its intended use, an equivalent facility needs to be provided to IAC. In Ed's opinion, the Port has been involved in this project and is already part of the agreement so there is no conversion of use and it is not an issue. Ed just wanted to point out that if the Port takes ownership, it will have to abide by all IAC agreements that are in place based on funding. Commissioner Slinden said if the Port wants to make that proposal, she thinks an ILA will be required for the conveyance. Commissioner Seitle said Kuykendall has already stated that WDFW has no interest in owning the facility in the end and would eventually turn it over to the Port in any case. Commissioner Slinden is suggesting the Port start the ILA process with the legal documents so it can make a legitimate offer to WDFW. She asked if they should have Al Hendricks, the Port's attorney, draft that since Ed is obviously overwhelmed with things to do. Ed said he would like to speak with Iris again, because she is the one who can make it happen, and added that Iris specifically told Ed to start going to Kuykendall's boss.

Commissioner Seitle suggested telling Iris that the Port would take over the facility and complete the project provided that the Port immediately takes over ownership of the facility. Commissioner Tapert said he thought they should give Iris a 90-day notice and see what happens, because the Port doesn't own it and the lease agreement contains the option to abandon the agreement within 90 days. He said Bush Point would still be in public ownership. Commissioner Slinden didn't like that option, because it would virtually be an abandoned ramp that would not be maintained and it would be a great disappointment to the community. Commissioner Tapert said it seems to him that the Port would be accepting a substandard product yet again and it is not in the best interest of their constituency. On the other hand, the Port had control, authority and ability to fix Clinton Beach and it was a successful project. Commissioner Tapert said that with Bush Point, WDFW in Olympia has controlled it and it is now going on 10 years and it is still not right. He asked if the Port wants to take that over. Commissioner Slinden said if the Port could bring Bush Point up to standard by investing \$100,000 and own and manage that property,

then it could reach a standard of acceptability. Commissioner Tapert asked if the Port would be able to obtain the permits from DFW to fix it right. Ed said the challenge will be in the upper 15 feet of the ramp, because at this point it would be extremely hard to do anything other than concrete it in. Commissioner Slinden asked Ed if Iris had any leverage in the permitting department. He said he could talk to Iris, but he had a feeling she didn't. Commissioner Seitle suggested writing a letter as he explained earlier and as Commissioner Tapert had suggested, the letter should state that the only other option is to withdraw from the agreement. Commissioner Slinden agreed.

Jeff VanderFord said the permit issue is interesting. When he has been at Bush Point, he has noticed that the grids are degrading significantly and in a year, it will be even worse. If the grids are replaced, then the new ones will do the same thing. VanderFord doesn't understand how it can be resolved if WDFW won't allow a concrete ramp. Ed said that WDFW has put the sheet pile down and that should start to stabilize things. He thinks the big concern seems to be seawater in contact with concrete. Ed feels that if a legitimate crew with adequate equipment gets in there, removes the first 15-20 feet of grids, puts in a concrete underlay and then puts the grid back on, DFW might be satisfied and the Port would only have to do periodic spot repair. VanderFord said that sounds great, but when he spoke with Kuykendall 6 months ago, she gave him the reasons why they were using the grid system and he wonders if WDFW is going to allow Ed's method. Ed said he doesn't think WDFW will allow them to replace the grid, but he is hopeful they will allow the underlay of concrete for the top part of the ramp. Commissioner Slinden said she thinks the Commissioners should allow Ed to speak to Iris again and get some additional information. She said the general direction of the conversation should be to let her know that the Port is offering either to take it over and fix it as best they can or they are withdrawing from the agreement. Ed could also explain the conditions to be met if the Port does take it over, the problems that need fixing and that the Port needs DFW's cooperation to fix it adequately. Commissioner Slinden said Ed could report back to the Commissioners after he has had that discussion with Iris. Ed said he could make one more call to a competent contractor and ask if the concepts are workable. Commissioner Seitle said the roller hoops would need to be addressed. Commissioner Slinden said that would be one of the detail elements included in Ed's discussion with Iris, when he tries to get an overview from WDFW as to whether they want the Port to try to make it work. Commissioner Slinden said if that is what WDFW wants, they would have to cooperate with the Port if the Port is going to put more money into the project. Ed said his "wild guess" is if Kuykendall has spent \$90,000-\$100,000, it could take another \$40,000 to \$50,000 to get it right and finish it. Commissioner Slinden suggested including discussion of Bush Point at the late-August Special Meeting so they can move on with the Agenda.

D. Facility Operations:

1. Establishment of Port Phone Lines at Possession Park and Bush Point: Ed thanked Wayne and Laura Nance for their work in getting additional phone lines at Possession Park and Bush Point in time for the directory that comes out tomorrow. The caretakers' private numbers will remain private, and there will now be a published number and separate phone line with an answering machine at each location. The answering machine will provide callers with basic information about the facility (hours, floats being pulled on such and such date, etc.) and callers can leave a message if desired. Ed said the White Page listing will be under the Port of South Whidbey and have the main office information, followed by the telephone numbers for Bush Point Boat Launch and Possession Park. Ed added that right now it is only listed under Parks in the Yellow Pages because of Possession Park, but it will be expanded to include the main office and Bush Point this year. Then next year the

Port can get in on the Government Pages as a separate heading. Ed said Wayne and Laura Nance's help was much appreciated.

2. Float Removal Schedule: Ed said a high tide is required to remove the floats, and he and Wayne had looked at the tide charts and calendar. There is a string of good high tides in late September and another in late October. Ed said that given that Bush Point's floats were so late going in, he had hoped to leave them in longer, but because of the poor and deteriorating condition of the pile hoops, he thinks they'll need to be removed at the end of September. Commissioner Seitle agreed. Ed asked Wayne for his thoughts on the timing of the float removal at PossessionPark. Wayne said in the past the floats have stayed in until October. Commissioner Seitle asked if they know how to get the Bush Point floats out. Ed said they have a crew, they know what to do, and they will probably use Hanson's boom truck as the hoist mechanism. Commissioner Slinden asked if the floats at Bush Point need to come out sooner because of the broken rings. Ed said they would keep a good close eye on them and pull them out earlier if they have to, but would like to leave them in as long as they can. With the Commissioners' approval, Ed said the floats at Bush Point would be removed the last week in September and the floats at Possession Park would be removed the last week in October unless they knew bad weather was coming, and then they would pull them out sooner. The Commissioners concurred

6. COMPREHENSIVE SCHEME:

A. Adoption of 2007-2013 Comprehensive Scheme of Harbor Improvements:

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to adopt the 2007-2013 Comprehensive Scheme of Harbor Improvements. The Motion passed unanimously. Resolution No. 07-02 was adopted and signed by the Commissioners (EXHIBIT D).

Commissioner Seitle said there were two or three very minor things to be corrected. Commissioner Tapert said corrections such as typos could still be made. Ed agreed that typos, formatting errors, and missing numbers on Table 14 can all be corrected, but nothing substantive would be changed. Commissioner Slinden added that the new Port logo could be placed on the cover. Commissioner Seitle asked if any comments had been received from the City of Langley. Ed said there was just one letter of support. Helen Price Johnson, Comp Scheme Facilitator/Editor said there was also a letter from Larry Cort, the planner for the City of Langley. Price Johnson said the letter just said the Comp Scheme was in line with what they had in their scheme as well. Ed said he had a couple of questions: 1) Should the cover say "Comprehensive Scheme" or "Comprehensive Scheme of Harbor Improvements?" Ed said he was leaning toward just calling it Comprehensive Scheme because that is less confusing. Commissioner Slinden said the full formal title should be used. Commissioner Tapert thought the RCWs said something like "Harbor Improvements and Industrial Development." Price Johnson said they could do that in a smaller font. Commissioner Slinden agreed that it should be kept, but in a smaller font. 2) How should the Port thank the Comp Scheme Committee? Ed said that the Port of Coupeville had written a very nice letter to each member of its Comp Plan Committee, the Commissioners had each individually signed the letters and sent them with a full color copy of the final Comp Plan to each Committee member. The Commissioners agreed. 3) How many copies of the Comp Scheme does the Port need? Ed said it doesn't have to go out to any other agencies. Ed noted that the Port of Coupeville has requested a copy, there are up to 9 Committee members, plus the 3 Commissioners, etc. Ed said they can be done

in color or in black and white, and color copies are considerably more expensive. He thinks they should do certain amount in color and a lot more in black and white. Commissioner Tapert thinks they should all be in color and he volunteered his color copier up to a limit and start with a couple dozen. Price Johnson suggested one for the City of Langley, and Commissioner Slinden added the libraries to the list. Commissioner Tapert pointed out it would also be available electronically on the Port's website. Ed suggested 3 dozen and Commissioners Tapert and Seitle agreed. Commissioner Slinden asked how hard it would be to do an additional run later. Port Clerk Molly MacLeod-Roberts said the Port of Coupeville had 50 copies made to start and later added 12 more. Commissioner Tapert asked where the copies were sent. MacLeod-Roberts said various government agencies. Commissioner Slinden said DFW would want one and Ed said one should be included with any grant application. Price Johnson said it makes sense to make sure Island County has one. Commissioner Slinden said 50 might be a better number. She asked how much one copy cost to make. Ed said that's why he was suggesting black & white vs. color and thought maybe it was \$10 vs. \$20 per copy. Price Johnson thought it was more likely to be \$4 vs. \$10 per copy. Commissioner Tapert asked if they could simply sent a .pdf to DFW. Price Johnson said it could also be put on a CD. Commissioner Tapert said that would save a lot of money. Price Johnson thought the libraries should have a hard copy though. The Commissioners agreed. Commissioner Tapert said they should make 3 dozen color copies and they can always make more if they run out. Ed suggested doing 2 dozen disks as well. The Commissioners agreed that for the first run there would be 3 dozen color hard copies and 2 dozen disks. Commissioner Slinden asked Ed if he would write the thank you letters to the Committee members, and Ed said he would.

7. ACTIVITIES/INVOLVEMENT REPORTS:

- A. Economic Development Council (EDC):** No meetings held this month.
- B. Council of Governments (COG):** No meetings held this month.
- C. Skagit-Island Regional Transportation Planning Organization (RTPO):** No meetings held this month.
- D. Marine Resources Committee (MRC):** No meetings held this month.
- E. Washington Public Ports Association (WPPA):** Commissioner Seitle said that as of July 1, 2007, the Municipal Research Service Corporation (MRSC) is now allowed to take questions from special districts. Before that, they were limited to cities and governmental agencies. Now the Port will be able to use the MRSC. He said it is available online to answer questions and provide clarifications. Commissioner Seitle said the WPPA was instrumental in getting access to the MRSC for ports.

8. OLD BUSINESS:

There were no Old Business items.

9. NEW BUSINESS:

A. Resolution 07-03 for a Public Vote on a Levy Rate Increase: Commissioner Tapert said he had asked Port Manager Ed Field to prepare this draft Resolution (**EXHIBIT E**) after the County Auditor's office told him that if a Resolution is presented to them by the 14th of this month, it would be in time for the upcoming General Election in November. Since the Port has been discussing funding options, Commissioner Tapert thinks it would be timely to get it out for a vote.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Tapert to approve Resolution No. 07-03 calling for a public vote on a Levy rate increase.

Commissioner Slinden feels that without a specific project, she does not feel comfortable asking the public to vote for more money for the Port District. She thinks the Port has "a pretty good amount of money sitting in the bank that we haven't used." Commissioner Slinden said there is no specific project to explain to the taxpayers what they will get for their money and she feels a levy rate increase is premature.

Commissioner Seitle said that looking at the Port's Capital Improvement Program (CIP) and the things in the future, the levy rate increase would bring in about \$812,000, which is 2 to 3 times what the Port is getting right now. He said that increase would "basically then be forever" and if the Port asks the public to vote for money, he would prefer to do it for a specific, identified purpose that would have an end date to it. Commissioner Tapert said that would be an Industrial Development District (IDD). Commissioner Seitle said it could be an IDD, it could be a bond issue. Commissioner Tapert agreed.

Commissioner Slinden thinks that looking at a levy lift at some point in time is a good idea, but without a specific explanation to the public as to what they will get for their money, it's basically asking the public to give the Commissioners a credit card and trust them to take care of their money until they decide what to spend it on. She thinks the result will be "a big no" for that, because there is nothing in the Comp Scheme that the Commissioners have specifically decided to do at this point. There are a lot of good potential projects and she thinks a future levy lift is a good idea, but not right now.

Commissioner Seitle said he doesn't disagree with Commissioner Slinden, but there could be problems with time delays when opportunities arise. As an example, he mentioned the Port's commitment to update the Harbor Plan with the City of Langley. The Port has looked at certain acquisitions in the area that would make it feasible and the Port has an opinion from the engineer with respect to the new geometry, which points them in a different direction than the original one. Commissioner Seitle requests an Executive Session on that issue. Regarding the levy rate increase, he said the Commissioners know they can't do any of the things in the Comp Scheme with the current resources. He said if they don't get any additional revenue then nothing can be done. Commissioner Seitle said it will take a year for anything to happen, and he thinks they need to come to a consensus on how the Port will fund the things it wants to do and the things that should be done.

Commissioner Tapert agreed that in an IDD, it is necessary to have specific projects identified and quantified as to how the money is spent and that doesn't require a vote. He said that in looking at other Class C ports in the state, the Port District of South Whidbey is at about 11¢ per thousand millage rate and the average is about 28¢ per thousand. Commissioner Tapert says the Port of South Whidbey has more value than many of those ports, but they have a

higher millage rate. He said they are focusing on larger things like purchasing property when it becomes available. He said it is hard to identify a specific parcel the Port is going to buy, but if the Port doesn't have the ability to act on property acquisition opportunities when they arise, the Port may lose those opportunities forever. Commissioner Tapert said property prices are going up faster than the rate of inflation. He said that yes, the Port is asking for "a credit card" and the public elected the Commissioners to use its money wisely, but without the money, the Port's hands are tied. He added timing is another issue, as he understands there are some other junior taxing districts looking at special bond issues next spring, and he wonders if the Port wants to be competing against those districts or wait another full year and go with the Presidential election in 2008. Commissioner Tapert wanted to bring the Resolution to the table so they could potentially meet the August 14th deadline, and to throw it out there and see what happens.

Commissioner Seitle said he views the Port as a business, and the property tax revenue is somewhat equivalent to venture capital. He said the Port can't go on with only taxpayer money; they need to make investments. The initial investments can only come from one source. Commissioner Seitle said the reason he is not in favor of the Resolution right now because the public has the feeling that once a tax gets on the books, it'll stay there forever, so he prefers to seek money for a specific, one time purpose for a specific period of time. He said the levy rate increase still wouldn't bring in enough money to do the things they are discussing.

Commissioner Slinden said the Port has the ability to do a Special Election mid-year, and an election every year of some kind, so approximately every 6 months the Port could throw the levy rate into a ballot situation. Port Manager Ed Field said there are 4 windows between the General Election this year and the General Election next year. Commissioner Slinden pointed out that unlike the other districts, the Port District has the ability to do an IDD if it wants to and it doesn't have to be put to a vote. That is always available as a back-up funding mechanism if the Commissioners have a project they truly believe in. She thinks that without something specific right now, the Port should not ask for something it cannot be accountable for. Commissioner Tapert disagreed and said they could be accountable. The Commissioners have just adopted a Comp Scheme that has very lofty goals, but the Port doesn't have the ability to fund 2/3 of them. Commissioner Tapert disagreed with Commissioner Seitle's comment that the taxes are permanent. He said that based on the 1% increase, it will come back down over time. Inflation is at 3%-4% and the Port is only able to increase the tax rate by 1%. Commissioner Tapert said he is asking that the Commissioners consider getting in line with the other Class C ports in the state so that the Port can attack some of the projects in the Comp Scheme. Commissioner Slinden said she would prefer to wait until the Port knows what it will be doing in Langley. She thinks that until the Port has something to present to the public with specifics on how large the Langley project is, the Port should not try to get money to pay for it through the levy rate increase.

The Commissioners voted and the Motion failed to pass in a 2-1 vote, with Commissioner Tapert voting in favor of approval of Resolution No. 07-03 calling for a public vote on a Levy rate increase.

10. EXECUTIVE SESSION:

The Board of Commissioners went into Executive Session to discuss possible property acquisition opportunities at 8:47 p.m. The Executive Session concluded at 9:10 p.m.

11. PROPERTY ACQUISITION:

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to engage Phil Pearl of Open Space Resources to preliminarily research certain properties along the southerly bounds of the Port's future marina properties in Langley and determine their value. The Commissioners voted and the Motion passed in a 2-1 vote, with Commissioner Tapert voting "nay".


12. ADJOURNMENT:

The meeting was adjourned at 9:12 p.m.


Approved:



Commissioner Geoff Tapert, Freeland



Commissioner Rolf Seitle, Langley



Commissioner Lynae Slinden, Clinton

Minutes prepared by:



Edwin S. Field, Port Manager

- Exhibit A: Voucher Listing
- Exhibit B: June 2007 Financial Statement
- Exhibit C: Proposed Logos: Sue Ellen White
- Exhibit D: Resolution No. 07-02 Adopting the Six Year Comprehensive Scheme of Harbor Improvements 2007-2013
- Exhibit E: Resolution No. 07-03 Calling for a Public Vote to Raise the Property Tax Levy Rate to \$0.30 per Thousand of Assessed Value