

AGENDA
THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING

LOCATION: Freeland Library, Freeland

DATE: September 12, 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 July 11 and Special Meeting of July 16 (with State Auditor's Office), 2007
 - 2. Vouchers: Vouchers #3158 through #3189 in the total amount of \$441,979.01 as signed today.

3. PUBLIC COMMENT – Including Items not on Agenda.

- A. Proposal for Easement & Water-fountain at Cleveland Trailhead: Possession Shores Inc
- B. Application for Funds for Marketing for Oktoberfest at Clinton Community Hall: Clinton Progressive Association

4. ACCOUNTANT REPORT:

- A. July 2007 Financial Statement (mailed earlier)
- B. 2008 Preliminary Budget and Process/Schedule Review

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

- A. Langley
 - 1. Breakwater Status:
 - 1. Update on Disconnection & Temporary Storage Alternatives: Langley or HH
 - 2. Presentation to Langley City Council on Sept. 19 (if applicable)
 - 3. Engineering, Cost and Permit Issues for Extended Storage and/or Prep Work
 - 2. Marina Design Status, incl. proposal from Art Anderson Assoc.
- B. Bush Pt. Boat Ramp
 - 1. Transfer Negotiations:
 - 1. Results of 9/5/07 Interim Inspection and Repair Issues
 - 2. Question from Kye Iris/WDFW regarding Inclusion of Tidelands
 - 2. Seasonal Float Removal: Floats coming out on Monday September 24!
- C. Possession Beach Waterfront Park
 - 1. Seasonal Float Removal: 1st Week in October (Sat Oct 6) or 4th Week (Thurs 10/25)?
 - 2. Estuary Restoration Update from SRSC

6. ACTIVITIES/INVOLVEMENT REPORTS

- A. Economic Development Council (EDC)
 - 1. Confirmation of Trade Fair Sponsorship (\$1,000) and EDC Membership for 2007-8
- B. Council of Governments (COG)
- C. Skagit-Island Regional Transportation Policy Organization (RTPO)
- D. Marine Resources Committee (MRC)
- E. Washington Public Ports Association (WPPA)
 - 1. Small Ports Seminar: Oct 18-19 in Leavenworth

7. OLD BUSINESS

- A.

8. NEW BUSINESS

- A.

9. EXECUTIVE SESSION

(If needed)

10. ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting
September 12, 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

Dennis Gregoire, Comp Scheme Facilitator
Wayne Nance, Possession Park Manager
Elisa Miller, Clinton Progressive Association
Jack Lynch, Clinton Progressive Association
Andy Campbell, Whidbey Water Services
Mike Bell, Possession Shores Water Association
Jeff VanDerford, South Whidbey Record

Absent: None

1. MEETING CALL TO ORDER:

The regular meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on September 12, 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 July 11, 2007, and Special Meeting of July 16, 2007 (with State Auditor's Office)
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 Slinden and seconded by Commissioner Seitle to accept the Consent Agenda, including authorization of Vouchers #3158 - #3189 for a total amount of \$441,979.01. The Motion passed unanimously.

3. PUBLIC COMMENT – Including Items not on Agenda:

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

A. Proposal for Easement and Water Fountain at Cleveland Trailhead – Possession

Shores, Inc.: Andy Campbell of Whidbey Water Services and water purveyor for the Park was on hand to discuss the proposal. He introduced Mike Bell as President of the Possession Shores Inc water association (PSWA). Campbell referred to the packet of information he had previously submitted to the Commission (**EXHIBIT B**). He explained that PSWA's engineer George Bratton had performed a system evaluation and several deficiencies were noted in the Nation Drive area that abuts the Port District's western property boundary. During power outages, a number of water customers are left without water because the PSWA does not have enough storage in the area. PSWA has looked at some alternative options such as installing an emergency generator at the top of the hill or putting in more pump stations. None of those options penciled out as well as the proposal to have a larger storage tank at the top of Lupine Lane. Campbell explained that the existing easement PSWA has is not large enough to accommodate the installation of the larger tank with the proper hydraulics without removing several very old trees. PSWA is therefore looking for an additional 30' x 40' piece of land that abuts the Port's western property line. Placing an additional tank would serve to provide fire protection for the whole Lupine Lane/Nation Drive area and would provide water during power outages to the entire Possession community of 100+ homes. Campbell noted that they had met with Commissioner Slinden and Port Manager Ed Field on site and that there had been a lot of discussion and community input. PSWA is asking for an easement and in exchange offers a free water connection up to the Cleveland Trailhead for a drinking fountain. Commissioner Slinden asked if PSWA would be providing the drinking fountain. Campbell said PSWA would provide the water pipe up to the Cleveland Trail benches, but they had not discussed providing the drinking fountain itself. PSWA proposed putting the pipe in, pumping water up to that site and maintaining that water line (turning it off in winter, etc.). Commissioner Slinden asked if it would be "No Fee" and Campbell said there would not be a monthly fee; it is a community benefit tap in exchange for the small easement. He had given Ed copies of a Proposal Agreement that would give the Port and the PSWA a Memorandum of Understanding and allow PSWA to move ahead with the project engineering and then the legal easement description could be drawn up. Commissioner Tapert asked if the existing tank would still be used or if it would be abandoned. Campbell said it would be retained as a redundant tank for times when the larger tank was cleaned, etc. It would be kept full of water and would contribute to the fire flow for the hydrant to be installed on Lupine Lane. It would be available at all times via a pressure valve. Commissioner Seitle said it would be in PSWA's best interest to provide the water fountain for the Port.

ACTION: A Motion was made by Commissioner Slinden and seconded by Commissioner Seitle to accept the Letter of Proposal as amended to include provision of the water fountain by PSWA.

Commissioner Slinden said the Port would have its attorney draw up the Agreement when the engineering for the easement and the legal description of the easement is complete. Campbell said the property, including the Park's property behind it, has been surveyed. They will try not to take out any trees and place the storage tank within the heavily wooded area. Commissioner Tapert asked if a back-up generator would be in PSWA's future plans, and Campbell said the water tank would preclude the need for an additional generator. Commissioner Slinden asked if in the future the Port decided to sell its property at the end of Lupine Lane, would there be access for a water hook-up for that property? Campbell said there may be hook-ups available;

they have additional capacity over current use for 35-40 more hook-ups available. He said the new tank would add to that capacity and would eliminate four pressure-pumping stations currently in use, making it solely a gravity system. Commissioner Tapert asked how tall the existing tank is and Campbell said it is 10 ft. tall. The new one will be 25 to 28 ft. tall. Commissioner Tapert asked about the water quality and Campbell said it has excessive manganese, but they plan aeration into the reservoir to deal with that issue, utilizing the existing tank.

The Commissioners voted and the Motion passed unanimously.

The letter was accepted and signed by the Commissioners as amended regarding the drinking fountain. Campbell said he would talk to Ed and get additional information and specifications for the drinking fountain.

B. Application for Funds for Marketing for Oktoberfest at Clinton Community Hall – Clinton Progressive Association: Jack Lynch, President of the Clinton Progressive Association (“Association”) and Elisa Miller, Secretary of the Association were on hand to present their proposal for application for funds in the amount of \$500 for the marketing of Oktoberfest. **(EXHIBIT C)**. Lynch explained the Association is a non-profit group celebrating its Centennial this year. There are currently over 100 members and the Association has become much more active in the last year. Lynch said Clinton is fortunate to have a community hall and it is an important facility that needs to be kept and maintained. The Clinton Community Hall (“Hall”) is used for rental purposes by a variety of organizations and events. In May, a Community Barbecue was held and attended by 159 people, so it was very successful. The Association hopes that Oktoberfest on October 6th will be just as successful. It will be held at the Hall from 3-7 p.m. and will feature Polka music and dancing, bratwurst and beer. The Association requests \$500 from the Port for the Association to use for the marketing/publicity aspect of the event. Miller explained how the funds would be used and also how the proceeds from the event would be utilized. She said the \$500 would be used for publicity in advertising, posters and signage. Miller said the Hall has been approved as a Red Cross Warming Shelter, and the revenues from Oktoberfest would go toward keeping the Hall “up to code.” Some of the necessary items needing funding include wheelchair access for the restrooms and push handle doors. Miller said if Oktoberfest works as a seed project, the Association would be able to build on it and bring in more business sponsors and perhaps people from Mukilteo to attend the event. Lynch said that publicity was the key to success for such events.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to approve Clinton Progressive Association’s Application for Funds in the amount of \$500 for marketing for Oktoberfest to be held October 6, 2007, at the Clinton Community Hall.

Commissioner Tapert suggested that the Association approach the Rotary group to help with some of the Hall’s physical improvements through their grant process. Lynch said they had received a small grant from Rotary and one from Coldwell Banker’s realtor fund. Commissioner Tapert asked if the Association had a Section 501(c)3, and Lynch said they were in the process. Currently they are a Section 501(c)5, so they have an attorney working on the matter now and it is a priority.

The Commissioners voted and the Motion passed unanimously.

4. ACCOUNTANT REPORT:

A. Financial Statements: The Commissioners accepted the July 2007 Financial Statement which had been mailed to them previously (**EXHIBIT D**).

B. 2008 Preliminary Budget and Process/Schedule Review: Port Manager Ed Field provided an update on the 2008 Preliminary Budget. (**EXHIBIT E**). He apologized for the typo on the "Tourism & Economic Development Funding Summary" - the amount for the Clinton Progressive Association should be \$500 and not \$700. Ed said that although he and Chuck Edwards had put together this year's budget, it was more Ed's than Chuck's. He explained that the projected numbers for Administration and Operational Facility numbers are based on year-to-date activity. Ed said he is encouraging and actively seeking input on the less well-defined numbers that have been highlighted. He noted that the whole Langley Facilities section is highlighted. Ed said he is working on the assumption that by the end of next year, the Port will have some sort of temporary facility and some additional staffing in Langley. He said the Port would also be doing some maintenance work on the breakwater.

Commissioner Slinden asked when the Preliminary Budget must be accepted and approved. Ed said based on last year's record, the Preliminary Budget should be approved and adopted at the September regular meeting, then the adoption should be advertised in the paper and copies of the Preliminary Budget should be available to the public in the Port office. The public hearing for that Budget should then be held in lieu of the ½ hour workshop at 7:00 p.m. just prior to the October regular meeting. The Final Budget should then be formally adopted at the regular November meeting. Commissioner Seitle said he would like a little more time before adopting the Preliminary Budget, and Commissioner Tapert said they do have the time period between the Preliminary Budget approval and Final Budget approval to make changes. Ed thought there were legal requirements to adopt the Preliminary Budget by September 15th.

Commissioner Slinden asked if Line Item 6 under Receipts totaling \$8,196 was for the entire year or just 6 months, since the lease for Patty's Parking runs only through June 2008. Ed said the figure was for the entire year at the current rate of \$683 per month. Commissioner Tapert said with the Commissioner's approval, he would like to pursue the possibility of a Flex Car operation at that facility and at Mukilteo. He noted it is in the Comp Scheme. The Commissioners discussed it and agreed it was a good idea worth looking into.

Commissioner Slinden wanted to discuss Trade Fair/Sponsorships, and whether the applications would be presented only semi-annually in the future, and if the funds should be disbursed evenly by district, i.e. the districts of Clinton, Freeland and Langley would each receive \$5,000 of the \$15,000 budgeted for sponsorships in 2008. The Commissioners agreed that there should be deadlines for application submittals and the Port should entertain requests for funds only once or twice per year. After discussion, the Commissioners agreed to leave allocation of the \$15,000 as Port-wide and not per district. The Commissioners also agreed that future requests for application of funds would only be heard at the March and September regular meetings of the Port.

Regarding Disbursements Line Item 17, Commissioner Slinden asked if the \$3,000 included Chuck Edwards' accounting skills and Ed said that it did; the figure was specifically Edwards' time, all other accounting time for payroll, etc. is under Line Item 16. Commissioner Slinden asked if Line Item 22 for Consultant Services included the Port's attorney. Ed said it did not include attorney's fees. It does include Phil Pearl's work, the work on the logo and a number of other consultant's fees, and the figure is essentially a placeholder. Ed explained the

attorney's fees are accounted for under Line Item 15 Legal Fees, and he noted the figure had doubled from the previous year.

Commissioner Slinden asked if the \$12,000 Insurance was for the Washington Government Entity Pool and Ed said it was. She asked if the EDC is included Line Item 28 Dues & Membership, and Ed said it should be there and it is accounted for in the bottom line, but he would work on getting it to be reported in the correct space.

Commissioner Slinden asked if there would be Election Costs (Line 32) this year. Ed said he wasn't sure when the bill would be presented, if it would be due in 2007 or 2008. He said he would look into it.

Commissioner Seitle had a question regarding Line Item 44 Langley Harbor/Boat Launch. He wondered if that would happen in 2007. Ed said they had their permit and Commissioner Tapert said he had heard it was going out to bid this week.

Regarding the budget for telephones of \$600, Commissioner Slinden asked if Ed, and Managers Wayne Nance and Mike McCarthy would be getting cell phones. Ed said all 3 already have cell phones that they are paying for themselves. After discussion of various technology issues, the Commissioners agreed to increase the 2008 telephone budget to \$3,500 to include reimbursement of half of the managers' cell phone costs for their existing cell phones, based on their input that business use is approximately half of their total cell phone usage..

Commissioner Slinden said she would like to see a line item added for improvements at Possession Park for a kayak launching/parking area and/or shed. There is a fairly large area to the right of the boat ramp that is not being utilized. Port Manager Ed Field said Line Item 63 was Possession: Capital Improvements and the budget is for \$20,000. Commissioner Slinden asked if that figure included the roof and the septic costs, and Ed said the septic is paid for and Wayne Nance said the roof needed a few repairs but not replacement. Ed said Nance would also proceed with upgrading the defunct fireplaces into good gas insert fireplaces.

Commissioner Seitle expressed concern over the appearance of the floats at Possession, and Nance explained that there is no problem with the flotation. Ed noted that the annual dock maintenance budget for 2008 had increased.

Commissioner Slinden asked if Disbursement Line Item 23 on the Preliminary Budget Supporting Information included the Master Plan update. Ed said the Master Plan is not specifically addressed in the budget. Commissioner Slinden asked where it would fall, and Ed said probably come under the Langley expenses as Engineering, Design & Permitting. Commissioner Slinden asked if there was enough in that item's budget. Commissioner Tapert thought the cost would be split with Langley. Ed said, "The more we do, the more control we have" as far as what is developed and presented, so he encourages the Port be as pro-active as possible in developing the Port's vision. Commissioner Seitle said he didn't think the Port would use Art Anderson Associates (AAA) for that. He thinks they would use AAA's input and hire someone locally to do the Master Plan. Ed said having J.A. Brennan Associates ("Brennan") do the rewrite with the Port's technical input is not a bad idea. Commissioner Tapert said if the City of Langley has its name on the cover of the Master Plan, it implies that they participated in all ways, including financially. He liked the idea of Langley pitching in something. Dennis Gregoire, Comp Scheme Facilitator/Editor said the recent news regarding the area around the marina involves critical upland and water issues and a negotiator/mediator may be needed. Commissioner Slinden said the Port is trying to allocate enough money in the

2008 budget to work on the planning process, and Commissioner Tapert said \$20,000 would be a good placeholder for now. Ed said he would budget \$20,000 for Langley Marina expenses, under Line Item Master Plan revision and the budget for Consulting Services would be reduced to \$10,000.

Commissioner Seitle said he didn't know that there would be any facility wages in 2008 and Ed said he didn't know either, but with the volume coming across his desk now it is possible there will be by the end of next year. Ed added that the budget has allocation for temporary facilities in 2008 and some staff would most likely be hired prior to the Port taking ownership in January 2009 so they are ready.

Regarding the Langley Harbor Boat Launch Line Item 44, Commissioner Tapert asked if the amount the Port committed to the IAC/RCO grant had been paid. Ed said so far \$13,000 had been paid. Commissioner Tapert asked why there is no money in the 2008 budget. Ed said it is not a carryover type budget and if the Port doesn't spend the money, it stays in the bank. However, by keeping the line items open on the budget, the Port can basically "deficit spend" on that line item next year.

Commissioner Tapert said he would like to start planning or at least reserving money for a permanent Port office. Commissioner Slinden thinks it can wait, and designing it is really premature since the location is not even known.

The Port's CIP referred to doing something at Mutiny Bay, and Commissioner Tapert said 2008 might not be the right year to do it but he didn't see a line item for it. Ed said the various possibilities at Possession, including parking and potential concessions, seemed more developed than those at Mutiny Bay. Commissioner Tapert said he would like to see a line item at least for some planning at Mutiny Bay. The Commissioners agreed to put \$10,000 in Line Item 46 Capital Expenditures, Mutiny Bay Launch.

ACTION: A Motion was made by Commissioner Slinden and seconded by Commissioner Seitle to adopt the 2008 Preliminary Budget as amended during this meeting. The Motion passed unanimously.

5. PROJECT ACTION ISSUES:

A. Langley:

1. Breakwater Status:

1. Update on Disconnection & Temporary Storage Alternatives: Langley or Holmes Harbor: Ed said that additional engineering and site investigation work, particularly that of Coast and Harbor Engineers, indicates that there is essentially no history of blows out of the northeast in Langley. Greg York of AAA said there is therefore not much risk for potential damage to the stockade or breakwater. York is more concerned with the findings that the period and the size of the waves that can develop in Holmes Harbor turned out to be bigger and longer than anything that is postulated for Langley. The breakwater is designed for short, choppy waves and the big, long waves have the potential of "breaking the back" of the breakwater. As a result, York now favors locating the breakwater in Langley. Ed explained another issue had arisen at Holmes Harbor: the tribes may have misread the map and although they originally thought it would be at -30 and it's actually -60, so they want it pushed out to at least -80 because they might harvest geoducks out of Holmes Harbor. Ed said the Port does not yet have

the Corps permit, but the understanding is that the Corps will issue a letter of permission if the Port agrees to move the breakwater out to -80. The Port could then use that letter to push the Coast Guard to permit. Commissioner Slinden said it sounds like Langley is the better option. Commissioner Tapert said he was more comfortable with the Langley location because it is less expensive and the risk is manageable. He discussed semi-flexible alternatives to the proposed log camels. The Commissioners agreed that the end structure that is still on the breakwater (one of 12 bumpers) will be removed while in Port Orchard and sold for scrap.

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to provide temporary moorage of the breakwater in Langley rather than Holmes Harbor.

Commissioner Slinden wanted to clarify that AAA's recommendation was 60/40 in favor of Langley for the temporary location of the breakwater. Commissioner Seitle added that as Ed reported to the Commissioners, the City of Langley now wants to have an approval right on the temporary moorage, and the Port should be on the agenda for the City's meeting on September 19th. Commissioner Slinden said the City still owns the Marina until January 2009. Ed explained it appeared the City would approve the breakwater being temporarily moored to the stockade with the assumption of "if you break it, you bought it" and they would just like further discussion and information before giving formal approval. Dennis Gregoire asked about a shoreline permit, and Ed explained it was not applicable because it would not be anchored. The breakwater is essentially a 400 ft. boat. Ed proposed providing the City with the 7-page report from AAA containing the technical information along with a brief cover letter from the Port acknowledging the acceptance of risk. The Commissioners agreed with that approach. Ed added that Greg York of AAA did some preliminary research into advance access and use of the breakwater. It would cost between \$150,000 and \$200,000 to build a platform off the existing stockade and provide a current ADA approved 80 ft. gangway to the breakwater. Commissioner Tapert said it would be nice to be able to use the breakwater right away, but they can discuss that later.

2. Presentation to Langley City Council on September 19 (if applicable): The Commissioners agreed that Ed and Commissioner Seitle would attend the City Council meeting and be on hand to answer any questions. The City Council would have AAA's report and the Port's cover letter prior to the meeting.

The Commissioners voted and the Motion passed unanimously.

Commissioner Tapert commented that he would be more comfortable if instead of just the log camels, some sort of disposable, floatable product that could accept the blunt force was used. Ed said he would have contractor ACC Hurlen look into it.

3. Engineering, Cost and Permit Issues for Extended Storage and/or Prep Work: As discussed earlier, Ed said the platform and bumper would be removed from the breakwater in Port Orchard. Removing the chains while the breakwater is in Port Orchard would probably be cheaper than removing them once the breakwater is here, especially if they are not going to be used. The Commissioners argued the chains are in good condition and might be used so they will not be removed at this time.

2. Marina Design Status, including proposal from Art Anderson Associates (AAA):

The item was moved to the end of the Agenda, after discussion in an Executive Session.

B. Bush Pt. Boat Ramp:

1. Transfer Negotiations: Ed reported that the 9/5/07 Interim Inspection and repair evaluation meeting was reasonably productive. He met with Washington Department of Fish and Wildlife (WDFW) employees Don Bartlett, Kristen Kuykendall, and Lands Agent Kye Iris and also Project Manager Myra Barker and ADA Specialist Rory Calhoun from RCO (formerly IAC). They identified only 3 major problems at the site, one of which the Port had already fixed: the restrooms. The other two problems are the ramp grid's settlement and the pile hoop issue. Ed said they had spent a lot of time discussing the ramp that is continuing to settle 10 feet beyond where the concrete ends. Their biologist is loathe to run another 15 feet of concrete there. Regarding the pile hoop issue, Ed reported he had contacted Marine Floats and finally convinced their representative to come here and look at it for the Port. Marine Floats is not willing to deal further with the WDFW, because WDFW was still insisting that Marine Floats furnish the replacement hinge plate to the prime contractor so the contractor could bring it to the job site. Ed explained that the hinge plate was extraneous as of the January 10th storm, and WDFW was still pressuring them to deliver it as recently as two weeks ago. Ed told Marine Floats that the Port would be their customer and they would no longer have to deal with WDFW. The warranty has been completely voided by the extensive modification work that WDFW performed on the pile hoops. It is not clear if the warranty is still in place for the floats. The representative from Marine Floats has agreed to come to Bush Point the morning of September 24th during low tide to examine the pile hoops and provide the Port with a proposal for repair. Ed noted the floats would be pulled out later that same day. The result of any repair to the hoops will most likely be something that lasts just 5-10 years and not 20 years. Ed recommended not negotiating with WDFW until they have a cost proposal from Marine Floats.

Regarding the ramp grid settlements, Ed thinks the Port could injection grout underneath the grid and pump it up until it is level and not have to put a new surface on it. He is trying to contact Jesse Allen, the marine contractor who first looked at it, to get his opinion and recommendation. Ed said Iris found it fascinating that throughout the course of the entire project, none of the designers, including Kristen Kuykendall, have admitted there is anything wrong with it. He read aloud an excerpt from Kuykendall's most recent email, "Further investigation is needed to see what permits will be amended or reapplied for if any of the repairs would generate additional mitigation. I will supply a copy of all the permits to the Port for their review and clarify with our SEPA staff on protocol. At this time, WDFW does not have the permitting staff to reapply for permits or amend the biological evaluation. The Port will scope out repairs and try to put together a plan and estimate in order to generate or amend the additional InterLocal Agreement between WDFW and the Port, so WDFW can pass through any remaining funds for repair." Iris has put an item on the WDFW Commission Agenda for October to have the transfer concept approved in principle and allow it to go forward and determine if it is feasible. Iris said if she can get the Commission's approval and the Port gets estimates from Marine Floats and Jesse Allan, there is approximately \$15,000 left in the pot at WDFW. Commissioner Slinden asked about the permit issue. Ed said it depends on the scope and whether it is just repair or major capital improvement. He added again that he recommended not negotiating with WDFW until the Port has a specific dollar amount and some sort of permit indicator. The Commissioners agreed with his recommendation.

In response to Kye Iris' question regarding tidelands ownership Myra Barker of the IAC/RCO told Iris that the grant for Bush Point was originally a 25-year access grant and not a perpetual access grant. If that is correct and the Port decided to give up the facility, Iris wouldn't want to see the tidelands go into private ownership. Iris asked if she took the

transfer to the Commission, could she hold the tidelands back so the Port would be getting the uplands and the entire facility but not the tidelands. Ed said he had pulled up the original agreement and it is perpetual, so he thinks it's a non-issue.

2. Seasonal Float Removal: Floats coming out on Monday, September 24th: Ed announced for public information that the floats at Bush Point would be pulled out on Monday, September 24th in the afternoon.

C. Possession Beach Waterfront Park:

1. Seasonal Float Removal: Saturday, Oct. 6th or Thursday, Oct. 25th? Ed reported there are good tides in the 1st and 4th weeks in October. He said the Port has typically pulled the floats in early October. Wayne Nance, Possession Park Manager, recommended the floats come out the 1st week. The Commissioners agreed with his recommendation and Ed said he would schedule it.
2. Estuary Restoration Update from Skagit River System Cooperative (SRSC): Regarding the September 12th email from Aundrea McBride of SRSC (**EXHIBIT F**), Commissioner Tapert said he didn't understand how you could apply for a grant without even knowing the feasibility of your plan. Ed added that this is potential "whopper" of a mitigation item and this grant could possibly encumber or tie that up. After discussion, the Commissioners agreed they are supportive of the concept, but will "take a pass" on it until more data is gathered and they have a feasibility study. Commissioner Slinden pointed out the opportunity will come around again. The Commissioners asked Ed to respond with a "No, thank you" at this time, but to let the SRSC the Port is very anxious to see the results of their feasibility study and would likely engage in some sort of grant proposal at that time.

6. ACTIVITIES/INVOLVEMENT REPORTS:

A. Economic Development Council (EDC): The Commissioners confirmed a Trade Fair Sponsorship of \$1,000 and EDC Membership for 2007-2008.

B. Council of Governments (COG): Nothing new to report.

C. Skagit-Island Regional Transportation Planning Organization (RTPO): Nothing new to report.

D. Marine Resources Committee (MRC): Commissioner Seitle commented it is getting a little burdensome as the MRC now has two meetings per month and all meetings will be held in the Island County Commissioners' Hearing Room in Coupeville. He said they used to have one meeting in Freeland and one in Oak Harbor, and he feels it is burdensome to go to Coupeville twice a month. Commissioner Slinden asked if he felt the Port was a significant player or more of an observer in the MRC, and Commissioner Seitle said he had very little to contribute. Commissioner Slinden suggested just being on the MRC's mailing list as an alternative to attending the meetings and Commissioners Tapert and Seitle agreed. Commissioner Seitle did ask if the Port could do that, because membership of the MRC is to include one member from each of the ports. Dennis Gregoire said it is important for the Port to maintain its link to the MRC, and someone needs to be at the meeting to hear what's going on. He volunteered to attend a few meetings on behalf of the Port. Commissioner Seitle said he would ask the MRC Chairman if the Port can appoint Gregoire as an alternate, subject to the Island County Commissioner's approval. Commissioner Tapert pointed out that the MRC meetings are open to the public and Gregoire could just attend in that capacity.

Gregoire and Commissioner Seitle said they would work it out so they would each attend one meeting a month.

E. Washington Public Ports Association (WPPA):

1. Small Ports Seminar: October 18-19 in Leavenworth: Commissioner Seitle and Commissioner Slinden said they would not be going to the seminar. Commissioner Tapert said he would like to go but it would be difficult to fit in.

7. OLD BUSINESS:

There were no Old Business items.

8. NEW BUSINESS:

There were no New Business items.

9. EXECUTIVE SESSION:

The Board of Commissioners went into Executive Session to discuss possible property acquisition opportunities at 9:34 p.m. The Executive Session concluded at 9:55 p.m.

10. MARINA DESIGN STATUS AND BREAKWATER:

ACTION: A Motion was made by Commissioner Seitle and seconded by Commissioner Slinden to authorize an additional \$25,000 for Arthur Anderson Associates' Task 2.3 – Conceptual Design as requested in Greg York's Memo of September 10, 2007 (EXHIBIT G). The Motion passed unanimously.

Ed clarified that the Commissioners agreed the bumper would be removed from the breakwater in Port Orchard but the chains would be left on it. He intends to contact ACC Hurlen and Boyer Logistics to find out the most efficient way to remove the bumper and do the pre-rigging in Port Orchard and all the preparation work for Langley. Regarding the removal of the bumper from the breakwater, Ed clarified the chains would be left on it but the pre-rigging and all the preparation at Langley. He added that 2 of the 8 floats are missing on the last dock in Freeland, and Hurlen has done them in the past and might take care of that again as part of the package. Commissioner Tapert asked if the work needed to be broken up per the Small Works Roster limit of \$40,000. Ed said it should be under \$40,000 for all of that. He said York estimated it would be \$30,000 for breakwater prep and Langley work.

The Commissioners briefly discussed the possibility of employing a grant writer.


11. ADJOURNMENT:

The meeting was adjourned 10:03 p.m.

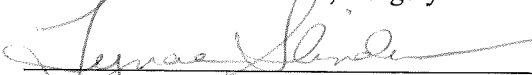
Approved:



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: Letter of Intent - Possession Shores, Inc., dated 9/12/07
- Exhibit C: Application for Funds – Clinton Progressive Association, dated 8/27/07
- Exhibit D: July 2007 Financial Statement
- Exhibit E: 2008 Preliminary Budget
- Exhibit F: Email from Aundrea McBride/SRSC, dated 9/12/07
- Exhibit G: Memo from Greg York/AAA, dated 9/10/07