

**THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
REGULAR MEETING**

Held at Freeland Library Meeting Room, 5495 Harbor Avenue, Freeland WA 98249
Tuesday, September 11, 2018 at 6:30 p.m.

AGENDA

WORKSHOP (6:15 – 6:30 PM): Commission review of vouchers and recent correspondence

REGULAR MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

COMMISSIONER ACTIONS

Consent Agenda: Approval of September Vouchers in the amount of **\$93,600.17** and Minutes from the Regular Meeting of August 14 and the Special Meetings of August 28 and September 4, 2018.

*PUBLIC COMMENT – This is time set aside for members of the public to speak to the Board regarding **any** subjects of concern/interest, **including items on the Agenda**. The Board will take all information under advisement, but generally will not take any action unless it is emergent in nature. To ensure your comments are recorded, please state your name and city of residence. Please limit comments to 5 minutes. If you have any documents to present to the Board, please hand them to the Port Clerk prior to speaking.*

FINANCIAL UPDATE

- **July 2018 Financial Statement and Executive Director Report**

STATUS REPORTS

South Whidbey Harbor

- Harbor Operations & Harbormaster Report

Port Operations

- Maintenance & Operations Supervisor Report

Mukilteo Parking

- Memorandum of Understanding (MOU) with Tulalip Tribes

Clinton Dock

Fairgrounds

- Fairgrounds Advisory Committee Report
- Fairgrounds Director Report
- Property Improvements/Renovations

ACTIVITIES/INVOLVEMENT REPORTS

Gordon: Council of Governments (COG), Island Regional Transportation Planning Organization (IRTPO) and Clinton Community Council (CCC)

Halloran: Marine Resources Committee (MRC), City of Langley Council Meetings and Joint Parks Committee

Ng: Economic Development Council (EDC), Washington Public Ports Association (WPPA) and Port-wide Marketing & Promotion Committee (M&P)

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND
Minutes of the Regular Meeting
September 11, 2018
Freeland, Washington

Commissioners Present: Jack Ng (Freeland), Curt Gordon (Clinton) and Ed Halloran (Langley)

Port Staff Present: Stan Reeves (Executive Director), Molly MacLeod-Roberts (Port Clerk/Accountant), Duncan McPhee (Harbormaster), Pat Kisch (Maintenance & Operations Supervisor) and Larry Lehtonen (Fairgrounds Director)

MEETING CALL TO ORDER: Following a Workshop from 6:15 p.m. to 6:30 p.m. for informal Commission review and discussion of vouchers and recent correspondence, the Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, September 11, 2018, in the meeting room of the Freeland Library at 5495 Harbor Avenue in Freeland, Washington. Commissioner Jack Ng (President) called the Regular Meeting to order at 6:30 p.m., followed by the Pledge of Allegiance.

CONSENT AGENDA

Approval of Current 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.

Approval of Minutes: Minutes from the Regular Meeting of August 14 and the Special Meetings of August 28 and September 4, 2018.

ACTION: A Motion was made by Commissioner Curt Gordon and seconded by Commissioner Ed Halloran to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated September 2018 as signed today in the amount of \$93,600.17. The Motion passed unanimously.

PUBLIC COMMENT: None.

FINANCIAL UPDATE

July 2018 Financial Statement and Executive Director Report: The Commission acknowledged receipt of the July 2018 Financial Statement which was distributed to them previously. Executive Director Stan Reeves reported the Port received \$62,000 in tax, operating and bond revenue and incurred \$107,000 in operating and capital expenses during July 2018. Ending cash balance at 6/30/18 was \$1,289,000, consisting of \$815,000 in the Bond Fund and \$474,000 in the General Fund. He also provided his updated cash flow projections through the end of 2019, a preliminary Profit & Loss for August 2018, and a tracking summary of the bond fund. Gordon noted the importance of maintaining a good cash balance in order to get the best Standard & Poor's rating. Although there are no written guidelines as to the amount to keep on hand, he believes the Port should have at least ½ of the operating budget for the end of year cash balance. Gordon would like to see that year-end number at \$400,000-\$500,000. He and Reeves will sit down together and go over the numbers.

Mukilteo Parking: Reeves reported the Port is still waiting to hear from the Tulalip Tribes regarding the Port Attorney's two small changes to the Memorandum of Understanding (MOU). Gordon asked the Commissioners to agree to hold an emergency Special Meeting to sign the MOU upon the Tribes approval. The Commission agreed. The Port of South Whidbey will sign first, then the Port of Everett and the Tribes will sign last.

Fairgrounds: Shortly after the Port's Special Meeting on September 4th, Reeves met with Island County Budget Director Elaine Marlow regarding the Port's Rural County Economic Development Fund (RCEDF) grant. She agreed not to tie the Recreation & Conservation Office (RCO) grant application for the campgrounds with the RCEDF grant from the County. That is good because the RCO rankings on the grant applications came out on Friday and the Port ranked 82nd out of 91 applications considered, so it is highly unlikely that the project will receive funding. Reeves said the application's weaknesses were in the design and in the need. With the RCEDF funding of \$87,500, and the Port using \$87,500 from its Bond Fund, there is a shortfall of \$175,000 for the campgrounds project. Gordon suggested looking into a revenue bond for that shortfall, and asked Reeves to contact the Port's bond counsel to discuss options.

The Port has signed a contract with The Roth Company for the Black Box Theatre Project (adding a 2nd exit). Work will start after coordination of the schedule with the current tenant of the Theater.

STATUS REPORTS:

South Whidbey Harbor

- **Harbormaster Operations & Harbormaster Report:** Harbormaster Duncan McPhee was on hand to present his monthly report. With busy summer winding down, Harbor Staff will soon start work on needed dock & infrastructure repairs. McPhee will also concentrate on P.R. and Marketing with a focus on off-peak season visits. The new golf cart shuttle has been very successful, and the Port has received many compliments regarding Marilyn Field, the Harbor's shuttle driver. McPhee said this year's crew was very hard working and effective. He has contacted the Department of Natural Resources regarding expanding the Port's tidelands lease and will work with Reeves on the issue. He also received a ballpark estimate for the equipment, installation and annual inspection costs of offshore mooring buoys from a local installer. A single installation of a mooring buoy for up to a 40' boat will cost approximately \$3,400; \$3,000 each if there are multiple installations. Annual maintenance costs are about \$250 for inspection and replacement/repair of shackles, chains, etc. McPhee believes it is feasible for the Harbor expand to include a mooring buoy area.

Halloran said there were representatives from Clipper Vacations at the recent Langley City Council meeting, and they had a lot of praise for the Harbor staff. They have plans to increase both the number of visits to Langley and the length of time (from 2+ hours to 5 hours).

Port Operations

- **Maintenance & Operations Supervisor Report:** Pat Kisch presented his monthly report on maintenance & repairs completed/ongoing/planned at Clinton Beach, Humphrey Road Parking Lot, Bush Point, Possession Beach Waterfront Park and the Fairgrounds. In response to complaints from neighbors at **Possession**, Kisch ordered and installed new trail indicator signs on the Dorothy Cleveland Trail to keep trail users from trespassing on private property. The drinking fountain on the Trail is not operational. The fountain was installed in exchange for an easement for the homeowner's association (HOA) to install a 2nd water reservoir on Port property. Whidbey Water Services manages the water system for the HOA, installed the drinking fountain, and is responsible for its maintenance, so Kisch will ask them to fix it. At **Bush Point**, Kisch reopened a wall in the garage and built a new sliding door to fit the opening. The new door (with a 7' opening) will allow for storage of larger pieces of equipment. He transported spools of old wire from the **South Whidbey Harbor** to Island Recycling for salvage resale. The purchase of a new Port truck is moving forward; however, the deadline to purchase a 2018 Dodge Ram passed and the 2019s won't be available in time to purchase before the end of the year. Ford already has their 2019s on line, so the Port will get a 2019 F-250 Crew Cab with 4WD and a 6' box instead. The boarding floats will be removed for the season from the ramp at **Possession** on October 8th and the ramp at **Bush Point** on October 10th. The ADA beach mats will be rolled up and removed from **Clinton Beach** on October 15th.

Mukilteo Parking: Previously discussed during the Executive Director's report.

Clinton Dock: Reeves noted that the recent article in the South Whidbey Record overstated the amount spent on repairs by \$14,000. He spoke with the Moffatt & Nichol (the engineering firm) last week; they agreed to provide a more detailed explanation about what happened and why, including what their assumptions were and what assumptions were incorrect.

Fairgrounds

- Fairgrounds Advisory Committee (FAC) Report: FAC Chair **Gary Gabelein** missed the last meeting, but reported that the Langley Historical Preservation Committee (LHPC) is trying to figure out ways to improve the first visual you get when you walk in the main gate of the Fairgrounds. Along with the Langley Chamber of Commerce, they would also like to improve the area alongside the road that goes past by the Pole and Coffman Buildings so it doesn't look like a rundown alley.

- Fairgrounds Director Report: Larry Lehtonen presented his monthly report. He noted that Kristi O'Donnell (Fairgrounds Marketing & Events Coordinator) is working with the South Whidbey Historical Society on signage and photos to highlight the historic cabins. His focus right now is work on the Fairgrounds Master Plan to provide an overall view and layout of what the Port's vision and plans for the property and the timeframe for the different projects. Lehtonen said they also need a Fairgrounds Operational Plan that includes maintenance plan/schedule, defines who is responsible for what (i.e. WWGA and the arena – do they groom the arena or does Port staff have the responsibility?). Whidbey Telecom dug the trenches and stubbed out the fiber at all the buildings last week. The next step is to bring in the equipment and then the WiFi service will be up and running. Lehtonen and Reeves hope to meet with Larry Van Horn (Island County Facilities Management Director) to obtain Fairgrounds documentation including drawings, as-builts, etc. for the property. Emergency electrical repair over the horse barns was completed (replaced two power poles), and removal of the tree that caused the problem is underway. Lehtonen is in the process of getting permits to remove other trees as needed.

He has been working with Gail LaVassar at the South Whidbey Community Center (formerly Langley Middle School) to find the best ways to combine our mutual resources to promote our spaces. O'Donnell has been working with the Langley Chamber of Commerce to provide info for inclusion in the 2018 Event Convention in Seattle in October. Christopher Baldwin is working on the wayfinding signage project for Langley and provided the Port with a proposal; Lehtonen said it was a little "spendy" but he thinks the Port should consider it. DjangoFest NW Camping and Jamming is September 18-23. There will be all night "djamming" and caravan camping with an open pit fire in front of the Port's office at the Fairgrounds. They hope to expand DjangoFest NW to the campground next year as an additional stage venue, etc.

- Property Improvements/Renovations: Lehtonen reported a 94% increase in event rentals and a 33% increase in campground revenue from last year. Because of that, he is slowing down O'Donnell's marketing & promotion to focus on getting organized and shifting his focus toward the capital project and the maintenance side. Gordon noted that O'Donnell's report included discussions regarding potential short-term itinerant housing and short-term rentals on the Fairgrounds, and those items are not part of the Port's identified capital improvements. With issue such as revising the City's overlay zoning, Gordon suggested leaving the "heavy lifting" up to the Commission – Lehtonen and O'Donnell don't have time for that. It is the Commission's job to create policy and determine if there is going to be short-term housing, etc. Recommendations should come from Lehtonen through Reeves to present to the Commission. Ng added that the Port is overdue to have another joint City/Port meeting.

ACTIVITIES/INVOLVEMENT REPORTS

Gordon: Council of Governments (COG), Island Regional Transportation Planning Organization (IRTPO), and Clinton Community Council (CCC)

COG: Island County is trying to create an Economic Development Element in its Comp Plan, and the COG members each discussed their agency's economic development strategies. Gordon also attended the Island Local Integrating Organization (ILIO) meeting. The ILIO is basically the Puget Sound Partnership's operating group that periodically asks the COG to review their potential for grant applications and set up criteria for grant applications.

IRTPO: The organization is also setting up criteria for grant applications for roads.

CCC: Last Saturday was "Clinton Park Day" and next weekend they will clean up the parks. The CCC is hoping to get a representative from the South Whidbey Parks & Rec District to attend its meetings. The group is still working on getting the State to clean up the walkway leading to/from the ferry.

Halloran: Marine Resources Committee (MRC), City of Langley Council Meetings, and Joint Parks Committee

Langley: The Clipper Vacations representatives reported 94% of the seats were filled for their sailings to Langley. They are also discussing the potential of adding one day sailings where passengers would be dropped off and picked up the following day. The City received a "windfall of funds" from the government and as a result there is a lot of paving going on in Langley, including developing sidewalks, etc. The City had an exceptional year with tourism revenue. The first of several public meetings on the plans for Seawall Park was held on September 5th. Halloran expressed concern that there are no plans for a restroom in the Park. There was a lot of discussion regarding carbon control.

Joint Parks Committee: No meeting held.

MRC: The MRC has a new system that allows members to electronically participate in monthly meetings from remote locations. Florian Graner showed the tourism video promoting Whidbey that he created using a variety of filming methods, including the use of drones and underwater cameras. Although everyone loved the video, several did not like the music so he plans to go back and edit it before distributing it to local Chambers, etc. The MRC held a public meeting regarding its plans for the restoration of Hidden Beach in Greenbank, similar to the restoration done at Cornet Bay. Some individuals that showed up at the meeting were very critical of the project and the questioned the expertise used, saying that Hidden Beach is fine and nothing needs to be done. The MRC has completed its Eelgrass Survey which used sonar, aerial photography, underwater cameras, divers people in kayaks and other small watercraft. Because eelgrass is a good indicator of the health of the Puget Sound, the Department of Natural Resources will be able to use that baseline to track any future changes and better assess the health of the water.

Ng: Island County Economic Development Council (EDC), Washington Public Ports Association (WPPA), Port Promotion & Marketing Committee (P&M), and Freeland Water & Sewer District (FWSD):

EDC: Did not attend (Port Special Meeting held same day)

WPPA: All three Commissioners and Reeves will attend the Small Ports Seminar in Leavenworth October 18-19, 2018.

P&M: Next meeting to be held in September.

FWSD: No report.

OLD BUSINESS: None.


NEW BUSINESS: None.

ADJOURNMENT: The Meeting was adjourned at 7:47 p.m.

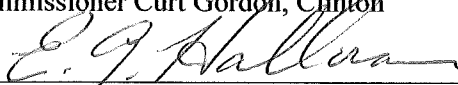
Approved:



Commissioner Jack Ng, Freeland

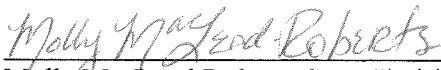


Commissioner Curt Gordon, Clinton



Commissioner Ed Halloran, Langley

Minutes prepared and submitted by:



Molly MacLeod-Roberts, Port Clerk/Accountant

Public Disclosure Statement: The foregoing Meeting Minutes, audio recording and all supporting documents presented are available at the Port of South Whidbey, 1804 Scott Rd., Suite 101, Freeland WA 98249.