

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

Held at Freeland Library Meeting Room, 5495 Harbor Avenue, Freeland WA 98249
Tuesday, December 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 December Vouchers in the amount of **\$76,589.09** and Minutes from the Regular Meeting of October 9, the Special Meetings of November 9 and November 27, and the Public Hearing on the 2019 Budget of November 27, 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

- **Executive Director Report**
- **Resolution 18-10:** Authorizing the investment of Port monies in the Island County Treasurer Investment Pool and designating Stan Reeves as Investment Officer
- **Memorandum 2018-03:** Transfer of funds from the General Obligation Bond Account to the General Operating Account

STATUS REPORTS

South Whidbey Harbor

- Harbor Operations & Harbormaster Report

Port Operations

- Maintenance & Operations Supervisor Report

Mukilteo Parking

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
December 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), Pat Kisch (Maintenance & Operations Supervisor) and Larry Lehtonen (Fairgrounds Director)

Absent: Duncan McPhee (Harbormaster)

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, December 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 October 9, the Special Meetings of November 9 and November 27, and the Public Hearing on the 2019 Budget of November 27, 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 December 2018 as signed today in the amount of \$76,589.09. The Motion passed unanimously.

PUBLIC COMMENT: None.

FINANCIAL UPDATE

October 2018 Financial Statement and Executive Director Report: The Commission acknowledged receipt of the October 2018 Financial Statement which was distributed to them previously. Executive Director Stan Reeves reported the Port received \$281,000 in tax, operating and bond revenue and incurred \$83,000 in operating and capital expenses during October 2018. Ending cash balance at 10/31/18 was \$1,408,000, consisting of \$819,000 in the Bond Fund and \$589,000 in the General Fund. He also provided his updated cash flow projections through the end of 2019, a preliminary Profit & Loss for November 2018, and a tracking summary of the bond fund.

- **Fairgrounds Projects Funding Update:** Reeves reported that the Port will not be able to reach back for any expenses prior to execution of the Rural County Economic Development Funds (RCEDF) Grant Agreement. That doesn't really impact the Port much, because most of the costs spent to date have been for the Coffman Kitchen and the Port's costs will exceed the 50% match requirement.
- **Black Box Theater:** The second door is being framed today and The Roth Company expects the work will be completed by Friday, December 14.
- **Coffman Kitchen:** Reeves and Fairgrounds Director Larry Lehtonen will meet with representatives from The Driftmier Architects, Rensch Engineering (the firm that did the mechanical, engineering &

plumbing work for the design) and Goosefoot on Tuesday, December 18th to finalize the design. Rensch will specifically look at the area for the new range hoods (paid for by the USDA grant) to evaluate the correct type of hood to purchase for that space.

- Reeves and Lehtonen met earlier in the day with Davido Consulting Group (recently hired to provide engineering services) and walked the Fairgrounds to begin preliminary discussions about reviewing and sequencing identified and potential projects.

Resolution No. 18-10: Authorizing the investment of Port monies in the Island County Treasurer Investment Pool and designating Stan Reeves as Investment Officer: Reeves explained the Resolution would allow the Port to become part of Island County's investment pool and would provide more flexibility with timing, etc.

ACTION: A Motion was made by Gordon and seconded by Halloran to adopt Resolution No. 18-10 as presented. The Motion passed unanimously.

Memorandum 2018-03: Transfer of funds from the General Obligation Bond Account to the General Operating Account: Reeves asked the Commissioners to authorize him to transfer up to \$45,000 to reimburse the General Fund for expenses paid to Driftmier Architects through today's vouchers and to be paid to The Roth Company upon completion of the Black Box Theater. The estimated total is \$42,538.86, so it should be less than \$45,000.

ACTION: A Motion was made by Gordon and seconded by Halloran to authorize Executive Director Stan Reeves to transfer up to \$45,000 from the Bond Fund to the General Fund as discussed. The Motion passed unanimously.

Once The Roth Company has provided an invoice for the project, Reeves will update the amount total and Ng will provide his signature on the Memorandum.

STATUS REPORTS:

South Whidbey Harbor

Harbormaster Operations & Harbormaster Report: Harbormaster Duncan McPhee was on vacation so Reeves presented the monthly report. McPhee has replaced 12 of the 14 head units on the light standards at the Harbor, the remaining two will require additional equipment. The Harbor's ADA golf cart was used to transport a Clipper guest using a wheelchair up to town and back. Most of the Clipper guests prepared walking up to town; only 30% chose to ride and utilized the 15-passenger van and a Seatac shuttle van provided by the City of Langley and the Langley Chamber of Commerce. The first two Clipper visits brought 80 guests each. The modifications to the D dock for the Clipper boarding ramp and the mooring points are performing well.

Port Operations

- Maintenance & Operations Supervisor Report: 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. At the **Fairgrounds**, most of the debris from the RV fire has been packed into a 10 cubic yard dumpster and the frame should be hauled away by the end of the week. A 120-gallon propane tank was set at the **Bush Pt** residence to replace the 25-gallon cylinder used to fuel the space heater. Now the tenant is able to have propane delivered instead of taking the cylinder to be filled at a station. Kisch spoke with Kenon Simmons about the issues with the front windows at the **Possession Beach** house. Simmons replaced those windows about 30 years ago and noted that the sills and woodwork were not replaced at that time – they are all original construction. He thinks couldn't tell if the shifting in the window frames are caused by just the rotting window sills or if the wall is the cause, but the foundation appears to be solid. Simmons will provide an estimate for the cost of new

glass. Because the condition of the wall, etc. is unknown, Simmons suggests the Port should seek time & material bids for the work to get the fairest numbers for comparison. He's also willing to assist if the Port chooses to do some of the work in-house with existing Port staff. Simmons further recommended the installation of vinyl-framed windows to facilitate future repairs. Kisch is shopping for canopy options for the new Ford F-250 truck.

Mukilteo Parking: The Interdistrict Agreement from the Port of Everett has not arrived yet; they sent it to the physical address instead of the mailing address and the post office returned it to them. The Memorandum of Understanding with the Tulalip Tribes is nearly 100% done – they have signed it but the exhibit(s) with the legal description/illustration need to be included before it is fully complete. The Port Attorney is working on it. Gordon noted that as soon as the MOU is complete, the Port can go back up to 5 years and get reimbursed from the Department of Commerce for all Mukilteo Parking expenses, including the parking study.

Regional Mobility Grant: Reeves reported that the Washington State Department of Transportation's (DOT) recommendation to the Legislature ranked the Port's Mukilteo Parking Project near the bottom (#32 out of 41 total applicants), and only the top 16 are recommended for funding. Washington Public Ports Association's (WPPA's) Deputy Director James Thompson was previously WPPA's Senior Director of Trade & Transportation. When Ng & Gordon met with legislators in Olympia, Thompson sat in with them. Thompson had explained that of the 41 applicants, the ones that are DOT are going to rank higher on the list because it is DOT that is screening them. However, the Legislature does not have to abide by that list; it can take the list as a recommendation and then fund something else. Gordon concluded there is still a chance for the Port to receive funding. Reeves added that he has contacted former Executive Director Angi Mozer (now a consultant for the Port) and asked her to work on finding other potential grant funding.

Gordon and Reeves have scheduled a meeting with the City of Mukilteo's Planning Department on December 20th to start talking about the Traffic Input Study.

Clinton Dock: Reeves had previously provided the Commission with Moffatt & Nichol's Additional Information letter to discuss the failed short-term repairs. Reeves and the Commission were not impressed with the explanation but agreed it probably wasn't worth pursuing further. Gordon noted that as a result of the settlement with Reid Middleton from the South Whidbey Harbor project, the Port received \$5,000 and a 30% discount (up to \$30,000) on Reid Middleton's services. He would like to consult with the firm on the possibility of a flexible bridge to connect the two remaining sections of the Clinton Dock to get it through the remaining 7 years of the Port's lease with Washington State Ferries.

Fairgrounds

- Fairgrounds Advisory Committee (FAC) Report: As a result of the RV fire at the campground, Gary Gabelein said the FAC recommended that the Port should require working smoke detectors in all RVs, especially during the Whidbey Island Fair. Additionally, when the campgrounds are renovated, it is important to add a fire hydrant in the campground area.

- Fairgrounds Director Report: Larry Lehtonen presented his monthly report. He talked with the workers on the Black Box Theater project today; they probably won't finish until December 21st. The tree trim/removal project on the western property boundary was completed December 4th. Lehtonen has hired two temporary, part-time (approx. 90-day positions) Marketing & Events Coordinators. He added that branding is very important and they will be working on a plan to work on the name, etc. Approximately 80% of the Fairgrounds Tenant Contracts/Agreements for 2019 have been rewritten and sent out for review/submittal. Lehtonen expressed concern regarding the Story Pole; it is protected from getting wet but he feels more needs to be done. He reached out to the Tulalip Tribes and others to try to

find out what the next step is but hasn't received any feedback. Gordon encouraged Reeves to contact the Brian Carroll at the Tribes and ask for their help.

- Property Improvements/Renovations: Previously discussed.

ACTIVITIES/INVOLVEMENT REPORTS

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

COG: Oak Harbor Chamber of Commerce hired a consultant for a housing survey of Island County. Gordon said it was very interesting to see that the trends haven't changed. In 1990, 71% of people in Island County were in single family residences; in 2016 78% of people are. Although many thought the trend was going more toward apartments, etc., the survey shows that it is going the other way. Additionally, in 1990 15% were manufactured homes but in 2016 only 9% were manufactured homes. The COG also discussed the "dark fiber" concept. Central Whidbey, North Whidbey and Camano Island feel they don't have enough internet speed and bandwidth. Gordon noted that a law was passed a couple of years ago that gave ports of a certain "rural size" the ability to run fiber lines as trunk lines, but the Port of South Whidbey didn't fit that size. However, WPPA successfully lobbied to change the law to allow ALL ports the ability to run a fiber optic utility and cable companies pay the port to access it.

IRTPO: The IRTPO discussed the possibility of another roundabout by Campbell Lake and the Hwy 20/Banta intersection light.

CCC: No report.

WPPA: All 3 Commissioners attended the annual meeting in Bellevue December 5-7. Halloran said it was a very good meeting with multiple topics. He especially appreciated the 30-minute roundtable sessions. The "report outs" by the various ports are always very good. Gordon noted the governor created a task force to help figure out what is happening to the southern resident Orcas, and WPPA's representative on that task force is a Port of Seattle Commissioner who is also a marine biologist. He provided a detailed report on the work to date. It's possible that there will be a recommendation to call for a moratorium on whale watching vessels, and that will have an economic impact on the industry and tourism in places like Langley. Nelson Dong returned to speak regarding trade, specifically about Washington State and the impact of current tariffs and the impact that the threat of additional tariffs has had on trade. There has been a massive reduction in trade out of the State of Washington. Washington's top 3 exports are fish products, apples and cherries. Apples are down 85%. China was developed to be the #1 market for cherries, and Dong reported that if the tariffs continue the market will close completely in this state. If the proposals of China and the current administration continue without resolution, the overall effect is expected to be a \$1 Billion reduction in trade out of the State of Washington.

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

Langley: Halloran didn't attend the December 3rd meeting but he was subsequently briefed on it. The City is almost done with its budgets. Langley is still struggling with its police policies/consultants/agreements. The City is modelling its police force on the Town of Coupeville's which utilizes county sheriffs. There was a lot of discussion on the Emergency Preparedness Plan. Halloran would like the Port to schedule a Work Session to discuss the issue and the impact on Port facilities in Langley (Harbor and Fairgrounds). The Commission agreed.

Joint Parks Committee: No meeting held.

MRC: At the December 4th meeting, the MRC reviewed the annual joint conference held the previous month. Two MRC members are retiring and the group is seeking their replacements. The MRC continues to work with other island communities to support the moratorium on fin fish pens and provide the information and data needed to justify that moratorium. There is currently a "MyCoast" application for smart phones. The app currently has 1,300 photos of key elements of the entire Salish Sea area. People can take photos of a particular area, send it off to be archived and as conditions in Puget Sound are

tracked as they change. Halloran encouraged attendance at Sound Waters University on February 2nd at South Whidbey High School.

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: Ng was out of state and did not attend the recent meeting.

WPPA: Previously discussed.

P&M: No meeting held.

FWSD: No report.

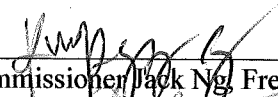
OLD BUSINESS: None.

NEW BUSINESS: None.


ADJOURNMENT: The Meeting was adjourned at 7:49 p.m.

Approved:

Minutes prepared and submitted by:




Commissioner Jack Ng, Freeland



Molly MacLeod-Roberts, Port Clerk/Accountant



Commissioner Curt Gordon, Clinton



Commissioner Ed Halloran, Langley

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.