

**THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND**  
**SPECIAL MEETING**  
Held at Port Office Conference Room, 1804 Scott Rd, Freeland, WA  
Monday, May 13, 2019 at 4:00 p.m.

**AGENDA**

WORKSHOP (3:45 – 4:00 PM): Commission review of vouchers and recent correspondence

SPECIAL MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

**COMMISSIONER ACTIONS**

**Consent Agenda:** Approval of May Vouchers in the amount of \$87,096.36

**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**

**March 2019 Financial Statement and Executive Director Report**

- Port Office Lease Agreement

**Fairgrounds Property Improvements/Renovations**

**STATUS REPORTS**

**Fairgrounds**

- Fairgrounds Advisory Committee Report
- Fairgrounds Director Report

**South Whidbey Harbor**

- Harbor Operations & Harbormaster Report

**Port Operations**

- Maintenance & Operations Supervisor Report

**ACTIVITIES/INVOLVEMENT REPORTS**

**Halloran:** Marine Resources Committee (MRC), City of Langley Council Meetings, Washington Public Ports Association (WPPA) and Joint Parks Committee

**Ng:** Economic Development Council (EDC) and Port-wide Marketing & Promotion Committee (M&P)

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

**ADJOURNMENT**

**PORT DISTRICT OF SOUTH WHIDBEY ISLAND**

**Minutes of the Special Meeting\***

May 13, 2019

Freeland, Washington

*\* The Regular Meeting of May 14, 2019, was cancelled due to the lack of a quorum*

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

**Port Staff Present:** Stan Reeves (Executive Director) & Molly MacLeod-Roberts (Port Clerk/Accountant)

**MEETING CALL TO ORDER:** Following a Workshop from 3:45 p.m. to 4:00 p.m. for informal Commission review and discussion of vouchers and recent correspondence, the Special Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Monday, May 13, 2019, in the Port office conference room at 1804 Scott Rd. in Freeland, Washington. As announced, the primary purpose of the Special Meeting was for the Commission to address the items on the Agenda. Commissioner Curt Gordon (President) called the Special Meeting to order at 4:00 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.

**ACTION:** A Motion was made by Commissioner Ed Halloran and seconded by Commissioner Jack Ng to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated May 2019 as signed today in the amount of \$87,096.36. The Motion passed unanimously.

**PUBLIC COMMENT:** Virginia Keck said she heard the Port might not have the 2<sup>nd</sup> stage at DjangoFest and staff might want to check on it.

**FINANCIAL UPDATE**

**March 2019 Financial Statement and Executive Director Report:** The Commission acknowledged receipt of the March 2019 Financial Statement which was distributed to them previously. Executive Director Stan Reeves reported the Port received \$115,000 in tax, operating and bond revenue and incurred \$70,000 in operating and capital expenses during March 2019. Ending cash balance at 3/31/19 was \$1,169,000 consisting of \$782,000 in the Bond Fund and \$387,000 in the General Fund. Reeves had also provided his updated cash flow projections through the end of 2019, a preliminary Profit & Loss for April 2019, and a tracking summary of the bond fund. The capital projects are moving at a much slower pace than anticipated, and the Port's high cash balance is due to very little capital expenditures on those projects. The expenditures will pick up in the next few months with the Mukilteo Parking & Coffman Building projects. For the Mukilteo project, Reeves plans to submit the next reimbursement request from the Department of Commerce in June. The preliminary report on the Mukilteo Traffic Study is done; Quin Clements of Davido Consulting Group (DCG) is reviewing it now and the Port should have it by the end of next week. The next meeting regarding the Developers Agreement will be on Thursday; DCG will also attend. For the Fairgrounds, Reeves plans to submit the next reimbursement request from Island County for the Rural County Economic Development Funds (RCEDF) grant in June as well.

**Fairgrounds Property Improvements/Renovations:** The Black Box Theater project is complete with the exception of the Affidavits to Pay Prevailing Wage from the subcontractors. Once those have been filed the Port will release the retainage fee and close out the project. Reeves gave The Driftmier Architects the order to proceed with the permit process for the Coffman Building Renovation; everything

should be submitted to the City of Langley by the end of May. DCG has completed the “as built” for the Fairgrounds. Clements and Reeves plan to schedule a meeting in the next few weeks to walk the campground with Jay Brennan (J.A. Brennan Associates) to get ideas on redesigning/upgrading the premises. All the contracts have been signed to get the work done on the Arena Footing and Notices to Proceed were issued. Work is scheduled for mid-June (in between horse shows) and will be completed prior to the Whidbey Island Fair (July 18-21).

At the recent Fairgrounds Advisory Committee meeting, someone asked if the Port would continue to name Fairgrounds buildings after people. It was also noted that it would be nice if the current buildings had a history/explanation of the individual and their significance to the Fairgrounds. Reeves will work on a draft policy with criteria for naming buildings for the Port Commission to consider for approval. He clarified that the intention is not to change the names of currently named buildings (like the Pole Building), but to name structures like the horse barns.

**Port Office Lease Agreement:** Reeves entered into negotiations with China City Properties, LLC for the Port office space at 1804 Scott Rd, Suite 101, Freeland WA 98249. The proposed lease is for two years (rather than 3 years as the previous leases) for the same amount of \$1,433 per month commencing June 1, 2019 and terminating May 31, 2021.

**ACTION:** A Motion was made by Halloran and seconded by Gordon to authorize Executive Director Stan Reeves to sign the Commercial Lease Agreement with China City Properties, LLC as presented. The Motion passed 2-0, with Ng recusing himself from voting due to his conflict of interest as President of China City Properties.

#### STATUS REPORTS:

##### Fairgrounds

- Fairgrounds Advisory Committee (FAC) Report: Gary Gabelein reported that there was nothing but positive comments about the new TR3 groomer – the users of the arena and the groomer all like it.
- Fairgrounds Director Report: Halloran asked Reeves to recap the latest on the Creative Arts District. Reeves said the group that is spearheading the effort is still working on their application; he believes they are trying to come up Memorandums of Understanding between the various parties that might participate in it. The advantages/benefits for the Port have not been defined or detailed; Reeves’ impression so far is that it appears more work is involved for the Port than benefit. Based on the Q&A session during the tour with the state representative, Halloran & Reeves agreed that it seems like the Port could do all the things without being a part of the Creative Arts District.

Reeves presented Fairgrounds Director Larry Lehtonen’s monthly report. The Secret Kitchen was held on April 27<sup>th</sup>. It was not a financial success, but it was successful in other areas and they have discussed ways to improve and/or whether or not to pursue it. Lehtonen’s goal is to make it a continuing event with someone else running it and tying it in with the show at Black Box Theater. He wants to try it again, but Reeves said they will need to work on a marketing plan to get more people to attend, etc. The costs for the event totaled \$2,100 (including the sales tax coming out of the revenue), and the revenue was \$660. Gordon said there is often a benefit to having a “loss leader” to show the possibilities, but not for too long. Halloran asked if Marketing & Events Coordinator Jesse Levesque was involved in the event, and Reeves said she was. One of the lessons learned is that she needs to work on marketing the event; getting it out to the public through the right marketing methods. Gordon asked what the expected capacity and Reeves said they were hoping for at least 60 paying customers and got just 30. Gordon noted that it still wouldn’t have broken even if they had 60 people attend. He reiterated his position that the Port’s role is not to create or run events – it’s more about finding others willing to run events and renting the facilities to them. DB Construction has replaced the windows and the front door of the Port’s office on the Fairgrounds and will begin replacing the roof next. The company will replace the roof of that building next.

### **South Whidbey Harbor**

- **Harbormaster Operations & Harbormaster Report:** Interim Harbormaster Patrick Boin and Reeves discussed the issue of the constant buildup of sand at the boat launch ramp and having a contractor perform the cleaning at the cost of \$10K per year. He suggested the Port look into buying our own equipment to do the cleaning in house. Gordon said that would be fine as long as Port staff can operate it, but that he would only support buying a new piece of equipment. The purchase cost could be amortized over several years. The State's Department of Enterprises would allow the Port to purchase the equipment at significant discount, as demonstrated with the Port's recent purchase of the 2019 Ford F-250 pickup. Maintenance & Operations Supervisor Kisch is looking into what size equipment is needed that could also be trailered and moved between the Port's boat ramp facilities. Gordon suggested looking at two proposals: 1) the minimal piece of equipment needed at the Harbor and leave it at the Harbor, and 2) a moderate-sized piece of equipment that could be moved. Reeves agreed.

Boin's report also noted the ongoing problems with non-Harbor moorage guests using the showers. He is looking hard at closing those to the public. Gordon suggested re-engaging with the City of Langley on the issue and noted that the Port needs to hold a joint meeting with the City soon anyway regarding the expansion, etc.

The engine of the South Whidbey Fire's Marine 3 vessel is in dry dock with a cracked engine block with saltwater intrusion.

### **Port Operations**

- **Maintenance & Operations Supervisor Report:** Maintenance & Operations Supervisor Pat Kisch provided 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. Floats are in for the season at **Bush Pt** and **Possession Beach**. The dead section of a tree at **Possession** near the Dorothy Cleveland Trail has been topped. A drainage issue beneath the Clinton Ferry dock has caused the water to divert north of the dock and it has dramatically changed the slope of **Clinton Beach**. Due to the steep slope, Mel Trenor (Island Beach Access) and Kisch agreed to not use the lower section of the ADA beach mats this season. The original configuration of mats in the upland section was installed last weekend. The 20 year old stove/oven in the Bush Point house needs replacement. It's a downdraft range and the estimate for repair was over \$1,000. There are only two manufacturers that make downdraft ovens and they are pricey. Gordon recommended keeping replacement simple and low cost and go with electric rather than gas.

### **ACTIVITIES/INVOLVEMENT REPORTS**

**Halloran:** Marine Resources Committee (MRC), City of Langley Council Meetings, Washington Public Ports Association (WPPA), and Joint Parks Committee

**MRC:** The MRC has its funding and is formalizing this year's projects for the Northwest Straits Foundation. A total of eight projects have been evaluated and costed. In the process, the group discovered Boeing's stormwater funding opportunity, so they are discussing project ideas for that as well. Florian Graner's educational film and accompanying class activity have been distributed to local schools.

**Langley:** The City's Emergency Preparedness program is going well; the recent public meeting had very good turnout with a lot of enthusiastic people. Island County Emergency Management Director Eric Brooks has been very supportive in providing lots of material. The biggest issue at the recent City Council meeting was rezoning, particularly of the properties owned by Habitat for Humanity with plans to build multi-family housing units.

**WPPA:** Halloran and Ng will be attending the Spring Meeting in Spokane May 15-17.

**Joint Parks Committee:** No meeting held.

**Ng:** Island County Economic Development Council (EDC), and Port Promotion & Marketing Committee (P&M)

**EDC:** Ng will be travelling to Spokane for the WPPA meeting and will not be able to attend the Annual Luncheon on May 14 at Camp Casey Conference Center. Reeves and Gordon plan to attend.

**P&M:** No meeting held.

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

**COG:** Continued discussions regarding affordable housing and homelessness issues. Gordon noted that a lot of the blame for the current lack of affordable housing is placed on the free market efforts by individuals to rent their houses out as VRBO or AirBnB rather than regular long term leases. Coupeville and Langley have moratoriums on applications for vacation rentals until they straighten out their codes and figure out the limits, etc.

**IRTPO:** Island County hasn't hired a new transportation planner yet, so Assistant County Engineer Connie Bowers ran the meeting.

**CCC:** The CCC continues to push for improvements to the sidewalk down to the ferry on Highway 525.

**OLD BUSINESS:** None.

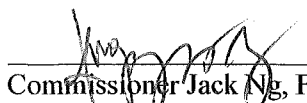
**NEW BUSINESS:** None.

**ADJOURNMENT:** The Meeting was adjourned at 5:07 p.m.

Approved:

  
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Commissioner Curt Gordon, Clinton

  
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Commissioner Ed Halloran, Langley

  
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Commissioner Jack Ng, Freeland

Minutes prepared and submitted by:

  
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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.