

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

Held at Freeland Library Meeting Room, 5495 Harbor Avenue, Freeland WA 98249
Tuesday, September 10, 2019 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 **\$153,454.98** and Minutes from the Regular Meeting of July 9 and the Special Meeting of August 6, 2019.

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.

EXECUTIVE DIRECTOR REPORT

Financial Update and July 2019 Financial Statement

Draft Preliminary 2020 Budget

Mukilteo Parking

Fairgrounds Property Improvements/Renovations

Humphrey Road Parking Lot - Puget Sound Energy Easement Request

STATUS REPORTS

Fairgrounds

- Fairgrounds Advisory Committee Report
- Fairgrounds Director Report

Port Operations

- Maintenance & Operations Supervisor Report

South Whidbey Harbor

- Harbor Operations & Harbormaster 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)

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

September 10, 2019

Freeland, Washington

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

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

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 10, 2019, in the meeting room of the Freeland Library at 5495 Harbor Avenue in Freeland, Washington. Commissioner Curt Gordon (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 July 9 and the Special Meeting of August 6, 2019.

ACTION: A Motion was made by Commissioner Ed Halloran and seconded by Commissioner Curt Gordon to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated September 2019 as signed today in the amount of \$153,454.98. The Motion passed unanimously.

PUBLIC COMMENT: Dennis Keefe introduced himself as a Clinton resident and neighboring property owner at Bush Point (adjacent to the Port's parking lot and the house). Earlier in the summer, the fence the State of Washington had installed between his property and the Port's was removed. When he sold the property to the Dept. of Fish & Wildlife and prior to the installation of that fence, the State had the property surveyed and all five corners were marked. Only one corner stake currently remains. He asked if the Port plans or intends to replace the fence, and if so, when? Executive Director Stan Reeves explained Staff has talked about replacing it but hasn't made any plan. He's not sure if there is a requirement to have a fence there. Keefe asked if the Port would at least get a surveyor to reestablish the corner markers/boundaries so there aren't any issues if he puts his own fence up. He added that his first priority is to have a fence between his property and the parking lot. He'd like the Port to put up a 6-ft. cyclone fence rather than a solid wood fence on that boundary and he would put plantings on his side to soften the look. It is too windy there for a solid fence. Gordon agreed that a cyclone fence was a good idea and suggested the Port should put it there (and only there) once a survey has determined the right location. Keefe said he doesn't mind putting up his own fence between his property and the Port's house. Reeves will include the cost of surveying both of the Port's properties to determine the boundaries/corners and the cost of a cyclone fence for the parking lot boundary in the 2020 budget.

EXECUTIVE DIRECTOR REPORT

Financial Update and July 2019 Financial Statement: The Commission acknowledged receipt of the July 2019 Financial Statement which was distributed to them previously. Executive Director Stan Reeves

reported the Port received \$61,000 in tax, operating and bond revenue and incurred \$96,000 in operating and capital expenses during July 2019. Ending cash balance at 7/31/19 was \$1,307,000 consisting of \$764,000 in the Bond Fund and \$543,000 in the General Fund. The extra cash balance is due to the slow start of the capital projects. Reeves had also provided his updated cash flow projections through the end of 2019, a preliminary Profit & Loss for August 2019, and a tracking summary of the bond fund. In July, the South Whidbey Harbor crossed the “revenues exceeding expenses line” and will hopefully continue that trend for the rest of the year. Gordon noted that it would have been a very profitable month had it not been for the \$8,000 gangway repair. Reeves noted that he had added a “6-year average” line to the Harbor’s Monthly Revenue bar chart and added a chart for the Fairgrounds that showed Operating Revenue and Expenses with and without property taxes included. Gordon asked him to add the same type of bar chart for the Fairgrounds Monthly Revenue, and Reeves said he would.

Draft Preliminary 2020 Budget: Reeves said the draft budget was fairly complete when it came to the operating receipts and expenses, but he has not dived into capital revenue or expenses yet. He still needs to figure out how much more of the capital money will be spent in 2019 and how much will be carried over 2020. The Port just received the bid sets and permits for the Coffman Building and will go out to bid soon. Gordon reiterated the importance of maintaining the Port’s bond rating by having a healthy operating cash balance of \$400,000 minimum at the end of each year and work on increasing it.

Mukilteo Parking: The August 29th pre-application meeting with the City of Mukilteo scheduled for August 29th has been postponed because the Tulalip Tribes decided the actual proposed design concept that was submitted didn’t jibe with what they wanted to do. Specifically, the location of the building which the drawing showed on the water side of the property and the Tribes wanted it on the street side. Additionally, the City was still making changes to its Shoreline Master Plan and Shoreline Management Regulations. At the City’s September 3rd meeting, the Department of Ecology and the Planning Department spoke with the City Council. The Planning Dept. had submitted changes to the Plan that would be favorable to development close to the water and would allow parking as a development. The DOE said no, there has to be a 75’ setback from the observed high water mark. Also, the Planning Dept. had recommended a 35’ building height restriction but the City Council said 25’ would be more appropriate. The Council did not make a final decision at that meeting, and instead postponed it until after a public hearing is held on October 7th. The Port subsequently met with the Tribes to review how it affects the development of their property, and Reeves anticipates the Tribes will come back with a best case scenario of what they want to do and present that to the City. Gordon noted that DOE had also provided a tool, which is the ability to apply for a variance.

Fairgrounds Property Improvements/Renovations: The Port received a check from Island County for the most recent RCEDF (Rural County Economic Development Funds) grant reimbursement request submitted on June 15th. **Coffman Kitchen project:** Reeves met with the City of Langley’s Director of Community Planning Brigid Reynolds and the City’s consultant regarding the determination on the ADA accessibility standards and the money spent on it. At the end, he agreed to the Port putting in two ADA parking spaces in order to get the project done. The Driftmier Architects provided the bid set drawings last week. There is still an issue between Puget Sound Energy and Rensch Engineering on “who’s going to do what” with the 3-phase power, but that should be finalized this week. The Port now has the 250-page Bid Specifications, and he and Fairgrounds Director Larry Lehtonen will set up a timeline this week. Reeves hopes to put it out to bid in 1-2 weeks, awarded before Christmas and construction started just after the 1st of the year. **On-Call Engineering:** Davido Consulting Group visited the Coffman Building today and will provide a rough bid/plan for the location/cost of the additional ADA parking spaces. That will be a separate project and permit. Next week, Davido will bring a consultant for bathrooms to the property. There is a grant opportunity through the Washington State Department of Agriculture that could provide funding to renovate one or both of the bathrooms, depending on the cost. The grants are limited to \$100,000 with a 50% match. The Port might start with the bathrooms underneath the Port office, making

them unisex, ADA and with one shower in each and then later redo the main bathrooms with toilets/sinks only – no showers. Campers could then use the showers in the restroom under the Port office until the campground is renovated and has its own restrooms, possibly with a Recreation & Conservation Office grant.

Humphrey Road Parking Lot – Easement Request from Puget Sound Energy (PSE): PSE had agreed to remove the underground facility easement portion of the agreement, and would pay the Port \$1,500 instead \$4,000. Reeves reviewed the Agreement, and although PSE had removed the paragraph regarding the underground easement, they also changed a significant portion of the rest of the document that had nothing to do with removing the underground piece. They removed language about their liability if they damaged property when accessing properties and added language that restricted the Port from excavating in the easement area. He has forwarded the original and revised documents to the Port Attorney. The Commission agreed that unless PSE can demonstrate that there is a compelling public need for the easement, the Port should just say no.

STATUS REPORTS:

Whidbey Island Fairgrounds & Events Center

- **Fairgrounds Advisory Committee (FAC) Report:** The group took a vote on naming a Horse Barn and the Hope Building kitchen after two individuals.
- **Fairgrounds Director Report:** Larry Lehtonen presented his monthly report. August was a busy month. **Langley Creates:** The Port agreed to participate in the “Langley Creates” Creative District. Reeves reported that the Steering Committee is looking to expand the geographical area of the District, which must be contiguous. The group has asked if there is any reason why the Harbor could not be included. The Commission agreed there was no downside to being part of it. **Marketing & Events:** The Whidbey Island Car Show was very successful with 1,300 attendees and \$6,000 raised for three local charities. Senior Services’ “Not Your Grandma’s Bingo” event was another great success. Scallywagon provided food service at both events. The Coffee Farmers Music Festival had a rough start and was not well attended, but the organizer wants to book a whole week next year and do a better job of advertising it. Fairgrounds Social Media presence is still a work in progress. Lehtonen and Marketing & Events Coordinator Jesse Levesque are working on meals on opening and closing days of DjangoFest, with a simple dinner like chili on Wednesday night and a brunch on Sunday morning. Lehtonen said it’s not a big money event for the Port, but he has Levesque working on bringing in some profit for their effort. There will still be late night “Djams” in the Fiddle Faddle Barn and the Django camping area in front of the Port office at the Fairgrounds. He and Levesque are working on a French-café theme on the Midway with a local artist painting murals on some of the food booths. Harvest Festival has 60+ participants signed up. Gordon asked who is putting it on, and Lehtonen explained they are working with the Langley Chamber of Commerce. Reeves explained that the Port provided the use of the facilities as an in-kind donation to the Chamber. Lehtonen is working toward having one big event per month at the Fairgrounds. The Goat Olympics at the end of August had a great turnout with many more participants and attendees than expected. **Heat in Pole Building:** Reeves will contact Davido (On-Call Engineering) to draft a Scope of Work for to install ductless heating. **Tenants:** The Whidbey Island Fair attracted 400 more attendees this year. A new tenant (Blackberry Moon Farm) has rented one of the food booths. Other kitchen users are doing well selling their products. **Campground:** Revenues have increased 50% since the Port took over the facility.

South Whidbey Harbor

- **Harbormaster Operations & Harbormaster Report:** Interim Harbormaster Patrick Boin was on hand to present his monthly report. The Hat Island Express made another day stop on August 10th; very happy with the facility and would like to do it monthly. The last two weekends of the month were extremely busy. Boin shared his appreciation for the great work of Harbor employees Nick Halstead and Emma Andress while he was out on the 3rd weekend due to severe back pain. He’s working on winter monthly moorage

which begins October 1st. The Harbor is looking forward to the arrival of the 120-ft Lady Washington September 18-25 and the 61' Carlyn September 15-21.

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. He was able to apply "cold patch" to long dip near the entrance to the **Humphrey Rd Parking Lot**. In exchange for longer use of the parking lot for the Ferry Dock Rd project, Pacific Pile Construction has agreed to provide use of its forklift to complete the repair of the Clinton gangway.

ACTIVITIES/INVOLVEMENT REPORTS

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

Langley: The City held a swearing in ceremony for new Police Chief Don Lauer during the September 3rd Council Meeting. Some citizens expressed concerns regarding the proposed Coles Rd development. The City is moving some of its licensing to the State to handle.

MRC: The meeting was mostly focused on public outreach. The public will be able to view "Discover Our Island Shores – A Film About Whidbey & Camano Islands" produced by Dr. Florian Granger and supported by MRC, Northwest Straits Initiative, Puget Sound Partnership and U.S. Environmental Protection Agency at Coupeville Library on September 14th and Oak Harbor Library on September 28th. The MyCoast smartphone app available at www.mycoast.org/wa allows people to become a "citizen scientist" and help document the status of our beaches.

WPPA: No activity to report.

Joint Parks Committee: No meeting held.

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

EDC: Absent; no report.

P&M: No meeting held.

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

COG: Housing Bill 1406 allows local jurisdictions to keep a small portion of the State sales tax to use for affordable housing (only \$150,000 available for all of Whidbey Island). Guest speaker Faith Pettis from Pacifica Law Group provided a Housing Initiative Presentation. The COG discussed the importance of the upcoming 2020 U.S. Census and how to get the word out to the public. The data collected is used to determine public funding so full participation and accurate information is vital.

IRTPO: The group continues to prioritize the work in the County and set up the 6-year and 20-year Transportation Improvement Plans (TIPs).

CCC: Island County obtained a grant to investigate and conduct a Gateway Study (Clinton, Deception Pass, Terry's Corner) to assist with creating an economic development element and inserting it in the County's Comprehensive Plan, as allowed by the Growth Management Act. The Clinton walkway (between Ferry Dock Rd and the stairs to Humphrey Lot) scored well on the rankings for the Regional Mobility Grant and the project will likely start next Spring.

OLD BUSINESS: Reeves said the Patrick Boin has done a great job as Interim Harbormaster, so he has removed the "Interim" from his title. As of September 1st, Boin is the Harbormaster. The Commission congratulated Boin.


NEW BUSINESS: None.

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

Approved:




Commissioner Curt Gordon, Clinton



Commissioner Ed Halloran, Langley

Minutes prepared and submitted by:



Molly MacLeod-Roberts, Port Clerk/Accountant

ABSENT

Commissioner Jack Ng, Freeland

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.