

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

Held at Freeland Library Meeting Room, 5495 Harbor Avenue, Freeland WA 98249  
With virtual access via Zoom Meeting Service  
Tuesday, September 12, 2023

**AGENDA**

Join Zoom Meeting

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

REGULAR MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE

**COMMISSIONER ACTIONS**

**Consent Agenda:** Approval of August Vouchers in the amount of **\$196,958.83** and the Minutes from the Special Meeting of May 22, 2023.

**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.*

**EXECUTIVE DIRECTOR REPORT**

**Financial Update and July 2023 Financial Statement**

**Audit Update**

**2024 Budget**

**SEPA**

**Clinton Dock – Update**

**Fairgrounds Capital Projects – Update**

**Comprehensive Scheme of Harbor Improvements – Update**

**South Whidbey Harbor**

South Whidbey Harbor Economic Study update

Permit NWS-2009-617 update

Replacement of Walers

**Island County Comprehensive Economic Development Strategy**

**Possession Beach Waterfront Park Caretaker Residence Roof Replacement**

**RCO Local Parks Maintenance Program Application**

**Resolution No. 23-10 Applicant Authorization and Electronic Signature for RCO (Recreation & Conservation Office) Grant Application for Clinton Beach Park**

## STATUS REPORTS

### **Fairgrounds**

- Fairgrounds Director Report

### **Port Operations**

- Maintenance & Operations Supervisor Report

### **South Whidbey Harbor**

- Harbormaster Report

## ACTIVITIES/INVOLVEMENT REPORTS

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

**Ng:** Washington Public Ports Association (WPPA) and Port-wide Marketing & Promotion Committee (M&P)

**Easton:** Marine Resources Committee (MRC) and City of Langley Council Meetings

## OLD BUSINESS

## NEW BUSINESS

## EXECUTIVE SESSION

## ADJOURNMENT

## PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Regular Meeting

September 12, 2023

Held in Freeland, Washington  
and online via Zoom Meeting Service

**Commissioners Present:** Curt Gordon (Clinton) and Greg Easton (Langley) **Absent:** Jack Ng (Freeland)

**Port Staff Present:** Angi Mozer (Interim Executive Director), Molly MacLeod-Roberts (Port Clerk/Accountant), Amanda Ellis (Fairgrounds Director) and Pat Kisch, (Maintenance & Operations Supervisor) **Absent:** and Kathy Myers (Harbormaster)

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 Regular Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, September 12, 2023, in person at the meeting room of the Freeland Library at 5495 Harbor Avenue in Freeland, Washington and online via Zoom Meeting Service. Commissioner Jack Ng (President) was absent, so Commissioner Curt Gordon (Vice President) called the Regular 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.

**Approval of Minutes:** Minutes from the Special Meeting of May 22, 2023.

**ACTION:** Motion made by Commissioner Greg Easton and seconded by Gordon to approve the Consent Agenda as presented, including the authorization and acceptance of Vouchers dated September 2023 as signed today in the amount of \$196,958.83. Motion passed unanimously.

### PUBLIC COMMENT:

**Charles Prochaska, Deer Lagoon Grange Master** criticized the Port for not making a tenant vacate Burrier Building during the Whidbey Island Fair. The Grange was shut out of the Fair because the permanent display is in that building.

**Curtis Baker** asked if they needed to hire an attorney to deal with the Port because the Fairgrounds staff is offended by everything they say and have a hateful attitude.

**Callie Keck, 4-H Volunteer** asked when will they be able to use the grandstands so they can hold the auction in the grandstands again. Gordon said a structural engineer determined they need to be removed. The estimated demolition cost is \$70,000. The Port is hoping to get a grant to rebuild the grandstands and the building, and include the \$70,000 demolition cost.

**Elise Gabelein** referenced Interim Executive Director Angi Mozer's letter in the South Whidbey Record that talks about filling the buildings and having the Port tenants be part of the Fair. The Fair Board puts on the Fair, not the Port and the Fair Board determines its own vendors/tenants.

**Easton** said the Port wants to work things out, too. The interests of the Port and the Fair Association are the same. If they sit down together and keep talking, they can work through things and ensure the Fair is a success next year.

**Carol Coble, Fair Manager** said the Port and the Fair Association are not aligned at all, and workforce housing does not fit with the Fair. She criticized the Commissioners for having Port Staff talk to the Fair Association instead of the Commissioners, and complained about the conditions when the Fair Association took over the property for the Fair.

**Ben Criswell** criticized the Port for not reaching out and having a strategy meeting and expressed disappointment by the Port's actions to manage public property in direct competition with real estate developers. He and his attorney will monitor things closely.

**Carl Cheney** criticized one of the Port's commercial kitchen users and claimed a waiter told him that Ng doesn't live on South Whidbey; he lives in Everett. Gordon said Ng does live on South Whidbey and has a home here.

**Albert Gabelein** claimed it was wrong for the Port to interfere with Log Show, and two employees made false statements on social media about it. He asked what the Port plans to do about them.

**Lisa Honeycutt** said her large 4-H group with kids willing to work as volunteers had reached out earlier in the year but never heard back from anyone.

**Easton** emphasized that the Port wants the Fair to be a success, and it's not trying to run the Fair. There may be issues, but if both parties can sit down and discuss those things in an objective way, he thinks everyone can be happy with a successful venture. He recommended starting the process as soon as possible.

**Gwendy Gabelein, Fairgrounds Advisory Committee member** reported that there were hot topics at the beginning of the last FAC meeting, but a lot of positive communication happened by the end of the meeting. She noted that all but one tenant chose to vacate during the Fair. Moving forward, communication is key and unlike the Port's regular meetings where public comment is limited, open discussions can take place at FAC meetings. She encourages more people to attend those where the items can be discussed more fully with improved communication.

**Carol Coble** asked if the Port Commissioners would meet with the Fair Association – not Port staff – and listen to them, find out what the Port can do to help, and tell the Association the Port's plans.

**Gordon** recapped the history of the Port taking ownership of the Fairgrounds. In 2015, the Association was in need of a lot of help managing the property, and the County wasn't keeping up with the maintenance. The County paid for the Landerman Moore Study which recommended demolishing 2/3 of the buildings and building a big convention center. The community didn't want that. The Port took on managing the property for a year, and that first year the Fair Association lost only \$5,000 which was an improvement. Meanwhile, the Port hired Marty Matthews to do another Fairgrounds study. There are plans to make improvements over time, but the Port cannot do all of them at once. The renovated 4-H Restroom is one of those. There are some improvements that could be complete showstoppers to having the Fair, and one of those is the concession stands meeting fire and health codes. Funding to rebuild the stands proved hard to find. The Port has a financial plan to get more ongoing month-to-month revenue to break even each year, maintain the property, and make improvements. When the Port first took over, the Fair Association had \$0 but in 2021 it made \$80,000. That's exactly what the Port intended – to take the weight of maintenance off the Association so they could be a vibrant, well-funded non-profit again and that is happening.

The Port is not demolishing buildings and it is not building housing for the homeless. The plan is for workforce housing, which will be beneficial for all of the Port District and the grant funding will help with the cost of rebuilding the concession stands. The goal is to improve the Fairgrounds year after year and the Port will continue to provide for an area fair every year as the agreement states.

## EXECUTIVE DIRECTOR REPORT

**Financial Update and July 2023 Financial Statement:** The Commission acknowledged receipt of the July 2023 Financial Statement, the Preliminary Profit & Loss for August, and the performance graphs and the cash flow through April. Mozer reported the Port received \$128,000 in operating, tax, and capital revenue and incurred approximately \$145,000 in operating and capital expenses in July 2023. Ending cash balance at 6/30/23 was just under \$1.3 million, consisting of \$638,000 in the General Fund and \$661,000 in the Bond Fund.

**Audit Update:** The Port's three-year audit (2020-2022) by the State Auditor's Office is scheduled to start October 16<sup>th</sup> and will be done remotely. The entrance conference with the SAO representatives is scheduled on September 21<sup>st</sup>.

**2024 Budget:** Mozer provided a very rough draft of the 2024 budget focused on the high-level budget items. The Commission will review and provide feedback to Mozer re: wish list items or major concerns, and will discuss during a special meeting (to be scheduled). Gordon said the Harbor revenue needs to be increased and the Port's yearend balance of \$450,000 isn't enough; he thinks it should be 25% of the budget.

**SEPA:** Mozer will continue to look into the Port doing its own SEPA for future projects, but Confluence Environmental (CE) is submitting the SEPA Checklist to Island County for the Clinton Dock project.

**Clinton Dock/Surface Transportation Block Grant (STBG) - Update:** CE has a couple of unexpected environmental items that need to be submitted, including an Incidental Harassment Authorization (IHA) through NOAA and an application for a Flood Development Permit from Island County. CE has submitted a Change Order for the additional work in the amount of \$27,273. The plan is to use the Management Reserve Fund in KPFF's original contract to cover those costs.

Mozer is working with Washington Public Ports Association (WPPA), which is working with Washington State Dept. of Transportation (WSDOT) on some appropriated funding that will be put in a competitive grant process. Once WSDOT has completed that process, Mozer will apply for funding for Clinton Dock.

**Fairgrounds Capital Projects:** Mozer and Fairgrounds Director Amanda Ellis are working on the planned request for extension of the Rural County Economic Development grant. The project list is mostly for Pole and Coffman Buildings. Ellis identified some smaller projects that can be done relatively quickly and yet have a good impact on the buildings. It includes electrical upgrades in Pole to accommodate infrared or other type of heating, and potentially some sort of insulation and floor covering to keep the heat in the building. For Coffman, put carpeting in, address the hood vent and potentially rework the bathrooms to allow additional storage for the kitchen. Additionally, the hot water needs replacements and the alcove must be shored up to maintain the integrity of the building. The list includes adding A/V equipment to allow meetings to be held in Coffman.

**Housing Concept on Fairgrounds - Update:** Rick Brown (The Brown Associates/Architects, Inc.) briefed the Commission regarding the need for variances and setbacks, the mix for the workforce house units, etc. The Commission agreed to schedule a Special Meeting in work session format to discuss the matter in more detail.

Gordon proposed a joint meeting with the Port, the Fairgrounds Advisory Committee (FAC) and the Fair Association Board once the housing plans are more developed firm and the Commission is happy with the draft. The Port will bring the plans for discussion before it gets too far along.

**Comprehensive Scheme of Harbor Improvements - Update:** Makers Architecture & Urban Design provided a draft Comp Scheme. Once there is a draft version that the Commission is happy with, the Port can distribute it to the public and get comments from the public via an Open House and a survey. The

Commission agreed to schedule a Special Meeting with Makers to provide their feedback on the draft, and include Paul Sorenson, BST Associates who is working on the economic study. BST has analyzed the Department of Licensing's database on vessels within the primary and secondary markets and the trends over the last 20 years in size of vessels. It appears the average transient boat is around 30 ft., but there's a big group in the 40'-50' range and BST sees more of that growth in the future. Preliminary information indicates the Harbor's current revenue and expenses are pretty tight right now. It's an economies of scale operation with costs to operate per slip declining with the number of slips, but the cost to expand is pretty high and tough to finance.

#### **South Whidbey Harbor**

- **South Whidbey Harbor Economic Study Update:** Reid Middleton provided the latest drawing of the reduced expansion and an Opinion of Probable Construction Cost. Paul Sorenson will use that information to help with his economic analysis of the marina.
- **Permit NWS-2009-617 Update:** Confluence Environmental (CE) provided feedback on the Tulalip Tribes requests, and Mozer provided a Summary Table of what would be required to respond. CE's basic opinion is it will cost about \$50K-60K, and potentially take 2 years for the Port to go through those processes. Additionally, the Port would really have to work with the Tribes on the mitigation. One example of their proposed mitigation would be to plant geoducks and that mitigation is not recognized by the U.S. Corps of Engineers.
- **Replacement of Walers:** The work has been completed.

**Island County Comprehensive Economic Development Strategy (CEDS):** Jurisdictions were asked jurisdictions to fill out a SWOT (Strengths Weaknesses Opportunities & Threats) analysis of their district. The Commission approved Mozer's responses for submittal.

**Possession Beach Waterfront Park Caretaker Residence Roof Replacement:** At the August meeting, the Port approved what appeared to be the lowest of 3 bids for the work. It was subsequently discovered that two of bids were not based on prevailing wages. The updated quotes are as follows (not including sales tax):

- All Weather Rooftop Solutions: \$30,257 for base level shingles
- Red's Construction: \$34,000
- James King Roofing: \$32,269

**ACTION:** Motion made by Easton and seconded by Gordon to accept the proposal of \$30,257 plus tax as submitted by All Weather Rooftop Solutions for the Possession roof replacement. Motion passed unanimously.

**Recreation & Conservation Office (RCO) Local Parks Maintenance Program Application:** Mozer requested authorization of the grant application for \$70,000 for Clinton Beach Park for deferred maintenance projects (to repair; not replace). Projects include repair of the irrigation system and the lighting, painting and landscape maintenance.

**Resolution No. 23-10 Applicant Authorization and Electronic Signature for RCO Grant Application for Clinton Beach Park:**

**ACTION:** Motion made by Easton and seconded by Gordon to approve Resolution No. 23-10 for Project 23-1661, Clinton Beach Park as presented. Motion passed unanimously.

#### **STATUS REPORTS:**

##### **Fairgrounds**

Fairgrounds Director Amanda Ellis presented her monthly report.

## **Port Operations**

Maintenance & Operations Supervisor Pat Kisch presented his report on maintenance & repairs completed/ongoing/planned at Clinton Beach, Humphrey Road Parking Lot, Bush Point, Possession Beach Waterfront Park and the Fairgrounds.

## **South Whidbey Harbor**

Harbormaster Kathy Myers was absent; Mozer summarized the monthly report.

## **ACTIVITIES/INVOLVEMENT REPORTS**

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

**COG:** There was a report on regenerative tourism, and the new name for the tourism committee is "Embrace Whidbey & Camano Islands." The COG discussed legislative priorities. Gordon listed capital funds for new ferries, workforce housing, and transportation alternatives (funding passenger-only ferries and link loops for Island Transit).

**IRTPO:** The group is going through the process of its 6-year and 20-year Transportation Improvement Plans and making sure funding is allocated correctly.

**CCC:** No report.

**Easton:** Marine Resources Committee (MRC), and City of Langley Council Meetings

**MRC:** The MRC is active in identifying derelict vessels, and the Dept. of Natural Resources has removed nearly every derelict vessel in Island County. The meeting included a presentation on safe shorelines, the impacts of sea level rise and sloughing of bluffs. There is a program working with private property owners to help them respond to upcoming threats.

**Langley:** Nothing related to the Port came up.

**Ng:** Washington Public Ports Association (WPPA) and Port-wide Marketing & Promotion Committee (M&P): Absent; no reports.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:** None.

**EXECUTIVE SESSION:** At 6:03 p.m., Gordon announced the Commission would meet in executive session until 6:20 p.m. to discuss the Executive Director employee position pursuant to RCW 42.30.110(1)(g). Gordon said the Commission may take further action following the Executive Session.

At 6:20 p.m. Gordon called the meeting back to order. Gordon said they discussed the position of the Interim Executive Director and they would like to put forward an offer for Mozer to become permanent Executive Director at the salary described in the Offer Letter.

**ACTION:** Motion made by Easton and seconded by Gordon to make Angela Mozer permanent Executive Director under the terms of the offer letter for a salaried full-time, exempt position with annual salary of \$88,500 in addition to \$600/month healthcare stipend, \$40/month cell phone stipend, 3 weeks paid vacation and upon completion of one year the Commission commits to a 5% salary increase effective September 1, 2024. Motion passed unanimously.

ADJOURNMENT: Without any further action, the Meeting was adjourned at 6:24 p.m.

Approved:

Minutes prepared and submitted by:

\_\_\_\_\_  
Commissioner Jack Ng, Freeland

Molly MacLeod-Roberts  
Molly MacLeod-Roberts, Port Clerk/Accountant

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Commissioner Curt Gordon, Clinton

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Commissioner Greg Easton, 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 303, Freeland WA 98249.