

Langley City Council Special Joint Port/City Workshop Meeting

Wednesday, October 5, 2011

Mayor Samuelson called the meeting to order at 3:00 PM. Present were City Councilmembers Rene Neff, Bob Waterman, Hal Seligson, Fran Abel and Doug Allderdice. Also present were Planner Larry Kwarsick, Planner Jeff Arango, PW Director Challis Stringer, Director of Finance Debbie Maher and Port Commissioners Jeff Tappert, and Chris Jerome, and Ron Reinhardt Port Finance Director, Port Manager Ed Field. The flag salute was led by Councilmember Waterman.

Jeff Arango gave a brief history of the key provisions of the inter-local agreement between the City and the Port. The Port took ownership from the City on January 1, 2009.

Commissioner Chris Jerome gave a power-point presentation on the current design of the harbor improvements that were submitted for permitting and the first phase of that design. The original design plan included in the Proposed Master Plan of 2004 turned out to be not feasible in part, due to water depths. In 2007 an update was proposed that was a very different plan. It was never adopted. A newer design was done in 2009 and submitted for permitting (joint Aquatic Permit Application) JAPA. The cost was estimated at 12 million dollars. Not having that much money, the design is to be phased in. Phase 1 contains a protected (\$8mil) harbor. The City approved a MDNS SEPA review in December 2010. The Port can for sure provide \$2.5 mil funding. They did not receive one grant that was applied for; the status of another is unknown. The proposed Phase 1A construction of \$2.5 mil is within the 400 foot breakwater. It has significant environmental improvements with the removal of creosote piles, eelgrass recovery when the old Hein dock is removed and the old sunken tire reef removed.

Phase IA would expand transient moorage, tour boat and ferry facilities, boat ramp boarding floats, environmental cleanup, emergency vessel moorage; disaster preparedness, infrastructure for future expansion and continued progress towards future expansion. Construction should be done in 2012 and be operating in 2013. Chris showed how the final design could be implemented in separate phases.

The next steps are to: Update the harbor & Environs Master Plan; Collaboration between the City and Port; Align with the 2012 Port of South Whidbey Comp Scheme Update; Continue full expansion of the permit process; and continue the funding search for future phases.

Rick Brewer, Port Harbormaster explained that this would provide more access to fishing, clamming, boating, etc. The old Hein dock is in dangerous condition and is a hazard. With just this phase, Rick claimed an additional 1250 visits of 40 foot and above boats, carrying an average of 3 people per boats could be brought in each year. If each of those people spend just a little money here that will add significantly to the City's sales tax revenues. It would also bring in whale watcher boats that we don't have capacity for at this time; fishing charters, ferry and

tour boats. Rick stated that conservatively speaking, this phase could bring in over \$200,000 per year to the city.

Larry Kwarsick thinks that this is a significant effort for the Port to tackle on its own. He thinks we should partner with the Port and look at private partnerships that will help achieve the goals. He doesn't feel the future phases will happen in the near future. This is the time to consider modification to the interlocal agreement and the financing plan. Hal Seligson wondered what the chances are that the various future phases would happen in our lifetimes and if it is feasible to look to the phase I and polish it up until the need is shown to expand farther. He asked what efforts have been made to bring other parties in to partnership. Island asphalt agrees the Port should look into other financing funds. The Port has received 1.2 mil in county rural development funds. Chris Jerome said there seems to be an assumption that if phase I goes in that further expansion will not happen. Larry, the Port is a small port, with small revenues and other projects that need to be done. Larry stated that he feels that the Port has a better chance of getting things done if they work in partnership with the city and other entities. Curt Gordon wants to show the public that they can be responsible with the money they have. He said the Port may go for a levy lid lift later after showing the public that they can responsibly spend money. Doug Allderdice said we are very restricted in the amount of uplands and what can be done with them.

Ed Field went through a presentation of the various proposed designs over time. Bob Waterman feels it would be a very positive thing for the public to see some progress and construction at the harbor. He asked what mechanisms the Port has for funding. Jeff Tappart stated that the more partners the port has, the more revenue that can be raised. An industrial development district can be formed without a vote of the people. That could raise \$10,000,000 over six years. Curt Gordon stated if they had a dedicated revenue source they could bond for money. Bonding capacity is based on operating revenues, the more the operating revenue increases, the greater the bonding capacity. Bob Waterman asked why there are no plans for a fueling facility at the marina. Jeff Tappert said the original plan had a fuel dock. Studies showed that it would not bring in more revenue, but would bring in more boats. Other commissioners are somewhat open to a fueling facility. In the full build out there would be approximately 84 additional slips. The construction work must be done between July 16 and February 15. Anything that puts the permit issuance out longer would miss that window to do construction.

Rick Brewer stated that flexibility is key to the plan. A linear float gives him the opportunity to bring in a 100' vessel to offload 80 people or half a dozen smaller private vessels to moor overnight.

The meeting was adjourned at 4:50 PM.

Respectfully submitted,

Debbie L. Mahler, Director of Finance/City Clerk