

**BAINBRIDGE ISLAND METROPOLITAN PARK & RECREATION DISTRICT
REGULAR BOARD MEETING NOVEMBER 20, 2014
STRAWBERRY HILL CENTER**

6:00 PM: EXECUTIVE SESSION (for real estate)

CALL TO ORDER A quorum being present, the meeting was called to order at 6:37 pm by Vice-Chair Cross.

BOARD MEMBERS PRESENT: Lee Cross, Ken DeWitt, Kirk Robinson, Tom Swolgaard. Absent: Jay Kinney.

ADJUSTMENTS TO AGENDA: Move Resolution 2014-26 to follow Purchase and Sale Agreement for Sakai Property. Add Executive Session to end of meeting for real estate and potential litigation.

PUBLIC COMMENTS ON AGENDA ITEMS:

Edie Hartmann, island resident, expressed excitement and support for the Sakai property purchase. She said a lot of education of the public is needed prior to the February election since some in the community are confusing the Sakai property with the Suzuki property owned by the City.

Svend Hartmann, island resident, spoke in favor of the purchasing the Sakai property saying he thought it would be a wonderful addition to the island's parks given its central location in a dense part of town.

BOARD CONSENT

APPROVAL OF MINUTES: Upon hearing there were no corrections to the minutes of the November 6, 2014 regular board meeting, Chair Kinney ^{or Cross} stated the minutes stand approved as submitted. (Commissioner Robinson commented on the minutes, saying he will not be able to serve as a board liaison to the Sakai property campaign committee; Commissioners Cross and Swolgaard will serve in this capacity).

APPROVAL OF PAYMENTS: MSC: Robinson/DeWitt: 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 that has been made available to the Board. As of this date, the Board, by a unanimous vote, does approve for payment those vouchers included in the above list and summarized as follows:

Batch No.	Batch Date	Batch Amt	Fund No.	Fund Name	Fund Amt	Pre-Approved
111814	11/18/14	13,184.66	001	General	11,420.89	11/14/14
			300	Capital	1,763.77	
111214	11/12/14	25,809.90	001	General	24,402.17	11/12/14
			300	Capital	1,407.73	

UNFINISHED BUSINESS

PURCHASE & SALE AGREEMENT FOR SAKAI PROPERTY: The purchase and sale agreement for the Sakai property is proposing the Park District buy two of three lots totaling 23 acres of undeveloped land in the center of Winslow for the amount of \$5,890,000 based on appraisal. Bond attorney Alice Ostdiek responded to questions from the Board pertaining to the possible upcoming bond measure for the purchase of this property. 1) If the bond measure passes in the February election, when will the money be available? She said bonds can be issued right away after the election, but since the tax revenues won't come in until April of 2016, this would result in a long first coupon that could involve more expense. Another option is to work with a bank to cover the interim period until the tax revenues come in. She suggested both scenarios be run to see which option is best. 2) What can the District (commissioners and staff) legally do related to this bond measure? Alice Ostdiek said the general rule is to distinguish between campaign activities and

providing information. The Park District can provide information to educate the public about what the bond issue is, and can include this information in the District's catalog and website. The Public Disclosure Commission is available to review/approve any content that will be published. District resources such as email addresses, vehicles, copiers, paper, and so on should not be used for campaign activities. District facilities can be used for campaign activities provided the same facility use regulations are followed that would apply to any other user. The Board as an elected body can adopt a resolution in support of the measure. Meetings can be held or attended to provide information only. Employees can be involved in campaign activities on their own time. The District can say remember to vote; it cannot say how to vote. Any District policies regarding election material must be followed. More specifics about what elected officials and employees can or cannot do are available in a publication produced by the Public Disclosure Commission.

Executive Director Lande then turned the discussion over to Ryan Vancil, the District's attorney who is handling the purchase and sale agreement for the Sakai property. Ryan Vancil reviewed several options for determining a closing date, saying this is the date funds must go to the seller and the buyer gets the property. The Board decided upon August 1, 2015. He reviewed several edits requested by the seller, and then summarized all the needed edits to the purchase and sale agreement: 1) Sections 4.3 (passage of bond measure) & 5.1 (reserved property): insert the following clause at the end of each section: "If this condition precedent is not satisfied this Agreement shall terminate"; 2) Section 6: specify closing date of August 1, 2015; 3) Section 7: insert "Buyer may elect to have Seller obtain extended coverage title insurance in which case Buyer will pay any additional costs for such coverage".

MSC: Robinson/Swolgaard: That the Purchase and Sale Agreement for the Sakai property be approved subject to the above edits. MSC: DeWitt/Robinson: That the Executive Director be authorized to sign the Purchase and Sale Agreement for the Sakai property, subject to the above edits being made.

RESOLUTION 2014-26: SAKAI PROPERTY PURCHASE BOND: Bond attorney Alice Ostdiek with the Foster Pepper law firm said she was asked to put together a ballot proposition resolution for voter approved general obligation bonds. It approves excess debt plus taxes necessary to re-pay that debt, and will authorize the District to issue bonds payable over twenty years in order to finance the purchase of the Sakai property. This bond issue would replace some of the District's prior bond debt that was retired in 2104. Prior to passing the resolution, the Board must decide on the total amount for the bond measure which will include the purchase price, costs related to borrowing such as underwriter, legal and rate review fees, as well as anything else the District may want to include for capital related expenses such as parking or improvements that would provide access to the property. This resolution authorizes bonds to be issued any time after the election if passed, as well as short time or interim financing if this becomes necessary. The Board asked if staff had a recommendation on a total dollar amount. Executive Director Lande said yes, and asked Recreation Services Director John DeMeyer, who is coordinating the effort related to the Sakai purchase, to present it. John DeMeyer said staff believes an appropriate amount is \$6,200,000. This is based on a purchase price of \$5,890,000 and anticipated costs to address liability concerns such as decommissioning the farming infrastructure and providing safe public access to the property. Executive Director Lande said staff arrived at this amount after walking the property and making a number of calculations. Some capital improvements that will be needed include: 1) off-street parking and trails so the public can access the property; 2) securing an existing bomb shelter; 3) improvements needed to address environmental issues. **MSC: Robinson/Swolgaard: That Resolution 2014-26, authorizing the District to issue general obligation bonds in the amount of \$6,200,000 for the purchase of the Sakai property, subject to voter approval in a February 10, 2015 special election, be adopted.** The board will sign the resolution once Alice Ostdiek has prepared the final document with the dollar amount determined this evening.

JOHN NELSON PARK TRAIL UPDATE: Senior Planner Perry Barrett presented the most recent trail route for the linear park at the John Nelson site. It was prepared following consultation with Ryan Vancil (Park District attorney) and

Andrew Lomset (Asani/Island Seniors LLC), and following confirmation with the City on the Sound to Olympics trail. This most recent rendition of the route includes an oval trail with the western portion of the loop provided by the Sound to Olympics trail corridor along Highway 305. He showed overhead images of the park design, its survey, the STO Bainbridge Preferred Option for Hwy 305, and the counter-proposal by the property owner for the south edge of the trail. He invited the Board to review and discuss the landowner's proposed change. A lengthy discussion followed during which Ryan Vancil clarified for the Board that what the District is getting in this transaction is a dimensional lot. It is not an easement; it is a one-time transfer. Following this discussion, the board decided against the proposed south end land dedication and trail alignment since they did not want the trail to drop down to the level of the sidewalk. Instead they opted for the current surveyed route on top of the ridge. In addition, Board members resisted having the loop completed outside the Asani property (i.e. utilizing the proposed extension of the non-motorized Highway 305 trail). They are not opposed to tying into this trail, but want a complete loop inside the Asani property. There was discussion about the original agreement of the John Nelson property dedication in which the acreage is specified as .8 to 1 acre for a park. Perry Barrett confirmed that the current surveyed "C" route inside the property lines is .8 acres. Board members want the remaining .2 acres utilized in the route so that a complete loop trail can be inside the Asani property. The Board asked Perry Barrett to negotiate with Asani for an additional 10 feet on the west side within the property lines.

ROTARY PARK RENOVATION UPDATE: Park Services Superintendent Dan Hamlin said Phase II of the project, construction of the second ballfield, is now outside the contract date due to weather and related factors. He presented a new timeline for the project, saying the ballfield will not be ready to play on this next season, and that Little League is aware of this. The budget is in good shape, Ed's Shed has been saved and moved, and while the opening of ^{owner's} playground will be delayed, this will allow more time for fundraising.

BATTLE POINT WATER SYSTEM UPDATE: Park Services Superintendent Dan Hamlin said they expect the State Health Department to approve the water system before the end of the month. In the meantime, pipes have laid, the well house has been renovated, and conduit is in place for the electrical work. The project will be over budget by approximately \$12,000 due to design changes, but this should be offset by other areas in the budget.

ISLAND CENTER HALL WATER SYSTEM UPDATE: Park Services Superintendent Dan Hamlin said the facility will be connected soon to the City's water system, and that the City has done a great job of bringing this about. If the old well does not have to be decommissioned, it is possible some funds allocated for this project will go back into reserves.

JANUARY BOARD MEETING DATES: Executive Director Lande said there will not be quorum for the December 4 board meeting. It was rescheduled to December 3 subject to Commissioner Kinney's availability. A January board meeting falls on New Year's Day which is a holiday. **MSC: Swolgaard/Robinson: That the January board meeting dates be changed to January 8 and 22, the second and fourth Thursdays of the month.**

GENERAL BUSINESS

RESOLUTION 2014-25: UNCLAIMED PROPERTY: Finance Officer Amy Swenson said this resolution is related to customers who have not in over two years used credits on their household accounts or cashed refund checks issued by the District for cancelled classes or other items. Since the District has not been successful in contacting these individuals after numerous attempts to reach them, this resolution authorizes the funds (\$212) to be turned over to the State of Washington as unclaimed property. The customers will still be able to obtain their funds by contacting the Department of Revenue which will now be holding the funds. **MSC: DeWitt/Swolgaard: That Resolution 2014-25, authorizing at the end of 2014, the cancellation of any outstanding checks and household credits that have been on the books for two years or longer, and needed adjustments to the appropriate accounts, be adopted.**

DIRECTOR'S REPORT

Park Services Superintendent: Mike Mejia: BI Parks Foundation grant funds awarded in a prior year for yurt electrical work have been extended; an application for Rotary grant funds is underway for a cabin at Fay Bainbridge Park.

Park Services Superintendent: Dan Hamlin: the Veterane boardwalk and Hilltop pasture and Blakely Harbor Park trails are nearing completion; the first Dog Ambassador program is over and was well received; the 26 year old furnace at Strawberry Hill Center has become a safety hazard and is due for replacement in a few weeks.

Recreation Services Director: John DeMeyer: the BI Parks Foundation awarded grant funds for many District or related programs; a successful ski swap was recently held; the gymnastics competitive season is beginning; the holiday carnival at the pool is on December 12.

Senior Planner: Perry Barrett: the November 13 stakeholders meeting on Blakely Harbor Park Projects was positive with design work for the bridge now underway by Johnpaul Jones.

Executive Director: Terry Lande: a conservation easement on the Carlson portion of the Forest to Sky Trail is being prepared for the Board to review in the future; a grand opening for Red Pine Park will be held once the property's transfer has been completed; the recent conference he attended in Orlando was informative; plans for the District's fiftieth anniversary are progressing with a big celebration scheduled for late August and numerous events planned throughout the year.

UPCOMING MEETINGS & EVENTS: December 3: next board meeting; December 5: Holiday Party

BOARD MEMBER ITEMS:

- Commissioner Robinson will miss the first and possibly the second board meeting in December.
- Commissioner Cross attended a recent IGWG meeting and mentioned items that were discussed. Next year the Park District will host the meetings.

MEETING ADJOURNED TO EXECUTIVE SESSION at 8:59 pm for discussion of real estate and potential litigation, with announced time to reconvene at 9:35 pm. **MEETING RECONVENED** at 9:35 pm and **ADJOURNED TO EXECUTIVE SESSION** at 9:36 pm for continued discussion of the above items, with announced time to reconvene at 10:00 pm.

MEETING RECONVENED at 10:00 pm and **ADJOURNED** at 10:02 pm.

Elizabeth R. Shepherd
Terry M. Lande
BAINBRIDGE ISLAND METROPOLITAN
PARK & RECREATION DISTRICT

BY: _____


Jay C. Kinney

BY: _____


Lee Cross

BY: _____

Kirk B. Robinson

BY: _____

John Thomas Swolgaard

ATTEST: _____


Kenneth R. DeWitt