

Port of EVERETT

Winter 2020



PORTSIDE

NEW STRATEGIC PLAN
SETS THE DECADE p.3

ECONOMIC PARTNERSHIP
IN NORTH COUNTY p.4

2019 MARINA
OF THE YEAR p.10

MILLS to MARITIME

RESTORING JOBS.
STRENGTHENING ECONOMY.

Port Acquired Former
Kimberly-Clark Mill Site p.8



IN THIS ISSUE

P.4 - Cascade Industrial Center, a new economic development partnership with the Cities of Arlington & Marysville

P.5 - South Terminal Wharf opens for cargo; crane relocation and FAA compliance update; cargo briefs

P.6/7 - Housing breaks-ground; Hotel Indigo & Jetty Bar & Grille now open; retail and restaurant update; development news briefs

P.8/9 - Mills to Maritime; former Kimberly-Clark mill site acquisition; shipyard lease; on-call engineering contract

P.10 - *Marina of the Year* Award; Central Marina Improvements update; new guest moorage reservation platform

P.12 - New clean water program at the Marina; environmental cleanup forecast

P.13 - Port investment in new maritime exhibit

P.14 - Finance news; workforce development

MESSAGE FROM THE CEO

Today we find ourselves full steam ahead in a new year; the start of a new and exciting decade for the Port of Everett and our community. Our focus today remains steady on the key initiatives before us that will ultimately allow the Port to continue delivering on its statutory mission of creating economic opportunity and jobs for our District, greater Snohomish County and the region.



LISA LEFEBBER
Port CEO

The Port's top priority in 2020 is "Mills to Maritime" — an all hands-on deck effort to restore former waterfront mill sites into sustainable, 21st Century job producing hubs to support the next generation of trade and industry at the working waterfront. Specifically, we are committed to working diligently, and efficiently, to get the former Kimberly-Clark mill site back into productive use. This critical asset is strategically located in the heart of the Port's federally secure, urban deep-water maritime complex. The working waterfront has been under significant growth pressure, and the protection of port and maritime operations is mission critical to the area's economic stability. As part of the Port's Purchase and Sale Agreement to acquire the site (which closed in December 2019), requires Kimberly-Clark to complete the upland cleanup and removal of crushed material using methods approved by the State of Washington's Department of Ecology. The work is slated to begin in March and conclude by the end of the year. In February, the Port hired KPFF Engineers to begin planning and engineering for the projects necessary to bring jobs and commerce back to the site.

This year the Port is also working to complete its \$57 million South Terminal modernization project, adding another full-service berth at the Seaport to support the 777X and other cargo opportunities, as well as continue its phased build-out of Waterfront Place, the 65-acre mixed-use development bringing \$550+ million in public/private investment to our community.

Learn more @ www.portofeverett.com.

YOUR PORT COMMISSION



DAVID SIMPSON
DISTRICT 1



TOM STIGER
DISTRICT 2



GLEN BACHMAN
DISTRICT 3



COMMISSION MEETINGS

Port Commission meetings are held at 4 p.m., the first and second Tuesday of each month at the Port of Everett's Waterfront Center, 1205 Craftsman Way in the Blue Heron Room (2nd floor).

The public is encouraged to attend.

PORT SIDE TEAM

This issue of the Port Side was written and produced by the Port's Public Affairs Department and printed by DCG ONE.

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Cover image: *Mills to Maritime; Paying homage to the past while looking to the future. Longshoreman Benjamin Siekawitch portrays a contrasting representation of a mill worker in the early 1900's and today's longshoreman.*

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MISSION:

Enhancing Maritime Commerce, Jobs and a Healthy Community

NEW STRATEGIC PLAN SETS FRAMEWORK FOR THE NEXT DECADE OF THE PORT

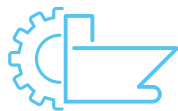
At the culmination of a two-year collaborative effort undertaken by the Port of Everett and the community, a new road map emerged, setting the visionary framework for the Port's next 10 years. In December 2019, the Port Commission unanimously approved and adopted an updated Strategic Plan that:

- ✔ Promotes and protects a balanced waterfront;
- ✔ Enables a successful waterfront that balances economic opportunity through a robust working waterfront of Port, Navy and other operations with a destination waterfront and appropriate public access;
- ✔ Observes the highest levels of environmental stewardship and appropriate recreational access to facilitate a livable, balanced destination the community is proud of;
- ✔ Builds a strong and competitive regional economy;
- ✔ Reflects the values and character of our community; and,
- ✔ Supports national security and disaster resiliency.

The Strategic Plan guides how the Port fulfills its mission to the community in its charter as an economic development enterprise. It updates the Port's mission, goals, and strategies, and is embedded in annual budget development. The Port used the feedback received on the Plan to create six strategic programs, each integrating and emphasizing environmental stewardship, partnership, innovation and resiliency.



Sustainable Performance



Seaport Modernization & Industrial Real Estate



Destination Waterfront, Boating & Recreation



Economic Development & Transportation



Outreach & Partnerships



Environmental Stewardship



PORT WELCOMES NEW PORT COMMISSIONER SIMPSON

Port Commissioner David Simpson (pictured above, middle) began serving the citizens of Port District 1 following the November 2019 general election when he was elected to serve the two-year balance of former Port Commissioner McClelland's six-year term.

Simpson, a U.S. Navy veteran, brings more than 45 years of combined public/private sector experience to the Port. His background includes 30 years in the aviation industry with 24 years in manufacturing engineering for The Boeing Company and another six years as an aviation mechanic for the U.S. Navy.

PORT COMMISSIONER BACHMAN RETAINS SEAT

In December 2019, Port Commissioner Glen Bachman (pictured above, right) took office for his second term of service to represent the citizens of Port District 3 for another six-year term.

Bachman, a U.S. Army veteran, draws on more than 35 years of retail and asset management experience with nearly a decade as General Manager of the Everett Mall, and 24 years with Kemper Development as VP of Operations and Administration for Bellevue Square, Lincoln Square and Bellevue Properties.

PORT PARTNERS TO SUPPORT ECONOMIC GROWTH IN NORTH SNOHOMISH COUNTY

Port of Everett, Cities of Arlington and Marysville Memorialize Historic Partnership to Advance Economic Development in Cascade Industrial Center



On January 8, 2020, at a joint special meeting, legislative bodies of the Port of Everett and the Cities of Arlington and Marysville gathered to recognize their collaboration to develop the Cascade Industrial Center (CIC) and bring new economic opportunity, jobs and expanded tax base to greater Snohomish County and the region. At the meeting, agency officials and community partners joined in a ceremonial signing of joint Memoranda of Understanding (MOUs), memorializing the historic multi-agency partnership.

Strategically located between Seattle and the Canadian border along the Interstate 5 corridor, the CIC represents the second largest Manufacturing Industrial Center (MIC) in Snohomish County with just over 4,000 acres; 57% in Arlington and 43% in Marysville. The area includes more than 1,700 available acres offering manufacturing and light industrial use potential, including a mix of partially developed, redevelopable and vacant sites.

The bulk of property and proximity to key transportation assets like I-5, state highways, Arlington Municipal Airport, BNSF Railways, and the Port of Everett Seaport make this area an attractive business opportunity.

The Port has been working with both Cities since 2018 and has found that a more official partnership could lend itself to greater participation and support of their local projects. Other

partner agencies, including Snohomish County, Greater Seattle Partners and Economic Alliance Snohomish County, have also been major supporters, helping the CIC earn official recognition as a Regional MIC by the Puget Sound Regional Council — one of only 10 recognized state-wide.

The MIC designation provides federal, state and local infrastructure funding preference to the area. This, coupled with the major tax advantages from State-approved property tax exemptions, expedited permitting, and the federal Opportunity Zone designation, has businesses highly motivated to locate in the CIC as evidenced by significant deal making on available lands over the last year.

With the MOUs in place, the Port brings additional economic tools into the fold including its industrial development authority, the ability to pursue revenue bonds for economic development purposes and the potential to expand its Foreign Trade Zone #85 into the CIC. Furthermore, the Port is now able to enhance its support for developer and business recruitment, financial analysis, grant writing, marketing, planning, and environmental regulatory strategy.

By 2040, it's anticipated the CIC will generate 25,000+ new jobs in the County, providing residents close to home quality employment opportunities. Workforce development will continue to be a key element to ensure the County maintains a skilled and ready workforce.

"It's an honor to bring the Port's specialized economic tools and expertise to the planning and tax relief provided by Arlington and Marysville to further benefit a project of such significance to our County's economic future. Snohomish County is one of only a few in the state that lack a county-wide port district, inadvertently putting the unique economic tools specific to ports out of reach. Our partnership bridges that gap and provides the Port and our communities to the north opportunity to discuss possible Port expansion to better serve them into the future."

Glen Bachman
Port Commission President

"With their deep relationships with BNSF Railways, as well as Washington State University and other institutions of higher learning, it only makes sense for Arlington and Marysville to partner with the Port of Everett. This is an incredible opportunity for the CIC's future growth and development."

Barb Tolbert
City of Arlington Mayor

"We are really excited about this partnership between Marysville, Arlington, and the Port of Everett and the potential that it presents to enhance our ability to bring family wage jobs and infrastructure investments to our local communities. This is another example of the great value of working together as a team to bring prosperity to our region."

Jon Nehring
City of Marysville Mayor

"The Cascade Industrial Center is one of the premier development areas in the Greater Seattle region and we have already been successful in attracting jobs and investment to this area. Formalizing the partnership between the Port of Everett and the cities of Arlington and Marysville will only further enhance this important regional job center. Growing quality jobs near where people live only helps us to improve communities, reduce commute times and increase quality of life – that's the value of economic development."

Patrick Pierce
Economic Alliance Snohomish County President & CEO

TOOLS OF THE TRADE: WHAT DOES THE PORT BRING TO THE CASCADE INDUSTRIAL CENTER?



Seaport Logistics Guidance



Economic Development Tools



Real Estate Services



Unique Financing Tools



Port Industrial Development District



Planning Support



Environmental Experience



Foreign Free Trade Zone



Regulatory Strategies



Advocacy

SOUTH TERMINAL REOPENS FOR CARGO; CRANE MOVE TO DOCK PLANNED THIS FALL

On January 13, the Port welcomed the G2 Ocean *Weaver Arrow* — the first vessel to call the newly strengthened South Terminal Wharf. The vessel off-loaded 889 metric tons of steel for a pier construction project in Seattle.

The Port of Everett's \$36 million South Terminal Wharf Strengthening — a major component of the Port's \$57 million South Terminal Modernization — reached substantial completion in December 2019 and the wharf is now open for business.

Completion of the South Terminal Wharf strengthening brings the reinforced 700-foot dock structure back into use to support the larger ships and heavier cargoes typical of the Port's service niche, including aerospace parts for the new 777X.

The South Terminal is a key piece of the Port's overall Seaport Modernization efforts as it's the largest of the Port's docks by land footprint. The dock was originally built in the 1970s by The Weyerhaeuser Company to support forest products, and in its previous state, was only able to accommodate 500 pounds per square foot (psf); modern cargo operations require a minimum of 1,000 psf. The facility now meets this key spec to put the facility back into operation, and to accommodate the weight of the Port's two recently-acquired, 100-foot gauge gantry cranes. The Port anticipates moving the cranes to their final home on the wharf in fall 2020, following completion of drive system upgrades.

The new cranes must remain in compliance with Federal Aviation Administration (FAA) requirements for flight zones, which require any structure exceeding 200 feet in height and located within applicable flight zones be marked and/or lighted in accordance with FAA Obstruction Marking and Lighting. Because the South Terminal cranes are 215 feet tall, and the Seaport is in proximity to the flight paths for both Naval Station Everett and Providence Hospital, the cranes must remain in compliance with these regulations to support the safe and efficient use of navigable airspace. The second tallest structures at the Seaport are the two gantry cranes at Pacific Terminal, which do not trigger this requirement at 197-feet tall.

The Port sought public feedback in late-January through early-February to see if the cranes should remain as they are now, green with FAA compliant white and orange hash marks above the 200-foot level, or paint them smoke blue like the Pacific Terminal cranes and add FAA compliant 24/7/365 white and red pulsating lights. The Port received nearly 120 comments leading up to, and during the demonstration. More than 86% of the comments favored keeping the current painting to satisfy the FAA requirements for the cranes versus adding the red/white pulsating lights. On February 11, Port staff presented its recommendation to retain the current painting to satisfy the FAA requirements as a result of the public feedback. After deliberation and public input, the Port Commission directed staff to proceed with the necessary regulatory requirements to satisfy the FAA safety requirements with the existing paint striping above the 200 foot level and NOT the higher intensity pulsating white/red obstruction lights.

CARGO BRIEFS



The Port of Everett Seaport has welcomed back a once booming cargo — pulp. In December 2019, for the first time in 15 years, a 4,000 metric ton shipment of pulp bales arrived at the Seaport via BNSF rail car from Canada for export to China. To date, the Port has transported more than 10,000 metric tons of pulp.



Late last year, the Port and shipping partner, Brusco Tug and Barge, completed the 1,000th direct container-on-barge transport of aerospace cargo between the Port's Pacific Terminal and its satellite shipping facility, Mount Baker Terminal, in South Everett. This milestone marks the just-in-time delivery of more than 10,000 oversized airplane parts in support of the 747, 767, 777 and 777X airplane production lines.



WATERFRONT HOUSING BREAKS GROUND; PORT TO BUILD NEW RETAIL, RESTAURANT BUILDINGS

Positive transformation continues at the waterfront as the Port of Everett pushes forward with its Waterfront Place development. The 65-acre, 1.5 million square foot mixed-use project has already brought more than \$100 million in public/private investment, with even more investment and amenities on the horizon.

Last fall, multi-family developer team SeaLevel Properties and Gracorp kicked-off construction of its two building, 266-unit Waterfront Place Apartments at Fisherman's Harbor — the first housing ever developed on the waterfront in Everett's history. To date, roughly 2,000 soil mixed piles have been placed, the north building slab has been partially poured, and the project has gone vertical with framing underway. Concrete work is anticipated for completion by the end of February, site civil work and underground utilities are now underway, and framing work is expected to continue through June 2020.

"SeaLevel Properties and Gracorp are quality Puget Sound developers," Port Commissioner Tom Stiger said. "This is their first waterfront project in Snohomish County, and we welcome them. This is a great example of the public and private sector coming together to bring jobs and vitality to the waterfront."

As the housing project emerges, the Port is eager to shore up plans to construct six new buildings comprising nearly 30,000 square feet of office, boutique restaurant and retail space. A mix of as many as four restaurants will line the Fisherman's Harbor Esplanade, with small retailers filling in between. Plans also include construction of a new office building, as well as a public restroom building adjacent to the Port's new Pacific Rim Plaza and splash fountain. Final tenant mix will ultimately determine the sequencing and timing of construction anticipated to begin by 2021.

To bring these new buildings to reality, the Port is stepping up to construct several buildings a year. The buildings are in design phase now by Cushing and Terrel Architects under the direction of PND Engineers, the prime engineering firm for the development. Each structure will reflect the unique history of the site. Recruitment is also underway to create a desired tenant mix that reflects the quality and character of the overall project. Retail brokerage firm Leibsohn and Company Commercial Real Estate has been retained to represent the Port in this effort.



NEW HOTEL INDIGO ADDS CHARM TO EVERETT WATERFRONT

In October 2019, hundreds gathered to celebrate the opening of the new Hotel Indigo® Seattle Everett Waterfront — the first private development to cut ribbon as part of the Port's 65-acre Waterfront Place mixed-use development.

The hotel is situated in the heart of the Port's development at Fisherman's Harbor, offering a charming gathering place where locals and visitors alike are invited to relax and enjoy tranquil moments and views of the Port of Everett Marina and Port Gardner Bay. The InterContinental Hotels Group® property, managed and operated by Seattle-based Columbia Hospitality, is Everett's newest full-service boutique hotel featuring exciting amenities, including the locally inspired Jetty Bar & Grille dining experience with a seafood-forward concept, an indoor saline swimming pool, nearly 8,000 square feet of indoor meeting and event space, over 5,000 square feet of outdoor event space, and proximity to a wide variety of outdoor recreational activities.

"The new Hotel Indigo is a welcome addition to the waterfront," Port Commissioner David Simpson said. "It not only provides another quality place for visitors to the area to stay, but also represents the first opening at Fisherman's Harbor, setting the bar for what's to come with the neighboring housing, restaurant and retail projects that will add to the overall quality of life here."



NEW! JETTY BAR & GRILLE AT HOTEL INDIGO ADDS FLAVOR TO THE EVERETT WATERFRONT

Have you experienced the newest dining option at the Port of Everett? The new full-service Jetty Bar & Grille opened up in Hotel Indigo at Waterfront Place last summer, serving up quintessential Pacific Northwest coastal cuisine and impressive waterfront views. Chef Andrew Cross leads the culinary team who serve up breakfast, lunch, dinner, happy hour and weekend brunch with quality ingredients sourced from local purveyors. Cross' background includes experience at other Washington state seaside establishments including Semiahmoo Resort, Canon Whiskey and Canlis.



PUBLIC ACCESS AT FISHERMAN'S HARBOR

Last summer, the Port of Everett wrapped up construction of public access amenities at Fisherman's Harbor, including the new 15+ foot wide esplanade that stretches nearly a quarter mile along the water's edge connecting the Port's Central and South Marinas, and the new 810 lineal foot Central Guest Dock 5 that doubles as a guest moorage facility and public dock walk, adjacent to Hotel Indigo. While the gem of the district, the Pacific Rim Plaza and Splash Fountain, was constructed a year prior, construction work in the area didn't allow it to open up for enjoyment until last summer. The 36-jet water feature (shown left) will be a seasonal attraction at the Plaza from spring to late-fall.



PORT ADDS NEW BUSINESSES TO WATERFRONT PLACE TENANT PORTFOLIO

The Port is happy to add six new businesses to its portfolio of more than 40+ quality tenants. Three new Port tenants, but not new to the waterfront, include Dunlap Industrial Hardware, Harbor Marine, and Walters and Wolfe, whose leases were assumed following the Port's \$11 million acquisition of nearly eight acres of property previously owned by Norton Industries near 10th Street and West Marine View Drive. Three new tenants to Waterfront Place include Heritage Marine Electrical located in the Port's Craftsman District, and A+ Hearing Aid and ReMax who have leased space at Marina Village in the South Docks.



LAZ PARKING SELECTED TO DELIVER FIRST CLASS WATERFRONT PARKING PROGRAM

The Port has selected LAZ Parking to take over its site-wide parking management program beginning in mid-2020. LAZ, who will replace the Port's interim parking management firm Diamond Parking, is a nationally renowned parking firm with extensive experience in parking services for destinations and events including the Grammy's. LAZ brings opportunities to implement new technologies into the waterfront parking program to enhance the overall parking experience for all site users, including cashless pay systems and the utilization of License Plate Recognition technology.



CITY OF EVERETT GRAND AVENUE PARK BRIDGE PLACED; EXPECTED TO OPEN IN SUMMER 2020

There is light at the end of the bridge as the City of Everett inches closer to its highly-anticipated Grand Avenue Park Bridge opening. The super structure, built of one million pounds of steel, doubles as a utility overpass and pedestrian access bridge. It will soon connect Everett's downtown to the waterfront with full ADA accessibility, an elevator and viewpoint. The bridge was lifted and placed into final position over the five lanes of West Marine View Drive and five sets of BNSF railroad tracks in September 2019. The City anticipates the bridge to open for use in summer 2020.

MILLS to MARITIME

RESTORING JOBS. STRENGTHENING ECONOMY.

MARITIME INDUSTRIAL EXPANSION BEGINS AT FORMER PAPER MILL SITE

After more than eight years sitting idle, the former Kimberly-Clark mill site is slated to begin its long-awaited transformation into a maritime hub to support the next generation of jobs and commerce at the working waterfront.

This comes as a result of the Port of Everett's recent acquisition of the property that effectively expedites upland cleanup and site improvements to strengthen our local and regional economies through job restoration and expansion of trade opportunities.

**"This is a win for
the community
and environment."**

In December 2019, the Port closed on the \$33 million Purchase and Sale Agreement (PSA) with Kimberly-Clark Corporation, representing 77 total acres; 58 acres of the former mill site for maritime development and 19 acres of tidelands north of the Port of Everett boat launch for river management and public access.

"I am very pleased the Port and Kimberly-Clark were able to reach a negotiated agreement," Port of Everett CEO Lisa Lefeber said. "Our respective teams did amazing work in a short amount of time to make this very complex land transaction come together. This property is critical to support our working waterfront for decades to come, and we will continue to work expeditiously to restore family wage jobs to the site, enhance trade and ensure compatible land use with Naval Station Everett."

The acquisition agreement helped spur Kimberly-Clark's upland cleanup and removal of the crushed material at the former mill site using methods approved by the State of Washington's Department of Ecology and the Snohomish County Health District.

"We appreciate the work of numerous officials who helped to form this agreement," said Lisa Morden, Vice President of Safety and Sustainability for Kimberly-Clark. "For nearly 100 years, Kimberly-Clark had a presence in this city, and through this agreement, we can help ensure that the next generation of jobs can return to the site."

Per the negotiated post-closing agreement with K-C, the planned upland cleanup expected to kick-off in March 2020 and conclude by the end of the year, will be funded by Kimberly-Clark with no financial impact to the taxpayers of the Port District. The Port is supporting the effort by providing Kimberly-Clark access to local, clean fill to backfill the site. The PSA also provided the Port with a \$17 million credit from the former landowner to address environmental impairments in the 12 acres of tidelands located in the East Waterway.

"This is a win for both the community and the environment," said Jim Pendowski, Head of Ecology's Cleanup Programs. "The Department will work with both parties to ensure that the waterfront restoration continues."

This critical asset is strategically located in the heart of the Port's federally secure, urban deep-water maritime complex. The working waterfront has been under significant growth pressure, and the protection of port and maritime operations is mission critical to the area's economic stability. At the completion of Kimberly-Clark's upland cleanup actions, the Port will be prepared to put the site to use to support near-term maritime operations and jobs.



Learn more @ www.portofeverett.com/millstomarine

"As a steward of our natural deep-water assets and economic prosperity, the Port had a responsibility to secure this vacant property to assure support for international trade and the needs of our public partners now and into the future. The Port plans to provide near-term and long-term job growth which is the key to resolving the site's impairments and putting this strategic maritime asset back into productive use."

Glen Bachman
Port Commissioner

"Bringing the vacant mill site back to life in a way that creates hundreds of jobs, protects the interests of our County's only urban deep-water maritime complex and facilitates cleanup of legacy contamination were the Port's top priorities with this site. I am pleased we were able to reach an agreement that ensured all three priorities will be achieved."

Tom Stiger
Port Commissioner

"I see the Mills to Maritime redevelopment of the former Kimberly-Clark property as a project that meets the Port's economic development vision for the region by generating new job and commerce opportunities. This effort will have a lasting economic impact on the City of Everett and our surrounding Snohomish County communities."

David Simpson
Port Commissioner

"I am thrilled to see that negotiations have led to a Purchase and Sale Agreement, which not only ensures that the former mill site is cleaned up, but also paves the way for job growth on our working waterfront."

Cassie Franklin
City of Everett Mayor

PORT AWARDS \$2.6M ON-CALL ENGINEERING SERVICE CONTRACT FOR MARITIME INDUSTRIAL EXPANSION

On February 11, 2020, the Port Commission authorized CEO Lisa Lefeber to enter into a \$2.6 million on-call engineering services contract with Seattle-based KPFF Engineers to support the Port's priority maritime industrial expansion effort at the recently acquired former Kimberly-Clark mill site.

The contract, which is structured on an as needed, task order basis, provides Port staff ready-access to the key engineering services necessary to efficiently move the project into construction phase and get the property back into productive maritime use in short order. The Port's aggressive schedule for near-term site development targets the site being under construction, including paving of a cargo yard, as soon as Kimberly-Clark completes upland cleanup and crushed material removal at the site by December 31, 2020 (see page 8).

Engineering work can include services that support land surveying, geotechnical, site grading, drainage and paving, signage and striping, site security, storm-water collection and treatment, water distribution/fire protection, lighting and electrical distribution, sanitary sewer collection and conveyance, railroad track design, coordination with utility purveyors, design of entry and exit gates, irrigation and landscape architecture, architectural design of operations support structures, and other elements as needed. In addition, KPFF will provide project management, cost estimating, environmental support services for any required permitting, as well as bid and construction phase services.

STATUS



Complete acquisition



Secure Shipyard



K-C cleanup



Construct Cargo Terminal



Warehouse reuse



Power the site

SHIPYARD SERVICES RETURN TO EVERETT

Last fall, the Port welcomed the return of a critical maritime service to the working waterfront — a commercial shipyard. Everett Ship Repair (ESR), a subsidiary of Ice Cap Holding, LLC and sister company to Nichols Brothers Boat Builders, has leased the north side of the Port's Pier 3 and adjacent 3.5-acre site that, over the years, has traditionally filled the shipyard services and repair niche. The Port has been working hard to restore this needed service in Everett to support U.S. military assets, including those located at neighboring Naval Station Everett, and commercial vessels, including Washington State Ferries. ESR operates one of four of the largest submersible drydocks in the Pacific Northwest, the *Faithful Servant* (pictured right), capable of docking vessels up to 430' x 110' with a lifting capacity of 7,800 long-ton. They offer vast ship repair capabilities with 500' of dockside moorage for pier-side vessel service, as well as laydown and fabrication areas.



"The Port of Everett is so much more than its 2,300 slips, which is an incredible amount of boaters to serve."

2019 Marina of the year!

Port of Everett Named Large *'Marina of the Year'* by Marina Dock Age Magazine

In December 2019, at the Docks Expo in Nashville, Tennessee, the Port of Everett Marina was honored by Marina Dock Age Magazine as the *2019 Marina of the Year* in the large marina category.

The Port of Everett Marina — the largest publicly operated marina on the West Coast — was among more than 20 marinas nation-wide considered for the prestigious industry award.

Recent in-water and upland developments, quality customer service, high environmental standards, community and industry engagement and unique special

"The Port of Everett is so much more than its 2,300 slips, which is an incredible amount of boaters to serve. Beyond all those vessels and the boatyard, it's a local public treasure for anyone that wants to enjoy the waterfront. Not many marinas may be as big as the Port of Everett, but everyone can take away something from its amazing operation."

— **Anna Townshend**, Marina DockAge Editor

events were among the attributes bringing Port of Everett's ranking to the top. Every year, Marina Dock Age presents the Marina of the Year award to two marinas; one small marina and one large marina (250+ slips).

Marina facilities are judged on exemplary business practices in many categories, including business operations, facility improvements, advertising/marketing, environmental responsibility, community involvement and more.



2,300

Moorage slips

10

Guest Docks

75+

Annual waterfront events

13

Lane Boat Launch

Since the early 2000s, the Port of Everett has invested more than \$165 million in public investment into its destination waterfront, including its multi-million-dollar effort to strategically recapitalize its marina facilities, clean up historic contamination from years of industry on the waterfront and work toward the full build out of its 65-acre mixed-use Waterfront Place.

“Earning this title is such an honor. This award is a true testament of the collective effort our team puts in every day to better serve our slipholders, visiting boaters and the greater Everett community in support of our vision to create a vibrant and welcoming waterfront that balances industry and recreation.”

Jeff Lindhout,
Chief of Marina Operations

\$30 MILLION CENTRAL MARINA IMPROVEMENTS NEARS COMPLETION



The fourth and final phase of the Port of Everett’s multi-year, \$30 million Central Marina Improvements is nearing the finish line. The project, currently underway in the northeast corner of the Central Docks, kicked off last summer and set out to rebuild the Port’s Central G-Dock, originally built in the 1960s, consolidate all privately-owned boathouses in the Marina to Central G, H and I-Docks, and complete maintenance dredging in the area.

To date, all dock demolition, dredging and boathouse relocations are complete. Upland dock work, including utility connections, is the final step and is expected to conclude by spring 2020.

MARINA TO LAUNCH DOCKWA GUEST RESERVATION SYSTEM THIS SPRING

With a busy boating season upon us, and in the Port of Everett’s commitment to continuously improve operations and guest experience, the Port has partnered up with Dockwa, an online booking system for marinas to offer day-of guest moorage reservations beginning this Spring.

Dockwa works with more than 1,000 marinas worldwide, including others in the State, to help promote marina facilities to boaters and streamline reservation processes. Up until now, the Port’s 10 guest docks have operated on a first come, first served basis; however, in recent years, feedback has shown that knowing a slip will be available upon arrival, much like making a hotel reservation, takes the guess work out of travel, and in turn promotes more trips and tourism opportunity to Everett.

The program offers boaters a modern booking experience with the ability to complete online reservations via web or mobile devices with automatic confirmation, online payment options and online customer profiles so boaters can keep track of their visits. Dockwa will provide day-of reservations, however the Port of Everett will still offer first come, first served guest moorage based on availability. To utilize the new program visit www.dockwa.com or download the Dockwa App on your mobile device and search “Port of Everett Marina.”



NEW ENVIRONMENTAL PROGRAM SETS OUT TO COLLECT TRASH, MICROPLASTICS FROM MARINA

To further improve its portfolio of water quality programs at the Marina, the Port of Everett has launched a new pilot program to test out a new, innovative industry technology known as a Seabin.

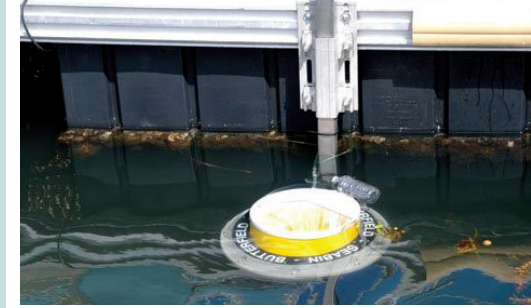
The Port's new Seabin — one of the first of its kind to be installed in Washington state — was attached to the new Central Marina Guest Dock 5 last fall to support collection of microplastics and debris from our waters. While the Seabin program is new to the U.S., it has been successfully implemented in marinas worldwide with 860 units installed since its launch in 2017.

The system, which essentially looks and acts as a garbage can floating at the top of the water, is affixed to the dock enabling it to move up and down with the tide as it collects and filters out floating debris 24/7. Its submersible water pump sucks water in from the surface, passes it through the catch bag inside of the device and pumps filtered water back into the Marina, leaving any floating litter, oil sheen and ocean plastics as small as two millimeters inside of

the catch bag to be emptied and properly disposed of. The device can accumulate up to 10 pounds of garbage before it needs to be emptied.

"This technology is already helping keep our Marina clean, collecting up to five kilograms a week thus far," Port Environmental Engineer Elise Gronewald said. "This program is a win-win; it's cost effective, it's sustainable, and it provides for more public awareness and educational opportunities around water quality."

The Port has partnered with Everett Community College's Ocean Research College Academy (ORCA), as well as the college environmental club, to support the program, including operation of the unit and data gathering. To date, students have been working with the Port to collect the materials that accumulate within the Seabin, cataloging and sampling the collected materials, studying the results, and ultimately will be reporting their findings.



"I'm so impressed with the two students that are actively engaged with this project," said ORCA founder and executive director Ardi Kveven. "Finding intersections between agencies like the Port and the community that our students are a part of embody the research emphasis at ORCA. These students will communicate their findings at our annual Possession Sound Student Showcase and Talks event at ORCA on Thursday, June 11 at 5 p.m."

The student gathered data will provide critical information on what the typical collection is comprised of and potentially identify ways to reduce it. Following the first year of operation, the Port is expected to decide if and where the program should be expanded throughout the Marina.



1 Seabin

=

10

Up to 10 pounds of garbage can be collected before needing to be emptied

2 mm

The Seabin can collect microplastics as small as 2 millimeters — smaller than a grain of rice

100%

Seabins are constructed from 100% recycled material

2020 Cleanup Work Boosts Economic Opportunity



The Port of Everett integrates environmental stewardship in all aspects of its operations, plans, initiatives and projects. As stewards of the land, waterfront, and marine environment, the Port is committed to revitalizing and restoring historically contaminated lands to spur economic development and new job creation in our community. The 2020 environmental cleanup forecast for the Everett waterfront represents more than \$20 million in cleanup action and restoration in partnership with the Department of Ecology, including the Port's planned work listed below and the work to be conducted by Kimberly-Clark at their former mill site (see page 8).

MILL A SITE | \$700,000

TO COMPLETE STUDY; FUTURE CLEANUP ACTION COSTS UNKNOWN

In 2020, the Port of Everett is working with The Weyerhaeuser Company and the Washington State Department of Ecology (Ecology) to conduct a study that will determine the range of cleanup options for Weyerhaeuser's former Mill A site that encompasses the Port's South and Pacific Terminal berths at the Seaport, and the surrounding bay. The contamination in review stems from the former mill operations on site, and the study will present the options for cleaning it up. The Port is targeting cleanup to commence by 2024, once Ecology has decided on the final cleanup plan, the engineering design is complete, and necessary permits are in hand.

BLUE HERON SLOUGH | \$3M

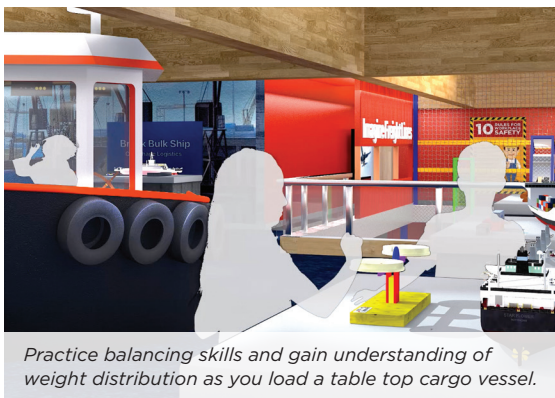
IN 2020; TOTAL COST \$6M

Last year the Port of Everett reached a momentous and comprehensive agreement with the Port Gardner Bay Trustees to invest in and restore nearly 350 acres of salmon habitat at its Blue Heron Slough project located in the tidelands between north Everett and south Marysville. The project, which started in 2019, has been grabbing the attention of many I-5 travelers as a "mystery mound" began to form on the east side of the freeway late last year. The mound represents a protective dike constructed in an effort to create various channels and tidal areas to make up the critical habitat environment. In 2020, Port partner Wildlands and contractor Dungeness are focused on major earth work with the goal of completing all the interior earth work in preparation of breaching of the old agricultural dikes in 2021 to finish development of the wetland.

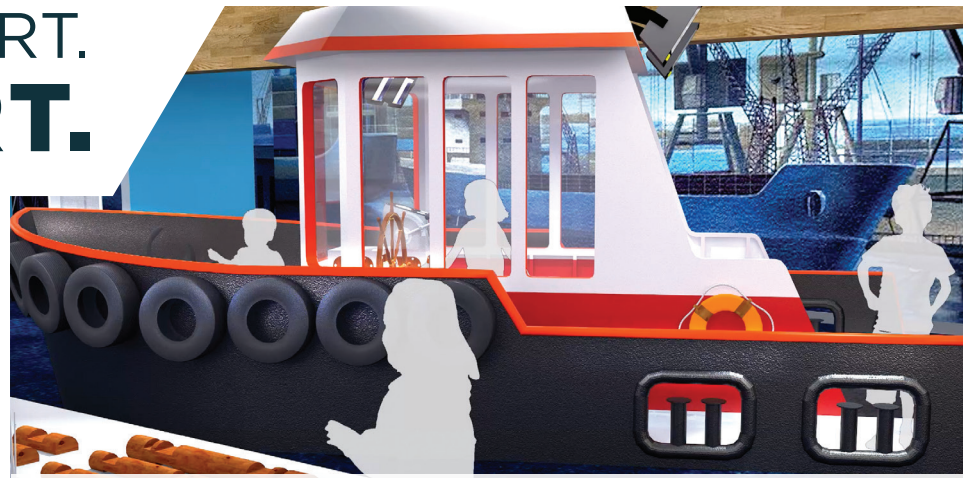
IMPORT. EXPORT. OUR PORT.

Port of Everett Makes \$100,000 Commitment Toward Imagine Children's Museum Expansion, New Maritime Exhibit

The Port of Everett and Imagine Children's Museum have a long-standing partnership to engage and educate the youth of our community about the critical importance of ports. In support of this partnership, and with the goal of continuing to build on the success of our youth outreach, the Port is committing \$100,000 in marketing dollars over a five year period toward the Imagine Children's Museum capital expansion project now underway at their downtown Everett facility. This funding will support a new maritime exhibit being constructed at the museum — Import. Export. Our Port. The exhibit will offer a hands-on, visual learning experience for the 230,000 annual museum visitors, and also, greatly broaden awareness of the economic impact of the Port of Everett Seaport.



Practice balancing skills and gain understanding of weight distribution as you load a table top cargo vessel.



You're the captain now! The above exhibit rendering shows how visitors can experience what it would be like to drive a tugboat along Everett's working waterfront!

"Support from the Port of Everett for the maritime gallery will raise awareness of the Port of Everett and the industry not only to children, but to parents, caregivers, and teachers as well," Imagine Children's Museum Executive Director Nancy Johnson said. "The gallery will combine Imagine's unique playful learning exhibits and STEM activities with information about maritime-related careers. We know how critically important career connected learning is for children and families in the 21st century and especially in Snohomish County, where STEM-related opportunities abound. The Port is a longtime partner of Imagine and this new partnership for the exhibit is community-focused, which is a cornerstone of the work of both the Museum and the Port. We are grateful to the Port of Everett for being a champion for children and families in Snohomish County and beyond."

THE COMING MARITIME EXHIBIT FEATURES EVERETT'S VERY OWN INTERNATIONAL SEAPORT, HIGHLIGHTING VESSELS THAT SERVE IT AND THE ROLE THEY PLAY IN MOVING GOODS AROUND THE WORLD. INTERACTIVE STATIONS ALLOW KIDS TO EXPERIMENT WITH WEIGHT, BALANCE, BUOYANCY & LOADING. KIDS CAN BECOME A TUG BOAT CAPTAIN BY TAKING THE HELM AND PILOTING IMAGINE'S 20-FOOT TUGBOAT.

BAY WOOD SITE | \$1.7M

PORT TO FUND 10% OF PROJECT COST; ECOLOGY GRANT TO FUND 90%

Beginning this fall, the Port, in partnership with the Washington State Department of Ecology, plans to commence a shoreline cleanup and restoration at the Bay Wood site (located north of the former Nord Door on West Marine View Drive). The work sets out to restore 1,600 lineal feet of shoreline to create new, protected habitat for salmon and other native wildlife and, with the support of the future site developer, brings public access to the site for the first time with a short trail leading to a look out to enjoy views of the new shoreline and Port Gardner Bay. Additionally, the project provides for a shoreline buffer reduction, that in turn, allows the site to support a light-industrial use that will create 300 direct jobs, 1,000 indirect jobs and generate \$330,000 a year in state and local taxes.

AMERON HULBERT SITE | \$1.2M

FOR PHASE 3; TOTAL PROJECT COST \$5M

The Port is preparing to take on its third and final phase of environmental cleanup in the northeast corner of Waterfront Place at the former Ameron-Hulbert industrial manufacturing site. The project sets out to remediate legacy contamination left behind from years of operation, and in turn, spurs opportunity for redevelopment of the former Ameron pole manufacturing facility to support the next generation of maritime business at the site. Cleanup work is anticipated to begin in Summer 2020 and wrap up by the end of the year.



PORT SELLS \$26.3M IN BONDS, AFFIRMS STRONG BOND RATING

On January 29, the Port of Everett closed on its \$26.3 million sale of Limited Tax General Obligation (LTGO) bonds to support recent property acquisitions, including the Norton property in north Waterfront Place and the former Kimberly-Clark mill site.

The Port's strong Aa2 LTGO bond rating and favorable market conditions at the time of the sale locked the Port in at a historically low interest rate of 3.08% over the thirty-year life of the bonds.

"As committed financial stewards of public funds, this bond sale proved to be an excellent step to support financing for the acquisition of key community and regional assets," Port of Everett CEO Lisa Lefebber said. "I commend the work of the Port's finance team for their consistent due diligence and monitoring of the market for financial opportunities like these, which are critical elements to responsibly grow our operations and remain competitive."

In preparation for the bond issuance, the Port applied for a rating review by Moody's Investors Service. The review maintained the Port's Aa2 rating for its LTGO bonds, reflecting the Port's sizable and rapidly growing tax base, its participation in the broad and diverse Puget Sound economy, and adequate financial position to finance its five-year, \$103 million Capital Improvement Program.

The Port's Bond and Disclosure Counsel was K&L Gates LLP, Financial Advisor was Northwest Municipal Advisors, Registrar is U.S. Bank National Association and the Underwriter was KeyBanc Capital Markets Inc.

2020 BUDGET BREAKDOWN

In November 2019, the Port Commission adopted a \$66.2 million operating and capital budget for 2020 that maintains pace with the Port's robust capital investment portfolio, while assuming modest growth in the Seaport, Marina and Real Estate divisions. The budget includes a one year operating and capital budget, and a five-year capital budget forecast with a three-year funding plan. It sets the financial framework for the Port to continue delivering on the vision of a balanced Everett waterfront that supports maritime use at the urban deep-water Seaport, and mixed-use at the destination waterfront.

The 2020 budget assumes \$24.7 million in operating/non-operating expenses, combined with \$24.3 million in capital investment. The Port anticipates spending approximately \$6.5 million toward environmental remediation and public access projects. In addition, the Port will pay \$9.2 million in principal and interest on its long-term debt. This budget employs just under 100 employees who operate and manage a full-service international Seaport, the largest public marina on the West Coast and development of 3,000+ acres of waterfront property.

The Port's 2020 - 2024 Capital Improvement Plan continues to develop the Everett waterfront as a place of commerce, as well as a place for citizens and guests to recreate. The plan includes 45 projects that advance the Port's Strategic Plan by:

- ✔ Continuing modernization of the Port's Seaport facilities
- ✔ Beginning development of the acquired former Kimberly-Clark mill site
- ✔ Completion of Fisherman's Harbor, the first phase of Waterfront Place
- ✔ Investing in infrastructure replacement/upgrades at the Seaport and Marina
- ✔ Continuing efforts to enhance the Marina by upgrading facilities
- ✔ Continuing cleanup of legacy contamination, and
- ✔ Developing additional public access facilities for visitors to enjoy.

SUPPORTING A STRONG & READY WORKFORCE

The Port of Everett is proud to support local, trade-focused workforce development programs that connect our next generation workforce with the skill-based training needed to ensure a strong, ready workforce in our county. Two new programs in Arlington and Marysville support this charter.

Arlington Career Internships

In January 2020, Arlington Public Schools and the City of Arlington announced the launch of a new summer internship program for local junior and senior high school students. The goal — sign up 20+ local businesses, including sites within the Cascade Industrial Center (see page 4), to collaborate on workforce development through their new Arlington Career Internships (ACI) program.

Students that complete the ACI program will work 90 hours over the summer and receive 0.5 student credits.

Regional Apprenticeship Pathways

Through a unique and powerful collaborative project spanning business, industry, education, community, and government, Marysville Pilchuck High School, located in the Marysville School District, is now home to the new Regional Apprenticeship Pathways (RAP) Center — the first of its kind in North Snohomish County. The Center is focused on increasing economic mobility and closing the skills gap through a clear apprenticeship pipeline that can lead to a career in the trades and the ability to earn dual college and high school credit equivalencies leading to graduation.

PORT MARINE TERMINAL FOREMAN GLENN CAMPBELL RETIRES WITH 42 YEARS OF SERVICE TO THE PORT



After a lifetime career spanning 42-years, Port legend Glenn Campbell has sailed off to enjoy his much-deserved retirement. Campbell, who holds one of the longest tenures in Port history, ended his career at the Port in his role as the Marine Terminals Foreman; a role he's held for 16 years. Campbell's lifetime journey at the Port began back in 1978 when he was a kid in high school, working after school and summers. Over the years, Campbell had the opportunity to try his hand at a little bit of everything, learning and growing new skills, from operating and maintaining various types of marina and marine terminals equipment to rebuilding floats and re-siding buildings — a true jack of all trades. In 2004, when Campbell took on his final role at the Port supporting the shipping side of operations, the Seaport served a total of 14 ships. To put that in perspective, the Port saw 151 total port calls in 2019. That's a tremendous amount of growth he helped the Port team see through, ensuring Port facilities and equipment remained up to snuff to keep up with the upswing. Cheers to 42 years!

"We wish Glenn nothing but health and happiness in his retirement, and I personally want to thank him so much for his years of dedicated service to the Port community."

Lisa Lefeber,
Port of Everett CEO



PORT'S CHIEF OF MARINA OPERATIONS JEFF LINDHOUT HONORED AS *EXEMPLARY MARINA MANAGER*

In January 2020, Port of Everett Chief of Marina Operations, Jeff Lindhout, was honored by Northwest Yachting Magazine as *Exemplary Marina Manager*. Some of Lindhout's highlighted accomplishments are his role in the 75+ waterfront events hosted at the Marina annually, including the Port's Sail-in Cinema outdoor movie series, his work on Marina customer programs including the Port's monthly Marina Forum and its annual gathering of boaters, *Marina Customer Connect*. Lindhout's role in the \$30 million Central Marina Improvements, as well as the 65-acre surrounding upland development at Waterfront Place were also touted.



PORT SECURITY LEAD KEN COLE MARKS 30-YEARS AT THE PORT

Congratulations to Ken Cole, Port of Everett Security Lead, who recently celebrated 30 years of service at the Port. Cole, who started his career as a Reserve Officer for the Everett Police Department in the late 1980's, transitioned to the Port in 1989, continuing his reserve role with EPD for five more years. Cole oversees 11 full time and two part-time security personnel covering all three Port business lines: Seaport, Marina and Properties. Cole's unwavering service over the years has helped keep the Port a safe and enjoyable place for our tenants, slipholders, staff, and the community.



PORT STAFFER KATE ANDERSON EARNS *YOUNG LEADER AWARD IN BOATING*

In December 2019, at The Docks Expo in Nashville, Tennessee, Port of Everett Communications Specialist Kate Anderson was recognized with a *Young Leader Award*. Anderson, who has a strong passion for boating both personally and professionally, was among 14 young professionals honored for their work in making significant contributions to the marine industry today and into the future.



ADAM LEMIEUX JOINS THE PORT

In January 2020, the Port welcomed Adam LeMieux into the new role of Government Affairs Manager to perform strategic outreach and advocacy to further advance the mission and goals of the Port. LeMieux will help with development of the Port's state and federal legislative agenda, stay engaged in key legislation and policy that affect Port operations, work with community leaders and businesses on areas of common interest and represent the Port's transportation interests. Prior to coming to the Port, LeMieux served as the District Director for the Office of U.S. Representative Rick Larsen for more than 12 years.



MILLS to MARITIME

RESTORING JOBS. STRENGTHENING ECONOMY.



Maritime Industrial Expansion
to create 950 jobs within three
years of development



Supports existing 35,000
family-wage jobs in the region
supported by Port operations



Prompts cleanup of the
site's legacy contamination



Maintains critical infrastructure in
public ownership



Proven track record leveraging
public-private dollars to restore
former mill sites



Maritime Industrial Expansion
to bring new tax revenue and
investment to the City



Learn more @ www.portofeverett.com/millstomaritime