

MINUTES OF EVERETT PORT COMMISSION REGULAR MEETING  
February 10, 2009

PRESENT:	Philip B. Bannan	President
	Michael F. Hoffmann	Vice President
	Constance M. Niva	Secretary
	John M. Mohr	Executive Director
	Karen Clements	Chief Fin. Officer
	Brad Cattle	Port Attorney

CALL TO ORDER: The meeting was called to order at 9:00 a.m. by Commission President Phil Bannan.

APPROVAL OF MINUTES:

Commissioner Connie Niva moved to approve the Work Session Minutes of January 6, 2009, and the Regular Meeting Minutes of January 13, 2009. Commissioner Michael Hoffmann seconded the motion. A vote was called for:

Vote: 3-0  
Yes: Bannan, Hoffmann, Niva  
No: None  
Abstained: None

Motion carried.

1. EXECUTIVE DIRECTOR'S REPORT

**Commission Retreat**

Executive Director John Mohr reported that the Commission Retreat is scheduled for March 31, 2009 at the Medallion Hotel in Smokey Point. The all-day meeting will begin at 8:30 a.m.

**President's Day Holiday – February 16, 2009**

Executive Director John Mohr reported that, with the exception of the operation of the fuel dock, the Port Offices will be closed on February 16, 2009 in recognition of the President's Day Holiday.

2. CHIEF ADMINISTRATIVE OFFICER'S REPORT

**Mukilteo Tank Farm**

Chief Administrative Officer Jerry Heller reported that the Port's main contact at the Air Force for the transfer of the Mukilteo Tank Farm has been reassigned and will be leaving by the end of February 2009. The Mukilteo Tank Farm environmental assessment should be done before he leaves according to Air Force officials.

**12<sup>th</sup> St. Marina Memorandum of Agreement – Historian's Draft**

Jerry Heller reported that the Port has received the Historian's draft related to the Port's Interpretive Program. The final document, with graphics, will be available to the public by the first part of April. The document will be posted to the Port's web site.

**Collins Building**

Jerry Heller provided a status report to the Commission regarding mitigation of the Collins Building. The Port received a letter from the Corps of Engineers dated January 2, 2009 which determined that the Port has satisfied its redevelopment efforts for the Collins Building required by the Memorandum of Agreement (MOA), paragraph 1.B, and that the Port could move forward with discussions with the consulting parties for the mitigation of the building. February 1, 2009 was the last day for any party to appeal the decision contained in the Corps' letter dated January 2, 2009. No appeal was filed by the consulting parties.

Port residents Valerie Steel and Annie Lyman voiced concern over what they considered lack of notice for this action. Port counsel, Port staff and the Commissioners clarified that this was a status report and there was no action to be taken having to do with the building.

ORIGINAL

Commissioner Bannan encouraged Staff to get a mitigation plan together and present it to the consulting parties to move discussions forward.

**Interpretive Program**

Jerry Heller reported that Port Staff received direction from the Port Commission last week to prepare a draft interpretive program contract consistent with the essential compliance elements set forth by the Corps of Engineers in their letter dated January 21, 2009. Mr. Heller reported that Port staff did prepare the contract and circulated it among the consulting parties. The responses received from the consulting parties attempted to tie the Interpretive Program to the preservation of the Collins Building. Under the MOA, these are explicitly different items. Jerry Heller asked for direction from the Commission.

Commissioner Bannan said that if there is no agreement among the parties, then he wants to move forward with the scaled down version of the Interpretive Program so that this matter can be concluded. He will not accept additional conditions being placed on the Port for a long-term, ambitious Interpretive Program. Commissioner Hoffmann inquired if this matter wasn't an issue of collateralizing the program. Jerry Heller said that if that was the issue, it wasn't stated. The proposed agreement that he circulated to the consulting parties contained language that the Port would be required to establish an account in the amount of \$400,000 that would be restricted for the purpose of the Interpretive Program.

Commissioner Niva commented that it was unfortunate that the consulting parties are trying to tie the Interpretive Program back to the Collins Building when they are clearly separate items.

Commissioner Phil Bannan moved to authorize Staff to proceed with an Interpretive Program that can be completed by August of 2009. Commissioner Niva seconded the motion. A vote was called for:

Vote:	2-1
Yes:	Bannan, Niva
No:	Hoffmann
Abstained:	None

Motion Passed.

3. **OPERATIONS REPORT**

**Marine Terminals**

Marine Terminals Director Dave Madill reported that vessel calls were down during the month of January by 8 calls, which also was reflected in the tonnage and container figures. Tonnage was down because there was no Lehigh vessel in port last month. Container statistics reflected a reduction as well in relation to the same time last year.

Dave Madill said currently, the Port has a project ship at the Marine Terminals loading some cargo that is outside of the normal port calls. A second vessel is due in later during the month that will pick up some more project cargo of a different type. In May, the Port will start receiving wind energy project cargo.

4. **PROJECTS UPDATE**

**Fender Pile Replacement 2008 / 2009 – Contract Close Out**

Chief of Engineering & Planning John Klekotka reported that to provide adequate berthage for marine vessels, the Port continually replaces deteriorated timber fender piles at various locations at the Marine Terminals. For the present cycle of work, the Port's contractor, KC Equipment, LLC, has replaced 18 existing timber piles with steel pipe piles with high-density polyethylene plastic sleeves. There were no change orders on the project. The work is now complete for the total cost of \$197,915, including Washington State Sales Tax.

John Klekotka clarified to the Commission that because this project needed to occur over the course of the fish window, which runs from August to February, the contracts tend to span over the two years. Port Staff budgets for the projects on a yearly basis, based on the calendar year, for accounting purposes. Because of this, some of the construction costs will be charged to the 2008 CIP budget, and some will be charged to the 2009 CIP budget.

John Klekotka requested that the Commission accept the Marine Terminals Fender Pile Replacement 2008 / 2009 project as complete with KC Equipment, LLC in the final total amount of \$197,914.65, including Washington State Sales Tax.

Commissioner Niva moved as presented. Commissioner Michael Hoffmann seconded the motion.

Vote: 3-0  
Yes: Bannan, Hoffmann, Niva  
No: None  
Abstained: None

Motion carried.

**P&Q Float Replacement Project**

Commissioner Phil Bannan inquired if the contractor would be ahead of the fish window for the P&Q Float Replacement project. John Klekotka responded that the construction window ends February 15, which is the deadline for the fish window. American Construction has indicated that they are planning to make that deadline. However, Port Staff did apply for and have received a two-week extension that was granted to the Port by the Corps of Engineers and Washington State Dept. of Fish & Wildlife due to the December snowstorm and loss of productivity in the manufacturing of the floats.

John Mohr added that work will be continuing once the pile driving is done, but it will be the plumbing and electrical work on the docks to complete the construction. The actual work that is done in the water will be complete by the fish window. A mid-May completion is still anticipated for this project.

5. APPROVAL OF BILLS

For the month of January 2009, Claims Voucher Nos. 50674 - 50962 in the amount of \$2,956,362.39, Claims Wire Transfers, IRS, in the amount of \$59,667.11, Union Bank of California in the amount of \$35,002.54, Hirofumi Oshio in the amount of \$1,855.00, Payroll Voucher Nos. 29766 - 29946, in the amount of \$293,393.89, and Payroll Wire Transfers, PMA Payroll (Longshore Labor) in the amount of \$70,903.88, with the total amount of \$3,417,184.81, were presented to the Port Commission for approval of payment by Chief Finance Officer Karen Clements.

Commissioner Michael Hoffmann moved to approve payment of the vouchers for the month of January 2009. Commissioner Connie Niva seconded the motion. A vote was called for:

Vote: 3-0  
Yes: Bannan, Hoffmann, Niva  
No: None  
Abstained: None

Motion carried.

6. COMMISSIONER COMMENTS

There were no Commissioner comments.

7. CITIZEN COMMENTS

Annie Lyman, Everett, asked the Port to be more open with discussions about the Collins Building between the Port and the City of Everett. John Mohr responded that Oliver McMillan, the City's Riverfront developer, has looked at the building, and said it was clear that it could not be moved, and that there were structural issues with the building. They are, however, interested in using pieces of the building such as windows and beams. John Mohr said he has not received direction from the Commission as yet.

No Executive Session was held.

THE REGULAR MEETING was adjourned at 10:12 a.m.

APPROVED: this 10<sup>th</sup> day of March 2009.      EVERETT PORT COMMISSION

By: Philip B Bannan  
Philip B. Bannan, President

Michael F. Hoffmann  
Michael F. Hoffmann, Vice President

Constance M. Niva, Secretary      *Absent*



Port of Everett

**ORIGINAL**

**Port of Everett  
Voucher Approval List  
for the month of  
JANUARY  
2009**

We, the undersigned Commissioners of the Port of Everett, Snohomish County, Washington, do hereby certify the following vouchers/warrants have been certified and approved for payment this the 10th day of February, 2009:

	<b>Total</b>
Claims Voucher Nos 50674 - 50962	\$ 2,956,362.39
Claims Wire Transfers:	
1/16 Wire Transfer - IRS	\$ 59,667.11
1/22, 1/30 Wire Transfer - Union Bk of Calif	\$ 35,002.54
1/23 Wire Transfer - Hirofumi Oshio	\$ 1,855.00
<b>Total Claims</b>	<b>\$ 3,052,887.04</b>
Payroll Voucher Nos. 29766 -29946	\$ 293,393.89
Payroll Wire Transfers:	
1/7,1/14,1/21,1/28 PMA Payroll (Longshore Labor)	\$ 70,903.88
<b>Total Payroll</b>	<b>\$ 364,297.77</b>
<b>Total Expenditures</b>	<b>\$ 3,417,184.81</b>

Philip B. Bayman President  
Chris Spurr Vice President  
Christina M. Mice Secretary  
 Attest: Karen R. Clements Port Auditor