

MINUTES OF EVERETT PORT COMMISSION REGULAR MEETING
July 14, 2009

PRESENT: Philip B. Bannan President
Michael F. Hoffmann Vice President
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 Michael Hoffmann moved to approve the Work Session Minutes of June 9, 2009 and Port Commission Special Meeting Minutes of June 16, 2009. Commissioner Phil Bannan seconded the motion. A vote was called for:

Vote: 2-0
Yes: Bannan, Hoffmann
No: None
Abstained: None

Motion carried.

1. EXECUTIVE DIRECTOR'S REPORT

Mukilteo Tank Farm

Executive Director John Mohr reported that the Port met with the representatives of the Air Force this past week, and Port staff learned that the Air Force is going to continue to work through the process for the transfer of the Mukilteo Tank Farm to the Port of Everett. They are currently performing their archeological review on the Tank Farm site. The representatives said that the Air Force has not yet engaged the Tribes that have standing in their review. This process may result in a delay of the transfer of the property to the Port by as much as a year, given the complexity of the negotiations.

The Port and the Air Force are in ongoing discussions about the future of the Government Pier.

Union Contracts

John Mohr reported that the Port has reached a tentative agreement with the Union regarding the Local 32 C Security contract. Similar to the Maintenance contract, the Port will pay the first 7 percent of any increase in the current health care package, with the balance being split with the employee. For the year 2009, the compensation rate will increase by 3.75 percent, for 2010 – 3.75 percent, and for 2011 – 3.25 percent. In addition, a one-time payment of \$500.00 will be paid to bargaining unit employees who have completed their six (6) month probationary period.

John Mohr asked the Commission to consider action on the Local 32 C Security contract.

Commissioner Michael Hoffmann moved to accept the negotiated Security contract between the Port of Everett and Local 32 C. Commissioner Phil Bannan seconded the motion. A vote was called for:

Vote: 2-0
Yes: Bannan, Hoffmann
No: None
Abstained: None

Motion carried.

2. CHIEF FINANCE OFFICER'S REPORT

Accounts Receivable Write-off

Chief Finance Officer Karen Clements reported that the Etalco, Inc. Accounts Receivable of approximately \$45,000 has been on the Port of Everett books since November 1999

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awaiting resolution through the U.S. Bankruptcy Court. On June 18, 2009, the Port received notice stating that the enclosed check in the amount of \$2,742.13 represented the "final and only distribution" in Etalco's bankruptcy case, which left a balance of \$43,135.82 on the account. Per Resolution No. 885, amounts over \$25,000 shall be referred to the Port Commission for final approval of writing off the account. Karen Clements asked the Commission to authorize staff to write off the balance on the Etalco, Inc. account in the amount of \$43,135.82.

Commissioner Michael Hoffmann moved to authorize Port staff to write off the Etalco Accounts Receivable account in the amount of \$43,135.82. Commissioner Phil Bannan seconded the motion. A vote was called for:

Vote:	2-0
Yes:	Bannan, Hoffmann
No:	None
Abstained:	None

Motion carried.

3. OPERATIONS REPORT

Marine Terminals Report

Marine Terminals Director Dave Madill gave a brief report on Marine Terminal activity for the month of June. Activity in all areas of the terminal was down between 17 – 20 percent, consistent with other area ports due to the downturn in the economy.

FESCO, ECL and Westwood all had fewer vessel calls compared to last year at this time.

Dave Madill said that the ports of Seattle, Tacoma and Portland are reporting a much higher percentage of decreased terminal activity due to the current economy. While the percentage of terminal activity is down, the Port of Everett is in a much better position.

Marina Report

Marina Director Cyndy Olson reported on the status of the delinquent accounts at the Marina. Currently, there are 50 moorage holders that are over 90 days delinquent in their payments. These tenants owe a total of \$17,600 and they represent fewer than 3 percent of the active boating population.

4. ANNUAL STRATEGIC PLAN ASSESSMENT

Senior Planner Graham Anderson provided the Strategic Plan assessment addressing Port staff's progress for activity related to the goals and objectives in all areas of Port operation that were adopted in the Port's 2007 Strategic Plan.

Valerie Steel and Annie Lyman, Everett, complimented Port staff on their progress related to the Strategic Plan's goals and objectives.

5. APPROVAL OF BILLS

For the month of June 2009, Claims Voucher Nos. 52341 - 52661 in the amount of \$2,978,663.94, Claims Wire Transfers, IRS, in the amount of \$125,454.77, Bank of New York in the amount of \$740,459.40, Union Bank of California in the amount of \$8,780.23, Hirofumi Oshio in the amount of \$9,893.85, Payroll Voucher Nos. 30709 - 30939, in the amount of \$343,117.30, and Payroll Wire Transfers, PMA Payroll (Longshore Labor) in the amount of \$95,357.09, with the total amount of \$4,301,726.58, 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 June 2009. Commissioner Phil Bannan seconded the motion. A vote was called for:

Vote:	2-0
Yes:	Hoffmann, Bannan
No:	None
Abstained:	None

Motion carried.

6. COMMISSIONER COMMENTS

Commissioner Phil Bannan asked for an update on the appointment process for the Commissioner District 2 position. Lisa Lefebber reported that the application deadline is July 23; a Special Meeting and Executive Session will be held July 24 to review the qualifications of the candidates and select individuals for interview; a Special meeting will be held July 28 to interview the candidates; and at the Work Session on August 4, the appointment of the candidate will be announced.

John Mohr reported that the Snohomish County Elections Office is in the process of scheduling the Special Filing period for the General Election on August 19, 20 and 21, 2009. The dates are expected to be finalized in the next week.

7. CITIZEN COMMENTS

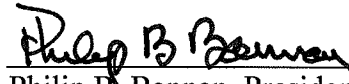
There were no Citizen comments.

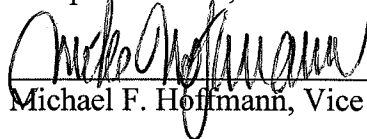
THE MEETING WAS RECESSED INTO EXECUTIVE SESSION at 9:55 a.m. for approximately 45 minutes, to discuss with legal counsel a pending litigation matter. At the conclusion of the Executive Session there will not be any action taken by the Commission, and there will not be any announcement.

THE REGULAR MEETING was adjourned at 10:35 a.m.

APPROVED: this 11th day of August 2009. EVERETT PORT COMMISSION

By:


Philip B. Bannan, President


Michael F. Hoffmann, Vice President

Secretary