

MINUTES OF EVERETT PORT COMMISSION REGULAR MEETING
February 9, 2010

PRESENT: Michael Hoffmann President
Mark Wolken Vice President
Troy McClelland Secretary
Jerry Heller Chief Admin. Officer
Brad Cattle Port Attorney

ABSENT: Executive Director John Mohr was absent due to a conflicting Port related matter.
Chief Finance Officer Karen Clements was absent due to previously scheduled out-of-town travel.

CALL TO ORDER: The meeting was called to order at 9:02 a.m. by Commission President Michael Hoffmann.

APPROVAL OF MINUTES:

Commissioner Mark Wolken moved to approve the Work Session Minutes of January 5, 2010, and Regular Meeting Minutes of January 12, 2010. Commissioner Troy McClelland seconded the motion. A vote was called for:

Vote: 3-0
Yes: Wolken, McClelland, Hoffmann
No: None
Abstained: None

Motion carried unanimously.

1. COMMISSION PRESIDENT'S REPORT

Commissioner Michael Hoffmann announced that the Commission Retreat will be held February 10-11, 2010 at Vigilant Conference Suites in Everett. The Retreat is open to the public.

2. EXECUTIVE DIRECTOR'S REPORT

Chief Administrative Officer Jerry Heller reported that Executive Director John Mohr was absent from the Commission meeting conducting Port business related to the Port's Biringer Farm mitigation bank project.

President's Day Holiday

The Port offices will be closed on February 15, 2010 in commemoration of the President's Day holiday.

Global Diving & Salvage Contact

Jerry Heller asked to clarify a comment made by Port staff at the previous commission meeting related to the contract with Global Diving & Salvage, for the emergency response to the fire at the South Marina. Staff had indicated it was a firm-fixed price contract. Jerry Heller clarified that it is a fixed-price contract, but the initial price was established based upon the initial inspection, and the assessment of damages that had occurred at the time. There is a provision in the contract that if the quantities of work increase or decrease or changed conditions exist, appropriate adjustments would be made through the change order process.

Port of Everett Web Site Access

Communications Administrator Lisa Lefeber provided a brief tutorial on accessing the Port's web site to locate Commission meeting agendas and other port related documents. She also reported that all power point presentations provided at Commission meetings would be posted on the web site to view, in addition to the Commission meeting Podcasts currently available.

3. OPERATIONS REPORT

Marina Report

Marina Director Cyndy Olson reported that the addition of supplemental floatation and concrete float surface repairs are still underway in the South Marina. The Port began

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work on C dock, which is in the final phase of the project. Work on C dock is scheduled for completion on or about March 12, 2010.

The Port had a booth at the Seattle Boat Show from January 29 to February 6, 2010 to attract new customers and provide information to show participants. In the first four days, the indoor portion of the show drew 24.5 percent more attendees than last year. At the boat show, the Port partnered with 15 Puget Sound marinas and the Northwest Marine Trade Association to offer a guest moorage promotion *Passport to Puget Sound*. The promotion will run all year long and reward boaters for visiting the Puget Sound marinas. Also new is the Port's customer promotion, which provides a month of moorage for \$1 when signing up for six months of moorage. This promotion is extended to current moorage holders, allowing them to receive a month of moorage for \$1 when referring a friend to sign up for the new customer promotion. This promotion has brought in 19 new moorage holders in slips ranging from 24 – 60 feet in length. The promotion began January 29 and will end on February 16.

At the end of January, the Port received approval from the City of Everett to allow liveaboards at its 12th Street Marina. This facility meets dock side grey water and sewage disposal requirements set forth in the City of Everett Shoreline Master Program. Throughout the next year, the Port will be conducting water quality monitoring to verify that the water quality at the marina is not affected by this change. Since the announcement, there has been one new moorage sign-up and three moorage holders have moved from the North/South Marinas to the 12th Street Marina. Three additional moves are pending.

The Marina had a few departures in January, but when balanced with new sign-ups generated by the new customer promotion, marina occupancy is up 14 percent. The North and South marina is 73 percent full and 12th Street Marina is 75 percent full. The majority of vacancies are in smaller slips, with 80 percent vacancy in slips 32 feet and under.

4. APPROVAL OF BILLS

For the month of January 2010, Claims Voucher Nos. 54457 - 54744, in the amount of \$2,057,966.20, Claims Wire Transfers, IRS, in the amount of \$68,800.74, Hirofumi Oshio in the amount of \$7,070.83, Union Bank of California in the amount of \$25,555.56, Wash. St. Dept. of Revenue in the amount of \$32,857.69, Payroll Voucher Nos. 32379 - 32569, in the amount of \$338,950.10, and Payroll Wire Transfers, PMA Payroll (Longshore Labor) in the amount of \$76,845.13, with the total amount of \$2,608,046.25, were presented to the Port Commission for approval of payment by Senior Accountant Bob Marion.

Commissioner Troy McClelland moved to approve payment of the vouchers for the month of January 2010. Commissioner Mark Wolken seconded the motion. A vote was called for:

Vote:	3-0
Yes:	McClelland, Wolken, Hoffmann
No:	None
Abstained:	None

Motion carried.

5. COLLINS BUILDING PRESENTATION

Richard Sullivan of the Collins Building Redevelopment Group provided a presentation to the Commission regarding potential uses for a renovated Collins Building, including a Seattle style farmer's market on the first floor, a maritime museum on the second floor and blended retail, offices, and public gathering place on the third floor.

6. COMMISSIONER COMMENTS

In response to Valerie Steel's earlier comments regarding all three Commissioners attending legislative meetings in Olympia, Commissioner Troy McClelland provided a detailed report on the legislative issues discussed during legislative visit to Olympia and said that the Commission will provide a report following any future visits. Attached for the record is the list of legislative issues.

Valerie Steel thanked Commissioner McClelland for his briefing and stated that by her review of the Open Public Meetings Act, it was her belief that the Commissioners acted illegally in meeting with legislators at the same time. Port counsel Brad Cattle stated that in his legal opinion, the legislative visit to Olympia was absolutely not a violation of law. The Commission did not transact business.

Commissioner Wolken said he looked forward to the Retreat to discuss process related to a five-member Commission.

Commissioner Michael Hoffmann reiterated that at the Retreat, the Commission will be reviewing the process by which discussions will be held concerning both the five-member commission and the Collins Building.

7. CITIZEN COMMENTS

David Mascarenas thanked Troy McClelland for his comments about the legislative visit in Olympia, and asked for a commitment from the Commission to work together with Richard Sullivan and Historic Everett on the Collins Building.

Commissioner Wolken said that at the Retreat, the Commission will identify a process that allows the Port to gather information and to listen and consider, not just what Richard Sullivan has on the table, but what other people can bring to the table as well. The Commission is going to ensure that there is adequate information. Deadlines will be established that make sense, and show that the Port is moving towards a conclusion. Commissioner Wolken said that good government is about good process, and the Commission intends to understand, *in open*, all of the numbers, community input, etc.

Commissioner McClelland stated that he does not want to, and should not be, predisposed to any specific idea.

David Mascarenas asked the Commission to help, and not hinder, Richard Sullivan with his proposal. Richard Sullivan commented that he has met with Commissioner Wolken, as well as the other two commissioners, and they have each given him specific things they would review. The Commissioners have not said they are absolutely going to work with him, but to this point, they have been working with him. Richard Sullivan stated he doesn't sense the roadblocks with this Commission.

THE MEETING WAS RECESSED to Executive Session at 10:21 a.m. for approximately 45 minutes to discuss with legal counsel the consideration of the purchase of real estate for which public discussion could disadvantage the Port's negotiation, and to discuss consideration of the minimum price at which real estate may be offered for sale when public knowledge would disadvantage the Port's negotiation.

At the conclusion of the Executive Session, there were no announcements, and there was no action taken by the Commission.

THE REGULAR MEETING was adjourned at 11:00 a.m.

APPROVED: this 9th day of March 2010. EVERETT PORT COMMISSION

By:


Michael Hoffmann, President


Mark Wolken, Vice-President


Troy McClelland, Secretary



2010 Legislative Priorities

Top Priority: Do No Harm

Maintain a Good Business Environment In Washington State

Asarco Settlement Funds

The Port will work to preserve the Asarco Settlement funds allocated to cleanup our Everett Riverside property. The Everett community received \$38 million as part of a U.S. Justice Department ruling, specifically to clean up sites contaminated by the Asarco site. Ten million of those dollars was designated to the Port of Everett's Riverside property. The Port of Everett requested legislation in 2007 to create a Cleanup Settlement Account in order to protect these proceeds when the bankruptcy proceedings were finalized. Therefore, we strongly oppose a raid on this account.

Model Toxic Control Account (MTCA) Funding

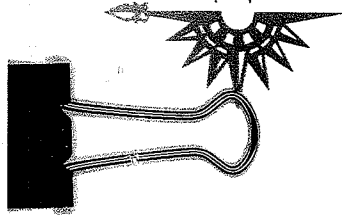
The Port will work to ensure adequate funding of the Local Toxics Control Account, which is funded by a barrel tax on oil. The Port of Everett estimates that it will need approximately \$7.5 million in matching funds from this account to cover cleanup expenses for the rest of this biennium and next biennium (2011/2013). The Port has four agreed orders with the Department of Ecology to cleanup our contaminated sites by 2014. We oppose the use of these funds for anything other than its intended purpose.

Local Revitalization Finance (LRF) Reform

The Legislature in 2009 adopted a new tax increment financing-like tool allowing cities to commit a portion of future sale and property tax increases resulting from infrastructure investment to fund that investment. Overlapping tax districts, like ports, must affirmatively opt out before the sponsoring local governments form a redevelopment area, or their entire property tax allocation for the area is committed to the redevelopment project. We support an amendment to the bill that allows ports to "opt in" versus the current "opt out" language.

Freight Mobility Funding & FMSIB Consolidation

Current freight funding levels are not adequate to support our freight needs in this state. The Port supports continued investment in freight mobility and a separate FMSIB agency.



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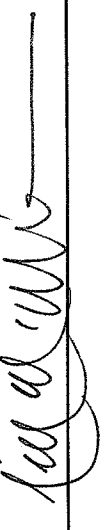
Port of Everett
Voucher Approval List
for the month of
JANUARY
2010


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 9th day of February, 2010:

Claims Voucher Nos 54457 - 54744	Total
Claims Wire Transfers:	\$2,057,966.20
1/19 Wire Transfer - IRS	\$ 68,800.74
1/8, 1/15 Wire Transfer - Hirofumi Oshio	\$ 7,070.83
1/29 Wire Transfer - Union Bk of Calif	\$ 25,555.56
1/22 Wire Transfer - Wa St Dept of Rev	\$ 32,857.69
Total Claims	\$2,192,251.02

Payroll Voucher Nos. 32379 - 32569	\$ 338,950.10
Payroll Wire Transfers:	
1/5, 1/12, 1/20, 1/26 PMA Payroll (Longshore Labor)	\$ 76,845.13
Total Payroll	\$ 415,795.23

Total Expenditures \$ 2,608,046.25

 _____ President
 _____ Vice President
 _____ Secretary

 Attest:  _____ Senior Accountant
 Port Auditor