

MINUTES OF EVERETT PORT COMMISSION RETREAT  
AND SPECIAL MEETING  
Community Resource Center, Everett Public Schools  
March 5-6, 2014

March 5, 2014 – Day 1

PRESENT:	Tom Stiger	President
	Troy McClelland	Vice President
	Glen Bachman	Secretary
	John Mohr	Executive Director
	John Carter	Chief Finance Officer
	Brad Cattle	Port Attorney

Port Staff Attendees: Les Reardanz, Carl Wollbek, John Klekotka, Terrie Battuello, Dave Madill, Walter Seidl, Jeff Lindhout, Ed Madura, Erik Gerking, Susan Brokaw, Robert Marion, Carolyn Diedrich, Lisa Lefebber, Elizabeth Olson, Maija Lampinen, Tim Thompson and Kate Babbo.

CALL TO ORDER: Commission President Tom Stiger called the meeting to order at 8:33 a.m.

1. Tim Thompson of Thompson Consulting Group facilitated the Commission Retreat on March 5-6, 2014 for the Port of Everett. On Day One of the Retreat, the Commissioners and Staff had discussions centered around the following:

- The history and mission of the Port;
- Current state of the Port of Everett's operations;
- Identification of current challenges and opportunities for the Port;
- Current human and financial capacity of the Port;
- Discuss priorities for Port decision making for next 5 – 6 years.

Upon Commission discussion, the meeting was recessed at 3:05 p.m. until Thursday, March 6, 2014 at 8:30 a.m.

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MINUTES OF PORT COMMISSION RETREAT  
AND SPECIAL MEETING  
Community Resource Center, Everett Public Schools  
March 6, 2014

March 6, 2014 – Day 2

PRESENT:	Tom Stiger	President
	Troy McClelland	Vice President
	Glen Bachman	Secretary
	John Mohr	Executive Director
	John Carter	Chief Finance Officer
	Brad Cattle	Port Attorney

Port Staff Attendees: Les Reardanz, Carl Wollbek, John Klekotka, Terrie Battuello, Dave Madill, Walter Seidl, Jeff Lindhout, Ed Madura, Erik Gerking, Susan Brokaw, Robert Marion, Carolyn Diedrich, Lisa Lefebber, Elizabeth Olson, Maija Lampinen, Tim Thompson and Kate Babbo.

The meeting was reconvened at 8:32 a.m. by Commission President Tom Stiger.

1. Tim Thompson facilitated the second day of the Retreat and lead robust discussions that were focused on establishing priorities for the Port over the next five years. Before proceeding with the prioritization discussion, Deputy Executive Director Les Reardanz provided a presentation of the Port's current strategic plan and current business lines.

The meeting was recessed at 1:42 pm by Commission President Tom Stiger.

The meeting was reconvened into the Special Meeting at 1:57 p.m. by Commission President Tom Stiger.

CONSENT AGENDA FOR MARCH 6, 2014

- Approval of Regular Meeting Minutes of February 4, 2014; and Approval of Regular Meeting Minutes of February 11, 2014
- Approval of Bills for February 2014

Commissioner Troy McClelland moved to approve the Consent Agenda of March 6, 2014. Commissioner Bachman seconded the motion. A vote was called for:

Vote:	3-0
Yes:	McClelland, Bachman, Stiger
No:	None
Abstained:	None

Motion carried.

1. EXECUTIVE DIRECTOR'S REPORT

Executive Director John Mohr reported that the planning discussions from the Retreat will be placed on the podcast in the next few days. John Mohr reminded the Commission that the meeting is a Special Meeting and action is only allowed on those items that are specifically listed on the agenda. In addition, the Special Meeting replaces what would otherwise be the second meeting of March. There will be no other regular meeting held during the month of March.

2. DEPUTY EXECUTIVE DIRECTOR'S REPORT

**Tank Farm – Agreement to Convey Real Property (Tulalip Tribes)**

Deputy Executive Director Les Reardanz reported that the Mukilteo Tank Farm property transfer from the Air Force to the Port was approved by the Port Commission on September 10, 2013, and the Port officially acquired the Property in October 2013.

The next steps include working with the various stakeholders for the Property to discuss retransferring portions of the Property to the Washington State Ferries, the City of Mukilteo, Sound Transit and the Tulalip Tribes. The Agreement to Convey Real Property memorializes the agreement to transfer an approximate 2.5 acre parcel to the Tulalip Tribes under the conditions included in the agreement. Agreements with the other stakeholders are still being discussed and will be brought forward separately.

A prerequisite to closing on the retransfers is for the recording of a Binding Site Plan for the Property that will create the legal lots to transfer. This will enable the Port to retransfer segments of the Property to the various other stakeholders for the multimodal facility including a relocated ferry terminal, rail station, public amenities, public access, and other public purposes as required by legislation. The Binding Site Plan is in the administrative approval process and is expected to be approved and recorded in early April, 2014.

While the Agreement to Convey Real Property is ready for approval, the closing will not occur until after the Binding Site Plan is approved and recorded. The Agreement will not officially close until August 2016, because a condition of closing is the Tulalip Tribes receiving their "usual and accustomed" fishing treaty mitigation payment from Washington State Ferries. The lot to be transferred by the agreement will be legally created before transfer.

As closing will not occur until the Tulalip Tribes receive their "usual and accustomed" fishing treaty payment from Washington State Ferries in August 2016, the Port will amend the Comprehensive Scheme of Harbor Improvements at closing. This transaction is exempt from SEPA.

Les Reardanz asked the Commission to approve the Agreement to Convey Real Property in substantially the form as presented and authorize the Executive Director to enter into the Agreement.

Commissioner Troy McClelland moved to approve the Agreement to Convey Real Property regarding the Mukilteo Tank Farm in substantially the form as presented and authorized the Executive Director to enter into the Agreement conditioned upon the Port and Tulalip Tribes agreeing to the Possession Agreement.\*\* Commissioner Glen Bachman seconded the motion. A vote was called for:

Vote: 3-0  
Yes: McClelland, Bachman, Stiger  
No: None  
Abstained: None

Motion carried.

\*\*For the record, the Parties signed the Possession Agreement, Promissory Note and Transfer Agreement on March 19, 2014.

3. CHIEF FINANCE OFFICER'S REPORT

Chief Finance Officer John Carter reported that the Commission has provided authority for the Executive Director to approve all corporate memberships that the Port is involved with up to \$30,000 annually. The Washington Public Ports Association allocates its budgeted costs to its members using a formula for similar sized ports. The invoice for the 2014 annual dues for the Port of Everett based on this formula is \$56,357.00. In addition, there was a vote taken at the December annual WPPA meeting where the members approved an additional allocation for a Pacific Northwest Ports branding project. The Port of Everett has been allocated \$5,900.00 for this additional effort.

John Carter asked the Commission to approve invoices from the Washington Public Ports Association in the total amount of \$62,275.00.

Commissioner Troy McClelland moved that the invoices from the Washington Public Ports Association totaling \$62,275.00 be approved for payment. Commissioner Glen Bachman seconded the motion. A vote was called for:

Vote: 3-0  
Yes: McClelland, Bachman, Stiger  
No: None  
Abstained: None

Motion carried.

4. PROJECTS

**12<sup>th</sup> Street Marina Memorandum of Agreement: Historical Interpretive Program**

Public Affairs Administrator Lisa Lefebber reported that in 2005, the Port of Everett entered into a Memorandum of Agreement (MOA) with the US Army Corps of Engineers, along with the State Historic Preservation Office, Historic Everett, Washington Trust for Historic Preservation. The MOA had many stipulations, all of which have been satisfied except for the implementation of a historical interpretive program that documents the lumber and shingle, commercial fishing and boat building industries on the waterfront.

Recognizing that this was a large undertaking, the parties entered into a separate agreement in 2008 known as the Agreement to Implement the Interpretive Program. The original 12<sup>th</sup> Street Memorandum of Agreement expired in 2009, and Port Staff wanted to make sure that the Port had adequate time to give the program the attention that it deserved, so the Port entered into this separate approach.

In 2007, the Port began engaging local historians Larry and Jack O'Donnell to get a sense of what the three industries on the waterfront looked like and what information was available. This task resulted in a 156 page book called the Evolution of a Vibrant Waterfront. This book served as the baseline for the interpretive program. The parties determined that they wanted to increase the historical knowledge of the waterfront, wanted to bring to life the professions that occupied the three industries, and give honor and tribute to the three industries as well as provide educational opportunities and tourism opportunities tied to the program.

Staff went out for proposals and ended up selecting the Dykeman team in 2011 to help implement and develop the program.

The team leveraged the Fisherman's Tribute Statue that is symbolic of the commercial fishing industry on the waterfront by creating two other large exhibits that would signify the other industries, including a large sawblade bench and a large boat bench. Various way signs were installed that allow visitors to connect to the trail system, and an interpretive board documenting all three industries and timeline in the Waterfront Center, as well as a web site that could keep the history moving forward and dynamic.

The Interpretive Program is designed to be flexible so if the decision is made to expand the program, it is adaptable. Substantial completion for the project was issued on February 27, 2014. The agreement to implement the interpretive program and the terms for compliance expired on March 5, 2014. A letter has been submitted to the US Army Corps of Engineers notifying them that the interpretive program is complete and all terms of the 12<sup>th</sup> Street Memorandum of Agreement have been satisfied.

No Executive Session was held.

THE SPECIAL MEETING WAS ADJOURNED at 2:37 p.m.

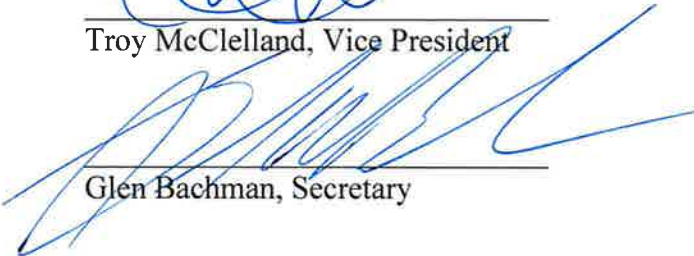
APPROVED: this 13<sup>th</sup> day of May, 2014.

EVERETT PORT COMMISSION

By:

  
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Tom Stiger, President

  
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Troy McClelland, Vice President

  
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Glen Bachman, Secretary