

MINUTES OF EVERETT PORT COMMISSION  
REGULAR MEETING  
February 4, 2014

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

CALL TO ORDER: The Regular Commission Meeting of February 4, 2014 was called to order at 5:05 p.m. by Commission President Tom Stiger.

There was no Consent Agenda for February 4, 2014.

1. EXECUTIVE DIRECTOR'S REPORT

**United Way Campaign**

Executive Director John Mohr said that the Port received a letter on January 22, 2014 from Marysville Mayor Jon Nehring, who is the 2013 United Way Campaign Chair, letting the Port know that Liz Olson has been nominated for the 2013 Employee Campaign Manager of the Year award. It is really an honor that Liz has been nominated for the award and speaks highly to the commitment that she made to our 2013 United Way Campaign, and also to the innovation that she showed in getting the employees involved with the Campaign.

**ORCA Presentation**

Ardi Kveven of the Everett Community College Ocean Research College Academy (ORCA) program provided a brief overview of the research program that is located in the Port's Waterfront Center on Port Gardner Bay.

In the first year at ORCA, the students go on monthly cruises. The students start where fresh water meets the sound - the estuarine dynamic is pivotal for every layer of study and is also a tremendous biologically productive system. In the second year, the students design something that is an offshoot of the data that they collected in their first year to go a little bit deeper. It also is their capstone project that could be their high school culmination exhibit, and it is their research paper for their last class with ORCA, which is English 102. The current project that the students are working on is the State of Possession Sound or the SOPS project. The students look at the historical context of the river and the influence in the sound.

Christine Heizen, a senior at ORCA and who comes from Kamiak High School, provided a presentation on her research on the local distribution of heavy metals in Possession Sound and possible future research that will pinpoint potential legacy sources in Everett and in the Snohomish River.

Ardi Kveven added that the ORCA program has grown over 30 percent since its move to the Waterfront Center Facility. Through the assistance of Graham Anderson and Brandon Whitaker, the program now gets support for summer research. The students in the State of Possession Sound work realized that the research had a gap in the data set because the students are on the water from October through June, and there was not a vector for summer programs. Graham and Brandon have assisted with funding the research trips for the last two summers to be able to capture that data set. Brandon Whitaker has also been instrumental in ORCA's access to Mt. Baker Terminal. Being able to have a data set that is available to the students 24/7 is what is now anchored at the foot of the Mt. Baker Terminal.

**Commission Retreat**

Executive Director John Mohr reminded the Commission that the Commission Retreat will be held on March 5 & 6, 2014 at the Community Resource Center at the Everett School District on 3900 Broadway in Everett. The timing of the retreat is yet to be determined.

2. DEPUTY EXECUTIVE DIRECTOR'S REPORT

**Trunk Line Emergency Repair Update**

Deputy Executive Director Les Reardanz provided a brief report on the emergency repairs that were done on the trunk line along the north side of Bayside Marine. At the end of September, the Commission ratified Executive Director John Mohr's declaration of emergency after significant rain events caused a storm water line to fail over by Bayside Marine causing a sink hold.

Port Staff engineered a solution and in late November, the work got underway and continued through substantial completion which was on Christmas Eve. During that time period and due to the tidal influx, the digging had to be done at night because the solution was to grout the line in place and do a new trench. Elise Gronewald and Erik Gerking worked throughout the evening during a cold spell for about 10 days to make sure that the project went forward. Final completion was January 9, 2014 and it came in under the contract amount of \$233,000.

**Legislative Update**

Public Affairs Administrator Lisa Lefebber reported that the Port of Everett was a party to the ASARCO settlement, and the Port and the Everett community received \$38 million in an effort to clean up the contaminated ASARCO site. Those funds are in a dedicated cleanup settlement account at the state level, and the Port continues to work to try to protect those funds from being borrowed against by the state.

On January 22 and 23, Executive Director Mohr, Commissioner Tom Stiger, Les Reardanz and Lisa Lefebber went to Olympia to meet with the legislative delegation to talk about the Port's priorities. The Port's focus is on trying to get a transportation budget passed as the Port has several key projects that are in the proposed transportation package, such as the first phase of the 41<sup>st</sup> Street corridor along with some funding for the Mukilteo Ferry Terminal, etc. Staff continues to track the transportation package with other local entities.

Staff is working with the Washington State Rail Division on a \$975,000 rail bank loan. This would complete the South Terminal heavy lift pad and rail line that connects to the Roll-on Roll-off dock to make that facility fully functional. The Port is also requesting \$1.1 million in the capital budget to complete the central pathway trail system which connects from the Everett Yacht Club all the way to the edge of the bulkhead by the Everett Shipyard cleanup area.

Other priorities include the Model Toxics Control Act (MTCA). There is roughly \$6 million in matching funds for environmental cleanup work that Staff is working hard to secure. There was new legislation passed last year on storm water regulations which called out local governments, but ports were not considered local governments. Staff is working on clarification and having ports included in that designation so that the Port can have access to those funds.

Lisa Lefebber reported that Commissioner Bachman will be in Olympia next week for Aerospace Day, and Staff will be in Olympia on the 26<sup>th</sup> – 27<sup>th</sup> for Washington Public Ports Day. Commissioner McClelland added that he would be in Olympia on the 26<sup>th</sup> for Washington Public Ports Day.

Commissioner Stiger reported that he had the opportunity to join Staff in Olympia and the group met with nearly all of the representatives from the 21<sup>st</sup>, 38<sup>th</sup> and 44<sup>th</sup> legislative districts. Staff also met with the Chairwoman from the Department of Ecology and representatives from the Governor's office.

3. CHIEF FINANCE OFFICER'S REPORT

**Official Intent Certificates – Resolution No. 1005**

Chief Finance Officer John Carter introduced Resolution No. 1005 to the Commission which would allow the Chief Finance Officer to internally file Intent Certificates on capital projects that may be considered for a later external financing. The purpose of the Intent Certificate is to meet U.S. Treasury requirements which allow for the use of tax exempt financing only for those projects that have been officially identified and for expenditures that have been incurred not more than 60 days prior to the official notification of intent.

Commissioner Stiger said the Commission can consider action on the proposed resolution at next week's meeting.

**Election Costs**

John Carter announced that the Port received the Statement of Election Costs from the County Auditor's Office and the total November 2013 election cost for the entire election was \$844,000. The Port's portion of that was \$22,529.

4. DEPARTMENT REPORTS

**Operations – Marina Boat Auction – Resolution No. 1006**

Marina Director Jeff Lindhout reported that there is a boat auction scheduled for March 19, 2014 and Staff is asking for Commission approval to adopt Resolution No. 1006 which authorizes Staff to proceed with the public sale of vessels, dinghies and abandoned items in storage units that are abandoned through the non-payment of moorage/storage fees under RCW 53.08. Exhibit A includes a list of the vessels, dinghies and units that are scheduled for auction.

Commissioner McClelland moved to adopt Resolution No. 1006 which authorizes Staff to proceed with the public sale of vessels, dinghies and abandoned items in storage units through the non-payment of moorage/storage fees under RCW 53.08. Commissioner Bachman seconded the motion. A vote was called for:

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

Motion carried.

**Projects**

**City of Everett and Port Interlocal Agreement for Work on the City's Combined Sewer Overflow Outfall System;**

**- Everett Shipyard Site Professional Services Agreement – Modification No. 2**

Environmental Cleanup Administrator Erik Gerking said that he would be presenting two items to the Commission, the first being an Interlocal Agreement between the Port and the City of Everett for improvements related to two City of Everett combined sewer overflow pipes, and the second item is a Professional Services Agreement modification to an existing professional services agreement for engineering services, and the modification is a requirement under the Interlocal Agreement.

The proposed Interlocal Agreement between the Port and the City was developed to share and allocate responsibility for two projects that are related to two of the City's Combined Sewer Overflow Outfalls, known as Puget Sound Outfall No. 2 (PSO-2) and Puget Sound Outfall No. 6 (PSO-6).

PSO-2 is located within the Port's Central Marina haul-out area and needs to be replaced and relocated as part of the Everett Shipyard cleanup project. The City uses this outfall to convey combined sewer overflows and storm water from West Marine View Drive. The Port does not convey any discharges to this outfall. As a benefit to the Port, the relocation of the conveyance line is a necessary step to prepare the site for redevelopment because the current line is located within future building pads defined within the Master Development Strategy. The Interlocal Agreement specifies that the engineering design, permitting and construction work related to the project will be performed by the Port and will be reimbursed by the City at a rate of 100 percent.

PSO-6 is located within the Port's Hewitt Terminal and must be repaired because it is subject to flooding as a result of blockages that have been identified in the pipe. The City uses this outfall to convey combined sewer overflow events and the Port also uses this outfall to convey storm water from a limited area in the vicinity of Hewitt Terminal. The Interlocal specifies that the engineering, permitting, and construction work associated with PSO-6 will be performed by the City and the associated costs will be split evenly by the Port and City.

Port Staff is requesting that the Commission authorize the Executive Director to sign the Interlocal Agreement between the Port and the City of Everett in its substantial form as presented.

The second item is a modification to the existing Landau Associates engineering contract for the cleanup of the Everett Shipyard Site. The contract modification is needed to provide engineering services for designing the replacement of the City of Everett Combined Sewer Overflow Outfall and associated conveyance piping known as Puget Sound Outfall No. 2 (PSO-2). This outfall also conveys storm water from about 6 acres of West Marine View Drive (SR 529) located immediately east of the Port's property in the vicinity of 14<sup>th</sup> Street.

The City is replacing PSO-2 and the conveyance line as an opportunity because the bulkhead installation associated with the Everett Shipyard project necessitates the replacement of the outfall and adjacent conveyance piping. As part of this work, the City plans to relocate the current conveyance line that is located between the bulkhead and West Marine View Drive so that it is located within the utility corridor of the Port's future road system, specifically 14<sup>th</sup> Street. As a benefit to the Port, the relocation of the conveyance line is a necessary step to prepare the site for redevelopment because the current line is located within future building pads.

The City will be responsible for 100 percent of the costs for the work detailed under the proposed contract modification No. 2. In the event that either party – the City or the Port – decides during this project to cancel the work, the party that cancelled the work will be responsible for 100 percent of the costs expended up to the date of cancellation.

The costs for these services are estimated at \$93,300, including contingencies. The City has reviewed and approved the scope and estimate of the proposal. There may be changes to the scope of work that arise through the engineering design process. A contingency budget is included that will be used on a case-by-case basis with City concurrence prior to any additional expenditures.

Erik Gerking recommended that the Commission approve Modification No. 2 to the Professional Service Agreement with Landau Associates for the Everett Shipyard cleanup project in the amount of \$93,300.

Commissioner Stiger suggested that the Commission first address the Interlocal Agreement between the City of Everett and Port of Everett, and the modification second.

Commissioner Troy McClelland moved that the Commission authorize the Port Executive Director to enter into the City of Everett and Port of Everett Interlocal Agreement in its substantial form as presented. Commissioner Bachman seconded the motion. A vote was called for:

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

Motion carried.

Commissioner Troy McClelland moved that the Commission authorize Modification No. 2 to the Professional Services Agreement with Landau Associates for the Everett Shipyard cleanup project in the amount of \$93,300, including Washington State Sales Tax. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

**South Terminal Wharf and Rail Upgrades – Consultant Contract**

Chief of Engineering & Planning John Klekotka reported that the South Terminal Wharf and Rail Upgrades project was tentatively put on the agenda for the approval at next week’s meeting, but Staff is now requesting that the matter be removed from the agenda because negotiations are still occurring with the consultant. There are two parts to this project, and the first item on the critical path is to do a rail study for reviewing layout alternatives in the Terminal. Staff will proceed with the rail study as it is a fairly small contract and is within the Executive Director’s authority, and then Staff will bring the bulk of the contract back to the Commission in March.

The Commission concurred.

**COMMISSION PRESIDENT’S REPORT**

At the request of Commissioner Stiger, Marina Director Jeff Lindhout reported that the Seattle Boat Show was a very busy and positive show. Final attendance numbers are still a couple of weeks out.

Commissioner McClelland reported that currently, there is a Pacific Northwest Aerospace Association conference going on which has been very well attended. This conference tends to be more of a supplier based event and folks have been very upbeat with a positive outlook for the future.

Commissioner Stiger said that both the Everett School District and Mukilteo School District have upcoming bond levy elections and encouraged folks to vote.

On behalf of the Commission, Commissioner Stiger congratulated Liz Olson for her nomination as the 2013 United Way Employee Campaign Manager of the Year.

**COMMISSION DISCUSSION**

Commissioner Bachman said that he attended the Seattle Boat Show on Saturday and got some time down on the field, and it was well attended.

**CITIZEN COMMENTS**

There were no Citizen comments.


THE REGULAR COMMISSION MEETING was recessed into Executive Session at 6:17 pm - to conclude by 6:45 pm. The purposes of the Executive Session were to discuss the potential lease of real estate when public knowledge would disadvantage the Port’s negotiations, and to review the performance of a public employee.

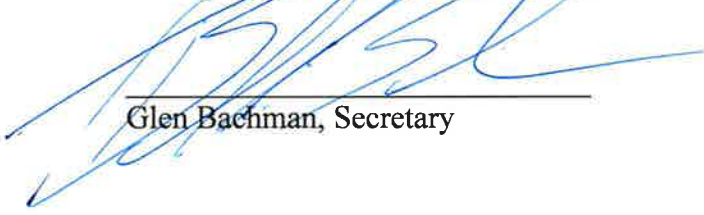
At the conclusion of the Executive Session, there was no action taken by the Commission and there were no announcements. The Regular Meeting was adjourned at the conclusion of the Executive Session.

THE REGULAR COMMISSION MEETING WAS ADJOURNED at 6:45 p.m.

APPROVED: this 6<sup>th</sup> day of March, 2014. EVERETT PORT COMMISSION

By:   
Tom Stiger, President

  
Troy McClelland, Vice President

  
Glen Bachman, Secretary