

MINUTES OF EVERETT PORT COMMISSION
REGULAR MEETING
March 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 March 4, 2014 was called to order at 5:03 p.m. by Commission President Tom Stiger.

There was no Consent Agenda for March 4, 2014.

1. EXECUTIVE DIRECTOR'S REPORT

Commission Retreat

Executive Director John Mohr reminded the Commission that the Commission Retreat will be held on March 5 & 6, 2014 from 8:30 am to 4:30 pm in the Community Resource Center of the Everett School District, 3900 Broadway, in Everett. The Retreat will be facilitated by Tim Thompson of Thompson Consulting Group. John Mohr added that after the planning portion of the Retreat on March 6, there will be a Special Meeting which is in lieu of the second regularly scheduled Commission meeting of March 11. Both John Mohr and Commissioner Stiger will be in Washington D.C. the week of March 10.

Riverside Business Park Pump Failure

John Mohr reported that due to a major pump failure at the Riverside Business Park property, Staff had to take quick action dealing with the flooding problems that were affecting the Snohomish County Solid Waste Transfer Facility. John Mohr declared an emergency so that Engineering & Planning could move forward to get the necessary contractors in to be able to facilitate the repair. Granite Construction is the successor company to Wilder Construction who did the original installation, and at the recommendation of the Chief of Engineering & Planning, Staff has secured Granite's services to address the problem.

John Mohr said that Staff will report back to the Commission on the costs associated with the repair of the pump.

Washington Association of Public Records Officers

John Mohr announced that Susan Brokaw has recently been certified by the Washington Association of Public Records Officers as a Certified Public Records Officer. Susan has been working towards this certification since 2011. It is well known from the information that the Port receives from the Port's various associations and from reading the newspaper that management of public records is very important and very tightly prescribed by state law and by the courts, and Susan has done an exceptional job in making sure that the Port handles all public records requests in the appropriate fashion. John Mohr recognized Susan for earning that certification.

Executive Director Retirement Announcement

Executive Director John Mohr announced that he will be retiring from the Port of Everett at the end of 2014. John said he has appreciated all of the support that he and his family have received from the Commission and the community, and for the opportunity to work with such a tremendous Staff. John Mohr thanked the Commission for the great leadership and support that they have provided over the years. John wanted to make this announcement early on so that there was time to find well qualified candidates for the Executive Director position.

ORIGINAL

2. DEPUTY EXECUTIVE DIRECTOR'S REPORT

Mukilteo Tank Farm – Agreement to Convey Real Property (Tulalip Tribe)

Les Reardanz reported that the Tulalip Tribe Board has approved the purchase of approximately 2-1/2 acres at the east end of the Mukilteo Tank Farm property from the Port of Everett. Staff will bring the matter to the Commission for consideration at the March 6, 2014 Special Meeting.

3. DEPARTMENT REPORTS

Operations – Equipment Purchase at Marine Terminals – Request for Proposals

Chief Operating Officer Carl Wollbek reported that the Port currently owns one Gottwald Mobile Harbor Crane model year 2000 and three Linde Reachstackers model year 2006. The equipment is integral in supporting the aerospace, energy, container and general cargo business lines at the Marine Terminals. The existing equipment is in need of replacement to continue to adequately support the existing business lines and provide opportunities to attract new business.

Port Staff is seeking approval to issue a Request for Proposals (RFP) for the purchase of one to two new mobile harbor crane(s) and up to four new reachstackers. RFP respondents will be required to offer pricing proposals to purchase the Port's existing Gottwald Crane and Reachstackers. Financing for the purchase will be under lease terms under a separate RFP that will be brought to the Commission by Chief Finance Officer John Carter in a subsequent Commission meeting.

John Carter reported that during the budget process last fall, Staff identified a new equipment budget and the equipment budget totaled a little over \$11 million. One of the things that Staff was going to consider doing was an equipment operating lease or a line of credit. Staff will be putting together a request for proposals and will report back to the Commission what the Port gets as far as a lease line of credit offered after the RFP responses.

Commissioner Troy McClelland moved to authorize Port Staff to issue a public solicitation in the form of a Request for Proposals for the purchase of one or two Mobile Harbor Crane(s) and up to four new Reachstackers, and pricing proposals for the sale of the Port's existing three Linde Reachstackers and one Gottwald Mobile Harbor Crane. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Projects

Marine Terminal Pavement Upgrades 2013 – Contract Close-Out

Chief of Engineering & Planning John Klekotka reported that in order to continue with the smooth and efficient terminal operations, and to minimize wear and tear on cargo handling equipment, ongoing pavement upgrades are necessary. Paving upgrade work was performed in 2012, but no work was performed in 2011. In the 2013 budget, the Commission authorized a total project budget of \$640,000 for work to upgrade Terminal pavements.

The planned focus for 2013 was the Hewitt Terminal yard area north of the bulk storage dome, with other minor work throughout the other Terminal areas including Pier 1. Five bids were received on August 1, with the low bid submitted by JB Asphalt Paving, Inc. in the amount of \$318,505.82, including Washington State Sales Tax (WSST).

Based on the favorable bid prices and the need to accomplish as much work as possible, the Commission requested that Staff look at possible expansion of the project. In September, Port Staff recommended the addition of various areas around the Terminals, and the Commission approved a change order with JB Asphalt in the amount of \$87,141.60, for a total revised contract amount of \$405,647.42, including WSST.

One additional change order in the amount of \$12,704 was necessary to reimburse the JB Asphalt for the cost of providing USL&H insurance for a portion of the work on Pier 1 and Pier 3. The requirement for USL&H insurance was inadvertently omitted in the original project specification. This additional cost was not subject to WSST.

After completion of the project work, including the extra areas and including unit price bid item over-runs and under-runs, the total cost of the project was \$368,228.82, including WSST where applicable.

John Klekotka asked the Commission to accept the Marine Terminal Pavement Upgrades 2013 contract as complete, and authorize Staff to close out the contract with JB Asphalt Paving in the total amount of \$368,228.82, including WSST.

Commissioner Troy McClelland moved that the Commission accept the Marine Terminal Pavement Upgrades 2013 contract as complete, and authorized Staff to close out the contract with JB Asphalt Paving, Inc. in the final total amount of \$368,228.82, including WSST. 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

John Klekotka reported that to improve the Port's ability to move cargo, in 2013 the Port completed upgrades to the Dolphin Berth to accommodate large Ro/Ro vessels. Since the vessel's stern ramp lands on the South Terminal Wharf, the upgraded berth is limited by load capacity of the wharf. In order to provide for the heaviest possible Ro/Ro cargo, the Port needs to further reinforce a portion of the wharf. This will be done by driving new piles through the deck of the wharf, building new pile caps under the wharf, and rehabilitating existing deteriorated concrete pile caps.

The Port began preliminary design study work for the wharf upgrades in early 2013, and has begun the in-water permitting process. Port Staff issued a Request for Qualifications (RFQ) in November of 2013 for final engineering services for the wharf upgrades and railroad track upgrades in the South Terminal yard. Four proposals were received which were shortlisted to three firms. Staff performed interviews in January, and from that process Staff is recommending Moffatt & Nichol engineers as the most qualified firm to provide the needed engineering services for the wharf and rail upgrades. Due to the need to begin railroad track work, a study of possible rail alignments is already underway under a separate, smaller contract.

The scope of work for the wharf upgrades includes an under wharf condition survey, fender system upgrade design, wharf upgrade design, geotechnical engineering services, mechanical and electrical utility relocations, bid support services, sustainability features report and project management and meetings.

Future services that are not included in this contract include a railroad track alignment study, railroad track design, site and utility relocation design, and construction phase engineering support services for both wharf and rail upgrades. These services will be brought to the Commission for approval at a later date.

John Klekotka asked the Commission to authorize the Executive Director to sign a Professional Services Agreement with Moffatt & Nichol for the wharf upgrade project in the amount of \$299,100.

Commissioner Troy McClelland moved that the Commission authorize the Executive Director to execute a Professional Services Agreement with Moffatt & Nichol for engineering services for the South Terminal Wharf Upgrades project in the amount of \$299,100. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Disaster Recovery Update

John Klekotka provided a brief presentation on the status of the Disaster Recovery Plan that Staff has been working on for approximately one year. The Mission Statement for the project is to create and implement a Disaster Recovery Plan that guides the efforts of Port Staff in the preparation for, response to, and quick recovery from a natural or man-made disaster.

The phases of disaster planning include disaster planning and preparedness, response, recovery and then mitigation.

Disaster recovery activities that Staff has been involved with have included being engaged with Pacific Northwest Economic Region (PNWER) on two disaster recovery exercises. Staff also engaged a consultant to assist with developing the Disaster Recovery Plan and has issued the final draft Disaster Recovery Plan for internal review. Staff has designated the TWIC Center as the primary operation center and the Blue Heron Room as the backup operation center.

As Staff worked through the Disaster Recovery Planning process, it became clear that there may be some Commission authorizations needed for mutual aid agreements, on-call contracting agreements and delegation of authority for emergency material supplies, etc.

Staff continues to work with its consultant to develop training exercises, interagency coordination activities, Staff training and implementation, mitigation efforts and plan maintenance.

Pier 1 Oil/Water Separator Vault Upgrades

John Klekotka reported that a large underground vault was constructed in 1992 to collect and treat stormwater prior to discharging it into Puget Sound. Part of the treatment system consists of oil coalescing plates which cause oil to separate from stormwater and float to the surface where it can be extracted and properly disposed of. The coalescing plates are the original ones installed in the vault in the early 1990s. In 2009, the plates were inspected and found to be caked with oily matter. An attempt was made to clean the plates to prolong their life, but was unsuccessful. Replacement of the plates is necessary to keep the vault functioning properly and to assure that stormwater discharge quality is being met.

Port Staff has been working with the original engineer Reid Middleton to develop a project to remove and dispose of the original coalescing plates, and install new more advanced plates which will be easier to clean and keep functioning. Port Staff is asking that the Commission authorize a bid to replace the coalescing plates, as well as oil level alarms and other miscellaneous equipment. Pending Commission approval of the bids, the project is envisioned to be accomplished during the summer of 2014.

John Klekotka asked the Commission to authorize Staff to solicit public works bids for the project.

Commissioner Troy McClelland moved that the Commission authorize the Staff to solicit public works bids for Pier 1 Oil/Water Separator Vault Upgrades project. Commissioner Glen Bachman seconded the motion. A vote was called for:

Vote: 3-0

Yes: McClelland, Bachman, Stiger

No: None

Abstained: None

Motion carried.

COMMISSION PRESIDENT'S REPORT

Commissioner Stiger said the Interpretive Display in the Waterfront Center Facility is very impressive.

COMMISSION DISCUSSION

Commissioner McClelland said he was in Olympia for Port Day which was very successful. The legislators are continuing to work on a transportation package, but it is unknown if there is enough time or if there are enough votes.

Commissioner McClelland said he would be in Washington DC for federal legislative visits later in the month.

Commissioner McClelland thanked John Mohr for his 17 years of service when he leaves at the end of 2014, and added that John should be very proud of his legacy and the good work he has done for the community and the Port of Everett.

Commissioner Bachman said he also attended Port Day in Olympia, and while a lot of the budget session didn't work exactly in the Port's plans, Port Staff was given a few paths to work on some financing, so that was positive. During the second week of April, Glen Bachman said he would be in Washington DC as well doing some real estate work, but is planning to take some time and the opportunity to meet with our legislators and discuss the Port.

Commissioner Bachman thanked John Mohr for keeping him interested in the Commissioner position for a number of years and said he appreciated every bit of it.

Commissioner Stiger said that on Port Day, he attended the dedication of the Washington Public Port Association (WPPA) building which is adjacent to the Capitol campus. The building was dedicated in the name of Richard "Dick" Ford who was the first Executive Director of WPPA, and he was also the Executive Director of the Port of Seattle.

The Commissioners' attendance at Port Day in Olympia was posted to the Port's web site, and the Commissioners were careful not to attend any meetings together at the same time.

Commissioner Stiger appointed Commissioner Glen Bachman as the Port representative to the Greater Seattle Trade Development Alliance, and John Mohr is the alternate representative.

Commissioner Stiger said that the Commission has known about John's retirement plans for a short period of time. He has served the community well over the past 17 years and has put together an outstanding Staff during that time. The Port has contracted with a recruitment firm, Jensen & Cooper, and Troy McClelland has agreed to represent the Commission in working with the recruitment firm. The Port hopes to fill the vacant Executive Director position sometime during October 2014.

CITIZEN COMMENTS

There were no Citizen comments.

THE REGULAR COMMISSION MEETING was recessed into Executive Session at 6:18 pm - to conclude by 7:20 pm. The purposes of the Executive Session were to 1) discuss the potential lease of real property when public knowledge of negotiation considerations would disadvantage the Port; 2) to discuss with legal counsel the acquisition of real estate for which public discussion could disadvantage the Port's negotiations; and 3) to discuss rental contracts and future negotiations of such contracts when public discussions would disadvantage the Port.

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 7:20 p.m.

APPROVED: this 8th day of April, 2014.

EVERETT PORT COMMISSION



Tom Stiger, President



Troy McClelland, Vice President

Glen Bachman, Secretary