

MINUTES OF EVERETT PORT COMMISSION  
REGULAR COMMISSION MEETING  
AUGUST 12, 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 August 12, 2014 was called to order at 5:10 p.m. by Commission President Tom Stiger.

CONSENT AGENDA FOR AUGUST 12, 2014

- Approval of Regular Meeting Minutes of July 1, 2014; Regular Meeting Minutes of July 8, 2014; and Approval of Special Meeting Minutes of July 18, 2014
- Approval of Bills for July 2014

Commissioner Troy McClelland moved to approve the Consent Agenda for August 12, 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

**August and September Commission Meetings**

Executive Director John Mohr reported that as a result of the Special Meeting and Executive Session that just concluded, there will be a Special Meeting on August 19 at 5:00 pm in the Blue Heron Room for the purpose of reviewing the qualifications of candidates for public employment.

There will also be a Special Meeting held on September 3 at 5:00 pm as a result of the Labor Day Holiday falling on September 1, 2014. This will allow Staff sufficient time to prepare for the meeting. Additionally, discussion was held moving the time of the meeting on September 9 to earlier in the day to allow Port Staff to attend long-time Airport Manager Dave Waggoner's recognition event the evening of the 9<sup>th</sup>. Upon discussion, the Commission determined that the meeting on September 9 would begin at 11:00 am.

2. CHIEF FINANCE OFFICER'S REPORT

**Preliminary Capital Improvement Plan – 2015 - 2019**

Chief Finance Officer John Carter and Chief of Engineering & Planning John Klekotka presented an overview of the 2015 five-year CIP plan that Staff has developed. The 99 projects identified in the plan are broken down into 21 initiatives. The plan itself is a five year budget. This year because of the timing of the projects, projects in the first three years would be fully funded – so projects in the 2015 – 2017 timeframe would need a funding plan to be in the final draft. Projects to be completed outside of the five year window are unfunded at this time. There are a total of 99 projects, and of those 99, 86 of the projects have funding level activity in 2015. As Staff continues to work on this plan, Staff will have to know how much money there is available and how many Staff resources there are to move these projects forward. The projects are being aligned by Port initiatives.

ORIGINAL

When the Operating Budget for 2015 is presented in October, Staff will present a funding plan for the Capital Improvement Plan.

A copy of the presentation is attached for ease of reference. Formal approval is currently scheduled for the November 4, 2014 regular Commission meeting.

**COMMISSION PRESIDENT'S REPORT**

In response to Commissioner Stiger, Catherine Soper reported that upcoming activities at the Marina include the Marina Revitalization Kick-Off event on August 21 at 3 pm to be followed by the Customer Appreciation event at 4:30 pm. Fresh Paint is August 16 – 17, 10am – 5pm, and is being held along the So. Marina promenade. Tall Ships are in port August 13 – 17 and are offering dockside tours; and Wheels on the Waterfront will be September 6, 2014.

**COMMISSION DISCUSSION**

Commissioner Glen Bachman reported that he was at the Terminals recently with Dave Madill to watch the cement being unloaded. The cement ship will be in port most of the week.

**CITIZEN COMMENTS**

There were no Citizen comments.

THE REGULAR COMMISSION MEETING was recessed into Executive Session at 6:01 pm - to conclude by 7:00 pm. The purpose of the Executive Session was to review the qualifications of applicants for public employment.

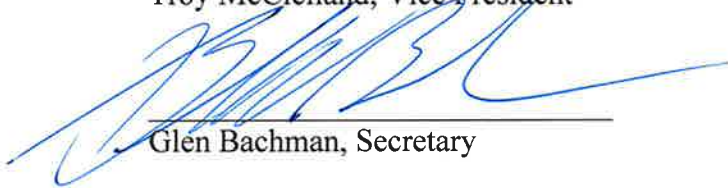
At the conclusion of the Executive Session, there was no action taken by the Commission and there were no announcements. The Regular Meeting was adjourned at the conclusion of the Executive Session.

THE REGULAR COMMISSION MEETING WAS ADJOURNED at 7:00 p.m.

APPROVED: this 9<sup>th</sup> day of September, 2014. EVERETT PORT COMMISSION

  
\_\_\_\_\_  
Tom Stiger, President

  
\_\_\_\_\_  
Troy McClelland, Vice President

  
\_\_\_\_\_  
Glen Bachman, Secretary

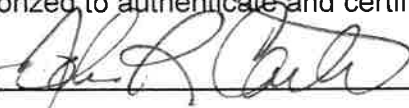


**ORIGINAL**

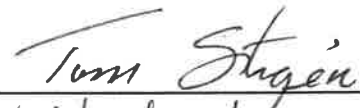
**Port of Everett  
Voucher Certification and Approval  
for the month of  
JULY  
2014**

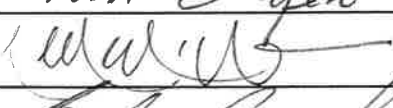
		<b>Total</b>
Claims Voucher Nos	70246 - 70566	\$3,402,671.94
Claims Electronic/Wire Transfers:		
7/7, 7/15	Electronic Transfer - Health Equity	\$ 106,843.39
7/1, 7/16	Electronic Transfer - IRS	\$ 185,752.73
7/24	Electronic Transfer - WA St Dept of Rev	\$ 54,113.59
Total Claims		\$3,749,381.65
Payroll Voucher Nos.	43364 - 43594	\$ 465,441.36
Payroll Wire Transfers:		
7/1, 7/8, 7/15, 7/22, 7/29	PMA Payroll (Longshore Labor)	\$ 326,312.02
Total Payroll		\$ 791,753.38
Wire Transfers:		
7/9, 7/31	Wire Transfer - Bank of New York Investments	\$ 2,494,245.09
Total Payments		<b>\$7,035,380.12</b>

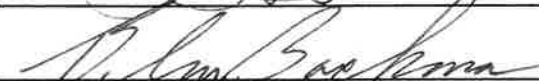
I, the undersigned, do hereby certify under penalty of perjury that the material have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due an unpaid obligation against the Port of Everett and that I am authorized to authenticate and certify to said claim. Authorize signature


Attest:  Port Auditor

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 12th day of August, 2014:

 President


 Vice President

 Secretary


**Finance**

## Capital Improvement Plan- 2015 Budget Overview

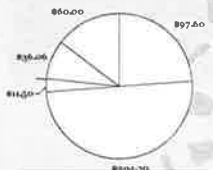
John Carter and John Klekotka  
 August 12, 2014



### CIP high level overview


- Five year budget
- First three years in the full funding window.
- Projects to be completed outside of the 5 yr window shown as unfunded
- Total of 99 projects,
  - 86 have activity in 2015.
- Projects are being aligned by Port Initiative

**CIP/Equipment/CLIP's**  
Estimated Investment \$410 million



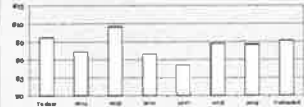
□ CIP projects	□ Unfunded CIP's
□ Equipment	□ Equipment Unfunded
□ CLIP's	□ CLIP's unfunded

### Initiative 1-Property Development Waterfront Place Central Master Plan



- Initiate phases 1 and 2 of 65 acre mixed-use development
- Key capital components
  - Complete environmental remediation projects
  - Build core infrastructure
  - Complete Phase 1 of Marina master plan
  - Provide initial public access elements
- 16 projects- \$67 million

Annual Estimated Investment- Millions



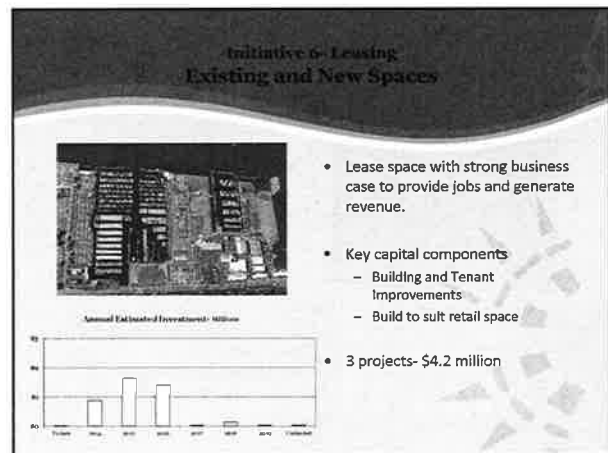
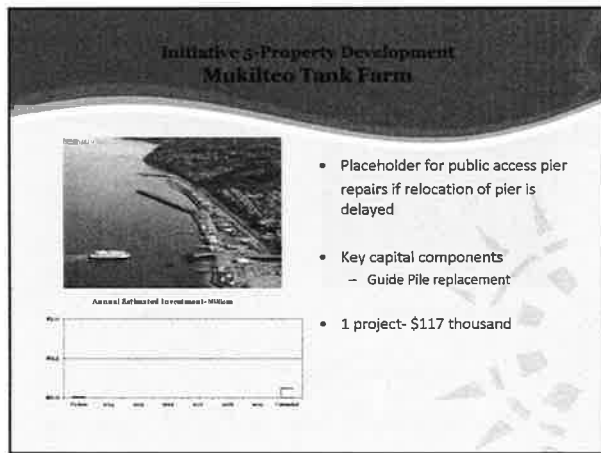
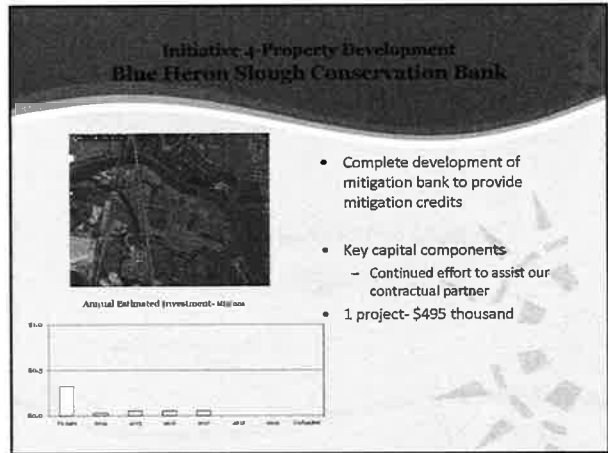
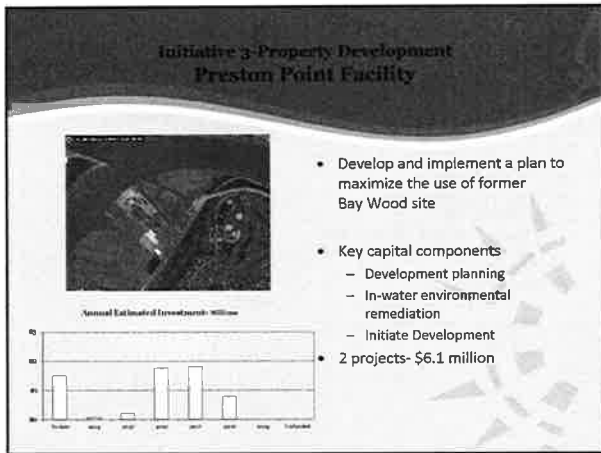
### Initiative 2-Property Development Riverside Business Park

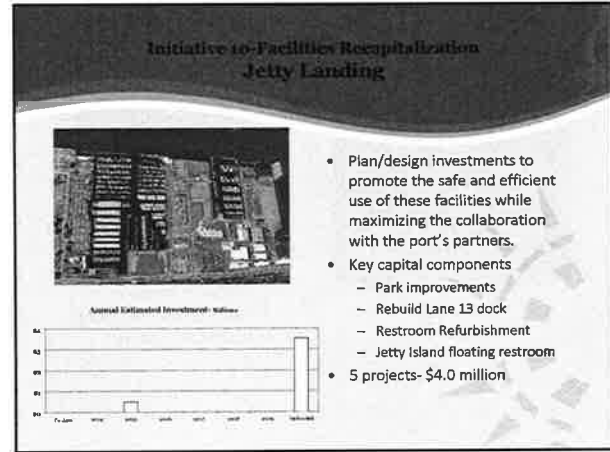
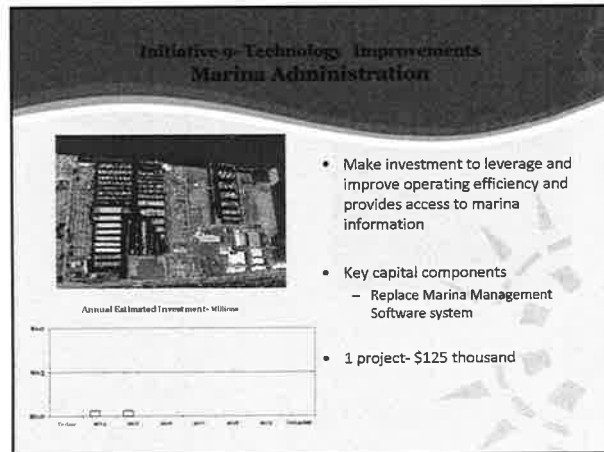
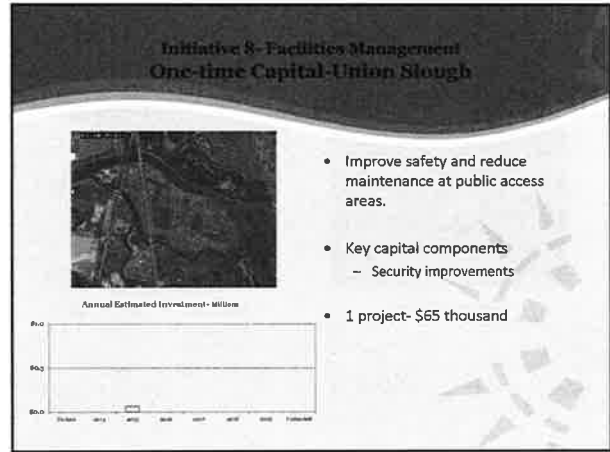
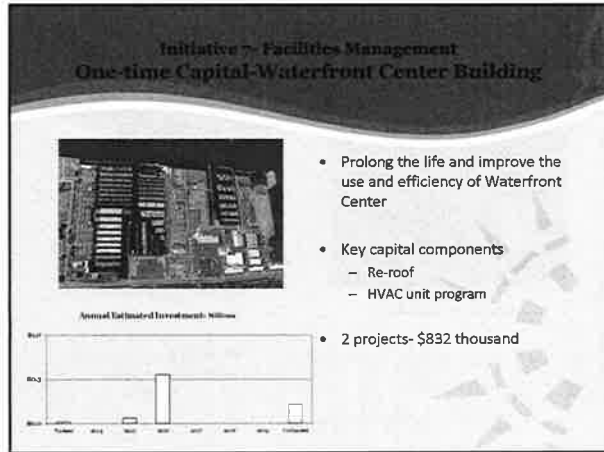


- Meet all permit requirements and resolve long-term facility management issues
- Key capital components
  - Utilities improvements
  - Trail and Roadway improvements
- 5 projects- \$3 million


Annual Estimated Investment- Millions





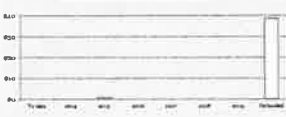


### Initiative 11-Facilities Recapitalization Marina Docks




- Implement marina master plan recapitalizing docks and in-water infrastructure.
- Key capital components
  - Phases 2-4 of Marina master plan.
    - Phase 1 is part of initiative #1
  - Each phase is currently slated to be completed in five year increments.
- 4 projects- \$39.4 million

Annual Estimated Investment- Millions



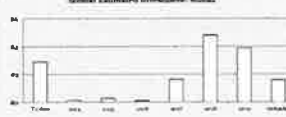
Fiscal Year	Annual Estimated Investment (Millions)
FY 2016	0.5
FY 2017	0.5
FY 2018	1.0
FY 2019	1.0
FY 2020	1.4

### Initiative 12-Facilities Planning Marina Boatyard




- Develop and implement a comprehensive marina services plan.
- Key capital components
  - Travel lift dock improvements
  - Boatyard expansion Phase 3
  - Relocate marina maintenance shop
  - Complete environmental remediation
- 5 projects- \$15.2 million

Annual Estimated Investment- Millions




Fiscal Year	Annual Estimated Investment (Millions)
FY 2016	1.0
FY 2017	0.5
FY 2018	0.5
FY 2019	1.0
FY 2020	2.7

### Initiative 13-Programmatic Marina Phased Capital Planning




- Maintain marina assets through ongoing programs to prolong and improve facilities
- Key capital components
  - Replace guide piles and collars
  - Float rehabilitation
  - Pavement upgrades
  - Storm water improvements
- 5 projects- \$5.1 million

Annual Estimated Investment- Millions




Fiscal Year	Annual Estimated Investment (Millions)
FY 2016	0.5
FY 2017	0.5
FY 2018	0.5
FY 2019	0.5
FY 2020	1.1

### Initiative 14-Programmatic Port-wide Fleet Management




- Maintain and replace rolling stock through a systematic approach
- Key capital components
  - Vehicle acquisitions
- 1 project- \$262 thousand

Annual Estimated Investment- Millions



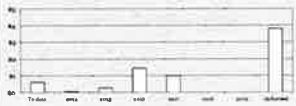
Fiscal Year	Annual Estimated Investment (Millions)
FY 2016	0.26
FY 2017	0.0
FY 2018	0.0
FY 2019	0.0
FY 2020	0.0

### Initiative 15-Programmatic Sediment management




- Plan for and manage dredging activities.
- Key capital components
  - Marina Maintenance dredging
  - Snohomish river channel dredging
- 2 projects- \$7.2 million

Annual Estimated Investment- million



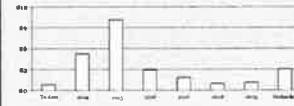
Fiscal Year	Annual Estimated Investment (million)
FY 2006	0.0
FY 2007	0.0
FY 2008	0.0
FY 2009	0.0
FY 2010	0.0
FY 2011	0.0
FY 2012	0.0
FY 2013	0.0
FY 2014	0.5
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.0
FY 2020	0.0
FY 2021	0.0
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0
FY 2025	0.0
FY 2026	0.0
FY 2027	0.0
FY 2028	0.0
FY 2029	0.0
FY 2030	0.0
FY 2031	0.0
FY 2032	0.0
FY 2033	0.0
FY 2034	0.0
FY 2035	0.0
FY 2036	0.0
FY 2037	0.0
FY 2038	0.0
FY 2039	0.0
FY 2040	0.0
FY 2041	0.0
FY 2042	0.0
FY 2043	0.0
FY 2044	0.0
FY 2045	0.0
FY 2046	0.0
FY 2047	0.0
FY 2048	0.0
FY 2049	0.0
FY 2050	0.0

### Initiative 16-Programmatic Terminal Capital and Equipment Replacement




- Provide for terminal asset replacement to prolong and expand cargo opportunities
- Key capital components
  - Pile replacement
  - Pavement upgrades
  - Bulkhead reconstruction
  - Equipment purchases
- 18 projects- \$25.8 million

Annual Estimated Investment- million




Fiscal Year	Annual Estimated Investment (million)
FY 2006	0.0
FY 2007	0.0
FY 2008	0.0
FY 2009	0.0
FY 2010	0.0
FY 2011	0.0
FY 2012	9.5
FY 2013	0.0
FY 2014	0.0
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.0
FY 2020	0.0
FY 2021	0.0
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0
FY 2025	0.0
FY 2026	0.0
FY 2027	0.0
FY 2028	0.0
FY 2029	0.0
FY 2030	0.0
FY 2031	0.0
FY 2032	0.0
FY 2033	0.0
FY 2034	0.0
FY 2035	0.0
FY 2036	0.0
FY 2037	0.0
FY 2038	0.0
FY 2039	0.0
FY 2040	0.0
FY 2041	0.0
FY 2042	0.0
FY 2043	0.0
FY 2044	0.0
FY 2045	0.0
FY 2046	0.0
FY 2047	0.0
FY 2048	0.0
FY 2049	0.0
FY 2050	0.0

### Initiative 17-Programmatic Terminal Facility Management and Enhancement




- Provide for longer berthing infrastructure with deeper draft
- Key capital components
  - Marine terminal dredging
  - S. Terminal Wharf and Yard improvements
  - Wharf extension
  - Develop cleanup plan for S. Terminal remediation
- 6 projects- \$231 million

Annual Estimated Investment- million



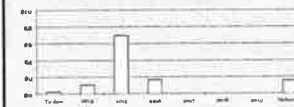
Fiscal Year	Annual Estimated Investment (million)
FY 2006	0.0
FY 2007	0.0
FY 2008	0.0
FY 2009	0.0
FY 2010	0.0
FY 2011	0.0
FY 2012	9.5
FY 2013	0.0
FY 2014	0.0
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.0
FY 2020	0.0
FY 2021	0.0
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0
FY 2025	0.0
FY 2026	0.0
FY 2027	0.0
FY 2028	0.0
FY 2029	0.0
FY 2030	0.0
FY 2031	0.0
FY 2032	0.0
FY 2033	0.0
FY 2034	0.0
FY 2035	0.0
FY 2036	0.0
FY 2037	0.0
FY 2038	0.0
FY 2039	0.0
FY 2040	0.0
FY 2041	0.0
FY 2042	0.0
FY 2043	0.0
FY 2044	0.0
FY 2045	0.0
FY 2046	0.0
FY 2047	0.0
FY 2048	0.0
FY 2049	0.0
FY 2050	0.0

### Initiative 18-Programmatic Terminal Upland Management and Enhancement



- Provide expanded upland capabilities for cargo movement
- Key capital components
  - Terminal rail upgrades
  - Ro/Ro Cargo berth/crane pad
  - Mt. Baker terminal roadway and utilities
  - South Terminal yard lighting
- 6 projects- \$11.3 million


Annual Estimated Investment- million



Fiscal Year	Annual Estimated Investment (million)
FY 2006	0.0
FY 2007	0.0
FY 2008	0.0
FY 2009	0.0
FY 2010	0.0
FY 2011	0.0
FY 2012	9.5
FY 2013	0.0
FY 2014	0.0
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.0
FY 2020	0.0
FY 2021	0.0
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0
FY 2025	0.0
FY 2026	0.0
FY 2027	0.0
FY 2028	0.0
FY 2029	0.0
FY 2030	0.0
FY 2031	0.0
FY 2032	0.0
FY 2033	0.0
FY 2034	0.0
FY 2035	0.0
FY 2036	0.0
FY 2037	0.0
FY 2038	0.0
FY 2039	0.0
FY 2040	0.0
FY 2041	0.0
FY 2042	0.0
FY 2043	0.0
FY 2044	0.0
FY 2045	0.0
FY 2046	0.0
FY 2047	0.0
FY 2048	0.0
FY 2049	0.0
FY 2050	0.0

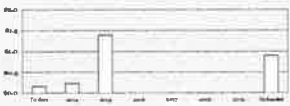


### Initiative 19- Programmatic Terminal Operations




- Provide facilities to operate terminals in a safe, efficient, and environmentally responsible manner
- Key capital components
  - Storm water improvements
  - Lighting upgrades
  - HVAC upgrades
- 9 projects- \$2.7 million

Annual Estimated Investment- million




Fiscal Year	Annual Estimated Investment (million)
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.2
FY 2020	0.4
FY 2021	0.6
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0

### Initiative 20- Programmatic Operations and Administration




- Prepare facilities, operations and staff to deal with and recover from disaster and security events
- Key capital components
  - Alternate power
  - Data Services resiliency
- 2 projects- \$862 thousand

Annual Estimated Investment- million



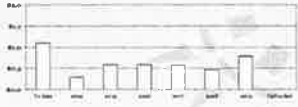
Fiscal Year	Annual Estimated Investment (million)
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.4
FY 2020	0.5
FY 2021	0.0
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0

### Initiative 21- Remediation Properly Manage Remediation Solutions



- Provide leadership role in managing remediation of legacy contamination in and around Port properties
- Key capital components
  - East Waterway
- 3 projects- \$2.6 million

Annual Estimated Investment- million



Fiscal Year	Annual Estimated Investment (million)
FY 2015	0.0
FY 2016	0.0
FY 2017	0.0
FY 2018	0.0
FY 2019	0.8
FY 2020	0.4
FY 2021	0.4
FY 2022	0.0
FY 2023	0.0
FY 2024	0.0

### Next Steps

- **August**
  - Staff develops preliminary operating budget
  - Finance department overlays "funding" plan
- **September**
  - Staff reconciles CIP budget and funding options
- **October**
  - Commission receives draft budget
  - Commission deliberates on draft budget
  - Preliminary budget released to public
  - Public hearing held (currently proposed for Oct 28)
  - Budget and property tax resolutions introduced
- **November**
  - Budget and tax resolutions presented for Commission approval
  - Approved resolutions filed with Snohomish county