

**Minutes of Everett Port Commission
Regular Meeting
November 9, 2021**

PRESENT:	Tom Stiger	President
	Lisa Lefebber	Executive Director
	Eric Russell	Chief Finance Officer
	Jordan Stephens	Port Attorney
ZOOM:	Glen Bachman	Secretary
	David Simpson	Vice President

CALL TO ORDER: Commission President Tom Stiger called the meeting to order at 12:02 p.m.

Commission President's Report

Commission President Tom Stiger recognized the passing of Colin Powell and also recognized Veteran's Day and all those that served in the military services. All three commissioners have served in the military services.

There will be a United Way Campaign event on November 23 at 11:30 a.m. in the Blue Heron Room at the Port of Everett which will include a pie auction.

Commissioner Stiger also thanked Public Affairs team and Marina Maintenance team for helping set up the Fisherman's Harbor Retail/Restaurant Groundbreaking which was the seventh groundbreaking event this year for the Port of Everett.

Commission Discussion

Commissioner David Simpson thanked Commissioner Stiger and Commissioner Bachman for their service in the military. Commissioner Simpson also welcomed a new Port employee, Sara Bruestle, to the workforce.

Commissioner Glen Bachman stated in recognition of the upcoming the Veteran's Day, everything they fought for is worth it.

Citizen Comments

Enn Mik submitted a letter for public comment via email regarding marina parking, attached hereto.

CEO/EXECUTIVE DIRECTOR'S REPORT

COVID-19 Update

CEO/Executive Director Lisa Lefebber reported the current OSHA vaccine mandate status requires, as of January 4, 2022, that employers over 100, which the Port would meet at some point in 2022, mandate vaccination and/or weekly testing for employees. Lefebber has been working with the Port Attorney on a policy to meet the requirements of the mandate. Soon after Lefebber sent an email out to Port staff regarding the requirements, a Federal court put a stay on the OSHA order. Lefebber stated staff is still preparing as though the OSHA order will come into effect, but it is in question right now and staff will wait until there is clear guidance from OSHA and Washington State L&I before any major changes are implemented. Currently about 86% of the Port Staff who are vaccinated and 3-4% have received an

approved exemption and the other 10% would be subject to the weekly testing requirement. One thing that is uncertain is that Washington State may eliminate the testing option for employers over 100.

Informational Updates

Lefebber congratulated Commissioner David Simpson on his re-election and staff will be scheduling the swearing in ceremony for early 2022.

State of the Station with Naval Station Everett is tomorrow, November 10. The Port is a sponsor and will be providing welcoming remarks.

The Port is partnering with the Everett School District on a maritime curriculum and working on getting meetings set up to that respect. The goal is to introduce kids at the middle school level to have them interested in learning about the trades early on before they go into their required electives and career pathways in high school.

In December, a couple of the Commissioners will be on travel, so the December Commission meeting is scheduled for Monday, December 6 at 9:00 a.m.

Legal Services RFP Update

CEO/Executive Director Lisa Lefebber reported Staff has been reporting on this subject for most of 2021. Brad Cattle, longtime Port Attorney, announced his retirement and since the Port has had the same legal counsel for close to 30 years, the Port issued a Request for Proposals to different law firms.

Commissioner Stiger, Lefebber, Emily Hammer, Eric Russell, and Maija Lampinen all served on the evaluation committee and after extensive interviews and research, the committee is recommending that the Port retain Anderson Hunter for the Port's legal services. They have a large bench in terms of the types of diversity of issues to handle from marina related issues to real estate, environment, and general governance. They will be adding an additional municipal lawyer which will further help the Port as well as having the municipal experience with ports particularly. The other firm that was interviewed was very highly qualified and very capable of performing these services but the size of Anderson Hunter and experience with the Port is what set them apart. No action is required, just informational. The Port Commission, as they do annually in January, appoint the Port's legal services.

Commissioner Stiger thanked Lampinen, primarily, because she headed up the committee, it was a very open, transparent, and lengthy process. It took several months to evaluate the proposals. As Commissioner Stiger represents the Commission, he certainly concurs with the committee and officially welcomed Jordan Stephens from Anderson Hunter.

Stephens thanked the Port for selecting Anderson Hunter and stated it really was a transparent and fair process. They certainly weren't given any short cuts in the process and are really thrilled to keep working with the Port with a new dynamic and broader team.

Resolution No. 1178 (2021) - United Way Campaign

Commissioner Tom Stiger reported that the United Way resolution is an annual resolution providing support to the United Way campaign event. There are several activities, such as pie auction, pie in the face and individual contribution forms that have distributed to Port Staff. There is \$500 set aside to support the in-house campaign. The Port decided last year to consolidate this event in HR and do the annual pie in the face and pie auction Tuesday before Thanksgiving. CEO/Executive Director Lisa Lefebber stated this year the Port is working with United Way and Providence General Foundation to direct all the

proceeds that Staff, and Commissioners raise in honor of Rick Adams, a longtime Port employee who passed away from a long battle of cancer recently.

After discussion, Commissioner Glen Bachman moved that the Commission adopt Resolution No. 1178 (2021), substantially as presented, approving the Port of Everett 2021 United Way Campaign and Port funding of the 2021 Fund Drive event in the amount of \$500. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

CHIEF FINANCE OFFICER'S REPORT

Presentation of 2022 Preliminary Budget

Chief Financial Officer Eric Russell presented an overview of the 2022 Preliminary Budget. Russell reported per State Law, the Port Commission must annually, by the first Monday of December, authorize a formal budget (Resolution No. 1181 (2021)) and in a separate action approve a property tax levy (Resolution No. 1179 (2021)). The third resolution (Resolution No. 1180 (2021)) states there is a substantial need to raise the regular tax levy by 1% when the implicit price deflator, as calculated by the Washington State Department of Revenue, is less than 1%. The implicit price deflator was calculated at 3.86% for taxes due in 2022 and Resolution No. 1180 (2021) is not required this year, however the Port has typically included the substantial needs resolution even when not required. These three resolutions are to be considered for adoption at the November 16 meeting and intended to meet the requirements of state law.

A Public Hearing to take comment on the budget and tax levy will be opened at today's meeting, then recessed until November 16. On November 16 the Public Hearing will be closed, and, after considering any public comments, staff will request the Commission to approve the resolutions.

The draft budget and resolutions were posted on the Port's website on November 8 and the public hearing was advertised in the Herald on October 31 and November 7. The Port also issued a draft Citizen Budget Guide.

After discussion, Commission President Tom Stiger opened the public hearing at 12:56 p.m. for the 2022 Property Tax Levy and Preliminary Budget and asked for public comments.

There were no public comments.

Commissioner Stiger recessed the public hearing at 12:57 p.m. until the next Port Commission meeting at 11:00 a.m. on November 16, 2021.

PUBLIC MEETING: 2020 CENSUS DATA REDISTRICTING BOUNDARIES

CEO/Executive Director Lisa Lefeber stated this was an informational report today and there will be a public hearing on the 2020 Census Data Redistricting Boundaries next Tuesday. Every ten years, after the census is complete, the Port is required to access the commission boundaries for geographical equity and population distribution. The proposed boundaries are almost identical to the current boundaries, with a couple minor changes with respect to boundary lines. In 2011, the Commission did

major changes in response to Commission direction, to make sure every district had a presence on the waterfront. The information before the Commission today is minor modifications based on the updated census data. There has been public notification with respect to the plan and the Port has not received any comments to the proposed modifications.

Commission President Tom Stiger announced this was a public meeting for the 2021 redistricting boundaries that has been advertised in the newspaper and on the Port of Everett website since October 24, 2021. There will be a public hearing on November 16 to consider public comments.

SEAPORT MODERNIZATION

Norton Terminal

Construction Update

Chief of Engineering and Planning John Klekotka reported there are three big major elements related to the project. The first is the preload which is being performed by SRV Construction and started in mid-July. As of Thursday, November 2, they've completed all their work and the final quantity of material is almost exactly the contract amount of 95 tons of material. The Port is arranging for inspection to develop a punchlist which is believed to be very small, and SRV will begin demobilizing. The Port is doing weekly surveys of the elevations of the settlement monitoring plates which will provide data to figure out how fast it is settling and when the Port can start removing that material. The Port has already seen, in some areas, about an inch or an inch and a half of settlement.

The second major element is the overall MTCA third interim action and development, awarded to Strider Construction. The Port gave them notice to proceed in early September and they have been working very diligently on their submittals and sending requests for information. The Port has been working to finalizing the Public Works permits with the City of Everett. Strider has mobilized onto the site and have been setting up the temporary erosion control measures and water treatment system. They have been potholing for utilities that were supposed to be abandoned and also started some rough grading on the site.

The last major element is the City of Everett's 42-inch sanitary pipeline project that bisects the site. The Port has been working with them to provide a right of entry and construction protocols and finalizing an interlocal agreement anticipated to be brought to the Commission in January 2022. The City is out to bid for this project and are planning to award the project in December. There will probably be activity started in January but due to the lead time on the pipe, it may be a few months before a lot of activity.

WATERFRONT PLACE CENTRAL

Millwright District RFQ Update

CEO/Executive Director Lisa Lefeber reported that last week the Port received the request for qualifications submittals for the Millwright District, which includes commercial, office, housing, retail, and destination restaurant hospitality uses. Lefeber is very excited about the submittals. The interviews have been scheduled. Lefeber's hope is that by December 6, staff will have a recommendation on which firm to begin negotiations with.

Weyerhaeuser Update

CEO/Executive Director Lisa Lefeber reported the Port has a developer looking at leasing the Weyerhaeuser building. Lefeber's hope is to present a lease to the Commission next month. The idea is that the Port partners with the developer to bring in hospitality and retail aspects to the building. It has been vacant for 20 years and in 2023 will be the centennial of the building so the Port wants to be under

construction with the tenant improvements next year with an opening in its centennial year with the main goal of getting the public back into the building. A significant cost is going to be replacing the windows in a way that maintains the historical standards. The primary focus on the building is to get it back into productive use and have a steward of the building.

DEPARTMENT REPORTS

Marine Terminals

3rd Quarter 2021 Update

Marine Terminals Director Walter Seidl gave a 2021 third quarter Marine Terminals update. Overall port calls were slightly up however the mix of cargo vessels over barges illustrated a large increase in vessel traffic. There was an increase in standard containers in June and high volumes of 53' containers commenced in July. The total tonnage has increased sharply. There were five cement vessels for Lehigh but no barges. The Port does expect some barge traffic in November. The imports are primarily container tonnage and energy products, and exports are driven by pulp and container traffic to Korea. Westwood diverted Seattle cargo to Everett in April, May, and October. Boeing dry container volumes continue to decline as aircraft production is reduced. Container volumes are arriving on non-standard container vessels and 53' business will remain strong into January 2022. Standard container traffic will also remain strong through 2021. Seidl went over third quarter highlights and fourth quarter outlook.

Projects

Boat Launch Maintenance Dredging DNR Site Use Authorization

Senior Planner Laura Gurley reported the Site Use Authorization agreement is required by the WA Department of Natural Resources for open water disposal of approved dredged material at the Port Gardner disposal site. The agreement includes hold harmless language; therefore, Commission authorization is necessary. The Boat Launch Maintenance Dredging project includes disposal of approximately 41,000 cubic yards of material and an additional approximately 8,000 cubic yards of material for the emergency connector channel dredging. A \$2,000 application fee is applied to the overall disposal fee of \$0.45/cubic yard. Total fee will be approximately \$22,050, which includes the initial \$2,000 application fee.

Upon discussion, Commissioner David Simpson moved that the Commission authorize the Executive Director to sign the Department of Natural Resources Site Use Authorization for open water disposal of dredge material from the Port's Boat Launch Maintenance Dredging and emergency connector channel dredging and pay the required fees. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Marina Access Control Contract Modification #1

Chief of Engineering and Planning John Klekotka reported the Marina currently uses an electronic access control system that controls and monitors access to recreational boating dock gates, commercial fishing docks, and numerous upland buildings (e.g., restrooms, etc.). This existing access control system was installed in the 1990s with additional components added throughout the years. The existing access control system is well past the end of its useful life and needs to be replaced.

As the project team developed the replacement plan, it became apparent the most efficient project delivery method would be to utilize a security integration contractor to provide a turn-key project. The Port's project team interviewed two security integrators available on the Sourcwell cooperative purchasing Contract #031517 and selected Convergent. The Port executed a contract (PSA 3-2021-04) with Convergent to be completed in two phases: Phase 1- Investigate, review, and design a new access control system and provide a price proposal for the new system using the cooperative purchasing pricing (contract amount: \$25,000), and. Phase 2 - Furnish, install, integrate, and commission the access control system (pricing to be determined after design of the system).

The Marina Access Control budget for 2021 consisted of \$260,000 (total project budget). Once the design was completed, it became apparent that the 2021 budget was not sufficient to complete the project. The 2021 budget was based on reusing the existing infrastructure and just replacing the headend equipment and field devices. During design, it became apparent that not all components of the existing infrastructure could accommodate the new technology and that the current wireless network would also need to be replaced. Additional funds were put into the 2022 budget to ensure this project can be completed and serve the Marinas for years to come.

After discussion, Commissioner Glen Bachman moved that the Commission approve Contract Modification #1 for PSA 3-2021-04: Marina Access Control Upgrades in the amount of \$581,190.89 and authorize the CEO/Executive Director to execute the modification. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Executive Session

Commission President Tom Stiger recessed the meeting at 2:17 p.m. for an Executive Session, beginning after a short break. The Executive Session will conclude by 2:50 p.m. The purpose of the Executive Session is to discuss with legal counsel negotiations concerning 1; a legal dispute and 2; collective bargaining negotiations, either of which when discussed in public would disadvantage the Port.

At 2:50 p.m. in open session, Port legal counsel Jordan Stephens announced that the Executive Session would be extended an additional 5 minutes – to conclude by 2:55 p.m.

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

THE REGULAR MEETING WAS ADJOURNED at 2:55 p.m.

APPROVED this 6th day of December, 2021.

EVERETT PORT COMMISSION

By: Tom Stiger
Tom Stiger, President

By: David Simpson
David Simpson, Vice President

By: Glen Bachman
Glen Bachman, Secretary

Port of Everett Commissioner Meeting - public comment

My wife and I have had a boat in the Everett marina for over 40 years. We were here before the south marina was built. Along with Mukilteo Yacht Club, we started opening day of boating in Everett 20 years ago. We participate in 4th of July celebration and lighted boat parade at guest dock 6. I bring my boat to guest dock 6 to work with the classic car show at boxcar park. We like to meet friends with their boats at dock 5 or 6.

Whenever we move our boat from our slip in south marina to a guest dock, we pay guest dock fees. So the port is double dipping. Now with the new parking agency, we are charged a \$10 surcharge (parking fee) on the double dipping per night if we bring a car over to the guest dock.

The Port newsletter promotes Everett as a welcoming destination port for boaters to use guest moorage, port services and restaurants. This \$10 parking fee, on top of your moorage fee, will have the opposite effect. All the events that I have mentioned earlier, need cars to get decorations, food and people. I'm afraid this parking fee, along with the reduction in guest moorage slips, will greatly diminish boater participation. I, for one, am losing my enthusiasm. I think that any moorage customer should be able to park anywhere in the marina at no additional cost. The boater pays for every service the port provides. This additional \$10 parking fee charged to your customer, is just over the top and wrong.

To facilitate harmony and cooperation with your tenants and guest boaters, please review the parking policies.

Enn Mikk
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