

**Minutes of Everett Port Commission  
Regular Meeting  
October 12, 2021**

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

**CALL TO ORDER:** Commission President Tom Stiger called the meeting to order at 12:00 p.m.

**CONSENT AGENDA**

- Approval of Regular Meeting Minutes of September 14, 2021; and Special Meeting Minutes of September 21, 2021
- Approval of Bills for September 2021

Commissioner David Simpson moved that the Commission approve the items on the consent agenda for October 12, 2021 including the Regular Meeting Minutes of September 14, 2021; and Special Meeting Minutes of September 21, 2021 and Approval of the Bills for September 2021. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

**Commission President's Report**

Commission President Tom Stiger thanked Director of Public Affairs Catherine Soper for the excellent article about the Children's Museum and the tugboat exhibit that The Herald showed recently being hoisted up to the top floor of the new addition of at the museum. Commissioner Stiger also thanked the contractor who built the tugboat.

**Commission Discussion**

Commissioner David Simpson thanked Director of Marine Terminals Walter Seidl and Communications Specialist Kate Anderson. They had the chance to present a plaque to a ship on October 6 for their maiden voyage to the Port of Everett.

Commissioner Glen Bachman loves watching the ships going in and out of the terminals from his house, especially the freshly painted Amazon containers that went into Port today. The terminals are keeping busy which is good for the Port of Everett.

**Citizen Comments**

There were no citizen comments.

### **CEO/EXECUTIVE DIRECTOR'S REPORT**

CEO/Executive Director Lisa Lefebber reported the Port has been advocating aggressively over the last several months to be eligible for American Rescue Funds. The Port is authorized to receive funds but had to receive them either through the county and/or the state. The Port has been taking a dual approach to try to achieve that. The County released the first set of their rescue funding last week and Lefebber was able to attend that public hearing and happy to report the County Executive and County Council recommended and approved \$1.25 million in recovery funds from the American Rescues Act to the Port of Everett. There is every expectation that there will be a recommendation for an additional \$1.25 million in the next round that will be released this spring. Lefebber is very appreciative of the County for recognizing the impacts that the Port has had with aerospace and tourism as a result of the pandemic. The Port is also working with the state on rescue funding.

Lefebber reported the 2022 budget plans for 116 employees, which will push the Port over the 100-employee threshold federal vaccine rules come 2022. The final rules have not been issued yet, but in anticipation, the Port has been working with staff trying to make accommodations and incentivizing them as much as possible to get vaccinated voluntarily before this mandate goes into place. Lefebber added, if available, testing will be allowed.

### **CHIEF FINANCE OFFICER'S REPORT**

#### **Resolution No. 1177 (2021) - US Bank Line of Credit Renewal**

Chief Financial Officer Eric Russell reported the Port has had a line of credit (LOC) from US Bank since October 27, 2017. This has been used for cashflow needs and to provide bridge financing in anticipation of longer-term financing. The LOC is for one year and therefore must be renewed annually. The LOC is available for an amount of \$10,000,000. Due to the discontinuation of LIBOR Indexes the renewal will utilize a new index, Ameribor. In addition, the margin applied to the rate has been reduced, producing a lower borrowing cost currently than the previous rate structure. There are no other changes to the terms, except the termination date.

After discussion, Commissioner Glen Bachman moved that the Commission approve Resolution No. 1177 (2021), amending Resolution No. 1080 (as amended) and amending the interest rate terms and extending the maturity of the Port's \$10,000,000 line of credit with US Bank for one year. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

### **2022 Budget Update**

Chief Financial Officer Eric Russell provided an update on the 2022 Budget. The last two years have been interesting with the economy and the changes that have made it difficult to try to forecast and anticipate where the budget will end up. The Port has been very cautious and conservative in the outlook to try to keep on track. Russell went over the 2022-2026 CIP in order of initiatives. This anticipates construction to continue on Norton Terminal, A8 & A17, boat launch dredging, Blue Heron Slough, Mill A investigation and completing the Jetty Landing restroom. It also included Marina Access Gate lock system changes. The major new project that wasn't on last year's budget is the fuel dock replacement, including the relocation of the upland tanks.

Russell went on to report the Port continues to have a conservative outlook on revenue, with an increase 9.9% from 2021 budget, however expenses will increase 11.9%. The driver is wage and benefit growth, with additional hiring to return to 2020 level. The budget for 2021 was \$6.27 million Income before Depreciation and the Port assumes a 1% growth in tax revenue, consistent with previous years. Lefeber reminded the Commissioners, one of the key factors on baselining the marine terminals is that Boeing is most likely not going to rebound until 2023 at the earliest.

#### **On-Call Signage Contract Award**

Procurement and Contracts Manager Maija Lampinen reported that on August 3, 2021 the Port issued a Request for Proposals for On Call Signage Needs. As the Port continues to grow, a signage company is needed that can assist with signage design, sign placement, fabrication material selection, sign lighting, digital components, permitting assistance, sign fabrication and delivery.

On September 2nd, the Port received six submittals and a team of three staff members reviewed the submittals using the evaluation criteria outlined in the RFP: Firm Overview and Qualifications, Design Quality, Contract Approach, Contract Team and Price. After completion of the evaluations, it was apparent that a natural break existed between the highest ranked proposer and the second highest.

The RFP allows for the evaluation team to select the highest ranked firm from the submitted proposals or proceed to interviews with the top ranked Proposers. Because of the natural break between responders, the team chose to meet with Tube Art to clarify a few aspects of their proposal. The evaluation team's consensus after the meeting was to proceed to contract award with Tube Art. Tube Art brings a depth of design experience as well as extensive experience in developing a master signage program with entities such as Sound Transit, Children's Hospital, and Amazon.

This contract will be used for operations as well as capital projects to provide a unified signage program throughout the port. Signage requests would be on a task order basis and charged to the expense account for the department or included as part of a capital project budget. The contract is anticipated to be five years with two one-year renewals to provide consistency in design and fabrication.

Upon discussion, Commissioner David Simpson moved that the Commission award the On Call Sign Design and Fabrication contract to Tube Art in an amount not to exceed \$500,000 and authorize the CEO/Executive Director to sign the contract. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

#### **SEAPORT MODERNIZATION**

##### **Norton Terminal**

##### **Construction Update**

CEO/Executive Director Lisa Lefeber reported work crews are out on site working on the preload. The Port went through a robust process for the shoreline permit which was received earlier this month. As a result of favorable bids for work, staff is in the process of working on a grant amendment to be able to

incorporate additional work into the BUILD grant. Commissioners should expect to see major earth work beginning later this month and into early November.

## **WATERFRONT PLACE**

### **Phase 2 RFQ Update**

CEO/Executive Director Lisa Lefebber reported there has been a lot of interest for 2<sup>nd</sup> Phase for the Millwright District for the Waterfront Place development. Submittals are due November 1 and Lefebber expects to receive some good ones. There was a pre-submittal meeting last week that was favorable. Lefebber hopes to have the proposals and qualifications reviewed and a developer selected by the end of the year.

## **DEPARTMENT REPORTS**

### **Marina**

#### **Marina Rates Presentation**

Chief of Marina Jeff Lindhout reported in 2008, the Port Commission adopted Resolution No. 891, authorizing the Port Executive Director, or their designee, to set operating policies and rates associated with the operation of the Marina. In implementing these responsibilities, the Commission directed staff to adopt rates and procedures to serve the best interests of the Port, assuring the Marina's success in its competitive regional marketplace, being mindful of business costs and the needs of customers. In addition, the Commission required a 60-day notice to marina customers for all changes in rates, fees, or policies. Accordingly, each year the Marina Administration reviews rates and fees, providing a briefing to the Commission prior to the effective date. Over the last two years, the Port has been shifting to have new rates go into effect in January of each year and setting the rates based on competitive market rates rather than a blanket percentage increase.

In keeping with the philosophy of setting rates in alignment with market, staff is adjusting marina rates upward for 2022, based on 2021 rates in Edmonds and Anacortes. Despite these increases, the Port of Everett rates will remain below the 2021 rates of Edmonds and Anacortes. Boat storage rates and service rates will remain relatively unchanged. Marina Administration will post the 2022 rates for 60 days beginning no later than November 1, 2021, and the rates will become effective January 1, 2022.

### **Projects**

#### **10<sup>th</sup> Street Boat Launch Maintenance Dredging – Request for Contract Award**

Senior Planner Laura Gurley reported the Port went out to bid on September 14, 2021, to procure a contractor to perform the maintenance dredging for the 10<sup>th</sup> St Jetty Landing Boat Launch (Schedule A) and possible dredging of the connector channel ("Connector") between the Boat Launch and the navigation channel (Schedule B). Dredging at the Boat Launch is necessary to maintain navigable depths and function at the facility. Estimated volume is 41,000 CY and the Engineer's Estimate was \$867,500. The emergency authorization permit on the Connector is still pending but was included in this solicitation to be awarded at upon receipt of the permits. The estimated volume for this item is 9,000 CY and the Engineer's Estimate was \$187,500. The volume for both schedules would be 49,000 CY for a combined Engineer's Estimate of \$1,055,000 plus WSST amount of \$103,390 for total Engineer's Estimate of \$1,158,390. Two bids were received.

The low bid by American Construction totaled \$957,456 (including WSST). Schedule A was \$752,000 and Schedule B was \$120,000. Port staff is requesting authorization to award the construction contract for Schedule A to American Construction for the initial amount of \$752,000 (plus WSST) and authorization

to add Schedule B by change order for the Connector in the amount of \$120,000 (plus WSST) if the agency permits are received in time to perform the work concurrent with the Schedule A work.

Staff anticipates mobilization in December 2021, construction starting January 2022, and completion by February 15, 2022. The Port will be requesting reimbursement from the Boat Launch co-owners.

After discussion, Commissioner Glen Bachman moved that the Commission authorize the award of the 10th St. Boat Launch Maintenance Dredging project, Schedule A (Base Bid) to American Construction Co. in the amount of \$825,696.00 (including Washington State Sales Tax) and authorize the CEO/Executive Director to award the Schedule B (Additive Bid) for the Connector Channel dredging to American Construction Co. in the amount of \$131,760.00 (including Washington State Sales Tax) upon receipt of the U.S. Army Corps permit and other necessary authorizations. 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 1:19 p.m. and announced that after a short break there would be an Executive Session for approximately 15 minutes – to conclude by 1:41 p.m. The purpose of the Executive Session was to discuss leasing or real estate matters, as public knowledge regarding such consideration would cause a likelihood of increased price.

At 1:41 p.m. in open session, Port legal counsel Jordan Stephens announced that the Executive Session would be extended an additional 10 minutes – to conclude by 1:51 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 1:51 p.m.**

**APPROVED** this 16<sup>th</sup> day of November, 2021.

#### EVERETT PORT COMMISSION

By:   
Tom Stiger, President

By:   
David Simpson, Vice President

By:   
Glen Bachman, Secretary

Signed with OnTask.io — 0242ac120002

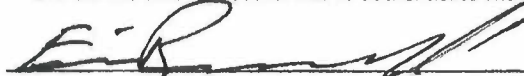
ORIGINAL




Port of Everett  
Voucher Certification and Approval  
for the month of  
SEPTEMBER  
2021


AP Claims Transactions		Total
Claim Checks Issued	90650 - 90753	\$1,019,394.63
P-Card Transactions		105,123.76
ACH Transactions	#1384 - 1457	1,959,414.43
<b>Total Claims Check Register</b>		<b>3,083,932.82</b>
<b>Electronic Claims Transactions:</b>		
9/8, 9/9, 9/15, 9/21, 9/30	Electronic Transfer - Health Equity/Navia/Guardian/Accrue CMS	\$12,454.84
9/14, 9/29	Electronic Transfer - IRS	199,291.49
9/27	Electronic Transfer - WA St Dept of Rev	83,980.47
9/2, 9/3, 9/8, 9/14	Electronic Transfer - U.S. Bank	9,339.70
9/1	Electronic Transfer - U.S. Bank LOC Fees	1,145.83
9/30	Electronic Transfer - Paylocity	1,833.10
9/14	Electronic Transfer - BNSF	2,150.00
<b>Total Electronic Claims</b>		<b>310,195.43</b>
<b>Total Claims</b>		<b>3,394,128.25</b>
<b>Payroll Transactions</b>		
Payroll Checks Issued	Dir Deposit/Check	\$525,118.16
9/8, 9/14, 9/21, 9/28	PMA Payroll (Longshore Labor)	409,194.73
<b>Total Payroll</b>		<b>934,312.89</b>
<b>Total Payments</b>		<b>4,328,441.14</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 and 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 October, 2021:

 President

 Vice President

 Secretary