

**Minutes of Everett Port Commission
Regular Meeting
December 8, 2020**

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

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

CONSENT AGENDA

- Approval of Regular Meeting Minutes of November 3, 2020; and Regular Meeting Minutes of November 10, 2020
- Approval of Bills for November 2020
- Approval of Competitive Bid Exemption – Personal Services Agreement for Visual and Digital Communications Support Services

Commissioner David Simpson moved that the Commission approve the items on the consent agenda for December 8, 2020 including the Regular Meeting Minutes of November 3 and November 10, Approval of the Bills for November 2020 and Approval of Competitive Bid Exemption for a Personal Services Agreement for Visual and Digital Communications Support Services. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

CEO/EXECUTIVE DIRECTOR'S REPORT

CEO/Executive Director Lisa Lefebber reported this is the last meeting of the year 2020 and it has been quite the year. She thanked the Commission for their leadership and staff for their flexibility and adaptability during this year.

COVID-19 Update

Lefebber reported around 11:30 this morning the Governor extended the restrictions through January 4, 2021. As Lefebber reported last month, this was not unexpected given the case rise. Also, the FDA has reviewed and concurred with the recommendation for Pfizer's vaccine. The Port will maintain emergency operations at least through January 4. More than likely, emergency operations may continue through February since the vaccine will not be accessible to the broad population until March or April timeframe.

Annual Resolutions

Lefebber stated she has been working with other Port districts and trying to find out best practices for streamlining annual resolutions for the required port operations. A large portion of the Port businesses put their annual resolutions on the consent agenda which is designed to take care of routine matters. Lefebber recommended starting in 2021 to put the annual resolutions on the consent agenda unless there are substantial changes to the resolutions, which then they will be individually listed.

Commissioner Tom Stiger commented in the past because there are several resolutions dealing with meetings and committee appointments, he suggested for the year 2021 might want to consider looking at those individually instead of putting them altogether on the consent agenda. Lefebber added that all the committee assignments, election of officers, and those types of actions will not be on the consent agenda. Commissioner David Simpson stated his experience with resolutions, he somewhat agrees with Commissioner Stiger. Commissioner Glen Bachman stated since the particular action is consistent with so many other Ports today, he does not see an issue with it. Lefebber stated this was more for efficiency for the Commissioners, the staff are more than willing and able to take the resolutions one at a time and usually go very quickly and if the Commission would like to keep status quo, Staff is more than happy to do so.

Cargo Transit Shed – Emergency Repairs

Lefebber reported an update on the emergency declaration related to the accident at the cargo transit shed. Lefebber reported the cost tied to emergency declaration to permanently fix that structure, including engineering, staff time and the construction contract was around \$44,000 and it should be repaired, and any issues related to the project should be resolved.

Sealevel Fire

Lefebber also reported on the cost of the Sealevel fire damage. The damage, based on the early estimate, is about \$1.1 million. The damage relates to sidewalks and roadways, electrical lighting, and landscaping and Lefebber has provided each Commissioner with a detailed list which is in their inbox.

Weyerhaeuser Building

Lefebber reported there has been several conversations regarding the future of the Weyerhaeuser building, wanting to return the building to public use. The Port has limited resources without public partnerships and so Port Staff is working with the development community and procurement division to issue a Request for Information (RFI) to see if the Port can get a partnership to help operate the building and get it back into a community gathering space. Lefebber expects the RFI to go out this week or early next week and the Commission will receive a copy of the solicitation. It is not a Request for Proposal so it does not require action, it is just a RFI gather different ideas that respondents may have for the building. The RFI will not change the plan for outdoor performance venue on the back side of the building and will continue as envisioned.

Holiday on the Bay

Lefebber thanked Public Affairs Manager Catherine Soper, Staff and the Commissioners who participated in the Holiday on the Bay event. Lefebber stated she believes that the Port of Everett may have been one of the only Port's that was able to creatively find a way to keep holiday festivities going. It was a wonderful event and ironically the best weather the Port has had in a decade for this event.

CHIEF FINANCE OFFICER'S REPORT

3rd Quarter Financial Report

Chief Financial Officer, Eric Russell reported an overview of the revenue year to date, operating expenses, income before depreciation, non-operating income/expenses, and statement of net position as of September 30, 2020.

Resolution No. 1163 (2020) – Bids and Contract Documents: Electronic Submission

Procurement and Contracts Manager Maija Lampinen reported last spring staff piloted an electronic procurement system named Bonfire and conducted eight solicitations under a pilot program to request bids for small works projects, large public works construction projects, as well as Requests for Proposals.

The Bonfire platform allows the Port to post and manage all aspects of solicitations, allows bidders to submit bids as well as provides a contract repository that allows staff access to contracts through this platform.

Staff have received positive feedback from contractors and consultants about the use of electronic means to submit bid and contract document indicating that the system saves them time, is easy to use and allows them to submit remotely, eliminating the need to drive through traffic to deliver bids and proposals. In addition, using an electronic procurement system has reduced the cost and complexity for staff to manage solicitations and contracts and provides greater visibility into the process.

The Port's current resolutions do not specially outline the means of submitting bid or contract documents (hard copy or electronic). To ensure that use of electronic submittal of all documents associated with bidding and contracting is expressly authorized by the Commission, Staff recommended that the Commission approve this resolution.

After discussion, Commissioner David Simpson moved that the Commission adopt Resolution No. 1163 (2020) authorizing electronic submittal of all documents associated with bidding and contracting. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Resolution No. 1164 (2020) – Petty Cash/Change Fund

Chief Financial Officer Eric Russell reported due to the implementation of the purchasing card system and not accepting cash at various locations, the Port no longer has a need for several Petty Cash/Change Funds established by Resolution 1100 (2018). The resolution presented today supersedes Resolution No. 1100 (2018) and establishes one change fund for use at the marina. Processes and procedures required to manage the change fund will be established by Port staff, under the annual Delegation of Authority.

Upon discussion, Commissioner Glen Bachman moved that the Commission adopt Resolution No. 1164 (2020) authorizing Petty Cash/Change Fund. Commissioner David Simpson seconded the motion. A vote was called for:

Vote:	3-0
Yes:	Bachman, Simpson, Stiger

No: None
Abstained: None

Motion carried.

MARITIME INDUSTRIAL EXPANSION

Maritime Industrial Expansion consists of Norton Terminal and Staff just received the 60% engineering designs a few days ago and have yet to receive the cost estimates. The staff need time to review the updated design documents and will prepare a presentation for January 2021.

Kimberly-Clark cleanup work is nearing completion. The Port team overseeing the cleanup has done an amazing job making sure that everything was done appropriately. That work is expected to conclude and be accepted per the purchase and sale agreement for the Kimberly-Clark property to the Port by December 31.

SEAPORT MODERNIZATION

CEO/Executive Director Lisa Lefebber stated this will be the last time this agenda item will be on a monthly basis before moving it to quarterly to address the Mill A cleanup, which is one of the last remaining projects under Seaport Modernization. As the environmental cleanup world does not move as fast as the construction project Lefebber wants to make sure the updates are meaningful. Regards to Seaport Modernization, the Port is concluding the final piece of the \$57 million Seaport Modernization project right now which is the mechanical upgrades to the new container cranes at South Terminal. The cranes are expected to be completed around December 25 and expect to have the first ship in port at the new revitalized south terminal in January 2021. Because of COVID-19, the Port will have a virtual ribbon cutting and expect to release that sometime later this month. Overall, it has been a very successful project and Lefebber knows it will bring meaningful economic development and recovery to the region in order to compete for more cargo and better handle the largest customer.

WATERFRONT PLACE CENTRAL

Parking Implementation

Chief of Business Development Terrie Battuello reported in 2018 Port staff initiated a process to develop a parking management program with a goal to assure that every visitor to Waterfront Place had a quality parking experience. So far, the Port has established a parking management plan that had to be reviewed and approved by the City of Everett.

The Port created an internal conveners' group that included procurement, finance, security, properties, etc. to scope out a plan and ended up having a one-day retreat to develop an overview of all the things the Port needed to do which resulted in an 18-page document. The Port then developed a first-year pilot program to flesh out issues which led to a one-year contract with Diamond Parking. During this process, the Port developed a Request for Proposal (RFP) and selected LAZ, the second largest parking management company in the country which has been working with the Port since last year. As part of that work, Laz have been working with the Port and Walker Parking to develop a parking master program, not to be confused with a parking management plan, which is more about the operations of the site. The Port continues to evaluate parking issues, develop an implementation plan and throughout this process, there has been an extended grace period with no one sent to collection, and there were many violations that were never paid. The Port used that opportunity to try to get a better understanding of the site and make corrections along the way.

Battuello gave an overview of parking status, parking design, improved use, maximized interim use efficiency, solved long term parking issues, changes in 2021, possible reactions, and parking types with descriptions. Battuello also thanked the parking support team, Ken Cole, Maija Lampinen, Jeff Lindhout, Donna Hospodar, Jim Weber, Cat Soper, Kyle Evans, Kate Anderson, Ashley Bisset, Bob Marian, Laura Gurley and James Gerry.

DEPARTMENT REPORTS

Properties

Rock Project Management Lease – Ratify Unit Change

Chief of Business Development Terrie Battuello reported that in November, the Commission approved a lease for Rock Project Management Services LLC, headquartered in Renton for 599.46 rentable square foot (RSF) in Suite 226. This suite is the only suite that has a second suite adjacent to it. The Port has asked another tenant to relocate to take both those suites and Rock Project has agreed to instead take Suite 210 just down the hall. The space is smaller but will be leased with the same terms previously approved; a one-year term, with no options, at \$21 per RSF per year. After consulting with the Port Attorney, Brad Cattle, it was recommended that the change be ratified by the Commission. The specific changes to the lease are limited to the location and number of square feet to be leased.

After discussion, Commissioner Glen Bachman moved that the Commission ratify minor changes to the Rock Project Management Lease first approved by the Commission on November 10, 2020 to reassign the tenant from 1728 W. Marine View Drive Suite 226 to Suite 210 in the same building and resulting in a reduction from the previously approved 599.46 RSF to 482 RSF to facilitate an additional tenant, as presented. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Projects

TC Systems MTCA Cleanup Site – Department of Ecology Agreed Order

Environmental Engineer Elise Gronewald reported Port Staff is seeking Commission authorization to enter into an Agreed Order Amendment for the TC Systems cleanup site (Site) with the Department of Ecology (Ecology). As part of the Port's acquisition of the former Norton Industries property, the Port assumed the environmental liability for the property and agreed to take over the cleanup responsibilities associated with the Site currently being conducted under an Ecology Agreed Order. As a result, the Port needs to enter into the Agreed Order through the amendment that was presented to the Commission. The Site boundary is located on only a portion of the former Norton property and is generally confined to the Harbor Marine leasehold.

As background, in August of 2012, Ecology, Norton Industries, Inc., and TC Systems, Inc. entered into an Agreed Order (AO) to clean up the Site. This AO requires the development of a Remedial Investigation and Feasibility Study (RI/FS) work plan, RI/FS Report, and a draft Cleanup Action Plan. When the Port purchased the property from Norton Industries, Inc. in late 2019, the draft RI/FS Report was still under development. Upon entering the AO, the Port will take over and complete the remaining work under the AO and future cleanup requirements of the site. As part of the purchase and sale agreement between the Port and Norton Industries, the Port conducted due diligence in investigating the environmental

conditions of the site. Based on the results of the due diligence and estimated environmental liability associated with the property, the purchase price was reduced by \$1,250,000. Of which, \$250,000 was earmarked for the completion of the TC Systems Cleanup Site Agreed Order.

Additionally, on August 10, 2020, pursuant to RCW 70A.305.040, RCW 70.A.305D.020(21), and WAC 173-340-500 Ecology issued a potentially liable party (PLP) status letter to the Port. This second amendment to the original AO for the Site will add the Port of Everett as a PLP.

The Port's legal team has thoroughly reviewed this amendment to the AO and recommends the Port move forward with signing and entering the AO with Ecology, Norton Industries, Inc., and TC Systems Inc. Please note, the Port will be the sole PLP responsible for conducting the required work with Ecology under the AO. As a result of the purchase and sale agreement with Norton Industries, TC Systems and Norton Industries will no longer be involved in the cleanup work.

Upon discussion, Commissioner David Simpson moved that the Commission authorize the Port to enter into the Agreed Order with the Department of Ecology, Norton Industries, Inc. and TC Systems, Inc for the TC Systems MTCA Site. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Ameron-Hulbert Site Cleanup – Authorization to Bid

Environmental Engineer Elise Gronewald reported Port Staff is seeking Commission authorization to conduct a public works bid for the Ameron/Hulbert Site Final Cleanup Action project. The Port is implementing the Final Cleanup Action for the North Marina Ameron/Hulbert Model Toxics Control Act (MTCA, WAC 173-340) site Ameron/Hulbert pursuant to Consent Decree No. 15 2 01720 7 between the Port and the Washington State Department of Ecology (Ecology). The Port settled with the other potentially liable parties in 2014, making the Port the sole responsible party for executing the remaining terms of the Consent Decree.

The scope of the project is critical to future commercial uses at the former Ameron property, as it will address the last remaining soil cleanup actions necessary for site repurposing and redevelopment. This project will include the removal and disposal of roughly 5,500 tons of contaminated soils, backfill and site restoration, including pavement. Once complete, the Port will conduct long term groundwater monitoring to ensure the cleanup is meeting required cleanup benchmarks.

The Port's share of the Final Cleanup Action costs are eligible for Ecology MTCA grant reimbursement at a rate of 50%. Ameron, Oldcastle and the Hulbert's settled with the Port in December 2014 for \$2.2 million for past and future cleanup costs.

The construction budget, including contingency, for 2021 is \$1,000,000. The Engineer's estimate is approximately \$905,000 including Washington State Sales Tax.

After discussion, Commissioner Glen Bachman moved that the Commission authorize Port Staff to solicit public works bids for the Ameron/Hulbert Site Final Cleanup Action project. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Commission President's Report

Commissioner Glen Bachman reported that he's been hearing from his neighbors nothing but high kudos about Holiday on the Bay, and the drive-in theater was a smash hit. On the economic front, on a 30-foot level, Bachman has been involved with more than three conferences and all three are consistent with a recovery plan that could take the Port to about 2023 where numbers will start to get back to how it was in 2019. There will be a consistent growth period for the next three years which growth is always good.

The Employee Recognition will be held next week, and Commissioner Bachman believes that every Port employee needs to be thanked and recognized this year.

On December 29, 2020, the newly relocated ferry terminal will open in Mukilteo.

Commission Discussion

Commissioner David Simpson wished both Commissioner Tom Stiger and Commissioner Glen Bachman a great holiday season and happy holidays to the Port Staff as well. 2020 was a rough year for everyone and he is looking forward to the recovery.

Commissioner Tom Stiger wanted to point out that at the Employee Recognition event, there will be three Port Staff members celebrating 40 years of service, Carolyn Diedrich in Finance Department and Chris Kadet and Jim Weber in Marina Operations.

Commissioner Stiger also mentioned, on a sad note, Port of Kalama Commissioner Alan Basso has passed away recently. He will certainly be missed.

Citizen Comments

Chip Burgess is the Regional Representative for Labors International Union of North America and is a resident of the Northwest Neighborhood in Everett. This region, obviously, depends heavily on the Port of Everett. With that said, the region and economic strength also depends on the trained workforce. He has reached out to a few Port staff members regarding apprenticeship language in future Port construction projects and he would appreciate the opportunity to sit down and have a more formal conversation regarding apprenticeship utilization. As the region grows, it is incredibly important for the next generation of trades people to be trained correctly and safely. It cannot be overstated how important the Port of Everett could be to this need. He thanked the Commission for their time and looks forward to a future conversation.

Regular Commission Meeting Minutes
December 8, 2020

Executive Session

Commission Vice President Tom Stiger recessed the meeting into Executive Session at 1:36 p.m. for approximately 50 minutes – to conclude by 2:30 p.m. The purpose of the Executive Session is to discuss with legal counsel negotiations for a possible purchase of real estate and negotiations for a possible sale of real estate, in both cases, public disclosure of the Port’s negotiating positions would disadvantage the Port. The Commission will also discuss a potential litigation matter with legal counsel.

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

THE REGULAR MEETING WAS ADJOURNED at 2:30 p.m.

APPROVED this 12th day of January, 2021.

EVERETT PORT COMMISSION

By: Tom Stiger
Tom Stiger, President

DocuSigned by:
By: David Simpson
David Simpson, Vice President

DocuSigned by:
By: Glen Bachman
Glen Bachman, Secretary

**ORIGINAL**

Port of Everett
Voucher Certification and Approval
for the month of
NOVEMBER
2020

AP Claims Transactions		Total
Claim Checks Issued	89661 - 89764	\$516,376.82
P-Card Transactions		59,329.45
ACH Transactions	#712 - 769	1,154,013.61
Total Claims Check Register		1,729,719.88
Electronic Claims Transactions:		
11/5, 11/9, 11/16, 11/19, 11/20, 11/27, 11/30	Electronic Transfer - Health Equity/Navia/Guardian/Accrue CMS	\$17,408.31
11/10, 11/13, 11/17, 11/27	Electronic Transfer - IRS	177,654.21
11/24	Electronic Transfer - WA St Dept of Rev	47,040.25
11/2, 11/13	Electronic Transfer - U.S. Bank	4,970.75
11/2	Electronic Transfer - U.S. Bank LOC Fees	1,218.49
11/27	Electronic Transfer - US Bank	4,124,950.64
11/30	Electronic Transfer - Paylocity	1,727.80
Total Electronic Claims		4,374,970.45
Total Claims		6,104,690.33
Payroll Transactions		
Payroll Checks Issued	Dir Deposit/Check	\$481,116.47
11/3, 11/10, 11/17, 11/24	PMA Payroll (Longshore Labor)	234,957.65
Total Payroll		716,074.12
Total Payments		6,820,764.45

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 8th day of December, 2020:

DocuSigned by:

President

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Vice President

DocuSigned by:

Secretary

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