

**Minutes of Everett Port Commission
Regular Meeting
April 5, 2022**

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

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

Commission President's Report

Commission President David Simpson reported he just got back from an eight day train trip and wanted to quarantine at home which is why he was attending the meeting via Zoom.

Commissioner Simpson reported yesterday, the City of Everett and Port of Everett community took part in the memorial service for Officer Dan Rocha of the Everett Police Department. His prayers go out to his family.

Commissioner Simpson also wanted to congratulate the Port of Everett Engineering team for receiving the Council of Engineering Companies 2022 Engineering Excellent Award for the Baywood Shoreline Restoration and Cleanup project.

Commissioner Simpson appointed Commissioner Glen Bachman as the commission representative for the 2021 financial audit by the State Auditors Office.

Commission Discussion

Commissioner Glen Bachman tagged on to what Commissioner Simpson said regarding the memorial of Officer Dan Rocha; it was a very moving memorial. Commissioner Bachman also added that Port staff have been invited to tour the AMTEC at Everett Community College.

Commissioner Tom Stiger added that along with the memorial of Officer Dan Rocha he would like to recognize the passing of Rolf Hansen, who was the Everett manager of Stevedoring Services of America.

Citizen Comments

There were no citizen comments.

CEO/EXECUTIVE DIRECTOR'S REPORT

State Legislative Update

CEO/Executive Director Lisa Lefebber reported that the State Legislative Session has concluded on time. It was an off-year budget session but due to the significant amount of federal money coming in, the session was a little bit more interesting than it normally is on an off-budget year. The Port worked with numerous deep water marine ports throughout the state to try to secure port funding. Due to how ports are organized within the State, the Port of Everett and seaports throughout Washington State have not received any federal stimulus funding to offset pandemic losses. The Port was successful in securing \$2

million for seaport improvements as part of the package. The Port requested \$5 million. The Port successfully secured a permit requirement fix that ensures Port environmental cleanup projects would receive state MTCA match dollars in a timely way to complete projects on time; a win secured on behalf of ports and other municipalities that rely on MTCA funding. A transportation project was surprisingly passed as well and that had significant investments for the Port community relating to freight, including the 529 Freight Interchange between Everett and Marysville, U.S. 2 trestle, 41st Street Freight Corridor and the 525 Mukilteo Bridge repair and enhancement project that will tie into the redevelopment of the Mukilteo waterfront. The Port is already gearing up for next years session which will be a budget year and likely to be even more revenue available.

Resolution No. 1192 (2022) – Honor Fallen Everett Police Officer Dan Rocha

CEO/Executive Director Lisa Lefeber had the opportunity to attend the service for Everett Police Officer Dan Rocha yesterday. Lefeber hopes the community never has to do that again. Commissioner David Simpson had asked Lefeber to prepare a Resolution for the Commissioners consideration in respect and honor of Officer Dan Rocha. Lefeber read the Resolution into the record.

Commissioner Tom Stiger moved that the Commission approve Resolution No. 1192 (2022), a Resolution to honor fallen Everett Police Officer Dan Rocha. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

CHIEF FINANCE OFFICER'S REPORT

Resolution No. 1191 (2022) – Revenue Notes

Chief Financial Officer Eric Russell reported as part of the development of Waterfront Place Central the Port is required to build public improvements, including the Milltown Loop Rd and replacement of parking displaced by the construction of the road. To finance the construction, the Snohomish County Treasurer has agreed to purchase notes issued by the Port in an amount not to exceed fifteen million dollars. The notes will be issued as needed, allowing the Port to avoid interest on borrowing until the funds are expended. The note rate will be set when issued at the five-year Treasury Note plus .75 basis points (bps). Interest is payable semi-annually and the notes will mature five years after issuance; however, the Port can elect to renew the note a maximum of three times, at the then current five-year Treasury Note rate plus .75 bps for an additional five years. After twenty years the notes must be redeemed. The Port can also elect to prepay the notes at an anniversary date. As part of the agreement the Port will deposit \$5 million in the Treasurers investment pool. These funds will earn interest for the Port and can be withdrawn from the pool on the tenth anniversary of the issuance of the first note.

Snohomish County Treasurer Brian Sullivan stated that he has worked with the Port since the early 90's, when he was the Mayor of Mukilteo. In the State Legislature, Sullivan was proud to vote for the Boeing barge terminal on the floor of the house, so he has a long-time working relationship with the Port. When Sullivan took the job as Treasurer, he has always been a strong believer in partnering and creating a synergy for the community. The Snohomish County Treasurer's office operates a \$1.2 billion investment fund and often buys municipal bonds from across the country. it is a great idea to invest locally, taking tax dollars and reinvesting those into local communities to create thousands of jobs and new housing. Sullivan looks forward to working with other local communities in Snohomish County in the future, to expand the

program and invest even more. Sullivan thanked the Commissioners for the opportunity to speak and looks forward to a long and fruitful partnership.

After discussion, Commissioner David Simpson moved that the Commission approve Resolution No. 1191 (2022), which, among other things, authorizes the issuance of the subordinate lien revenue notes to Snohomish County in the amount of \$15 million dollars. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

SEAPORT MODERNIZATION

Norton Terminal

CEO/Executive Director Lisa Lefebber gave a quick update on construction. There has been quite a bit of activity out there right now. The City of Everett is coming in with their utility project. Engineering and Planning team have been very diligent working to try and make sure the Port keeps on schedule, still anticipating opening the new Norton Terminal in November 2022. Project Manager Elise Gronewald has been out on the site every day checking to make sure construction has been going well. Grants Administrator Nancy Overton just submitted a modification to the Maritime Administration for additional work to take in additional grant money to be able to raise the depth of the asphalt in the original application. Some areas that were two inches of asphalt cap, will now have nine inches so that the Port can use the whole facility for cargo operations as opposed to a more limited footprint.

The Port continues to work on the adaptive reuse of the warehouse and working with KPFF and MG2 Architects on repurposing the building to accept a tenant.

It has been since 2018 since the Port has had a customer event so staff is looking at holding a customer event to coincide with the opening of the new Norton Terminal, timing to be determined.

MUKILTEO WATERFRONT DEVELOPMENT

Stakeholder Outreach

CEO/Executive Director Lisa Lefebber reported the Mukilteo waterfront outreach has kicked off. Commissioner Tom Stiger is the commission lead. There have been two meetings so far and have gone very well. Lefebber has provided updates to the Tulalip Tribal Board as well as the Mayor State of the City and Mukilteo City Council. Lefebber plans to go to the Mukilteo Chamber later this month. There may be some interest from the Mukilteo Historical Society as well. The next event is April 20 and at that point the group will bring together the draft vision and guiding principles that will be presented and provided for comment on at the public open house on May 5 at the Rosehill Community Center from 4:00 p.m. to 7:00 p.m. Lefebber does plan to be in front of the Mukilteo City Council on May 2, in advance of the open house. Every council member has been interviewed individually and so while there is a council representative at the outreach, every council member has had an opportunity for comment. The idea is after the group receives public feedback and comments on the vision and guiding principles, the group will meet once again to finalize the vision and guiding principals and vote on a recommendation. Then that recommendation would go to the Mukilteo Council and Everett Port Commission for consideration in June. As a reminder, the study area is from Lighthouse Park all the way to Edgewater Beach.

DEPARTMENT REPORTS

Marine Terminals

Facility Use and Volume Agreement – CEVA Logistics

Chief of Operations Carl Wollebek reported CEVA Logistics (CEVA) is a global logistics and supply chain company with corporate headquarters in Marseille, France. CEVA generates \$7 billion in annual revenues with 78,000 employees in eight hundred locations throughout the world. CEVA was awarded a logistics contract from General Motors (GM) to move cargo from South Korea to Lordstown, Ohio and Springhill, Tennessee in support of the Ultium project, converting GM factories to produce electric vehicles. The Port has had seven CEVA/GM vessels arrive since July of 2021 and have now agreed to formalize the relationship. The Facility Use and Volume Agreement (FUVA) commits CEVA to a minimum of eight vessels a year to the Port in 2022 and 2023. If there is a shortfall there are penalties. There is extension language in the FUVA should CEVA be awarded additional work from GM in support of the Ultium project. The Port, in return, guarantees secondary berthing rights at Pacific Terminal, subordinate to Boeing, and terminal space for one vessel worth of cargo. This agreement will generate a minimum of \$2.8 million in revenues to the Port.

Wollebek also recognized Nick Heckendorf, who attended the meeting. Hoekendorf is the newly elected Business Agent for Local 32. Wollebek thanked Local 32 members, other ILWU partners and Port staff for doing such a great job to want CEVA to partner with the Port.

CEO/Executive Director Lisa Lefeber thanked Wollebek and his team for all their hard work. As one of the Port's priorities has been to try and diversify the business and have additional contracts of reliable revenue going into the future, in addition to Boeing.

Upon discussion, Commissioner Tom Stiger moved that the Commission approve the Facility Use and Volume Agreement with CEVA Logistics and authorize the CEO/Executive Director to sign the Agreement in a form substantially as presented. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Projects

Boat Launch Maintenance Dredging: Contract Closeout

Director of Planning Laura Gurley reported in order to maintain navigable depths and function at the Jetty Landing, 10th Street, Boat Launch maintenance dredging is required. Bid solicitation for this work, was issued in September 2021 and include dredging of the connector channel if permits were received in time. The original contract amount of \$825,696 including Washington State Sales Tax was awarded to American Construction Co. and soon thereafter permits were received for the connector channel. The contractor mobilized in December 2021, construction started in January 2022, and was completed by February 15, 2022, on schedule and under budget. Total volume dredged was 33,255 Cubic Yards (CY): 27,636 CY at the boat launch and 5,619 CY emergency connector channel. The total final contract amount was \$666,380.59 including Washington State Sales Tax.

After discussion, Commissioner David Simpson moved that the Commission authorize the close out of the 10th St. Boat Launch Maintenance Dredging project, Schedule A and Schedule B with American

Construction Co., in a total final amount of \$666,380.59, including Washington State Sales Tax. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

South Marina Access Gate & ADA Upgrades: Job Order Approval

Marina Operations Director Jim Weber reported the dock access gates in the south marina are over thirty plus years old and consist of chain link gates with a traditional man-door. To improve access for those with disabilities and to create a more unified and welcoming appearance, the Port has planned to replace the existing steel and chain-link gates with aluminum-framed plate glass structures and doors. The new gates will allow the Port to install ADA door openers to improve accessibility. The project is also being timed to coincide with the access control improvements to minimize duplication of work. The Port is utilizing Job Order Contractor, Burton Construction Inc (BCI) for this project, therefore no competition is necessary. Since the Job Order exceeds the Executive Director's signature authority, staff is bringing it to the commission for approval.

Upon discussion, Commissioner David Simpson moved that the Commission approve Job Order MR-SM-2021-05 South Marina Access Gate and ADA Upgrades with Burton Construction Inc. in the amount of \$381,911.11 including Washington State Sales Tax and authorize the CEO/Executive Director to sign the Job Order in a form substantially as presented. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

Executive Session

Commission Vice President Glen Bachman recessed the meeting into Executive Session at 1:05 p.m. for approximately 40 minutes – to conclude by 1:45 p.m. The purpose of the Executive Session was to discuss with legal counsel representing the Port matters relating to potential litigation to which the agency, the governing body, or member acting in an official capacity is or is likely to become a party.

At 1:45 p.m. in open session, Port legal counsel Jordan Stephens announced that the Executive Session would be extended an additional 15 minutes – to conclude by 2:00 p.m.

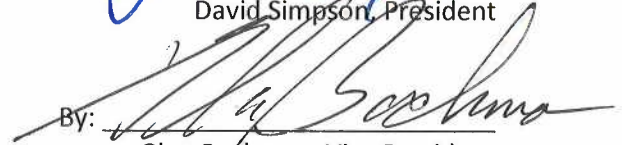
At the conclusion of the Executive Session, there was no action taken by the Commission and there were no announcements. The Regular Commission adjourned at the conclusion of the Executive Session.

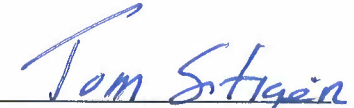
THE REGULAR MEETING WAS ADJOURNED at 2:00 p.m.

APPROVED this 10th day of May, 2022.

EVERETT PORT COMMISSION

By: 
David Simpson, President

By: 
Glen Bachman, Vice President

By: 
Tom Stiger, Secretary