

**Minutes of Everett Port Commission
Regular Meeting
July 12, 2022**

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

ZOOM: Jordan Stephens Port Attorney

CALL TO ORDER: Commission President David Simpson called the meeting to order at 12:00 p.m.

CONSENT AGENDA

- Approval of Regular Meeting Minutes of June 7, 2022; Regular Meeting Minutes of June 14, 2022; and Special Meeting Minutes of June 24, 2022
- Approval of Bills for June 2022

Commissioner Tom Stiger moved that the Commission approve the items on the consent agenda for July 12, 2022 including the Regular Meeting Minutes of June 7, 2022; Regular Meeting Minutes of June 14, 2022; and Special Meeting Minutes of June 24, 2022 and Approval of the Bills for June 2022. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Commission President's Report

Commission President David Simpson attended the Pacific Northwest Waterways Association conference in June and also attended the groundbreaking on July 7 for two new tenants to the Port, Sound2Summit Brewery and Woods Coffee. Commissioner Simpson is excited to see them both become part of the Port community and notes they will add to the Port's economic development and jobs.

Commission Discussion

Commissioner Glen Bachman attended a Zoom tutorial presentation by OceanGate, on July 9 on their exploration of the Titanic. It is a two-part series.

Citizen Comments

There were no citizen comments.

CEO/EXECUTIVE DIRECTOR'S REPORT

CEO/Executive Director Lisa Lefebber recognized the passing of a long-time marina tenant, Ed Rubatino, who has been a tremendous presence at the marina for many years as well as a good partner on other ventures with the Port. Lefebber also recognized the passing of John Chatterton, who served as a security officer at the Port of Everett for many years.

For the Commissioners information, today there is a minus four tide and silting. The Port does have impacts at the marina due to the difficulty with permitting dredging. Marina staff has been wonderful in relocating the affected boaters during the low tides. There have been a disproportionate number of extreme minus tides this year. Next year is not expected to be as bad. However, because of on-going issues on with National Marine Fisheries Services (NMFS) and their decision to not issue maintenance permits, the Port is not able to dredge and likely will not be able to dredge next year either. NMFS just issued their plan on how they are going to handle issuance of maintenance permits but, unfortunately, the Port is 100 plus deep in the queue because NMFS have not issued a maintenance permit in over two years. The Port is doing everything to try to facilitate the permits and staff is monitoring any economic impacts that happen. The Engineering and Planning team is looking at many different opportunities, including acquiring a dredge that is capable of working in the marina so that when the Port does need to do programmatic maintenance the Port does not have to pay big mobilization charges. There are a lot of discussions going on around marina dredging due to the way the river is silting in and the lack of federal investment in the Snohomish River Navigation Channel. The Port is aware of the issue and doing everything possible but there is only so much staff can do without permits.

Lefebber reported all the summer events are kicking off; Sail-in Cinema starts Friday, Jetty Island Days started last week, a groundbreaking event for Port Gardner Landing building was held last week, and EASC Port Report is tomorrow.

Last week, on July 5, the Mukilteo City Council did approve the guiding principles and vision statement for redevelopment of the Mukilteo waterfront, removing some of the caveats that they imposed previously, which will allow the Port to move forward with some flexibility. The next step is going to be a joint meeting between the Port Commission and the Mukilteo City Council to talk about how a waterfront plan gets pulled together and implemented. This joint meeting will likely occur during the August/September timeframe. After that meeting, and assuming everyone is comfortable with the process, the Port would need to memorialize and adopt a memorandum of understanding on how the Port and the Mukilteo City Council would implement and partner in the future.

Lefebber mentioned Eric Russell is being moved into a Chief of Project Delivery role and the Port will be hiring for a new Chief Financial Officer.

Lefebber reminded the commission there is only one meeting in August scheduled on the 9th, but with leasing activities, staff may ask for a special meeting.

It is also the Port of Everett's 104th birthday tomorrow.

CHIEF FINANCIAL OFFICER

Ratify Property Insurance Binding Coverage

Chief Financial Officer Eric Russell reported last month the Port received the quote on the property insurance renewal for July 1, 2022 to July 1, 2023. As previously mentioned, the increase is slightly under 23 percent for a total premium slightly under \$1.58 million, up from \$1.3 million for the previous policy year. While the Port had asked for a reduction in the deductible, the insurance companies declined. Approximately half of the increase is related to increased values and rising construction costs, while the other half of the increase is due to general insurance market conditions and consideration of the Port's loss experience.

Alliant again considered moving the coverage to a different primary carrier. The alternate carrier did not offer the breath of coverage the Port currently purchases. However, before Alliant received a quote from the alternate carrier, they withdrew from consideration.

The Port is still looking at other options for insurance going forward and comparing the risks related to switching versus continuing with Alliant. The Port has bound the coverage per the CEO/Executive Director delegation of authority and has requested the commissioners to ratify that action.

After discussion, Commissioner Glen Bachman moved that the Commission ratify the Property Insurance Binding Coverage for the period July 1, 2022 to July 1, 2023. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

DEPARTMENT REPORTS

Properties

Riptide Marine – AM-4 New Lease

Real Estate Manager Tara Hays reported Riptide Marine is a marine repair business registered with the state since 2010. They are a current mobile operator registered with the Port and has requested workshop and storage space consisting of 3,360 square feet on a 12-month term within building AM-4. This represents approximately six percent of the building.

Rent for the premises is starting at \$7.20 per square foot per year. They will pay their proportional share of operational costs and utilities, plus Washington State Leasehold Excise Tax. The Port will receive gross revenue of \$24,192.00 over the term of the lease. There is a listing commission owed to Broderick Group of \$3,528.00 and the Port will repair the entrance door at a cost not to exceed \$1,008.00 (\$0.30 per square foot). The initial leasing costs will take 2.25 months to recover. The tenant has submitted a security deposit in the amount of \$2,352.00 and there is also a personal guarantee from the owner.

Upon discussion, Commissioner Tom Stiger moved that the Commission approve and authorize the CEO/Executive Director to sign the Commercial Lease agreement with Riptide Marine LLC, in a form substantially as presented. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Projects

Marina Fuel Tanks Relocation Contract Award

Project Manager Brandon Whitaker reported that, in preparation for future development, the Port needs to relocate the gas and diesel fuel tanks which service the fuel dock. This project will install two new 30,000-gallon tanks in the marina parking lot and demolish two existing fuel tanks and. The Port has

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received funding from a Department of Defense (DOD) Office of Local Defense Community Cooperation (OLDCC).

On July 7, the Port received bids from four contractors. Glacier Environmental Services, located in Mukilteo, was the lowest responsive, responsible bidder with a bid of \$1,958,142.15, including Washington State Sales Tax. The bid is slightly over budget however staff will transfer funds within the overall Port CIP Budget, as well as other line items within the project, to cover the overage.

After discussion, Commissioner Glen Bachman moved that the Commission award the Marina Fuel Tank Replacement Contract to Glacier Environmental Services in the amount of \$1,958,142.15, including Washington State Sales Tax, and authorize the CEO/Executive Director to execute the contract. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Executive Session

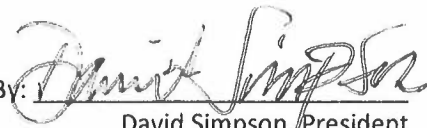
Commission President David Simpson recessed the meeting into Executive Session at 12:55 p.m. for approximately 1 hour and five minutes – to conclude by 2:00 p.m. The purpose of the Executive Session was to 1) discuss with legal counsel representing the agency pending litigation to which the agency is or is likely to become a party; and 2) consider the minimum price at which real estate will be offered for sale or lease, as public knowledge would cause a likelihood of decreased price.

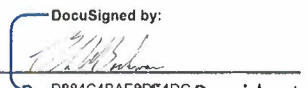
At the conclusion of the Executive Session, there was no action taken by the Commission and there were no announcements. The Regular Commission adjourned at the conclusion of the Executive Session.

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

APPROVED this 9th day of August, 2022.

EVERETT PORT COMMISSION

By: 
David Simpson, President

By: 
Glen Bachman, Vice President

By: 
Tom Stiger, Secretary



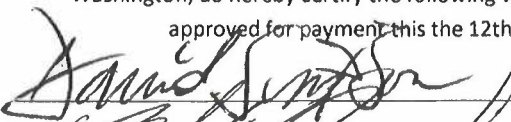

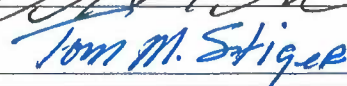
Port of Everett
Voucher Certification and Approval
for the month of
JUNE
2022

AP Claims Transactions		Total
Claim Checks Issued	91466 - 91557	\$1,752,523.44
P-Card Transactions		86,004.04
ACH Transactions	#2109 - 2200	7,977,029.42
Total Claims Check Register		9,815,556.90
Electronic Claims Transactions:		
6/2, 6/3, 6/8, 6/15, 6/16, 6/17, 6/21, 6/30	Electronic Transfer - Health Equity/Navia/Guardian/Accrue CMS	\$24,771.38
6/14, 6/29	Electronic Transfer - IRS	243,688.68
6/27	Electronic Transfer - WA St Dept of Rev	90,643.20
6/1, 6/2, 6/3, 6/7, 6/14	Electronic Transfer - U.S. Bank	11,174.03
6/1	Electronic Transfer - U.S. Bank LOC Fees	1,291.67
6/30	Electronic Transfer - Paylocity	2,323.71
Total Electronic Claims		373,892.67
Total Claims		10,189,449.57
Payroll Transactions		
Payroll Checks Issued	Dir Deposit/Check	\$626,651.93
6/1, 6/7, 6/14, 6/22, 6/28	PMA Payroll (Longshore Labor)	498,359.07
Total Payroll		1,125,011.00
Total Payments		11,314,460.57

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 July, 2022: See Attached

 President
 Vice President
 Secretary