

**Minutes of Everett Port Commission
Regular Meeting
October 4, 2022**

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

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

Commission President's Report

There was no Commission President Report.

Commission Discussion

Commissioner Glen Bachman mentioned last meeting he attended an innovation conference in Semiahmoo and had a meeting with British Columbia Trade Minister Robbie Collin who has since sent the Port his appreciation for the meeting and looking forward to doing a collaboration or partnership with the Port of Everett.

Citizen Comments

There were no citizen comments.

CEO/EXECUTIVE DIRECTOR'S REPORT

Exploring Boundary Expansion Update

CEO/Executive Director Lisa Lefebber reported the Commission had asked Staff to look at how the district boundaries were determined in 1918 and to identify an outreach plan to communities outside the port district and find out what projects the Port may be able to help with and provide a benefit to those communities. As mentioned before, the Port of Everett is the largest port in the state that is not county wide and there is limitation from an economic development standpoint due to the special tools the Port has available that are not available to cities.

Staff is moving forward with outreach to the county and the cities that are outside the Port district, as well as the cities that are inside the district. The outreach could take most of 2023. Depending on the results of the outreach Staff will be making a recommendation on a boundary expansion to go to a vote of the people.

Commissioner Tom Stiger mentioned it may be brought up in the next legislature session. Lefebber will make sure the boundary expansion is included in Port discussions.

The boundary expansion project will be included in the next Commission Retreat in 2023.

December Meetings

CEO/Executive Director Lisa Lefebber stated there will be only one commission meeting in December, on Tuesday, December 13, with the caveat that if and when the LPC West lease negotiations conclude there may be a Special Meeting.

United Way Campaign

CEO/Executive Director Lisa Lefebber reported that Staff will be kicking off the United Way Fundraiser on Monday, October 31 with a chili feed and do a progressive campaign ending with the pie auction on Tuesday, November 22.

CHIEF FINANCE OFFICER'S REPORT

Preliminary Operating Budget

Chief Financial Officer Eric Russell presented an update on the 2023 operating budget. Russell has consolidated all department budgets that were submitted and started reviewing them. The annual revenue that is budgeted at this point is \$41.6 million and is subject to change, along with the rest of the numbers. \$41.6 million is a little bit less than 2021 and considerably less than 2022. The main driver for revenue is Marine Terminals and a slight slowdown due to supply chain issues is expected. A continued driver is wage and benefit growth, as well as insurance premiums. Russell went over the next steps through November 8.

Bind Coverage for the Port's Liability Program

Chief Financial Officer Eric Russell reported the Port's Liability Insurance Policy renewal is October 1 of each year. The next years premium is received the week prior to the renewal period and traditionally staff has bound the coverage and presented to the Commission for ratification at the first meeting in October.

The Liability program includes coverage for autos, vessels, public officials, and overall liability. The renewal premium for the 2022-2023 coverage is quoted at \$274,067, a 20 percent increase from the previous year. This was less than the amount discussed at the last commission meeting, as the broker was successful in reducing the liability premium. The primary driver of the increase from the 2021-2022 premium was increased risk assumption by the carriers due to increased Port revenue. There has been no change in coverage.

After discussion, Commissioner Tom Stiger moved that the Commission ratify the CEO's binding of the Port's Liability Insurance Policy Renewal for the period of October 1, 2022 to October 1, 2023. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

MUKILTEO WATERFRONT DEVELOPMENT

Mukilteo Landing Closing

CEO/Executive Director Lisa Lefebber reported the Port has closed on the less than one acre parcel across from Ivar's for the Mukilteo Landing. As part of an Amendment to the Purchase and Sale Agreement, the Port does not start paying interest until January 2023 due to the permitting issues. The hope is that the

Port has the permits in place soon so the lot can open to the public and be able to serve the parking needs on the waterfront.

Parklet Update

CEO/Executive Director Lisa Lefeber reported there was another accident, with someone driving into the barriers. Staff are working with the City and WSDOT on options. The parklet is almost done and all final pieces are going in. Lefeber thinks that intersection and how that area flows will be addressed as part of the 525 bridge redesign project. Lefeber had an opportunity to meet with the Project Manager (PM) of the 525 Bridge last week and expressed some of the Port's concerns about how the bridge is replaced, goals with respect to the ferry terminal, and ingress and egress to the site.

NOAA Update

CEO/Executive Director Lisa Lefeber reported that NOAA has mobilized, and they are working on clearing the site and completing the required Department of Ecology cleanup from the diesel spill as a requirement of the transfer. No time frame on a transfer but Staff continues to try to get some clarity.

Japanese Gulch

CEO/Executive Director Lisa Lefeber reported about four years ago, the Port Commission authorized \$200,000 to the City of Mukilteo, \$100,000 of which went to the design of Japanese Gulch daylighting and the other \$100,000 was used as matching grant funds to the State to be able to actually permit the Japanese Gulch. The Port's contribution to that money several years ago is being used and last night the City of Mukilteo Council accepted the awards of the State funds to be able to start the permitting process with the Port's financial contribution.

Budget

CEO/Executive Director Lisa Lefeber reported the Port has money programmed as of now for waterfront planning but a lot still needs be determined on how the Port moves the waterfront development project forward.

City of Mukilteo Councilmember Tom Jordahl attended the commission meeting and was involved with the waterfront visioning process which started last spring. Councilmember Jordahl thanked the Port of Everett for helping lead the waterfront development effort so far, bringing NBBJ in and for Lefeber's leadership as well. Overall the community is excited to bring some new progress to the waterfront.

Commissioner Tom Stiger thanked the City of Mukilteo Mayor and Council for working with Lefeber and Port staff to move this project along and appreciate Councilmember Jordahl's attendance to the meeting today. Both Commissioner Glen Bachman and Commissioner David Simpson thanked Councilmember Jordahl as well.

DEPARTMENT REPORTS

Projects

60 Percent Fuel Dock Update & Other Marina Projects

Chief of Engineering and Planning John Klekotka updated the Commission on the fuel dock and other marina projects. Klekotka went over the fuel dock project elements, stated the design was 60 percent complete as of early September. The current budget is \$9.24M (total program budget) with a grant of \$4.05M from OLDCC.

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Klekotka also updated the Commission on marina access controls, Marina Maintenance shop, South Marina gate reconstruction, and Marina Village water line replacement.

Executive Session

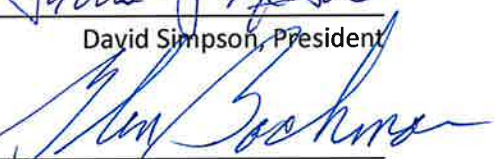
No Executive Session was held.

THE REGULAR MEETING WAS ADJOURNED at 1:28 p.m.

APPROVED this 8th day of November, 2022.

EVERETT PORT COMMISSION

By: 
David Simpson, President

By: 
Glen Bachman, Vice President

By: 
Tom Stiger, Secretary