

**Minutes of Everett Port Commission
Special Meeting
September 20, 2022**

PRESENT:	David Simpson	President
	Glen Bachman	Vice President
	Tom Stiger	Secretary
	Lisa Lefeber	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 August 9, 2022
- Approval of Bills for August 2022
- Lazy Boy Brewing, LLC Lease

Commissioner Tom Stiger moved that the Commission approve the items on the consent agenda for September 20, 2022 including the Approval of Regular Meeting Minutes of August 9, 2022; Approval of Bills for August 2022; as well as Lazy Boy Brewing, LLC Lease. 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

Commissioner President David Simpson attended the Salmon for Soldiers fishing derby to honor all veterans last Saturday. It was a very good event.

Commission Discussion

Commissioner Glen Bachman attended the Salmon for Soldiers fishing derby as well and was able to participate. Commissioner Bachman always thought the derby attendants were catching fish and then handing them out to veterans but that was not the case. There were 300 veterans invited from all over and 99 volunteer boat owners who volunteered their boats, fuel, bate, fishing poles, etc. to race out to the gauntlet where the salmon would be running through towards rivers in Seattle and Tacoma. It was unbelievable to see all the sharing and selflessness on the part of the volunteers to get up super early and clean up at the end of the day.

Commissioner Bachman also attended the Cascadia Innovation Corridor (CIC) at Semiahmoo Resort in Blaine, Washington. The membership involves Oregon, Washington, and British Columbia but a few California people participated in some of the sessions. The Mayor of Mount Vernon, WA was there, and the city is developing and constructing the largest electronic vehicle (EV) charging station in the United States. One of the speakers at the conference was Bill Gates, interesting speaker.

Commissioner Tom Stiger attended the Mukilteo Lighthouse Festival last weekend which the Port was a sponsor.

Citizen Comments

There were no citizen comments.

CEO/EXECUTIVE DIRECTOR'S REPORT

Mill A Extended Grant Agreement

CEO/Executive Director Lisa Lefeber reported that this is a really exciting time for the Mill A project. Commissioners may have recalled lots of advocacy in Olympia over the years and still ongoing to ensure that the Port gets an Ecology grant through MTCA. Last year, the Port was successful in receiving a provision in legislation that required the Department of Ecology to get the Port an extended grant agreement for the Mill A project by the end of the year.

Director of Environmental Programs Erik Gerking added the extended grant agreement is really critical for the Mill A project because this project will likely occur over multiple bienniums and the Port needs to preserve the grant dollars as the construction gets closer, which is a few years out. This is an umbrella agreement between the Port of Everett and Ecology and specific remedial action grant agreements will be signed each year. It is a document that guides the overall grant strategy for the Mill A project. According to the RCW, the extended grant agreement has specific benefits to it including placing the biannual remedial action grant request at the highest priority, above any of the other grants requested from Ecology. As a result, the Port has the signed extended grant agreement and the request for Mill A is now number one on Ecology's list as it is going to the legislature. It keeps the Port at a high priority as bienniums are funded to support the project. Other criteria include the duration of the agreement at ten years and the Port can only have one project under an extended grant agreements. The state share is set at a maximum of 50 percent. One of the more important factors to this extended grant agreement is that it sets up a communication program between the Port and Ecology with quarterly meetings and updates to each entity in order to keep the grant agreement up to date. It is a flexible agreement and can be amended as information changes. Its terms of the size of the agreement, the Port provided a long range cost estimate to Ecology early this year that is currently reflected in the agreement of \$159 million for the ten year program. The Port will be asking for \$35 million for the first biennium, 2023-2025. That amount was discussed with Ecology and given to the Port which is the maximum about they can give for this current biennium. There is no other competition for the next biennium so good timing to get this done now.

Resolution No. 1195 (2022) – United Way Campaign 2022

CEO/Executive Director Lisa Lefeber presented Resolution No. 1195 (2022) requesting the Commission's endorsement of the Port's 2022 United Way campaign and funding for campaign incidentals in the amount of \$500.

After discussion, Commissioner Glen Bachman moved that the Commission adopt Resolution No. 1195 (2022) approving the Port of Everett 2022 United Way Campaign and Port funding in the amount of \$500. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

Breakbulk

CEO/Executive Director Lisa Lefeber reported Breakbulk Americas convention is back and a large portion of the Seaport Operations team will be in Houston, Texas next week for the conference to promote the Port of Everett facilities.

AAPA Awards

CEO/Executive Director Lisa Lefeber reported that last week the Port team was notified that the Port of Everett received the Lighthouse Facilities Engineering Award for the South Terminal Modernization project from the American Association of Port Authorities (AAPA) which is a project that the Port has been working on since 2003. The Port of Everett also received the Lighthouse Communications Award of Excellence for the Pacific Ice Special Event. The Commission will be receiving these awards at next month's AAPA Annual Convention in Florida.

CHIEF FINANCE OFFICER'S REPORT

2023 Preliminary CIP Requests

Chief Financial Officer Eric Russell updated the Commission on the 2023 budget. Russell went over the commission schedule, 2023-2027 CIP calendar, new CIPs which included new facilities at the Terminals based on future customer demand; upgrade facilities due to level of activity at the terminal; begin planning for alternative fuel fleet vehicles; and continue to plan on other projects. The 2023 ongoing projects included Mill A cleanup; Millwright Loop utilities and roadway; Destination Retail program; Marina fuel tank relocation; Marine maintenance shop relocation; and Blue Heron Slough wrap up. Russell also went over the next steps for the next couple months.

Liability Insurance Renewal

Chief Financial Officer Eric Russell reported he had a discussion with the broker on the liability insurance policy renewals yesterday. The Port is looking at a 24 percent increase in premiums, same coverage, and same deductible. Liability insurance premiums are very much driven by revenue. The Port's revenue went up 52 percent from the year before and that was the cause of the increased premium. The broker said if the revenue would not have increased and remained flat to the previous year, the Port would have seen a decrease in premiums of about 5 percent. There is still some negotiation going on, so while the price won't go up it may come down a little bit, but staff does expect to bind the coverage next week. Russell will come back the first meeting in October asking the Commission to ratify the coverage. The premium is about \$280,000.

Line of Credit

Chief Financial Officer Eric Russell reported the line of credit with U.S. Bank is up for renewal next month. Russell has talked to the bank a couple times in the last week. The Port is expecting to renew the line of credit for one year for \$10 million again and would keep the same index that the Port set last year. The spread is increasing a little bit on the tax exempt and taxable side. Russell will be back next month asking for Commission approval for the line of credit.

COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS UPDATE

Resolution No. 1194 (2022) - Mukilteo Landing Property

Associate Port Planner Garrett Jensen reported that under Washington state law RCW 53.20, port districts are required to implement and update a Comprehensive Scheme of Harbor Improvements (Comp Scheme). The Comp Scheme represents a Commission adopted document that brings together the following actions: Acquisition of property; Surplus of property; Adoption of plans and programs.

Special Commission Meeting Minutes
September 20, 2022

Actions that fit into these categories are added to the Comp Scheme through formal resolutions adopted by the Port Commission. These actions make the Comp Scheme a constantly evolving and living document that catalogs the Port's growth over the years and the directions it is pursuing. Changes to the Comp Scheme require a public hearing, allowing the community to provide input to the Commission on the changes.

On August 9, 2022, the Port Commission authorized the terms of the Purchase and Sale Agreement with Mukilteo Landing, LLC for purchase of a 0.89-acre parcel property at 707 Front Street, Mukilteo, Washington. Resolution No. 1194 (2022), formally brings the Mukilteo Landing property into the Comp Scheme.

OPEN PUBLIC HEARING

Commission President David Simpson opened the public hearing for the Amendment to the Comprehensive Scheme of Harbor Improvements at 12:46 p.m. The public hearing was for public comments on Resolution No. 1194 (2022) incorporating the Mukilteo Landing property.

There were no public comments on the Resolution. Commission President David Simpson closed the public hearing at 12:47 p.m.

After receiving and considering public comment and closing of the public hearing, Commissioner Glen Bachman moved that the Commission adopt Resolution No. 1194 (2022), incorporating the Mukilteo Landing property into the Port's Comprehensive Scheme of Harbor Improvements. Commissioner Tom Stiger second the motion. A vote was called for:

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

Motion carried.

Executive Session

No Executive Session was held.

THE SPECIAL MEETING WAS ADJOURNED at 12:51 p.m.

APPROVED this 11th day of October, 2022.

EVERETT PORT COMMISSION

By: 
David Simpson, President

By: 
Glen Bachman, Vice President

By: 
Tom Stiger, Secretary



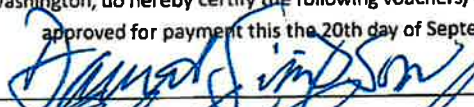


Port of Everett
Voucher Certification and Approval
for the month of
AUGUST
2022

AP Claims Transactions		Total
Claim Checks Issued	91654 - 91778	\$2,218,230.09
P-Card Transactions		97,245.51
ACH Transactions	#2270 - 2364	5,627,196.52
Total Claims Check Register		7,942,672.12
Electronic Claims Transactions:		
8/1, 8/3, 8/5, 8/8, 8/11, 8/15, 8/17, 8/19, 8/25, 8/31	Electronic Transfer - Health Equity/Navia/Guardian/Accrue CMS	\$18,568.96
8/12, 8/30	Electronic Transfer - IRS	260,463.71
8/25	Electronic Transfer - WA St Dept of Rev	93,734.98
8/1, 8/2, 8/3, 8/5, 8/12	Electronic Transfer - U.S. Bank	13,756.01
8/1	Electronic Transfer - U.S. Bank LOC Fees	3,201.39
8/4	Electronic Transfer - Westwood Investors	1,000,000.00
8/11	Electronic Transfer - Chicago Title	100,000.00
8/19	Electronic Transfer - Anderson Hunter	56,000.00
8/31	Electronic Transfer - Paylocity	2,418.86
Total Electronic Claims		1,548,143.91
Total Claims		9,490,816.03
Payroll Transactions		
Payroll Checks Issued	Dir Deposit/Check	\$671,128.24
8/2, 8/9, 8/16, 8/23, 8/30	PMA Payroll (Longshore Labor)	581,398.42
Total Payroll		1,252,526.66
Total Payments		10,743,342.69

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 20th day of September, 2022: See Attached

 President
 Vice President
 Secretary