

**Minutes of Everett Port Commission
Regular Meeting
February 14, 2023**

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

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

CONSENT AGENDA

- Approval of Special Meeting Minutes of January 4, 2023; and Regular Meeting Minutes of January 10, 2023
- Approval of Bills for January 2023

Secretary David Simpson moved that the Commission approve the items of the Consent Agenda for February 14, 2023, including the Special Meeting Minutes of January 4, 2023, Regular Meeting Minutes of January 10, 2023, as well as the Approval of Bills for January 2023. Vice President Tom Stiger seconded the motion. A vote was called for:

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

Commission President's Report

There was no Commission President's report.

Commission Discussion

Commissioner Stiger reported that he's been enjoying the Seattle Boat Show which has been very well attended. He noted there was a lot of interest in the Port's booth about amenities and future plans.

Commissioner Simpson wished both Commissioner Stiger and Executive Assistant Dalton Cook a happy birthday. He also announced that it was Black History Month and provided an interesting story about a slave who took over a southern ship and steered the ship past Confederate defense and surrendered it to Union Navy forces on May 13, 1862 during the Civil War.

Citizen Comments

There were no citizen comments.

CEO/EXECUTIVE DIRECTOR'S REPORT

CEO/Executive Director Lisa Lefeber wished various Staff members a happy birthday and a happy Valentine's Day. She also announced that Susan Brokaw will be assisting the Port when Emily Monts goes on maternity leave.

Lefebber announced that the Commission Retreat is scheduled for March 7 & 8, 2023 and a robust agenda has been developed. She thanked Staff for their efforts in planning and preparing for these meetings.

The Port's Snohomish River dredging is now complete. More material was removed than anticipated which is positive given the sediment flow that occurs on the river.

The Port is in the middle of the Legislative Session and both she and Adam LeMieux have been to Olympia several times advocating for the Port's priorities, as well as to protect items approved in previous years. On the Federal level both she and Commissioner Simpson will be traveling to Washington D.C. for AAPA in March, and Adam LeMieux will be attending Pacific Northwest Waterways, so Staff will get the Federal Priorities in front of the Commission prior to those events.

For the first time, the Port of Everett will be hosting one of the Port's association conferences - the PNWA Summer Conference - in June at Hotel Indigo. This is possible due to the Port's development activities and expansion, and will allow the Port to showcase some of the work that has been done on the International Trade side and the Waterfront Place/ Marina side as well.

Lefebber said that she has been working with the Port's Chief of Engineering & Planning John Klekotka to restructure the Engineering Department to better utilize, benefit and provide career growth for the highly skilled individuals within that group. Erik Gerking will be heading the Planning, Environmental and Permitting teams to develop a more strategic and dedicated focus on getting projects ready for construction. This opportunity arose due to Steve Hager's retirement and Brandon Whitaker's flexibility to support both the Environmental/Planning/Permitting side and Capital side with his project management skills. Also the Port will be looking to hire a junior engineer who will report to Elise Gronewald.

Executive Director Lefebber further announced that Liz Olson, the Port's Human Resource Manager, has announced her retirement, planned for June 2023. A job announcement has been posted.

Seattle Boat Show

Chief of Marina Operations Jeff Lindhout reported that the Port recently participated in the Seattle Boat Show and the Port's new booth was well received. Lindhout said the show had about 300 exhibitors and 100 seminars and the event was well attended. Some of the other Marinas that participated included the Port of Bremerton, Port of Seattle, Port of Anacortes and the Port of LaConner.

Multiple Staff members attended the boat show, both from the Marina and Administration, which provided a good synergy in terms of responding to development questions and marina questions.

Some of the feedback received included kudos on the progress of the Port's development efforts, lots of positive comments about the Marina and the high level of customer service that the Marina Staff offered, and lots of positive comments on the Port's Waterfront Summer events program. There were a few questions about parking, dredging, some questions on the conversion of Guest Dock 6, a few questions about the fuel dock project status and then questions about the status of the old Everett Yacht Club building.

Lindhout said that overall, it was a very positive boat show experience and thanked Staff for their efforts in supporting the event.

WATERFRONT PLACE

A6/A12 Building Design Contract Authorization

Project Manager Joe Eagle reported that the Port has executed lease agreements with tenants for the A6 and A12 buildings . As part of the Development Agreement with the Schuster Group, the Port will contract for the design of these buildings and share the cost of design with The Schuster Group. The Schuster Group intends to execute their lease options for construction on parcels A6 and A12 later in the year, at which time Schuster will reimburse the Port for design service expenses incurred. The Schuster Group will then construct the buildings at their expense.

The Professional Services Agreement with BCRA will provide Architectural, Civil Engineering and Landscape Services from Schematic Design through Permitting. Final construction documents, bidding support and construction administration are excluded. Mechanical, Electrical and Structural Engineering support services will be contracted through BCRA as sub-tier consultants. BCRA was chosen by The Schuster Group, with Port concurrence, to design the project.

The Port's policy is to request qualifications from three firms if the contract is expected to be over \$350,000. BCRA's Statement of Qualifications show that they are very qualified to complete the work. Since the Port will be entering into the design agreement, the Port will need to exempt this contract from the Port's formal Request for Qualifications process, which requires competition over \$350,000.

In response to a question from Commissioner Stiger, Port Legal Counsel Jordan Stephens said she supported this exemption from the Port's formal qualifications process.

After further discussion, Vice President Tom Stiger moved that the Commission exempt the A6/A12 Professional Services Contract from competition and authorize the CEO/Executive Director to execute a contract with BCRA for A6/A12 Architectural and Engineering Services in an amount not to exceed \$1,500,000. Secretary David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Fisherman's Harbor Fire Damage Repairs – Contract Award

Project Manager Brandon Whitaker reported that during the summer of 2020, the south apartment building in Fisherman's Harbor located on private property at 1400 West Marine View Drive, caught fire and the entire structure was destroyed. While the fire caused property loss for the developer, the event also impacted the Port's public infrastructure around the apartment parcel.

The proposed construction project will address the following repairs, but is not limited to:

- Removal of existing street light fixtures and installation of new fixtures
- Landscaping – mulch, shrubs, plants, and trees along Seiner Drive, 14th Street, and West Marine View Drive
- Replacement of irrigation lines and spray heads, as necessary
- Demolition and replacement of concrete sidewalks on Seiner Drive

In addition, the project will add new underground electrical wiring for Seiner Drive streetlights and bollard lights.

Public Works bids were advertised January 5, 2023 and opened on February 7, 2023 with the Port receiving 10 bids. The Port's engineer's estimate was \$778,320.04, including Washington State Sales Tax (WSST). The low bidder was Diverse Earthworks, Inc. at \$704,784.30, including WSST.

Upon discussion, Vice President Tom Stiger moved that the Commission award the Public Works contract for the Fisherman's Harbor Fire Damage Repairs project to Diverse Earthworks, Inc., the responsible bidder submitting the lowest responsive bid, in the amount of \$704,784.30, including WSST. Secretary David Simpson seconded the motion. A vote was called for:

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

DEPARTMENT REPORTS

Properties

West Coast Yacht Sales – New Lease at Waterfront Center

Port Real Estate Manager Tara Hays reported that West Coast Yacht Sales is a commercial boat brokerage and has been a tenant at the Port since August 2021, leasing a 300 sq ft portion of Suite 107B within Waterfront Center on a month-to-month basis. The tenant is now requesting a 1-year lease which the Port can accommodate within the planned restructuring of Suite 102 within Waterfront Center. The proposed leasehold will be approximately 376 sq ft, which will represent 1% of the building.

Rent for the premises will start at \$30/sq ft/year. They will pay their proportional share of operational costs and utilities, plus Washington State Leasehold Excise Tax. The Port will receive a gross revenue of \$11,280 over the term of the lease. There is no commission or other initial leasing costs owed.

After discussion, Secretary David Simpson moved that the Commission approve and authorize the CEO/Executive Director to sign the Commercial Lease Agreement with West Coast Yacht Sales, LLC in the form substantially as presented. Vice President Tom Stiger seconded the motion. A vote was called for:

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

Kent Physical Therapy & Sports Center – First Amendment

Real Estate Manager Tara Hays reported that Kent Physical Therapy & Sports Center (dba Engineered Sports) has been a tenant within Waterfront Center, Suite 107B since September 2021, and would like to expand their premises into the remainder of Suite 107 as of April 1, 2023. This expansion would be co-terminus with their current term expiring on November 30, 2026. The total square footage of the expanded premises would be 2,618 and their proportional share of the building would be 3%.

Rent for the premises is starting at \$24.72/sq ft/year. They will pay their proportional share of operational costs and utilities, plus Washington State Leasehold Excise Tax. The Tenant has a \$3,500 security deposit on file and has submitted an additional deposit amount of \$3,000 for a total security deposit of \$6,500. The Port will receive an additional gross revenue of \$148,735.75 over the term of the lease. There are construction costs of \$8,500 to make some minor changes (removal of an acoustic panel in the ceiling) which will take 3.5 months to recover the costs, and there are no leasing commissions owed.

Upon discussion, Secretary David Simpson moved that the Commission approve and authorize the CEO/Executive Director to sign the First Amendment to Lease with Kent Physical Therapy & Sports Performance Center, LLC in the form substantially as presented. Vice President Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

Projects

Fuel Dock Reconstruction 90% Design Update

Project Manager Joe Eagle provided an informational update of the 90% Design Fuel Dock Reconstruction project. The design document is nearly ready for permit submittal. A pre-application meeting has been scheduled with the city of Everett later in the month in preparation of the permit submittal, and to ensure a smooth process through permit acquisition.

Elements of focus have centered around location of amenities, integration of electrical and network utilities, validating the fire alarm schematic and architectural features, including signage and wayfinding.

The new system will provide six dispensers to offer 12 nozzles, including ultra-high flow diesel dispensers, point of sale at the attendant building and vending shelter (with possible restroom), and a commercial capacity sewage pump-out system.

Staff will seek Commission approval to bid the project in April 2023, with bid posting and award in the June 2023 timeframe. The biggest factor represents the long duration of fabrication/procurement of the float structure which could take up to 12 months to build and prepare the system for installation. That 12-month duration would trigger the Notice to Proceed in approximately June of 2023. In-water work would begin in August 2024 with project completion slated in 2025.

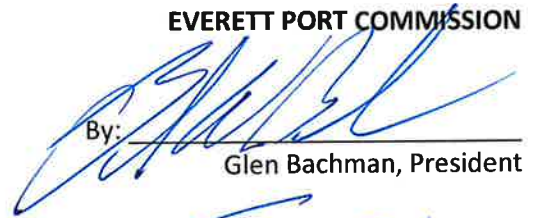
Executive Session

No Executive Session was held.

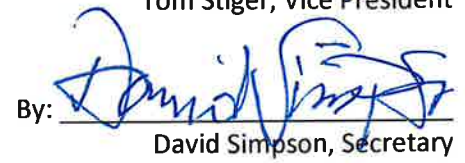
THE REGULAR MEETING WAS ADJOURNED at 12:52 p.m.

APPROVED this 14th day of March, 2023.

EVERETT PORT COMMISSION

By: 
Glen Bachman, President

By: 
Tom Stiger, Vice President

By: 
David Simpson, Secretary