

MINUTES OF EVERETT PORT COMMISSION
REGULAR MEETING
October 1, 2019

PRESENT: Glen Bachman President
 Bruce Fingarson Vice President
 Tom Stiger Secretary
 Les Reardanz Executive Director
 Eric Russell Chief Finance Officer
 Brad Cattle Port Attorney

CALL TO ORDER: Commission President Glen Bachman called the meeting to order at 9:00 am.

1. CEO/EXECUTIVE DIRECTOR'S REPORT

October 8 Meeting

Executive Director Les Reardanz reminded the Commission and public that the October 8 Commission meeting will be back to regular time at 4 pm.

There was a wonderful article in The Herald today, October 1, 2019, on Lisa Lefeber.

Terrie Battuello has been asked to go to Florida to help with economic recovery. She will be there October 13-19, 2019, helping small businesses from hurricane damage.

Public Records Officer – Resolution No. 1131 (2019)

Executive Director Les Reardanz presented Resolution No. 1131 (2019), it is a resolution amending and restating the resolution to accomplish a minor update in terminology (change "Public Information Officer" to "Public Records Officer") and to provide for the designation of the Port's Office Manager as the Public Records Officer and identifies Emily Hammer as the person having the responsibility to serve as the point of contact for members of the public in requesting disclosure of public records and to oversee the agency's compliance with the public records disclosure requirements as set forth in Chapter 42.56 RCW.

Upon discussion, Commissioner Bruce Fingarson moved to adopt Resolution No. 1131 (2019) identifying Office Manager Emily Hammer as the Port's Public Records Officer. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

2. CHIEF FINANCE OFFICER'S REPORT

Liability Insurance Renewal

Chief Finance Officer Eric Russell reported that the Port purchases insurance via the Pacific Northwest Port Association (an eight-port group) represented by Alliant Insurance Services. The liability portion of the insurance program renews on October 1 of each year. Looking back over the last eleven years, the premiums have gone up around \$28,000, relatively flat premium increase. The renewal with the selected coverage is \$149,333 plus any applicable Surplus Lines Taxes and Fees.

Commissioner Tom Stiger asked about property/fire/storm damage claims. Eric stated that it has been relatively quiet this year.

Commissioner Bruce Fingarson asked about the difference between primary and excess liability insurance. Excess is more like an umbrella coverage, primary would be the first insurance coverage we go to.

After discussion, Commissioner Tom Stiger moved to approve the binding of the General Liability and the Public Officials Liability/Employment Practice Liability insurance policies. Commissioner Bruce Fingarson seconded the motion. A vote was called for:

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

Motion carried.

Renewal of Line of Credit with U.S. Bank – Resolution No. 1132 (2019)

Chief Finance Officer Eric Russell provided information regarding the Renewal of Line of Credit with U.S. Bank. The lines of credit have one-year terms, each year the Port must renew. The terms of Resolution No. 1132 (2019) were provided to the Commissioners in their packets to be voted on at the October 8 commission meeting. Also provided was a copy of each individual note, three notes under this line of credit depending upon the tax situation we may use those funds for. The maximum amount the Port can draw is \$35,000,000. Two items that did change from last year, U.S. Bank dropped the request to have a fee for renewal and added language to cover themselves from LIBOR, which will be going away in the next couple years, to the note on how interest will be calculated when LIBOR is gone. The replacement for LIBOR will be based off actual transactions not quotes.

3. INITIATIVE ONE: SEAPORT MODERNIZATION

Deputy Executive Director Lisa Lefeber reported that Port staff have been working diligently for substantial completion of the South Terminal Wharf. The Port is on pace for a December completion. There will be a couple other projects coming down the road with regards to putting the cranes into service including new electrical improvements as well as crane upgrades.

Lisa reported that she, Commissioner Glen Bachman and Executive Director Les Reardanz will be leaving this afternoon for Washington D.C. for a legislative visit. They will be meeting with agencies such as the Maritime Administration to advocate for two outstanding grants; Build Grant Program, which will help offset some of the infrastructure cost at Kimberly Clark and Port Infrastructure Grant Program, which will help with Port investment.

Another agency they will be meeting with is the U.S. Army Corps of Engineers. The Port and Corps have been able to maintain the Snohomish River navigation channel over the last 40 years to a point that hasn't silted into the Navy base and/or Seaport. Recently, there have been major shifts in the river channel that are unexplained, it is getting shallower toward the east and deeper toward the Jetty. Corps have allocated close to \$300,000 to do a sediment flow analysis of the Snohomish River to determine what is going on with sediment flow. Right now, there is a sediment basin just to the north of the boat launch, so they will be looking into other ways to capture the sediment that will stop the change in the river channel.

They will also be meeting with the Navy and U.S. Coast Guard to discuss additional siting of assets at Naval Station Everett for both Navy and Coast

Guard. They have a joint letter from the Port, City, County and EASC that will be handed out to try and get additional investments into the Everett community.

4. DEPARTMENT REPORTS

Properties

Amendment to Riverside Business Park Covenants, Conditions and Restrictions (CCRs)

Chief of Business Development Terrie Battuello reported that there are two sets of mutually agreed recorded covenants, conditions and restrictions (CCRs) signed by ownership of land in Riverside Business Park (RBP). In addition to the usual land use restrictions imposed by the local planning agency, these documents direct the conduct and operations of land use at the RBP. One set is between the Port and Marshall and Katherine Cymbaluk Family, LLC. This document also includes issues related to easements. The other CCRs document is executed among the remaining RBP ownership. These documents must be amended as a component of the maintenance dedication process between the City and Port wherein the Port agreed to take a number of actions under the Port/City General Transfer Agreement (2015) in order to transfer Riverside Business Park (Park) sewer and storm utilities, the bridge and streets. Among these steps, the Port is required to obtain authorization from all property owners under these rules to amend both RBP internal governance documents and formally amend them through the county recording process, making them a matter of public record. The amendment accomplishes an important confirmation for the City; once the transfer of infrastructure occur, RBP will fall under the City's municipal utility authority, under which the City may impose a stormwater utility surcharge on the parcels to pay costs in excess of what would be reasonably assumed by the rate payers as a whole. Additionally, the CCR Amendment for the majority of the business park is amended to reflect the revised maintenance cost calculations of pro rata share which changed when the Port revised boundary lines (eliminating lot 6) and changed the size of several lots.

Upon discussion, Commissioner Bruce Fingarson moved that the Commission authorize the CEO to sign the First Amendment to Declaration of Covenants and Easements between the Port and Marshall and Katherine Cymbaluk Family, LLC. Commissioner Stiger seconded the motion. A vote was called for:

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

Motion carried.

Commissioner Bruce Fingarson moved that the Commission authorize the CEO to sign the First Amendment to Declaration of Covenants and Restrictions for Riverside Business Park. Commissioner Stiger seconded the motion. A vote was called for:

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

Motion carried.

Commission President's Report

Commissioner Glen Bachman just returned from Washington D.C. where he attended legislative visits with agencies Washington Council on International Trade and Economic Alliance Snohomish County. A couple topics from his visit were international trade, specifically with China and the United States-Mexico-Canada Agreement (old NAFTA agreement). He met with Congresswoman Suzan

Delbene and Senator Maria Cantwell and discussed transportation issues in Washington State.

Commission Discussion

Commissioner Bruce Fingarson congratulated Lisa Lefeber on being on the front page of the paper today.

Citizen Comments

There were no citizen comments.

No Executive Session was held.

THE REGULAR MEETING WAS ADJOURNED at 9:29 am.

APPROVED this 12th day of November 2019.

EVERETT PORT COMMISSION

By: 

Glen Bachman, President



Bruce Fingarson, Vice President



Tom Stiger, Secretary