

EVERETT PORT COMMISSION
REGULAR MEETING
JANUARY 15, 2019

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

CALL TO ORDER: Commission President Glen Bachman called the meeting to order at 4:01 pm.

CONSENT AGENDA

- Approval of Regular Meeting Minutes of December 11, 2018; and Approval of Bills for November and December, 2018

Commissioner Tom Stiger moved to approve the items of the Consent Agenda. Commissioner Bruce Fingarson seconded the motion. A vote was called for:

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

Motion carried.

1. CEO/EXECUTIVE DIRECTOR'S REPORT

February Commission Meetings

Executive Director Les Reardanz reported that the Commission meetings for February are February 5 and February 12, 2019.

State Legislative Priorities

Lisa Lefeber, Chief of Policy & Communications, reported that Staff will be traveling to Olympia for the opening of the State Legislative Session. For this budget year, the Port has a \$16.25 million request in the Governor's budget that Staff will be working to ensure that it gets into the legislative appropriation for the Model Toxics Control Act (MTCA). This request is for the Mill A cleanup, also known as the Seaport Modernization project.

Secondly, Staff will be seeking a legislative sponsor for the Port's Hazardous Substance Control Act which would stabilize and make the MTCA fund more reliable over the length of a project instead of a biennium. Other biennia are not committed until the legislature acts. This piece of legislation would contractually obligate the state to a particular cleanup project once it reaches a certain milestone if it stretches over multiple biennia. The Port of Everett is partnering with the ports of Seattle, Tacoma and Bellingham on this legislation. This is a priority for the Washington Public Ports Association as well as it represents smaller ports with similar issues throughout the state.

In terms of the capital budget request, the Port is focused on trade, infrastructure and life safety. The Port is requesting \$3 million to help deepen the South Terminal to accommodate a 950-foot vessel.

The Port also has a \$1 million request to dredge the boat launch which is being supported by the City of Everett and Snohomish County as joint owners of the facility. Dredging in the Snohomish River is occurring right now, but the U.S. Army Corps of Engineers does not fund recreational berth dredging. The Recreation Conservation Office (RCO) allocates grant money for recreational facilities, but maintenance is not an eligible expense, so the capital budget is key.

Third, there is a \$6.16 million loan which is in the Governor's budget for the South Terminal project. Like the MTCA request, Staff will be making sure that the loan gets carried over into the legislative appropriation in the transportation budget. Also, in terms of transportation investments, the Port has requested an infrastructure loan program to invest in critical state facilities. There are several loan programs available at the state but they are not for general infrastructure, particularly trade infrastructure, and so having this type of mechanism could be extremely valuable for ports.

The Port also has been focusing on Highway 2 and supporting the communities' efforts to rebuild the westbound trestle.

The Port supports condominium reform in terms of limiting the liability of condo developers which may provide more opportunities to build condos.

Washington State University (WSU) has asked that the Port support a \$10 million capital budget appropriation to build a new Food and Technology Center in Waterfront Place. Another support area is the Regional Apprenticeship Pathways Program which is being led by Nate Nehring at the Snohomish County Council to try to get a trained workforce in the trades – this is a \$750,000 annual request.

Staff believes that the focus with the legislature this session will be on mental health, the Orca Task Force and transportation.

2. **INITIATIVE ONE: SEAPORT MODERNIZATION**

Cargo Transit Shed Relocation – Contract Closeout

Project Engineer Steve Hager reported for operational efficiency and business development reasons, the Port of Everett sought a Contractor to move the Cargo Transit Shed located adjacent to the South Terminal Wharf to a new location approximately 1,200 lineal feet northeast adjacent to Railroad Track 113. The move was entirely on Port property, and located outside the shoreline. Built in the 1970s, the 39,600-square foot timber column and shear wall supported structure with underroof area was the former Weyerhaeuser Cargo Shed Building. The shed originally had 24 rows of columns. In the 1990s, the structure was reduced to its current size and now has 12 rows of columns. The shed is used as a maintenance, loading and storage facility and is serving a similar purpose as relocated.

There were two trailers/modular buildings under the north end of the shed that were relocated. One of the buildings serves as a lunchroom and the other is a restroom/shower/changing room. The restroom/shower trailer was moved to a location about 20 feet south of the new shed location. The lunchroom trailer was not moved to a permanent location so it could be relocated as needed in the future.

The shed and trailers were relocated to open the wharf area for the South Terminal Wharf & Electrical Upgrade Phase 2 project together with providing covered rail operations at Track 113.

Competitive bids for the project were received on February 1, 2018. The Commission awarded the relocation contract on February 23, 2018 to Emmert in the original amount of \$192,304.10, including Washington State Sales Tax (WSST).

Steve Hager asked that the Commission accept the project as complete and authorize Staff to close out the contract in the amount of \$170,990.86 (including WSST).

Upon discussion, Commissioner Bruce Fingarson moved that the Commission accept the Cargo Transit Shed (Building T-5) Relocation Project as complete and authorize Staff to close out the contract with Emmert International in the total final amount of \$170,990.86, including WSST. Commissioner Tom Stiger seconded the motion. A vote was called for:

Vote: 3-0

Yes: Fingarson, Stiger, Bachman
No: None
Abstained: None

Motion carried.

3. INITIATIVE TWO: WATERFRONT PLACE CENTRAL

Chief of Business Development Terrie Battuello reported that Staff is requesting that the City of Everett allow the Port to modify the current Waterfront Development Plan to reconfigure Weaver Street which is a primary street in the third phase of the Development; Staff would like the modification reflected in the Final Development Plan which was submitted to the City in December. Any proposal involving changing the road alignment triggers a modification process which is provided in the Development Agreement. The process includes Administrative, Planning Commission and City Council review and a vote from the Council.

The Port seeks to realign Weaver Street which is doglegged in the original configuration, to make it straight. The new alignment creates several benefits, including more efficient development, views and street parking. The original proposed alignment assumed that the Hotel would have its primary entrance to the west. However, Hotel Indigo is going to have its primary entry to the east. A realigned street also allows for better alignment with the marina restroom plaza and provides an additional retail area. The Administration requests the Commission's authorization to submit the application to the City for their consideration.

After discussion, Commissioner Bruce Fingarson moved that the Commission authorize the Port Administration to submit the major modification application requesting a realignment of Weaver Street to the City of Everett. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

4. DEPARTMENT REPORTS

Projects Update

Ameron/Hulbert Trunkline, Phase 2 – Authorization to Bid

Project Engineer Elise Gronewald reported that Port Staff is seeking Commission authorization to solicit for public works bids for the Ameron-Hulbert Site Trunkline Replacement Phase 2 project. The partial cleanup for the Ameron/Hulbert site is being conducted pursuant to the Consent Decree between the Port and other site Potentially Liable Parties (PLPs), and the Washington State Department of Ecology (Ecology). The TC Systems site interim action is being conducted pursuant to an Agreed Order between the PLPs for the TC Systems site and Ecology. The work for the Port's project will be conducted under an existing approved access agreement between the Port and Norton.

The purpose of the site partial cleanup action is to remove and replace the portion of the stormwater trunkline separating the site from the TC Systems MTCA site (TC Systems site), and to remove contaminated soil located in the immediate vicinity of the trunkline.

The project will include the removal, appropriate disposal, and replacement of approximately 300 feet of deteriorated, corrugated metal pipe with new 24-inch diameter, solid wall (PVC) pipe along the current trunkline alignment. Existing lateral connections will be reconnected to the new line. During replacement of the existing trunkline, approximately 1,000 cubic yards of contaminated soil will be excavated and properly disposed. A new chain-link fence will be installed along

the surveyed boundary between the Port's property and Norton property. The existing fence is located incorrectly.

The Port and Norton entered into a Cost Sharing Agreement that was approved by the Commission on August 14, 2018, and the Port's share of the costs are eligible for Ecology grant dollars. Ameron, Oldcastle, and the Hulberts settled with the Port in December of 2014 for \$2.2 million for past and future cleanup costs, including allocated shares for the replacement of the trunkline.

The construction budget, including contingency for the Port, is \$490,000. The Engineer's estimate is approximately \$485,000, including WSST. Elise Gronewald asked that the Commission authorize Staff to solicit public works bids for the Ameron-Hulbert Site Trunkline Replacement Phase 2 project.

After discussion, Commissioner Bruce Fingarson moved that the Commission authorize Staff to solicit public works bids for the Ameron-Hulbert Site Trunkline Replacement Phase 2 Project. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

On-Call Material Testing & Inspection – Contract Modification for GeoTest

Chief of Engineering & Planning John Klekotka noted that in the past, the Port has hired material testing firms under on-call material testing and inspection contracts to assure the quality of materials installed on Port projects meets specification requirements, and to monitor contractor field activities. In April 2017, the Commission authorized Staff to undergo a competitive selection process, and in October 2017, the Commission approved the contract with GeoTest Services, Inc. in the amount of \$500,000 and for a term of 5 years.

To date, Port Staff has executed 16 individual task orders with GeoTest ranging from as little as \$1,000 up to just under \$295,000 for the South Terminal Wharf & Electrical Upgrades Phase 2 project. Seven task orders are closed, and nine more remain currently active, with the total amount authorized so far of \$479,666. Staff is concerned that current and upcoming projects may require significant task orders which might exceed the contract capacity of \$500,000; Staff will be seeking additional contract capacity in the amount of \$200,000.

Upon discussion, Commissioner Bruce Fingarson moved that the Commission authorize contract modification no. 1 to the 2017 On-Call Material Testing & Inspection Contract with GeoTest, Inc. in the amount of \$200,000. Commissioner Tom Stiger seconded the motion. A vote was called for:

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

Motion carried.

Corps of Engineers Programmatic Permit Update

Port Planner Laura Gurley provided a status report for the Port's Programmatic Permit process. The Permit covers the Port's maintenance needs across the Terminals, Marinas, Jetty Island, dock facilities and all in-water work. So far, the Port has received the City Shoreline Exemption, the Department of Fish & Wildlife HPA, the 401 Water Quality Certification from the Department of Ecology, and the Coastal Zone Management Consistency confirmation from the Department of Ecology; however, the Port has not received what it needs from the Army Corps of Engineers.

There are three components of review at the Army Corps of Engineers, two of which involve other federal agencies – the U.S. Fish & Wildlife Service and National Marine Fisheries for the Endangered Species Act consultation. The Port received the consultation concurrency from Fish & Wildlife in November. The Army Corps of Engineers review was very meticulous and very detailed so it took Staff a lot longer just to work through the details of what types of activities would be included in the 10-year permit. Meanwhile, National Marine Fisheries, the other half of the Endangered Species Act review, took a long time as well and got hung up in some policy changes that are occurring at the agency right now on the west coast; the Port was successful with the review but due to the current Government shutdown, things are stalled. Additionally, the Army Corps of Engineers needs the National Marine Fisheries documentation in order to write their authorization.

Currently, the Port is in a waiting game. Laura Gurley said she learned that the Army Corps of Engineers is waiting for guidance from headquarters in Washington D.C. to see if there is authorization to finish the permits without finishing the Endangered Species Act consultation. The good news is that there are no objections to the submittals, it is just process at this point.

Commission President's Report

Commissioner Glen Bachman commented that last Wednesday, the Port had its topping out ceremony for Hotel Indigo which was very nicely done. Everett's Mayor, Councilman Terry Ryan and other officials attended the ceremony.

For condominium reform, there are a large number of families in the state of Washington that want to live in multiple housing, but they want to be the owners. The issue for condominium reform is the cost of building the units, the cost of insurance and whether or not a permit can be obtained.

The city of Marysville recently voted in favor of the Manufacturing Industrial Corridor (MIC) process. The city of Arlington previously approved the process.

Commission Discussion

There was no further Commission discussion.

Citizen Comments


Mark Sears, I-Central boathouse owner, commented that parking has become a big problem in the Central Marina. The boathouse owners have requested that some space be freed up in the boat storage yards.

No Executive Session was held.

THE REGULAR MEETING WAS ADJOURNED at 4:56 p.m.

APPROVED this 14th day of February, 2019.

EVERETT PORT COMMISSION

By: 
Glen Bachman, President


Bruce Fingarson, Vice President


Tom Stiger, Secretary



Port of Everett

Port of Everett
Voucher Certification and Approval
for the month of
NOVEMBER
2018

ORIGINAL

		Total
Claims Voucher Nos	85788 - 85976	\$2,139,834.00
Claims - PCard Transactions		\$34,170.12
Claims Electronic/Wire Transfers:		
11/1, 11/9, 11/13, 11/16, 11/19, 11/27	Electronic Transfer - BPAS	5,241.48
11/1, 11/16	Electronic Transfer - IRS	\$ 186,708.31
11/23	Electronic Transfer - WA St Dept of Rev	\$ 52,708.17
11/1, 11/2	Electronic Transfer - U.S. Bank	\$ 3,853.97
11/2	Electronic Transfer - ACH - State of Wa Dept of Reve	\$ 336.29
11/27	Electronic Transfer - ACH - Adv American Const.	\$ 1,193,755.40
	Total Claims	\$3,616,607.74
Payroll Voucher Nos.	49870 - 49901	\$ 497,441.93
Guardian - Dental Claims		\$ 10,019.40
Payroll Wire Transfers:		
11/6, 11/13, 11/20, 11/27	PMA Payroll (Longshore Labor)	\$ 175,258.97
	Total Payroll	\$ 682,720.30
Wire Transfers:		
11/1	Wire Transfer - US Bank LOC	2,090.77
11/16	Wire Transfer - LGIP	1,500,000.00
11/26	Wire Transfer - Bank of America	28,564.54
11/30	Wire Transfer - US Bank	3,633,428.13
Total Payments		\$9,463,411.48

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 an 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 15th day of January, 2019:

President

Vice President

Secretary



Port of Everett

Port of Everett
Voucher Certification and Approval
for the month of
DECEMBER
2018

ORIGINAL

Claims Voucher Nos	85977 - 76187		Total
Claims - PCard Transactions			\$2,355,059.47
Claims Electronic/Wire Transfers:			\$18,821.84
12/3, 12/17, 12/18, 12/20	Electronic Transfer - BPAS		5,635.69
12/3, 12/17	Electronic Transfer - IRS	\$	178,190.11
12/24	Electronic Transfer - WA St Dept of Rev	\$	39,076.30
12/3	Electronic Transfer - U.S. Bank	\$	5,786.47
	Electronic Transfer - ACH - Mathiesen Maritime		
	Total Claims		\$2,602,569.88
Payroll Voucher Nos.	49902 - 49936	\$	493,973.47
Guardian - Dental Claims		\$	8,977.98
Payroll Wire Transfers:			
12/4, 12/11, 12/18, 12/26	PMA Payroll (Longshore Labor)	\$	274,635.38
	Total Payroll	\$	777,586.83
Wire Transfers:			
12/3	Wire Transfer - US Bank LOC		1,946.88
12/27	Wire Transfer - US Bank		3,000,000.00
12/28	Wire Transfer - Advance American Const.		1,764,152.40
12/10	Wire Transfer - Hirofumi Oshio		1,232.77
12/21	Wire Transfer - K&L Gates		54,009.50
Total Payments			\$8,201,498.26

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 an unpaid obligation against the Port of Everett and that I am authorized to authenticate and certify to said claim. Authorize signature

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