

**Minutes of Everett Port Commission
Regular Meeting
November 10, 2020**

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

CALL TO ORDER: Commission Vice President Tom Stiger called the meeting to order at 12:00 p.m.

CONSENT AGENDA

- Approval of Regular Meeting Minutes of October 6, 2020; and Regular Meeting Minutes of October 13, 2020
- Approval of Bills for October 2020

Commissioner David Simpson moved that the Commission approve the items on the consent agenda for November 10, 2020 including the Regular Meeting Minutes of October 6 and October 13 as well as Approval of the Bills for October 2020. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

CEO/EXECUTIVE DIRECTOR'S REPORT

CEO/Executive Director Lisa Lefebber thanked all the Veterans for their service in honor of Veteran's Day being tomorrow. All three Commissioners are Veterans and she thanked them very much for their service. The Administrative and Marina Offices will be closed in observance of Veteran's Day.

Lefebber had the opportunity to attend the State of the Station this morning with CAPT Davis, along with some of the Commissioners and staff. Lefebber is very optimistic on the future of Everett and the growth of the Navy base.

The Port's tenant Everett Ship Repair is preparing to receive a Washington State Ferry this week, the longest vessel in drydock in Everett since World War II.

December 2020/January 2021 Commission Meetings

CEO/Executive Director Lisa Lefebber is proposing only having one meeting in December on the 8th. All Commissioners agreed. The January meetings will remain unchanged.

Modified Holiday on the Bay – Saturday, December 5, 2020

CEO/Executive Director Lisa Lefebber is very proud of the Port team for finding unique and innovative ways to keep some of the regular Port programs intact. Public Affairs Manager Catherine Soper announced the modified Holiday on the Bay. It is the 11th or 12th year for offering this event on the waterfront. It will look different this year; there are no gatherings, everything is virtual and/or social distanced. The lineup consists of the annual holiday toy drive with Marine Corps Toys for Tots; collection for toys will be thru December 5. The Port partnered with Engage Everett and Volunteers of America to add to the toy drive this year. There will also be a food drive and both donation bins will be in the Waterfront Center lobby. The Port is partnering with the Imagine Children's Museum to provide craft kits instead of cookie decorating and there will be a drive thru pick up for the kits on December 5. A new, exciting program for this year, the Port is partnering with the Everett Public Library to share virtual holiday stories and they were recorded in the Weyerhaeuser building. A book will be launched online every hour, on the hour, on December 5 from noon to 6:00pm. This year the holiday tree lighting won't be in person but working on doing it virtually with a message from Santa and the Commission. Back by popular demand, there will be a Holiday on the Bay drive-in theater. Sail-in cinema was so successful this summer that the Port will bring it back with Rudolph the Red Nose Reindeer and Elf. The Mukilteo Yacht Club is partnering with other area yacht clubs and other boating clubs to light up their boats like they do every year and parade around the marina. Luckily, the marina is well spread out so it will be compliant with the social distancing rules. Soper thanked Communication Specialist Kate Anderson for her effort on putting this event together. She has worked with the many different groups to get this coordinated and a lot of behind the scenes logistics.

B.E.S.T. (Businesses Ending Slavery & Trafficking) Partnership

CEO/Executive Director Lisa Lefebber reported Port of Seattle was the first port to participate in this program, the Port of Everett is the second. Not because there has been any incidents here, but because the Port believes it is a great opportunity to have staff trained and be involved in a program that helps ensure the labor force and population is safe from this activity. The organization started in 2012 and provides awareness to different employers from hospitality to information technology that allows them to be aware of different signals and training that relate to human trafficking. In 2020, they started their Ports to Freedom program and the Port of Everett was put in contact with their team. They call this the invisible crime. There are signs of human trafficking that are not clear to the untrained eye, so their goal and focus is to make sure that everyone's eyes are trained in this industry. Some of the things that the Port team will be trained on is what is human trafficking, what are the signs, how do you respond safely and how do you prevent it from occurring.

Bellingham Yachts Lease

CEO/Executive Director Lisa Lefebber reported that the Commission authorized her to move forward with the Bellingham Yachts lease for the A17 building. There have been some delays on Bellingham Yachts side, so the Port is still evaluating. If anything changes with regards to the lease whether they decide to move forward or not, staff will come back to report on that. There is a lot of interest in that retail space so Lefebber is not concerned about filling it up but again but wanted to make the Commission aware that the lease has not been executed yet.

CHIEF FINANCE OFFICER'S REPORT

2021 Property Tax Levy and Preliminary Budget

Commissioner Tom Stiger asked if Chief Financial Officer Eric Russell had anything to add to last week's presentation. Russell stated he did not have anything to add.

Commission Vice President Stiger re-opened the public hearing at 12:20 p.m. and asked for public comments on the 2021 Property Tax Levy and Preliminary Budget.

After receiving no public comments, Commissioner Stiger closed the public hearing at 12:21 p.m. and proceeded with the adoption of the resolutions presented last week.

Resolution No. 1158 (2020) – 2021 Property Tax Levy

Commissioner Glen Bachman moved that the Commission authorize Resolution No. 1158 (2020) pertaining to the regular tax levy. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Resolution No. 1159 (2020) – Substantial Need for Property Tax Levy

Commissioner Glen Bachman moved that the Commission authorize Resolution No. 1159 (2020) finding a substantial need to raise the tax levy by 1%. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Resolution No. 1160 (2020) – 2021 Operating Budget and Capital Budget

Commissioner Glen Bachman moved that the Commission authorize Resolution No. 1160 (2020) authorizing the 2021 budget to be adopted. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Commissioner Simpson stated it has been an honor to serve as the Secretary of the Commission as the Port moves forward to the end of this year. The 2021 budget presented to the Port Commission for approval is a budget that will keep the Port of Everett competitive, create economic development, and provide stability for the Port community as everyone moves thru the COVID-19 pandemic and these uncertain times. This budget gives the Port the vision to sustain port operations and see recovery moving forward through 2021 and years beyond. He thanked CEO Lisa Lefeber, CFO Eric Russell, the Chiefs and employees of the Port of Everett.

Request for Proposal: Job Order Contracting – Solicitation Authorization

Procurement and Contracts Manager Maija Lampinen reported in June 2014 the Commission authorized the use of Job Order Contracting (JOC). The Port is authorized to use this alternative public works process under RCW 39.10. Each Job Order Contract is authorized for three years before it needs to be competitively solicited again. Since then, the Port has issued two Requests for Proposals for Job Order Contracting, one in 2014 and the last in 2017 (awarded in 2018).

JOC is an on-call public works process with fixed pricing. Pricing is set by a cost index called the Construction Task Catalog. The contractors develop job proposals using the prices from the Construction Task Catalog plus a percentage markup. That markup is adjusted annually based on the Engineering News Record Construction Cost Index for a 20 City Average.

The Port's current Job Order Contract expires in March 2021. Under the existing contract, the Port has allowed City of Kirkland, Community Transit and Whatcom Transit to utilize some of the contract capacity via interlocal agreement. Community Transit, Whatcom Transit and other agencies have expressed interest in utilizing contract capacity under a new contract. The Port would like to charge a minimum administrative fee of .5% to piggyback on the Port's contract.

Staff would like to continue use of the Job Order Contracting method and would like to issue a Request for Proposals for Job Order Contracting in accordance with RCW 39.10. The RFP would be structured to allow the Port to award two or three JOC contracts; each contract worth up to \$4 million per year, the same as our current JOC contracts. This will provide the Port the capacity to share with other agencies.

Commissioner David Simpson moved that the Commission approve staff to issue a Request for Proposals for Job Order Contracting. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS UPDATE

CEO/Executive Director Lisa Lefeber asked if Project Manager Brandon Whitaker had anything to add to last week's presentation. Whitaker stated he did not have anything to add.

Commission Vice President Stiger re-opened the public hearing at 12:30 p.m. and asked for public comments on the Amendment of Comprehensive Scheme of Harbor Improvements – Marine Terminals Master Plan – Norton Terminal Addendum.

After receiving no public comments, Commissioner Stiger closed the public hearing at 12:31 p.m. and proceeded with the adoption of the resolution presented last week.

Resolution No. 1162 (2020) – Amendment of Comprehensive Scheme of Harbor Improvements – Marine Terminals Master Plan – Norton Terminal Addendum

Commissioner David Simpson moved that after receiving and considering public comment and closing of the public hearing, the Commission: 1) adopt the revised Marine Terminals Master Plan; and 2) adopt Resolution No. 1162 (2020), incorporating the revised Marine Terminals Master Plan into the Port's

Comprehensive Scheme of Harbor Improvements. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

MARITIME INDUSTRIAL EXPANSION

CEO/Executive Director Lisa Lefebber reported the adoption of the revised Marine Terminals Master Plan to account for the new Norton Terminal, i.e. the former Kimberly-Clark property, is the biggest task that has been moved forward recently with regards to the Maritime Industrial Expansion. Last week, the Port's grant management team had a meeting with the MARAD on next steps for the grant. The Port's Engineering and Planning, Grant Administrator and Procurement teams are all working toward finalizing the negotiations of the grant agreement, which is expected to take six to eight months. Items that are critical for the grant agreement include; environmental review, permits and contracts. Lefebber stressed to the grant team that the Port's construction schedule calls for being out to bid next spring so the Port would prefer and request that the grant agreement be closer to the six-month time period so there will not be any delays. Kimberly-Clark is still moving forward on their cleanup. There is a lot less activity on the site and they are expected to adhere to the construction schedule for completion by the end of the year and then it will be turned over to the Port for the rest of the expected construction projects.

Commissioner David Simpson asked if this project is at 60% yet. Lefebber answered no, 60% is expected to be done around Thanksgiving. In December, the Commission will get a update on the 60% status.

SEAPORT MODERNIZATION

CEO/Executive Director Lisa Lefebber reported exciting news that the Port received an updated schedule this week and the first crane move, weather dependent, is this Friday. The second crane will be expected to move next Tuesday. If all goes well, they will both be in place before Thanksgiving.

Commissioner David Simpson asked if he could watch the move from far away. Lefebber recommended watching from the viewpoint at Warren Avenue overlook.

DEPARTMENT REPORTS

Properties

Rock Project Management Services, LLC Office Lease

Chief of Business Development Terrie Battuello reported Rock Project Management Services is a Washington State Limited Liability Corporation (LLC) headquartered in Renton and owned by Connie and Bernie O'Donnell. The relatively new firm is expanding into Snohomish County due to new customers, including the Imagine Children's Museum's building project and they manage Alderwood Water District's commercial buildings. They employ a variety of professional staff with long experience in project and construction management as well as property management. The Rock name is derived from the name of a favorite family pet, a black lab, but is intended to project their strong ethos around stability and reliable service delivery. The Lease utilizes our standard boiler plate language. It provides 599.46 rentable square feet (RSF) and includes 2% of the total RSF of the building. They have agreed to a one-year term, with no options, at \$21 per square foot per year. They will provide a one-month cash security deposit upon signing, if approved. They require no landlord improvements as part of their contract. Because the Port is the

procuring cause, there is no brokerage fee. Over the one-year term, the lease will provide \$12,588.72 in base rent plus Leasehold Excise Tax and their share of utilities and common area maintenance.

Commissioner Glen Bachman moved that the Commission authorize the CEO to sign a lease with Rock Project Management Services, LLC for 599.46 rentable square feet in the Marine Village South Marina One building, suite 226 and approve the one-month cash security deposit, in a form substantially as presented. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

Temporary Occupancy License from BNSF Railway at Riverside Road

Chief of Business Development Terrie Battuello reported Port Administration is requesting the CEO be authorized to sign a permit granted by the BNSF Railway Company allowing access to BNSF property at Riverside Road where a sewer line was built by Weyerhaeuser in the 1960's. No easement for this line is recorded on title and the City will not accept the transfer of the Port's sewer infrastructure until the location of the line to the City sewer system is validated and recorded in an easement. This BNSF Temporary Occupancy Permit establishes the extent of the work, location of the work, schedule for work, and resolves matters of possible liability related to the work. The Agreement facilitates short-term access to dig several holes that will confirm the location of a sewer line based on historical "as built" drawings that indicate its location. The Port policies require the Commission to review agreements wherein the Port provides indemnification to a third party. This type of indemnification is common practice in obtaining permission to perform activities on another person's property. However, in this case, Port liability will be in turn be passed to the contractor performing this work. Additionally, work constitutes low risk to the Port as no actual construction is proposed beyond digging for the location of a sewer line in several locations.

Commissioner David Simpson moved that the Commission authorize the CEO to approve the Temporary Occupancy Permit between the Port and BNSF Railway for work to be performed at Riverside Business Park, including a statement of indemnification of BNSF, in a form substantially as presented. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Commission President's Report

Commissioner Glen Bachman echoed CEO/Executive Director Lisa Lefebber's comment at the beginning of the meeting and thanked Commissioner Tom Stiger and Commissioner David Simpson for their veteran services and all the staff, men, and women, who have served.

Today, at the EASC Coffee Chats, Everett Ship Repair was brought up with high regard.

Regular Commission Meeting Minutes
November 10, 2020

Bachman is looking forward to Holiday on the Bay this year, especially with all the hard work the staff has put into it to keep it moving forward.

The 2021 budget was no easy trick, this took a lot of concentration work on all teams involved and he thanks each one of the teams for their efforts.

At the last commission meeting, the stunning number of people interested in, signed up and willing to try and take occupancy for the apartments was discussed. Hopefully, in the next phase of residential develop, the same interest will be there.

Commission Discussion

Commissioner David Simpson thanked all the veterans that are part of the Everett workforce for their service and wished everyone a great Thanksgiving holiday.

Citizen Comments

There were no citizen comments.

Executive Session

Commission Vice President Tom Stiger recessed the meeting into Executive Session at 12:59 p.m. for approximately 20 minutes – to conclude by 1:20 p.m. The purpose of the Executive Session is to discuss with legal counsel a potential litigation matter.

At 1:20 p.m. in open session, Port legal counsel Brad Cattle announced that the Executive Session would be extended an additional 2 minutes – to conclude by 1:22 p.m.

At the conclusion of the Executive Session, there was no action taken by the Commission and there were no announcements. The Regular Commission adjourned at the conclusion of the Executive Session.

THE REGULAR MEETING WAS ADJOURNED at 1:22 p.m.

APPROVED this 8th day of December, 2020.

EVERETT PORT COMMISSION

DocuSigned by:
By: 
Glen Bachman, President

By: 
Tom Stiger, Vice President

DocuSigned by:
By: 
David Simpson, Secretary

ORIGINAL

Port of Everett
Voucher Certification and Approval
for the month of
OCTOBER
2020

AP Claims Transactions		Total
Claim Checks Issued	89570 - 89660	\$1,750,025.58
P-Card Transactions		48,278.21
ACH Transactions	#651 - 710	1,343,096.15
Total Claims Check Register		3,141,399.94
Electronic Claims Transactions:		
10/1, 10/8, 10/9, 10/15, 10/16, 10/20, 10/22, 10/30	Electronic Transfer - Health Equity/Navia/Guardian/Accrue CMS	\$13,419.12
10/1, 10/15, 10/29, 10/30	Electronic Transfer - IRS	293,741.73
10/7, 10/27	Electronic Transfer - WA St Dept of Rev	108,093.91
10/1, 10/2, 10/14	Electronic Transfer - U.S. Bank	9,777.91
10/1, 10/2	Electronic Transfer - U.S. Bank LOC Fees	4,874.99
10/15	Electronic Transfer - US Bank	3,474.30
10/16	Electronic Transfer - Wells Fargo	166,000.00
10/26	Electronic Transfer - Pitney Bowes	1,500.00
10/30	Electronic Transfer - Paylocity	4,810.09
Total Electronic Claims		605,692.05
Total Claims		3,747,091.99
Payroll Transactions		
Payroll Checks Issued	Dir Deposit/Check	\$504,277.46
10/6, 10/13, 10/20, 10/27	PMA Payroll (Longshore Labor)	262,874.44
Total Payroll		767,151.90
Total Payments		4,514,243.89

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 10th day of November, 2020:

DocuSigned by:

President

D884C7EAE8DF4DC

Vice President

DocuSigned by:

Secretary

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