

**Minutes of Everett Port Commission
Regular Meeting
November 3, 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 11:59 a.m.

**CEO/EXECUTIVE DIRECTOR'S REPORT
United Way Resolution No. 1161 (2020)**

CEO/Executive Director Lisa Lefebber stated it is the start of the giving season at the Port of Everett and every year the staff asks the Commission to consider a resolution for the United Way to be able to help support the community. This year, now more than ever, it is a critically important activity. Lefebber presented Resolution No. 1161 (2020) that requests the Commission's endorsement of the Port's 2020 United Way campaign and requests funding for campaign incidentals in the amount of \$500.

After discussion, Commissioner David Simpson moved that the Commission adopt Resolution No. 1161 (2020) approving the Port of Everett United Way Campaign and Port funding in the amount of \$500. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Fire Update

CEO/Executive Director Lisa Lefebber reported that the Port has received estimated totals of some of the damage sustained to the Port infrastructure. It is more than a million dollars and the Port is waiting on clearance from the insurance companies before removing some of the debris and landscaping. In terms of timeframe to rebuild, the Port will probably wait and align the rebuild of that infrastructure with the construction of the south building.

Commissioner Glen Bachman asked about damage to infrastructure, besides landscaping, hardscapes, and utilities. He wanted a list of everything that was damaged in the fire. CFO Eric Russell stated the Port is still collecting that information and investigating some of the issues which should be done within the next week or two. Commissioner David Simpson would like a copy of the list too.

Cargo Transit Shed Damage

CEO/Executive Director Lisa Lefebber reported the Port received the structural assessment but is still waiting on the cost estimate for the repairs. Lefebber is hoping by December she will have a report to the Commission on the order of magnitude of those repairs.

CHIEF FINANCE OFFICER'S REPORT

Presentation of 2021 Preliminary Budget

CEO/Executive Director Lisa Lefeber stated as the Port enters the 2021 budget cycle, it has been challenging to say the least. The Port team has done a fantastic job being able to mitigate some of the losses the Port has experienced and preparing to move into the 2021 budget. A couple budget assumptions include the airline industry continuing to struggle which affects the Port's largest customer. Coronavirus impacts will continue into 2021. The Marina is expected to stay steady. In terms of tenants, ship repair industry will remain strong and vibrant. The Port will continue to move with some key economic development projects that will be important for economic recovery including the redevelopment of Kimberly-Clark site as well as the retail pad at Fisherman's Harbor among other environmental cleanups. Lefeber noted the Port was able to build a balanced budget that does not include any layoffs, but it does include four furlough days for exempt staff. Overall, the Port has been able to build a budget in which the employees are relatively unharmed by the current financial issues.

Chief Financial Officer Eric Russell presented an overview of the 2021 Preliminary budget. Russell reported per State Law, the Port Commission must annually, by the first Monday of December, authorize a formal budget (Resolution No. 1160 (2020)) and in a separate action approve a property tax levy (Resolution No. 1158 (2020)). The third resolution (Resolution No. 1159 (2020)) states there is a substantial need to raise the regular tax levy by 1% when the implicit price deflator, as calculated by the Washington State Department of Revenue, is less than 1%. The implicit price deflator was calculated at .602% for taxes due in 2021.

The draft budget was posted on the Port's website on October 23 and advertised for a public hearing in the Herald on October 25 and November 1. The Port also issued their Citizen Budget Guide

After discussion, Commission Vice President Tom Stiger opened the public hearings for the Budget and the Comp Scheme at 12:26 p.m. and asked for public comments on the 2021 Property Tax Levy and Preliminary Budget.

There were no public comments.

Commissioner Stiger recessed the public hearing at 12:27 p.m. until the next Port Commission meeting at 12:00 p.m. noon on November 10, 2020.

COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS UPDATE

CEO/Executive Director Lisa Lefeber stated after the public hearing is opened for consideration next week, there will be two actions requested of the Commission. First would be to consider the adoption of the amended Marine Terminal Master Plan to include the new Norton Terminal and second to adopt the resolution to update the Comp Scheme based on the first action.

Project Manager Brandon Whitaker reported 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.

Actions that fit into these categories are added to the Comp Scheme through formal resolutions adopted by the Port Commission, after a public hearing is held. These actions make the Comp Scheme a

constantly evolving and living document that catalogs the Port's growth over the years in properties and the direction it is pursuing with its master plans and programs.

Resolution No. 1162 (2020), brings Norton Terminal (former Kimberly-Clark property) into the Port's Marine Terminal Master Plan (MTMP). Updates such as this require a re-adoption of the MTMP into the Comp Scheme.

The new Appendix E highlights the recent history of Norton Terminal and future potential uses for the property in the near term. This includes, but is not limited to: incorporation of Norton Terminal into the overall Seaport infrastructure of the Port; economic benefits of the property being put back into production use; Mills to Maritime Initiative; community engagement outreach program with publications, meetings, presentations and more; site maps depicting property and possible uses in the near future.

A greater in-depth planning process for the long-term use of Norton Terminal, and the greater Seaport, will take place when the Port performs a comprehensive update to the MTMP within the next five years.

The Amendment of Comprehensive Scheme of Harbor Improvements – Marine Terminals Master Plan – Norton Terminal Addendum was advertised for a public hearing in the Herald on October 25 and November 1.

Commission Vice President Tom Stiger asked for public comments on the Amendment of Comprehensive Scheme of Harbor Improvements – Marine Terminals Master Plan – Norton Terminal Addendum.

There were no public comments.

Commissioner Stiger recessed the public hearing at 12:48 p.m. until the next Port Commission meeting at 12:00 p.m. noon on November 10, 2020.

WATERFRONT PLACE CENTRAL Update on Housing Development

Chief of Business Development Terrie Battuello invited John Shaw, SeaLevel Properties Director of Multi-Family Acquisitions, to speak to the Commission today to give an update on their multifamily project. Shaw said the new occupancy date is June 2021 for the north building that sustained minor damage from the July 4-alarm fire. Presently, there are cabinets, flooring and carpet going in on the fourth floor. They anticipate the north building to potentially be stabilized by December 2021. One thing that is also exciting is that the interest list is now over 1,200 people, which is a huge number for 266 units. As it relates to the south building, they removed the old slab and underground plumbing, but new plumbing is going in as of today. The first round of insurance monies are being cleared with HUD and will get them through framing. They will be back to building as fast as possible and try to find any way to make up scheduling delays. They anticipate opening the south building in Q3 of 2022, with an anticipated stabilization around February 2023. Those dates are still in flex a little bit as they nail down the remainder of the construction schedule. The Port and the City have been amazing to work with. While it was a tragic event for everyone involved, everyone is bouncing back and getting it done.

DEPARTMENT REPORTS

Projects

Jetty Landing Restroom Replacement

Civil Contractor: Request for Bid Authorization & Restroom Procurement: Request for Contract Authorization

Project Manager Brandon Whitaker reported the Port of Everett, with its partners Snohomish County and the City of Everett, received a Recreation and Conservation Office (RCO) grant of \$584,500 in 2019 to replace the aging Jetty Landing Restroom with a new and larger facility. In this tri-party agreement, each entity has cost sharing responsibilities, with the Port serving as the lead entity administering the project while providing updates on its progress to the partners.

This restroom replacement will more adequately serve users of the Jetty Landing Boat Launch and Park. Originally built in the late 1970's, the growth and popularity of the public boat launch and park have pushed the current restroom to the end of its productive life. The Jetty Landing Boat Launch now annually supports 30,000 launches each year. With the help of the RCO grant, the Port and its partners will replace the old restroom with a new, larger capacity restroom facility.

To accomplish the goals of this project, execution of the construction project will rely upon two Commission actions, those actions are:

1. Authorize Port Staff to solicit public works bids to perform the following, but not limited to, project activities:
 - a. Demolish and remove current restroom building and foundation
 - b. Remove existing landscaping in conflict with future restroom footprint, prep and plant final landscaping beds and irrigation upon new restroom installation
 - c. Prep and perform final utility connections
 - d. Concrete curb and flatwork around restroom
 - e. Install specialty equipment on restroom not included in separate restroom procurement contract.

2. Authorize Port staff to execute an agreement with CXT, a manufacturer of modular restroom buildings, using a cooperative contract agreement to procure the new restroom building:
 - a. The Port analyzed the cost of purchasing a modular restroom versus a stick frame restroom and the cost savings is noteworthy. Utilizing this cooperative contract to purchase the restroom provides cost savings and time efficiencies to design, bid and award the restroom building.
 - b. The Port is eligible to utilize the CXT contract since we have an interlocal agreement on file with Sourcewell, a public purchasing cooperative organized in the State of Minnesota. This agreement with CXT will cover the purchase, manufacture, and delivery of the new restroom to the project site.
 - c. Staff recommendation calls for Commission action for a Not to Exceed (NTE) contract of \$350,000 with CXT. Upon contract closeout, staff will detail the final contract costs.
 - d. Staff requests this contract be in a NTE format due to the lead time needs with fabricating the new restroom and timing its delivery with the general contractor. The NTE contract will also immediately allow our engineers to begin coordination on the infrastructure design relative to the new restrooms needs.

Upon discussion, Commissioner Glen Bachman moved that the Commission authorize Staff to solicit public works bids for the Jetty Landing Restroom Replacement project general contractor. 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 David Simpson moved that the Commission authorize the Executive Director sign a contract with CXT in an amount not to exceed \$350,000 utilizing the Sourcewell cooperative contract to purchase the new restroom facility. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

Commissioner Tom Stiger asked why the actions were separated into two. Whitaker explained that CXT's services are responsible for building the restroom and delivering it. They are a general contractor that does demolition, landscaping, or building foundations. Commissioner Stiger asked if the Port can move forward with the CEO's authorization. Whitaker responded with yes and part of the reason staff is asking for the not to exceed standpoint, there are a number of items and information the Port needs from CXT that the Port can't acquire without them being on contract so that would prevent or stall the engineering design in order for the project to go out to bid. Once this project is complete and when staff comes back to the Commission for close out, staff will detail exactly where the CXT contract ends up, total amount.

Commission President's Report

Commissioner Glen Bachman reported the Port was awarded by Puget Sound Regional Council (PSRC) a grant for \$1.5 million. Also, at the PSRC general meeting last week, County Executive Dave Somers was successful at proposing the vision for 2050 vote and guidelines throughout the growth periods. 3% is the pegged number for the growth rate in each one of the counties. However, Snohomish County is unique and has more opportunities for buildable properties that far exceeded the 3%. The County Executive started out with a proposal and request for Snohomish County at 6% and that was rejected by a number of the members of the executive board, so he went back to work and came back with another number and even that was rejected. In the end, the County Executive received some ideas and techniques from other counties in what to do and he received 4.5% for Snohomish County.

Also, last month the PSRC completed the airport study. This is a capability study; what airports are capable of currently. The purpose of this study is to find another "SeaTac". SeaTac can't grow anymore; their growth is vertical. It is a study of a place and time and determination of where any other airport growth would be.

Regular Commission Meeting Minutes
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Commission Discussion

Commissioner Tom Stiger thanked Commissioner Glen Bachman and procurement staff for receiving the PSRC grant and asked if it is earmarked for a specific project. CEO Lisa Lefebber stated yes, it is earmarked for Segment E, which is the last remaining bulkhead piece of Waterfront Place and is located between Fisherman's Harbor and Grand Avenue Bridge.

Commissioner David Simpson thanked Commissioner Glen Bachman for his leadership in advocating at PSRC for the grant to the Port. Simpson also thanked Public Affairs Manager Catherine Soper, as they both gave a Port Update to the Bayside Neighborhood on October 20.

On October 22, Lefebber, Soper and Simpson had the opportunity to visit Hat Island and they made it back safely. He thanked Chief of Business Development Terrie Battuello and Island Manager Kim Gleason for giving them the opportunity to visit the island.

Citizen Comments

There were no citizen comments.


Executive Session

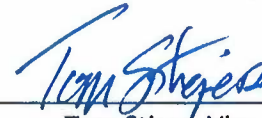
No Executive Session was held.

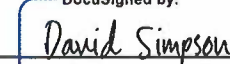
THE REGULAR MEETING WAS ADJOURNED at 1:23 p.m.

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