

**Minutes of Everett Port Commission  
Special Meeting  
March 24, 2020**

**PRESENT:** Tom Stiger Vice President  
Lisa Lefebber Executive Director  
Eric Russell Chief Finance Officer

**TELECONFERENCE:** Glen Bachman President  
David Simpson Secretary  
Brad Cattle Port Attorney

**CALL TO ORDER:** The meeting was called to order by Commission Vice President Tom Stiger at 3:01 p.m. and stated for the record that Commissioner Glen Bachman, Commissioner David Simpson and Port Attorney Brad Cattle were participating by telephone.

**CONSENT AGENDA**

- Regular Meeting Minutes of February 4, 2020; and Regular Meeting Minutes of February 11, 2020
- Approval of Bills for February 2020

Commissioner David Simpson moved to approve the items of the Consent Agenda. 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**

**Declaration of Emergency**

Executive Director Lisa Lefebber presented the Declaration of Emergency, which has evolved since it was first issued on March 17, 2020. There has been a lot that has happened in a short period of time. There are more unemployment requests right now than there was during the Great Recession. A couple key decisions have been made at both State Federal and local levels that have led the Port to declare an emergency. On February 29, 2020, Governor Inslee declared a State of Emergency for Washington State and started to limit the number of people gathering together. On March 13, 2020, Governor Inslee ordered the closure of ALL schools in Washington State until April 27, 2020. On March 13, 2020, the President of the United States declared a National Emergency to free up federal funds to quickly respond to the pandemic. On March 16, 2020, Governor Inslee order restaurants to limit in-person dining and bars, entertainment and indoor recreational facilities were ordered to close. After the March 16 Governor's order, the Port transitioned to "Level 1 Emergency Operations." This protocol included reduced operations and telecommuting effective March 17, 2020. On March 20, 2020, the Mayor of Everett issued a directive for residents and businesses to stay home. On March 22, 2020, the President of the United States declared Washington state a disaster area. On March 23, 2020, Governor Inslee ordered a Stay Home, Stay Healthy Order to all non-essential businesses for two weeks.

This has created multiple challenges, not only for an organization that is considered an essential business, which the Port of Everett is, but also for the Port's ability to respond appropriately to this disaster. Lefeber is asking the Commission for concurrence on the emergency declaration order that allows the CEO/Executive Director the powers necessary to provide rules, regulations and expend funds reasonably as it relates to the emergency. This includes obtaining supplies, equipment, personal property, professional, procured or technical services, including and selecting and awarding such contracts as necessary, authorizing overtime and/or extended leave for personnel, working on Union Contract modifications or any other lawful acts as may be necessary and reasonably required to address this situation.

If the CEO/Executive Director exercises any powers or authorities delegated under this Declaration, he/she shall report such exercise to the Commission at the next regular Commission meeting with explanation as to why it was necessary to take such action under this Declaration to meet the emergency articulated herein. If required by law, the Commission shall take such action in an open session to ratify the Executive Director's action hereunder.

This emergency declaration shall remain in effect until further notice is given, pursuant the Executive Director's judgement, that the state of emergency no longer exists.

Upon discussion, Commissioner David Simpson moved that the Commission approve the Declaration of Emergency, 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.

#### **Infectious and Communicable Disease Preparedness Policy and Response Plan**

Executive Director Lisa Lefeber reported that the Port of Everett Staff did an amazing job putting this plan together. This policy has been used as a model for many other Ports throughout the Puget Sound and Washington state region. Lefeber is proud of what the Port team has done with this policy and proud with how the Port was able to take care of the well-being of the Port, tenants and customers and employees. This is a stressful time for many, people are worried about their family members and loved ones and what will be coming down the road next with regards to restrictions. One thing the Port wanted for their employees who do important work is to not worry about where their next paycheck will be coming from. A lot of thought was put into this plan through that lens. The Port of Everett strives to provide a safe and healthy workplace for all employees. The purpose of the Port's Infectious and Communicable Disease Preparedness Policy and Response Plan is to identify the procedures that will be put in place prior to and during an infectious or communicable disease event (i.e. outbreak, epidemic, pandemic levels) to protect the employees, tenants and guests of the Port, to maintain continuity of Port operations and to mitigate the impact of any business interruption that may result.

Some of the key budgetary features of the policy includes provisions to "maintain employees on regular pay status for up to fourteen (14) calendar days during testing for Infectious Disease of themselves or members of their immediate household" and "During Reduced Operations or Emergency Operations

additional leave of eighty (80) hours may be available for employees (Pandemic Leave), affected by reduced operations.”

Commissioner Bachman asked if the Port has heard anything negative on the actions that have been taken so far in terms of reduction of services and what has the Port been doing up to date. Lefeber responded with people have been appreciative. The Port has taken a balanced approach, but also erred on the side of caution, when possible. The Port has been a little bit ahead of the curve as the Port moved to emergency operations right after the restaurants were shut down. The public has been able to get the services that they’ve desired. The fuel dock hours were reduced due to the Governors orders he issued today.

After discussion, Commissioner Glen Bachman moved that the Commission move to ratify and approve the Port’s Infectious and Communicable Disease Preparedness Policy and Response Plan. 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. 1150 (2020) Electronic Signatures**

Executive Director Lisa Lefeber informed the Commission that RCW 19.360 authorizes electronic signatures and recognizes that the electronic signature may be used with the same effect as a written signature provided that the electronic signature conforms to the definition in RCW 19.360.030 and writing conforms to RCW 319.360.040. It also requires the Commission to authorize use of electronic and digital signatures. Staff recommended the Commission approve use of electronic and digital signatures for Port documents and to conduct Port business, where appropriate and permitted by law, since it will lessen administrative demands, improve efficiency, increase access to public information for all Port District citizens, and provide the predictable processes throughout the Port. The CEO/Executive Director will implement procedures guiding this process when administratively practicable. For the near-term future, the Port will use DocuSign, a trusted 3<sup>rd</sup> party signature software (used worldwide) which will be controlled by Procurement and Executive Departments.

Upon discussion, Commissioner David Simpson moved that the Commission approve Resolution No. 1150 (2020) authorizing use of digital and electronic signatures for conduct of business at the Port of Everett. Commissioner Glen Bachman seconded the motion. A vote was called for:

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

Motion carried.

**Resolution No. 1151 (2020) Teleconference**

Executive Director Lisa Lefeber stated Resolution No. 1151 (2020) amends Resolution No. 1145 (2020), establishing procedural rules for the transaction of Port Commission business to allow Commission

meetings to be conducted by telephone or other electronic means. The amended rules are consistent with state law and have been drafted by the Port's attorney. No other changes were proposed.

After discussion, Commissioner Glen Bachman moved that the Commission approve Resolution No. 1151 (2020) amending and restating Resolution No. 1145 (2020) establishing procedural rules for the transaction of Port Commission business, 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.

### **WATERFRONT PLACE CENTRAL**

#### **Authorization of Facilities Management Services – Request for Proposals**

Chief of Business Development Terrie Battuello reported as part of the Port's strategic tactic to armor itself against the naturally occurring cycles in the terminal business by increasing its baseline of consistent long-term revenues through a stable commercial portfolio, the Port's tenant portfolio has proliferated and the Port's capacity to manage these properties must increase. Since the Port strives to provide a world-class level of service in any program under its management, the Port Administration recommends the solicitation of a facilities management contractor. Through the contract, the Port will increase its capacity for recruitment and leasing activities while assuring all tenants are well served and physical maintenance and long-term maintenance plans are well attended. The contract will include maintenance services (i.e. janitorial, landscape maintenance, repairs, etc.) and the associated billing, reporting, tracking and reconciliations. The contract will also include lease administration (invoicing of tenants, monitoring insurance certificates, etc.). Emergency after hour responses and tenant move in/out will be conducted under their supervision. The cost of this service will be apportioned and offset, where applicable, to tenant expenses. Capital maintenance will be performed by the Port, as it is currently handled. Once a preferred contractor is selected, the Commission would be asked to approve the contract.

After discussion, Commissioner Glen Bachman moved that the Commission move to authorize the Port Administrative to solicit proposals for commercial properties and facilities maintenance. Commissioner David Simpson seconded the motion. A vote was called for:

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

Motion carried.

### **DEPARTMENT REPORTS**

#### **Properties**

#### **NSF International Food Safety, LLC – Lease Amendment**

Chief of Business Development Terrie Battuello reported NSF Seafood, Inc. is a not-for-profit organization providing seafood evaluations, laboratory testing, certification, audits/inspections, speciation, and training for the seafood industries. NSF has offices and labs in key global locations including Everett, WA;

Dutch Harbor, AL; Elizabeth, NJ; Santiago, Chile; San Miguel, Peru; Guayaquil, Ecuador; Shanghai, China; Busan, South Korea; Delhi, India; Bangkok, Thailand; and Ho Chi Minh City, Viet Nam. Their parent company is NSF International, based in Michigan. NSF entered into the current office lease April 30, 2019 to co-locate near the WSU Food Science program as a tenant in the Marina Village office building (SM1), leasing 678 square feet at \$21 per square foot triple net until April 30, 2022. The tenant now wishes to expand their lease to add a vacant adjacent suite for training and conferencing equal to 504 square foot, Suite #228 at the same \$21 per square foot as the current lease. In addition, the tenant has requested, and the Port Administration recommends the approval of, a lease assignment of this lease to their newly reconstituted legal entity, NSF International Food Safety, LLC. There are no other substantive changes to the lease rates or conditions, offsets or defenses under the lease. The certification of the new entity would act as an estoppel (declaration) to bar against the tenant later challenging the existence of the responsible agency.

Upon discussion, Commissioner David Simpson moved that the Commission authorize the CEO to sign the First Amendment to the NSF International Food Safety, LLC, 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.

#### **Snohomish County Purchase and Sale Agreement – Lots 7 and 9 Riverside**

Chief of Business Development Terrie Battuello reported Riverside Business Park, located along the west bank of the Snohomish River near I5 in Everett, was acquired by the Port in 1998 with a goal to re-purpose this former lumber processing site. The Port strategic objectives for acquiring this site were to attract industries to provide family-wage jobs; provide for sustainable community economic growth; broaden the District tax revenue base; and develop an industrial park with quality projects and standards.

Since the 2014 Commission declaration of these objectives, the Port's efforts have created 600 direct jobs in light manufacturing and transportation related fields with another 200 jobs anticipated when Lot 2 is developed.

What remains to be implemented from this strategy is the transfer of roads, sewer, storm and trails infrastructure to the City of Everett under the General Transfer Agreement; transition the business association to the new ownership and sell the final two buildable lots (Lot 7 and 9).

The Port Administration presents to the Commission for its consideration a negotiated Purchase and Sale Agreement for two lots (Lot 7 and 9) to Snohomish County for the expansion of their solid waste and public works facilities, which has already been approved by Snohomish County Council. While other private interests may step forward to develop these irregularly formed parcels, the County, being geographically tied to existing operations, have a public need to expand their program in this location.

Terrie Battuello stated that there will be a 45-day diligence period allowing the county to investigate and terminate the deal if for any reason at their sole discretion. The estimated closing date will be May 29, 2020 but no later than June 15, 2020. After June 15, it will represent a default by the party that wouldn't be ready to move forward, and the Port will be entitled to some penalties if not at fault.

The Port also did not use a broker in this transaction so there are no broker fees.

Commissioner Glen Bachman asked if there is an existing or a future walking path on this property and if so, will the county be responsible for that or is that responsibility being transferred to the Port. Terrie Battuello stated there is a walking path requirement on the property, so the requirement goes with the property. When the county goes in to develop it, when they go to the City for permits, they would be required to build those trails. The Port is not retaining this responsibility. It will be around \$1 million in trails. It will connect to the same trail system that is owned by the City of Everett, the easements are in there for the City, but the trail development isn't triggered until development.

After discussion, Commissioner Glen Bachman moved that the Commission move to authorize the Port CEO to sign the Purchase and Sale Agreement which provides for the sale and transfer of Riverside Business Park Lots 7 and 9 to Snohomish County, 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.

#### **Commission President's Report**

Commission President Glen Bachman thanked the Port staff for their excellent work during these crazy times. He has been kept well informed.

#### **Commission Discussion**

Commissioner David Simpson thanked the Port staff for doing a great job. Everyone has a lot to learn from the process and hopes everyone stays healthy.

Commissioner Tom Stiger wanted to thank his fellow Commissioners for participating in the teleconference. Commissioner Stiger also asked about the commission meeting in February, the Commission awarded a contract with KPFF for Marine Industrial Expansion for \$2.6 million and awarded a new contract with PND for \$2.5 million for Engineering Services. He asked how these were paid out, on task orders, individual invoices? Chief Financial Officer Eric Russell stated the Port establishes task order for each job that needs to be done and the companies will bill the Port monthly on an hourly basis on the work they completed. The Port keeps track of the task orders and deducts them from the total amount.

Commissioner Stiger also commented on Marine Terminal activity. With regards to January and February statistics, he compared them to the same months as last year, the Port is down substantially. He compared these numbers to the cashflow in February, the Port paid out short of \$5 million. CFO Russell stated over the last year, the Port averaged \$5 million a month. Occasionally, the Port will pay greater than \$5 million, for example, on a debt service month. Some of the money outflow is paid by grant dollars that come back, as well as operating revenue. Commissioner Stiger would like the Port to look at potential expenses that the Port can cut back on and CIP projects. Lefeber reported that the Port has identified about \$1.7-\$1.8 million of projects to either postpone or defer until 2021. The Port is keeping track of expenses because the Port has been declared a national disaster area and if there are reductions because of viruses' impact

Special Commission Meeting Minutes  
March 24, 2020

on trade then the Port will hopefully get reimbursed for those revenue losses. The Port is monitoring expenses very closely.

**Citizen Comments**

There were no citizen comments.


The meeting was recessed into Executive Session at 4:10 p.m. for approximately 20 minutes – to 4:30 p.m. The purpose of the Executive Session was to discuss with legal counsel contract negotiations discussion of which if public would disadvantage the Port.

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

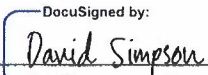
**THE REGULAR MEETING WAS ADJOURNED at 4:30 p.m.**

**APPROVED** this 14<sup>th</sup> day of April, 2020.

**EVERETT PORT COMMISSION**

By:   
Glen Bachman, President

By:   
Tom Stiger, Vice President

By:   
David Simpson, Secretary

ORIGINAL



Port of Everett

**Port of Everett**  
**Voucher Certification and Approval**  
**for the month of**  
**FEBRUARY**  
**2020**

<b>AP Claims Transactions</b>		<b>Total</b>
Claim Checks Issued	88617 - 88763	\$1,344,541.06
P-Card Transactions		50,394.13
ACH Transactions	#260 - 312	2,603,017.55
<b>Total Claims Check Register</b>		<b>3,997,952.74</b>
<b>Electronic Claims Transactions:</b>		
2/3, 2/10, 2/13, 2/14, 2/19, 2/21, 2/27, 2/28	Electronic Transfer - Health Equity/Navia/Guardian/Accrue CMS	\$24,100.65
2/3, 2/18	Electronic Transfer - IRS	216,253.12
2/24	Electronic Transfer - WA St Dept of Rev	30,488.57
2/3	Electronic Transfer - U.S. Bank	6,022.39
2/3	Electronic Transfer - U.S. Bank LOC Fees	43,983.11
<b>Total Electronic Claims</b>		<b>320,847.84</b>
<b>Total Claims</b>		<b>4,318,800.58</b>
<b>Payroll Transactions</b>		
Payroll Checks Issued	50445 - 50476	\$466,515.94
2/4, 2/11, 2/19, 2/25	PMA Payroll (Longshore Labor)	173,843.56
<b>Total Payroll</b>		<b>640,359.50</b>
<b>Total Payments</b>		<b>4,959,160.08</b>

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 24th day of March, 2020:

DocuSigned by:  
 President  
D884G4BAE8DF4DC...  
 Vice President  
 Secretary