

# PORT COMMISSION OF THE PORT OF EDMONDS

## MINUTES OF REGULAR MEETING

June 8, 2009

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### Commissioners Present

Bruce Faires, President  
Mary Lou Block, Vice President  
Marianne Burkhart, Secretary  
Fred Gouge  
Jim Orvis

### Staff Present

Bob McChesney, Executive Director  
Marla Kempf, Deputy Director  
Tina Drennan, Finance Manager

### Others Present

Bradford Cattle, Port Attorney  
Karin Noyes, Recorder

### CALL TO ORDER

Commissioner Faires called the meeting to order at 6:30 p.m. The regular session was immediately adjourned to an executive session.

### EXECUTIVE SESSION

An executive session was conducted to discuss legal matters pertaining to mediation. Those present included all five Commissioners, as well as Mr. McChesney, Ms. Kempf, Ms. Drennan, Mr. Brad Cattle and Mr. Chris Knapp. The executive session was adjourned at 6:58 p.m. No action was taken.

### REGULAR SESSION

The regular session resumed at 7:02 p.m.

### PLEDGE OF ALLEGIANCE

All those in attendance participated in the Pledge of Allegiance to the American Flag.

### CONSENT AGENDA

**COMMISSIONER BURKHART MOVED THAT THE CONSENT AGENDA BE APPROVED TO INCLUDE THE FOLLOWING ITEMS:**

- A. APPROVAL OF CONSENT AGENDA.**
- B. APPROVAL OF MAY 26, 2009 COMMISSION MEETING MINUTES.**
- C. APPROVAL OF CHECK NUMBERS 5413 – 5416 IN THE AMOUNT OF \$13.27 FOR TENANT REFUNDS**

- D. APPROVAL OF CHECK NUMBERS 67914 THROUGH 67951 AND DIRECT DEPOSITS D00427 THROUGH D00437 IN THE AMOUNT OF \$86,186.93 FOR PAYROLL.**
- E. APPROVAL OF CHECK NUMBERS 67952 THROUGH 68010 IN THE AMOUNT OF \$145,818.37 FOR ACCOUNTS PAYABLE.**
- F. APPROVAL OF CHECK NUMBERS 10957 THROUGH 10971 IN THE AMOUNT OF \$20,325.67 FOR HARBOR SQUARE ACCOUNTS PAYABLE.**
- G. APPROVAL OF RESOLUTION 09-08 – SUPERSEDING ALL PREVIOUS SIGNATURES ON BANK OF WASHINGTON AND CASCADE BANK CHECKING ACCOUNTS**
- H. APPROVAL OF RESOLUTION 09-09 – CONFIRMING APPOINTMENT OF AGENT TO RECEIVE CLAIMS**

**COMMISSIONER ORVIS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.**

### **PUBLIC COMMENTS**

No one in the audience expressed a desire to address the Commission during this portion of the meeting.

### **PUGET SOUND REGIONAL COUNCIL 2040 TRANSPORTATION UPDATE – SEAN ARDUSSI**

Mr. McChesney introduced Sean Arducci, a Senior Planner with the Puget Sound Regional Council (PSRC), who was present to update the Commission on the PSRC's Transportation 2040 Plan. Mr. McChesney explained that the document is a regional transportation plan that addresses critical issues pertaining to traffic congestion, freight mobility, environmental challenges and project financing. Mr. Arducci would review alternatives and transportation planning scenarios as described in the draft Environmental Impact Statement (EIS) that was released in May of 2009.

Mr. Arducci distributed copies of the executive summary that was prepared for the draft EIS and noted that the full EIS was available via the PSRC's website. He explained that the PSRC is a regional metro planning organization for Snohomish, King, Kitsap and Pierce Counties, with participants from 82 cities and numerous special districts, including the Port of Edmonds. The PSRC is responsible for awarding Federal transportation funding that has been set aside for regional projects based on regional priorities. They have relied on their effective data and forecasting department to prepare the updated Transportation 2040 Plan, which looks at state highways, high-occupancy vehicle (HOV) lanes, passenger rail and the movement of freight, local streets, transit service facilities, and pedestrian and bicycle facilities.

Mr. Arducci explained that the purpose of updating the Transportation Plan is to make progress on major transportation issues, manage near-term project decisions, and create sustainable financing strategies. The PSRC has been working on this effort for 1½ years. The draft EIS has been completed, and they are accepting comments regarding the document until July 15<sup>th</sup> at 5:00 p.m.

Mr. Arducci reported that according to recent growth estimates, the Puget Sound region is forecast to have a 36% increase in jobs and a 51% increase in population by 2040. This equates to about 1.5 million people and 1.2 million jobs, equivalent to the Portland Metropolitan Area. He noted that this growth would not be equally distributed amongst the four counties. Job growth is forecast to outpace population growth in King County, which means more people would commute to King County from other counties to work. While it is estimated that 62% of the job growth would take place in King County, the population would only increase by about 39%. He pointed out this is a particular concern since 70% of all work trips in 2006 were accomplished in single-occupancy vehicles.

Commissioner Faires inquired if the PSRC has identified any strategies for change, such as requiring people to live closer to where they work. Mr. Arducci explained that the Transportation 2040 Plan identifies a strategy of concentrating job growth in the regional manufacturing and industrial centers rather than in Seattle. Commissioner Faires inquired if it would be possible for future legislation to require a residential component in all industrial areas. Mr. Arducci said the PSRC's responsibility is to provide the framework for this type of discussion to take place, but

it would be up to the Legislature or local governments to make these decisions. Commissioner Orvis observed that the PSRC would have an influence on this type of legislation, and Mr. Ardussi agreed since the PSRC has the responsibility of allocating certain transportation dollars that are intended to be used to carry out the vision 2040 Plan. Commissioner Gouge agreed there is a direct correlation because the Legislature looks at the data produced by the PSRC when making transportation decisions. Mr. Ardussi said the PSRC's desire is to coordinate their efforts with those of the Legislature and local jurisdictions. Commissioner Block observed that once the PSRC adopts the final Transportation 2040 Plan, it would have a definite influence on future development patterns. Mr. Ardussi agreed and suggested the Port forward this comment to the PSRC as part of their response to the draft EIS.

Mr. Ardussi explained that the PSRC is required by law to be fiscally constrained, which means that funding must be available to implement the plan. He referred to a graph showing that the total transportation dollars spent on highways has remained fairly consistent. However, the Highway Trust Fund is shrinking, and in 2009 the revenue would be inadequate to meet Federal Transportation Spending Guarantees. There is a great demand to look for ways to fund transportation projects into the future. Even with the recent increase in the gas tax, its purchasing power has declined since 1991.

Mr. Ardussi advised that climate change and Puget Sound Water Quality are significant issues of concern. In 2002 about half of the Puget Sound green house gas emissions came from transportation sources. Three key factors would help to reduce green house emissions: changes in vehicle fleet, changes in type of fuel used, and reductions in vehicular miles traveled. Commissioner Gouge pointed out there are a lot weaknesses in the gas tax because as people move towards hybrid vehicles, there will be less demand for gas and the gas tax revenue would continue to decrease.

Mr. Ardussi explained that if the regional growth strategy goals are not achieved, traffic delays and congestion would increase dramatically.

Mr. Ardussi reviewed each of the proposed plan alternatives as follows:

- **Baseline.** This alternative would be based on current law funding and includes all planned and funded projects and programs. It was used as a starting point for comparing the other alternatives.
- **Alternative 1.** This alternative would make the most efficient use of the existing transportation system and traditional funding sources and includes a high-occupancy toll (HOT) lane system.
- **Alternative 2.** This alternative is closer to the traditional funding strategy identified in the current Destination 2030 Plan. It adds substantial roadways and transit capacity and includes use of the HOT lane system.
- **Alternative 3.** This alternative would use tolls to pay for the most critical roadway improvements, as well as bicycle and pedestrian improvements.
- **Alternative 4.** This alternative would use the toll system as a major source of revenue for improving roadway choke points. It includes transit and non-transit travel options.
- **Alternative 5.** This alternative identifies the largest expansion of highway capacity, transit bus, bicycle and pedestrian opportunities. It calls for using the traditional funding sources as well as tolling to reduce carbon emissions, which is identified as one of the major goals of the PSRC.

Commissioner Gouge pointed out that the commuter rail and Sound Transit programs have the most impact on the Port of Edmonds. He observed that Alternative 1 calls out 11 new ferry routes, yet Washington State Ferries recently announced that funding for additional ferries has been pushed out at least 12 years. He recalled that a second railroad track would be added through the Port property in the near future. He suggested it would be difficult to move people from the ferry to the Sound Transit station without disrupting the freight rail line, particularly since there is no

funding available in the near future. He questioned the best way to encourage the PSRC to address the need to get people from the ferry system to the places of destination. Mr. Ardussi suggested the Port Commission could make this recommendation as part of their EIS response. He explained that the Transportation Policies Board and the PSRC Executive Board are made up of elected officials from throughout the four counties, and they will make the ultimate decision about which alternative would be best. He suggested it is likely the preferred alternative would be a hybrid of various elements from each of the five.

Commissioner Orvis requested information about population forecasts for Bainbridge Island and the Kitsap Peninsula. Mr. Ardussi said they project that both of these areas would double in population by the year 2040. Commissioner Orvis pointed out that this growth could have a tremendous impact on the ferry system. Mr. Ardussi advised that the draft plan provides information regarding population growth and trends for surrounding counties, as well.

Commissioner Orvis observed that the Transportation 2040 Plan also addresses airports. He reported that he recently attended a briefing on the Washington State Long-Term Air Transportation Study (LATS) where it was announced that all of the regional airports would be at capacity by the year 2030. However, the LATS Commission did not provide any recommendations for addressing this problem. He suggested it is important to start now if the goal is to expand a regional airport by the year 2040. Mr. Ardussi agreed to research this issue further and get back to the Commission at a later date.

Commissioner Faires summarized that the Commission has a clear understanding of how the plan would impact the Port, and they appreciate Mr. Ardussi's presentation. He further summarized the Commission's desire to provide a response to the draft EIS. Mr. McChesney suggested the Commission could forward a letter of response regarding both the draft EIS, as well as Commissioner Orvis's concern regarding the LATS Report. Commissioner Orvis agreed to help Mr. McChesney prepare the letter to the LATS Commission. The Commissioners agreed to forward their comments regarding the EIS to Mr. McChesney, who would prepare a draft response for the Commission to consider at their next meeting.

#### **HARBOR SQUARE ATHLETIC CLUB BUILDING REMODEL PLAN – JACK TAWNEY**

Mr. Tawney recalled that the last time he came before the Commission, he presented plans to remodel the south side of the Harbor Square Athletic Club building, but in the process of obtaining bids it became apparent the project would not be economically feasible due to structural requirements. He said he was present to review a new remodel concept which involves modifications to the exterior façade including new windows, an architectural timber façade, and other cosmetic alterations at the northeast corner. He explained that the intent of the proposed remodel is to dress up the entrance and add more character. He provided drawings of his proposed plans, which also include new landscaping and an elevator. The sidewalk would be slightly narrower, but stops would be added to keep cars from protruding onto it.

Commissioner Gouge asked if Mr. Tawney had presented his plans to the City for permit approval. Mr. Tawney answered that they have received preliminary approval from the City for the entrance remodel, and they have received final approval for the new elevator. He noted that no additional square footage would be added to the exterior footprint, and the proposed height would be less than the 35-foot limit. He asked that the Commission approve the draft design and colors so the plans could be submitted to the City for the necessary building permits. He said they would like to move forward with the project in August or September. He summarized that the proposed changes would give the club a different look and first impressions are important. The proposed exterior design would mirror the interior style and design.

Commissioner Burkhart recalled that the Port Commission recently adopted a color scheme for the Harbor Square Business Complex. Commissioner Block expressed concern that the proposed colors would be too different from those that were approved for the remainder of Harbor Square. Commissioner Orvis suggested it would be desirable for the club to stand out as unique from the remainder of the commercial buildings at Harbor Square. Commissioner Faires suggested the Commission invite the project architect to review the color scheme that was approved for the

remainder of Harbor Square and come up with good colors that would not be an obvious conflict. Commissioner Burkhart observed that the proposed colors are consistent with the theme and color scheme that has been used in the interior of the club. Commissioner Block expressed her belief that the colors could be altered slightly to be more compatible with the other buildings at Harbor Square without losing the affect they want to accomplish.

Commissioner Gouge inquired regarding Mr. Tawney's timeframe for moving the project forward and whether Commission approval would be required before building permit applications could be submitted to the City. He cautioned that he does not want the Commission to hold up the project just to resolve issues related to the color scheme.

The Commission agreed they liked the proposed design. However, they asked that the Harbor Square Athletic Club's architect review the color scheme for the remainder of Harbor Square and propose a color scheme for the proposed project that is more compatible. It was noted that while it would not be necessary to utilize the blue tone, a grey color could be used. Mr. Tawney agreed to provide new colored drawings of the proposal.

Edmonds City Council Member Wambolt inquired about the Harbor Square Athletic Club's plans for creating an aquatics complex. Mr. Tawney said he is currently working with an architect to prepare plans for the swimming pool remodel. They are moving away from the concept of creating a public pool complex because of concerns raised about the lack of parking and space. Their project would be a private facility. He provided preliminary drawings of what could be done by removing the outdoor tennis courts and replacing them with an indoor and outdoor aquatics complex.

Commissioner Gouge inquired if the Club has made any effort to attract more families to their facility. Mr. Tawney answered affirmatively and noted that a new aquatics complex would accomplish this goal, as well. Commissioner Gouge expressed the importance of providing activities in the City to keep the youth engaged in good things, and the Club is a key element and attraction. He said it is important to let the young people know of the opportunities that are available.

#### **HARBOR SQUARE WINDOW REPLACEMENT**

Mr. McChesney recalled that on February 23<sup>rd</sup> the Commission authorized the Executive Director to make repairs and upgrades to the Harbor Square Business Complex in an amount of \$45,129. As of May 31<sup>st</sup>, the Port has spent approximately \$38,000, including \$11,685 for windows. He further recalled that on April 13<sup>th</sup> the Executive Director informed the Commission that further review of the windows at Harbor Square, both vacant and occupied spaces, showed that many window seals were failing and a few windows were broken and should be replaced. After the budget was approved, there was a few days of hard rain, and leaks and broken seals in other windows appeared.

Mr. McChesney referred the Commission to the summary of windows that are in the process of being replaced and those that still need replacing. He noted that all windows included on the spreadsheet show signs that the seals have failed or the windows are broken and/or have holes in them. There is also a water leak occurring in Suite 104 of Building 1, which may be fixed when the damaged windows are replaced, or it may require resealing some of the windows in Suites 104 and 202.

Mr. McChesney recommended approval of an additional amount not to exceed \$22,500 to address the needed repairs and replacement of windows in both vacant and occupied spaces. He advised that staff has bids for some of the windows and will get estimates from three vendors for the remaining windows, which is in accordance with established Port policies. He summarized that the project would meet the strategic purpose of the Port by operating the Port on behalf of the residents of the Port District, by being responsible financial stewards, and by providing quality services and facilities for the tenants.

Mr. McChesney noted the reports indicates between 33 and 53 windows need to be replaced. He explained that while it is easy to identify the broken windows, it is more difficult to identify those where the seals are leaking. Not all of

the issues will be identified until the project is started. The purpose of the proposed budget is to give staff the ability to incrementally solve the problems.

**COMMISSIONER ORVIS MOVED THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO PROCEED WITH REPLACING AND RESEALING WINDOWS AT THE HARBOR SQUARE BUSINESS COMPLEX IN AN ADDITIONAL AMOUNT NOT TO EXCEED \$22,500. COMMISSIONER GOUGE SECONDED THE MOTION.**

Commissioner Orvis expressed his belief that the project must be completed as soon as possible to restore the Harbor Square buildings. The Commission discussed whether the vacant or occupied spaces should be done first. They agreed that the all the windows should be replaced as quickly as possible, with no distinction between vacant and occupied spaces.

**THE MOTION CARRIED UNANIMOUSLY.**

### **M/N DOCK GANGWAY RAMP REPLACEMENT CONTRACT**

Mr. McChesney reminded the Commission that they authorized replacement of the gangway ramp to M/N Dock in the 2009 Capital Budget. The current ramp is too short, which causes it to become overly steep for safe access during low tides. This substandard condition requires upgrading. He further reminded the Commission that they previously authorized staff to solicit bids from qualified contractors on March 31<sup>st</sup>. Replacement design was prepared by Berger/Abam, and the City of Edmonds has notified the Port that the permit is ready to be issued subject to notification of contract award and verification of contractor's license.

Mr. McChesney reported that a bid opening was held on May 28<sup>th</sup>, but no bids were received. On May 29<sup>th</sup> staff was contacted by West Coast Divers and Marine who indicated they had prepared a bid but weren't able to comply with the submittal deadline because of a technical issue concerning the bid bond. If accepted, their bid would be \$57,324. He advised that the Port Attorney has reviewed the situation and indicated since accepting the bid would not give West Coast Divers and Marine an advantage over other bidders and the Port would benefit by awarding the contract even though the bid was received after the bid closure, it would not pose a legal problem.

Mr. McChesney noted the project schedule is primarily driven by the fish window during which in-water construction can begin July 15<sup>th</sup>. He explained that the proposal would meet the strategic purpose and mission of the Port by providing and fostering quality services and facilities for tenants and the boating community. He recommended the Commission waive formalities and accept the bid from West Coast Divers and Marine in the amount of \$57,324 to replace M/N Dock ramp as specified and to authorize the Executive Director to award the contract.

Commissioner Burkhart inquired as to how much was identified in the Capital Budget for the project. Ms. Drennan answered that the Capital Budget identified \$60,000 for the project. Mr. McChesney expressed his belief that the bid is good and rebidding the project would not accomplish any gain for the Port. Commissioner Faures inquired if issues related to bonding have been resolved by the contractor. Mr. McChesney answered affirmatively.

Commissioner Gouge inquired how the project would impact tenants on M/N Dock. Mr. McChesney answered that they are planning to close the dock for one day, but the project might take longer. Ms. Kempf said she has talked with Edmonds Yacht Sales, who indicated they would be willing to relocate their boats to guest moorage if the project takes more than one day to complete. In addition, the NAVILINX Boat would have to be moved to a different location if they are taking on passengers. She said staff would send letters to all tenants located on the dock to notify them of the closure. Commissioner Gouge suggested the project be scheduled so it does not impact weekend boating, and staff agreed. Commissioner Orvis reminded the Commission that the project is being done in response to the tenants' stated desire and concern. Ms. Kempf summarized that the Port has been waiting a long time to get the project done, so they need to move forward even though it will disrupt the boating season.

The Commission discussed possible uses for the old ramp. Ms. Drennan agreed the Port could surplus the ramp and attempt to sell it on eBay. Another option would be to use it to replace the existing ramp on V Dock.

**COMMISSIONER BURKHART MOVED THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO WEST COAST DIVERS AND MARINE IN THE AMOUNT OF \$57,324 FOR THE REPLACEMENT OF M/N DOCK GANGWAY RAMP. THE COMMISSION RECOGNIZES THE BID PROCESS WAS IN COMFORMANCE WITH COMMISSION POLICIES AND APPLICABLE RCW'S FOR PUBLIC WORKS CONTRACTING. COMMISSIONER BLOCK SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.**

MR. CATTLE LEFT THE MEETING AT 8:20 P.M.

### **RECYCLING PROGRAM**

Ms. Kempf referred the Commission to a report that was prepared in 2008 by an intern from Landau Associates to identify ways to improve, update, streamline and/or create a more environmentally sustainable program for recycling and waste disposal. The major issues with the Port's current program are inconsistency and contamination. She explained that, currently, there are several ways to recycle and dispose of trash on Port property. The recycle containers have lids with cubby holes and chains over the top to discourage people from putting trash into them. She summarized that the Port's current recycling system is outdated and is not working the way it should. However, it is important to keep in mind that upgrading to a more effective system would require quite a few changes.

Ms. Kempf reported that the intern presented two recommendations for improving the Port's recycling program. She summarized that Option 1 would probably offer the most options for recycling, but Landau Associates and staff believe the cost savings identified by the intern were really overstated. She said staff has forwarded a copy of the report to Sound Disposal, the Port's current service provider, and asked them to provide more realistic figures related to potential cost savings.

Ms. Kempf advised that staff met with representatives from Makers and Sound Disposal to walk through the existing facilities. In addition, she had a conversation with Mr. Keuss, former Executive Director, who pointed out the Master Plan identifies the Port's intent to put trash and recycling enclosures in the north end of the marina. He suggested it would make sense to consider Option 1, which would implement the Master Plan. After talking with numerous people, she said she concluded that the existing enclosures are outdated. In addition, representatives from Sound Disposal voiced concern that they were never involved in the process of planning for the existing enclosures. She advised that people who really want to recycle use the existing facility, but they still get contamination, which is a concern to Sound Disposal because they are charged a fine when they dump recycle loads that are contaminated with trash.

Commissioner Burkhart pointed out that the signage is out of date. Ms. Kempf agreed and added that Sound Disposal is not as up to date as disposal companies in other cities. Commissioner Burkhart asked if the City has control over this contract. Council Member Wambolt explained that the City does not have the authority to change disposal companies, since this is all controlled by the Utilities Telecom Council (UTC).

Ms. Kempf said she is in support of an approved recycling program, and she suggested that one step in the right direction would be improved communication and education for tenants. In addition, it would be helpful to improve the signage so the tenants have a clear understanding of which items can go in the recycle containers. Also, it might be helpful to lock the recycle centers so they are only accessible to tenants. One trash and one recycling container could be placed in each enclosure. In addition, trash and recycling containers could be placed along the promenade for the public's use. When the public recycling containers are emptied by staff, they could make a judgment call as to whether the items in the container are acceptable for recycling. In addition, Makers could provide a cost estimate for construction of a new enclosure in the north end, recognizing that the new Edmonds Yacht Club Building would change the current configuration. She noted there is no funding identified in the 2009 budget for this project.

However, they could complete the preliminary work so that cost projections are available for inclusion in the 2010 budget.

Commissioner Block inquired if plastic could be placed in the recycling containers that are currently labeled for glass. Ms. Kempf answered affirmatively and agreed it would be appropriate to change the signage to make this clear. She emphasized that recycling companies allow for all recyclable items to be comingled into one container. She summarized that cleaning up the existing recycling centers and improving signage would help the situation.

Commissioner Gouge asked if staff has identified a solution for recycling the contaminated plastic that is used in the workyard. Ms. Kempf said that, currently, the plastic is sent to the landfill. Commissioner Gouge observed that while using the plastic solves one environmental problem, they are creating another unless the plastic can be recycled. Ms. Kempf explained that, previously, these materials were picked up for recycling by Skagit River Steel, but the price they receive from recycling the materials has decreased significantly. Therefore, they cannot offer the service free of charge. The Port would have to pay for them to collect the plastic and take it to be recycled. The Commission agreed it would be appropriate to consider increasing the workyard fee or the environmental fee to provide the necessary funding to recycle the plastic material.

Ms. Kempf reported that the Port passed their last two environmental tests. However, she noted that the Port's current copper levels would not meet the proposed new permit requirements.

#### **EXECUTIVE DIRECTOR'S REPORT**

Mr. McChesney reported that he formally started work for the Port on May 18<sup>th</sup>, and his first two weeks were spent getting oriented with the staff and facilities. He said his first impression is that the Port is a fine operation and Mr. Keuss set him up well. He said he also spent time getting to know the lay of the land over at Harbor Square, and Jan Conner, Property Manager, took him about meeting with tenants and becoming familiar with the history, facts and details associated with the property. He said he also met with the broker to discuss marketing prospects. He summarized that he is looking forward to the challenge of discovering new ideas and alternatives to make Harbor Square a better place.

Mr. McChesney reported that he also met with key City of Edmonds staff and was invited to introduce himself to Mayor Haakenson at the City's regular Monday staff meeting. He said it is apparent that the partnership established between the City and Port is crucially important to maintain as the Port moves forward with their future plans.

Mr. McChesney announced that a pre-construction meeting with the Edmonds Yacht Club has been scheduled for June 9<sup>th</sup> to get acquainted with the construction contractor and schedule and to coordinate logistics, lay down and operations. He explained that the goal is to minimize disruptions and avoid conflict.

Mr. McChesney summarized that he has assembled a collage of impressions and observations, and his opinions and recommendations will be for another time. He thanked the Commission and Port staff for helping him get off to a good start.

Mr. McChesney announced that the Port has received a lease proposal for space at Harbor Square, which will require some measure of consideration on the subject of tenant improvements and lease terms. He asked that the Property Committee meet with him to discuss a reasonable counter offer. Commissioners Faires and Burkhart agreed to meet with Mr. McChesney on Wednesday.

Mr. McChesney reminded the Commission that the July 27<sup>th</sup> Meeting is scheduled to be a short business meeting for approval of accounts payable only. It was discussed that several Commissioners would be unavailable on the 27<sup>th</sup>, and staff was directed to contact Commissioners to identify an alternative date for the meeting.

Ms. Kempf reported that the Waterfront Festival was successful, particularly due to the nice weather. The Classic Boats were fabulous and the Yacht owners were impressed by the Port facilities and staff. The Off Shore Boats gave 31 rides over the weekend, and the artist, Mr. Kirsten, said his event went okay and was attended by about 130 to 140 people. He said he didn't figure out until late Saturday that his signage was not well placed, and staff passed this comment to the Rotary Club. The Rotary Club parked 1,000 cars and collected \$10,000 in revenue. Gate revenues were approximately \$36,000 and 12,000 people were in attendance. Beer Garden revenues were \$30,000. The Rotary Club won't have final numbers until all of the expenses have come in. She said she would provide a more thorough report as part of her upcoming Quarterly Report. Commissioner Burkhart suggested both the Port and the Rotary Club consider opportunities for including more marine related activities in the 2010 festival.

Ms. Kempf advised that staff was notified by Puget Sound Partners and the Department of Ecology that the Snohomish County Health Department would be conducting a technical assistance visit at the Port within the next few months. The notification invited Port staff to contact the Health Department to schedule the visit. She explained that Puget Sound Partners gave money to the Department of Ecology in the form of a grant and the Department of Ecology didn't have enough staff to do the inventory of the permitted facilities so they hired the Snohomish County Health District to accomplish the task. She reported that she and Mr. Danberg met with representatives from the Health Department to tour the facility, and the inspection went well. They took pictures of the Port's facilities to use as an example of how things should be done.

Ms. Kempf announced that the new fuel dock system would be installed on Monday, June 15<sup>th</sup> through Tuesday, June 16<sup>th</sup>. The fuel dock would be closed during these two days. Although staff recognizes this is the busy boating season, they feel it is important to get the new system installed as soon as possible. They are ready to train tenants who will use the system on Mondays, Wednesdays and Fridays at 11:00 a.m. and 2:00 p.m. She summarized that it would require a lot of staff time to retrain everyone on the new system.

#### **COMMISSIONER COMMENTS AND COMMITTEE REPORTS**

Commissioner Burkhart expressed dismay that during these tough economic times, the Department of Ecology has chosen to advertise on television during Mariner Games their "Litter and It Will Hurt" Program.

Commissioner Burkhart reported on her attendance at the Woodway Town Council Meeting, where it was clear that people are lining up for and against the Town Council's proposal to purchase Rosary Heights.

Commissioner Orvis reported that he attended the South Snohomish County Cities (SSCC) Meeting where Snohomish County Sheriff John Lovick was in attendance along with two staff members from the Snohomish County Correctional Facility. One of the SSCC's concerns is that local governments would not be able to send people to the County jail, but the Sheriff indicated there was plenty of room in the facility for cities and they have priority.

Commissioner Gouge reported that he and Commissioner Faires attended the mediation session on June 2<sup>nd</sup>, and he got home too late to attend the Edmonds City Council Meeting. However, he learned that the City Council passed an ordinance to ban plastic bags at check out counters in the City. He said the Council Committees are scheduled to meet on June 9<sup>th</sup>, and he plans to attend the Community Services/Development Services Committee Meeting.

Commissioner Gouge announced that he attended the State Special Olympics Event at Fort Lewis, where his son won three medals. He is now eligible to put his name in to attend the national event.

Commissioner Faires announced that the City of Edmonds City Council has formally chartered an Economic Development Commission, and Council Member Wambolt and Mayor Haakenson have requested that he and Commissioner Burkhart participate on the commission on behalf of the Port of Edmonds. The remainder of the Board agreed that would be appropriate.

Commissioner Gouge requested an update on LMN Architect's progress on the Harbor Square Master Plan. Mr. McChesney agreed to forward an update to the Commissioners via email.

**ADJOURNMENT**

The meeting was adjourned at 9:05 p.m.

Respectfully submitted,

Marianne Burkhart  
Port Commission Secretary