



PORT COMMISSION OF THE PORT OF EDMONDS

MINUTES OF REGULAR MEETING

December 11, 2017

COMMISSIONERS PRESENT

Fred Gouge, President
David Preston, Vice President
Steve Johnston, Secretary
Bruce Faires
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

Commission President Gouge called the regular meeting to order at 7:00 p.m..

PLEDGE OF ALLEGIANCE

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

CONSENT AGENDA

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

- A. APPROVAL OF AGENDA**
- B. APPROVAL OF NOVEMBER 27, 2017 MEETING MINUTES**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$144,738.17**

COMMISSIONER PRESTON SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

PUBLIC COMMENTS

Lora Petso, Edmonds, recalled that a number of issues were raised by citizens during her campaign for Port Commissioner. One, in particular, was a concern that the Port might be using Round Up for landscaping purposes, including areas around the marsh and sound. She said it is her understanding that the product is toxic to aquatic creatures, and she hopes the Commission will follow up. If they find that Round Up is being used, she urged them to discontinue the practice.

Dave Teitzel, Edmonds City Council Member, announced that two weeks ago, the City Council voted to place the Admiral Way/Dayton Street crosswalk project in the City's Capital Improvement Plan (CIP) for 2019. The intent is to do the engineering work in 2018 in preparation for construction in 2019. The effort will require some discussion with the Port to make sure the turning radius remains adequate to accommodate large trucks. The project will

include some bump outs, a street light on the west side, and a flashing warning beacon when pedestrians step out into the street.

Commissioner Preston asked if it would be possible to install a temporary crosswalk until the more formal one can be funded and constructed. He also suggested that the City move forward to install the light on the west side of the street as soon as possible. The street is very dark in this location, and he would rather not wait until 2019. Council Member Teitzel agreed to make this request.

Commissioner Faires commented that Council Member Teitzel is the first council member to include the Port Commission in discussions relative to City plans that might impact the Port. He thanked him for the opportunity to participate in the conversations.

COMMISSION MEETING GUIDELINES

Mr. McChesney referred the Commissioners to the Commission Meeting Guidelines, which were last reviewed and updated on May 23, 2005. He suggested that they review the document again and make changes as appropriate. He reminded them of a recent discussion about whether or not it is permissible for Commissioners to participate in meetings via phone, and this is already addressed in the guidelines as something that is allowed. Also, while the guidelines are silent on the number of absences Commissioners are allowed to have, the Revised Code of Washington (RCW) addresses the issue. He summarized that the guidelines are straightforward, and he anticipates few, if any, changes.

Commissioner Faires questioned if the guidelines were ever formally approved or if they were simply accepted as guidelines. Mr. Cattle responded that the document indicates that the guidelines were formally approved by the Commission on May 23, 2005.

Commissioner Preston requested that the guidelines be sent to each Commissioner as a Word document so they can provide staff with a redline version of their proposed changes. He asked if it would be appropriate to update the guidelines to include language from the RCW pertaining to executive sessions. Commissioner Faires suggested that it would not be necessary to add language to the guidelines that is already addressed in the RCW since the RCW takes precedence over the Commission Meeting Guidelines. Mr. Cattle agreed that State Law would control over the guidelines. He said his general preference is to reference the State Law as opposed to incorporating actual language from the State Law.

Commissioner Orvis cautioned against creating a document that focuses too much on parliamentary guidelines for how the Commission should conduct its meetings. He recalled that the Commissioners have all attended meetings to learn about Robert's Rules of Order, which are available to help run coherent meetings when there is tremendous hostility in an organization. However, the Commission has never had to enforce the rules. He suggested that the Commissioners avoid putting themselves in a position of establishing a rigid set of rules that can lead to their decisions being questioned if the rules are not followed to a tee. The Commission Meeting Guidelines have worked well and have resulted in a collegial atmosphere of mutual respect. As long as this continues, he does not see a need to significantly change them.

Commissioner Gouge invited the Commissioners to review the guidelines and submit their proposed changes to staff. Commissioner Faires said he suspects that the Commission's process has changed somewhat since 2005, and it would be appropriate to update the document to include those changes.

2018 COMMISSION MEETING SCHEDULE

Mr. McChesney advised that approving the 2018 Commission Meeting Schedule is a proforma requirement. The only issue yet to be resolved is the date for the Commission's Spring Retreat. After a brief discussion, the Commissioners agreed to schedule the retreat for March 26th from 9 a.m. to 2 p.m. in the Port Commission Meeting Room. The main topics of discussion will be the cash flow model and planning for the future.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney reported that the restroom project is moving along. Last week he met with the contractor and a representative from Anthony's Homeport Restaurant to discuss water issues. There is no final plan or change order yet, but Anthony's has agreed to partner with the Port to resolve the problem.

Mr. McChesney reported that Port staff replaced the engine on the public launcher last week and found that the old engine had never been sealed and about 50 gallons of water had gotten inside the motor casing. The old engine will be rebuilt and used as a spare.

Mr. McChesney advised that he will meet with representatives from Puget Sound Express (PSE) to talk about their future needs when the new vessel comes online next spring. He reported that Mr. Menard, Facilities Manager, visited the boatyard where the new vessel is being made and learned that it will be 73 feet long and 29.5 feet wide. It will hold 150 passengers and carry 1,500 gallons of fuel. Cruising speed will be 35 knots. Accommodating the new vessel presents some challenges that must be addressed, such as how to get passengers on and off the boat and where to locate the ticket booth and parking. These operational issues need to be addressed before the vessel arrives.

Commissioner Orvis noted that PSE's proposed business model indicates there will be nearly 24,000 passengers in 2018. Mr. McChesney agreed that is a substantial increase, and the Port was hoping that PSE would install access stairs on the new vessel. However, that turned out not to be practical, so they are back to square one to design a ramp that will not encumber the docks. He reminded the Commission that PSE provides a benefit to both the Port and the community.

Commissioner Faires said it would be helpful for Mr. McChesney to have a discussion with them about the anticipated capital improvements and operational changes that will be needed to accommodate the larger vessel. He wants to be sure he understands how the changes will impact other Port tenants. Mr. McChesney responded that, at this point, they are still in conceptual discussions. However, he does not contemplate any major capital investments or modifications. Ideally, there would be an articulated gangway that drops off the promenade, but that will have to wait.

Commissioner Johnston asked if Mr. McChesney believes that his discussions with PSE are moving forward satisfactorily, and Mr. McChesney answered affirmatively.

Commissioner Orvis commented that increasing the capacity to 24,000 passengers a year will benefit the restaurants and other businesses in the area. He asked if staff has contacted the Chamber or other organizations to discuss how they might be able to capture some of this business. He recalled that, in the past, the local business owners have tended to rely on the Port to move customers from the marina to the downtown. He is more interested in letting them figure out how to get the extra people into their businesses. Mr. McChesney advised that Brittney Williams, Properties and Marketing Manager, has done an outstanding job of reaching out to the Chamber and will take his seat on the Chamber Board. The Snohomish County Tourism Bureau has also done an excellent job of helping with marketing, as has the Patrick Doherty, Edmonds Economic Development Director. PSE has a sophisticated marketing program, as well. The marketing program has come together in a collaborative way to maximize the benefit not only for the Port, but for the entire community.

Commissioner Gouge suggested that Ms. Williams request time on a future agenda of the Business Improvement District (BID) to inform them of the anticipated increase in business activity. He recalled that previously, the Port contributed substantially to economic development programs that provided little, if any, benefit to the Port and the Edmonds community. The Port responsibility is to give the business community the information, but leave it up to them to figure out how to capitalize on the additional people.

Commissioner Faires commented that while the Port has an obligation to worry about the marina's economic viability, it also has an obligation to help the business environment into downtown remain viable and exciting. It would be appropriate to work together to come up with a plan, and he would be willing to support an initial investment in a partnership of this type.

Mr. McChesney reported that the Washington Public Port Association's (WPPA) Finance Committee met on Friday to discuss two items of legislation related to unit pricing and establishing a revised threshold for public works contracting. Representative Strom Pederson has agreed to sponsor the legislation at the House, and Senator Marko Liias has agreed to support the legislation at the Senate.

Ms. Drennan reported that Chris Herman, from WPPA, presented two legislative proposals at the Finance Committee meeting. The first was for unit pricing, and she pointedly asked the State Auditors representative if the proposed language would meet the Port's requirements. She pointed out that it would be rather cumbersome to require the Port to bid each item separately as a unit price, and he agreed that would be ridiculous. He concluded that the draft language would meet all of the Port's requirements, but he would not provide written approval. His comments in support of the legislation will be part of the meeting minutes.

Ms. Drennan said the other legislative item was related to changing the bid limit whereby ports do not have to bid out every item for public works. Right now, ports do not have a limit, so it is basically zero. That means ports have to bid out every public works item, which is cumbersome and difficult, particularly for smaller items when it is difficult to even get companies to submit bids. The legislation proposes a bid limit of \$40,000, which would match what is allowed for most other agencies. The only concern came from the Port of Seattle who wants to make sure the legislation does not require them to bid out each project over \$40,000 if they have the resources to do the work in house. Mr. Herman cautioned that the more language added to the legislation, the less likely it will pass. She responded that she would rather include a caveat to address the Port of Seattle's concern and risk having it fail than not send the legislation forward at all.

Commissioner Orvis observed that the Port of Seattle has complained about this same issue in the WPPA Legislative Committee Meetings for the past three years. Their attorney has been told several times that the proposed legislation would not impact the Port of Seattle. Even though the Port of Seattle's attorney has complained on numerous occasions, he has not proposed any language to resolve the concern.

Commissioner Orvis commented that, from the Port's perspective, the on-call contract legislation (unit pricing) is the one they truly need now. Mr. McChesney agreed and explained that the legislation would address the management letter the Port received after the last State audit. Commissioner Orvis asked if staff believes the WPPA will actually provide legislation for Representative Pederson and Senator Liias to move forward. Ms. Drennan answered that she is confident that the unit pricing legislation will move forward, but she is less confident about the legislation related to increasing the bid limits. Mr. McChesney said he sees the legislation as improving efficiency in government. It would not change the public works contracting rules and would not require any funding. It would simply establish a threshold to do the work without involving a lot of administrative red tape.

Ms. Drennan reported that the tax reform bill that is currently being considered in Washington D.C. includes a provision to remove the ability for government agencies to advance refunds on tax exempt bonds. This does not make a lot of sense since the intent of the practice is to save taxpayers money. She will continue to keep an eye on the issue and report back.

Ms. Kempf asked which Commissioners plan to attend the Seattle Boat Show on January 26th through February 3rd. She noted that staff will man the Port's booth, but Commissioners are invited to participate, as well. All Commissioners, including Commissioner Elect Angela Harris, indicated a desire to attend the event.

Ms. Kempf reminded the Commissioners that the Christmas Ship would be at the marina on December 13th.

COMMISSIONER'S COMMENTS AND COMMITTEE REPORTS

Commissioner Preston handed Mr. McChesney a stack of publications he collected from various public agencies to provide ideas for the Port to consider moving forward. He also announced he would attend the Edmonds Yacht Club's luncheon on Thursday, December 14th.

Commissioner Orvis announced that he would attend the Economic Alliance Snohomish County's (EASC) Military Affairs Committee Meeting on Tuesday, December 12th. He also advised that he would meet with Patrick Pierce, CEO of the EASC and Edmonds Mayor Earling to discuss transportation issues and improvements on Highway 99.

He and Mr. McChesney are also scheduled to meet with Mayor Earling and Patrick Pierce in January. He provided a flyer announcing the EASC's kick-off breakfast on January 3rd, where cities and the county will highlight their legislative lobbying efforts for 2018, which will focus primarily on transportation. Mayor Earling will be pushing for transportation improvements on Highway 99 consistent with the City's newly adopted Highway 99 Subarea Plan. The goal is to obtain funding, recognizing that competition is steep for the available dollars. Another area of focus will be Highway 522 between Bothell and Monroe, where there are still several segments of two-lane roadway. Snohomish County projects have been neglected because the County did not do the lobbying necessary to secure grant funding, and most of the available money went towards projects in King and Pierce Counties. Now there are not a lot of dollars available for grants because most of the funding has been swept into the education budget.

Commissioner Johnston thanked Mr. Cattle for a wonderful evening at the Anderson Hunter holiday event. He also announced that he would attend the Staff Appreciation Lunch on December 13th, and reported that he would meet with Mr. McChesney on December 12 to discuss a number of issues. He said he also met with newly elected Port Commissioner, Angela Harris.

Commissioner Johnston reported that he was a judge for the Washington State Environmental and Engineering Awards for the fourth year in a row. This year the number of projects submitted was down by about 40%, which might be attributed to the fact that there is no Model Toxic Control Act funding. There were some good projects, and for the first time since he has been involved as a judge or submitter, there were no projects submitted by ports.

Commissioner Gouge reported on his attendance at a retirement party for Jean Hernandez, Edmonds Community College President. The college is now in the process of recruiting a new president, and it is anticipated that Ms. Hernandez will remain involved in the community. Commissioner Orvis commented that he anticipates Ms. Hernandez will continue to be a tremendous asset to the Edmonds/Lynnwood community.

ADJOURNMENT

The Commission meeting was adjourned at 7:50 p.m.

Respectfully submitted,



Steve Johnston
Port Commission Secretary