

PORT COMMISSION OF THE PORT OF EDMONDS
MINUTES OF REGULAR MEETING

January 28, 2013

COMMISSIONERS PRESENT

Jim Orvis, President
Mary Lou Block, Vice President
David Preston, Secretary

STAFF PRESENT

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

OTHERS PRESENT

Bradford Cattle, Port Attorney
Karin Noyes, Recorder

COMMISSIONERS ABSENT

Bruce Faires
Fred Gouge

CALL TO ORDER

Commission President Orvis called the regular meeting to order at 7:02 p.m.

PLEDGE OF ALLEGIANCE

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

CONSENT AGENDA

Item B (Approval of January 8, 2013 Meeting Minutes) was pulled from the agenda.

COMMISSIONER PRESTON MOVED THAT THE REMAINING ITEMS ON THE CONSENT AGENDA BE APPROVED TO INCLUDE THE FOLLOWING:

- A. APPROVAL OF AGENDA**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$514,503.27**
- D. APPROVAL OF LIST OF SMALL WORKS ROSTER CONTRACTS AWARDED**
- E. AUTHORIZATION FOR EXECUTIVE DIRECTOR TO WRITE OFF \$1,345.22 AND SEND ACCOUNT TO COLLECTIONS**
- F. AUTHORIZATION TO PURCHASE HYDRAULIC BOAT JACKS**
- G. APPROVAL OF 2013 WATERFRONT FESTIVAL AGREEMENT**

COMMISSIONER BLOCK SECONDED THE MOTION, AND THE MOTION CARRIED UNANIMOUSLY.

APPROVAL OF JANUARY 8, 2013 MEETING MINUTES (ITEM B ON CONSENT AGENDA)

Commissioner Block referred to the January 8th minutes, in which the Commission had a brief discussion about the their travel policy (Resolution 09-03). Although the minutes accurately reflect the discussion, she expressed her belief that the Commission should discuss the policy in more detail at some point in the near future. Mr. Cattle suggested she raise this issue under “Commission Comments and Committee Reports.” At that time, she could reference the minutes and propose a course of action for addressing her concerns.

COMMISSIONER PRESTON MOVED TO APPROVE THE MINUTES OF JANUARY 8, 2013 AS SUBMITTED. 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.

PROFESSIONAL SERVICES CONTRACT AMENDMENT #1 – BILL TRIMM

Mr. McChesney reviewed that at a regular meeting of September 10, 2013 the Commission approved a continuation of the consulting services contract with MAKERS, in particular with Bill Trimm, for Phase 3 of the Harbor Square Master Plan (HSMP) with an estimated budget of \$15,000.00 to completion. At that time, there was no way of knowing with any certainty how much time and level of effort this phase of the continuing process would take to complete. The Port has attended six meetings of the Planning Board to review the HSMP application. They also briefed the City Council and attended two additional public hearings. Consequently, there has been unanticipated work and effort preparing for meetings with City staff and reviewing various proposals and work product. Thus, while the essential basis of the scope of work of services has not changed, the amount of time, effort and cost has increased proportionate to the demands of the City’s Comprehensive Plan amendment process that is beyond the Port’s control.

Mr. McChesney summarized that the Commission has a clear understanding of how long, arduous and detailed Phase 3 of the process has been, but they are near the end in terms of additional consulting service. Regardless of the outcome of City Council’s continued discussion on January 29th, the Port had been clear that they are not in a position to commit additional resources to the process. The proposed contract amendment would complete Phase 3 of the HSMP process. Commissioner Block agreed that the Port should not spend any more funds on Phase 3. However, if the City Council approves the HSMP, additional work will be needed to implement the plan. Mr. McChesney concurred that if the City Council adopts the plan, the Port will move forward with the next phase of the project, which will involve significant resources. If this occurs, Port staff will confer with the Commission and consulting team before launching forward.

COMMISSIONER PRESTON MOVED THAT THE COMMISSION APPROVE AMENDMENT #1 OF THE PROFESSIONAL SERVICES CONTRACT FOR BILL TRIMM CONSULTING SERVICES IN SUPPORT OF THE HARBOR SQUARE MASTER PLAN IN THE ADDITIONAL AMOUNT OF \$7,500. TOTAL CONTRACT NOT TO EXCEED \$22,500. COMMISSIONER BLOCK SECONDED THE MOTION. THE MOTION WAS UNANIMOUSLY APPROVED.

ELECTRONIC COMMUNICATIONS AND TECHNOLOGY RESOURCES POLICY

Mr. McChesney explained that because technology changes so rapidly, it is important to have an up-to-date policy in place and for the staff and Commissioners to have a clear understanding of the policy. He advised that the Port’s current Electronic Communications and Technology Resources Policy (3.55.40.05) was last updated in October of 2007. He referred the Commission to the draft policy that was recently prepared by the Port Attorney and invited them to provide feedback so final language can be prepared for the Commission’s review and approval.

Mr. Cattle explained that when he prepared the draft policy, he was not aware that the Port already had a policy in place, and the draft and current documents overlap in some areas. He suggested that further work is needed to blend the necessary elements from each of the two documents. He explained that some provisions in the Port’s current policy should be retained because they specifically pertain to functions the Port currently conducts. However, there are certain realities pertaining to email that the policy must address. He cautioned that the Commissioners can

become involved in public meetings accidentally through the use of email. If Commissioners participate in an email exchange that involves three or more Commissioners, the exchange can be considered an informal meeting. These situations must be avoided. Mr. Cattle also expressed concern that using personal electronic devices can create a potential body of information storage that may become the subject of review if a public records request is submitted. Both the Commissioners and staff should avoid these circumstances. This can be done by only using Port electronic devices or by confining all Port business to a particular filter or email account that is separate from personal files and other information. Mr. Cattle said he did not intend to go through the entire policy at this meeting, but he would be happy to answer Commission questions. Again, he said the next step in the process is to incorporate the language in the new draft into the existing policy for the Commission's review and final adoption.

Commissioner Preston asked if it is acceptable to use a personal electronic device for Port-related email, as long as all emails are sent and accepted via the Port's server. Commissioner Orvis expressed concern that although he only uses the Port's server to send and receive emails related to Port business, he sometimes downloads attached documents onto his personal computer. As long as he does not alter the documents, they remain in the Port's records management system.

Mr. Cattle agreed that it would be acceptable for Commissioners to download attachments to read. However, the issue becomes more complicated if the downloaded documents are manipulated or revised to create something different than the document in the Port's system. He agreed that one option would be to follow the City of Edmonds' approach and purchase electronic devices for each Commissioner. However, the Commissioners would have to be disciplined enough to use the Port's equipment, rather than personal devices, for all Port business. He explained that using a personal device for Port business is not the "end of the world," but it may require some type of review if a public records request is received. There may be nothing on the personal device that is within the scope of the public records request, but it will be a pain to go through the process of checking.

Commissioner Block said that when people send email regarding Port issues to her personal email account, she forwards them to her Port account before responding. She questioned if this could still subject her personal device to a public records search. Mr. Cattle agreed that Commissioners should not respond to emails related to Port business from their personal accounts and they should not conduct Port business from personal computers. This is not only a good policy, but it needs to be the practice.

Commissioner Orvis suggested that when Commissioners want to comment on a document that is attached to an email, they could open the document for reading purposes only. However, rather than downloading and altering the document on their personal computers, Commissioners could comment on the original document via their Port email accounts. The Commission questioned if opening documents contained in the Commission meeting packets would violate the policy. Mr. McChesney expressed his belief that opening documents contained in their packet would not expose a personal electronic device, as long the documents are not altered. He noted that these documents are already stored on the Port's records management system. Commissioner Orvis said he typically sends information to staff, and then staff forwards the information to other Commissioners, as appropriate.

The Commission agreed that it is best to have an up-to-date policy in place before problems come up. They directed the Port Attorney and staff to continue to update the policy to address the concerns discussed and present it to the Commission for final review and approval at a future meeting.

2013 COMMISSION MEETING SCHEDULE

Commissioner Block pointed out that the Washington Public Ports Association Annual Meeting is scheduled for two different dates in November. Mr. McChesney clarified that the correct date is November 20th through 22nd.

Mr. McChesney reminded the Commission that two years ago they froze step increases for employees and this year they limited increases to just CPI. Staff is now working on a new proposal, which they hope to present to the Commission on February 11th.

Mr. McChesney reported that the Finance Committee is reviewing the Cash Flow Model as requested by the Commission, and they may have a proposal ready to discuss with the Commission as early as February 11th. He advised that the Finance Committee has directed staff to move forward with a peer review of the Cash Flow Model

as a way to cross check. He emphasized that the Cash Flow Model is a significant tool in the planning and budgeting processes, and a peer review will provide a third-party opinion about how all the pieces fit together. He indicated that staff is working to select an appropriate party to conduct the peer review and will report back to the Commission when more information is available.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney reported on his attendance at the Chamber of Commerce banquet on January 25th, which was well attended.

Mr. McChesney also reported that the City Council is scheduled to continue their review of the Harbor Square Master Plan (HSMP) on January 29th. He reported that he has met with Council Members Yamamoto and Peterson, as well as Mayor Earling, who have been very helpful. He said he believes good progress has been made. He further reported that the Port Attorney, Mr. Cattle, has also worked with the City Attorney to craft a draft ordinance for the City Council's consideration. He said he believes the Port has a good plan that represents a reasonable compromise and gives Edmonds what it needs without destroying what it values. They have followed the prescribed process and have shown broad support. It will be up to the City Council to determine what action, if any, they want to take. The Port has indicated their willingness to address issues, answer questions and attend meetings, but they will not spend more money or change the fundamental elements of their plan.

Mr. McChesney advised that they are still experiencing problems with the roof on Building 2 at Harbor Square. The contractor has responded, at their own expense, to emergency situations when contacted by the Port. However, weather conditions have prevented them from moving forward with the project. He cautioned against changing contractors at this point, and he also voiced concern about attaching the performance bond. The Commission discussed concerns about the damage that can and does occur when sections of the roof fail, and Mr. McChesney reported that staff is working to keep on top of the situation. The Commission agreed that the Port should do everything in its power to protect the tenants.

Mr. McChesney reported that the City has been working with the Port to clean a storm drain outfall in front of Building 2 at Harbor Square and to fix potholes in the road that have resulted from an improperly sealed catch basin.

Ms. Kempf announced that the Port has a new design for their booth at the Seattle Boat Show. She reported that the booth was very busy over the weekend. As of this morning, staff is holding 25 spaces for potential tenants, and two or three moorage agreements have already been signed. She concluded that Ms. Wade is doing a great job coordinating and operating the booth.

Ms. Kempf said she recently distributed copies of the new Destination Port of Edmonds booklet to participating merchants. She provided a spreadsheet to illustrate the revenues and expenses associated with the 2011-2012 program and the new 2013-2014 program. She pointed out that there were no revenues associated with the 2011-2012 program because the Port did not sell ads and the bags were not sponsored. The estimated cost of the 2011-2012 program was \$10,700, not including advertising. The estimated cost of the 2013-2014 program was \$10,292. However, they received nearly \$6,300 in revenue as a result of advertising by local merchants (\$2,600) and sponsorship of bags by Anthony's (\$3,700). Ms. Kempf also pointed out that in the previous years, return visitors were disappointed to learn they would not receive another bag. The new program offers a neck caddy that includes a \$10 off coupon for guest moorage if they return to the Marina in the following year. This offer is only possible because of the significant support they have received from local businesses.

Mr. McChesney complimented staff for their hard work to prepare and sell the advertising program to local businesses. He expressed his belief that the Destination Port of Edmonds Program provides a significant value. Commissioner Preston suggested that Port staff contact the leader of the newly formed Edmonds Business Improvement District with an invitation to participate in the program. He suggested that there are still many business owners who are not aware of the program and their opportunity to participate. Mr. McChesney agreed that staff could make a presentation to the Business Improvement District regarding the program.

COMMISSION COMMENTS AND COMMITTEE REPORTS

Commissioner Block said that when reading the January 8th meeting minutes, she was confused by what seems to be conflicting statements by Mr. Sorensen when comparing public and private marinas. In one statement he indicated that public marinas can hang on longer than private marinas because public resources are available and in another he said that private marinas have an advantage because they are not required to do competitive bidding and pay prevailing wages to contractors. He also said that private marinas are doing better than public marinas. Mr. McChesney explained that the comments were related to different issues. From an operating cost basis, private marinas have an advantage in the way they are able to do contracts and maintenance because they are not required to pay prevailing wages. However, public marinas have the advantage of on-going public support. He agreed to solicit additional feedback from Mr. Sorensen to clarify the conflicting comments.

Commissioner Block thanked staff for providing the hard copies of the staff's pictures. It is nice to be able to have them available when meeting the new staff members in person. Ms. Kempf reported that staff members' names have been embroidered on their shirts.

Once again, Commissioner Block suggested the Commission review their Travel Policy and recommend potential amendments to make it clearer. She suggested they also discuss how to apply the policy consistently. The Commission agreed to have a workshop discussion regarding the Travel Policy at a meeting where all five Commissioners can be present. The discussion was tentatively scheduled for March 11th. The Commission asked staff to provide them with a copy of the current policy for their review prior to the workshop discussion.

Commissioner Preston reported on his attendance at the Edmonds Community College (ECC) Strategic Planning Meeting. The Superintendent of the Edmonds School District called the meeting "strategic thinking" which indicates a more dynamic thought process than planning. He said that, after the meeting, he met with Jean Hernandez, ECC President, about some ideas the Port and the college could partner on.

Commissioner Orvis reported that he, Commissioner Gouge and Mr. McChesney also attended the ECC Strategic Planning Meeting. He said he was disappointed in the smaller turn out at the second meeting. They accelerated most of the items on the agenda, and talked about implementation rather than planning. From his perspective, there is still a lot to do, and they spend too much time talking around the fact that colleges are still doing too much remedial training. Ideally, this training should be done by the secondary schools. The group discussed the need for orientation programs to get students off to a better start. They also talked about how young people now quit too easily and they need some means of encouragement for them to persevere.

ADJOURNMENT

The Commission meeting was adjourned at 8:23 p.m.

Respectfully submitted,

David Preston
Port Commission Secretary