

PORT COMMISSION OF THE PORT OF EDMONDS

MINUTES OF REGULAR MEETING

February 10, 2014

COMMISSIONERS PRESENT

Jim Orvis, President
David Preston, Vice President
Bruce Faires, Secretary
Fred Gouge

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

Mary Lou Block

CALL TO ORDER

Commission President Orvis 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, AS AMENDED**
- B. APPROVAL OF JANUARY 27, 2014 MEETING MINUTES**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$262,723.69**
- D. AUTHORIZATION OF EXECUTIVE DIRECTOR TO WRITE OFF \$2,070.66 AND SEND ACCOUNT TO COLLECTIONS**
- E. APPROVAL OF NO-CHARGE GUEST MOORAGE**

COMMISSIONER GOUGE SECONDED THE MOTION, AND THE MOTION CARRIED UNANIMOUSLY. COMMISSIONER GOUGE ABSTAINED FROM VOTING ON ITEM B.

PUBLIC COMMENTS

Paul Harris expressed concern that last Friday while attempting to obtain a parking pass, he was notified that his slip would be used for another purpose and he would need to vacate by March 1st. No information was provided to explain the purpose and/or timeframe for the change. He noted that his boat occupies one of the least costly 50-foot slips in the marina, and he anticipates a rate increase if he is required to relocate. He said he is opposed to the change and questioned the process for appeal. He commented that while the Port has made strides in recent years to be more customer friendly, this recent action is reminiscent of previous sentiment that the Port does not really like or support boaters.

Mr. McChesney explained that, at this time, the Port is working with Jacobsen's Marine to provide wet moorage space, as per the lease agreement. While the final location has not been determined, it is likely it will require Mr. Harris to relocate his boat to another slip. Commissioner Faires commented that the Commission is always willing to listen to their customers' concerns. If relocation is necessary, he is confident the Port will endeavor to treat Mr. Harris fairly.

Ernie Collins, EYC Liaison, observed the Port's willingness over the past year to work with people and be fair and equitable; and he would expect nothing different in the way Mr. Harris's situation is handled. In this case, Port staff may have gotten ahead of themselves and damage was done; but as long as the Port continues to do what they can to make things right, he suspects it will all turn out fine.

RESOLUTION 14-01 – APPROVING EMERGENCY REPAIRS OF BROKEN MARINA WATERLINES AND PIPES AND WAIVING COMPETITIVE BIDDING REQUIREMENTS

Mr. McChesney reviewed that temperatures at the Port were in the 20s and 30s the week of February 3rd. As the temperature increased in the afternoon of February 7th, Port staff was increasingly busy chasing broken pipes. By late afternoon, it appeared that the main waterline near U Dock was also broken. Port staff shut off the water and proceeded with repairs when everything thawed. However, due to the complexity and number of breaks, it appears that some help will be needed to get the mainline and pipes repaired. He referred to Resolution 14-01, which would declare an emergency and allow the Port to waive competitive bidding requirements for the repair work. He particularly noted that Port staff does not have the expertise and tools to repair the main line, which is made of HDPE material. As long as this water main remains in a state of disrepair, the water cannot be turned on. The anticipated cost of the repair is not expected to exceed \$25,000 plus sales tax, and he recommended the Commission approve the resolution as presented.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION APPROVE RESOLUTION NUMBER 14-01 – APPROVING EMERGENCY REPAIRS OF BROKEN MARINA WATERLINES AND PIPES AND WAIVING COMPETITIVE BIDDING REQUIREMENTS FOR THIS WORK IN AN AMOUNT NOT TO EXCEED \$25,000 PLUS SALES TAX. COMMISSIONER PRESTON SECONDED THE MOTION.

Commissioner Faires said he is not interested in discussing why the damage occurred, except insofar as it can become a learning experience. He hopes staff has taken the appropriate steps to preclude this from happening in the future. The remainder of the Commission concurred. Mr. McChesney answered that staff has learned a lot from this experience in terms of communicating lines of responsibility, and the Commission's concerns are duly noted.

THE MOTION CARRIED UNANIMOUSLY.

HARBOR SQUARE BUILDING 5 ROOF OVERLAY WORK ACCEPTANCE

Mr. McChesney announced that the Harbor Square Building 5 roof project has been completed. Staff inspected and approved the work on January 24th. Staff is now requesting the Commission accept the project as complete.

Commissioner Gouge asked if the project was completed within budget. Mr. McChesney answered that there were no change orders, and the contractor did a good job.

COMMISSIONER PRESTON MOVED THAT THE COMMISSION ACCEPT THE HARBOR SQUARE BUILDING 5 ROOF OVERLAY CONTRACT AS COMPLETE. COMMISSIONER GOUGE SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

APPROVAL OF REVISED STRATEGIC PLAN AND MASTER PLAN

Mr. McChesney reviewed that the Port's Strategic Plan was approved by the Commission in 2005. In 2013, the Commission evaluated the Port's Mission Statement that is embedded in the Strategic Plan and directed minor changes related to marina facilities, such that these core facilities should be operated "with the goal that it be fully self-funded." Subsequently, during the annual budget cycle in 2013, the Strategic Plan was also discussed. While most of its fundamental elements remain valid, some important changes have occurred that needed to be addressed

to make it current. The Commission and staff held a mini retreat, open to the public, in January 2014 to further identify and discuss what modifications would be desirable. He referred to the updated Strategic and Master Plans, which were updated based on the Commission's retreat discussion. He noted that the changes are listed in the Staff Report.

The Commission discussed that the draft plans are infinitely better than they were before, and they agreed that their content is correct in principle. However, they each indicated they had several small changes they would like to make. Rather than taking action at this time, they agreed to forward their marked-up copies of the plans to staff. Staff would incorporate the comments and suggestions and prepare an updated draft for the Commission's consideration at the next meeting. Members of the public were invited to share their written comments regarding the plans, as well.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney advised that he continues to work closely with Jacobsen's Marine and the City of Edmonds to obtain the necessary permits for the new building. While they are still a few weeks from having the permits in hand, everything is going well between the three parties.

Mr. McChesney announced that plans are underway for this year's Waterfront Festival and Artists in Action Program.

Mr. McChesney recalled that the Port has provided iPads to some Commissioners, and they are still in the process of fine tuning and addressing concerns. Commissioner Faires shared some of the problems he is having and staff agreed to assist him.

Ms. Kempf provided a summary of the 2014 Seattle Boat Show, where attendance was up 2% over 2013 numbers despite ending one day early to accommodate the Super Bowl. Although there were competing events in Puyallup, Vancouver and San Francisco, the Northwest Marine Trade Association was pleased with the results.

Ms. Kempf reported on her attendance at the Washington Boating Alliance Meeting, which was held in conjunction with the Boat Show. The mission of the Alliance is to develop, advance and implement consensus on positions and proposals that enhance recreational boating, and the chair did a great job of pulling together strong consensus on important issues. She briefly reviewed the list of speakers and topics that were covered during the half-day event.

Commissioner Faires asked if the Port staff has data to indicate where visitors to the Port's booth came from. Ms. Kempf said the data could be compiled and presented as part of the 2014 1st Quarter Report.

Ms. Kempf announced that the Dayton Street railroad crossing will be closed from 7:00 a.m. on February 13th to 3:00 p.m. on February 14th. People will need to access the Port from the Main Street crossing. Commissioner Orvis asked staff to find out if the City has a plan in place to divert traffic to the Main Street Crossing. He noted that a lot of cars park on the street at night, and he anticipates that ferry traffic will be heavy on those days.

COMMISSION COMMENTS AND COMMITTEE REPORTS

Commissioner Preston recalled his earlier suggestion that the Port create a database of email addresses of people who stopped by the Port's booth at the Boat Show. He provided pictures to illustrate different types of equipment and technology that could be used for this purpose. The Commission discussed the potential benefits of having a database of boat show attendees. Ms. Kempf pointed out that the purpose of having attendees put their names in a box for a drawing is to create hype and draw people to the booth for open conversation. Any good marketing effort includes a method of tracking success. At this time, the Port does not have a way to track who visits the booth and what percentage end up becoming customers. In past years, Port staff has prepared a spreadsheet of the names on the cards, but it is difficult to track this data in any meaningful way. Using technology to collect the data would be easier and the data would be more useful.

The Commission agreed to consider the option further. However, before implementing this type of program, they should clearly identify its benefits and costs. They also agreed that a clear plan needs to be in place for how much data will be collected and how it will be used.

Commissioner Preston referred to the memorandum from Ms. Kempf requesting authorization to provide free guest moorage during the Waterfront Festival to the Classic Yachts. She emphasized that participants cannot charge or use the opportunity for commercial gain, and they must provide public viewing of their vessels to participate. She said the Classic Yacht group has indicated that they love to participate in the Waterfront Festival.

Commissioner Faires reported on his attendance at the Washington Tourism Alliance meeting on January 28th. He noted that representatives from the City of Edmonds were in attendance, as well. He announced that a State website (www.experiencewa.com) offers free listings for any tourism related entity, and he recommended the Port take advantage of this opportunity. He said it was discussed at the meeting that tourism in the State has increased over the last three years, but not at the same rate as the surrounding states. This can be laid to the fact that the other states advertise, and Washington does not. The Alliance is an effort to solve that problem with a private enterprise that uses the States' mechanism to collect funding from the various members. Two resolutions have been presented to the State Legislature. He expressed concern that the resolutions are somewhat nebulous and may be premature. If they are not approved this year, they can be refined and presented again next year. He said he believes there is a reasonable chance that the Alliance will become an effective entity for promoting tourism in Washington State within the next few years.

Commissioner Orvis announced that the WPPA's Legislative Port Day is February 26th in Olympia. Ms. Barnes has done a great job of scheduling appointments for him to meet with Representatives Ryu and Self, as well as the staff of Senators Chase and Liias. He reminded the Commission that the WPPA's building would be dedicated at 11:00 a.m. on February 26th, as well.

Commissioner Orvis advised that he would attend the WPPA Legislative Committee Meeting on February 13th, where they will discuss the legislative items the WPPA will bring forward in 2014. He reported that the derelict boat legislation is failing as legislators try to find a way to fund it. One proposal is for marinas to collect an extra tax on boats, and the WPPA will fight the proposal on behalf of marinas in the State. He noted that this proposal would effectively increase moorage rates, and it is important to note that most derelict boats are commercial vessels that do not come out of marinas.

Commissioner Orvis said the port consolidation bill died in the senate but is in its third iteration. Senators Chase and McCoy are the co-sponsors of the bill, and he will speak with Senator Chase's staff about why the bill is necessary. He would also raise the issue at the next Economic Alliance Snohomish County (EASC) Board Meeting, where Senator McCoy is a member of the Board.

Commissioner Orvis announced that County Executive John Lovick is scheduled to present the State of Snohomish County address on February 20th. Mayor Earling is scheduled to give the State of the City address at the same time. He said he plans to attend the County event, and Commissioner Gouge indicated he would attend the City event.

Commissioner Orvis said he would not be able to attend the EASC's Economic Forecast on March 20th, and Commissioner Gouge agreed to attend to represent the Port.

Commissioner Orvis commented that the Port's new Administrative Assistant, Megan Barnes, is doing a great job.

Commissioner Orvis expressed frustration that there is no safe way to cross Admiral Way and there are no crosswalks on Dayton Street between Harbor Square and Salish Crossing, even though the Port has contacted the City's Traffic Engineer on numerous occasions requesting they address safety concerns. He noted that the City has received mitigation money from the Beach Café expansion, and Anthony's Restaurant renovation, the new Edmonds Yacht Club building and now the Jacobsen's Marine project. The Port moves heavy machinery in the area and a 25 mile per hour speed limit is too fast. The Port has offered to paint the crosswalks and crossings for the travelift, but the City won't even come and look at the situation. He asked that the Executive Director write a letter to the City's Traffic Engineer, enumerating the reasons the Port would like at least a formal response as to why it is not important

to take care of the traffic problems at the Port. Mr. McChesney agreed to draft the letter for the Commission President's signature. The letter would be sent to the City's Traffic Engineer, with a copy to Mayor Earling.

EXECUTIVE SESSION

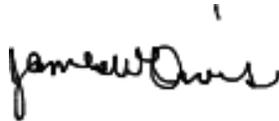
The Commission adjourned the business meeting to an Executive Session at 8:00 p.m. to discuss lease negotiations, the discussion of which in public would disadvantage the Port. Commissioner Orvis announced that the Executive Session would last approximately 15 minutes, at the conclusion of which the Commission would resume its regular session and adjourn without making an announcement or taking action.

The Executive Session was adjourned back to the business meeting at 8:15 p.m.

ADJOURNMENT

The business meeting was adjourned at 8:15 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James W. Orvis". The signature is written in a cursive style with a small mark above the "i" in "Orvis".

James W. Orvis
Port Commission President