

PORT COMMISSION OF THE PORT OF EDMONDS

MINUTES OF REGULAR MEETING

May 12, 2014

COMMISSIONERS PRESENT

Jim Orvis, President
David Preston, Vice President
Mary Lou Block
Fred Gouge

STAFF PRESENT

Bob McChesney, Executive Director
Marla Kempf, Deputy Director

OTHERS PRESENT

Bradford Cattle, Port Attorney
Karin Noyes, Recorder

COMMISSIONERS ABSENT

Bruce Faires, Secretary

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

- A. APPROVAL OF AGENDA
- B. APPROVAL OF APRIL 28, 2014 MEETING MINUTES
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$96,706.91

COMMISSIONER PRESTON SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

PUBLIC COMMENTS

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

PUBLIC LAUNCH

As discussed previously, Mr. McChesney reminded the Commission that there have been some issues with the public launch project. He reported that the crane rail has been reworked and is now within contract specifications, but one remaining issue has been the festoon track. He explained that rather than replicate the old system that worked well for 20 years, the manufacturer recommended a new design. However, it has not worked properly and has been rejected. He advised that, after numerous discussions with the engineer, contractor and equipment supplier, all parties have agreed that the best option is to go back to the conventional festoon track system, which will be designed and installed exactly like the one it was intended to replace. He said the parts have been ordered, and the work is scheduled to be performed on Wednesday, May 14th. He is confident they will have a fully-operational public launch that meets all of the contract specifications by Thursday, May 15th.

Mr. McChesney reminded the Commission that the Port's goal was to have the project completed by the end of April before the fishing season opened, but this did not occur. However, the solution has now been defined and the contractor is moving forward to complete the project. He emphasized that the rework will not result in additional costs to the Port, and there are no claims from the contractor.

HART CROWSER TENANT IMPROVEMENTS

Mr. McChesney reported that the Hart Crowser Tenant Improvement Project is generally on schedule. The project specifications are complete, and the Port will advertise for bids on May 15th. The permit submittal is in process, and a pre-bid meeting is scheduled for May 22nd. Bid opening will occur on May 30th, and staff anticipates presenting bid reports and contracts for the Commission's review and approval on June 9th.

Commissioner Orvis asked if Mr. McChesney foresees any problems with permits. Mr. McChesney answered that he does not anticipate problems from a technical standpoint, and they anticipate a three-week turnaround for the permits. However, he is concerned about the timing as tenant improvements can often take longer than expected. He emphasized that there are no building design changes anticipated, and all of the improvements will be internal. While the application will have to be reviewed by numerous City Departments before permit approval, he is not anticipating that a traffic study will be required. He summarized that he believes the City will do its best to turn the permit around quickly, and Port staff will keep a close eye on the situation.

HARBOR SQUARE BUILDING 1 HVAC

Mr. McChesney reminded the Commission that the recent condition survey indicated that the HVAC and roof system on Building 1 needed to be replaced. It is anticipated that the project would move forward simultaneously with the tenant improvement project, which was the subject of the previous discussion. He recalled that the Port has an ongoing maintenance contract with DK Systems, who provided a preliminary proposal estimating that just the HVAC portion of the project would cost about \$100,000, and likely more because they are recommending that the electrical disconnects be replaced, as well. In addition, the Port has been consulting with the Snohomish County Public Utility District to obtain an available energy efficiency rebate. After additional study, they have learned that the rebate would be insignificant and should not be a main driver for the project. Staff met with representatives from DK Systems again last week to work on a revised proposal. He advised them that unless they can identify some significant cost reductions, the Port will bid the job out.

Mr. McChesney said he anticipates that the roof, HVAC and tenant improvement projects will cost roughly \$500,000, but they are all necessary. Once the tenant improvements have been completed and the new tenant moves in, Building 1 will be fully occupied. The roof project will be capitalized over a 20-year period, and the HVAC project will likely be capitalized over a 10-year period.

Commissioner Preston asked if the Port has considered options for solar power. Mr. McChesney answered that they have not seriously considered solar options, but the Port has been approached from time to time by solar contractors who are interested in placing solar equipment on roofs at Harbor Square. To date, they have not been able to come up with a project that makes sense.

Commissioner Orvis recalled that the Port Commissioners knew and understood that significant improvements would be needed at Harbor Square once they decided not to move forward with redevelopment. Although the proposed improvements are costly, he supports the projects as proposed. The remainder of the Commission concurred.

WEBSITE REDESIGN AND DEVELOPMENT SERVICES CONTRACT

Mr. McChesney reviewed that, at their January retreat, the Commission discussed the Port's website and plans for redesign. A Request for Proposal was published and advertised to the public on March 20th. The deadline for submittals was April 9th, and one addendum was published to address 21 follow-up questions. In the end, the Port received seven submittals, with responses from five developers who declined the request to submit.

Mr. McChesney advised that the Review Committee (Commissioner Preston, Commissioner Gouge, Mr. McChesney, Jan Conner, and Marla Kempf) reviewed the responses based on cost, overall approach, training and support, experience, implementation, mobile device design, and software. The top two candidates were invited to present to the committee on April 29th. The committee made its final selection and is requesting formal approval to enter into a contract with Out of Web Site! to redesign the website. He noted that development is expected to begin the first week of June, and the project is targeted for completion within 50 days after formal acceptance of the contract.

Mr. McChesney reminded the Commission that they approved \$20,000 as the budgeted amount for the website redesign, and the selected proposal is for a base amount of \$12,750 to develop the main site, plus an additional cost of between \$1,500 and \$5,000 to develop a site for the Harbor Square Business Complex and integrate the webcam streaming. He noted that several items are not included in the proposal such as website hosting, stock photography, backup solutions, webcam hardware, streaming service hosting of the live camera feed, or additional templates. The final amounts are subject to the development process.

Mr. McChesney recommended the Commission approve the Out of Website! contract to redesign and publish the Port's website at a cost not to exceed \$17,750 for the base contract and Harbor Square Business Complex site and webcam integration. He summarized that the Port's current website is out-of-date and obsolete; the platform no longer works and it is not user friendly. Port staff is excited to move forward with the project. He specifically thanked Commissioners Gouge and Preston for participating on the review committee.

Commissioner Preston said it is a miracle that the Port's current website still works since it has been patched and added to so many times. He expressed his belief that resources will be saved because the new website will allow staff to do more in less time.

COMMISSIONER PRESTON MOVED THAT THE COMMISSION APPROVE THE CONTRACT WITH OUT OF WEB SITE! FOR SERVICES TO REDESIGN AND PUBLISH THE PORT OF EDMONDS WEBSITE FOR A BASE CONTRACT PRICE OF \$12,750 PLUS AN ADDITIONAL ESTIMATED AMOUNT OF \$1,500 TO \$5,000 FOR SERVICES FOR THE HARBOR SQUARE BUSINESS COMPLEX SITE AND WEBCAM INTETGRATION NOT TO EXCEED \$17,750. COMMISSIONER BLOCK SECONDED THE MOTION.

Commissioner Gouge commented that Mr. Osterman and other staff members have done a great job with what they currently have, but they are looking forward to a new system. He advised that the committee will meet again once the contractor is on board to provide further direction. He expressed his belief that the new site will be more user friendly.

THE MOTION CARRIED UNANIMOUSLY.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney announced his plan to attend the Washington Public Port Association (WPPA) Spring Meeting on May 14th and 15th. He said he is particularly looking forward to the Washington Tourism Alliance' function on Wednesday evening.

Mr. McChesney reported that he attended the grand opening event on May 9th for the Branding Iron, a new business at Harbor Square. Commissioner Preston and Mayor Earling attended, as well.

Ms. Kempf distributed a copy of a news release for the Edmonds Waterfront Festival, which was published by the Edmonds Rotary Club to outline all of the scheduled events. She also provided a copy of the advertisement that was placed in *THE BALLARD NEWS* announcing the 2014 schedule for the SEA JAZZ concerts. Commissioner Orvis suggested that both of these events should be included in the City's television announcements. Mr. McChesney agreed to contact Francis Chapin to request that the announcements be added.

Ms. Kempf announced that the team of seasonal staff members has been hired. One person from last year is returning, and the rest are new. In addition, Zach Richter was recently hired to replace Michael Gaynier, and his

start date is May 23rd. She announced that an orientation for seasonal staff is scheduled for May 20th and said she would provide the Commissioners with pictures of the new staff members.

COMMISSION COMMENTS AND COMMITTEE REPORTS

Commissioner Gouge reported that at a recent Economic Alliance Snohomish County (EASC) Meeting, he had a discussion with Jim Stephanson, EASC Director of Business Development, about the need for the Alliance to include a real estate component to provide businesses with information about properties that are available in the County. They agreed to discuss the idea further with Troy McClelland, EASC President and CEO. He noted that there used to be a realtor on the EASC Board, but that is no longer the case. Commissioner Block agreed it would be appropriate for the EASC to provide information about land and space that is available in the County.

Commissioner Gouge pointed out that the Port's representative on the Edmonds Economic Development Commission (EDC) is no longer a voting member. He questioned the value of the Port spending \$100 per meeting to send a representative to each of the meetings. He said he does not anticipate any significant benefits to the downtown/waterfront area. Commissioner Orvis concurred and suggested the Commissioners discuss the issue with Commissioner Faires, who is the current representative.

Commissioner Preston and Gouge indicated their plans to attend the WPPA's Commissioners Seminar.

The Commission agreed to cancel the July 14th meeting.

Commissioner Orvis announced that he, Commissioners Preston and Gouge, and Mr. McChesney would attend the EASC meeting on May 22nd in Tulalip.

Commissioner Preston said he is excited about the Port's new website and believes it will allow staff to update their sections easier.

Commissioner Preston announced that he would attend the WPPA Spring Meeting, as well as the EASC meeting.

EXECUTIVE SESSION

The meeting was adjourned to an Executive Session at 7:30 p.m. to review the performance of a public employee. Commissioner Orvis announced that no decisions would be made and no action would be taken. The Executive Session adjourned back to the regular meeting at 8:00 p.m.

ADJOURNMENT

The Commission meeting was adjourned at 8:00 p.m.

Respectfully submitted,



Bruce Faires
Port Commission Secretary