



## PORT COMMISSION OF THE PORT OF EDMONDS

### MINUTES OF REGULAR MEETING

November 24, 2014

#### COMMISSIONERS PRESENT

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

#### STAFF PRESENT

Bob McChesney, Executive Director  
Marla Kempf, Deputy Director

#### OTHERS PRESENT

Karin Noyes, Recorder

#### 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
- B. APPROVAL OF NOVEMBER 10, 2014 MEETING MINUTES
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$974,141.57
- D. APPROVAL OF 5-YEAR LEASE WITH BNB INTERNATIONAL

COMMISSIONER BLOCK SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

#### PUBLIC COMMENTS

No one in the audience indicated a desire to address the Commission.

#### YEAR-END PROJECT REPORT

Mr. McChesney referred to the list of projects that have been completed thus far in 2014, noting that some of the projects were completed in house and others were contracted out with management and supervision by Port staff. He reviewed the list, specifically noting the following:

- **Sling Launch Renovation.** The Port was successful in obtaining a \$150,000 grant from the State, but the project still cost the Port \$103,410. Staff provided nearly 240 man hours to support the project, which took about six weeks to complete. Commissioner Faires emphasized that the money spent by the Port to renovate the public launch was a public amenity expenditure. The launch is intended to be a public use and service. Had the

Port been a private company rather than a public agency, it would not likely have moved forward with the project.

- **Administrative Office Remodel.** Port maintenance staff remodeled the east side of the Administration Building, removing the space formerly occupied by Edmonds Yacht Sales and creating offices for two employees. The project required about 363 man hours and about \$34,000 to complete.
- **Harbor Square Building 5 Roof Overlay.** This project was contracted out for a total cost of \$133,865, and the project was completed in April.
- **Shop Remodel.** Port maintenance staff remodeled the shop, utilizing about 122 man hours and a total cost of \$13,086. The project resulted in a much more efficient layout of space.
- **Broken Water Pipe Repair.** A number of water lines, including a water main, broke last April due to a heavy freeze. The Commission approved an emergency resolution and the Port hired a contractor to assist in repairing the broken pipes. The total cost of the project was \$26,859, and about 144 man hours were required. The Port subsequently implemented a new policy to avoid future problems, and there were no significant issues during last week's cold weather.
- **Waste Oil Shed.** Port maintenance staff rebuilt the oil shed. While this is an obscure facility, it is very important, particularly to the workyard. The total cost of the project was \$5,541, and about 80 man hours were expended.
- **Harbor Square Building 1 HVAC Replacement and Roof Overlay.** As per the condition survey that was done in early 2014 and in anticipation of the Hart Crowser lease, the Port Commission authorized staff to move forward with these two projects. The HVAC project cost approximately \$105,000 and required about 38 man hours. The roof overlay cost \$73,547 and required about 38 man hours. Both projects were done by contractors, with Port staff providing support.
- **Website Redesign.** The Port hired a private consultant to completely redesign the Port's website, and the project was completed in September. The total project cost was \$19,906 and about 53 man hours were required. The intent was to have a plan and architecture in place that would allow Port staff to make changes to the website in house, and this goal was accomplished. People are generally happy with the new site.

In addition to the larger projects, Mr. McChesney reviewed that Port staff also completed several minor projects including: preparing the vacant property for the Jacobsen's Marine Building, sealing Docks P through V, striping marina and Harbor Square parking lots, spreading 120 yards of landscape bark, and painting the promenade handrails.

Commissioner Orvis observed that all of the docks have been sealed. Mr. McChesney agreed. However, he explained that several years ago, the Port used a water-based material of questionable quality. In recent years, the Port has changed to a product recommended by Bellingham Marine, which is a heavy-duty industrial marine quality seal that penetrates into the concrete decks. This new product should last quite a bit longer. He noted that the work has all been done in house.

Next, Mr. McChesney reviewed the following projects that are currently in progress:

- **Hart Crowser Tenant Improvements.** The Port is currently waiting for the contractor to complete the punch list items so the project can be closed out. The work is essentially complete and Hart Crowser has moved into the space and is happy with the results. Staff will continue to work with the contractor to complete the remaining items so the project can be formally closed out. He noted that the Port will not release the retainage fee to the contractor until the Port Commission has accepted the project as complete. The total cost of the project was \$209,652.
- **Marina Operations Remodel.** Port staff completed these improvements in house.

- **Fuel Dock Supply Line Replacement.** The Port Commission recently awarded a contract for this project, which should be completed by the end of December.
- **Weather Center Update.** This project is estimated to be completed in March of 2015.
- **New Restrooms.** Port staff is currently working with City staff to complete the permit applications required for the project.

Commissioner Faires requested more information on the status of the permits for the new restroom facilities. Mr. McChesney advised that City staff requested additional information before they are ready to accept the permit application as complete, and he met recently with representatives from the manufacturer (CXT Concrete Buildings) to discuss the request. He anticipates that the final information will be submitted no later than December 1<sup>st</sup>. He explained that although the project is straightforward and simple, there is a layer of complexity the Port cannot avoid because of the project's location in the shoreline environment. While some jurisdictions have an administrative permit process for reviewing shoreline permits, the City of Edmonds does not. He summarized that although City staff has been reasonable, he did not anticipate the project would be as complicated as it now appears to be. At this time, they are about a month behind the original timeline.

Commissioner Faires asked if engineering work would be required for the project. Mr. McChesney answered that engineering work would be required as part of the building permit application, which is expected to run concurrently with the shoreline permit. Both permits should be issued at about the same time.

Commissioner Faires asked if any other governing agency, other than the City, would get involved in the permitting process by virtue of the project's shoreline location. Mr. McChesney answered no. He said he is being careful to make sure that the manufacturer is in communication with the City's Building Official to resolve questions related to load, foundation, etc. Again, he noted that engineering work would be required to prepare the site to receive the new buildings.

Commissioner Orvis asked if the new facilities would be in place before the summer months. Mr. McChesney said the plan is to have the permits in hand by the end of February. However, the manufacturer cannot forward building specifications to the Department of Labor and Industry until the Port has submitted its order, and the Port cannot submit an order until the permits have been approved. It will be approximately 60 days between the time the buildings are ordered and when they are delivered. He said he is still confident the new buildings can be in place by the end of May. He is working well with City staff to accomplish what needs to be done.

Commissioner Faires noted that half of the new buildings will be used as public restrooms, which will be available to visitors. Commissioner Orvis suggested it would be good to make the Port's engineering work available to the public so the City might consider putting in restrooms at Marina Beach Park. Mr. McChesney agreed that the buildings would be an ideal solution for this type of situation. He noted that the issue of "public restrooms" came up at a recent Edmonds Economic Development Commission meeting, particularly as it relates to the need for restrooms in the downtown area. These buildings might work well in that application, too. The Commissioners agreed that the buildings offer a cost-effective, functional and attractive solution that has been proven successful in various locations throughout the state over the last several years. Commissioner Orvis observed that restrooms are one of the most significant shortcomings of the parks along the waterfront. Mr. McChesney agreed and noted that the manufactured buildings are easy to clean and maintain.

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

Mr. McChesney reviewed that when the Weather Center was constructed in 2006, the Noon Rotary Club contributed \$5,000 in honor of former Port Commissioner, Babe Bucklin. The center was intended to be an interactive facility that provided a unique opportunity to provide information to the visiting public and boaters. The total cost of the project was \$52,170.50, and the facility was dedicated on June 2, 2006. Since that time, the Port has maintained it as a public amenity. However, over the years, it has become more or less obsolete in appearance, content and function. In the ten years since its inception, technology and information access has become almost ubiquitous, and the advent of the smart phone and affordable bandwidth has altered how people use the facility. In addition, the data

provided on the Port's website continues to be the number one interest point and does not require an actual kiosk to supply and continue to operate the data. The core focus of the Weather Center has shifted dramatically due to the audience habits it was intended to serve, and tracking the onsite use has proven to be somewhat elusive due to the open nature of the facility.

Mr. McChesney reminded the Commission that they approved a budget amount of \$40,000 to update the Weather Center, and the original plan was to update the existing cabinetry, hardware and presentations, reduce to two interactive monitors and three posters, and add a roof. In addition, a digital reader board to welcome guest boaters and visiting yacht clubs would be positioned on the structure. The project was scheduled for completion by mid February 2015.

Mr. McChesney reported that staff met recently to discuss the value of the facility and how to maximize its core focus and reduce costs. They are now recommending a revised plan that would alter the layout of the facility, but concentrate more on a static display and less on interactivity. The new proposal would include a roof and a single large 42" screen to display several rotating slides on the inside and a digital reader board mounted on the outside. He said it is anticipated that the new plan would cost about half as much as the original plan, yet provide all of the pertinent information. The implementation time would still be late February 2015.

Commissioner Faires asked if it would be appropriate to use the digital reader board to recognize businesses that participate in the Destination Port of Edmonds Program. Mr. McChesney cautioned against cluttering the reader board with too much information. He noted that the reader board would be small and its general purpose is to provide information to the boaters and public about fuel prices, events at the Port, etc. Using the reader board to advertise might become unwieldy and beyond the scope of what they are trying to accomplish. Commissioner Faires clarified that he was not suggesting that participating businesses be allowed to advertise on the reader board, but perhaps it could simply list the businesses that participate. Mr. McChesney agreed that would be appropriate if there is enough capacity available. Ms. Kempf said she would like the reader board to invite overnight visitors to pick up their gifts at the Marine Office. She would also like to advertise that a shuttle is available to transport guests to the downtown businesses. She reminded the Commission that one of the key purposes of the Destination Port of Edmonds Program is to provide a connection between the marina and the downtown.

Mr. McChesney announced that the Edmonds City Council recently adopted the updated Shoreline Master Program, and he is in the process of figuring out the Port's next step.

Mr. McChesney reminded the Commission that a condition survey of Harbor Square was completed and presented to the Commission in January of 2015. While the buildings are structurally in good shape, the survey indicated that the roofs and HVAC systems need some attention. The roofs and HVAC systems on Buildings 1, 2 and 5 have been addressed, the initial thought was that staff would not seek authorization for any additional work until 2016. However, because there are new tenants in Building 3 and it is nearly full, staff anticipates asking the Commission for authorization to go out to bid the first part of January for a roof overlay and HVAC replacement in Building 3. The new tenants provide the Port with fresh revenue to support the project. In addition, the roof already leaks and the HVAC equipment is obsolete.

Ms. Kempf announced that the Edmonds Yacht Club's Holiday on the Docks event is coming up and boats will start moving into the marina on December 1<sup>st</sup>. The Argosy Christmas Ships will leave the Edmonds Marina at 7:00 p.m. on December 9<sup>th</sup>.

#### **COMMISSION COMMENTS AND COMMITTEE REPORTS**

Commissioner Gouge announced that he would not be attending the annual Washington Public Port Association (WPPA) meeting, but he would attend the Anderson Hunter Open House at the Everett Country Club.

Commissioner Preston reported that he and Commissioner Orvis attended a Sea Scout meeting where they reviewed the past and upcoming activities and discussed their repair list.

Commissioner Preston reported that he attended the Economic Alliance of Snohomish County's Clean Tech Alliance Meeting on November 12<sup>th</sup> at the downtown Seattle Hyatt Hotel. There were some interesting players in

attendance at the meeting. He learned about a unique energy backflow battery that is about the size of a semi container. These batteries are sold throughout the world, particularly in locations where electricity costs more during the daytime hours. They allow people to charge up during the night when the electricity is less costly. He said he also learned from a University of Washington presentation about how to create revenue from such things as solar power technology. It was reported that China has installed more solar power in just the past year than the United States has done up to this point. Business people are the new environmentalists, and green will not be sustainable until it is economically feasible. It was also reported that solar and wind power are becoming economically competitive with fossil fuels, and it is anticipated it will be competitive without subsidies within a few years in many states.

It was announced that Commissioners Preston, Orvis, and Faires, along with Mr. McChesney, would attend the WPPA Annual Meeting in Bellevue.

Commissioner Preston issued a shout out to the Edmonds Woodway High School women's soccer team, which recently won the state championship.

Commissioner Orvis reported on his attendance at the WPPA Legislative Committee Meeting where the following was discussed:

- It is anticipated that the four main issues at the next legislative session in Olympia will be transportation, education, climate change, and social service funding.
- The state's budget projections are poor, and the Legislature's "kick the can" decisions are finally catching up. All of the bonding money for transportation will be used up next year, which means projects currently underway may not get finished. It is anticipated there will be a \$1 to \$3 billion shortfall in transportation funding within the next three years.
- The shortfall resulting from the McCleary decision and Initiative 1351 is expected to result in a \$5 to \$7 billion shortfall. There is a chance the Legislature will vote to overturn Initiative 1351 because there is no money to fund it. The Supreme Court is breathing down their necks to implement McCleary and 1351 creates an even more difficult problem. Some estimates indicate 1351 will cost up to \$1,300 per household.
- The Tourism Bill is moving forward. The cost of the program has been identified and the proposal is to levy a fee on the tourism industry that would be paid to the state. However, they have not yet identified a plan for how the money would be transferred to the tourism account. Tourism people are afraid the Legislature will rake money from the account for the general fund, which has been a problem in the past.
- There is a rumor that BNSF is going to spend up to a billion dollars on infrastructure improvements and that cities such as Edmonds might get part of the money to develop a crossing. The rumor is false.
- The Legislature is discussing ways to increase property taxes, and there is pressure from cities to do away with the 1% limit and attach future increases to inflation or the consumer price index. This would allow cities to increase property taxes at a higher rate than the 1% that was voted in years ago.

## ADJOURNMENT

The Commission meeting was adjourned at 7:45 p.m.

Respectfully submitted,



Bruce Faires  
Port Commission Secretary