



## PORT COMMISSION OF THE PORT OF EDMONDS

### MINUTES OF REGULAR MEETING

February 8, 2016

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#### COMMISSIONERS PRESENT

Jim Orvis, Secretary  
Mary Lou Block  
David Preston

#### STAFF PRESENT

Marla Kempf, Deputy Director  
Tina Drennan, Finance Manager

#### OTHERS PRESENT

Bradford Cattle, Port Attorney  
Karin Noyes, Recorder

#### COMMISSIONERS ABSENT

Bruce Faires, President  
Fred Gouge, Vice President

#### CALL TO ORDER

In the absence of Commission President Faires, Commissioner 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 PRESTON MOVED THAT THE CONSENT AGENDA BE APPROVED TO INCLUDE THE FOLLOWING ITEMS:**

- A. APPROVAL OF AGENDA**
- B. APPROVAL OF JANUARY 25, 2016 MEETING MINUTES**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$221,770.57**

**COMMISSIONER BLOCK 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.

#### FUEL DOCK SALES EQUIPMENT CONTRACT

Ms. Drennan advised that the Port's current fuel dock sales equipment (Ruby and Gasboy Pay-at-the-Pump systems) are slated for replacement, as they are antiquated and no longer supported via software or hardware repairs. In November, the Ruby system malfunctioned to the point that Port staff had to bring in a technician to reload the program. As a result, it no longer accepts the credit card portion, which is now stand alone rather than integrated. Staff is concerned that the systems will malfunction again, and they are working to get the equipment up-to-date.

Ms. Drennan reviewed that in 2014, the Commission rejected a bid to replace the systems as part of a larger bid package because the sole bid amount was in excess of the budget. Replacement of the systems was part of the Commission's budget discussion on October 14, 2015, and they were briefed about the urgent need to go out to bid and replace the sales equipment on December 14, 2015. A formal bid invitation was advertised in *THE EVERETT HERALD* on January 15, 2016, and a pre-bid walkthrough of the project was scheduled with no attendees. Staff received and reviewed one qualified bid on February 2, 2016. The sole bidder was Mascott Equipment Company for \$54,780 plus sales tax for a total of \$59,984.10. The Port budgeted \$166,000 in the 2016 Capital Budget for fuel dock updates, which also includes the pumps that will be replaced at a later date.

Ms. Drennan explained that the equipment specified in the bid will function with the existing pumps; and with modification of the communication equipment, will work with currently sold pumps. Work shall be substantially completed by April 15, 2016. The package includes training and troubleshooting support for one year, and staff will work with the contractor to minimize the disruption to tenants during installation. She recommended the Commission authorize the Executive Director to enter into a contract with Mascott Equipment Company in the amount of \$54,780 plus sales tax for the Fuel Dock Sales Equipment Replacement Contract #2016-230.

**COMMISSIONER BLOCK MOVED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH MASCOTT EQUIPMENT COMPANY IN THE AMOUNT OF \$54,780 PLUS SALES TAX FOR THE BASE BID FOR THE FUEL DOCK SALES EQUIPMENT REPLACEMENT CONTRACT #2016-230. COMMISSIONER PRESTON SECONDED THE MOTION WHICH PASSED UNANIMOUSLY.**

#### **I DOCK ELECTRICAL CONTRACT**

Ms. Kempf reviewed that Port staff and Harbor Power Engineers conducted an exhaustive inspection of the marina electrical system in 2012, and several items were identified as needing repair, including aged conductors, compromised junction boxes, corroded external metal conduits, and code compliance issues. Since that time, Guest Moorage has been successfully upgraded, leaving the I Dock repairs as the final remaining mid marina upgrade task. An amount of \$100,000 was allocated in the 2015 budget for the I Dock Electrical Overhaul, and a formal bid invitation was sent out on November 5<sup>th</sup>. The Commission approved a contract with the low bidder, Valley Electric of Mt. Vernon, Inc., on November 30, 2015 for a base bid of \$40,774. Work began after January 3, 2016 and was substantially completed by February 2, 2016. There were two change orders as a result of Labor and Industries (L&I) electrical inspector code requirements and a submerged J-box. The change orders (\$7,358) were brought to the Commission's attention on January 25, 2016.

Ms. Kempf advised that final inspection took place on February 3, 2016 and was approved. Upon acceptance by the Commission, Port staff will arrange to release the contractor's retainage once approvals by the State agencies have been received as part of the Public Works completion process. She recommended the Commission accept the I Dock Electrical System Repair Contract with Valley Electric of Mt. Vernon, Inc. (#2015-226) as complete.

Ms. Kempf noted that, in conjunction with improvements on I Dock, Port staff has moved forward with a modest remodel of the fuel dock shack.

**COMMISSIONER PRESTON MOVED THAT THE COMMISSION ACCEPT THE I DOCK ELECTRICAL SYSTEM REPAIR CONTRACT (#2015-226) AS COMPLETE, INCLUDING CHANGE ORDERS NUMBER 1 AND 2. COMMISSIONER BLOCK SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.**

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

Ms. Kempf reviewed that, as part of the I Dock project, the Port requested an alternative bid to upgrade a few pedestals to 50 amp rather than 30 amp service. However, the upgrade ended up being cost prohibitive and was not added to the contract. Staff can complete the upgrade in house at some point in the future since the pedestals are now ready to receive the 50 amp service.

Ms. Kempf announced that the Port's Strategic Vision Brochure would be mailed out to all households in the Port District (about 10,500) within the next two weeks. She recalled that a larger document was previously created, but it was determined to be too costly to mail out. The smaller brochure version is straightforward and provides important information about the Port and its mission. Commissioner Block said she appreciates that contact information was provided in the brochure so people know where to call for more information. Ms. Kempf summarized that the brochure is a nice piece of work, and the larger, more detailed version will be available to the public upon request.

Ms. Kempf reminded the Commissioners that their retreat is scheduled for March 1<sup>st</sup> from 9 a.m. to 1 p.m. in the Commission Meeting Room. Topics of discussion include: public relations and marketing; facilities and projects update; economic development; and relations with the City of Edmonds (Port's role on the re-established Economic Development Commission, protecting the Port's interests in light of the proposed Critical Areas Ordinance Update, and the future of Harbor Square). Commissioner Preston asked that the agenda also include a discussion relative to "youth in boating."

Commissioner Orvis expressed his belief that because the Port Commissioner who participates on the Economic Development Commission is not a voting member, he/she will continue to have very little influence. Therefore, he sees no need for the Port to continue its participation. He also noted that Commission has already made a decision about Harbor Square based on action by the Edmonds City Council, and he does not believe there is anything more to discuss at this point. The Commission should spend its retreat time talking about issues they can do something about. For example, they could have a discussion about economic development, focusing on how to make Harbor Square more productive. They could also consider opportunities for other Port properties, such as the gravel lot on the east side of Admiral Way (Lot 2E) and the administration building.

Ms. Kempf reported that the newsletter was just sent out and includes a copy of the fuel survey that was requested by the Commission. An electronic version of the survey will also be sent out next week to those who signed up to receive it. In addition, it will be on the website, and hard copies will be available in the Marina Operations office and Administration office. They are requesting that the surveys be completed and returned by February 29<sup>th</sup>.

Ms. Kempf advised that Mr. McChesney and Jack Tawney, Harbor Square Athletic Club (HSAC), will meet with Kernen Lien, Planner, and Shane Hope, Development Services Director, on February 18<sup>th</sup> to discuss the club's permit, which was denied by the City due to the critical areas and limitations of the existing contract rezone. They hope to identify steps on how to move the permit forward and also protect the Port's interest when it comes to critical areas.

Ms. Kempf announced that Puget Sound Express (PSE) is in the process of bringing its operations back to the marina for the 2016 season. The engines on the Chillkat Express have been rebuilt and PSE will be doing sea trials in the coming days. In the meantime, PSE has brought in another vessel on an interim basis. They hope to start their whale watching tours in March.

Ms. Kempf also announced that a Marine Corrosion Seminar is scheduled for Wednesday, February 10<sup>th</sup> from 6 to 9 p.m. at the Edmonds Yacht Club. She noted that there is plenty of additional space for people who want to sign up. Jack Wilken from Seattle Boat will be the presenter. Commissioner Orvis suggested that the seminar should be advertised in *MY EDMONDS NEWS*, and Ms. Kempf agreed to check into that possibility.

Ms. Kempf reported that attendance at the Seattle Boat Show appeared to be down this year. The Port went into the show with 63 available slips. At this point, they have four new sign ups and 30 appointments with people who are interested in signing up. The special runs through March 1<sup>st</sup>, and Port staff hopes to fill all 63 slips. Staff noted that, in previous years, about 10% of the inquiries received at the boat show were related to dry storage and 90% to water moorage. This year the inquiries were split about 50/50.

Ms. Kempf reminded the Commissioners that the Edmonds Fishing Pier will be closed for repairs for three months. They do not know exactly when the work will begin, but it should be sometime in mid-march of this year.

Ms. Kempf informed the Commission that Milt Johnson from Dry Storage has announced his retirement effective April 1<sup>st</sup>. She noted that Mr. Johnson has been at the Port since 1969.

## **COMMISSION COMMENTS AND COMMITTEE REPORTS**

Commissioner Block observed that the brochures were nicely done. They are easy to read and use and provide a good overview and description of the important information the Port wants the public to know.

Commissioner Preston reported on his attendance at Port Day in Olympia, where he and Mr. McChesney were able to meet with all of the representatives from Districts 21 and 32 except one, and they met with that representative's legislative aide. The main topics of discussion were economic development, tourism, and ensuring that Model Toxic Control Act (MTCA) funds are set aside for cleanup activities.

Commissioner Preston reported that he participated at the Port's booth at the Seattle Boat Show and found that attendance was lower, as well. However, there was a lot of great stuff and new technology being offered. The Port's booth looked good and was very clean. He suggested that the backdrop could also be used to advertise Jacobsen's Marine, Arnies Restaurant, Anthony's Homeport Restaurant and Puget Sound Express.

Commissioner Preston reported on his attendance at recent Edmonds City Council meetings where there has been discussion and differing opinions about the veteran's plaza and the Critical Areas Ordinance (CAO) update. The City Council decided to postpone adoption of the CAO. Groups with a vested interest in the ordinance were present to voice concern about how it could impact the Senior Center, dog park, and Edmonds Marsh. Mr. Lien mentioned the concept of buffer averaging instead of having a specific buffer requirement, and Commissioner Preston said he would be interested in learning more about this approach and how it could benefit Harbor Square and the Edmonds Marsh.

Commissioner Preston noted that a representative from the Edmonds Senior Center has attended each of the City Council meetings where the CAO was discussed to voice concern that the Senior Center would be impacted by the proposed requirement that buildings in the Coastal Flood Hazard Zones must be constructed two feet above the base flood elevation unless the height limit is also increased by two feet to compensate. Representatives from the Alliance of Citizens for Edmonds (ACE) were also present to voice opposition to any increase in height.

Commissioner Preston expressed his belief that the Commission does need to have a discussion about how the Port might participate on the Edmonds Economic Development Commission.

Commissioner Preston said he recently had a discussion with Annie Crawley, Beach Camp at Sunset Bay, regarding her "Plastics in the Water Program." He said he has heard there will be more plastics in the water than fish within the next few years, and something needs to be done to address the problem. He invited her to perform another clean up at the Port, with participation from the youth.

Commissioner Orvis said he recently spoke with Robbie Robinson from Signature Yachts, who said his Lake Union store is being forced out of its current location to accommodate a new bicycle pathway. He has had a difficult time finding a new location and believes his only reasonable option will be the Port of Everett. They discussed the future, and Mr. Robinson noted that catamaran power boats are becoming quite popular because they are shorter and easier to maneuver. He suggested this may be important for the Port to keep in mind as it continues to work to fill its smaller slips.

Commissioner Orvis announced that he would attend the Washington Public Port Association's (WPPA) Legislative Committee meeting, as well as the Waterfront Access Committee Workshop where they will review the first cut of all of the options. He noted that the legislature is faced with some cost-cutting problems, as Medicaid costs are projected to eat up almost all of the increased revenue the State anticipated and the rest will be allocated for wildfire suppression. The only money allocated for tourism and marketing is \$400,000 to keep the website running.

Commissioner Orvis referred to a letter he received from the WPPA regarding a 2010 program proposed by the Port of Seattle that clarified the economic development programs that ports can be involved in: pre-apprenticeships, education programs associated with port tenants and customers, and economic development related to port activities. When originally written, the law only applied to programs that were in affect at the time the program was adopted on June 10, 2010. The Port of Seattle is now interested in expanding the program to give addition opportunities for ports to be involved in economic development that helps their communities. Some ports, primarily smaller ones,

have voiced opposition because they do not want to be put in a position of having to say no when requests come forward. He said he does not see a problem with expanding the program, since no port would be obligated to accept a proposal. However, he would like feedback from the Commissioners before presenting his position at the Legislative Committee meeting. Generally, ports the size of Edmonds are supportive of the change or are not opposed to the change, and he does not see any negative aspects of the proposal.

Mr. Cattle clarified that, as currently proposed, it does not appear that the changes would obligate a port to accept a particular program or proposal. It would simply offer additional power that a port could choose to exercise or not, depending on its discretion. The real question is whether or not the Commissioners support expanding the area of economic development powers it has or if they think the current level is sufficient. Although he hasn't read the proposal, he does not see anything that would force the Commission to do anything. The Commissioners indicated their support for the proposed changes.

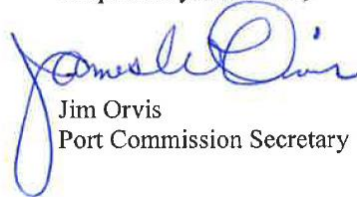
Commissioner Orvis advised that the WPPA is pushing to make cleanup a top priority for MTCA funds.

Commissioner Orvis referred to a recent article in *THE SEATTLE TIMES*, which announced that Seattle is the 10<sup>th</sup> densest city in the nation. House Bill 2945 established a Growth Management Act (GMA) Task Force to open up review of the GMA because the increase in population is creating intense pressure. Where the review goes is anyone's guess, but it may expand the boundaries of where development can occur or it may require denser development in areas that have withstood increased density over time. He noted that the City of Edmonds has never really adequately addressed the issue of how it wants to grow and where the increased density will be accommodated. The review of the GMA could have serious ramifications on the suburbs that are closer to Seattle. The Commission agreed to discuss the issue further after Commissioner Orvis reports on his attendance at the Legislative Committee meeting.

#### **ADJOURNMENT**

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

Respectfully submitted,



Jim Orvis  
Port Commission Secretary