



## **PORT COMMISSION OF THE PORT OF EDMONDS**

### **MINUTES OF SPECIAL MEETING**

**November 13, 2018**

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#### **COMMISSIONERS PRESENT**

David Preston, President  
Steve Johnston, Vice President (by phone)  
Jim Orvis, Secretary  
Bruce Faires

#### **STAFF PRESENT**

Bob McChesney, Executive Director  
Marla Kempf, Deputy Director  
Tina Drennan, Finance Manager  
Brittany Williams, Manager of Properties and Marketing

#### **COMMISSIONERS ABSENT**

Angela Harris

#### **OTHERS PRESENT**

Bradford Cattle, Port Attorney  
Karin Noyes, Recorder

#### **CALL TO ORDER**

President Preston called the 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 ORVIS MOVED THAT THE CONSENT AGENDA BE APPROVED TO INCLUDE THE FOLLOWING ITEMS:**

- A. APPROVAL OF AGENDA
- B. APPROVAL OF OCTOBER 29, 2018 MEETING MINUTES
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$205,444.00
- D. APPROVAL OF WASHINGTON PUBLIC PORT ASSOCIATION SEMINAR OVERNIGHT STAY IN BELLEVUE
- E. APPROVAL OF TRAVELIFT REPAIRS

**COMMISSIONER FAIRES SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.**

#### **PUBLIC COMMENTS**

There were no public comments.

### **APPROVAL OF RESOLUTION NO. 18-06 – ESTABLISHING THE AMOUNT OF TAX TO BE LEVIED**

Ms. Drennan reviewed that the Commission discussed the 2019 Tax Levy on June 25<sup>th</sup>, August 27<sup>th</sup>, September 10<sup>th</sup>, October 8<sup>th</sup>, and October 29<sup>th</sup>. She explained that the Port may levy a property tax of \$574,852.00, which is the 2019 highest lawful levy, plus the estimated amount of new construction, less the estimated refunds. The tax levy for 2018 was set at \$400,000, and the proposed tax levy for 2019 is \$400,000. The proposed mil rate for 2019 is \$0.067. She recommended the Commission approve the resolution as presented.

Commissioner Faires said he supports the proposed \$400,000 tax levy, which will primarily be focused on paying off the Harbor Square bonds. However, the bonds will be paid off in 1.5 years, and he expects the Commission and staff to have a robust discussion as part of the 2020 budget process about whether or not the Port should continue the tax, and if so, how it should be allocated. Commissioner Johnston concurred.

**COMMISSIONER JOHNSTON MOVED THAT THE COMMISSION APPROVE RESOLUTION NO. 18-06 – ESTABLISHING THE AMOUNT OF TAX TO BE LEVIED IN 2019 IN THE AMOUNT OF \$400,000. COMMISSIONER FAIRES SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.**

### **APPROVAL OF RESOLUTION 18-07 – BANKING EXCESS LEVY CAPACITY FOR 2019**

Ms. Drennan reviewed that the Port may levy a property tax of approximately \$575,000, which is the 2019 highest lawful levy, plus the estimated amount on new construction and less the estimated refunds. The Port is proposing to levy a tax of \$400,000 for 2019. She explained that Washington State Law allows the Port to bank the additional amount it could levy in an amount equal to the rate of inflation or 1%, whichever is lesser. In order to protect the Port's ability to issue and pay Limited General Obligation Bonds, the Port has established that there is a need to bank 1% of the highest lawful levy, which allows the Port to hold in a savings mode the amount it could levy without assessing the full amount at this time. She recommended the Commission approve the resolution at presented.

Commissioner Faires said he supports the resolution, but does not anticipate the Port will need to impose the additional levy capacity authorized by the resolution until such time as the Port needs to support bond issues to fund replacement of the docks and roofs. At this time, the Commission is not considering the additional tax capacity to support near term operating expenses.

**COMMISSIONER ORVIS MOVED THAT THE COMMISSION APPROVE RESOLUTION NUMBER 18-07 – BANKING EXCESS LEVY CAPACITY FOR 2019. COMMISSIONER JOHNSTON SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.**

### **APPROVAL OF RESOLUTION 18-08 – ADOPTING THE 2019 BUDGET**

Ms. Drennan reviewed that the Commission and staff discussed the elements of the 2019 Preliminary Budget on August 27<sup>th</sup>, October 8<sup>th</sup>, and October 29<sup>th</sup>. The Commission last reviewed the 2019 Preliminary Budget at its October 29<sup>th</sup> meeting, at which time a public hearing was held. As a result of that meeting, Professional Services (note O25) in the Overhead Budget was increased by \$100,000 for Public Access Improvements. There were no other changes. She recommended the Commission approve Resolution No. 18-08 as submitted.

Commissioner Faires said he supports the budget as it reflects the anticipated revenues and expenses. However, he noted that the Port typically exceeds the anticipated revenues each year. In an effort to continuously improve, he suggested the staff and Commission should continue to work on the budget process to get estimated revenues closer to actual. He stressed the need to continue to make the long-range financial cash flow forecast better, and that means that the assumptions need to be examined and modified as appropriate.

Commissioner Orvis commented that the budget is the result of working diligently for many years to provide a document that can be read by anyone to understand the financial status of the Port. While there may be opportunities to tweak it, they have a good process that is copied by other entities. He congratulated staff for their efforts. Commissioner Preston agreed with Commissioner Orvis. He commented that “budget” is a financial accounting word for “a darn good guess.” It will never be completely accurate to the penny. Commissioner Johnston concurred and congratulated staff and others for putting together a clean, concise and to-the-point budget that works. Commissioner

Faires added that it has been a continuous learning process on how to get it right and make it transparent, and staff has done a good job.

**COMMISSIONER ORVIS MOVED THAT THE COMMISSION APPROVE RESOLUTION NO. 18-08 – ADOPTING THE 2019 BUDGET. COMMISSIONER FAIRES SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.**

**3<sup>RD</sup> QUARTER 2018 HARBOR SQUARE REPORT**

Ms. Williams presented the 3<sup>rd</sup> Quarter 2018 Harbor Square Report, specifically highlighting the following:

- Gross projected revenue was up 5.95% or roughly \$29,000 over the same period in 2017.
- The occupancy rate at the end of 3<sup>rd</sup> Quarter 2018 was 98.52%, which is up 5.32% from the occupancy rate of 3<sup>rd</sup> Quarter 2017.
- The increase over 2<sup>nd</sup> Quarter 2018 can be attributed to a Building 3 tenant taking over 614 square feet of additional space that was previously used as an available classroom rental. The space is much better utilized now that it is part of this tenant's lease.
- No new leases occurred in 3<sup>rd</sup> Quarter 2018, but the parking agreement with the Here and There Food Truck changed hands to a new owner.
- There were five lease extensions in 3<sup>rd</sup> Quarter 2018, and all were 12 months with the exception of a Building 2 tenant who extended for 60 months.
- There were no tenant improvements.
- There were one conference room rental.
- Two leases terminated during 3<sup>rd</sup> Quarter, and both were month-to-month leases in the single-office section of Building 2 where there tends to be more turnover.
- The contract project during 3<sup>rd</sup> Quarter was the asphalt repair. A section of the road in the parking lot between Building 2, Building 5 and the Harbor Square Athletic Club was replaced. The project went very smoothly and came in on budget.
- Some of the internal maintenance projects for 3<sup>rd</sup> Quarter included landscape sprinkler repair, exterior paint touch-ups, new tenant addresses on Building 2 and sidewalk grinding.
- There were no incidents to report in 3<sup>rd</sup> Quarter.

Commissioner Faires noted that the lease extensions and expansions were exclusively non-commissionable. He asked about the status of the Port's real estate agent. Mr. McChesney answered that the Port does not currently have a listing agreement with a commercial real estate broker for any of their properties. Ms. Williams has done an outstanding job as the in-house leasing agent and property manager.

Commissioner Johnston asked if the Port has a schedule for repainting the exteriors of the Harbor Square Buildings. Mr. McChesney answered that the buildings were all painted about 10 years ago and none have been repainted since that time. So far, the exterior surface coatings seems to be holding up well, and the Port continues to do touch up work as needed. However, at some point, the buildings will need to be repainted.

Commissioner Faires noted that there was only one conference room rentals during the 3<sup>rd</sup> Quarter. He asked if the space could be used for some other function that would contribute revenue. Mr. McChesney responded that the conference room is used by Port staff and is offered as a convenience to tenants. Ms. Williams pointed out that that she uses the conference room for meetings, and it was most recently used for the flu clinic. She summarized that it still adds value as a space. Although it is not bringing in significant revenue, it is very outdated and the Port does not put a lot of money into its maintenance.

Commissioner Orvis expressed his belief that a commercial park the size of Harbor Square needs a meeting room. Ms. Williams agreed it is a nice selling point for the single-person offices that share the common area. To make the space more profitable, the Port would need to put a lot of money into upgrades.

Ms. Williams distributed a handout announcing the Port's winter events:

- Holiday on the Docks – December 1<sup>st</sup> through 31<sup>st</sup>. Festive boats will be on display in guest moorage at the marina all month long.
- Argosy Christmas Ship Visit – December 12<sup>th</sup> from 6:30 to 8:00 p.m. As quite a crowd gathered last year when the Christmas Ship was in the marina, the Port has decided to show some hospitality by providing hot cider, treats, music and a visit from Santa in the Public Plaza.
- Port Holiday Food Drive – November 15<sup>th</sup> through December 31<sup>st</sup>. The Port will be working with Northwest Harvest to collect donations of non-perishable foods at Harbor Square or Marina Operations. To advertise the event, signs and large posters will be placed throughout the marina, as well as an announcement on the Port's website.
- 2019 Seattle Boat Show – January 25<sup>th</sup> through February 2<sup>nd</sup>.

Ms. Williams advised that the information on the handout will go out to all staff on November 14<sup>th</sup> and will be on the Port's website, newsletter and social media. In addition, it will be posted in My Edmonds News and The Edmonds Beacon, inviting people to the Port for the holidays. Commissioner Preston asked that the flyer be provided to City of Edmonds Staff and to the City Council.

### **3<sup>RD</sup> QUARTER 2018 FINANCIAL STATEMENTS**

Ms. Drennan presented the 3<sup>rd</sup> Quarter 2018 Financial Statements, noting that revenues are trending upwards and expenses have increased the past two years. Net income has been trending upwards, as well. Actual revenues exceeded the budgeted revenues by about \$840,000 and actual expenses were about \$41,000 greater than budget. Gross profit for the 9-month period ending September 30<sup>th</sup> was \$6,206,000, which is about \$482,000 or 8% greater than budget. Net income for the same period was \$2,099,000. Highlights include:

- Net fuel sales were 223,000, which was approximately \$48,000 or 27% greater than budget.
- Launcher revenue was about \$89,000, which was approximately \$23,000 or 35% greater than budget.
- Permanent moorage revenue was about \$2.6 million, which was about \$111,000 or 4% greater than budget.
- Dry storage revenue was \$556,000, which was about \$43,000 or about 8% greater than budget.
- Parking revenue was \$73,000, which was about \$29,000 or 67% greater than budget. This was primarily due to the parking area that was added to the north for commuter parking.
- Harbor Square Property revenue was \$1.6 million, which was about \$117,000 or 8% greater than budget.
- In September, Anthony's made its annual percentage rent payment, which was greater than it has ever been. Anthony's revenue was about \$226,000, which was approximately \$10,000 or 5% greater than budget.
- Landing revenue was about \$92,500, which was \$11,000 or about 13% greater than budget. Prior to 2018, the Port charged Arnies \$175 per month for an entire parking area. The rate was adjusted to \$100 per month per space in 2018 to be more commensurate with the market.

Ms. Drennan advised that operating expenses before depreciation for the 9-month period were \$3,239,000, which is about \$364,000 or 10% less than budget. Net income for the 9-month period ending September 30<sup>th</sup> was \$2,099,000, which is approximately \$800,000 greater than budget. Highlights include:

- As of September 30<sup>th</sup>, the audit expense was just \$870 because the auditor started later than anticipated. She hopes that the on-site work will be completed within the next few weeks, but she does not know if the audit work will be completed before Dec 31, 2018.
- Employee benefits were \$496,000, which was about \$37,000 or 7% less than budget.
- Professional fees were \$136,000, which was about \$22,000 or 14% less than budget.
- Repair and maintenance expenses were \$138,000, which was about \$168,000 or 55% less than budget due to timing of some of the projects, as well as the extended medical leave taken by the Facilities Maintenance Manager which delayed some projects.
- Salaries and wages were \$1,475,000, which was about \$36,000 or \$2% less than budget, but she does not anticipate this will continue through year end.
- Supplies were \$166,000, which was about \$24,000 or 13% less than budget.
- Utilities were \$292,000, which was about \$25,000 or 8% less than budget.
- Depreciation was \$1,148,000, which was about \$25,000 or 2% less than budget.

- Interest income was almost \$165,000, which was about \$70,000 or 74% greater than budget. This is due to higher interest rates.
- The gain/loss on fixed assets was a loss of about \$165,000, and the gain/loss on investments was a gain of almost \$17,000.

Ms. Drennan advised that in the Marina Cost Center, revenues are increasing and expenses are increasing, as well. Net income is trending upwards, actual revenues are greater than budget, and actual expenses are approximately at budget. Highlights include:

- Operating revenues were \$5,057,000, which is about \$575,000 or 13% greater than budget.
- Operating expenses before depreciation and overhead were \$1,765,000, which was about \$117,000 or 6% less than budget.
- Net income was \$1,087,000, which is \$565,000 or about 108% greater than budget.

Ms. Drennan reported that in the Rental Property Cost Center, revenues have been trending upwards and expenses have remained about the same. Net income is trending upwards, as well. Revenues are slightly above budget and expenses are slightly less. Highlights include:

- Operating revenues were \$2,084,000, which was about \$138,000 or 7% greater than budget.
- Operating expenses before depreciation were \$416,000, which was about \$73,000 or 15% less than budget.
- Net income was \$1,012,000, which is about \$240,000 or 31% greater than budget.

Ms. Drennan reviewed the investing summary, which included the following highlights:

- The Port has 16 long-term investments, and the 1<sup>st</sup> matured in November 2018.
- One bond matured in August 2018. The Port held the bond for 9 months with a yield of 1.406%. Interest on liquid funds rose from 1.05% in November 2017 to 1.75% in August 2018. The Port would have likely earned a similar amount of interest in liquid funds or in the investment.
- The Port purchased a \$500,000, 48-month bond in August 2018 with a 2.88% yield.
- The Port earned interest of \$164,000 in the first three quarters of 2018, which is 88% greater than the same period in 2017.
- The Capital Replacement Reserve is currently at about \$8.5 million, with part of the reserve in cash reserves and part invested long term.
- The Port has \$1,816,950 remaining in outstanding debt, and approximately \$1.35 million is due within one year.

Ms. Drennan referred to Time Value Investment's (TVI) Platinum Report that was prepared by the Port's broker for long-term investments. She highlighted the following:

- Page 2 shows that the Port has all of its long-term bonds in agencies.
- The weighted average yield to maturity for the portfolio is 1.75%. This is similar to the Fed Funds 1-year average, which is similar to the liquid interest rate the Port is able to obtain currently.
- The weighted average maturity is 2.27 years, and TVI recommends that the Port maintain an average maturity of 2 to 3 years. According to TVI, an average maturity over 3 years is too long and an average maturity under 2 years is a defensive position.
- Most of the time, long-term investment portfolios outperform liquid investments. Occasionally they don't, which is during rapid increase environments like we are in now. However, the Port purchased some of the bonds four years ago when liquid funds were only earning 0.2%. As the bonds mature, the Port will reinvest in securities with higher interest rates.
- Page 7 of the report shows the agency distribution. About 50% of the Port's investments are in Federal Farm Credit Bank. This is not a concern because the U.S. Treasury is expected to back all agency bonds.

Commissioner Preston asked what the next call date means. Ms. Drennan explained that some bonds are callable and some are not. The next call date means the next time when a bond can be called and not necessarily when it will be

called. She noted that interest rates are typically higher on a callable bond versus a non-callable bond, and the Port a mix of both.

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

Mr. McChesney reported that, in anticipation of the parking feasibility study, he met with Sound Transit representatives last week to discuss potential opportunities for collaboration. Sound Transit is very receptive to learning more about the Port's plan, but collaboration is not possible because they have already established a scope of work and selected a consultant for its own parking study. However, they have agreed to share the data they collect throughout their process with the Port.

Commissioner Preston asked if it would be better for the Port to wait to move the parking feasibility study forward until after Sound Transit has completed its study. Mr. McChesney advised against waiting, noting that Sound Transit has encouraged the Port to go forward with their own feasibility study to discover if there is a way to partner at some point in the future. Sound Transit has budgeted \$40 million to address parking near their Mukilteo and Edmonds stations, but no decisions have been made as to how the funding will be allocated. Sound Transit recognizes that parking is an issue in Edmonds, and they will be studying different alternatives.

Mr. McChesney clarified that the Port's study would focus on more than just economic feasibility. It will also study physical feasibility given serious constraints such as the height limit, soil conditions, etc. All of these factors need to be evaluated to come up with a business case. He expressed his opinion that the Port should move forward with the study in 2019, and said the issue will come up as a topic of discussion at the Commission's February retreat, which will be oriented towards facility development.

Mr. McChesney announced that he would meet with representatives from Puget Sound Express and Everett Engineering to talk about passenger loading and unloading and the feasibility of a direct gangway from the promenade. He also advised that he asked Reid Middleton to help prepare specifications to rebuild the travelift washdown pad. Given the wheel loads and weight, the travelift needs a better surface, and they need to also protect the integrity of the water filtration system. He noted that the washdown pad and vaults are original.

Mr. McChesney reported that staff is also working on a project to remodel the administration building, including the Commission meeting room and front entryway and staircase. Nagel Design is currently working on floor plans, and the issue will be discussed further at the February retreat.

Mr. McChesney reported that he and Ms. Kempf met with a representatives from Burlington Northern Santa Fe and invited them to provide an update to the Commission of projects that are planned for Edmonds, including the directional horn, double tracking, and Edmonds Street Connector. The presentation will likely occur in late February or early March.

### **COMMISSIONER'S COMMENTS AND COMMITTEE REPORTS**

Commissioner Johnston congratulated staff for an excellent job on the budget. Performance through the first three quarters of 2018 was outstanding.

Commissioner Johnston advised that he would attend the Washington Public Port Associations (WPPA) annual meeting on December 5<sup>th</sup> through 7<sup>th</sup>. He also advised that he has been invited to be a judge for the Engineering and Environmental awards for the State of Washington. He commented that it is good to see Ports represented in this competition.

Commissioner Faires also recognized the hard work and learning curve that has gone into the present budget process, which works well. Ms. Drennan puts in untold hours to make the process visible and understandable.

Commissioner Faires announced that he would attend the Edmonds Economic Development Commission meeting on November 21<sup>st</sup> as the Port's liaison.

Commissioner Faires suggested that, as part of the Administration Building remodel, they consider change the façade materials to something that is more attractive than the current block material.

Commissioner Orvis reported on his attendance at the November 13<sup>th</sup> WPPA Legislative Committee meeting where the following items were discussed:

- The democrats have taken over both houses, and there is now only one republican representative in King County.
- Governor Inslee is upset that the carbon tax initiative failed. It was voted down in all counties except King, Jefferson and San Juan. It is anticipated that the Governor will present another proposal in 2019.
- The 2019 budget is projected to have a \$1.5 billion shortfall even with the additional revenue coming in from the current favorable economy. About \$300 million is earmarked for mental health, with the idea of establishing a number of smaller facilities instead of concentrating all of the services in one place (Western). About \$800 to \$900 million of the shortfall is attributed to the McCleary Laws that put teachers in the same category of medical coverage as the State employees without calculating how much it would cost. The Legislature may decide to pull this back and require teachers to pay more. The teachers' unions are already pressing the State to come up with more money, but the Legislature does not appear to be willing to look at education funding again in 2019. About \$3 billion in the capital budget will go towards school projects, and \$500 million will be allocated for culvert replacement. It was noted that the Department of Transportation is doing culvert work without coordinating with local cities and counties. Many were put in downstream of blockages that haven't been addressed by local jurisdictions.
- It is anticipated that the capital gains tax will come up again in 2019, and a graduated leasehold tax is being considered. The business and occupation tax will also be a topic of discussion in 2019.
- The transportation budget is funded by the gas tax, and there is a proposal that would change the pricing on the tax from the value of gas to bulk. In other words, gas will be taxed by the gallon rather than by dollar value. The intent is to address revenue lost when gas prices drop significantly.
- The Department of Ecology (DOE) has requested funding to reimburse the Model Toxic Control Act (MTCA) fund. Both the DOE and the Department of Natural Resources (DNR) have been using MTCA funds for operating costs. There are several big projects in jeopardy and the legislature is finally figuring that cleanup is essential and not just something nice to do.
- The budget is the least visible activity of the legislature. Public hearings for the budget are essentially for show. If you want to get into the budget, you have to talk to your local legislature before they start putting numbers on paper. Once they do that, it is locked in and the leadership decides where the money will go. What you say at the hearing after the budget is proposed is simply for show.
- The prevailing wage law has had some bad unintended consequences. Wages for each county are based on the unions' negotiated wages. The problem is that a number of contracts overlap counties and negotiated contracts in King County end up driving prevailing wages in other counties where it is destroying small businesses who cannot compete.
- Currently, there are no written rules or limitations attached to the State Environmental Policy Act (SEPA), and the DOE seems to change the rules often. There has been some pressure to get the DOE to come up with some limits, but they do not seem willing to do that at this time.
- No funding has been allocated to accomplish any of the tasks identified by the Orca Task Force. It was discussed that this is one of the worst coordinated projects ever. Currently, the task force proposal goes to Governor Inslee, and he can pick and choose what tasks to move forward.

Commissioner Orvis said it was reported that the filtration system baskets that the Port of Tacoma installed have not worked well. The Port of Edmonds' pilot project is similar, and it will be interesting to see the results. Commissioner Johnston pointed out that there is a lot more industrial activity at the Port of Tacoma than at the Port of Edmonds. Commissioner Orvis explained that the baskets clog up quickly because debris gets caught in them. However, he acknowledged that the Port of Edmonds' system will likely work better because the water already goes into a channeling system and is cleaner and because the Port requires best management practices. Mr. McChesney advised that the pilot project at the Dry Storage facility is designed a bit differently. Commissioner Faires added that it also starts with relatively clean water as opposed to runoff from an industrial facility.

Commissioner Preston asked if there was any discussion about how much more revenue has come into the state over the past ten years as a result of the favorable economy. Commissioner Orvis answered no. He said all that was reported was that the economy was good and revenue forecasts are much greater than anticipated.

Commissioner Preston pointed out that encouraging more electric and/or hybrid cars can help reduce the carbon footprint, but it will also reduce the number of gallons of fuel sold. Therefore, changing the gas tax from value to bulk won't solve the problem, either. Commissioner Orvis expressed his belief that gas would still be the biggest consumer. He pointed out that batteries are becoming difficult to get and the carbon footprint of the batteries just about negates any value you get from an electric vehicle. It is a little better in the northwest where hydropower is available, but elsewhere electric vehicles may have a greater carbon footprint than gas vehicles.

Commissioner Faires expressed his belief that transportation costs are not a function of dollars or gallons. They are a function of miles. As the number of gallons continues to decrease the transportation budget will be starved because the State doesn't have a way to charge based on the number of miles traveled. Commissioner Johnston commented that a tax based on the number of miles traveled may be one possible solution.

Commissioner Preston requested an update on whether Puget Sound Express is concerned about the current Orca situation. Mr. McChesney responded that Puget Sound Express doesn't appear to be overly concerned about how it will affect their business model. They mostly tour for gray and humpback whales, and orcas are only 10 to 15% of their viewing opportunities. However, they are concerned about a potential policy creep and some of the major players in the whale excursion business will meet on November 30<sup>th</sup> to discuss the concern further. They want to be part of the solution and not part of the problem. Commissioner Preston expressed an interest in attending the meeting, and Mr. McChesney agreed to inquire if the meeting is open for others to attend and report back to the Commission.

Commissioner Preston reported on his attendance at the November 5<sup>th</sup> City Council meeting where the draft Housing Strategy was a hot topic. He expressed his belief that much of the problem is related to poor communication between the City Council and their constituents. He also reported that he attended the recent Edmonds Yacht Club meeting, as did representatives from the Sea Scout organization.

#### **ADJOURNMENT**

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

Respectfully submitted,



Jim Orvis  
Port Commission Secretary