



PORT COMMISSION OF THE PORT OF EDMONDS

MINUTES OF REGULAR MEETING

February 11, 2019

COMMISSIONERS PRESENT

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

STAFF PRESENT

Bob McChesney, Executive Director
Marla Kempf, Deputy Director

CALL TO ORDER

Vice President Orvis 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

- **Prior to Approval of Consent Agenda, Information Item A. 2018 Marketing Review was removed from the 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 28, 2019 MEETING MINUTES**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$127,843.37**

COMMISSIONER JOHNSTON SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

PUBLIC COMMENTS

There were no public comments.

OPTION AGREEMENT FOR PUGET SOUND EXPRESS

Mr. McChesney recalled that at their last meeting, the Commission authorized an option agreement that provides Puget Sound Express (PSE) the exclusive right to lease a vacant parcel of Port property. As consideration for the initial option period, PSE agreed to pay the Port \$10,000. The payment is nonrefundable, but if PSE chooses to enter

into a lease, 50% will be applied to the rent. The initial option period will expire June 30, 2019. He reported that the option agreement was tendered to PSE on January 31st. At that time, PSE requested to extend the initial option period by six months in order to fulfill their due diligence in feasibility evaluation. PSE agreed to pay the Port an additional \$2,500 at the time they would exercise their option to extend, and the extension period would terminate December 31, 2019. He explained that when the option agreement was initially put forward, there was no discussion of the extension period, and he requested that the Commission approve it as discussed.

Commissioner Faires asked Mr. McChesney to share his thoughts on the probability of the option agreement being exercised given the current status of the Orca recovery issue as it relates to whale watching. Mr. McChesney said he had a good discussion this afternoon with the owner of PSE, Pete Hanke, and he feels very confident the option agreement will be signed before the end of the week. Commissioner Faires asked how the State regulations relative to Orca watching could impact PSE. Mr. McChesney responded that the potential impacts of the Southern Resident Killer Whale Task Force recommendations are unclear at this stage. He reminded them that Commissioner Johnston currently serves as the Washington Public Port Association's (WPPA) representative on the task force, and the deliberations are still in progress. Mr. Hanke has suggested that, while they are concerned, they are not overly worried about it. In fact, the potential new building would give PSE an opportunity to diversify and expand their business away from just excursions. Commissioner Faires asked if Mr. Hanke anticipates that at least a portion of the new building would be sublet, and Mr. McChesney answered affirmatively.

Mr. McChesney added that PSE sees the opportunity as unique and valuable, and they want to have an option to continue forward. He put them in touch with the construction company that did the Jacobsen's Marine Building, and he feels confident that the option agreement, including the extension period if approved by the Commission, will be fully executed by the end of the week.

Commissioner Faires asked if the survey results from Reid Middleton would eventually be signed by a certified surveyor. Mr. McChesney replied that the full legal description and site plan have now been stamped and signed.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION APPROVE THE 6-MONTH EXTENSION OPTION FOR SUBJECT PUGET SOUND EXPRESS OPTION AGREEMENT PREVIOUSLY APPROVED ON JANUARY 28, 2019. COMMISSIONER JOHNSTON SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

RETREAT AGENDA

Mr. McChesney announced that a Special Commission Meeting and Staff Retreat is scheduled for February 25th. He presented a draft agenda for the meeting and invited the Commissioners to provide feedback and direction. He reviewed each of the items as follows:

- **Public Access Plan**

Mr. McChesney explained that the **Public Access Plan** is in the initial stages, and one steering committee has been held to date. There will be some progress to report at the retreat, but the plan will not be fully completed by that time. Staff will be prepared to discuss the steering committee and public involvement, the process and timeline, and preliminary concepts and features.

Commissioner Orvis questioned the amount of time allocated for the Public Access Plan presentation, given that they are still in the information-gathering phase and there are no conceptual drawings. Commissioner Harris agreed that the discussion could take less time unless the Commission wants to spend a lot of time brainstorming ideas. Mr. McChesney said the purpose is to brief the Commission on the progress and get feedback from them and the public about whether they are going in the right direction. The Commission agreed to leave the schedule as proposed to allow the Commissioners and public ample time to provide feedback and share ideas.

- **Environmental Policy**

Mr. McChesney advised that Joe Kalmar from Landau & Associates will be the presenter for the **Stormwater Filtration Pilot Project**. The presentation will include a look at the site map and test locations and the filtration

cartridge design. Mr. Kalmar will also talk about testing protocols and results and recommendations. He clarified that the pilot project involves cartridges that were manufactured by the Maintenance Manager for application in the parking lots. It appears the filtration cartridges have had some beneficial effect, and Mr. Kalmar will review the test results and provide recommendations for moving forward. Ms. Kempf added that the discussion might also include future cartridge locations if the test results are positive. Currently, the filtration cartridges are being tested at Dry Storage. She clarified that the Port already has a trench system to treat the water from the wash pad before it is discharged to the sanitary sewer, but that is separate from the filtration cartridges that are intended to treat stormwater from the parking lots.

Commissioner Faires observed that most of the boats in Dry Storage do not have copper bottom paint. He asked if there is any indication that there is a problem with the water from this area. Ms. Kempf explained that the Port has done water samples and developed a baseline, and the tests will identify whether or not the cartridges have improved the baseline. She pointed out that no permit is required for the Dry Storage area, so there is no State requirement. Commissioner Faires asked if water from the Dry Storage area would meet the permit requirements placed on the Boatyard, and Ms. Kempf said she hopes Mr. Kalmar's report will provide that information.

Mr. McChesney explained that testing was done before the cartridges were installed to establish the baseline conditions. After the cartridges were installed, testing was done after each storm event to find out if there has been any improvement in the water quality relative to baseline. Mr. Kalmar will share the test results with the Commission at their retreat. Ms. Kempf emphasized that the Port is not required to install the cartridges. Commissioner Johnston added that the Port is already filtering its stormwater, and the fact that they are trying to enhance that filtration is even better. Mr. McChesney summarized that the cartridges can be made inhouse at very low cost.

Mr. McChesney reviewed that **groundskeeping chemicals** have come up in discussions over the past few years. In particular, the Port has been held to account for using Round Up. Even though it is legal and used sparingly with licensed and trained applicators, the Commission has asked staff to evaluate if there are better options. At this stage, staff has not initiated a pilot project to test chemicals because of the rainy season. The intent is to start testing different options in the spring in the gravel areas by Dry Stack.

Commissioner Faires commented that the Port needs to speak to the real environmental concerns that have been raised by the community, and Round Up is just one of the issues. The Port has satisfied everyone that it is doing the best it can and doing it right, but the Commission should keep talking about it and tie the discussion into the environmental policy to ensure it stays in front of their constituents. Mr. McChesney agreed that is the intent of the retreat discussion.

Commissioner Preston said he would be interested to know what part of the Port's property is pavement versus dirt (where Round Up could be used). Perhaps they could also convert the numbers for the amount of concentrated Round Up that was used into pre-mixed numbers, which are more familiar to the public. He would also like to discuss alternatives so that no Round Up is used at all.

Commissioner Faires pointed out that the environment is of great concern to a larger number of constituents, and it is important for the Port to do the best it can. Commissioner Orvis observed that the Commission has established an Environmental Committee for this very purpose, and he cautioned against getting too deep into the conversation ahead of the committee's work. He suggested that Commissioners Johnston and Harris could provide direction from the Environmental Committee at the retreat.

Commissioner Johnston commented that the Port is constantly making incremental environmental improvements, and the Port is in a very sound environmental position compared to other ports in the State. Commissioner Faires suggested that perhaps the discussion could be expanded to include, not only groundskeeping chemicals, but the Port's environmental policy and the work being done by the Environmental Committee. The Commissioners agreed that the report from Joe Kalmar relative to the Stormwater Filtration Pilot Project; an environmental update about what the Port is currently doing, including a pilot project to test alternatives for groundskeeping chemicals; and a discussion about Climate Change Impacts and Sea Level Rise could all be grouped on the agenda under "Environmental Policy."

Commissioner Harris said she is working to pull together information and data relative to **climate change impacts and sea level rise** in preparation for the Commission's retreat discussion. She should have a better idea of what the discussion might include by early next week. Her hope is to provide information about how other ports are addressing the issue. Mr. McChesney offered staff's help to facilitate her research. Commissioner Orvis commented that if Commissioner Harris is not able to collect all of the information in time for the February 25th retreat, the Commission could delay the discussion to a regular Commission meeting. Commissioner Harris commented that the topic is complex, and she is not sure she will be ready for a retreat discussion. The Commissioners agreed to leave it up to Commissioner Harris as to whether this item is part of the retreat discussion or postponed to a later meeting.

Commissioner Preston asked if Commissioner Harris has reached out to the Washington Public Port Association (WPPA). Commissioner Harris said she has reached out in the past and will do so again. She will also review the notes she took at last year's WPPA Environmental Conference. Commissioner Johnston commented that there has not been a lot of meaty discussion at the WPPA or individual port level about specific approaches for dealing with sea level rise and climate change. However, data is starting to come in, including information shared at a previous Commission meeting by Annie Crawley and information shared by Shannon-Wilson in a presentation to the City Council relative to the potential of daylighting Willow Creek and what sea level rise is anticipated to be by 2100. The Commission could discuss this information in very broad terms as to how it might impact Port facilities, but they will not have enough information to really get into an in-depth discussion and potential solutions.

Commissioner Harris said her intent is to raise awareness and identify sea level rise and climate change as something the Port continues to watch as more data becomes available. The Port's current policy does not address climate change, and perhaps the retreat discussion could focus on how the Port could update its Environmental Policy to at least acknowledge climate change and sea level rise.

Council Member Teitzel commented that Shannon-Wilson has some charts that show what sea level rise will do in terms of inundating certain areas of Edmonds, including the Port's property, using different scenarios. Commissioner Johnston said he has access to the information provided by Shannon-Wilson and will forward it to Commissioner Harris.

In order to allow sufficient time for the "Environmental Policy" discussions, the Commissioners agreed that lunch would be postponed to 12:30 p.m.

- **Facilities Planning**

Mr. McChesney said the intent of this discussion is to focus on things the Port wants to accomplish over the relatively short term, which falls under the umbrella of the **Comprehensive Scheme of Harbor Improvements**. Currently, the Port has a scheme that addresses the marina side and Harbor Square, and it would be appropriate for the Commission to consider potential updates. Another topic of discussion will be **Harbor Square landscaping** and a presentation of the current plans for the **SR-104/Dayton Street improvements** that will get started in March.

Mr. McChesney said staff will present conceptual plans for the **Puget Sound Express load/unload gangway**. Along with drawings, he will present some rough costs for the project as provided by the consultant. He is not sure the project will pass the feasibility test, but he wants to inform the Commission about what has been discovered thus far. Commissioner Preston asked if the gangway would be specific only to Puget Sound Express or if it could accommodate additional boats. Mr. McChesney said it would be specific to that berth and may be able to accommodate other boats in addition to the Saratoga. He agreed to answer that question at the retreat.

Mr. McChesney said staff will refresh the Commission on the design for the **marina side vacant parcel development**. Commissioner Preston noted that the Port will have a signed agreement with PSE by February 25th or the property will go out to market.

Mr. McChesney said he will provide a concept drawing of the **Dry Storage rack conversion to create an equipment storage shed** using the existing structure. The intent is to convert four of the racks into a shed with

a concrete floor, sheet siding and a roof. The shed will be used to store equipment inside. The machines are costly and they currently sit outside in the weather every day. Storing them inside will prolong their life and reduce the amount of maintenance expense over time. The work can likely be done inhouse. Staff will be seeking input from the Commission about if and when the conversion will take place.

Mr. McChesney said the Commission will have a general discussion about the concept of a **structured parking feasibility study**. The north parking lot may be suitable for structured parking, but there are some site constraints that must be considered before going down the path of actually hiring a consultant to do a feasibility study. He said Sound Transit has invited him to participate in their interagency group to study parking and access in Edmonds and Mukilteo. He anticipates he will learn a lot of valuable information for the Port to consider before starting its own study.

Commissioner Faires commented that Sound Transit would need to be a major partner if a structured parking facility comes to fruition. Mr. McChesney expressed his belief that, if the Port builds the structure, Sound Transit would likely lease the entire facility. While that would solve Sound Transit's parking problem, it would change the Port's entire parking scheme.

Mr. McChesney advised that staff would present some concept plans for the **Administration Office remodel**. This project will likely start in the winter of 2019-2020, beginning with remodeling the Commission Meeting Room. The front office would follow in a future year.

Commissioner Faires asked if the discussion related to long-range facility planning would take place as part of the Environmental Policy discussion or Facilities Planning. Mr. McChesney explained that **long-range facilities planning** could fall under the umbrella of sea level rise or it could be discussed as an item under Facilities Planning. Commissioner Faires agreed that would be appropriate to include it under Facilities Planning. Commissioner Preston suggested the discussion should include a brainstorming session on longer-term ideas (5, 10 and 20 years), recognizing the limitations of physical property and geography. He cautioned against making this the last item of discussion when everyone is anxious to conclude the meeting.

Mr. McChesney agreed to revise the agenda and send it out to the Commissioners as soon as possible.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney commended the Marina Operations and Maintenance Staff for staying on top of storm-related issues. It hasn't been easy and they have had to work under some harsh conditions. There have not been any catastrophes, damages or injuries to report. They blew out all the water lines in anticipation of the freeze, and they are in good shape at this time.

Ms. Kempf reported that there was good participation at the Port's booth at the Seattle Boat Show. They went in with 49 slips available and 31 have now been assigned and 13 are on hold. Three of the new tenants are in Dry Storage and four of the spaces will be occupied by the Freedom Boat Club. She said staff did a fantastic job staffing the booth.

COMMISSIONER'S COMMENTS AND COMMITTEE REPORTS

Commissioner Preston reported that he attended the Seattle Boat Show on Friday, February 1st, and found it was very crowded. It was good to talk to representatives from other marinas to learn more about what they are doing. Everyone seemed excited and sales appear to be up.

Commissioner Preston announced that he will have a phone conference with Joe McLalwain from Edmonds Center for the Arts, Francis Chapin from the City of Edmonds and Manny Cawaling from Cultural Access Washington regarding arts and tourism.

Commissioner Harris said she was unable to attend the City's Climate meeting, but she did attend the State of Everett event where Mayor Franklin reviewed what had been done over the last year, as well as the city's forward-looking development plan. She attended the Economic Alliance of Snohomish County's Introductory Seminar, as well.

Commissioner Johnston reported that he is participating on the Southern Resident Killer Whale Task Force as the WPPA representative and he has been speaking with a number of individuals to get up to speed. Some of the recommendations the task force made in 2018 are already manifesting themselves in a variety of legislative proposals. In addition to a number of initiatives that will indirectly benefit Orcas, notable proposals include a ban on the use of gill nets by non-tribal fishers and pending regulations regarding whale watching (200-meter standoff to 400-meter standoff). Puget Sound Express does not believe the proposed regulations would have a substantial impact on their operations since only 20% of their sightings are Orcas. Neither the WPPA nor the Port have taken a stand on the whale watching legislation. In addition to the above-mentioned legislative items, there has been a breakthrough on policies regarding greenhouse gas emissions and some legislation is going forward that will have an ultimate impact on climate change, which has an impact on Orcas, etc. Lastly, he said legislation is moving forward to implement the recommendations of the task force related to increasing habitat and forage fish abundance. There will be a lot of emphasis over the next several years on salmon recovery and forage fish habitat, but it is unclear how the efforts will play out.

Commissioner Johnston recalled that the last significant snow storm in Puget Sound was in 1996, when the marina collapsed under the heavy snow load. He offered kudos to staff for minding the marina and keeping it intact.

Commissioner Orvis said he was at the marina on Friday, Saturday and Sunday and he was impressed with what staff has done, particularly the amount of snow shovel work that was done around the piers and keeping the area around the Administration Building clear.

Commissioner Orvis said he also attended the Seattle Boat Show, noting that it was much better organized and neater. The Port's booth looked good, and staff did a great job. He visited the Freedom Boat booth and found them to be very excited about coming to Edmonds.

Commissioner Orvis reported that he attended the State of Everett event, too. He was particularly impressed with how upbeat Mayor Franklin was. She made a great presentation, laying out her priorities: quality of life for Everett residents, economic viability, housing, transportation and mobility, and education and workforce development. Everett has a fantastic, organized plan for moving forward that focuses on economic development in the downtown.

Commissioner Orvis said the legislature is currently introducing bills that are going to a variety of committees. At this time, no one has a good idea about which items will pass and which will not. There are some differing opinions on the Southern Resident Killer Whale Task Force about what will be effective and what will be supported. All of this should sort out in the next few weeks, as the task force is operating under a time limit. He expects a number of legislative proposals will be adopted with major changes but others will die before they get to the senate or the house.

ADJOURNMENT

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

Respectfully submitted,



Angela Harris
Port Commission Secretary