



PORT COMMISSION OF THE PORT OF EDMONDS

MINUTES OF REGULAR MEETING

September 25, 2017

COMMISSIONERS PRESENT

Fred Gouge, President
David Preston, Vice President
Steve Johnston, Secretary
Bruce Faires
Jim Orvis

STAFF PRESENT

Bob McChesney, Executive Director
Marla Kempf, Deputy Director
Tina Drennan, Finance Manager

OTHERS PRESENT

Bradford Cattle, Port Attorney
Karin Noyes, Recorder

CALL TO ORDER

Commission President Gouge 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 ORVIS MOVED THAT THE CONSENT AGENDA BE APPROVED TO INCLUDE THE FOLLOWING ITEMS:

- A. APPROVAL OF AGENDA**
- B. APPROVAL OF SEPTEMBER 11, 2017 MEETING MINUTES**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$218,560.47**
- D. APPROVAL OF FIRE EXTINGUISHER AND SPRINKLER INSPECTION SERVICE No. 2017-273**

COMMISSIONER FAIRES SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

PUBLIC COMMENTS

Commissioner Faires acknowledged the presence of Jack Bevan, a distinguished and previous member of the Edmonds City Council. He also acknowledged the presence of Gary Nelson who served in various capacities as an elected official at the local, regional and state levels for a number of years.

Jack Bevan, Edmonds, submitted an archived letter from the Great Northern Railroad to the Port of Edmonds regarding the potential sale of its property.

Gary Nelson, Edmonds, commented that it was his privilege and honor to serve as an elected official for 42 years. He referred to the Port's communications piece that was recently sent out to Port District residents. He expressed

his belief that it was a terrific piece of facts, and he commended the Port staff and Port Commission for putting it together. He commented that many of his neighbors did not realize how much the Port has done, and the information piece helped solidify their understanding and soften the property taxes they are required to pay. He suggested that, in a future communications piece, the Port should inform the citizens of the Port's role in the creation of the current fishing pier. He recalled that, without support from the Port of Edmonds, there would be no fishing pier.

Jean Sittauer, Edmonds, wished Commissioner Gouge a happy birthday.

AWARD OF CONTRACT – HARBOR SQUARE TILE REPLACEMENT NUMBER 2017-275

Mr. McChesney reviewed that the Commission was previously briefed on Harbor Square Maintenance issues with flooring in Buildings 1 (190 West Dayton) and 4 (180 West Dayton). Since that time, an invitation to bid was sent out to 125 appropriate Municipal Research Service Center (MRSC) Roster vendors. A pre-bid walkthrough of the project was conducted on September 12th, with two attendees. Staff received and reviewed one qualified bid on September 19th from Reliable Floor Coverings, Inc. for \$5,572.82 plus tax for the base bid (Building 4) and \$3,759.34 plus tax for the alternative bid (Building 1). He reminded the Commission that \$9,000 was budgeted for the work in 2017. As per the proposed contract, the work would be completed before November 10th, and staff would work with the contractor to minimize the disruption to tenants during demolition and installation.

Mr. McChesney summarized that the total cost of the project would be \$10,293.37 for both the base bid and the alternate bid for Buildings 1 and 4. He recommended the Commission authorize him to enter into a contact with Reliable Floor Coverings, Inc. as described above.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH RELIABLE FLOOR COVERINGS, INC. IN THE AMOUNT OF \$9,332.16 PLUS SALES TAX FOR THE BASE BID AND ALTERNATE BID FOR THE HARBOR SQUARE TILE REPLACEMENT 180 & 190 (CONTRACT NUMBER 2017-275). COMMISSIONER ORVIS SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

RESTROOM REMODEL PROJECT REPORT

Mr. McChesney provided a diagram to illustrate the proposed layout for the restroom remodel project, which was approved by the Commission on July 31, 2017. He reminded the Commission that the showers were decommissioned when the new restroom facilities were installed, and the plan was to remodel the existing restroom facility. As proposed, the facility would include a laundry room, janitor storage space, and three restrooms. The entry would remain the same, and there has been some discussion with the architect (NagelSport, LLC) about identifying at least one of the restrooms as unisex.

Mr. McChesney reported that the architect will soon submit an application for the building permit, and it is anticipated that the project will be bid in November or December. The intent is to have the project ready to build by January and finished by the end of February. He noted that no Shoreline Permit or State Environmental Policy Act (SEPA) process will be required. The project will be considered a non-revenue generating project that includes modernizing public restroom facilities and adding a separate laundry room for marina customers.

Commissioner Faires asked if it would be possible to add a separate entrance for the janitor storage space so it can be accessed directly from the outside. Mr. McChesney responded that there might be structural issues on the outside wall, but he would research the possibility and report back.

Commissioner Orvis suggested that all three restrooms should be identified as "unisex." Mr. McChesney agreed that will probably be the case. The remainder of the Commission agreed that would be the right approach to provide the greatest flexibility.

VACANT PARCEL PROJECT REPORT

Mr. McChesney reviewed that the vacant parcel across the street from Anthony's Homeport Restaurant is currently used for restaurant employee parking and laydown. However, the Port has been actively pursuing a Shoreline Permit for the parcel that would allow for the construction of a new building. He reported that the Shoreline Permit application is complete, and the project will be reviewed by the Architectural Design Board on October 4th and the Hearing Examiner on October 26th. The project is on schedule to have a Shoreline Permit by the end of the year, which will enable the Port to go forward with a more aggressive marketing plan for the parcel. He reminded the Commission that it is difficult to market a piece of property without knowing what can be built on it. For that reason, the Port took the initiative to obtain the Shoreline Permit. He provided photographs to illustrate the location of the subject property, as well as the proposed layout of the site. He noted that the building was flipped to the other side of the property to create a bookend effect with Jacobsen's Marine on one side of the boatyard and the new building on the other. Both properties would have easy access to the boatyard.

Mr. McChesney said he does not anticipate any surprises as the proposal moves forward. The project is "physically separated" and "functionally isolated" from the Edmonds Marsh, so there should not be any mitigation required for potential environmental impacts. However, there will be other impact fees, such as for traffic, at the time a building permit is issued by the City. He noted that the Port anticipates marketing the space to a number of potential customers who will be displaced from Lake Union in 2018.

Commissioner Gouge recalled that City code required the base of the building to be raised two feet to accommodate rising sea levels. He questioned what grade would be needed to bring the boats into the building. Mr. McChesney clarified that the building pad must be two feet above the Federal Emergency Management Agency's (FEMA) floodplain. Commissioner Orvis added that the existing boatyard is already above the two-foot level, so they are really talking about the level the boatyard is currently. Commissioner Gouge commented that if a slope is required, it must meet the American's with Disabilities Act (ADA) requirements.

Commissioner Preston recalled that Mr. McChesney previously mentioned that someone from the sailboat industry may be interested in the space. He asked if staff has pursued this opportunity, and Mr. McChesney answered no.

Commissioner Preston asked if the building design could be modified if a future tenant wants something different. Mr. McChesney said there would only be limited flexibility to change the design once the Shoreline Permit has been issued. Modifications would have to be approved by the City. However, the permit approval would only apply to the shell of the building. He summarized that the City has final say on the Shoreline Permit and the jurisdiction of the building code, but it does not have any say in terms of tenants, as long as it is consistent with the entitlements that are part of the permit, itself.

Commissioner Faires explained that one option would be for a single tenant to take the entire building. Another option would be to have a primary tenant with several secondary tenants. At this point, what happens inside the building is very flexible. He commented that the best scenario would be for the Port to find a tenant willing to do the site improvements and construct the building. However, another option would be for the Port to participate in the site improvements.

Commissioner Gouge emphasized that the Port's intent is to work with a commercial broker to market the property. Once the Shoreline Permit is approved, he suggested that the Property Committee reconvene to discuss the process further. Mr. McChesney agreed that would be the most expedient way to bring the property to market.

SR-104/DAYTON STREET LANDSCAPING PROJECT REPORT

Mr. McChesney observed that the property in the southwest corner of SR-104 and Dayton Street is under joint ownership: the Port of Edmonds, City of Edmonds, and Washington State Department of Transportation (WSDOT). For several years, the Port has been working with the City and WSDOT to beautify the corner, and earlier this spring, the Port dispatched a maintenance crew to the area. However, WSDOT would not allow them to carry out the project. Since that time, he has made contact with WSDOT to discuss plans for improving the landscaping appearance at the corner. Although WSDOT seems amenable to the Port's general concept, they require a detailed architectural drawing in support of a formal permit application. In addition, there will be a permit application fee of

\$1,000 to cover the cost of review and processing to be paid at the time of submittal. Because the permit process will take some time, the project will not get started until early 2018.

Mr. McChesney reported that the Port has hired NagelSport, LLC to create the base map and project features, but the scope of work and budget has not yet been confirmed. He said he expects to have the WSDOT permit in hand by the end of 2017. Once the permit has been obtained, he anticipates that the actual work would be done in house with the Port's maintenance staff.

Commissioner Orvis asked if irrigation is available to the corner, and Mr. McChesney answered no. He explained that the intent is to avoid creating something that takes a huge effort to maintain. The design will likely be a raingarden effect, with a pathway through it. Once a design is available, he will share it with the Commissioners.

Commissioner Gouge asked if the buoys would still be used as part of the design. Mr. McChesney answered affirmatively. He explained that the buoys are currently located near the Compass Course facility at Harbor Square. The intent is to create a nautical-themed design, and Compass Courses has offered to move the buoys to either side of the monument sign to be part of the overall design of the corner.

Commissioner Orvis noted that the City has a greenhouse and flower program. Since the parcel is located partially on City property, perhaps the City could supply the plantings. Mr. McChesney recalled that the City used to maintain the area, but it was abandoned with the budget crunch.

The Commissioners all agreed it is time to move the project forward.

Gregg Bough, Edmonds Yacht Club, offered to assist the Port in the proper placement of the buoys.

Jack Bevan, Edmonds, commented that the City has been very successful in its hanging flower basket program via donations. However, people exiting the ferry and heading up SR-104 never really see the flower baskets in the downtown area. He suggested that there should be hanging baskets at all four corners of the property, and the property owners should be responsible for their maintenance.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney reported on his attendance at the City of Edmonds Economic Development Commission (EDC) meeting on September 20th, which he attended on behalf of Commissioner Faires. An interesting topic of discussion was putting together a white paper on increasing building heights in the downtown to make it feasible for a hotel. It appears that the EDC is in favor of revisiting the issue.

Mr. McChesney reported that he recently attended a League of Women's Voters luncheon where Keeley O'Connell spoke about the Edmonds Marsh. He also attended a Daybreaker Rotary Club meeting where Todd Zackey from the Tulalip Tribe reiterated the notion that redevelopment and restoration works best when done together. Mr. McChesney recalled that, last spring, Mr. Zackey spoke in support of the Port's efforts to redevelop Harbor Square, and Mr. Zackey is encouraged that the community will come together to create a concept that works for everyone. Commissioner Johnston requested that Mr. McChesney request copies of the two presentations for the Commissioners' information. The Commission also requested that staff invite Ms. O'Connell to make her presentation to the Commission, as well.

Mr. McChesney advised that the Port must purchase a new motor for the public launcher at a cost of about \$10,000. He explained that, while investigating the cause of problems with the launcher, staff discovered that water had gotten into the motor and caused damage. The intent is to purchase a new motor and then rebuild the old one to have on hand as a backup. The extra motor from the other launcher will also be rebuilt as a spare.

Mr. McChesney announced that the Port received a letter from the Edmonds Yacht Club (EYC) regarding the 2017 Holiday on the Docks event. They are asking for a waiver of moorage during that time. Staff will present the EYC's request to the Commission for formal approval at a future meeting.

Ms. Kempf reported on her attendance at the Pacific Coast Congress (PCC) Harbor Masters Meeting in Anacortes. She noted that Commissioner Preston also attended a portion of the meeting. She advised that she attended a session on oil spills and boating safety, followed by tours of the Paccar Technical Center and Aspen Boats. She shared detailed information about each of the tours.

COMMISSIONER'S COMMENTS AND COMMITTEE REPORTS

Commissioner Faires observed that the concept of re-landscaping the southwest corner of SR-104 and Dayton Street first came up in 2001. The City and Port have both agreed to work together on moving the project forward. While WSDOT agrees that something should be done, no one wants to assume responsibility for signing off on the project. If Mr. McChesney can get WSDOT to allow the Port to do something with that corner, he will have accomplished a two-decade task.

Commissioner Faires said he also attended the League of Women's Voters luncheon where Keeley O'Connell made her presentation. He commented that Ms. O'Connell has served as the City's consultant on the marsh for a number of years. He said he is confident the City is receiving input that makes sense and is based on science. He recalled that Ms. O'Connell previously wrote a letter in support of the Port's efforts to redevelop Harbor Square, and in that process, address the stormwater issues that exist at Harbor Square. He agreed that she should be invited to present her information to the Commission. Commissioner Gouge noted that Ms. O'Connell provided pictures to illustrate how the marsh has changed over the past 100 years.

Commissioner Faires announced his plan to attend the Washington Public Port Association's (WPPA) annual meeting on November 15th through 17th.

Commissioner Preston commended staff on the excellent public information brochure that was recently mailed out. He noted that many entities send out mailers on a regular basis, and he suggested the Port continue to do so, as well. He commented that the brochure was well put together, clean and to the point.

Commissioner Preston reported on his attendance at the PCC semi-annual conference, where it was interesting to see how many people knew Ms. Kempf. He noted that she was one of the first presidents of the PCC and the first female president. He said it was interesting to hear the review about what other marinas are dealing with. Different from WPPA meetings, the conference was more hands-on information about day-to-day activities. He noted that several commissioners from South Whidbey Island, Anacortes and Skagit County talked about their difficulties dealing with the "boss." He also attended a discussion about situations and issues related to liveaboard tenants.

Commissioner Preston advised that, at some point in the future, he would like the staff to provide information about what the Mosquito Fleet was, what it did, and why it went away. He would then like the Commission to discuss opportunities to bring it back to the marina to increase the Port's capacity to bring in more economic development. Commissioner Faires said it may be difficult to quantify the benefits of what tourism brings to the community, but he knows they are considerable and have an impact on the local business climate.

Commissioner Preston reported that there were vendors at the PCC Conference selling skimmers. He would like to have a discussion as part of the budget process about getting a few skimmers to clean up garbage inside the marina.

Commissioner Preston announced that he would have dinner with the EYC tomorrow night.

Commissioner Orvis reported on his attendance the WPPA Environmental Seminar on September 21st and 22nd. Topics of discussion included: a no discharge zone; converting natural gas to methanol; shoreline permits; and how to make waterfront redevelopment, community sustainability, economic development work synergistically to improve the environmental and economic health of a city. There was also discussion about Corp of Engineer permitting requirements and the fact that permits from the Corp require a fee, and the applicant must also pay all of the Corps' administrative costs. Stormwater management was also a topic of discussion, particularly what is going on at the Port of Seattle. It was noted that when the Port of Tacoma replaced its oyster shells, the price increased when the supplier found out it would be used for environmental reasons. They ended up purchasing the shells from the feed store (chicken supplement) at a much lower cost. Mr. McChesney said the Port already was doing this. Lastly, Commissioner Orvis commented that industrial permits are under more stringent review and are getting

tougher. However, there is no enforcement for city requirements and the Department of Ecology does not have any funding to take on this task, even though the majority of pollution comes from city storm drains where the water is virtually untreated. Regarding industrial cleanup, it was discussed that there are a lot of good intentions, but bad consequences. If the work is not carefully thought out and done properly, it can do more damage than good. The majority of cleanups are market driven since there is no state funding. Cleanups are being done when there is a reason for the market to pay for it. Unless the property value will increase dramatically after cleanup, it is not likely that the work will be done.

Commissioner Orvis announced that he would attend the Economic Alliance of Snohomish County (EASC) Communications Committee meeting. He would also attend the WPPA Marina and Boatyard Conference on October 19th and 20th and the WPPA Small Ports Seminar on October 26th and 27th. He also announced the Edmonds Community Colleges Annual Veteran's Day celebration.

Commissioner Johnston reported that he attended the WPPA Environmental Seminar where he learned there is no public money available except for a few grants for redevelopment. It is anticipated there will be emerging public/private partnerships, etc. Almost every large or medium-sized port has something going on now that is market driven. He said it was discussed that oyster shells are the matrix of choice for treating water from boatyards, and it is great to know that the Port was one of the first to utilize the concept. He said a large part of the seminar focused on dredging, which is something the Port does not have to deal with. It was noted that many maintenance projects should have been done ten years ago, but were not. It was also discussed that many redevelopment projects are being done in combination with environmental cleanup.

Commissioner Johnston announced he would attend the Small Ports Seminar on October 26th and 27th.

Commissioner Gouge voiced concern that parking could become an issue after the new Waterfront Center is finished. He suggested that the Port be a leader in working with the City to address the issue. Mr. McChesney said the Port's work program includes doing a parking feasibility study. Commissioner Faies said the Port previously considered the concept of a parking garage at the northeast corner, and this work could be used as a baseline for moving forward. Commissioner Gouge said he would be interested in learning more about the costs associated with developing a parking structure. The Port needs to be forward thinking to address the issue before it becomes a significant problem. He suggested the Port should be the lead agency in putting a plan together.

ADJOURNMENT

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

Respectfully submitted,



Steve Johnston
Port Commission Secretary