



PORT COMMISSION OF THE PORT OF EDMONDS

MINUTES OF REGULAR MEETING

April 13, 2015

COMMISSIONERS PRESENT

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

STAFF PRESENT

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

OTHERS PRESENT

Karin Noyes, Recorder

CALL TO ORDER

Commission President Preston 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

Item B (Approval of April 1st Retreat Minutes) was pulled from the consent agenda.

COMMISSIONER ORVIS MOVED THAT THE CONSENT AGENDA BE APPROVED TO INCLUDE THE FOLLOWING ITEMS:

- A. APPROVAL OF AGENDA**
- B. APPROVAL OF MARCH 30, 2015 MEETING MINUTES**
- D. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$155,271.50**
- E. APPROVAL OF NO-CHARGE GUEST MOORAGE FOR CLASSIC YACHT ASSOCIATION**

COMMISSIONER FAIRES SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

APPROVAL OF APRIL 1, 2015 MINUTES OF SPECIAL MEETING (Item C on Consent Agenda)

COMMISSIONER ORVIS MOVED THAT THE SPECIAL MEETING MINUTES OF APRIL 1, 2015 BE APPROVED AS AMENDED. COMMISSIONER FAIRES SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

PUBLIC COMMENTS

Travis Fox, Edmonds, said he is currently a liveboard tenant at the Port of Edmonds. He said that for 30 years he made a career of consulting for start up businesses. In July of 2015, he left his position to found another start up. Due to difficulties associated with getting his new business started, he fell two-months behind on his moorage rent by the end of 2014. Although he stayed in contact with the Port and maintained an excellent working relationship

with staff, they decided in January that he was too far extended and began working with senior staff to resolve the issue. He said that by February he started landing clients for his practice and took on two part-time jobs. This allowed him to pay his back rent enough so that his account is only 13 days past due. Just after he made a payment last week, the Port issued him a Pay and Vacate Notice demanding not only the past due amount, but payment for the March rent that is not due until April 30th. The letter informed him that if he did not come up with this amount, he would have to vacate the marina.

Mr. Fox explained that if he were allowed to operate under the normal payment terms, he would be able to pay the past due amount by Friday. But he would not be able to pay the accelerated moorage payment through April 30th. He said he has made many friends at the Port. He has now taken a third job, and has a steady base of clients who like him a lot and come to see him often. He has put down roots in Edmonds and would like to retire in the City and become involved in the community. He said he stands to lose everything if he is evicted from the marina, as it would be nearly impossible to find moorage for his boat in another Seattle location. He respectfully asked the Commission to place him back on normal terms so he can keep the life he has built, maintain his income, and pay his marina charges on time.

HARBOR SQUARE BUILDING 3 HVAC CONTRACT AWARD APPROVAL

Mr. McChesney reported that staff received and reviewed seven qualified bids for replacing the HVAC units on Building 3 at Harbor Square. The low bid was from D.K. Systems, Inc. for \$143,997 (base bid). The high bid was \$297,156. He recommended the Commission authorize him to enter into a contract with D.K. Systems, Inc. in the amount of \$143,887 plus sales tax for the base bid.

Mr. McChesney advised that the project would replace 12 HVAC units. He recalled that a 2013-2014 condition survey of the Harbor Square Buildings identified the replacement of roofs and HVAC units on all buildings as a priority. The proposed contract represents another step in that direction.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH D.K. SYSTEMS, INC. IN THE AMOUNT OF \$143,997.00 PLUS SALES TAX FOR THE BASE BID FOR THE HARBOR SQUARE BUILDING 3 HVAC CONTRACT. COMMISSIONER GOUGE SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

Mr. McChesney advised that the Port is currently out to bid for roof replacement on Buildings 3 and 4. The intent is to complete the HVAC project before the roof overlays. The goal is to have all three projects completed before Labor Day and the projects are currently on schedule and within budget.

CONTINUED WEBPAGE DEVELOPMENT

Mr. McChesney reviewed that the Port's website was updated in 2014, and the feedback has been very positive. The staff and Information Technology (IT) Committee did a great job throughout the update process. He reminded the Commission that additional options were discussed but not included in the update, such as cameras and interlinks with other entities. This item was scheduled on the agenda to allow the Commissioners an opportunity to discuss these additional options and provide direction to staff. He suggested that, upon direction from the Commission, the IT Committee could reconvene and come up with a list of potential action items.

Commissioner Gouge said both he and Commissioner Preston serve on the IT Committee. He asked for direction from the Commissioners relative to the budget for additional website work. Commissioner Faïres suggested that the IT Committee could make appropriate decisions relative to cost and then inform the Commission. Mr. McChesney reviewed that the budget for updating the Port's website in 2014 was \$20,000, and the actual project was slightly under budget. Cameras and interlinks were not included as part of the budget for the initial project. He said he does not anticipate the additional projects would be costly since no additional hardware would be required and the architecture of the website is already in place. The additional items would simply require tweaking, which can be done in house without hiring a webpage designer or consultant.

Commissioner Gouge agreed to research the recent changes that the Port of Astoria has made to its website, and he invited the other IT Committee members to also share examples of other potential ideas that could be implemented at the Port. The IT Committee tentatively scheduled a meeting for the morning of April 24th.

Commissioner Faires recalled that Jeff Renner, from King 5 News, attended the dedication of the original weather station. At that time, there was some discussion about the Edmonds Marina becoming a place they could advertise for weather. When discussing new cameras, he suggested that Port staff contact King 5 again to see if they are interested in pursuing this opportunity. Commissioner Orvis recalled that in previous discussions with King 5, it was determined that the Edmonds Marina did not really fit as a good location for collecting weather data. However, the situation may have changed now that they have weather radar on the other side of the mountains. Mr. McChesney agreed to contact King 5 to gauge their interest.

WEATHER CENTER

Mr. McChesney recalled that the weather center has been the topic of discussion at a number of meetings for the past few years. The current center was well received and has been actively used by boaters and visitors to the Port. However, when the center was originally constructed, the Port did not have a clear idea of what would be required as far as content and weather protection for the centers electronic elements. While Port staff has done an excellent job maintaining the facility and keeping it running, it is now clear that the entire structure needs to be upgraded. The Port budgeted \$40,000 in the 2015 budget for this purpose, and staff has gone through several iterations of design. The project that is currently proposed would be both a weather center and an information kiosk, which would allow the Port to change the programming and post various notices. Port staff is happy with how the project is coming together. They were able to utilize the kiosk that was previously located at the Old Antique Mall site. The kiosk has been moved to its new location at the port and staff is in the process of wiring it up. They anticipate the weather center will be operational sometime next week. He expressed his belief that using an existing structure will likely save \$10,000 to \$15,000 of the anticipated budget. He invited Commissioners and members of the public to visit the weather center when it is finished.

YOUTH PARTICIPATION IN BOATING

Mr. McChesney recalled that Commissioner Preston previously suggested that the Port Commission spend some time brainstorming ideas for encouraging youth participation in boating. He observed that the demographics of boaters is changing, and the Commission has had several discussions about the need to get youth more active in boating. While the Port is currently involved with the Sea Scout Program, perhaps there are other ways to invite youth participation, as well.

Commissioner Preston pointed out that there are not enough young people participating in the Sea Scout Program to keep the marina full as they grow older. He said he had a recent discussion with a representative from the Mount Baker Council of Boy Scouts of America regarding this issue, and he has agreed to talk to Sea Scout Skipper Jeremy Makin about ideas for growing the existing Sea Scout program. Not only does the program teach young people about boating, it also teaches them about marina trades and kids have fun on the water. He said he also had a discussion with a representative from the Northwest Marine Trade Association (NMTA) about "The Adventurous," which is a large sailing vessel that takes kids out on environmental tours. While both of these programs are good, it is important to offer a variety of opportunities to the youth. It would be great if they could provide young people with a list of activities to choose from. For example, perhaps the Port could arrange for people to take youth out on boats during the Waterfront Festival and National Marina Day events. He concluded that rather than worrying about boat sales, the Port should focus on getting young people involved in boating so that the marina can be filled in the future.

Commissioner Faires questioned if there is more the Port could and should do to promote the Sea Scout organization. Due to liability issues, he said he would not be in favor of the Port becoming directly involved in activities such as kayaking. However, he would be interested in the Port finding a private enterprise to bring these activities to the waterfront. Commissioner Gouge recalled that years ago he had discussions with the City of Edmonds Parks Department about potential opportunities on the waterfront. He suggested that perhaps it is a good time to renew this discussion. Perhaps the Port could offer the City space to conduct a summer program. He agreed to contact the Parks Department Director.

Commissioner Faires commented that the Nanaimo Yacht Club offers a training course in sailing during the summer months. Perhaps the Edmonds Yacht Club would be interested in working with the Port to find ways to encourage youth involvement in boating. Commissioner Orvis pointed out that the Port's location is a limiting factor. The waters off Edmonds are not conducive to small boat and sailboat training for most of the year, including a large portion of the summer months. He suggested that training programs are better located in areas that are protected rather than in open waters.

Ernie Collins, Edmonds Yacht Club, agreed that training programs need large, protected areas. He advised that the Edmonds Yacht Club has an annual Labor Day Cruise to Port Ludlow. During that time, Port Ludlow offers a program that allows young people to build small, wooden sailboats. He noted, in fact, that Jacobsen's Marine makes kits for the small boats that are simple to put together and kids love to build them. He suggested that a training program at the Edmonds Marina could start with a very small (8 to 9 foot) sailboat. However, even this would be difficult given that the marina is always very busy during the summer months. He agreed to raise the issue and ask for ideas at the next Edmonds Yacht Club Meeting.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney announced that he has been asked by the Snohomish County Health District to participate in an interview process for a senior position on April 14th and 15th. He also announced that he would attend the Snohomish County Tourism Bureau Board's retreat on April 16th. Lastly, he announced that Bill Bryant, a Seattle Port Commissioner, would be the guest speaker at the Edmonds Day Breaker Rotary Club's breakfast on April 21st at 7:00 a.m. at the Beach Café.

Mr. McChesney reported that Channel Marker has not yet opened its doors for business. At this time, they are waiting for the required occupancy permits and final inspection, which should occur in the next day or two. Channel Marker has done a wonderful job transforming the space despite some formidable challenges with the building infrastructure. For example, the electronic panel had to be replaced.

Mr. McChesney announced that a hearing before the City's Hearing Examiner relative to the Port's application for a shoreline permit to install two restroom facilities has been scheduled for May 14th. It appears that all of the technical issues have been satisfactorily resolved and presumably the Hearing Examiner will accept the staff's recommendation to approve the shoreline permit as presented. Approval of the permit would allow the Port to move forward with a building permit application so the project could take place during the winter of 2015-2016. He reminded the Port that permit delays required the Port to postpone the project until after the busy season.

Commissioner Orvis said he was under the impression that the building and shoreline permits would be issued simultaneously, and that is why the City wanted to specific information about the building plans. He questioned if the Port would be required to start the whole process over again to obtain a building permit. Mr. McChesney advised that Port staff met in a pre-application meeting with City staff from various departments to discuss the specific permit requirements. While the discussion was general, it created an expectation that if the Port met all of the requirements, the permits would be issued in a timely manner. After submitting the information identified by City staff, the Port was informed that additional information would be required and the process ended up taking more time. The shoreline permit application has now been deemed complete and sent to the Hearing Examiner for a public hearing and action.

Mr. McChesney explained that the Building Department staff was involved in the pre-application meeting for the shoreline permit, as well, and they requested more detailed information to demonstrate how the buildings would meet the code requirements. The theory was that the building permit process would start before the shoreline permit was approved so the two could be issued simultaneously. He further explained that, as far as the buildings are concerned, there is limited involvement by the Building Department because they are prefabricated modular units, which means they are under the jurisdiction of the Department of Labor and Industries. The only thing the Building Department is interested in is the foundation (seismic and soil conditions) and how the infrastructure will get hooked up. He does not anticipate there will be a lot of technical questions relative to the building permit.

COMMISSION COMMENTS AND COMMITTEE REPORTS

Commissioner Gouge reported that he provided a brief synopsis relative to the Harbor Square Business Complex at the last City Council meeting. His comments ended up in the newspaper, and he received emails from people who indicated they were anxious to become patrons of Channel Marker. In addition, City staff made a presentation to the City Council relative to the Marina Beach Park Master Plan. The consultant has prepared three alternatives for daylighting Willow Creek, and it was emphasized that a 100-foot buffer would be required as per the Shoreline Master Program.

Commissioner Faires asked if any of the options for daylighting Willow Creek would be contiguous with Port property. Commissioner Gouge answered no. He said he found it interesting that the City Council and the consultant discussed the concept of buffer averaging, which is not something that that was addressed when the City Council reviewed the Shoreline Master Program and implemented a 100-foot setback requirement in the document that was recently forwarded to the Department of Ecology. He commented that buffer averaging would make a significant difference if implemented on Port property. He said it is anticipated that the Marina Beach Park revisions will be completed by August, and it was noted the parking area on the south end would be removed, eliminating about 35 parking spaces. The intent is to rearrange the parking in other locations, but it will be a challenge given the 100-foot buffer requirement. Commissioner Orvis observed that the City was capable of carving out space in the required 100-foot buffer to accommodate a parking lot for the new senior center.

It was reported that Commissioner Gouge, Commissioner Orvis, Mr. McChesney and Ms. Kempf attended a briefing for the Marina Beach Park Master Plan about six weeks ago, where the consultants unveiled the alternatives and invited comments. The Port's comments were relative to the need for restroom facilities and parking, as well as concern about the breakwater. They also raised questions about whether or not daylighting Willow Creek would create enough flow rate to keep the outlet from silting in.

Commissioner Gouge voiced concern that there is no water or salmon coming through the creek during the summer months, and he anticipates a lot of silt build up. He questioned how the study could be completed without a year's worth of data on hand. He expressed his belief that restrooms at Marina Beach Park are a big deal. Commissioner Orvis recalled that City staff was under the impression that there was no sewer or fresh water service within 500 feet of the park. Learning that this service was available at the corner of the park significantly changed the cost factor for constructing restrooms. It was discussed that the City is getting a lot of heat because the only restroom facilities at the park are a row of sanicans. It is his impression that restroom facilities will become a priority.

Commissioner Gouge reminded the Commission that the Washington State Department of Transportation (WSDOT) has earmarked a specific area for a new multi-modal transportation center. In addition, the Port has had discussions previously with WSDOT because the proposed center was designed to go over the south breakwater. It was discussed that perhaps the Port would give WSDOT some air rights to accommodate the new facility. Commissioner Faires agreed that anything that is done at Marina Beach Park, including daylighting of Willow Creek, should be consistent with and not obviate any plans for the multi-modal facility. He felt that the identified location for the facility is the most obvious answer to the problems regardless of the cost.

Commissioner Faires announced his plan to attend the Washington Public Port Association's Spring Meeting on May 13th through 15th.

Commissioner Orvis reported that he sat on the selection board for the Henry M. Jackson and Fluke Awards that will be given in May at the Economic Alliance of Snohomish County's Spring Meeting. He also reported that he attended the Military Affairs Committee Meeting and was surprised that they discussed the issue of maintaining infrastructure for freight mobility. He observed that the ability to move freight both directions is a significant statewide issue.

Commissioner Orvis presented the following legislative report:

- Both the House and the Senate have their operating and capital budgets on the street, but they were not due until April 15th. The future debate will center on funding for education and transportation. The big question is how best to deal with the recent court decision relative to education funding, as well as the initiative that was

approved last year. There will be significant discussion about whether or not to raise taxes, and if so, which ones.

- The legislature will also have to discuss how to fund the collective bargaining agreement that Governor Inslee negotiated with State workers.
- The senate restored funding for cleaning up toxic sites in Puget Sound. They had kept so much money out of the sites that are presently being cleaned up that work was going to have to stop. In some cases, that would have been worse than not having done any work in the first place.
- A proposal that would grant more flexibility for Industrial Development District Levies has gotten to the floor of the senate and may go forward.
- The marine tourism bill is stuck in the House Finance Committee. Currently, large yachts can only stay in Washington waters for up to 60 days before being required to pay a sales tax, so most are going elsewhere. This issue has been a priority for both the Northwest Marine Trade Association and the Washington Public Port Association. The proposed bill would increase the length of applicable vessels to 120 feet.
- A modernization bill relative to per-diem rates was recently passed. Commissioner Faires asked how this bill would impact the Port. Ms. Drennan answered that the Port could continue with its current practice or it could revise its policy to implement the per-diem approach as per the new law.
- The bill relative to coordinating the Ports of Seattle and Tacoma was approved.
- The WPPA is working to instill risk management and common sense back into the issue of oil transportation. As currently proposed, two people must be on board each train. Trains that carry hazardous material would be required to have four people on board. There are a number of other things going on relative to oil trains, and he is not sure how the issues will all be resolved. His personal opinion is that, all too often, no one gets anything they want in the end. The environmental groups end up getting nothing instead of making some progress.
- Governor Inslee is trying to give the Department of Ecology greater authority over manufacturers to prove there are no toxins in any of their products, and there is pressure in the legislature to reduce the costs. There is a certain amount of feeling that the Department of Ecology has plenty of regulatory authority already and it does not need more.
- Some minor changes were approved for the Personal Financial Affairs (F-1) Statements, mostly pertaining to when and how stocks and bonds are reported.
- Transportation will be a significant issue of discussion amongst the legislature this session. The House has passed its version of the current law, which means maintaining existing projects and paying state workers and agencies. The budget has passed through the Senate and is still in the Transportation Committee.
- The Transportation Committee passed a series of reform bills last week, one of which allocated \$15 billion to fund projects over the next 16 years with an \$.11.7 gas tax and weight fees on vehicles. The eight reform bills include projects such as building ferries, how to contract, and streamlining to make the money go further. Many have questioned why the State continues to charge sales tax on transportation projects that are funded with tax dollars, but Governor Inslee has challenged this as a way to fund education.
- The State has budgeted \$250,000 for a freight capacity study in 2015.

Commissioner Orvis summarized that, at this time, the Governor, the House and the Senate are miles apart on taxing and spending issues. He recently received an email from Jim Thompson, asking Commissioners to write their local legislators encouraging them to support the transportation package. He noted that Economic Alliance Snohomish County (EASC) has had numerous discussions about the transportation package. They have stated their concern that local politicians are more interested in funding their downtown main street projects than funding projects that will help move freight across the state. This is extremely shortsighted and does not recognize that the State's economic well being depends on moving freight on large roadways. The EASC estimates that \$1 billion needs to be spent on the freight corridors within the County.

Commissioner Faires emphasized that freight mobility includes rail traffic, which is equally important to figure out. Commissioner Orvis agreed and noted that the only major freight rail line in the United States that has not been significantly upgraded since 2000 is the Burlington Northern Santa Fe line from Seattle to Chicago. Money is currently being allocated for this work. However, the State must look at the Stampede Pass Tunnel, which is not currently capable of carrying container cars, which places a road block to moving things out of Seattle.

Commissioner Preston requested an update on the outlook for fishing and whale watching excursions from the marina. Ms. Kempf said she sent an invitation to Ron Garner from Puget Sound Anglers, asking him to attend a

Commission meeting and provide an update on the salmon situation for 2015. She hasn't heard back from him yet, but she anticipates there will be increased activity at the launch and in the guest moorage area as a result of the fishing season. She also advised that Puget Sound Express was doing work on its boat last week, but it was brought back to the marina over the weekend and actually went on some short whale watching tours. They are still scheduled to start the San Juan Island daily tours on May 23rd. Staff anticipates the tough shed that will be used for ticket sales will be delivered on May 20th, and she and Mr. McChesney will meet with the owners to walk through the facility and talk about various last minute items. Puget Sound Express is very excited about being at the Port of Edmonds, and the Port hopes they will do well.

Commissioner Preston said he would like to work with staff to get some panel banners to advertise the Sea Jazz events.

ADJOURNMENT

The Commission meeting was adjourned at 8:10 p.m.

Respectfully submitted,



Fred Gouge
Port Commission Secretary