

PORT COMMISSION OF THE PORT OF EDMONDS
MINUTES OF SPECIAL MEETING

December 30, 2013

COMMISSIONERS PRESENT

Jim Orvis, President
Mary Lou Block,
Vice President
Bruce Faires

STAFF PRESENT

Bob McChesney, Executive Director
Marla Kempf, Deputy Director
Tina Drennan, Finance Manager
Megan Barnes,
Administrative Assistant

OTHERS PRESENT

Brad Cattle, Port Attorney

COMMISSIONERS ABSENT

Fred Gouge
David Preston

CALL TO ORDER

Commission President Orvis called the regular meeting to order at 3:00 p.m.

PLEDGE OF ALLEGIANCE

All those in attendance participated in the Pledge of Allegiance to the American Flag.

CONSENT AGENDA

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

- A. APPROVAL OF AGENDA**
- B. APPROVAL OF DECEMBER 10, 2013 MEETING MINUTES**
- C. APPROVAL OF PAYMENTS IN THE AMOUNT OF \$647,554.54**

COMMISSIONER BLOCK SECONDED THE MOTION, AND THE MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS

No one from the public expressed their desire to comment at this time.

RESOLUTION 13-14, APPROVING EMERGENCY ROOF OVERLAY OF HARBOR SQUARE BUILDING 5 ROOF AND WAIVING COMPETITIVE BIDDING REQUIREMENTS

Mr. McChesney commented that, "Port staff recommends that the Commission approve Resolution Number 13-14, approving an emergency roof overlay of Harbor Square Building 5 roof and waiving competitive bidding requirements for contracts for this work. This meets the Port's mission statements of providing and/or fostering quality services and facilities for tenants and the boating community and being a responsible financial steward. Approval of Resolution Number 13-14 will allow the Port to enter into a contract with a total amount not to exceed \$150,000 plus sales tax without bidding the contracts.

The Capital Budget shows Harbor Square roof replacements budgeted at \$400,000 for 2014 (noted that this includes budget for the possibility of replacing the roof in building one and three). Port staff intend to request Scholten Roofing, the company that completed the Harbor Square Building 2 roof overlay, to complete the Building 5 roof overlay with the same product.

This action item is to approve Resolution Number 13-14, declaring an emergency and allowing the Port to waive competitive bidding requirements for a contract for a roof overlay of Harbor Square Building 5 roof. Harbor Square Building 5 has had ongoing leak issues. A new tenant in Harbor Square Building 5 has expressed great concern about the roof leak and potential damage to some of his expensive equipment. Port maintenance staff have made multiple attempts to address and patch the affected areas, but have not been able to fix the issues. It appears that the roof's asphalt membrane has sustained additional damage due to the recent series of freeze and thaw cycles.

The tenant has a reasonable expectation that his space should be dry and free of leaks when he signs the lease. The lease agreement states that the Landlord is responsible to repair and maintain the roof and the Landlord shall be in default if it fails to perform its obligation to make repairs within a reasonable time."

Commissioner Faires asked if the same process was going to be used on building 5 as on the building 2 roof project. He also asked if this means it will have the same longevity. Mr. McChesney confirmed that this was correct. Commissioner Faires also asked why this project was going to be about half the cost as the building 2 project. Mr. McChesney commented that this roof (building 5) is smaller with a different layout, and fewer skylights. He noted that the building 2 project included numerous custom skylights, which significantly increased the price. For the building 5 roof, there will be fewer skylights. Mr. McChesney also commented that we have worked with Scholten Roofing before, so they understand what we want in the project.

Commissioner Faires asked if we think the project will exceed the estimated cost for the project. Mr. McChesney commented that he does not think the project will exceed estimated costs, and they feel confident that the estimated cost will be correct. The only unknown factor could be soft spots in the roof (which could be discovered throughout the project). However, if there is additional cost, it will be brought back to the commission for approval. Commission Block stated she had no questions, but she thought this was reasonable to prevent further damage.

Mr. McChesney stated that the Port is responsible for fixing the roof, not our new tenant. Commissioner Orvis also stated that this is something we need to do, and to do correctly.

Mr. Cattle stated that for the record, administration determined that the normal bidding procedure would cause more damage to the building and Port assets, requiring a state of emergency, and waiving

this normal process. Commissioner Faires asked if the resolution was written to reflect this? Mr. Cattle said that it was.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION APPROVE RESOLUTION 13-14, APPROVING AND EMERGENCY ROOF OVERLAY OF HARBOR SQUARE BUILDING 5 ROOF, AND WAIVING COMPETITIVE BIDDING REQUIREMENTS. COMMISSIONER BLOCK SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

COMMISSIONERS-ELECT OATH OF OFFICE

Commissioner Gouge completed his oath of office separately, as he could not attend this meeting. Mr. Cattle performed the Oath of Office for both Commissioner Faires and Commissioner Block.

2014 ELECTION OF OFFICERS (PRESIDENT ONLY)

The Commission received a memo from Commissioner Block, who was unanimously elected President for 2014. Commissioner Block decided she would prefer not to have this job, and has remanded this back to the commission to reelect a President.

Commissioner Orvis stated that the commissioners have had discussions about the presidency. He stated that he has no problem fulfilling this role, but wants to ensure that the commission is comfortable with the decision. He suggested holding off on this discussion until the first meeting in January (as Commissioners Preston and Gouge were not present).

Commissioner Faires commented that he does not believe the commission should do this. He stated that Commissioner Orvis has represented the Port and commission very well as President, and believes he would do an excellent job continuing as President for 2014.

Mr. Cattle commented that the commission should first accept the resignation of Commissioner Block, and then proceed to reelect Commissioner Orvis.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION ACCEPT THE RESIGNATION OF COMMISSIONER BLOCK AS PRESIDENT FOR 2014. COMMISSIONER ORVIS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

COMMISSIONER FAIRES MOVED THAT THE COMMISSION ELECT COMMISSIONER ORVIS TO SERVE AS PRESIDENT OF THE PORT COMMISSION IN 2014. COMMISSIONER BLOCK SECONDED THE MOTION.

EXECUTIVE DIRECTOR'S REPORT

Mr. McChesney stated that they are continuing to move forward with the City of Edmonds Shoreline Master Plan update. Last week, Mr. McChesney attended the city council meeting, where they decided they wanted to expand the buffers. Mr. Cattle and Mr. McChesney are discussing responses to this,

will continue working towards a solution. Commissioner Orvis asked if anyone has consulted the Department of Ecology on this issue (especially pertaining to the City). Mr. McChesney addressed this issue by stating there is much discussion to be had on the issue, and there will be ongoing discussions on the matter.

Commissioner Faires stated for the record that as he comprises 20% of the commission, he wants to state that his 20% is in support of protecting future business developments and endeavors at the Port and Harbor Square.

COMMISSION COMMENTS AND COMMITTEE REPORTS

Commissioner Block stated that she and Mr. McChesney met with the representative of the Arts and Culture Committee to discuss and review a cultural plan for the coming year. Commissioner Block stated that if anyone was interested in this plan, there are many worthwhile ideas that help lay direction for the city with regards to art and culture.

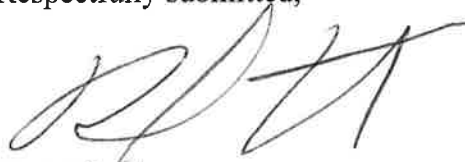
EXECUTIVE SESSION

The commission recessed to an Executive Session at 3:25 to discuss real estate matters of the Port. The session lasted 15 minutes, and returned to the regular meeting at 3:42. No decisions were made, and no votes were taken.

ADJOURNMENT

The Commission meeting was adjourned at 3:43 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Preston', written in a cursive style.

David Preston
Port Commission Secretary