

**PORT OF OLYMPIA COMMISSION
MINUTES OF WORK SESSION
JOINT MEETING WITH CITY OF OLYMPIA**

June 11, 2007

CALL TO ORDER

The joint meeting with the Port of Olympia and the Olympia City Council was called to order at 7:00 p.m. at the Olympia Fire Station Headquarters.

ATTENDANCE

CITY COUNCIL: Mayor Mark Foutch, Mayor Pro Tem Laura Ware, Councilmembers TJ Johnson, Karen Messmer, Doug Mah, Jeff Kingsbury, and Joe Hyer. City Manager, Steve Hall.

PORT COMMISSIONERS: Paul Telford, Bob Van Schoorl, Bill McGregor. Executive Director, Ed Galligan

STATE DEPT. OF ECOLOGY: Jay Manning, Rebecca Lawson

THURSTON COUNTY: Sherri McDonald, Art Starry

Introductions: Mayor Foutch asked the participants and guests to introduce themselves.

Cleanup Strategy for Budd Inlet: State Department of Ecology (DOE) Director Jay Manning outlined the Governor's Puget Sound initiative. The clean up would be a balanced mission without breaking the back of our economy. The Puget Sound Partnership will develop a single coherent action plan, which will list the actions, due dates and responsible parties. There are five big issues, namely, habitat loss, habitat restoration, storm water, conventional pollutants and septic tanks and toxics. Questions and discussions included the following:

- Land use and transportation policies have lot to do with the cleanup effort.
- Currently, withholding of transportation funds is not on the table as an enforcement mechanism.
- Questions about who will do the enforcement.
- The public can be part of the accountability and create the community expectation.
- There needs to be a big revenue source to accomplish this.
- Need to have the right tools for the right jurisdiction to do the job.
- Port is eager to move forward to find a solution.
- We need more collaboration up front and more accountability later.
- The natural environment is our biggest competitive advantage.
- Incentives are much more preferable.
- The local community must decide whether this will be an operating port.
- Regarding the dredging operation, the first step is to do a feasibility study, then DOE selects the remedy and monitors implementation.
- DOE will fund 50% of the Port dredging.
- There is a need to identify a convener for the Budd Inlet cleanup.
- We need a jurisdiction that will drive the cleanup.

Percival Landing Update: Parks, Arts and Recreation Director Linda Oestreich provided an update of the project. The public process has been completed. The City is currently developing a request for proposal for engineering design, as well as working with the State Community Trade & Economic Development Department on a contract for public art infrastructure. Letters of support from the Port for funding would be helpful.

Parking for City Hall: Subir Mukerjee, Assistant City Manager outlined the parking analysis done for the new city hall project, consistent with the city's philosophy of reducing single occupancy vehicles and promoting alternate modes of commuting. The parking stall needs after accounting for various credits was approximately 167 spaces. Of that total, approximately 118 stalls were planned to be located on site to accommodate customer, police and fleet vehicles. The remainder would have to be accommodated on other downtown lots, existing on-street parking or the current city hall site.

Marine Terminal Update: Jim Amador, Marine Terminal Director provided an overview of the operations. The Port’s mission is to maximize returns on assets. Only four ports are left in Puget Sound, and the Port of Olympia fits the niche for non containerized (Break Bulk) cargo. The Port is looking for ways to reduce light pollution, noise and substantially reduce diesel emissions and improve air quality. They are also looking at ways to reduce truck traffic by utilizing barges and rail, and also providing shore side power to ships docked at the terminal.

Regarding military shipments, the Port is currently in discussions with the U.S. Army on recuperating the security costs incurred by local law enforcement. A question was asked about the military moving their administration office to Port property. Mr. Galligan responded that the proposal is “off the table”.

Regarding environmental review on Port projects, concerns were expressed about the Port not looking at environmental impacts holistically. Councilman Johnson said that the Port should give up its jurisdiction to conduct environmental review, and convey that authority to the City. The Port indicated that it has hired the best environmental consultants available to assist in preparing the responses to all of the points raised in the City Hearing Examiner’s decision to vacate the City of Olympia’s SEPA determination. Also, the courts have recently re-affirmed on two separate cases the Port’s right to have a lead status on environmental review. Concern was expressed regarding the proposed investment of over \$45 million in public funds for the City Hall and Hands On Children’s Museum projects, without a comprehensive environmental review of the area.

There was a suggestion for the Port Commissioners and City Councilmember’s to meet more often to have more open discussion around the hard conversation pieces.

ADJOURNMENT

The meeting adjourned at 9:18 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer