

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

January 10, 2000

CALL TO ORDER

President Van Schoorl called the meeting of January 10, 2000, to order at 5:35 p.m. at the Port of Olympia large conference room. Commissioners Pottle and Dickison were in attendance.

Staff in attendance were: Executive Director Nick Handy, Deputy Director Wendy Holden, Executive Assistant Jeri Sevier, Director of Finance George Fox, Director of Marketing Kari Qvigstad, Director of Engineering and Planning Andrea Fontenot, Olympia Regional Airport Manager Doug Sandau, Swantown Marina and Boatworks Manager Bruce Marshall, and Property Development Manager Heber Kennedy.

Members of the public in attendance included the Port's legal council Sandy Mackie, Don White representing PCAPA, and Keith Bausch representing the ILWU Local 47.

APPROVAL OF AGENDA

The agenda was approved as submitted.

PUBLIC COMMENT

No public comment was given.

COMMISSIONERS REPORTS

Commissioner Dickison reported that he attended the Olympia Downtown Association meeting this week and the ODA will be scheduling the annual meeting for the end of the month. Commissioner Dickison will get the date of the annual meeting to the other Commissioners if they would like to attend.

Commissioner Van Schoorl reported that he attended the Regional Planning committee meeting to develop specifications and the announcement for the Executive Director position. Harold Robertson will be retiring in May. Commissioner Van Schoorl also announced that he has invited the newly elected city council members to tour the Port of Olympia at some time.

ACTION CALENDAR

Election of Port of Olympia Officers

A motion was made to elect Jeff Dickison as President, Steve Pottle as Vice President, and Bob Van Schoorl as Secretary-Treasurer. The motion was seconded and unanimously approved.

In addition, the Commissioners unanimously approved the motion to maintain the roster of appointments to various community organizations including the Economic Development Council, Thurston Regional Planning, and Olympia Downtown Association for the year 2000.

Membership in Pacific Coast Association of Port Authorities

Executive Director Don White from the Pacific Coast Association of Port Authorities (PCAPA) asked the Commission to join PCAPA this year. Last year the Port was unable to maintain membership due to financial reasons. Mr. White reported that PCAPA is expanding the membership to Ports in Asia. In addition, he gave an overview of the programs offered by the association and indicated the value of participating. As a member of PCAPA, there is an opportunity to

learn and communicate with other Ports on the Pacific Coast and the Pacific Rim.

Commissioner Van Schoorl proposed a motion for the Port of Olympia to join PCAPA. The motion was moved and unanimously approved by the Commission. Commissioner Pottle indicated he had a strong interest in learning from other Ports working in the global market. President Dickison complimented Mr. White and the association for the transformation the association has taken to provide professional programs relating to Ports.

Simon Johnson Lease Amendment

Mr. Heber Kennedy presented the Commission with a lease amendment for Simon Johnson to reschedule the monthly rent for the months of December 1, 1999 through March 31, 2000 to the end of the lease. The Commission unanimously ratified the lease amendment for Simon Johnson.

Assignment of Lease for Cascade West to Bruin Development

Mr. Kennedy presented the Commission with a lease agreement that originally began with Rowe Management for the office/warehouse project in NewMarket Industrial Campus. This agreement reassigns the lease from Cascade West to Bruin Development. The Commission unanimously ratified the lease assignment to Bruin Development.

Lease Amendment No. 2 for Bruin Development

Mr. Kennedy presented the Commission with a lease amendment for Bruin Development. The amendment reschedules six months of rent from January 2000 through June 2000 to be paid over the fifth year of the lease. The rescheduling is due to delays in construction and the restructure of the organization. The Commission unanimously ratified the lease amendment for Bruin Development.

J-4 Associates Option Amendment

Mr. Kennedy presented the Commission with a one-year option amendment for J-4 Associates. The option amendment to lease 4.6777 acres west of their existing Kompan building extends the option one more year through December 31, 2000. The Commission unanimously ratified the option amendment for J-4 Associates.

Resolution 2000-01 – Disposal of Property

Mr. George Fox presented the Commission with Resolution 2000-01 which authorizes the Director of Finance and Administration to dispose of surplus Port District property of less than \$10,000 in value in accordance with RCW 53.08.090. The Commission unanimously approved Resolution 2000-01.

CEA – Airport Truck

Mr. Doug Sandau presented the Commission with a CEA to purchase a ¾ ton truck to replace a 1990 ¾ ton Chevrolet truck for maintenance use at the airport. Mr. Sandau indicated staff looked at both new and used vehicles, but the state contract for new vehicles price is less than other local dealers. Mr. Fox indicated the approval of this CEA would be an additional capital project expenditure of \$23,800 and would add a line item to the already approved capital budget for 2000. The Commission unanimously approved the CEA request for a new airport truck.

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Proprietary Fees – Legal Issue

Commissioner Van Schoorl reported he participated in a conference call with other ports and attorneys regarding a lawsuit being filed by selected Ports to clarify whether proprietary fees by Ports are included in Initiative 695. Commissioner Van Schoorl advised that the lawsuit does not challenge the constitutionality of I-695, but rather seeks clarification regarding whether proprietary fees of Ports are “taxes” under that law. Commissioner Van Schoorl advised that ten other Ports are planning to join in the suit. Commissioner Van Schoorl asked the other Commissioners if they were interested in the Port joining the suit as a party. He also advised that WPPA will be allocating attorneys fees for the case to member Ports. For lack of motion to join the litigation as a party, no action was taken by the Port Commission.

ADVISORY CALENDAR

Swantown Boatworks Advisory

Mr. Nick Handy introduced Mr. Bruce Marshall and complimented Bruce and staff for a great year. Staff has put a lot of work into the boatworks project this year and it is off to a very successful first year. Mr. Marshall reported to the Commission the boatworks serviced 437 boats in 1999 with an average size of 35 feet. The fees averaged \$333 per boat. Mr. Marshall fully expects the boat size and income to increase this year when services become available at the boatworks. Mr. Marshall indicated he also expects the percentage rents income to increase this year. In 1999, the boatworks exceeded operating revenues by 13 percent even with a late start up. The busiest month was in June with 65 boats serviced, and the slowest month in December with 12 boats serviced.

Mr. Marshall reported that 11 percent of the boats serviced were vessels from Pierce County and Seattle. This year the staff will be targeting the marketing strategy to that area. Furthermore, Mr. Marshall indicated he is expecting the year 2000 to be another great year. Staff budgeted for 475 boats to be serviced this year and he is expecting we will exceed the budget again in 2000.

Commissioner Van Schoorl complimented Bruce and the staff for a great year. Commissioner Van Schoorl indicated he has heard many compliments relating to services and staff from the community and wanted to pass the compliment along to Bruce and his staff.

ADJOURNMENT

President Van Schoorl adjourned the meeting of January 10, 2000 at 6:38 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer