

**PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING**

February 28, 2005

CALL TO ORDER

President Van Schoorl called the meeting of February 28, 2005, to order at 5:30 p.m. at the LOTT Board Room in Olympia. Commissioners Pottle and Telford were also in attendance.

Staff in attendance were: Administrative Manager Jeri Sevier, Airport Director Rudy Rudolph, Property Development Director Heber Kennedy, Marine Terminal Director Jim Amador, Finance Director George Fox, Public Works Director Andrea Fontenot, Public Works Project Manager Ted Tolle, Marketing Program Assistant Maureen Mahahovsky, and Marketing Director Kari Qvigstad. Also in attendance was the Port's Legal Counsel, Bob Goodstein.

Public in attendance were as follows. Representing *The Olympian* was Jim Szymanski. Others in attendance include: Tom Howdeshell, Harold Chambers, and Jeff Brigham.

APPROVAL OF AGENDA

The agenda was approved as presented.

PUBLIC COMMENT

Tom Howdeshell, resident of Olympia, asked how the discussions with the Coast Guard have been going as referenced in the minutes on page 3. He also asked where will the burned out wood be taken from the Genoas Building and asked if the utilities for Northpoint would be underground and if the parking lot would be completed in full, also referenced on page 3 in the minutes. He asked who would be responsible for injuries for the little league lease.

President Van Schoorl responded that there will be underground utilities and the parking lot will be done in total. He indicated that the lease with the little league specifics the liability. He responded that the wood from the burned building would be recycled. President Van Schoorl indicated that they have not made any contact with the coast Guard since the last meeting, but staff is working on it.

Jeff Brigham, resident of Tumwater, thanked the commission for sticking with their integrity and keeping the military transporting in and out of the Port. He noted that our military enabled the recent election in Iraq, noting that those people have not had that opportunity in the past 50 years. He also commented that the public boating around the Coast Guard security area should just follow the direction of the coast guard and cooperate.

COMMISSIONERS REPORTS

President Van Schoorl reported on the visit from Senator Patty Murray last week. He noted that Senator Murray was impressed with our project and we hope that she will be able to help us fund the project.

EXECUTIVE DIRECTOR REPORT

Mr. Heber Kennedy provided the executive director report in the absence of Executive Director John Wolfe. Reporting on the airport, he noted that the site plan for storm water treatment associated with the TEC construction hangars has been finalized. Construction should start with the next week. TEC has

requested a lease amendment with an option for another parcel south of their current project. In addition a meeting with FAA and Reid Middleton has been scheduled to establish a scope of work for the 2006 runway line of sight (LOS) correction project.

Mr. Kennedy reported that the bid advertisement for the runway shift construction project was published on February 15th. A number of construction companies have picked up plan packages. The pre-bid meeting is scheduled for March 3rd and bid opening is scheduled for March 15th.

At the Marine Terminal, Mr. Kennedy reported the log vessel Captain Corelli left the Port on the morning of 2/25/05. After loading the logs, the vessel was delayed at our berth due to vessel repairs. We are currently staging logs for the next logger, the Ken Ryu, which is expected around the first of March. Also upcoming is the aluminum vessel the Vasiliy Burkhanov, due in around 3/8 to unload around 7,300 MT of T-Bars and ingots. This will mark the Vasiliy's sixth visit to the Port.

Turning to the Properties department, Mr. Kennedy noted that staff has identified Colliers as a preferred candidate for brokerage services for our Tumwater Properties. A draft agreement is currently being reviewed internally and by our legal services. He also reported that staff met this week to discuss use of the Port's Warehouse 2 as it relates to Transload operations and how it will affect current tenants if anticipated activity at the Marine Terminal requires storage space.

Mr. Kennedy reported that Peninsula Properties, a tenant at the Airport, has leased out part of its office space to LiveBridge, who will be using the facility as a training center. LiveBridge will be moving this operation from their Lacey location.

In addition, he noted that Equilon (Shell Fuel Farm on Tumwater Blvd) exercised its fourth option for an additional 5 years effective 5/1/2005 through 4/30/2010. The rent will be adjusted for this period based on CPI change. Equilon has one 5-year option left on their lease. And, Challain, Inc. (Batdorf and Bronson Coffee Roasters) will be signing an amendment to extend their option for additional land. The amendment provides an extension of the option for two additional years, but restricts exercise of the option based on Marine Terminal needs.

Mr. Kennedy indicated that staff has been meeting with several potential clients regarding the warehouse development at the New Market Industrial Campus. Some of those clients include current tenants from Warehouse 2 and interested parties. Two of those interested parties have expressed a desire to build their own facility and meetings are scheduled to visit potential sites for development of their own facilities outside the Port's flex-warehouse project.

He also noted that the City of Olympia has provided their comments to the Inter-local Agreement outlining the process for sale of our West Bay property to the City. Also the City has approved a scope of work for environmental investigation of the Burlington Northern line and the Port will now file a "License for Environmental Access" with Burlington Northern for their review and approval so testing can begin.

Consent Calendar

The Consent Calendar was approved as follows.

Minutes. The Commission unanimously approved the minutes from the February 14, 2005 Commission Meeting.

Capital Project Expenditure Approval. The Commission unanimously approved the capital expenditures in the amount of \$71,358.02 to Harlow Construction for the North Marine Drive Reconstruction project.

Lease: Mark Helland. The Commission unanimously ratified the lease with Mark Helland for a five-year lease of approximately 1.5 acres south of the Olympia Regional Airport for growing and

harvesting Christmas trees. The lease provides for two options to renew for an additional term of one year each. The tenant has leased this property since 1996 on a year-by-year basis. The tenant has requested and the airport director has agreed to a new lease with a longer term of five years. The rent is increased to \$500 annually plus LET initially, with rent increases each year at a rate of CPI + 3 percent.

ACTION CALENDAR

Marine Terminal Security Fencing / Safety Upgrade Project Contract #293 – Award Bid

Mr. Jim Amador presented the bid results for Contract #293 for the Marine Terminal Security Fencing and Safety Upgrade project. He indicated that the project consists of the installation of approximately 3800 lf of security fencing that is to encompass the port's marine terminal area. Also included in this project is the installation of 9 access gates, both vehicular / personnel. Mr. Amador noted that there would be approximately 475 lf of existing fence that will be relocated to the boat trailer parking area for additional security measures. The Port received a total of three bids for the project. The range of the bids received where from \$90,812.64 - \$104,909.52. Mr. Amador indicated that Summit Fence of Olympia was the low responsive bidder and recommended the Commission award the bid to Summit Fence Company in the amount of \$90,812.64. Mr. Amador indicated that this bid only includes the fencing, the lighting will be done in-house

Commissioner Pottle moved approval of Contract #293 to Summit Fence of Olympia as the low responsive bidder and recommended the Commission award the bid to Summit Fence Company in the amount of \$90,812.64.

Tom Howdeshell, resident of Olympia, asked what type of fencing would this is? President Van Schoorl indicated it would be an 8-foot chain link fence, in addition, the Port also has contract security on site every night when staff is not on site.

Commissioner Telford commented for the record that the northern portion of the fencing is in the wrong place at the admiralty district, at the boat storage, and at cascade pole. However, he noted that the bids appear to be in order and the price is less than approved. The motion passed unanimously to award the bid to Summit Fence Company in the amount of \$90,812.64.

ADJOURNMENT

President Van Schoorl adjourned the meeting of February 28, 2005 at 5:57 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer