

PORT OF OLYMPIA COMMISSION MINUTES OF REGULAR MEETING

March 9, 1998

CALL TO ORDER

President Pottle called the meeting of March 9, 1998, to order at 6:40 PM in the Port of Olympia Conference Room B. Commissioner Van Schoorl and Commissioner Dickison also attended.

Staff in attendance were: Executive Director Nick Handy, Deputy Director Wendy Holden, Director of Engineering and Planning Andrea Fontenot, Director of Marketing Kari Qvigstad, Director of Finance and Administration George Fox, Property Development Manager Heber Kennedy, Marine Terminal General Manager Bill Dahlstrom, Marina Supervisor Cheryl Cutshaw, Airport Manager Doug Sandau, Marine Marketing Manager Gary Syverson, Marketing Assistant Patti Grant, and Executive Assistant Jeri Sevier.

EXECUTIVE SESSION

President Pottle reported the Commission had been in executive session discussing matters relating to property and personnel. No decisions were forthcoming.

APPROVAL OF AGENDA

The agenda was approved as presented.

PUBLIC COMMENT

No public comment was presented for items not on the agenda.

COMMISSIONERS REPORTS

Commissioner Van Schoorl reported he has meet with the Olympia Downtown Association on development of marketing materials. The Olympia Downtown Association is asking local businesses to financially support this effort. Commissioner Van Schoorl said that he would be asking the Port to assist with some funding.

CONSENT CALENDAR

Minutes. The minutes of February 9, 1998, and minutes from the work session on February 27, 1998, were unanimously approved as published.

Vouchers. The bills and vouchers for the period ending March 3, 1998 in the amount of \$1,081,656.56 were unanimously approved as published.

ACTION CALENDAR

Capital Budget and Facilities Plan.

Executive Director Nick Handy reported the Capital Budget and Facilities Plan was placed on the agenda to provide the Commission the opportunity for discussion, but Mr. Handy recommended that the approval of the Capital Budget and Facilities Plan be delayed until the March 23, 1998 meeting. George Fox, Director of Finance and Administration, provided the Commissioners an overview of the Capital Budget. The Commissioners requested that all items under \$10,000 be removed from the Capital Budget.

Mr. Fox indicated to the Commission that he was asking them to approve the Capital Budget for 1998, but asking for authorization to purchase a two year bond that will cover 1999 budget items also. The 1999 Capital Budget would not be submitted for approval until October/November.

The Commission discussed the Capital Budget in detail and indicated some changes they would like made to the Budget before approval at the March 23, 1998 meeting.

Apron Project Contract Award.

Doug Sandau, Airport Manager, reported there were six companies that bid on the Apron Paving Project at the Olympia Regional Airport. Mr. Sandau asked the Commission to approve the successful bid to Wilder Construction in the amount of \$551,457.18. The costs for this project have been addressed and are covered under the current six-year Capital Plan. The Commission unanimously approved the bid to Wilder Construction.

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Lease Rate Policy.

Heber Kennedy, Property Development Manager, reported the resolutions for the lease rates approved in 1997 has expired. Mr. Kennedy asked the Commission to adopt the resolution 98-03 and 98-04 which establishes the lease rates for the Industrial Campus and Olympia Regional Airport at 9.5 percent of 60 percent of the fair market fee simple value. In addition, Mr. Kennedy asked the Commission to approve the lease rates for the harbor area at 9.5 percent of 70 percent of the fair market fee simple value. Mr. Kennedy also recommends the Commission change the Port's lease policy in the Market District to 9.5 percent of 80 percent of fee simple fair market value. The Commission unanimously approved Resolution 98-03 and 98-04.

Port Plaza Moorage Bid Approval.

Andrea Fontenot, Director of Engineering and Planning, reported there were seven companies that bid on the Plaza Moorage project. Ms. Fontenot asked the Commission to approve the successful bid to General Construction in the amount of \$404,897.40. Ms. Fontenot also reported the IAC has issued a grant for this project in the amount of \$198,880.00, which when subtracted from the bid amount, leaves a construction cost of \$206,017.40 remaining for the port to pay. The Commission unanimously approved the bid to General Construction.

Expenditure System of Internal Controls Resolution.

Mr. Fox asked the Commission to adopt Resolution 98-05 authorizing the new expenditure system of internal controls. Approving Resolution 98-05 rescinds the Resolution 97-03 on granting expenditure authority, and amends the delegation of authority to the Executive Director. Mr. Fox reported the new system of expenditure controls is more complete and comprehensive than the old system. It relies on the budget process to guide persons responsible for cost centers in making expenditure decisions. The Commission requested the spending level presented at \$50,000 be reduced to \$25,000. The Commission unanimously adopted Resolution 98-06 with changes to Exhibit A as noted.

Purchase Cards Certificate of Authority.

Mr. Fox submitted a Corporate Certificate of Authority to the Commission for approval. The Certificate of Authority authorizes the Director of Finance and Administration to enter into the purchase card agreement as has been discussed at previous public meetings. The Certificate of Authority is with US Bank and has been reviewed by the Port's legal counsel. The Commissioners discussed having a system in place to deal with inappropriate charges to the purchase cards. Mr. Fox assured the Commission there would be a system in place and that all employees will know the circumstances if abused. The Commission unanimously approved the Certificate of Authority with US Bank.

ADVISORY CALENDAR

Marketing Presentation.

Kari Qvigstad, Director of Marketing, and her staff gave a presentation on the Marketing Program. The presentation covered the Port businesses and general marketing projects.

Due to time constraints, the Marketing Presentation did not complete the entire presentation and will continue at the March 23, 1998 meeting.

ADJOURNMENT

President Pottle adjourned the regular Commission meeting of March 9, 1998 at 9:15 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer