

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

March 12, 2001

CALL TO ORDER

President Pottle called the meeting of March 12, 2001, to order at 5:35 p.m. at the Port of Olympia in the Large Conference Room. Commissioners Van Schoorl and Dickison were in attendance.

Staff in attendance were: Executive Director Nick Handy, Administrative Manager Jeri Sevier, Marketing Director Kari Qvigstad, Deputy Director Wendy Holden, Engineering and Planning Director Andrea Fontenot, Finance and Information Services Director George Fox, Marine Terminal Manager John Wolfe, Swantown Marina and Boatworks Harbor Manager Bruce Marshall, and Property Development Manager Heber Kennedy.

Public in attendance were as follows. Representing the Olympian was reporter Scott Wyland. Representing Rowe Management was Eric Rowe. Representing Legal Counsel was Sandy Mackie.

APPROVAL OF AGENDA

The agenda was approved as submitted.

PUBLIC COMMENT

No public comment was offered from the public.

COMMISSIONERS REPORTS

Commissioner Jeff Dickison indicated that there was a Transportation Policy Board meeting to be held this week and he was unable to attend. He asked if a staff member could attend on his behalf. Commissioner Dickison also updated the Commission on the current status of the Cascade Pole permits and approval.

President Steve Pottle indicated that there was a Thurston Regional Planning Council meeting to be held this week and he was unable to attend. He asked if a staff member could attend on his behalf. President Pottle also indicated he was working with the Executive Director to set up joint meetings with the Olympia Downtown Association, the Economic Development Council, and the City of Yelm.

EXECUTIVE DIRECTOR REPORT

Executive Director Nick Handy reported to the Commission on several issues. He indicated that the meeting tonight would include a PowerPoint presentation on the earthquake damage and a report on the management of the golf center. Mr. Handy reported that he is working with the other entities to set up meetings and received guidance from the Commission on preferred dates.

Mr. Handy reported that Jim Winters has announced his retirement from the Port and we will be holding a retirement party in April. He also announced the Airport Workshop was scheduled for March 29 at the GA building from 6-8 p.m.

CONSENT CALENDAR

The Consent Calendar was unanimously approved as follows.

Minutes. The minutes from February 26, 2001 were approved as presented by Commissioner Van Schoorl and President Pottle. Commissioner Dickison was not in attendance at the February 26 meeting.

Bills and Vouchers. Commissioner Dickison indicated he has reviewed and approved the bills and vouchers as

submitted. The Commission unanimously approved the bills and vouchers for the period ending March 12, 2001 in the amount of \$566,569.02. General Fund Warrants Issued: 020835-020842, 020845-020846, 020848-020863, 020867-020882, 020891-020907, 020920-020937, 020940-020996, 021009, 021010-021018, 021019-021027, 021033-021050, 021064-021071, 021072-021087, and 021091-021112. Capital Fund Warrants Issued: 020910-02911, 020997, and 021051-021054. Airport Fund Warrants Issued: 020938. GO 1998-A Fund Warrants Issued: 021028, 021055, and 021113. LTGO 1998-B Fund Warrants Issued: 020883, 020998, and 021056-021059. Environmental Fund Warrants Issued: 020847, 020864-020866, 020884-020890, 02098-020909, 020912-020914, 020939, 020999-021007, 021029-021032, and 021060-021062. Voided Warrants: 020485, 020634-020662, 020670, 020710-020711, 020736, 020773, 020820, 020843-020844, 020908-020909

Capital Project Expenditure Approval. The Commission unanimously approved the capital project expenditure listing in the amount of \$151,867.01 for the Warehouse Roof Replacement to Crisafulli Construction and for Center Street Improvements to DLB Earthwork.

Lease Termination – Stan’s C Stores.

Mr. Heber Kennedy presented the Commission with a termination of Lease Agreement with Stan’s C Stores. Commissioner Jeff Dickison indicated he would not participate in the action on this consent item because he is personal friends with the tenant involved. Mr. Kennedy indicated the tenant will pay due rent and the agreed share for improvements will be paid to the Port if Tenant reaches any settlement with Chevron. This agreement includes a “Security Agreement” for this purpose and is attached as Exhibit B.

Mr. Kennedy noted that although the lease was signed and rent commenced, due to disputes with its supplier regarding financing, the tenant never took possession of the leased premises or constructed any improvements.

President Pottle and Commissioner Van Schoorl ratified the lease termination with Stan’s C Stores.

ACTION CALENDAR

Swantown Restroom Renovation, Contract 271 – Approval to Bid

Ms. Andrea Fontenot indicated this project will update the three restroom facilities at the marina and improve the amenities and functions of those facilities. She summarized the renovation project outlining what renovation work would be included in the scope of the project.

Ms. Fontenot indicated the renovation work includes, but is not limited to: replacement of louvers, installation of glass block, epoxy coatings at interior surfaces, new ceramic tile finishes, new toilet partitions, new toilet accessories, new exhaust ventilation system and replacement of existing heaters.

The estimate for this work is \$174,652. Because this estimate is approaching the threshold between small works and public works, Ms. Fontenot recommend processing this project as a public work. This ensures that if the bids come in over \$200,000, we wouldn’t have to re-bid the project as a public work. And also, if change orders are necessary once the contract has been awarded, we would be able to accommodate these without the concern of going over the \$200,000 threshold. She also indicated that we currently have a budget of \$150,000 for this project. The estimate includes two alternatives that may not be added depending on final bid costs.

Ms. Fontenot indicated staff plans to award the bid in April and begin work in May and hope to complete the project by the end of July. The Commission unanimously approved the Swantown Restroom Renovation Contract 271 to go to bid.

ADVISORY CALENDAR

Small Works Resolution / Policy Advisory

Ms. Wendy Holden presented the Commission with a draft of the Small Works Resolution 2001-05 indicating this advisory is for first reading and would be coming back to the Commission for approval at the March 26th meeting. Ms. Holden indicated that Engineering and Planning and Operations staff have been working on developing a Small Works policy framework for the past several months. The draft resolution closely follows the law. She noted that staff relied

heavily on the Port of Olympia's practices and current procedures, the new MRSC Small Works Manual, and Port counsel's review in preparing the Resolution.

However, she indicated there are a couple of key areas where the Resolution expands on legal requirements. Port staff recommend the Resolution include criteria defining a "responsible" contractor. This will enable the Executive Director, or his designee, to decline to place contractors on the Small Works Roster if they do not meet the criteria. This definition is found at Section 4 in the Resolution. The criteria mirror the statutory requirements for factors that must be taken into account when determining a contractor is "responsible" to perform a particular project. The Port may decline to place a contractor on the Roster if s/he:

- a. Lacks the ability, capacity or skill to perform work in the area covered by the Roster;
- b. Has performed poor quality work on previous contracts or service agreements in the area covered by the Roster;
- c. Lacks an appropriate level of compliance with laws relating to Public Works, or the type of work or service covered by the Roster; or
- d. Has engaged in violent or harassing behavior on job sites or with Port staff.

Ms. Holden reported that having this provision enables the Port to screen contractors out from the Roster who would not be regarded as "responsible" at the bid or project level. She indicated that state law requires that certain factors *in addition to price* be taken into account when awarding bids. These factors define a "responsible" bidder. Factors a, c, d and e are statutory requirements, while b and f are staff and counsel recommendations:

- a. The ability, capacity, and skill of the bidder to perform the contract;
- b. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
- c. Whether the bidder can perform the contract within the time specified by the Port of Olympia;
- d. The quality of the bidder's performance of previous contracts or services;
- e. The previous and existing compliance by the bidder with laws relating to the contract and services;
- f. Such other information as may be secured having a bearing on the decision to award the contract.

Commissioner Dickison asked that staff re-write number four of the resolution "Responsibility Defined." He did not think the definition defined responsibility, but defined irresponsibility. Ms. Holden indicated staff would make changes to that section. Commissioner Dickison also had concerns about the statement of inviting at least five contractors to bid. He wondered how staff picked the five. Ms. Fontenot explained that staff would send the bid request to who ever was on the list, but to a minimum of five contractors.

Commissioner Van Schoorl indicated that he did not find this resolution much different than going out to a formal bid and would like to see this process more flexible. Ms. Holden responded that staff is also working on a draft policy and procedure that would address that issue. Ms. Fontenot indicated that there needs to be more detail in the procedures to assure balance and that each contractor gets the same information.

Mr. Handy indicated that staff is also looking at doing one or several contracts through the public bid process to identify particular contractors qualified for particular kinds of work on call. He noted that the principles we are trying to balance as we develop the procedures include consistency, simplicity, quality, fairness, and observance with the law.

Earthquake Advisory

Ms. Wendy Holden presented the Commission with a PowerPoint presentation with pictures of the damage from the February 28, 2001 earthquake. She noted that within hours we had a very good sense of what happened and what damages there were. Staff maintained services throughout the day of the earthquake. Ms. Holden noted that on March 2nd staff held a debrief and discussed what went well and what could be improved. She noted that staff is in contact with FEMA and will be reporting the damage to try and get funding to help pay for repairs.

Ms. Holden began the PowerPoint presentation with slides from the State Patrol Building at the Olympia Regional Airport. Most of the damage there was cosmetic and inside the building.

Mr. Bruce Marshall continued the presentation with slides from the Boatworks and Marina. The damage at the Boatworks consisted of cracked pavement and travel lift. The Marina had more substantial damage to almost every sidewalk and concrete boarder separated from the sidewalks, the street lights are crooked, there are cracks in the launch ramp at the breakwater and to A dock landing where the ramps meet. There is also a crack in the retainer wall on the restroom. Marine Drive has a pretty major crack across the road and cracks in the parking lots. The embankment along the trail has been closed down because of the extensive damage and sliding there. In addition, there are sand boils coming up along the berm by the Marina.

Mr. John Wolfe continued the presentation with slides from the Marine Terminal. He indicated that structural engineers have looked at all of the berths and docks. There was some damage in Warehouse A and cracking asphalt on berth 1.

Airport Golf Center Advisory.

Mr. George Fox presented the Commission with a system of internal controls for revenues and expenses. He indicated he adopted the system pursuant to the authority the Commission delegated to him in Policy and Procedures Section 5.2.1.

Mr. Fox also outlined some of the issues and options that staff is considering. He indicated the nets will need to be repaired in order to gain full revenue potential. In addition, the golf pro shop needs to be stocked with inventory and supplies. And the golf center has deferred maintenance that must be addressed.

However, Mr. Fox indicated that staff will need time to do the analysis of how this operation should be managed. Currently the Port has retained Eric Rowe, from Rowe Management to manage and operate the golf center. The contract is through June 30, 2001. During that time staff will work with Rowe Management to get data and recommendations.

Port staff has begun working on this issue and will be developing recommendations for the Commission and a future meeting.

Mr. Eric Rowe said the golf center has been very busy. He indicated he was excited about the opportunities and the possibilities since this center has been encumbered the past few years. Those obstacles need to be removed to improve the bottom line. Mr. Rowe indicated he is preparing historical data on the golf center and will be presenting that to staff soon.

Commissioner Dickison asked about the nets and will we be fixing that problem. Mr. Handy responded that staff has a meeting scheduled to discuss that issue and will bring recommendations to the Commission. Mr. Fox indicated that there is not any funding in the current capital budget for the golf center improvements.

ADJOURNMENT

President Pottle adjourned the meeting of March 12, 2001 at 7:23 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer