

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

**March 24, 2003**

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**CALL TO ORDER**

President Pottle called the meeting of March 24, 2003, to order at 5:35 p.m. at the TCTV Studio in Olympia. Commissioners Van Schoorl and Telford were also in attendance.

President Pottle announced that the Commission would be adjourning this meeting to executive session to confer with counsel on the Cascade Pole legal mediation and to confer with legal counsel on matters relating to price in a possible renegotiation of the Genoa's lease.

Staff in attendance were: Executive Director Nick Handy, Administrative Manager Jeri Sevier, Finance Director George Fox, Property Director Heber Kennedy, Operations Director John Wolfe, Harbor Director Bruce Marshall, Public Works Director Andrea Fontenot, and Communications Manager Patti Grant.

Public in attendance were as follows. Representing Legal Counsel was Mick Phillips. Representing the PAC was Dave Clark and Jon Van der Veen. Others in attendance included Tom Connor, Jerry Baruffi, and Neil Falkenburg.

**APPROVAL OF AGENDA**

The agenda was approved as submitted.

**PUBLIC COMMENT**

**Jerry Baruffi, resident of Bellevue and owner of WestBay Marina in Olympia**, indicated he is bothered by the marina expansion project. He wonders how this is supposed to be good for Thurston County when this will cost the taxpayers of Thurston County \$4.2 million. Mr. Baruffi indicated that he has 100 empty slips right now and wonders where the need is. He commented that at the last meeting, Commissioner Telford put out some financial information and has not seen any thing in response to that. He commented that he thought this was the best financial analysis that he has ever seen and appreciates his work for that. He commented that all we have is an ongoing debt and no end in sight.

Tom Conner, board member of the Northwest Olympia Neighborhood Association (NWOA), indicated that he wanted to present a letter on behalf of the NWOA regarding the Port of Olympia West Bay property use.

**COMMISSIONERS REPORTS**

Commissioner Van Schoorl announced he attended the Yelm Chamber and spoke on behalf of the Port. He indicated that he has certificates for the other Commissioners for their participation with the city on the Yelm Rail project.

Commissioner Telford reported attended the Transportation Policy Board meeting. He commented that Doug Mah approached him about having a joint commission meeting. President Pottle indicated that he has also talked to Mayor Biles about having a joint commission meeting and planning for that is in the works.

Commissioner Telford also announced that he and Commissioner Van Schoorl as well as Doug Sandau,

Airport Manager attended the meeting sponsored by the Carnegie Group regarding the airport that was held on March 17th .

## **EXECUTIVE DIRECTOR REPORT**

Mr. Nick Handy gave an update on recent activities at the Port including the activity at the Marine Terminal, the Marketing department, and the Properties program.

## **CONSENT CALENDAR**

The Consent Calendar was approved as follows.

**Minutes.** The minutes from March 10, 2003 were unanimously approved as modified. Commissioner suggested modifications to a paragraph at the end of the marina section. He indicated that he thought he supported the due diligence based on an assessment of the sale all or in part of the marina. Commissioner Van Schoorl indicated that he was also surprised by the 90 day time period listed in the minutes. Commissioner Telford indicated that he has the feeling that the Commissioners are not interested in selling the marina, so what is the point if you would not even consider it. President Pottle indicated that Commissioner Telford should not automatically assume what the other commissioner's intentions are. President Pottle commented that he said he would keep an open mind two weeks ago, however, after thinking about it over the two weeks, we did not get a serious proposal, so why would we waste staff time anyway. President Pottle indicated he thought that we agreed to look into the options, however, at this point, why should we go through this exercise.

Commissioner Telford indicated that he views this as an opportunity to look at the fundamental question. Commissioner Van Schoorl indicated that he had asked staff to look at other Ports and asked if we were already far enough along in looking at that information. Mr. Handy indicated that staff has begun doing research, but was not in a position tonight to discuss any results.

Mr. Nick Handy indicated that his recollection of this discussion was staff's recommendation to do due diligence in four areas. In the end the direction of the commission to staff was to look at the first two recommendations. Mr. Handy indicated that staff is planning to report back to the Commission at the last meeting in April.

Mr. Handy suggested the following amendment to the minutes.

“The Commission requested staff to do a due diligence inquiry ~~within 90 days~~ regarding the experience of other public marinas selling or leasing public marina facilities to private parties with an emphasis on how issues of capital investment and maintenance have been addressed. The Commission expressed interest in having the results of these inquiries. ~~before making a decision on whether to sell or lease the marina facility.~~”

The Commission agreed to amend the minutes accordingly.

**Capital Expenditure Expense Approval.** The Capital Project Expenditure in the amount of \$58,085.17 to Reid Middleton for the Runway Shift & Road Alignment project was unanimously approved.

## **ACTION CALENDAR**

### **Planning and Advisory Committee Recruitment Process Approval**

Mr. Nick Handy presented the Commission with a staff recommendation for the Planning and Advisory Committee recruitment process. He indicated that the Port has had a Planning and Advisory committee that is citizen based and been in effect since the early mid-1990's. This is a 12 member citizen board with each member serving staggered three year terms. Mr. Handy commented that this year we have four PAC

members whose terms expire in June and have all served two full terms. In the past, the Commission has asked that we limit the terms to two. We also had a member resign early so therefore have five appointments to recruit for this year. Mr. Handy indicated that we would like to have the new members appointed so that they can participate in the State Avenue Master Planning process.

Mr. Handy indicated that we always advertise broadly throughout Thurston County. We then have all three Commissioners and staff screen the applicants and reduce to a small group to interview. He noted that staff is asking that one Commissioner be appointed to serve on the interview process with staff.

President Pottle indicated that he thought there seemed to be a lot of people up for appointment each year and maybe there is a way to reduce that. Commissioner Van Schoorl indicated you could make four-year appointments and then you would only have 3 vacancies each year, but that is something they could discuss later. President Pottle asked that the ad be placed on the Port's Internet site and send out to our mailing list.

The Commission discussed the proposed screening process, President Pottle indicated that he has been on the panel the past two years and would like to offer it to another Commissioner. Commissioner Telford indicated that he would like to see a Commissioner and the executive director do the interviews. President Pottle indicated that he likes the idea of a commissioner, executive director, and two staff members to serve on the interview panel. Mr. Handy indicated that Andrea Fontenot is usually the director that serves on this interview panel because she is the director of public works and is actively involved with the PAC. Commissioner Van Schoorl indicated that it would be a good idea to have a member of the PAC.

The Commission agreed that the applicants would be scored by all commissioners interested in scoring, the executive director, director of public works and a member of the PAC. The interview team will consist of Commissioner Telford, Nick Handy, Andrea Fontenot and a representative from the PAC.

The Commission agreed that the interview team will make the recommendation to the Commission for the five vacancies and for two alternates and the Commission will make the final appointment.

Commissioner Telford indicated that he thought there should be a form filled out by each applicant to give some consistency for scoring. He commented that he would also like to suggest another scoring item by adding diversity of background and geography. President Pottle indicated that since he has participated on this process in the past, diversity of background and geography is exactly what we look at as well as people that are interested in being involved in the Port. Commissioner Telford had suggested that instead of doing interviews, we just draw names out of a hat. The other commissioners disagreed with that process, indicating that the interview process brings out more information than a resume gives.

Dave Clark, resident of Yelm and Chair of the PAC, liked the idea of being involved in the process and rating them numerically and keeping that alternate list on hand. He agree that it is good to have representatives from throughout the county also looking at their background, what they have done, and what their interests are.

## **ADVISORY CALENDAR**

### **Executive Director Recruitment Advisory**

President Pottle indicated that Executive Director Nick Handy announced he would be retiring at the end of the year and therefore we have a long process to go through to prepare for this. He commented that he would like the Commission to have a discussion on the process and provide some direction for staff to begin to prepare for the process. President Pottle indicated that he had met with staff that participated in previous recruitment process for the executive director position. President Pottle commented that this is the most important position we will recruit for; it is expensive, and time consuming.

Commissioner Van Schoorl indicated that he thought the process worked good before and to do as much

in house as we could to keep the cost down, but to get professional help in the screening process. He indicated that first we need a current job description that we all agree with and then create a job announcement that we all agree with. Second we would hire a professional agency to help with the screening.

Commissioner Pottle indicated that his meeting with staff revealed that staff also felt the process worked well. The staff liked being involved and would like to be involved in this process as well.

Commissioner Telford commented that if the process worked, he did not feel that we need to hire a professional for the whole process if it helps save money.

Commissioner Van Schoorl indicated that we had three proposals from three firms breaking out the steps. He noted that they also asked other public sectors who they had used in other recruitment processes. The Commission was in general agreement that what we did last time worked well and we should go down that path again. The staff and commission developed screening criteria that the consultant used.

Commissioner Pottle asked Jan Van der Veen, a member of the PAC, if he would like to help in this process. Mr. Van der Veen indicated he would be happy to.

President Pottle indicated that from his meeting with staff, they felt it very valuable to be involved. Commissioner Van Schoorl indicated that in the previous process, they made it clear that staff did not have a vote, but that their input was very important. He indicated that that feedback was very valuable to the Commission as they had some very good input.

The Commission directed Jeri Sevier to bring to the next meeting a timeline using November 1<sup>st</sup> as the start date, bring a draft job description for discussion, a menu of services with pricing from some search companies, and some advertising costs and options for both local and international advertising.

Commissioner Telford indicated that he would like to keep all applicants in a confidential manner until the finalists are selected. Commissioner Pottle indicated that the announcement should include the risk of this being a public process that at some point, the information may become public.

### **West Bay Advisory**

Ms. Andrea Fontenot indicated that the purpose of this agenda item is to update the Commission on the planning process for transitioning the West Bay site from an industrial use to an urban waterfront use that allows for commercial, retail, and office use.

She noted that currently, the Port's Comprehensive Plan indicates two land use alternatives for the West Bay property: Habitat/Recreational and Industrial. She indicated that the City's Comprehensive Plan reflects the Port's Comprehensive Plan in terms of land use. In addition, the City's zoning code for this property is Industrial. Light industrial uses and up to 20,000 sq ft of commercial uses are allowed in the Industrial zone.

During the West Bay Planning Process in 2001, it was generally agreed that when and if Solid Wood left the Port, the Port would transition the property from Industrial to commercial/retail/office use.

Ms. Fontenot indicated that with the loss of Solid Wood, we have started the transitioning process. At the planning level, this means a change to the Port's Comprehensive Plan, the City's Comprehensive Plan, and the City's zoning codes.

Ms. Fontenot noted that we initiated the zone change process with the City, as this is done once a year and the window for a request is limited. The schedule for the rezone from Industrial to Urban Waterfront is April through June.

She noted that as part of the rezone process, development standards such as heights will be established. We are requesting variable heights for the site, from 42' to 65' feet. The Port's proposed heights for the property has the least impacts from West Bay drive and adjacent residential properties, compared with the other heights allowed in the Urban Waterfront zone on West Bay.

Ms. Fontenot indicated that on a parallel track, we would be bringing forward to the Commission a proposed Comprehensive Plan amendment to include a mixed-use alternative in the Comprehensive Plan. We will also be discussing an approach to the two existing alternatives; for example, the industrial alternative may no longer be appropriate given the transition of this area and the rezone. As part of this amendment, we will be bringing forward a conceptual lay out of a mixed use, in plan view, to illustrate the type of use that could be accommodated with these planning changes.

The Port Commission schedule for this process is as follows:

|          |                                 |
|----------|---------------------------------|
| March 24 | Briefing on Comp Plan Amendment |
| April 14 | Public hearing                  |
| April 28 | Amendment of Comp Plan          |

Ms. Fontenot indicated that as required by State law, we will be conducting an evaluation of the potential adverse impacts of this proposed Comprehensive Plan change under SEPA. A change to a comprehensive land use plan constitutes an "action" under SEPA, and must be evaluated. Based on our preliminary analysis, the proposed land use alternative does not exceed the impacts identified in the Final Environmental Impact Analysis for the Comprehensive Plan.

Mr. Nick Handy indicated the Port and the City jointly hosted a planning process that looked at this entire site several years ago. This was a 12 member citizen based group and the bottom line was that the advisory group recommended that the existing industrial uses should be able to finish out their life in that area, but once they decide to leave, that we would not issue any other industrial uses for that property. Mr. Handy indicated that it was a unanimous feeling throughout the public process to move these properties into urban waterfront from industrial use.

### ADJOURNMENT

President Pottle adjourned the meeting of March 24, 2003 at 7:15 p.m. to executive session to discuss (1) confer with counsel on the Cascade Pole Legal Mediation and (2) to confer with legal counsel on matters relating to price in a possible renegotiation of the Genoa's lease for approximately one hour and will return back to this meeting room to adjourn the meeting. He also announced the next regularly scheduled Commission meeting is April 14, 2003.

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President

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Vice President

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Secretary-Treasurer