

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

**April 10, 2006**

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**CALL TO ORDER**

President Pottle called the meeting of April 10, 2006, to order at 5:30 p.m. at the LOTT Board Room in Olympia. Commissioners Telford and Van Schoorl were also in attendance.

Staff in attendance were: Executive Director Ed Galligan, Administrative Manager Jeri Sevier, Communications Manager Patti Grant, Marine Terminal Director Jim Amador, Marketing Director Kari Qvigstad, Marketing Program Assistant Maureen Malahovsky, Business Development Sally Alhadeff, Business Development Representative Jim Knight, and Property Director Heber Kennedy.

Public in attendance were as follows: Representing *The Olympian* was Jim Szymanski. Others in attendance included: Richard Wolf, Christi Johnson, Jan Witt, Tom Howdeshell, Harold Clark, Jerry Parker, Walt Jorgensen, Jeff Olsen, Bob Luxa, Keith Bausch, Riley Moore, Josephine Yung, and Michael Cade.

President Pottle announced that the Commissioners met at a special meeting for an executive session on April 6<sup>th</sup> at 4:45 p.m. to review the recent public records decision by Judge Hicks. President Pottle attended by phone, convened the meeting but had to hang up before conclusion. Vice President Telford then presided, closed the executive session and convened an open public meeting in which Commissioners Telford and Van Schoorl voted 2-0 to authorize the Port Director, Ed Galligan, to work with staff to file a request for reconsideration, limiting the request to only specific documents for which a clear Exemptions apply. The Commissioners emphasized that the request was not a challenge of Judge Hick's decision.

**APPROVAL OF AGENDA**

The agenda was approved as submitted.

**PUBLIC COMMENT**

**Jerry Parker, resident of Olympia**, commented on the consequences of the inaccurate description given by the Port regarding the Cargo Yard Reconstruction Project. He referred to some plans he discovered at the Department of Ecology dated 8/23/05. He asked the Commission when did they know about this and what are they going to do to fix this. He also asked about the plans given to the City of Olympia on March 9<sup>th</sup> and wanted to know why those plans were removed from the City. Mr. Parker asked the Commissioners when they plan to do a comprehensive environmental plan on the entire project?

**Patricia DiFransisco, resident of Olympia**, indicated that she recently requested information on two separate issues and did not receive everything; therefore she questions what else is missing. The Commission asked how she new she did not have everything. Ms. DiFransisco indicated that she is missing the itinerary for the DC trip for what Mr. Ed Galligan did on Friday; she indicated that he did not come home until 5:00 p.m. that day. President Pottle noted that Mr. Galligan came home with him Friday morning and did not stay all day Friday. President Pottle also indicated that if she feels she is missing information, she should submit those to Mr. Galligan.

Ms. DiFransisco asked about the jobs for the longshore and if they are moving down to Olympia or commuting? The Commission indicated that she should talk with Keith Bausch if she has questions.

**Stanley Stahl, resident of Olympia**, also asked about the 37 longshore jobs that will be coming as a result of the Weyerhaeuser Lease. He commented that it does not appear that we are creating new jobs, just moving the jobs from Tacoma taking away from the wealth of the community. If we are getting the jobs, what is the trade off for those jobs as off set from the truck traffic, boat traffic, lighting, etc.

**Keith Bausch, resident of Olympia**, also representing Local ILWU, commented that the 37 jobs are Weyerhaeuser employees that will be moved down to Olympia, in addition, it will create more Longshore jobs at the Port. Mr. Bausch invited those against the Weyerhaeuser project to come talk to him to better understand.

**Walt Jorgensen, resident of Olympia**, commented that the Commission says they are all about disclosure. That theory has been proven wrong lately. He indicated the recent court case; the judge indicates the Port is protective of their information as if they have something to hide when there is little of that. He asked about the number of ships, amount of revenue on each shipment, do we have a rate schedule? He suggested that we leak those negotiations with other ports so they can loose as much money as the Port of Olympia? What sense does it make to have all the Ports trying to undercut each other?

## **COMMISSIONERS REPORTS**

Commissioner Telford indicated that he recently attended the Solid Waste Advisory Committee meeting where they still working on issues regarding recycling.

Commissioner Van Schoorl reported he met with the executive committee of the WPPA. He noted that Ms. Kari Qvigstad gave an excellent overview of the Port. Commissioner Van Schoorl also noted the upcoming Spring WPPA meeting in May.

## **EXECUTIVE DIRECTOR REPORT**

Mr. Ed Galligan reported the next vessel on the horizon at the Marine Terminal is the Galina IV. This vessel, expected around April 19th, will carry a full load of aluminum. After discharging the aluminum we will load back containers and machinery.

Mr. Galligan noted that recent operations also included a log barge that we discharged for Holbrook Inc. The barge had approximately 1mmbf of bundled logs.

Mr. Galligan noted that Port staff held a session with outside professionals to discuss and evaluate Port progress with East Bay Development. A team has been formed and we intend to report back to the Commission at the May 8<sup>th</sup> Commission meeting with an outline of a plan to proceed with East Development.

In addition, Mr. Galligan reported that the Port would have a booth at the annual Business Showcase Wednesday, April 12. The Showcase is sponsored by the Thurston Chamber of Commerce and will be at St. Martin's Pavilion in Lacey. It is a great community networking event and an opportunity to support the Chamber.

## **Consent Calendar**

The Consent Calendar was approved as follows.

**Minutes.** The Commission unanimously approved the minutes from the March 20, 2006 as revised and the March 27, 2006 meeting as presented. Commissioner Telford abstained from voting, as he did not attend either of those meetings.

Commissioner Telford asked questions about the minutes from the joint meeting with the City of Olympia

and the March 27<sup>th</sup> Commission meeting.

Commissioner Telford commented that he feels the Port has done a credible job of public disclosure in the past and hopes the new policy adopted on March 27<sup>th</sup> will enhance the openness to the public. He indicated he would like the attitude that we interpret the law in favor of disclosure. Commissioner Telford indicated he did not know what went wrong with the latest Weyerhaeuser request, but he felt that staff withheld more than should have been. Commissioner Van Schoorl noted that he agrees with Commissioner Telford that staff has done a good job with public record requests and responses in the past. This recent request for the Weyerhaeuser project has been a bit of challenge, however, this just one of many requests that we get and respond to.

### **New Lease: Commodities Unlimited**

This is a new lease with an existing tenant. The lease parcel is four acres along Bonniewood Drive to be used for firewood storage and cutting; wood chipping; and parking of necessary vehicles, tools, and machinery. Lease term is ten years with no options and annual rent increases. Rental rate was calculated at CPI plus three percent, consistent with the expired lease. The Commission unanimously ratified the lease with Commodities Unlimited.

## **ACTION CALENDAR**

### **Planning and Advisory Committee Re-Appointment and Recruitment Process**

Mr. Ed Galligan reported he has talked to or left messages with all of the Planning and Advisory Committee members and appreciates the time they have given to the Port. He indicated that he has also reviewed some recent projects of the PAC. He indicated we are in the planning process for the next meeting and looks forward to meeting all of the members.

Mr. Galligan reported that the Planning and Advisory Committee has one three-year term to fill this year. We also had one member resign from the PAC early, so we will need to fill the remainder of that term which is a one-year term. Staff has developed a proposed recruitment screening process for your approval.

Mr. Galligan noted that we have three members that would like to be re-appointed for their final three-year term. Those members asking for re-appointment are: Len Trautman, Rod Edgbert and Drew Phillips. We also have an alternate, Joe Raudenbaugh that we need to contact to see if he would like to take the one-year term that is available.

Mr. Galligan asked for the Commission to approve the Planning and Advisory Committee advertising schedule, approve the screening process, re-appoint Len Trautman, Rod Edgbert, and Drew Phillips to a final three-year term, and appoint a Commissioner to serve on the interview committee.

Commissioner Telford moved reappointment of Len Trautman, Rod Edgbert and Drew Phillips. In addition Commissioner Telford moved appointed of Joe Raudebaugh if he is still interested. The motion passed unanimously.

Commissioner Telford suggested that we not spend the money on advertising. He suggested we send letters to the neighborhood associations to our mailing lists. He also suggested we post the announcement on the Website and do a media release. The Commission agreed that the advertising in newspapers might not be as effective for the cost. The Commission directed staff to try to advertise the openings with out putting ads in the papers.

The Commission appointed Pottle to serve on interview committee.

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## **Dragon Boat Challenge Cup Endorsement**

Ms. Kari Qvigstad reported to the Commission about the Dragon boat racing. She indicated this race dates back to the fourth century in China to commemorate a famed poet Qu Yuan who threw himself in the Milo River to protest the political turmoil and suffering of the people at that time. Nowadays, races promote community togetherness, cross-cultural awareness and international friendship.

Ms. Qvigstad indicated that this event is Co-hosted by the Washington Dragon Boat Association and Saint Martins University. Olympia will experience its first dragon boat race at the Capital Lake on May 6, 2006. The event is expected to draw 3-4,000 spectators. To date, 11 teams from nine colleges and universities have accepted the invitation to race including two Chinese universities.

Ms. Qvigstad reported that the event is endorsed by the Washington China Relations Council, World Trade Center Tacoma, U.S. Commercial Service (Pacific Northwest), Thurston County EDC, and Washington State Dept. of Community Trade and Economic Development.

Ms. Qvigstad noted that Saint Martins University has requested sponsorship. She noted that this event was not included in the Port's community advertising and promotion program for a financial contribution in 2006. Ms. Qvigstad recommended to the Commission that the Port of Olympia endorses the 2006 Dragon Boat Challenge Cup in Olympia with. In turn, the Port will receive recognition at the event and through the promotional information. The endorsement would include very limited time and resources from Port staff.

She noted that the Port is providing in-kind support for the event at the Swantown Marina docks for visiting rowers. Josephine Yung commented that each team has 20 members coming from King, Thurston, and Pierce Counties bringing friends and families to Olympia. Ms. Yung reported that the boats belong to the Washington Dragon Boat Association.

Commissioner Van Schoorl moved to endorsement of the Dragon Boat Challenge Cup by the Port of Olympia. The motion was seconded by President Pottle. The Commission approved the motion with a 2-0 vote. Commissioner Telford abstained from voting having previously requested that this item be dropped from the agenda as having nothing to do with the Port.

## **ADVISORY CALENDAR**

### **China Trip Report**

Ms. Kari Qvigstad reported that the Port of Olympia, in partnership with Saint Martins University & the Thurston County Economic Development Council, led an economic development delegation to China from March 3 –12, 2006. The China Business-to-Business Trip was also endorsed by the Washington China Relations Council, Washington Department of Community Trade and Economic Development, Tacoma Export Assistance Center of the U.S. Commercial Service and the World Trade Center of Tacoma, and stemmed from a successful 2004 conference, "Doing Business With and In China," held at Saint Martins.

Ms. Qvigstad noted that benefiting from 10 years of ongoing relationships with China and a joint business education program with Shanghai Maritime University's Pudong Business College, a recent partnership with Wuhan University of Technology, as well as leveraging contacts through the sponsoring entities, the business delegation was able to make introductions with key business and economic development partners to evaluate opportunities for trade.

Ms. Qvigstad paid special recognition to Josephine Yung, Michael Cade, and Riley Moore for their assistance in working together for the last 10 months planning and preparing for this trip to China.

Ms. Josephine Yung, Dean of International Education, provided an overview of doing business with

China. Ms. Yung discussed the Chinese culture and values that goes back 2000 years ago. Chinese word “guanxi?” She asked what is guanxi? It is a Chinese term meaning connections and relationships. She commented that the door will not open until you have guanxi, money will not buy you guanxi, guanxi is developed from trust and loyalty. Ms. Yung indicated that guanxi is developed long term based on responsibilities and partnerships, the credibility that takes years to build. She indicated that it takes time to get to know a person, but once the trust is established that trust is there forever and passed on through generations. Guanxi is also a debt that you need to pay back when asked.

President Pottle gave a PowerPoint presentation and report of the Port’s participation in the China Business Trip. His report included information on the delegates that went on the trip, the travel plan, the mission and goals of the delegation, and the economic and trade opportunities. President Pottle also discussed the highlights of the trip when visiting Beijing, Shanghai, and Hong Kong.

**ADJOURNMENT**

President Pottle adjourned the meeting on April 10, 2006 at 7:34 p.m.

PORT OF OLYMPIA COMMISSION

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President

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Vice President

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Secretary-Treasurer