

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

April 12, 1999

CALL TO ORDER

President Van Schoorl called the meeting of April 12, 1999, to order at 6:35 p.m. at the Port of Olympia in the large conference room. Commissioner Pottle and Commissioner Dickison were also in attendance.

Staff in attendance were: Executive Director Nick Handy, Director of Marketing and Trade Development Kari Qvigstad, Director of Finance and Administration George Fox, Executive Assistant Jeri Sevier, Airport Manager Doug Sandau, and Property Development Manager Heber Kennedy.

Members of the public in attendance were Joel Coffidis of *The Olympian*; Sandy Mackie, legal counsel for the Port of Olympia; Chris Burton, Olympia; Tom Fell, South Bay; Keith Bausch, ILWU Local 47 representative; Ed Wiltsie, JW Morrissette and Associates; and Chris Lane, Olympia, PAC Member.

APPROVAL OF AGENDA

Mr. Nick Handy indicated Mr. Heber Kennedy needed to be at another meeting representing the Port at the City of Tumwater and asked if Mr. Kennedy could present the advisory on properties at the onset of the meeting to allow him to attend the other meeting as well.

PUBLIC COMMENT

Mr. Chris Burton indicated he had make some comments and suggestions to the Swantown Boatworks Terms and Conditions and wanted to know if any of the Commissioners had the opportunity to review his comments. Mr. Burton suggested there be two different contracts, one for outside, and one for lessees. The Commissioners responded that they had not had the opportunity to review his suggestions and would talk with Mr. Bruce Marshall at the Boatworks to discuss the suggestions.

COMMISSIONERS REPORTS

President Van Schoorl attended a regional planning economic development and economic assessment meeting where a report was distributed. President Van Schoorl indicated he would get copies of the report to other commissioners.

CONSENT CALENDAR

Minutes. The minutes of March 22, 1999 were unanimously approved as published.

Capital Project Expenditures. The capital project expenditures in the amount of \$288,487.53 were unanimously approved as submitted.

ADVISORY CALENDAR

Properties Advisory Report

Mr. Heber Kennedy, Manager of Property Development presented an advisory report including a review of this year's program goals, first quarter priorities, as well as a report on activities relating to marketing, lease negotiations, customer development, and lease prospects.

Mr. Ed Wiltsie representing JW Morrissette and Associates presented the Commission with a report and research completed on the Tumwater ground water issues.

Mr. Tom Fell asked the Commission if the fuel dock mentioned in Mr. Kennedy's presentation was included as a part of the comprehensive plan. He also asked the Commission when the leases for Genoa's and KGY would be completed.

Mr. Handy responded that the Lease with KGY would terminate on December 30, 2009 and Genoa's had approximately 13 years remaining. Commissioner Dickison indicated the comprehensive plan does include a fuel dock and the proposal is very close to that provided in the Comprehensive Plan. Commissioner Dickison also noted that the Admiral District is targeted for marine related boat builders.

Mr. Fell indicated to the Commission that he has an interest in having some public access at the view point between KGY and Genoa's sometime in the future.

ACTION CALENDAR

Approval of CEA - Commercial Parking Lot

Mr. Heber Kennedy indicated the capital project expenditure analysis being submitted for approval was to fulfil an obligation to develop a parking lot for excess parking at the Market Place Building during the Farmer's Market peak days. Once provided notice from the Market Place Building, the Port is obligated to develop a paved parking lot within eight months. The Port was given notice on January 8, 1999.

The capital expense authorization being submitted in the amount of \$288,000 is an increase of \$168,000 in the capital budget for the cost of development. The higher cost is the result of a thirty percent increase in the parking lot size, from 70 to 91 spaces, and the previous estimate was low. The Port will be charging \$29.00 per month per space for the provided parking.

President Van Schoorl asked staff where the funding was coming from and from that what projects would not be completed? Mr. George Fox indicated the funding would come from the Series A Bond Fund and those items on the Capital Projects list under priority B and C may not be completed.

Commissioner Dickison asked if the Series A Bond Fund was a reserve fund. Mr. Fox indicated it was and we are currently spending from this fund.

Commissioner Pottle inquired as to why the lot had to be paved and why could not it be gravel. Mr. Kennedy responded that the city would not permit a gravel lot. President Van Schoorl indicated that we have a contractual obligation and it appears it will cost us \$168,000 more than we anticipated the cost is bothersome.

Commissioner Dickison moved for approval, President Van Schoorl seconded the motion. The Commission unanimously and approved the CEA for the Commercial Parking Lot.

New Lease - City of Olympia

Ms. Kari Qvigstad presented the Commission with a new lease with the City of Olympia. This is a short-term lease for April 1 through April 30, 1999 for 1,266 square feet at Warehouse 2 in the non-profit section of the building. The City of Olympia will use this space for storage of recycling bins for the recycling program. The Commission unanimously ratified the approval of the new lease with the City of Olympia.

New Lease - A-1 Roofing

Ms. Kari Qvigstad presented the Commission with a new lease with A-1 Roofing. This is a month to month agreement for 1,274 square feet. This tenant is located in the non-profit section of Warehouse 2. The Commission unanimously ratified the approval of the new lease with A-1 Roofing.

Lease Amendment - Peninsula Properties Partnership

Ms. Kari Qvigstad presented the Commission with a lease amendment requested by Peninsula Properties Partnership to accommodate his restructuring and refinancing efforts. Ms. Qvigstad indicated the effective date was March 31, 1999. The Commission unanimously ratified the approval of the lease amendment with Peninsula Properties Partnership.

Lease Amendment - Sundance Auto

Ms. Kari Qvigstad presented the Commission with a lease amendment with Sundance Auto who is on a month-to-month lease arrangement. This amendment increases the rent 10 percent from \$275 to \$302.50 per month. This amendment is just now being signed by Sundance even though they have been paying the increased rent since January 1, 1999. The Commission unanimously ratified the approval of the lease amendment with Sundance Auto.

Lease Amendment - Sweet Oasis Mediterranean Bakery

Ms. Kari Qvigstad presented the Commission with a lease amendment with Sweet Oasis Mediterranean Bakery. The amendment changes the tenant reporting of gross sales from a monthly basis to a quarterly basis. This amendment was requested by the tenant. The Commission unanimously ratified the approval of the lease amendment with Sweet Oasis Mediterranean Bakery.

Comprehensive Plan Amendment for 1999-2000 Capital Budget

Mr. Nick Handy indicated a public hearing is required to amend the Comprehensive Plan. The amendment is the inclusion of the 1999-2000 Capital Budget into the 1995 Comprehensive Plan. Proper notification was published for the purpose of a public hearing for amendment. In addition, we evaluated the 1999-2000 Capital Budget under SEPA, and issued an environmental checklist and determination of non-significance on March 12, 1999. One information inquiry was made, otherwise no comments have been submitted.

No public comments were presented at the public hearing.

The Commission unanimously approved the amendment of the Comprehensive Plan for inclusion of the 1999-2000 Capital Budget.

ADJOURNMENT

President Van Schoorl adjourned the meeting of April 12, 1999 at 7:45 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer