

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

April 22, 2002

CALL TO ORDER

President Van Schoorl called the meeting of April 22, 2002, to order at 6:15 p.m. at the TCTV Studio in Olympia. Commissioners Pottle and Telford were in attendance.

The Commission held an Economic Development Corporation meeting from 5:40 – 6:05 p.m.

Staff in attendance were: Executive Director Nick Handy, Administrative Manager Jeri Sevier, Olympia Regional Airport Manager Doug Sandau, Deputy Director Wendy Holden, Property Development Manager Heber Kennedy, Engineering Director Andrea Fontenot, Facilities Manager Rod Hudson, Swantown Marina and Boatworks Manager Bruce Marshall, Project Coordinator Carola Stark, and Communications Manager Patti Grant.

Public in attendance were as follows. Representing *The Olympian* was reporter Scott Wyland. Representing legal counsel was Mick Phillips. Others in attendance who signed the attendance sheet include: Frank Dare, Jim Smego, Tom Keenan, Meta Heller,

APPROVAL OF AGENDA

The agenda was approved as submitted.

PUBLIC COMMENT

Tom Keenan, Tumwater resident, commented that he attended the last Commission meeting where there were two requests by citizens for public records and a series of questions. Staff at the Port has answered neither of those requests. Mr. Keenan indicated that for there to be a fair hearing, the public needs to have those questions answered. Ms. Wendy Holden indicated that staff has been working on the 50 questions submitted by Ms. Witt and staff intends to have those answers to her later this week.

Mr. Keenan commented that the residents need this information prior to the public hearing to be held in Tumwater. Mr. Keenan indicated he would like for the public hearing to be held in May or June. Commissioner Pottle responded that at the last meeting the Commission decided the next hearing on air service would be held in Tumwater once we have information from Big Sky. A decision from Big Sky has not been made yet and until then we will most likely not be holding a public hearing until we have that decision.

COMMISSIONERS REPORTS

No Commissioner reports were given.

EXECUTIVE DIRECTOR REPORT

Mr. Nick Handy reported on business operations at the Marine Terminal indicating that Plum Creek will be bringing in two log vessels, the Ocean Serene for Emachu has an ETA of April 30th and the Oriente Shine for Nichimen has an ETA of May 6th. He also reported that our new log tenant Formark will bring in their first vessel, the Rubin Stella on May 10th. The UBC Savannah has sailed from Australia and, after making a stop in San Diego, will be discharging bagged garnet at the Port of Olympia around May 7th.

The finer grades of this product are used in water jet cutting. The more course grades are used for surface prep in paint. This product will be stored in the warehouse and trucked out. In addition, Timber West will be barging in 2.0-2.5mmbf dimensional lumber from Vancouver Island around April 26th. This lumber will be shipped out via railcar. We are expecting a very busy next few weeks at the Marine Terminal.

At the Airport, Mr. Handy indicated staff submitted a grant application to the US Dept. of Transportation that will assist in start up costs associated with bringing air service. The grant was for approx. \$500,000. This is a grant to bring funding to underserved communities. Senator Patty Murray is very supportive of the grant and will be sending a letter on our behalf.

The Properties department has leased the warehouse formerly occupied by Richmond Engineering to Cardinal Glass for storage and distribution. Richmond had vacated the premises early and all parties were attempting to attract another lessee. Recofor, a company that recycles wood from the stumps of trees has leased 1,600 square feet in Warehouse 2. They will be using the warehouse to store their sawed inventory. The main use of the company's wood is in furniture.

Mr. Handy reported that Solid Wood, our tenant on the west bay side, has been hit with a number of setbacks this year including a very difficult wood products market and is entering a month-to-month agreement with the Port for the current period.

Mr. Handy announced the annual Boatswap and Chowder Challenge is scheduled for May 18th and will be held at the Swantown Marina. He also noted the Port hosted presentation of national award to Gov. Locke (4/15) from the Council of State Governments for "Community Jobs," an employment program that provides training and paid work experience for hard-to-employ welfare recipients. Beau Casebier from the Swantown Boatworks was a featured speaker and shared his story.

Mr. Handy also indicated that staff was very saddened to learn of the passing of former Port Commissioner Ray Dinsmore. Ray was great advocate for the Port of Olympia, a strong supporter for the Swantown Marina, Marine Terminal and Airport. Mr. Handy commented that he would like to acknowledge his passing. He never really left the Port and will always be remembered for his advocacy.

CONSENT CALENDAR

The Consent Calendar was unanimously approved as follows.

Minutes. The minutes from the April 8, 2002 meeting was unanimously approved as revised. Commissioner Telford asked for a change to the minutes to clarify a statement made by Ms. Wendy Holden regarding a subsidy of the travel bank. The revised minutes indicate the travel bank is not a subsidy of the Port as referred to by a member of the public.

Bills and Vouchers. The bills and vouchers for the period ending April 22, 2002 in the amount of \$433,444.07. The Warrants Issued: 024792, 024793-024837, 024838,024839-024845, 024846-024848, 024856-024860, 024861-024915, 024916-024924, 024925-024927, 024928,024929-024952, 024953-024954, 024955-024964, 024966-024969,024970-025029,025030-025032, 025033-025037, and 025038-025043. Voided Warrants: 020220, 020628, 021734, 021948, 024687, 024725, 024741, 024849-024855, 024934, and 024965.

Capital Project Expenditures. The Commission unanimously approved the payment to Commercial Industrial Roofing for the Warehouse A Re-Roof project in the amount of \$71,070.00.

Lease Amendment: BT-OH LLC. The lease amendment reflects exercise of Option #3 by BT-OH LLC taking the term from June 1, 2002 to March 31, 2007, along with a monthly rent adjustment for the next five years. This tenant has two remaining options of 5-years each. The Commission unanimously ratified

the lease amendment.

ADVISORY CALENDAR

Port Plaza Bid Approval

Ms. Andrea Fontenot reported that staff opened the bid results at 2:00 for the Port Plaza landscape improvements project. Seven bids were received. Ms. Fontenot indicated the low bidder was W.E. & B Limited in the amount of \$692,784.63. The budget approved for this project was for \$750,000. The bid package also included additive alternates. The staff is recommending the Commission not grant additive alternates for 10 and 12. The staff recommendation is for the Commission to award the contract to the lowest responsive bidder less the amounts for 10 and 12 for a total of \$641,484.63.

Mr. Rod Hudson indicated that the W.E. & B. Limited has done work for the Port in the past and just completed the Market Street parking lot. The Port staff has been happy with the contractor work and feel comfortable working with them on the Port Plaza project. Mr. Rod Hudson indicated this is a pretty average size project for this company.

Ms. Andrea Fontenot walked the Commission through the bid package including the additive alternates. The base bid submitted by the low bidder was \$519,048.00. Additive alternate 1 and 2 are for unit pavers, alternate 3 is for a color admixture, alternative 4 for electrical improvements, alternative 5 for benches, alternative 6 for sawn boulders, alternative 7 for value added stones, alternative 8 for two water basins, alternative 9 for seat columns, alternative 11 installation of the anchors, and alternative 13 for fiber reinforces soil. The staff is recommending that alternative 10 for theatre steps and alternative 12 for one-year maintenance not be awarded.

The Commission reviewed the bid results with staff as compared with the engineers estimate. Commissioner Telford asked what the plan for maintenance was. Mr. Handy responded that the Port staff would maintain the site as they are currently doing. The Port is in discussions with the City of Olympia to contract with us on the maintenance. The staff estimates the annual maintenance to be around \$20,000 per year.

Commissioner Pottle moved the motion to approve the staff recommendation Commissioner Van Schoorl seconded the motion. Commissioner Telford indicated he would abstain from voting on this motion. He commented that he would be a broken record if he used the words irresponsible and frivolous again.

Public Comment:

Frank Dare, Thurston County resident, commented that he agrees with Commissioner Telford that the Port Plaza is a frivolous expense. Mr. Dare asked why the Port ordered sandstone from Pierce County when it is available from Tenino. Mr. Dare also commented that he was not sure the pavers are the best choice because of the safety factor. Mr. Bob Droll, the landscape architect, commented that he investigated the Tenino sandstone for this project and there are varying degrees and standards of sandstone, the product from Tenino did not meet those standards. Mr. Droll responded that the pavers are made in Thurston County and meet ADA standards. Commissioner Pottle asked if the other products to be used on the project be from Thurston County? Mr. Droll responded that many of the products are made locally. The concrete will be from a Thurston County company, however the finishing work would be performed by a company from Tacoma.

Meta Heller, Tumwater resident, commented that she does not feel this is a frivolous project at all and that the Port should be helping the citizens of this county have a good public projects of this nature and she sees this project as doing that.

John Brecheen, a retired, 28-year homeowner in Thurston County, commented that he attended a

previous Commission meeting and expressed his concerns that the raising of the totem pole at the Port Plaza is inappropriate due to the background of the carver of the pole. Mr. Brecheen noted that the erecting of the pole at the Plaza would cause his family much pain and would not be able to visit that site forever more. He would also not be able to visit the farmers market or visit Anthony's anymore if the Pole was put up at the Plaza. Mr. Brecheen suggested the pole be traded to the Squaxin tribe for another pole. That particular pole that was created by the man that assisted in the murder of a local woman. Mr. Brecheen said when he sees that pole, he sees evil and encouraged the Commission to do something different than put up that pole.

Commissioner Van Schoorl thanked Mr. Brecheen for his comments and indicated empathy with his concerns. Commissioner Telford indicated that he personally knows Mr. Brecheen and also knew the woman's family. Commissioner Telford said this is very troubling and would like to see the plaque that is planned for this pole. Since this is an emotional concern relating to this man, Commissioner Telford suggested the plaque not honor the carver.

Commissioner Pottle indicated he listened very hard at the last meeting Mr. Brecheen attended. Commissioner Pottle commented that he reviewed the newspaper articles submitted with great interest to understand what happened and noted that he has great empathy for what Mr. Brecheen is talking about.

The staff recommendation to approve the Port Plaza bid to the lowest bidder, W.E. & B Limited less the amounts for alternatives 10 and 12 for a total of \$641,484.63 was unanimously approved by Commissioners Van Schoorl and Pottle. Commissioner Telford abstained from the vote.

Pipeline Easement Approval

Mr. Heber Kennedy indicated staff is recommending the approval of a pipeline easement. The Port acquired a number of parcels south of the airport several years ago for airport protection. He noted that an existing natural gas transmission pipeline crosses several of the acquired parcels along 93rd St.

Mr. Kennedy reported that the Williams Company, owner of the pipeline, has contracted to provide a new pipeline to the Duke Energy project at Satsop. The plans call for a new 20" gas line to be installed in the same corridor as the existing 10" pipeline. The two lines however, will maintain a 20' separation and that will require additional right-of-way. The Williams Company proposes acquisition of an expanded easement across Port property to install and operate the additional pipeline. The Williams Company is proposing to pay the Port \$42,460 as consideration for temporary working space, sale of some timber and the installation and operation of the pipeline.

The Commission unanimously approved the pipeline easement

Tumwater Towne Center Funding Request

President Van Schoorl indicated that earlier the Port Economic Development Corporation discussed the funding of this project and decided this was more appropriately a Port expense. Mr. Nick Handy indicated the City of Tumwater invited the Port to share-cost a consultant study on development of the Tumwater Towne Center. Mr. Handy reported the City's request is based upon the fact that the Port owns much of the land to be developed for the Tumwater Towne Center and the City and Port have partnered on master planning in the past on this project.

Mr. Handy reported the City of Tumwater's original proposed study would propose design features for street cross sections, create some planned and future visual images of the Towne Center, and develop models for internal street circulation.

Port staff presented this request to the Port Commission at the Commission's March 25, 2002 meeting. At that meeting, the Commission requested staff to explore with City of Tumwater a possible expansion of the study to also include planning for stormwater and a possible parking structure.

Mr. Heber Kennedy has participated in discussions with City of Tumwater on this. Mr. Handy reported that as a result, Port staff now recommends the Port offer to City of Tumwater the following \$15,000 funding match. This amount could be designated for the following work or be modified as necessary to achieve these objectives. \$4,000 for research on a parking structure, \$5,000 for research on stormwater management plans and \$6,000 for street design features, street circulation, and visual images. Mr. Kennedy explained that the visual images would be architectural renditions of the street layout.

Commissioner Telford commented that he has a problem with including visual images in the planning and asked where in this budget Kennedy indicated this would be paid. Mr. Kennedy responded, the funding would come from the outside professional services line item in the properties department budget.

Commissioner Pottle indicated that this request is for staff to continue discussions with the City of Tumwater on this project. This is property owned by the Port of Olympia and his concern is that the City of Tumwater has the ultimate say over what happens. The Port really does not have any final say; therefore, he would not be supportive of giving \$15,000 until we have a commitment from the City of Tumwater. Mr. Handy noted that if we were a partner in this project, we would have a much stronger and active voice in the development of features in this area.

Commissioner Van Schoorl indicated would much rather be at the table during development rather than coming in after the decision has been made. The place to be a partner is when the study and recommendations are developed. Commissioner Pottle indicated he is not concerned about being a part of the process, but what happens after the process that is concerning to him.

Commissioner Telford indicated he sees a benefit to the study for the parking and stormwater, but do not see the benefits to spend money on visual images. Commissioner Van Schoorl indicated that had we done some traffic circulation studies in this area earlier, we might not have approved some of the current structures in the current locations that we did. Commissioner Van Schoorl said there needs to be some traffic planning and street drawings therefore he is supportive of the funding for the street design and circulation planning.

Mr. Handy indicated he understands the Commission's concerns and there seems to be support for Port money to pay for parking, stormwater, and traffic circulation issues. However, if visual images are desired, the City of Tumwater can pay for that portion. The Commission confirmed his understanding and authorized staff to expend up to \$15,000 on this shared cost consultant study with the City of Tumwater on the development of the Tumwater Towne Center with Port funds to be used to address stormwater, traffic circulation and parking issues.

Swantown Marina Advisory

Bruce Marshall, Harbor Manager, gave the Commission an overview of Swantown Marina operations, trends, and future plans.

Boatswap and Chowder Challenge Advisory

Carola Stark, project coordinator, presented an overview of the 6th annual Swantown Boatswap & Chowder Challenge. The PowerPoint presentation included highlights for the 2002 event including the event schedule, chowder challenge restaurant participation, highlights of Boatswap, both private and commercial vendors, and plans for event promotion. This year's event will be held Saturday, May 18 at the Swantown Marina.

ADJOURNMENT

President Van Schoorl adjourned the meeting of April 22, 2002 at 7:50 p.m. He announced the next meeting would be held at the TCTV Studio on May 13, 2002.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer