

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

August 14, 2000

CALL TO ORDER

President Dickison called the meeting of August 14, 2000, to order at 5:33 p.m. at the Port of Olympia, Large Conference room. Commissioners Pottle and Van Schoorl were in attendance.

Staff in attendance were: Deputy Director Wendy Holden, Administrative Manager Jeri Sevier, Marketing and Property Development Director Kari Qvigstad, Property Development Manager Heber Kennedy, Swantown Boatworks and Marina Manager Bruce Marshall, Swantown Marina Supervisor Cheryl Maynard, Airport Supervisor Tim Lael, Cascade Pole Site Manager Don Bache, Facilities Project Engineer Rod Hudson, and Finance and Information Services Director George Fox.

Members of the public in attendance included Sandy Mackie, the Port's legal counsel; Richard Korn, Olympia; Teri Thorning and Brian Reynolds, representing the Olympic Flight Museum; Lon Wyrick, Olympia, representing TRPC; Chris Lane, Olympia; and David Cook, Atlanta, GA.

APPROVAL OF AGENDA

The agenda was approved with changes. The changes included adding a discussion regarding the education foundation under other business.

PUBLIC COMMENT

No public comment was given.

COMMISSIONERS REPORTS

Commissioner Van Schoorl reported on the Regional Planning meeting where they discussed project-funding sources for transportation needs. He indicated there was discussion at the meeting for putting this item on the ballot in November, however after concerns were discussed, they decided not to move forward with the ballot measure.

President Dickison commented that he saw a letter from the TRPC to the PDC and the nature of the letter from TRPC was on transportation funding the potential for a ballot item. They were requesting advice to proceed, however, the letter was identical to the letter submitted by IT who was later prosecuted by the PDC for doing what they advised them to do. Furthermore, President Dickison indicated that he had a concern about the process and suggests they seek independent legal advice on this subject. Commissioner Van Schoorl said he had also seen the letter and had some concerns on with the public hearings process.

Commissioner Van Schoorl also reported that the TRPC has requested funding from the Port for a study on the Intelligent Transportation system and in order to be eligible for the full grant, they must fund a study for \$125,000. The Port is being asked to assist in the funding; Commissioner Van Schoorl felt that as a member of the planning council that we should participate.

Commissioner Pottle asked what another study was going to do and he wanted to understand how it would get them future funding. Commissioner Van Schoorl introduced Lon Wyrick, the Executive Director for the Thurston Regional Planning Council (TRPC). Mr. Wyrick indicated the study would be the first phase architecture plan for the fast track signals and would identify the needs for the future. The grant is for \$750,000 and possible funding up to \$1 million.

Commissioner Van Schoorl noted that this expenditure falls within the Executive Director's spending authority and requested the Commission ask the Executive Director to work with TRPC on the Port's share of the funding. The Commission agreed, however, President Dickison requested we continue to advocate for the relevance of moving cargo in the transportation plan.

President Dickison reported he has been attending a flurry of meetings surrounding the Cascade Pole site and are currently scheduling a meeting with officials from Ecology, U. S. Fish and Wildlife, and National Marine to discuss the permitting at the site. If we are not successful at obtaining permits in the next two or so months, the timing will push the schedule of the remediation to another year.

CONSENT CALENDAR

Minutes. The minutes from July 24, 2000 were unanimously approved as submitted.

Bills and Vouchers. The bills and vouchers for the period ending August 28, 2000 were approved in the amount of \$365,820.58. General Fund Warrants Issued: 019011-019049, 019055-019099, 019103-019148, 019157, and 019195. Capital Fund Warrants Issued: 019050-019053, 019149, 019196-019197. Airport Fund Warrants Issued: 019010, 019100, 019150-019151, and 019154. GO 1998-A Fund Warrants Issued: 019198. LTGO 1998-B Fund Warrants Issued: 019054, 019199. Environmental Fund Warrants Issued: 019101, 019153, 019155-019156, and 019200-019216. Voided Warrants: 017814, 019082, 019102, 019152, and 019175.

Capital Project Expenditure Listing. The Capital Project expenditure for the Cascade Pole Sediment Containment Cell to Wilder Construction was unanimously approved in the amount of \$31, 200.00.

ACTION CALENDAR

Lease Assignment – Glacier Jet Center

Mr. Heber Kennedy submitted an assignment of lease for Glacier Jet Center, Inc. who has acquired a hangar from ProAir Aviation. The lease must be assigned to Glacier Jet to transfer responsibility for the airport ground lease from ProAir to Glacier Jet Center, Inc. The Commission unanimously ratified the assignment of lease to Glacier.

Commissioner Van Schoorl proposed that basic lease adjustments be moved to the consent calendar and only substantial leases come before the Commission as an action item. The Commission unanimously agreed to move basic leases to the consent calendar.

Office Building RFP Extension

Mr. Heber Kennedy reported that on May 8, 2000 the Port Commission selected the Rant's Group Team as the preferred candidate and the Committee was authorized to enter negotiations for an option to lease, a lease, and a parking agreement for the retail/office development. Under the terms of the RFP issued by the Port, if the preferred candidate and the Port cannot agree on lease terms and conditions within 90 days of preferred candidate's selection, the Port retains the option of selecting an alternate candidate.

The negotiations have involved three separate but related documents. Mr. Kennedy indicated that the negotiations have been orderly, however, the Rants Group Team feels they need additional time to perform additional building cost and leasing analysis. Consequently, we are recommending an extension of the negotiation period.

Commissioner Van Schoorl indicated that as a member of the Office Team Committee, the team has been moving forward rapidly and supports the extension.

Mr. Richard Korn expressed some concerns about the public bidding process on the construction of the office building. He asked the Commission to consider including bidder language in the process. Mr. Korn said he would like to see the community benefit from the project and for the builder to use prevailing wages. Mr. Korn indicated that previous projects by this developer have not been reputable contractors.

President Dickison asked legal counsel what our requirements for a lease would be in this instance. Legal Counsel Sandy Mackie responded that the lease language could include provisions, but the Port is not required to. Mr. Kennedy indicated the Rants Team will be using a design and build contractor.

The Commission unanimously approved the request for extension of the negotiation time period to the Randts Group for an additional 30 days from the date of this meeting.

Port Plaza Policy Adoption

Ms. Cheryl Maynard presented the Commission with the Port Plaza Policies and Procedures for consideration of adoption. Ms. Maynard indicated the policies have been presented to the PAC and Commission for feedback throughout the spring of this year. Staff has incorporated many of those suggested changes as a result.

Commissioner Van Schoorl expressed his concern with the restricted activities, which restricts bicycles on the Plaza. He indicated he felt that would discourage families from riding their bikes down on the waterfront. Ms. Maynard commented that the committee felt that bicycles and skateboarders add liability and destruction to the Plaza. Commissioner Van Schoorl indicated that he would like to see roller-bladders added to the list, but to change the wording for families on bicycles.

Commissioner Pottle questioned the procedures 4.k and 5.c regarding the appeal process if we decline an applicant. He felt that this procedure was exorbitant for the Port to acquire attorney fees for a \$100 minimum fee. Ms. Maynard indicated this was a safeguard to legally review whether the process was followed correctly. Legal Counsel Sandy Mackie advised staff that it would be appropriate to put down the deputy director for the appeal process.

Commissioner Pottle also had a concern on the use fee. Ms. Maynard indicated the committee looked at similar space rentals and we are recommending the going rate for this type of facility. DNR requires we obtain market rate for the space rental as they get 85 percent of the fees.

Commissioner Van Schoorl motioned this item be tabled until the next meeting. This would give the attorney a chance to review the policy prior to approval. President Dickison also requested that an internal process be established to evaluate new policies after one year. The Commission agreed to table this discussion to the next meeting.

CEA Approval – Hangar “E” Repair

Ms. Wendy Holden gave a brief overview of the project indicating the project is among the projects identified in the Ports 6 year capital plan. For the last two years, this repair item has been deferred to make way for more urgent projects, with the understanding that given the condition of the roof its status would be elevated to priority (A) for year 2001. Unfortunately, events have accelerated that time table to where it now requires immediate attention with completion prior to the on-set of winter 2000.

Mr. Brian Reynolds commented that the leaky roofs are causing corrosion and damaging the airplanes. Mr. Reynolds encouraged the Commission to approve the request. The Commission unanimously approved the CEA in the amount of \$132,000 for the immediate repair of Hangar “E” roof.

ADVISORY CALENDAR

Olympic Flight Museum Advisory

Mr. Brian Reynolds indicated that the Olympic Flight Museum started as a historical program to preserve the historical planes. However, the growth and activity in the past two years has been overwhelming. The first year the museum was open they had around 6,000 visitors, the second year was over 20,000. Mr. Reynolds reported that the Fly-In held in June attracted over 5,000 people. Mr. Reynolds indicated that he has future plans to build a much larger museum at the airport and discussed the preservation of the old runway for historical purposes.

Commissioner Pottle asked Mr. Reynolds what publicity The Olympian provided for the Fly-In. Mr. Reynolds responded that they did not provide any before the event, but after the event there was an article regarding Father’s Day that included the Fly-In. Commissioner Pottle asked if the Air Show and the Fly-In were both needed. Mr. Reynolds indicated that the Air Show was geared toward entertainment and the Fly-In was educational and historical. He felt that we needed both, however, the Air Show Committee has determined they will not be putting on future Air Shows.

President Dickison indicated the Port is interested in promoting the airport and would like to explore future opportunities to jointly promote activities sponsored by the Museum. Mr. Reynolds indicated they are planning a one-day event for September 30 called “Wings Over Olympia.” President Dickison asked Ms. Kari Qvigstad to be creative in finding funding to help with the September event in marketing and promoting.

Teri Thorning, the director of the Olympic Flight Museum, gave some statistics regarding the increase in attendance over the past two years, the Fly-In participation, the use of the Museum for hosting events and parties, and the number of volunteers for the Museum. President Dickison indicated the Port was very pleased to have the Museum as a tenant and

the potential partners in marketing activities to benefit both parties.

Warehouse Lease Advisory – All Temperature Control

Mr. Kennedy advised the Commission of a lease he has been negotiating with All Temperature Control for 30,000 square feet within Warehouse 2. The lease term will be for ten years with the rent being adjusted every year by the change in the CPI. All Temperature Control is a manufacturer of commercial and residential structural wall panels. The company is headquartered out of state and the lease was not back in time to present to the Commission for ratification at this meeting. All Temperature has manufacturing equipment in transit and will need occupancy prior to the next scheduled Commission meeting. Mr. Kennedy indicated that this is an advisory that beneficial occupancy will occur prior to presenting the lease to the Commission for ratification. The Commission approved early occupancy and advised staff to move forward.

Marina Environmental Policies Advisory

Mr. Bruce Marshall indicated that staff was directed to develop environmental policies specifically designed to address issues associated with Swantown Marina's live aboard population. Mr. Marshall presented a draft of water quality plans for all tenants, an authorization form and application process for people to live aboard vessels, and new Best Management Practices (BMP'S) for the Marina.

Mr. Marshall indicated that these policies and procedures, when implemented, will assist both Marina tenants and the Port in assessing compliance with water quality laws and regulations, particularly the prohibition against the discharge of raw sewage into the water. He reported that currently the Marina has 77 live a boards, some have toilets and some do not.

Commissioner Van Schoorl said he would like to see the policies softened and less regulatory. He indicated the language could be changed to be the "right thing to do" and to provide incentives to make people comply. He said he liked the BMP and would be interested in making that a brochure that could be distributed throughout the Puget Sound.

Commissioner Pottle commented that the policies are for the betterment of the community. He concurs on the approach and strategy, but bottom line is they need to comply.

The Commission asked staff to soften the approach and bring it back for further review.

Education Foundation

President Dickison reported that the WPPA is asking Ports to participate in initial funding for an Educational Foundation. He indicated that this was a good idea and program and would like to support it. The Commissioners also discussed some other funding expenditure and advised staff to hold an EDC meeting prior to the next Commission meeting to approve these funding requests. The other requests include a VCB Study and the Yelm Industrial Park Study.

ADJOURNMENT

President Dickison adjourned the meeting of August 14, 2000 at 7:15 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer