

PORT OF OLYMPIA COMMISSION  
MINUTES OF REGULAR MEETING

October 9, 2000

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**CALL TO ORDER**

President Dickison called the meeting of October 9, 2000, to order at 5:30 p.m. at the Port of Olympia, Large Conference room. Commissioner Pottle participated in the meeting via telephone. Commissioner Van Schoorl was out of town.

Staff in attendance were: Executive Director Nick Handy, Administrative Manager Jeri Sevier, Engineering and Planning Director Andrea Fontenot, Deputy Director Wendy Holden, Swantown Marina and Boatworks Manager Bruce Marshall, and Finance and Information Services Director George Fox.

Members of the public in attendance included Sandy Mackie, the Port's legal counsel; Rich and Alayne Goodhart, tenants at the Swantown Marina; and Scott Wyland, representing *The Olympian*.

**APPROVAL OF AGENDA**

The agenda was approved as submitted.

**PUBLIC COMMENT**

No public comment was given.

**COMMISSIONERS REPORTS**

President Dickison reported he recently attended the Tribal Port Meeting but will defer a full report until the next meeting when all Commissioners are present. However, he reported the meeting went very well and a written report will be available in a few weeks to circulate.

**CONSENT CALENDAR**

**Minutes.** The minutes from September 25, 2000 were approved as submitted by the recommendation of Commissioner Pottle who was in attendance at that meeting. President Dickison was not in attendance.

**ACTION CALENDAR**

**Center Street and 78<sup>th</sup> Improvements Approval to Bid**

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Ms. Andrea Fontenot presented the Commission with a request for approval to go to bid on the Center Street and 78<sup>th</sup> Street improvements. She indicated the Port committed to make the Cardinal Glass frontage improvements along Center Street as part of bringing Cardinal to Tumwater. This includes sidewalks, stormwater, curbs, street trees, and lights. The original budget estimate was \$50,000. The current engineer's estimate is \$78,634.

In addition a 130' extension of sewer along 78<sup>th</sup> street (in front of Snacktime Foods lease parcel) is needed to bring sewer to the Airdustrial Mini Storage lease line. Sewer extends only partially along the Snacktime Foods lease line, which was not uncommon before the Port and City enacted requirements for full frontage of lease parcels. If within reason, the Port's leasing policy is to bring utilities to a lease line if the utilities fall short. Lee Ingram plans to build the final storage building, that has already been approved by the City and the Port, and install a small office and restroom. A sewer connection will be required. Mr. Ingram will pick up the sewer at the boundary between his parcel and Snacktime foods, and extend it along his frontage. This project is estimated at \$16,309.93.

The Commission exchanged questions with Ms. Fontenot regarding the timing and priority of these projects. Ms.

Fontenot explained these projects are need due to the current leases presuming these sites as fully serviced sites at the time of lease and the lease gave the Port a period of time to get the work done.

The Commission unanimously approved the request for approval to go to bid on the Center Street improvements and on the 78<sup>th</sup> Street improvements by separate motion, as the requests were separate CEA's.

### **Warehouse 2 Roof Bid Approval**

Ms. Andrea Fontenot presented the Commission with three bids received for the Roof Replacement for the northwest addition of Warehouse 2, Contract #270. Ms. Fontenot indicated the low bid was from Access Services, Inc. in the amount of \$156,421. However, Access Services, Inc. submitted a proposal that was not signed and is therefore a non-responsive bid. Staff did receive advice from legal counsel on this process. Therefore, Ms. Fontenot recommended the Commission approve the bid award to the second lowest bid submitted by Pacific Rim Roofing, in the amount of \$184,333.60. Ms. Fontenot indicated the engineer's estimate was for \$186,879.

Commissioner Pottle asked for legal counsel to provide guidance on this issue. Mr. Sandy Mackie indicated that failure to sign a bid is a material defect and is not considered an insignificant omission, therefore the Commission cannot accept the bid. Commissioner Pottle indicated his frustration with the \$30,000 difference because the bidder neglected to sign the document.

Both President Dickison and Commissioner Pottle were compelled by Sandy Mackie's opinion and proceeded with the course of action to review the second lowest bid and since it was still within the engineer's estimate, they were comfortable with the process. The Commission unanimously approved the bid award to Pacific Rim Roofing in the amount of \$199,080.29 including tax.

### **New Lease – Citifor, Inc.**

Ms. Wendy Holden presented the Commission with a lease for Citifor, Inc. Ms. Holden indicated that Citifor is a long term cargo yard customer with over 12 years of operations at the Port. She reported that under the terms of this lease, Citifor will continue to provide log and truck scales, a debarker, and easy lift to the Port and Port customers at published tariff rates. A four acre lease in the cargo yard for log sorting and export activity, with minimum cross dock export requirements, completes the lease. The lease term is August 1, 2000 through September 30, 2001.

President Dickison indicated the lease in the packet did not include the written changes that were indicated on the original be signed and wanted to review those changes. He summarized the edits to include the rent change from \$3,600 to \$3,510, the calendar year was changed to lease year, and page 3 second and third sentences of second paragraph under Other Services was striked. Ms. Holden explained that the rent decrease was due to a rate reduction in ¼ acre of unpaved cargo yard. The Commission unanimously ratified the lease with Citifor, Inc. with changes indicated.

### **Marina Environmental Policies Adoption**

Mr. Bruce Marshall presented the Commission with a report and recommendations on the Swantown Marina Environmental Compliance-Sewage Discharge. He 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. The recommendations are for the Port to pay for contract services for sewage pump out services for live aboard tenants.

The Commission asked Mr. and Mrs. Goodhart to comment on the staff report and recommendations. Mr. Goodhart indicated he was supportive of the recommendations and commended the Port for taking a step in this direction. Mr. Goodhart indicated he would like to see the Port go a step farther and seal valves or seats if a tenant choses not to use the contracted services. The sealed valves would be subject to inspections. He also said he would like to see this policy expanded to the whole Marina and not just the live aboards.

President Dickison asked staff if they have briefed Commissioner Van Schoorl on this issue, since he was not at this meeting and did have concerns about this policy the last time it was presented. Mr. Marshall indicated he provided Commissioner Van Schoorl with a new draft of the policy and has not heard any comments back from him.

The Commissioners indicated staff was asking them to approve a policy, but what was being presented did not look like a policy. Mr. Marshall indicated this report and recommendation would require the live aboards to have an approved

marine toilet, requirement that would be enforced by the Port.

After further discussion on this issue, President Dickison asked staff to bring this issue back to the next meeting for approval when all three Commissioners would be present. President Dickison also asked staff to think about what was discussed and consider the seal option and for staff to bring more financial details with recommendations on the cost of implementation of this program.

## **ADVISORY CALENDAR**

### **2001 Operating and Capital Budget Advisory**

Mr. George Fox presented the Commission with the 2001 Operating and Maintenance, Environmental Remediation, and Capital budgets for consideration. Mr. Fox indicated the staff would bring the final budget to the Commission for a public hearing and approval at the November 27, 2000 Commission meeting. In addition, the budget will be presented at the first November Commission meeting to allow full discussion before final adoption.

Mr. Fox summarized the proposed budget indicating the focus was increased on maintaining the Port's asset base to position the Port for future business opportunities in all of its lines of business. Mr. Fox summarized each of the Port's four lines of business indicating all are budgeting positive cash flows from operations. He indicated the marine terminal is projecting operating costs to increase 24 percent over 2000 budgeted levels. The property operations is projecting increased revenues of 7.4 percent and the marina is projecting increased revenues of 10 percent. The airport is projecting a year-over-year revenue increase of 10 percent. Mr. Fox indicated that with the increases in revenues, in most cases the operation costs are also expected to increase.

### **West Bay Process Advisory**

Mr. Nick Handy provided the Commission with a report on the progress of the West Bay Planning Committee. The purpose of this briefing was to prepare the Commission for the October 17, 2000 joint meeting with the Olympia City Council on this topic.

Mr. Handy indicated he has been representing the Port on the West Bay Drive Stakeholders Committee every Wednesday night from 6-9 p.m. He described the process and the different options being considered.

President Dickison indicated the Port's position has been consistent, however he was concerned that this process has become disjointed, not because of our participation, but because the public hearing workshops held by the consultant are putting out alternatives to the public that have not been recommended, nor are viable options, by the stakeholders group. He indicated he was concerned that we are going down a track without consideration of constraints on the properties.

Mr. Handy reported that some members of the committee felt all the alternatives were not viable and to those members created a false sense of opportunity at a public hearing. Commissioner Pottle responded that we need to have a process and a plan where there are multiple uses that all work together. Mr. Handy reported that he sees the committee's recommendations heading toward a mixed use that would include industrial and public spaces.

## **ADJOURNMENT**

President Dickison adjourned the meeting of October 9, 2000 at 7:25 p.m.

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President

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Vice President

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Secretary-Treasurer