

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

October 11, 1999

CALL TO ORDER

President Van Schoorl called the meeting of October 11, 1999, to order at 6:35 p.m. at the Port of Olympia large conference room. Commissioners Pottle and Dickison were in attendance.

Staff in attendance were: Executive Director Nick Handy, Deputy Director Wendy Holden, Executive Assistant Jeri Sevier, Director of Finance George Fox, Director of Engineering and Planning Andrea Fontenot, Swantown Marina and Boatworks Manager Bruce Marshall, Marketing Director Kari Qvigstad, and Property Development Manager Heber Kennedy.

Members of the public in attendance included Bud Gallup, Vancouver; Randy Rappe, Olympia; Jerry Baruffi, West Bay Marina; Neil Falkenburg, West Bay Marina; Ed Norgard, Vancouver; Byron Hanke, Vancouver; Chris Lane, Olympia; Jay Eaton representing the City of Tumwater; Joel Coffidis representing *The Olympian*; and Port's legal council Sandy Mackie.

APPROVAL OF AGENDA

The agenda was approved as submitted.

PUBLIC COMMENT

Mr. Jerry Barruffi representing West Bay Marina indicated to the Commission his concern of the timing of the marina rates if Initiative 695 passes. The time frame the Port has outlined would eliminate changing the rates in January if the initiative were to pass. Commissioner Van Schoorl responded that the timing has been considered and should the initiative pass, the timeline to review the rates will be accelerated. Mr. Nick Handy also noted that the Marina tenants have been advised that there is a plan A and plan B if the initiative passes. Ms. Wendy Holden said that at the last Commission meeting the schedule of the marina rate study that was distributed indicated the acceleration schedule if the initiative were to pass.

Mr. Barruffi asked if the boatworks rates would change. Ms. Holden indicated that if Initiative 695 passes, all businesses of the Port would be reviewing rates.

Mr. Neil Falkenburg commented that fall and winter are the times when all marinas review rates. If the Port uses the rates they have currently studied, the rates may be different at time of implementation. Mr. Falkenburg asked the Commission to re-look at rates again before making a decision to take into account an increase in rates in the area this fall. Commissioner Van Schoorl indicated we could re-look at the local rates, but would not have the time to review all rates in Puget Sound again.

COMMISSIONERS REPORTS

President Van Schoorl indicated the Thurston Regional Planning Committee would be holding a transportation funding forum on the evening of October 21 at 6:30 p.m. at the Lacey Community Center. Commissioner Pottle agreed to attend and represent the Commission.

CONSENT CALENDAR

Minutes. The Commission approved the minutes of September 27, 1999. Commissioner Dickison was not in attendance at the September 27 meeting and did not participate in the approval of the minutes.

Capital Project Expenditures. The Commission unanimously approved the Capital Project Expenditures for the week

ending October 15, 1999 in the amount of \$228,100.27.

ACTION CALENDAR

Lease Assignment - Olympic Flight Museum

Mr. Heber Kennedy presented the Commission with a lease assignment that changes the name of the lease from Northwest Helicopter to Olympic Flight Museum. This is no change in liability, all parties remain liable for the terms of the lease. The reason this assignment is taking place is so that the nonprofit status of the Olympic Flight Museum will be recognized by the Department of Revenue as exempt when it pertains to personal property taxes and leasehold taxes.

Mr. Kennedy noted that we will be asking for a refund from the Department of Revenue as well as reimburse the tenant for the leasehold taxes paid during 1999. The Commission unanimously ratified the lease assignment with Olympic Flight Museum.

ADVISORY CALENDAR

Launch Ramp Use by Commercial Haulers

Mr. Bruce Marshall presented to the Commission a series of slides showing the damage to the ramp from the launching of large commercial boats at the Swantown Marina launch ramp. Mr. Marshall also indicated the Commission approved the staff recommendation to restrict the use of the public launch to commercial heavy boat hauling operations at the July 12, 1999 meeting. The Commission approved the request and authorized a substantial discount to commercial haulers for using the Swantown Boatworks facility for the launching and hauling of larger vessels.

President Van Schoorl asked if one of the problems of letting the commercial haulers use the public launch was because of the inability to collect launch fees. Mr. Marshall responded that we do not have the staff to monitor the launch, and therefore, do not collect for approximately half of the commercial launches. The use of the travelift assures that everyone pays, besides the facility is designed to handle the large boats. President Van Schoorl asked what the cost difference is. Mr. Marshall responded that it was \$25.00 to launch at the public launch, and it is \$150.00 to haul in and out at the boatworks.

Mr. Byron Hanke indicated he was here as a private boat owner and introduced Mr. Bud Gallup and Mr. Ed Norgard who were also in attendance to speak on behalf of launch ramp use.

Mr. Bud Gallup spoke on behalf of the three gentlemen. He indicated they want to use the facilities at the Port of Olympia, but to raise the rates to \$150 is excessive charges. Mr. Gallup expressed his appreciation to Mr. Handy for extending the \$25 rates through the end of October to all contracts currently underway to be completed. He indicated that they look to the Port as a Portal to Puget Sound and own a private, recreational boat, not commercial. Mr. Gallup said they hire a commercial hauler to transport the boat from Vancouver to Olympia for safety reasons and the amount of time it takes to launch a boat is less than a private boat owner in control of both the truck and trailer and boat.

Mr. Gallup indicated they are not arguing the \$25 fee. To raise the rates to \$150 will cost more and allow fewer people to come up to use this facility. While they are using the Swantown facilities, they are also bringing business to local businesses such as the market, restaurants, and stores in the area. Mr. Norgard said they went over to the Marina before the meeting to look at any deterioration to the facility and ramp from the large trucks and could not identify any damage. He indicated that his truck actually has less weight per axle than a regular pickup because the weight is distributed equally over all axles.

Mr. Hanke thanked the Commission for allowing them to come and asked the Commission to consider their presentation. He indicated they are pleasure boaters, not commercial and do not contribute to additional wear and tear any more than another private boat owner. Mr. Hanke asked the Commission to reconsider the use of the public launch for large boats and reinstate the \$25 fee. They said they were very uncomfortable using the boatworks and to have their boat lifted up in a sling each time they were to launch or remove their boat from Puget Sound waters. Mr. Hanke also asked if the Port could reconfigure the entry and exit into the public launch to ensure safety.

Commissioner Dickison asked Mr. Norgard how many hauls he made a year to the Swantown Marina. Mr. Norgard replied he would estimate 60 to 70 per year. Commissioner Dickison asked if Mr. Norgard could estimate how many other haulers are using the Marina. Mr. Norgard replied that he has approximately 95 percent of the market.

Commissioner Pottle asked Mr. Norgard what the cost is from Portland to Olympia round trip. Mr. Norgard replied it averages to around \$1,600 round trip. Commissioner Pottle asked how much more a round trip would be if he were to have to go up to Tacoma or Seattle to launch. Mr. Norgard indicated it would be approximately \$200 more.

President Van Schoorl thanked Mr. Gallup, Mr. Hanke, and Mr. Norgard for coming up to Olympia to express their concerns. President Van Schoorl indicated they would be discussing the issue with staff and would keep them advised of any decisions made.

Tumwater Transportation Plan - City of Tumwater

Mr. Jay Eaton from the City of Tumwater gave a presentation to the Commission on the Airdustrial Way SubArea Transportation Study that includes Port of Olympia property. The study indicates street connections would need to be made to improve the traffic operations with in the next five years. The street connections needed are New Market Street; Cleanwater Lane; and Linderson Way. Mr. Eaton indicated the street connection alternatives would meet the transportation needs for the SubArea, promote, and improve transit and non-motorized travel within the area. If any of these connections are not provided, it will be difficult to meet the goals established by the city's comprehensive plan.

Mr. Eaton will be taking this plan to the city council on October 12 for consideration. It is anticipated the council will make a decision on supporting the connections at a meeting later this fall. Commissioner Dickison indicated this study validates what the Port has been advocating all along. He asked Andrea to attend the public hearing on October 12th to express the support by the Port of this plan.

Hangar Rates Advisory

Ms. Wendy Holden advised the Commission on the progress of reviewing the hangar rates for the Olympia Regional Airport. Ms. Holden indicated a letter had been sent out to tenants announcing the review of rates and asked for comments by October 20th. The Commission asked Ms. Holden to keep them apprised of the review throughout the process.

Operating and Capital Budget Preliminary Review

Mr. George Fox reviewed a draft of the 2000 Operating and Capital budget with the Commission. Mr. Fox indicated the budget includes an increased focus on maintaining the Port's asset base to position the Port for future business opportunities in all of its lines of business.

Mr. Fox outlined the significant changes in the operating budget from 1999 to 2000 and indicated the 2000 Capital budget is still being considered in light of funds available and predicted future revenue streams. A list of capital projects under consideration is presented for your review, but will be prioritized and an updated list will be forwarded to the Commission upon completion.

ADJOURNMENT

Mr. Handy inquired whether the Commission consider changing the start time of the next few Commission meetings to begin at 5:30 p.m. to allow for more time. The next few meetings will be focused on budget issues and rate reviews. The Commission approved the recommendation to begin at 5:30 p.m. President Van Schoorl adjourned the meeting of October 11, 1999 at 8:50 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

