

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

October 23, 2000

CALL TO ORDER

President Dickison called the meeting of October 23, 2000, to order at 5:30 p.m. at the Port of Olympia, Large Conference room. Commissioners Van Schoorl and Pottle were in attendance.

Staff in attendance were: Executive Director Nick Handy, Administrative Manager Jeri Sevier, Property Development Manager Heber Kennedy, Olympia Regional Airport Manager Doug Sandau, Deputy Director Wendy Holden, Marketing Director Kari Qvigstad, Swantown Marina and Boatworks Manager Bruce Marshall, Engineering and Planning Director Andrea Fontenot, and Finance and Information Services Director George Fox.

Members of the public in attendance included Sandy Mackie, the Port's legal counsel, Ron Rants, and Alayne Goodhart.

APPROVAL OF AGENDA

The agenda was approved as presented.

PUBLIC COMMENT

No public comment was given.

COMMISSIONERS REPORTS

Commissioner Van Schoorl reported he recently attended the NBAA trade show in New Orleans. He indicated it was a very successful event, representatives from the Port made some very good contacts that may result in new business to the Port. He also reported he has been actively meeting with General Administration regarding the state office structures and the inclusion of the Port in the process. Commissioner Van Schoorl also reported that he and Nick Handy met with the representative from the Kalakala and gave him a tour of the Port.

President Dickison gave a report on the Port Tribal Conference he attended earlier in the month. He indicated there will be a formal written report published to summarize the ideas generated that he will distribute once available. President Dickison indicated in general the conference went very well, all of the Puget Sound Ports were represented and a fair number of the tribes attended. The conference was very instructional for everyone and it was a small enough group for a real opportunity to sit and talk with counterparts. President Dickison felt that the Ports came to understand how critical economic development was for the tribes and their interest in it. This conference will result in the Ports working together with the tribes and coordinating local activities.

CONSENT CALENDAR

Minutes. The minutes from October 9, 2000 were unanimously approved with some minor changes.

Bills and Vouchers. The bills and vouchers were unanimously approved as submitted in the amount of \$674,155.92. General Fund Warrants issued: 019532-019546, 019547-019636, 019658, 019659-019691, 019696-019708, 019709-019771. Capital Fund Warrants issued: 019637-019643, 019693, 019772. Airport Fund Warrants issued: 019694. GO 1998-A Fund Warrants Issued: 019644. LTGO 1998-B Fund Warrants issued: 019645, 019774. ER Fund Warrants issued: 019646-019657, 019695, 019775, 019780. Voided Warrants: 019692.

Capital Project Expenditure Listing. The Capital Project expenditure for Long Painting Company, Landau Associates, and Wilder Construction in the amount of \$431,952.88 was unanimously approved.

ACTION CALENDAR

New Lease: Market Centre

Mr. Heber Kennedy presented the Commission with a new lease for the Market Centre Building. Mr. Kennedy indicated that earlier this year, the Rants Group Team was selected as the preferred developer in response to an RFQ/RFP issued by the Port to develop a mixed use retail and office complex on the site across Market Street from the Farmers Market. The Port and Market Centre Building, LLC have been in negotiations for several months and have reached agreement on both a lease and a parking license agreement.

Commissioner Pottle complimented the office team on the negotiations and hard work in bringing this lease to agreement. He thanked staff and the Rants Group for coming up with a win-win agreement, and adding one more jewel to the crown in the Market District.

Commissioner Van Schoorl spoke on behalf of the office team committee indicating they spent a lot of time to make it fair for both parties and should provide the next major thrust for the Market District.

President Dickison gave his appreciation to Ron Rants and his efforts to help us fulfil our vision at the Port of Olympia. Mr. Rants has been a significant partner in the Market District.

Mr. Ron Rants said it was a very difficult lease to come to agreement, however, he extended his compliments to Kirk Vies and Heber for doing an excellent job drafting up the lease language. He told the Commission he would like to be a part of expanding the Market District if the opportunity arises. Mr. Rants announced the ground breaking on Friday, October 27 at 4:00 p.m. and invited the Commission and Port staff to attend.

The Commission unanimously approved the Market Centre lease and the Parking License Agreement.

Lease and Assignment: Guest House Tumwater, LLC

Mr. Kennedy presented the Commission with a lease and assignment for Guest House Tumwater, LLC. He indicated the present lease with the Port contains an option for additional land which they exercised on October 4, 2000 to lease an additional parcel and requested that the two leased parcels be separated. Mr. Kennedy indicated the lease being presented is for the additional parcel and it contains the same terms and conditions as the existing lease.

Mr. Kennedy also announced the new motel will be developed and operated as a Comfort Inn and will have separate ownership. Therefore, Guest House Tumwater, LLC has requested an assignment to Guest Tumwater, LLC to reflect the separate ownership. The Commission unanimously approved the lease and assignment for Guest House Tumwater, LLC.

Market Centre Parking Lot CEA Approval

Ms. Andrea Fontenot and Mr. Heber Kennedy reported to the Commission that, in conjunction with the Lease with Market Centre Building L.L.C., the Port has agreed to construct a parking facility consisting of approximately 109 stalls at the SE corner of Washington St. and Market St. The land and improvements will remain under Port ownership and the facility will be licensed to the building during the term of the Lease for its sole use during the hours of 7:00 AM – 5:30 PM Monday – Friday. All other hours will be under the exclusive control and reserved to the Port.

Ms. Fontenot indicated that engineering estimates to construct the lot are \$400,000. The Commission unanimously approved the Market Centre Parking Lot CEA in the amount of \$400,000.

Cardinal Glass Frontage Improvements and 78th Avenue Sewer Extension Bid Award

Ms. Andrea Fontenot reported to the Commission that the Engineering and Planning Department received six bids for the Cardinal Glass Frontage Improvements and 78th Ave. Sewer Extension, Contract #1062. All bids were in order and acceptable. The low bidder was DLB Earthwork Company with a base bid of \$81,403.52 including sales tax. The engineer's base estimate was \$76,594. Ms. Fontenot indicated that earlier this month two CEA's for a total of \$95,243 were approved for this work. DLB has successfully bid and constructed several projects for the Port in the last several years, including the Farmers Market Parking Expansion and the Terminal Gatehouse projects. The Commission unanimously approved the staff recommendation to award contract #1062 to DLB Earthwork Company in the amount of \$81,403.52.

Marina Environmental Policies Adoption

Mr. Bruce Marshall presented the Commission with *The Port of Olympia Sewage Management Policy* that sets objectives with respect to environmental stewardship and sets the Swantown Sewage Policy to promote improved water quality in Eastbay. The Policy indicates the Port of Olympia will provide free pump-out and port-o-potty sink for all boaters. In addition the liveaboard tenants must have Coast Guard approved MSD type 1, 2, or 3 toilets. Vessels without such devices will not be permitted to house liveaboards after November, 2001.

The policy also indicates the port will provide access to a contract service for monthly pump-outs for liveaboard tenants at no cost. The Port may rebate a sum equivalent to the cost of the pump out to tenants whose boats have a certified composting or incinerating toilet.

Commissioner Pottle indicated he was having difficulty with taking the liveaboard fee just established and using it to clean up sewage disposal from boaters. The fee should be used to put money into dock maintenance and improvements. He said that having a refund policy for cleaning up sewage because other residents in Thurston County have to pay fees for a "custom sewage system" at their homes and liveaboards at the Marina should be responsible citizens and pay for their own sewage problems. In addition, Commissioner Pottle felt that the policy commits the Port for years and the pump out fees may go up in future years.

President Dickison responded that the Port has a condition on the permit to take steps to stay in compliance with water quality standards. Commissioner Van Schoorl proposed that we need to continue to provide educational materials on water quality and pollution control to not only the liveaboards, but the other Marina tenants as well, and make it clear that we are starting to monitor water quality and if we find quality deteriorating over the years, we will take more drastic steps.

The Commissioners discussed the pros and cons for the suggestion by the Goodhart's to seal seats. However, staff feels that sealing seats will lead to tampering of the seal because they have no other options. In addition, the monitoring of the sealed seats would require additional staff time in which they do not currently have.

President Dickison said he was not supportive of the liveaboard fee to it makes sense to him to give it back and he is comfortable with the rebate program. Commissioner Van Schoorl indicated he only supported the fee if we had a policy for compliance of environmental protection requirements. He indicated he was comfortable with the policy and the rebate issue. However, he did understand Commissioner Pottle's concern about the pump-out fees going up in future years. Therefore, Commissioner Van Schoorl asked that these policies be re-visited for a full review in December, 2002.

Commissioner Pottle responded that because he is not in support of the Port rebating to liveaboards, does not mean that he is not concerned about the problem. He indicated he feels that those living on the water, as well as on land, should pay their own sewage disposal.

President Dickison said he wishes that was the case, however several years ago they did a survey and at best only 50 percent of the boaters were in compliance.

Mr. Marshall indicated he will be going to bid and get the most cost efficient system for pump-outs and will clarify in the policy the maximum of two pump-outs per month by each boater. Commissioner Van Schoorl motioned to approve the policy as submitted with amendments as discussed. President Dickison and Van Schoorl approved the motion. Commissioner Pottle opposed.

ADJOURNMENT

President Dickison indicated there were several Port events coming up in the next week and he asked the Commissioners to coordinate schedules for those events. President Dickison adjourned the meeting of October 23, 2000 at 6:57p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer