

PORT OF OLYMPIA COMMISSION  
MINUTES OF REGULAR MEETING

October 25, 1999

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**CALL TO ORDER**

President Van Schoorl called the meeting of October 25, 1999, to order at 5:35 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, Swantown Marina Supervisor Cheryl Maynard, Marketing Director Kari Qvigstad, and Office Assistant Cathy Johnson.

Members of the public in attendance included John DeMeyer, Lacey; Elaine Goodhart, Olympia, Roger Burgher, Seattle, Keith Bausch, Olympia; and Joel Coffidis representing *The Olympian*.

**APPROVAL OF AGENDA**

The agenda was approved as submitted.

**PUBLIC COMMENT**

Mr. John DeMeyer indicated to the Commission his concern of certain comments regarding live-aboards and the Port's policy which favors live-aboards for economic and development reasons. Commissioner Van Schoorl responded that if the Port were to impose a fee for live-aboards, would this then increase sneak-aboards. Mr. Nick Handy noted that if the Port were to impose a fee for live-aboards that this may create resentment for those not paying a fee.

Ms. Elaine Goodhart stated that the Marina could place a dye in tanks to control over dumping and this method could also be used as a monitoring system for live-aboards, and also control the environment.

Ms. Goodhart was also concerned with how the Port calculates its return on investment. Mr. George Fox responded that a cash on cash calculation is used dividing asset base of the Marina; no depreciation, no debt payments. This is referred to as a cash flow rate of return, a return that exceeds percentage rate of cost of funds. Commissioner Pottle stated the position of the Port is to raise revenue and make business profitable in order to maintain a first class facility.

Mr. DeMeyer asked why the Port doesn't put part of it's revenues for repairs. Commissioner Pottle responded that the Port needs to get over the initial hurdle and get some repairs and allocations done on an annual basis to keep on top of maintenance of Port facilities.

Roger Burgher, with Martin Marina, stated that as a business man he tries to balance goals. Mr. Burgher came to ask the Port to raise Marina rates to the maximum the market will allow. Mr. Burgher said these rates would be \$5.50 to \$6.00 per foot.. Our marinas provide a service to luxury boat owners who need to pay what it costs to keep their boats.

**COMMISSIONERS REPORTS**

President Van Schoorl indicated he attended the Transportation Hearing and Marina Tenant Briefing. Commissioner Pottle also attended the Transportation Hearing where he learned of funding options, and attended the Marina Tenant Briefing, where he continues to learn and feels well versed in tenant issues. Executive Director Nick Handy expressed his appreciation for Commissioner Pottle's personal involvement and finds his perspective very helpful.

**CONSENT CALENDAR**

**Minutes.** The Commission unanimously approved the minutes of October 11, 1999.

**Bills and Vouchers.** The Commission unanimously approved the voucher approval listing ending October 25, 1999 in the amount of \$572,649.88.

**Capital Project Expenditures.** The Commission unanimously approved the Capital Project Expenditures for the week ending October 29, 1999 in the amount of \$29,483.64.

## **ACTION CALENDAR**

### **Policies and Procedures Approval**

Mr. Nick Handy presented the Commission with a proposed update to the policies and procedures manual as submitted to the Commission as an advisory on September 27, 1999. The updates included additions and revisions to the manual. The Commission made some minor revisions to the proposal and unanimously approved as revised. The policies adopted as amended included Policy 1.1; 2.14; 2.1.12; 2.2.3; and 2.3. The new policies adopted included Policy 1.12; 1.13; 1.14; 5.2-5.2.7; 5.3; and 6.1.

### **Marina Revenue and Services Advisory**

Ms. Wendy Holden presented the Commission with the Marina Business Strategy briefing including the objectives, what it would take to meet those objectives, and possible revenue structures to achieve the return on investment.

Mr. George Fox offered a few scenarios to the Commission regarding the creation of more revenue streams than currently exist. This would mean building more slips, which will essentially cost less but generate same or more revenue. The conclusion is that by building DEF and raising Marina rates the Port could possibly reach its ROI by the year 2005.

### **Marina Dock DEF Expansion Plans**

Andrea Fontenot shared two potential layouts of Marina Village and slips at the DEF marina expansion. The Phase II upland design shows the plaza running along the shoreline. The Phase I spine layout has plaza running perpendicular to the shoreline and sitting in between two parking areas. It was recommended that Phase I be developed with options left open for layout of upland development. Staff is leaning towards the spine approach, Phase I. Commissioner Dickison indicated he is in favor of developing the spine design because it offers the public a more pleasant setting and better access along roadway. The spine design would better accommodate a deli, restaurant, and more slips for Marina Village development.

Commissioner Dickison encouraged staff to begin a marketing effort for the Marina Village development. Executive Director Nick Handy stated that a marketing strategy is being developed. Ms. Kari Qvigstad has proposed a budget for marketing Marina Village and upcoming developments. Deputy Director Wendy Holden suggested the pre-selling of new slips and give preference to existing tenants for newer slips. Commissioner Dickison stated that the demand is there and the time is now to put in the infrastructure.

## **ADJOURNMENT**

President Van Schoorl adjourned the meeting to a continuation of a work session on November 5, 1999, from 1:30 p.m. to 3:30 p.m.

## **WORK SESSION**

The Port of Olympia Commission held a work session on November 5, 1999 calling the meeting to order at 1:30 p.m. The work session focused on the review of the capital budget. Vice-President Dickison adjourned the work session at 3:30 p.m.

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President

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Vice President

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Secretary-Treasurer