

PORT OF OLYMPIA COMMISSION
MINUTES OF REGULAR MEETING

November 13, 2000

CALL TO ORDER

President Dickison called the meeting of November 13, 2000, to order at 5:34 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, 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, Scott Wyland representing *The Olympian*, and Chris Lane.

APPROVAL OF AGENDA

The agenda was approved with changes. The new lease for Holbrook, Inc. was moved to the consent calendar.

PUBLIC COMMENT

No public comment was given.

COMMISSIONERS REPORTS

No commissioner reports were given.

CONSENT CALENDAR

Minutes. The minutes from October 23, 2000 were unanimously approved with changes as indicated by Commissioner Pottle. He requested the minutes from the October 23rd meeting more accurately reflect the discussion on Marina Environmental Policies. Commissioner Pottle felt the paragraph discussing his difficulty with the liveboard fee should also reflect his statement that he felt people living on the water should have the same responsibilities as those living on land. Citizens living on waterfront property in Thurston County spend thousands of dollars to have custom sewage systems that have to be approved by the county, as well that other citizens who have to hook into city or county sewage systems to be compliant. He indicated that he felt the residents at the Marina should also have to pay for a proper sewage management system.

Bills and Vouchers. The bills and vouchers were unanimously approved as submitted in the amount of \$267,923.45. General Fund Warrants issued: 019781-019785, 049787, 019791-019832, 019852-019933, 019942-019977. Capital Fund Warrants issued: 019833-019834, 019934-019936, 019978. Airport Fund Warrants issued: 019786, 019979. LTGO 1998-B Fund Warrants issued: 019937. ER Fund Warrants issued: 019835-019849, 019938-019941, 019980. Voided Warrants: 019788-019790, 019801, 019812, 019850-019851.

Capital Project Expenditure Listing. The Capital Project expenditure for Blackline, Inc., Christensen, Inc., McKinney Sales and Rental, Olympia Fuel and Asphalt, and Wilder Construction in the amount of \$569,637.26 was unanimously approved.

New Lease: Holbrook, Inc.

The lease with Holbrook, Inc. for one acre for fifteen months was unanimously ratified by the Commission.

ADVISORY CALENDAR

2001 Operating and Capital Budget Advisory

Mr. George Fox gave the Commission a power point presentation on the 2001 Operating and Maintenance, Environmental Remediation, and Capital Budget. Mr. Fox indicated this was the third presentation on the budget and staff would be bringing the budget for public hearing and final adoption at the November 27th meeting.

Mr. Fox's presentation included an overview on Port finances, the 2001 business plan, and the focus and overall issues surrounding the operating and maintenance budget and major issues relating to the environmental and capital budgets.

Commissioner Van Schoorl asked staff to give thought to asking FAA or Ecology to carry the debt service and financing for the two big projects relating to grant reimbursements for Cascade Pole and the Airport Safety project. Mr. Fox responded that he has already contacted them and there is a possibility of using state financed bonds, however, it may require legislative action. Mr. Nick Handy indicated staff is working very hard to get a 30-day reimbursement on grants. Next year we will do two major non-revenue generating projects and these projects place an inhibiting affect on other projects we want to do, in other words, this slows down implementation of the comprehensive plan.

Commissioner Van Schoorl asked how many new staff the budget is adding. Mr. Handy responded that this budget adds three new staff in the maintenance area, one at the Marine Terminal, one at the Marina, and one already approved at the Marina. Commissioner Pottle indicated he would like to see the overall Maintenance Strategy. Mr. Handy indicated we are working on a recommendation that may ask for one additional maintenance position funded by capital projects.

Commissioner Pottle indicated the Mr. Fox's presentation mentioned staffing as a current issue. He asked whether the issue was with allocation or whether there was enough staff. Mr. Fox responded that we are thinly staffed even with the increases in maintenance. Mr. Handy indicated that properties program is very thinly staffed and that is a program that could be expanded if it had one more person on staff. Mr. Handy indicated that this year the focus was on maintenance and next year we will take a closer look at the properties program.

Commissioner Pottle indicated we should work in cooperation with the EDC in marketing the properties program. Mr. Heber Kennedy said he was meeting with Mike Williams that will provide an environment to discuss this opportunity. Commissioner Dickison suggested staff discuss possibilities with the EDC restructuring our contract to get some more focused services for the next year. President Dickison indicated that we did not always have the relationship with the EDC that we have now and Dennis Matson has been great to work with.

President Dickison mentioned that we can not forget that two years ago we lost 25 percent of staffing. We have been running short staffed since that time and are adding staff step by step based upon increased business. He indicated we have asked staff to do more and they have, but just like the equipment and maintenance, they can't take it for the long run.

Commissioner Van School noted his thanks to staff for the tremendous job of putting the budget and presentation together. Mr. Handy reviewed the schedule for approving the budget. The public hearing and final adoption will be on November 27th. He indicated staff is not proposing an increase in the tax levy. The rate remains at 29 cents.

Rates and Fees Advisory

Mr. Fox presented the Commission with an executive order that would be signed by the Executive Director. The executive order follows the delegation created in Resolution 99-22 setting fee increases. The resolution allows for an increase equal to CPI plus 3 percentage points. The CPI will be 3.5%, thus, the base fee increase for user fees effective January 1, 2001 would be 6.5%.

However, the resolution gives the Port Executive Director the authority to make reductions in the base fee increase, in order to meet local market or business conditions. And according to the resolution, all fee reductions are temporary in nature and are "carried over" to 2001 and may be reduced again only by further action of the Executive Director.

The executive order and the recommendation of staff are to increase the Marina moorage rates to 5%, and to 0% for the Boatworks rates. The full 6.5% increase is being taken in the Airport hangar rates that will move us closer to the market rates. All other rates and fees will be at the same level as FY 2000.

Mr. Fox indicated these increases are reflected in the current budget being presented for 2001.

West Bay Process Advisory

Mr. Handy gave a report on the West Bay process indicating the stakeholders have completed the process and submitted a report. Mr. Handy noted the Stakeholders group would be presenting the report to the Olympia Planning Commission tonight at 7:15 p.m. Mr. Handy has invited the PAC members to attend the presentation of the report in preparation for their meeting on November 21st.

On December 11th the PAC will meet with the Commission to discuss the report and recommendations. On December 12th the Commission meets with the Olympia City Council to jointly review the report. Mr. Handy indicated there may be one additional meeting of the Commission and City Council prior to the meeting on December 12th.

The Commission discussed the report and recommendations and how that fits with the Port's Comprehensive Plan. They also discussed zoning issues and making sure that the zoning is broad enough to include industrial properties.

President Dickison acknowledged and thanked Nick for spending one day a week every week in the evening from mid-summer until now representing the Commission at the Stakeholder meetings.

ADJOURNMENT

President Dickison adjourned the meeting of November 13, 2000 at 7:15 p.m.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer