

# The

# Navigator

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The purpose of the Port of Olympia shall be to vigorously manage its assets to provide maximum benefits to the citizens of Thurston County. To do this, the Port shall BUILD relationships, facilities, and infrastructure that help the Thurston County economy GROW, while it serves those who MOVE products and people and accepts a role to IMPROVE Thurston County's recreational options and environment.

*Port of Olympia Mission Statement*

## Port Tackles 2005 Priority Projects

**R**ail expansion at the Marine Terminal, runway safety improvements at the airport, development of a new restaurant on the Port Peninsula and planning for new marina development add up to a full agenda this year. Building on 2004 successes, the Port is poised to welcome these new opportunities that will contribute to the economic health and wealth of Thurston County.

Setting this year's priorities began in mid-2004 with a strategic planning process led by Kari Qvigstad, Marketing and Business Development Director. Port staff analyzed the four core businesses – the Marine Terminal, Olympia Regional Airport, Real Estate and Swantown Marina & Boatworks – and identified key business elements, strengths, weaknesses, opportunities and threats. This was followed by the development of detailed strategies, action steps and priority projects for 2005.

"The strategic planning process helped us assess trends in the marketplace and what these trends mean to the Port lines of business," said John Wolfe, Executive Director. "By working through this process, we were able to identify key opportunities for each business and set the stage for formulating this year's top priorities."

Each business unit identified seven to twelve priority projects to be accomplished in 2005. Projects ranged from capital construction projects to new business development opportunities to internal systems improvements. In addition, functional units such as accounting, public works, administration and

marketing, identified priority projects.

"The Port's strong team is very focused and results-oriented," said Commission President Bob Van Schoorl. "Implementation of these priority projects will make Port businesses more successful and better equipped to serve our community."

The following are examples of key projects for each business. Progress will be reported in the *Navigator* later this year.

### **Marine Terminal to Construct Rail Improvements**

Constructing the first leg of a three-phase rail expansion project is a top priority for the Marine Terminal. Phase I will connect existing on-dock rail to the main track allowing the Port to handle the increased demand for rail transportation and enhancing the regional intermodal system. Cost of Phase I is approximately \$1.4 million



*New rail improvements will enable the Port to handle cargoes requiring direct discharge from vessels to railcars.*

to be financed by the Port and State of Washington grant funding.

### **Runway Safety Improvements Under Way at the Olympia Regional Airport**

Construction has started on relocating approximately 750 feet of the main airport runway to the south and other related improvements, including storm water systems, lighting, and relocation of navigational aids. Mandated by the Federal Aviation Administration (FAA) for safety reasons, this project has been in the planning and pre-construction stage for the last few years. Total cost of this phase is about \$3.5 million, 95% of which comes from FAA grant funding.

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## Commission Message

### It's the Bottom Line That Counts

By Commissioner Paul Telford


**T**he Port had a stellar year in 2004 clearing \$860,000 from operations. This is the first time the Port has operated in the black since 1995. While this



does not include payments on debt, capital expenditures or depreciation, it is nevertheless a giant step towards self-sufficiency.

For the last three years, the Port has held the property tax levy at about \$3.8 million while Port debt decreased to \$26.6 million. Another major debt reduction step will be accomplished through refinancing and taking advantage of recent lower interest rates, saving taxpayers an estimated \$3.1 million in interest payments.

Strong performances by the Marine Terminal and Swantown Marina and Boatworks were key to improving the bottom line in 2004. On the other side of the profit equation, operating revenues increased faster than expenses due to good cost management. This reflects positively on the dedication and professionalism of Port staff.

Several new opportunities are on the horizon for 2005. Commissioners opened the way for construction of privately owned hangars at the Olympia Regional Airport, there is renewed activity for development of several key Port properties in Tumwater and Olympia, and construction will begin on the new Anthony's-owned restaurant at the tip of the Port Peninsula. 2005 will be a busy year at the Port. 

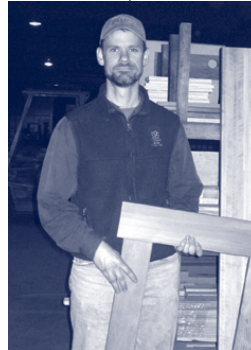
## Port Warehouse Provides "Incubator" for Small Businesses

**F**rom the outside, you would never guess the weathered warehouse on Marine Drive is home to 12 thriving enterprises. From Sound Opportunities' boat-building program for at-risk youth to Tri-City-Olympia Railroad operations to Windfall Lumber Company – all are Port tenants building their futures in Warehouse 2.

Constructed in the 1940's, the approximately 140,000-square-foot warehouse has served a number of purposes. It was home to the Hardel Plywood mill operations for over ten years and has even served as a training ground for local fire and police departments. For the last few years, it has been available for short-term leases to jump-start new businesses and organizations.

A newcomer, Windfall Lumber is an example of a business that has benefited from this "incubator." In business for the last six years, the company buys

salvaged wood products and lumber from forests that are managed for sustainability. In turn, Windfall sells select lumber and custom-milled products, such as flooring and mouldings, to customers up and down the West Coast.




*Windfall Lumber owner Scott Royer's goal is to provide employment and high quality materials while mitigating the pressure on our forests.*

Currently leasing lumber storage space, owner Scott Royer hopes to be able to add a showroom and office in the future. With five employees, the volume of business has doubled over the last 12 months.

For Royer, Windfall satisfies his desire to provide products people need and to make a difference in the community.

As the Port continues to develop its waterfront properties, warehousing may move to other Port locations.

In the short-term, the warehouse provides a needed resource for area entrepreneurs and community organizations. 

## Join Us May 21 for the Swantown BoatSwap & Chowder Challenge

**S**wantown Marina will host the 9th Annual Swantown BoatSwap & Chowder Challenge May 21. Presented by the Port

and sponsored by Anchor Bank, Heritage Bank, Aloha Boat Maintenance, Alpine Experience, KGY and KFMY/The Eagle, this event features boats and gear for sale, clam chowder tasting and fun for the whole family. Other community supporters include Olympic Outfitters, Tom's Outboard and West Marine.

From 10 a.m. to 4 p.m., commercial and private vendors will sell marine-related items at the BoatSwap.

Starting promptly at 1 p.m., the Chowder Challenge features twelve restaurants competing for "finest clam chowder" honors. Contestants are: Anthony's HomePort, Budd Bay

Café, Firehouse Grill, Guberz, Hawks Prairie Casino, Hawks Prairie Restaurant, Red Lion Hotel, South Puget Sound Community



*From anchors to Zodiacs, boaters can find boats and gear at the Swap.*

College Culinary Arts, Red Wind Casino, Tyece Bar & Grill, Vern's Restaurant and Waterstreet Café & Bar. Tasting ends at about 2:15 p.m., and awards will be presented at 2:45 p.m.

"This event has something for everyone," said Port Commissioner

Steve Pottle. "People look forward to coming to the waterfront and having fun."

Activities for kids, entertainment and showboats on A Dock round out the day.

Admission to the event is free, but there is a \$5.00 charge to participate in the chowder tasting.

For further information, call the Port at 360-528-8000 or visit [www.portolympia.com](http://www.portolympia.com). 

# Olympic Flight Museum Keeps Them Flying

For seven years, the Olympic Flight Museum has been keeping aviation heritage alive in Thurston County.

Based at the Olympia Regional Airport, the Museum maintains a fleet of vintage aircraft, sponsors a number of special events and hosts the annual Olympic Air Show, the largest of its kind in the Northwest. Over 23,000 people representing 13 countries and 36 states visited the Museum in 2004.

The Museum proudly features a rotating exhibit of over 20 aircraft, spanning a colorful 50-year period in aviation history. The oldest plane in the fleet is a rare N3N bi-plane trainer manufactured in 1938 by the Naval Aircraft Factory, while the newest is an L39 Albatross high performance training jet made in 1981.

Founded by Brian Reynolds, current president and aircraft owner, the Museum has over 600 family members and continues to grow. Volunteers are the backbone of the Museum, helping out on a regular basis and with special projects.

“People are amazed by the number and variety of aircraft we have here,” said Teri Thorning, Executive Director. “But we couldn’t do it without our wonderful volunteers.”



The Museum’s AIE Skyraider flies at the Air Show.

Museum Photo

The Museum is gearing up for its annual Olympic Air Show to be held June 18-19. Featuring thrilling aerial performances from 1 p.m. to 4 p.m. each day, vintage plane exhibits, entertainment and more, the show is the Museum’s

main fundraiser for the year. It educates and inspires a love of aviation history for the over 10,000 visitors who attend.

The Museum continues to expand its community activities. Among the most popular is the kids’ paper airplane flight school held in February, featuring distance and spot landing contests.

For information, call 360-705-3925 or visit [www.olympicflightmuseum.com](http://www.olympicflightmuseum.com).

## Port Makes Safety and Security Changes at Marine Terminal

For the last two years, the Port has been implementing security and safety changes at the Marine Terminal as required by federal regulations. These range from new procedures when vessels are in port to the construction of fencing and are intended to make the Port a safer place for the community.

After the events of 9/11, all ports nationwide were required by the Department of Homeland Security to develop and implement comprehensive security plans. Within the Department of Homeland Security, the U.S. Coast Guard has authority over all navigable waters in the United States and is responsible for reviewing and approving port security plans.

Under the Port of Olympia’s security plan, procedures are now in place to closely monitor access to the terminal when vessels are in port. For example, when foreign-flagged or military vessels call, security is on-site at all times. Port staff boards each vessel and signs a Declaration of Security (DOS) with the

ship’s security office. Visitors at the main Port entrance on Franklin Street are asked to check in at the gate and receive a visitor pass.

Shoreside, the Port has implemented a system of ID badges for Port staff, tenants, operators and longshore. A Port Safety and Security team has been created, and communications with local law enforcement have been strengthened.

The most visible change has been the construction of a fence around the perimeter of the terminal. Nationwide, all ports are required to establish secured boundaries around terminal facilities. In addition, the fence enhances public safety by limiting access to potentially dangerous equipment and cargoes, such as logs and glass.

“The Port is a good community neighbor and welcomes visitors,” said Port Commissioner Steve Pottle. “However, we need to adjust to current world conditions and make required changes to assure public safety and security.”

## Community

### Economic Development Summit to be Held in June

Planning is underway for a county-wide Economic Development Summit hosted by the Port, Thurston County Economic Development Council (EDC), Thurston Regional Planning Council and Pacific Mountain Workforce Development Council. The Summit is tentatively scheduled for June 28.

The meeting will piggy-back on the Prosperity Partnership



Initiative, introduced to the community in March. The Partnership is an innovative economic development and job creation initiative that is creating a strategy for the Puget Sound region to grow 100,000 new jobs over the next five years. Additional information may be found at [www.prosperitypartnership.org](http://www.prosperitypartnership.org).

The Thurston County Economic Summit will provide a venue to gather community input on strategies, discuss common economic development initiatives for the county and determine whether there is interest in formulating a Community Economic Development Strategy.

“The effort is an excellent example of understanding priorities in creating an economy that meets the needs of the community and its residents,” said Michael Cade, EDC Executive Director.

For information, please contact the EDC at (360) 754-6320.

## Port Tackles 2005 Priority Projects


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### *Improvements Take Shape at NorthPoint*

Development of NorthPoint at the tip of the Port Peninsula is a priority for the Real Estate division. With an Anthony's-owned restaurant being planned, the Port is demolishing the old Genoas restaurant and constructing roads, parking, utilities and other infrastructure improvements this year. A pedestrian waterfront esplanade and trail are also part of the project.

### *Planning Begins for New South Marina Development*

After almost filling the 157 new slips opened at Swantown in 2004, the Port is beginning the process to construct three additional docks and upland improvements. This year, the Port will complete plans and cost estimates and develop a permitting strategy for the project, with construction targeted for late 2006.

"Plans for the year are ambitious," said Van Schoorl. "But I'm confident they are achievable and in the best interests of our community." 

## We Want to Hear From You

Do you have questions or comments for Port Commissioners or staff? Please email us at [inquiries@portolympia.com](mailto:inquiries@portolympia.com), write the Port at 915 Washington St. NE, Olympia, 98501, or call (360) 528-8000.

## Commission Meeting Schedule

The Port of Olympia Commission meets on the second and fourth Monday of each month in the LOTT Board Room, Market Centre Building, 111 Market Street NE, Second Floor, Olympia. All meetings begin at 5:30 p.m. Directions are available at [www.portolympia.com](http://www.portolympia.com). For information, contact Jeri Sevier at (360) 528-8003.

## Community Calendar

- May 21** Swantown BoatSwap & Chowder Challenge  
(360) 528-8000
- June 18-19** Olympic Air Show  
(360) 705-3925
- June 28 (tentative)** Economic Development Summit  
(360) 754-6320
- July 13-17** Capital Lakefair  
(360) 943-7344
- August 26-28** Sand in the City  
(360) 481-3684
- Sept. 2-4** Harbor Days -  
(800) 788-TUGS

## Navigator Now Available By Email

Would you like to receive the Navigator by email? Please let us know by emailing [inquiries@portolympia.com](mailto:inquiries@portolympia.com) or calling the Port at (360) 528-8000.

# The Navigator

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**Steve Pottle**, Vice President

**Paul Telford**, Secretary-Treasurer

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**Jim Amador** Marine Terminal Director

**Andrea Fontenot**  
Public Works Director

**George Fox** Finance Director

**Heber Kennedy** Properties Director

**Bruce Marshall** Harbor Director

**Kari L. Qvigstad**  
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Development Director

**Rudy Rudolph** Airport Director

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