



Marine Terminal Advisory Committee

Meeting called by: Anthony Young,
Chairman **Type of meeting:** Bi-Annual
July 11, 2017

Facilitator: Dan Worra,
Executive Director **Minutes:** Sue Findlay - POA

Present:

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Anthony Young, Chairman and member at large member; John Frilotte - member at large; Johnny Decker - ILWU Local 25; Pat Murphy - Chemtrade; Sean Clancy - Metro Stevedores.

Attendees: Attending from the Port: Commissioner Short; Commissioner Rubin; Dan Worra, POA Executive Director; John Dumas, Operations Director; and Sue Findlay, Operations Assistant.

Absent: Tyler Alston, Dan Crookes, Dan Jankelson, J B Smith, and Renee Westland

Call to Anthony Young called the meeting to order at 5:02 p.m.

Review Agenda Introductions and review of agenda.

Minutes

Agenda Item: Walking Tour

Presenter: Dan Worra

Discussion: Anthony Young welcomed all, and indicated how well we work together to support Dan and the Commission. He is grateful for this board and feels it is a glistening gem that gets brighter and brighter.

Dan Worra noted there is no quorum; however, the meeting is a walking tour only. Dan Introduced John Dumas who is Josh's replacement as Operations Director. Dan indicated not many members attend this meeting. Either we do not have the right mix of members, or we are doing a good job of working together.

Anthony indicated he would get together with Sue to look at our current committee members and encourage more participation. He feels the Port's reputation is stellar.

The tour commenced in the Transit Shed where Dan talked about it as an event center. The mission of the Port is to create and maintain jobs, which are not all at the Port. Events at the Transit Shed support and maintain jobs with lodging, food, and other items purchased. It is important what we do for the communication. The Port has 10 events throughout the year that help support the community.

This is in addition to weddings and other private events that while benefit a smaller group of people, it still helps create and maintain jobs.

Dan advised the Port has commissioned a study to see if we can create a new event center at property close to the Marina. The Transit Shed could then be returned to a working waterfront as it was intended. As members of the Marine Terminal Advisory Committee, you may be asked for your opinion.

Anthony indicated there is a sense of community association with the Transit Shed. This not only creates jobs, there is additional spending associated to the events. He feels a new location may help facilitate this spending due to a location closer to spending areas.

Dan continued the tour by speaking about Pier One. Depth at Pier One is 23' at MLLW. DCI has a floating dry dock on Pier One. Last night, the Kittitas was loaded into the dry dock. When loading a vessel, the two sidewalls are flooded, and vessel is loaded into the dry dock. The dry dock is then drained, and the vessel is raised. In looking over at Dakota Creek when standing on Pier One, you can see blue "dog houses" which are motors that are housed for the syncrolift located at Dakota Creek. This syncrolift is used to bring vessels into dry dock on land.

Dan advised about a recent complaint he received from a member of the public, wherein the person needed to know what is going on. While it is not necessarily a need to know, it is a want to know; if one person is asking, probably many people also would like to know. Dan will be writing a new article for the Anacortes American about what the Port does, and some happenings at the Port. He will work to provide information about happenings in and about the Port area including Dakota Creek.

Dan provided a status on the Fisherman's Finest vessel currently located at Dakota Creek (DCI). When cold forming the steel on the vessel, DCI exceeded the 1½ % limit imposed by the Jones Act. DCI is looking for a response today from the American Maritime Partnership to see if they support this vessel being granted a Jones Act exemption. DCI has offered to purchase a \$750M cold forming machine be placed in Seattle. If DCI does not receive this support, they have a lot of work ahead of them to get an exemption for this vessel.

Additionally on Pier One, is another tenant: M & M Fish. They receive crab at our T-Dock location, which are then trucked to Pier One and placed into tanks for storage until transported to Seattle. From there, they are flown to Asia.

We presently have a ship in at Pier 2—a pet coke load. However, there are no evening loads on this vessel—loading stops at 5 p.m. Shell maintains pet coke storage at their site with their people loading onto the trucks. They do not have enough people at Shell for this load out due to vacation and medical issues. The vessel is loading 30,000 MT of pet coke, which should normally take 9-days. This vessel will be here 14-days.

Dan discussed some of the issues we at Pier 2: Biggest challenge is lack of uplands. We will never be a container port, as we have no space. We are also constrained by neighbors with truck loading hours of 8 a.m. to 10 p.m.—other Ports operate 24-hours. Bellingham just dredged and expanded their dock space. They too will have challenges to overcome even with expanded facilities. We need to find ways to stay competitive—we need more product being both ways—on and off the dock. We are a regional asset. We need to get Janicki to come here and keep Shell and ChemTrade here. Dan, Brenda Treadwell, Properties Director, and Sue Findlay, Operations Assistant, recently went on a tour of ports in California to see how we could increase our competitive edge. We are looking for loading efficiencies, diversifying what goes over the dock, and/or deepening the berth (Fastlane Grant).

Dan then spoke about Curtis Wharf. Crowley is a long-term customer with their tugs with on and off the dock. As you may have seen as of late, is a small cruise ship, National Geographic Quest that has been docked at Curtis Wharf. This is a brand new cruise ship built by Nichols Brothers being outfitted while docked at Curtis Wharf. There are about 100 sub-contractors in attendance that helps funnel

money into town. Nichols Brothers has indicated they have a sister ship that they may bring to Curtis Wharf next year for outfitting.

It was noted that Nichols Brothers and Dakota Creek (DCI) could not partner together as they have different philosophies. DCI hires their own people—no sub-contractors. Nichols Brothers only uses sub-contractors. DCI currently has around 300 employees. DCI has submitted contract bid for a new Navy vessel. If they are awarded the Navy vessel bid, their employee count may ramp up to 500. It is noted that vessel repair vs new vessel build, repair is more profitable. However, new builds drives jobs.

The group walked to Quiet Cove where Dan advised this parcel was purchased in 2014, and we officially took control of the property in July of 2015. The land is in need of a clean-up, possibly around \$7M. We have a good partner with Chevron, the responsible party when it was an oil tank storage facility. About \$3 ½ M will come from Chevron, and about \$ 3 ½ M from Department of Ecology. As soon as the State approves the budget for 2017-2018, we will move forward with soils testing. Look for this at an upcoming Commission meeting. Decisions will need to be made as far as use of Quiet Cove and what combining with Curtis Wharf can achieve: A bulk-loading wharf or businesses located here are some thoughts.

We also have the Marine Hardware block. We are looking to develop the back half of the property. This is part of a strategic placement of marine terminal properties. This makes a good buffer zone on light manufacturing with less residential impact.

For the Port, we have many items on our Capital Improvement list, which results in a lot of demand on resources. Resources equal dollars. At Curtis Wharf alone, we have nine rub rails that are in dire need of replacement/repair for a total of \$1M. Cathode repair is also needed which totals almost \$2M.

With that, the group walked back to the Port Office. Commissioner Short advised the advisory committee helps by being able to manage meetings by friendly fire.

Anthony commented that he loves the fact that Collette at the Anacortes American is allowing the Port to write a monthly article about what the Port does. He feels the Port has done a great job.

There was no discussion on setting the next meeting. That should occur in January 2018.

The meeting was adjourned at 6:10 p.m.