

## Report for LWV of Port of Bellingham (PoB) Commissioners Public Meeting

March 15, 2011

Meeting attended by Mary Ellen Woods and Martha Mills

PUBLIC MEETING CONVENED AT 3:00 P.M.

### PUBLIC COMMENTS

Darren Williams of the Longshoremen Union commented that the Port is spending money to develop business on port properties such as leased buildings and the airport but not to develop the Bellingham Shipping Terminal. There are 50 longshoremen living in Whatcom County plus 30 to 50 part-time workers. There is very little work here; he works in every port in the state except his homeport of Bellingham.

Noel Larson gave a very good audio-visual presentation on the Marine Life Center and its activities. The center gets its animals either from low tide or she finds them while scuba diving. She appears later in the meeting also.

### PRESENTATIONS

#### SSA Cherry Point Bulk Cargo Terminal

Craig Cole did a presentation on the proposed Cherry Point Bulk Terminal. There is a state and local compact that Cherry Point is the main industrial area in the county, which is suited for a deep-water terminal because dredging is not required. Bellingham's declining economy in recent years has resulted in wages and income at 83% of the state average. Construction employment is down 42%. The USA needs to increase exports. Other points were described. The northern tier produces dry bulk commodities of coal, grain, wood products, potash, and other items. 75% of the cost to export anything is the transportation cost, and half of that is the cost of the over water vessel.

There are 1100 acres at Cherry Point. SSA has a strong environmental record and operates in many WA ports. Why is the project now? The Aquatic Reserve Management Plan is complete, there is a lack of a deep water dry bulk facility on the West Coast, there is a railroad, utilities, zoning, the available amount of land (half of the site will be a buffer area). The company will work to prevent eelgrass and herring damage. The two-year permitting process costs \$20 million. The company is in contact

with the local tribes. For more information, go to [GatewayPacificTerminal.com](http://GatewayPacificTerminal.com). The terminal is complimentary to the Port's activities.

Questions for Cole from the commissioners are below: First was about the amount of rail traffic and length of trains; presently there are 14 trains daily, although there used to be 28 when B.C. was shipping lumber to CA for the housing boom. Answer: the projection is that train traffic would be within the historical levels. At full capacity, 9 trains per day, or 18 train passes per day. Presently cargoes are coming out of Cherry Point and sent to Longview by rail. Based on demand, there would be from 2 to 18 train passes per day.

Questions about coal and coal dust. There is a proposal to cover the cars [or they are to be covered, not sure].

Questions about other ports in WA and B.C. expanding to handle? The B.C. ports are booming, would be happy to expand capacity to accommodate the traffic if we don't. Q: So why don't they? There was discussion about routing the trains north of Bellingham.

Questions about reducing the impact of long trains on Bellingham, such as with sidings to mitigate delays. The company will work with the Port over the next two years to reduce impacts; it does not have all the answers now. Coal trains have about 110 cars, the number depends on the weight the engines can pull, and the trains could be longer.

## WORK STUDY SESSION

### 1. Update on Marine Life Center (MLC).

Noel Larson, curator at the MLC, received her degree in oceanography in 2000, has worked at the MLC for three years, and is the only full-time and paid staff at the MLC. All the other staff is volunteers. Concerning attendance, about 2,000 three to six year olds visit in the spring and fall. In 2010, there were 18,000 visitors. The admission charge is \$1 for children. [The website says \$1 for children and \$2 for adults.]

Lydia Bennett, director of Real Estate, reported that the issues and facts about the MLC are as follows:

- a) Whether to do a lease or a management agreement with the MLC.
- b) Data about attendance, exhibits, condition of the facility and its exhibits.
- c) Among others, Bennett met with Bellingham Technical College, Huxley College at WWU, local Indian tribes, the charter boat community, and the school district. The overwhelming opinion of those groups is that the MLC is an important

community asset, that it needs upgrading and marketing, but none of the entities consulted are interested in managing the MLC on their own, although they will consider ways to increase support and improve the MLC.

- d) The only group interested in managing the MLC is the MLC itself. In April, Bennett will bring recommendations to the Commissioners, assuming Real Estate can finalize agreements about the MLC.

## 2. Update on Weldcraft Boatyard Cleanup/Gate 2/Seaview North

Mike Stoner, Director of Environmental Programs, reported that a tenant with high environmental standards, Seaview North (owner is Phil Riise), wanted to access the property early, so a different schedule was developed. The property is next to Bellingham Cold Storage. The Port built a two-acre habitat restoration bench, cleaned up 8,000 yards of polluted sediments, and removed 215 creosote pilings or timbers from the site.

## 3. Update on Cornwall Avenue Landfill Interim Action

Brian Gouran, Environmental Site Project Manager, reported on the project. The land is the former Georgia Pacific landfill and will be used for park and mixed-use purposes. Actions taken include dealing with ground water flow, methane collection, investigating potentially dangerous elements in the landfill (low levels of PCBs in some areas). The landfill was mostly used for household garbage. To cap the site, 40,800 cubic yards of material from Gate 3 will be put in place. Using the Gate 3 material will save the Port \$1.5 million and 1500 truck trips to transfer materials on the whole project.

There were many mentions of RI/FS, which is a Remedial Investigation/Feasibility Study, which is the investigation and study conducted on a site once it is placed on the National Priorities List (NPL), which appears to be the Superfund site list.

## 4. Update on Port's Preventative Maintenance Program (PMP)

Carol Williams of the Parks, Trails, and Recreation staff, reported on the Port's PMP, which began in 2007. The initial investigation listed 173 PM tasks, which were then separated by craft: facilities, electrical, mechanical, and grounds. The completion rate the first year was low. Many of the tasks are to comply with city requirements. In 2008-2009, the PMP was given a higher priority and more time. In 2010, a PM Team was formed with dedicated staff. In 2011, there are now 188 tasks on the list, broken down by district, distributed monthly. One task may have as many as 184 pieces of equipment and take months to complete. She reviewed a sample of the tasks, such as electrical lamps, are they changed all at once? Yes, not as the lamps burn out.

Commissioner McAuley asked if the light bulbs and other equipment with remaining useful life are recycled or reused? Could they be donated to the homeless shelters or some similar organization? Williams did not know but will look into the matter.

In 2011, 6,600 hours of labor were spent on PMP. The cost of PMP is increasing about \$300,000 this year. However, maintenance and repair costs are coming down from \$1 million and both will level off soon. The PMP program is saving many labor hours for maintenance; for example, the fleet has had a 90% reduction in repair costs after using PMP. Charts with the numbers of hours, dollars, etc. were presented.

The Facilities Dept. reported that with PMP, there is much less disruption to its operations and to Port tenants. The Executive Director (E.D.), Charlie Sheldon, said that PMP will extend the useful life of everything; he is not surprised by the reduction in fleet repairs.

## ACTION AGENDA

### EXECUTIVE

1. Item on the agenda concerning health coverage is moot because of successful negotiations between Regence Blue Shield and Peace Health.

Commissioner Walker asked the E.D. about the Bellingham Shipping Terminal, are we in the shipping business? Shipping at Grays Harbor and Everett is up, what's going on? The Director is experienced; we need to do something soon. Something is going on in the Sound, why isn't it happening here also? The E.D. will have the issue investigated.

### ADMINISTRATION

2. Approve funding of five Small City Economic Development Fund projects totaling \$70,000

There was a report on the history of funding small projects for 2004 to 2010. The funding of small projects in the county has been for roads, pedestrian walkway/plaza, wetlands, infrastructure, pedestrian overpass, storm water plans, RR right of way analysis, retain market study, sewer plans, and other projects. The plans for the five new projects for Blaine, Everson, Ferndale, Sumas, and Lynden were approved unanimously.

### PLANNING AND DEVELOPMENT

3. Approve Resolution No. 1295 adopting a new comprehensive park, recreation, and public access plan for port properties.

The reports are now done in house, saving \$25,000 to \$75,000 on each report over having the reports prepared by a consultant. The staff is able to download from the county plan to assist in preparation.

Commissioner McAuley said he has lots of comments on the draft; he will do them separately with staff.

#### REAL ESTATE

4. Approve amended action on the Aluminum Chambered Boats (ACB) lease write off.

Lydia Bennett, Real Estate, reported that the write off is for unpaid rent and utilities with a correction for two months rent payment of \$48,000 received since the last report, so about \$169,000 is the current amount. Approved unanimously.

#### NEW BUSINESS

Commissioner McAuley said that “new business” is a new item on the agenda in case there are things that need to be discussed in public. It is on the agenda so it has a place. Commissioner Walker commented that he has always just asked to have an item put on the agenda if it needs discussion, but he has no objection to the change.

#### ADJOURNED