

Commission Meeting Monday, November 14, 2022 5:30 PM

Percival Plaza - Olympics Room 626 Columbia Street NW Olympia, WA 98501

The meeting agenda is available on the Port's website as of November 10, 2022. <u>https://www.portolympia.com/commission</u>

The public may join the meeting from their computer, tablet or smartphone at:

https://us02web.zoom.us/j/87394909548

or Telephone: 1 253 215 8782

Webinar ID: 873 9490 9548

Please note that the Zoom link changes for each meeting.

Written public comments may be submitted to <u>commissioncoordinator@portolympia.com</u> by 12:00 p.m. on the date of the meeting. All written comments will be compiled and sent to the Commissioners prior to the meeting.

Verbal public comment is accepted in person at the meeting.

If you are attending the meeting via Zoom, you may raise your hand during the meeting to give public comment. For those listening by phone, press *9 if you wish to raise your hand and provide comment.

Individual public comments are limited to 3 minutes per person.

AGENDA

- A. Call to Order
- B. Pledge of Allegiance
- C. Approval of Agenda
- D. Executive Director Report
- E. Public Comment

NOTE: Guidelines for public comment can be found in the Commission Rules in Resolution Article VI.

- <u>Comments should be directed to Commission</u>: Comments should be directed to the Commission as a whole and should not include comments about individual Port staff or members of the public.
- <u>Courtesy</u>: All speakers (members of the public, Port staff, and Commissioners) shall be courteous in language and demeanor and shall confine remarks to those facts that are germane and relevant to the guestion or issue under discussion.

- F. Consent Calendar
 - 1. 2022 Meeting Minutes: April 18, May 9, May 16, May 23, September 12, September 16, September 19, and September 23
- G. Pending Issues or Business
- H. Action Calendar
 - 1. None
- I. Action/Other Calendar
 - 1. None
 - 2. Public Comment
- J. Advisory Calendar
 - 1. **PUBLIC HEARING –** Draft 2023 Proposed Operating Budget, Capital Investment Plan and Tax Levy Matt Peach, Finance Director

Pursuant to RCW 53.35.020, the Port of Olympia has prepared the Port's 2023 draft budget. The draft budget was presented in public meetings on October 3, 17, 24,31, and November 7, 2022 and shall be considered in two more public sessions on November 21 and 28, 2022. The Commission will meet on November 28, 2023 at 5:30 p.m. to adopt the Port's final 2023 budget of the Port of Olympia for the 2023 calendar year. The draft budget is on file at the Port of Olympia offices at Percival Plaza, 606 Columbia Street NW, Suite 300, Olympia, WA and any member of the public may obtain a copy of the preliminary budget at this address during normal business hours. A summary of the budget is also available on the Port's website www.portolympia.com.

- a. Open Public Hearing
- b. Accept Public Testimony
- c. Close Public Hearing
- 2. Strategic Plan Adoption Sam Gibboney, Executive Director
- 3. Marine Center: Thomas Architecture Contract Amendment No. 3 Lisa Parks, Executive Services Director
- 4. Marine Center: MIG Architecture Contract Lisa Parks, Executive Services Director
- 5. Resolution 2022-XX Apprenticeship Utilization Policy Revision Sam Gibboney, Executive Director
- 6. Public Comment on Advisory Items
- K. Commissioner Reports/Discussion
- L. Other Business
- M. Meeting Announcements
- N. Adjourn



COMMISSION MEETING

BRIEFING DATE/TIME:	November 14, 2022
DEPARTMENT:	Administrative / Executive
STAFF CONTACT:	Matt Peach, Finance Director Telephone: 360.528.8004 Email: mattp@portolympia.com
TOPIC:	2023 Draft Preliminary Operating Budget and Capital Investment Plan – Public Hearing
<u>PURPOSE:</u> Check all that apply	 Information only Decision needed Follow up from previous briefing

BACKGROUND & OVERVIEW:

The Commission will hold a public hearing on the adoption of the 2023 Draft Preliminary Operating Budget and Capital Investment Plan. Prior to opening the public hearing for comment, staff will present the budget to the Commission and the citizens of Thurston County.

DOCUMENTS ATTACHED:

- PowerPoint
- Draft Resolution 2022-XX Adopting the Operating Budget and Capital Investment Plan including Rates and Fees and including number of employees
- Draft Resolution 2022-XX Levy Certification

The full detailed budget is available on the Port's website at www.portolympia.com

AFFECTED PARTIES:

Thurston County Citizens

<u>COMMISSION RECOMMENDATION:</u> Commission Discussion, Deliberation and Direction

Public Hearing

2023 BUDGET AND CAPITAL INVESTMENT PLAN, TAX LEVY PUBLIC HEARING

November 14, 2022

Matt Peach Finance Director

1

PORT of **OLYMPIA** Serving All of Thurston County



2023 Budget Timeline

We have held Budget Briefings on September 23, October 3, October 10, October 17, October 24, October 31 and November 7, 2022

Tonight - November 14, 2022 – Public Hearing on Draft 2023 Proposed Operating Budget, Capital Investment Plan, & Tax Levy

November 21, 2022 – Work Session for Final Review (if needed)

November 28, 2022 -

Final Adoption of 2023 Operating Budget, Capital Investment Plan, & Tax Levy



 24

 2023 BUDGET ASSUMPTIONS

 Dereating Budget

 Eccus: Vision 2050 & Strategic Action

 • Overall Revenues
 Increase of 10.8%

 • Gross Operating Income
 Decrease of 16.1%

 • Staffing
 7.0% for Salary Adjustment

 • Continued Wide Scale Economic Disruption

3







		20	23 Capital Bud	jet	
Business Unit	Project Name	Capital Budget	PORT Funds	Grant Funds	Notes, Comments, Assumptions
	Hangar Expansion Pilot Project**	\$50,000	\$50,000		Planning, design and permitting
Airport	Airport Maintenance Shop**	\$20,000	\$20,000		Planning, conceptual design and cost estimate
	Airport Runway 8/26 Reconstruction**	\$250,000	\$250,000		Planning, design and permitting
٩	Subtotal Airport	\$320,000	\$320,000	\$0	
	Marina/Admin Offices - Development**	\$425,000	\$175,000	\$250,000	Planning, design and permitting
	Marina Electrical B/C Docks**	\$253,000	\$253,000		Design, engineering, permitting, construction
Marina & Boatworks	BW-Stormwater Unit/Treatment	\$200,000	\$200,000		2022 Stormwater Permit Changes
t ti	Manlift-Towable/Electric	\$35,000	\$35,000		Equipment - potential WSDOT and DOE Grants
Boa	Port-wide Piling Replacement Plan**	\$85,000	\$85,000		Engineer Assessment
	Subtotal Marina & Boatworks	\$998,000	\$748,000	\$250,000	
	Asphalt/Repairs-Berth 1**	\$50,000	\$12,500	\$37,500	PIDP submitted May 2022 - Design, engineering, permitting
_ [Maintenance Facility**	\$50,000	\$12,500	\$37,500	PIDP submitted May 2022 - Design, engineering, permitting
Marine Terminal	Marine Terminal Paving**	\$110,000	\$27,500	\$82,500	PIDP submitted May 2022 - Design, engineering, permitting
E	Warehouse-Fire System **	\$150,000	\$150,000		Construction
E e	Dock Ramps	\$40,000	\$40,000		Equipment: Need (6) - (2) per budget year
÷	Water Truck	\$55,000	\$55,000		Equipment: End of Life - Replace
ž	Forks for Supersacks	\$28,000	\$28,000		Equipment
	Subtotal Marine Terminal	\$483,000	\$325,500	\$157,500	

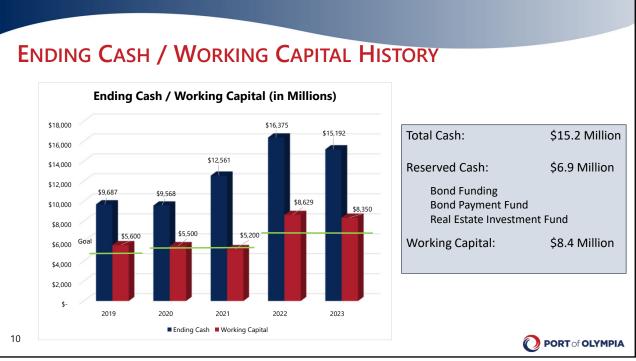
CAPITAL INVESTMENT PLAN

<u>.</u>	CBC Bldg #2 - Roof Replace	\$275,800	\$275,800		Design, engineering, permitting, construction
s	Shell Gas Station - HVAC Replace	\$22,000	\$22,000		Equipment: End of Life - Replace
Lor	Subtotal Properties	\$297,800	\$297,800	\$0	
	IT: PDK Gates (Portwide)	\$75,000	\$75,000		Equipment purchase & Software Integration
	IT: Fiber to Port Cyber Security Infrastructure**	\$222,776	\$55,694	\$167,082	Equipment purchase; Grant
5	IT: Network & PC Upgrades - Annual	\$75,000	\$75,000		Equipment purchase
Adm	Commission Room Upgrades	\$75,000	\$75,000		Equipment purchase Room Upgrade
- S - S	Billy Frank Trail Signs**	\$25,000	\$25,000		Centennial
ő	Centennial Legacy Project**	\$50,000	\$50,000		Plan, design, engineering, permits
É.	Sustainability Infrastructure Matching Fund	\$100,000	\$100,000		Zero-Emissions De-Carbonization Solar Grant Capital Initiatives
z	Subtotal Non Ops & Admin	\$622,776	\$455,694	\$167,082	
		Capital Total	Port Total	Grants Total	
	Total	\$2,721,576	\$2,146,994	\$574,582	
	** asterisks: 2022 Capital Carryover				¥_10.18.22

CASH 2023 STATUTORY BUDGET IN \$,000s

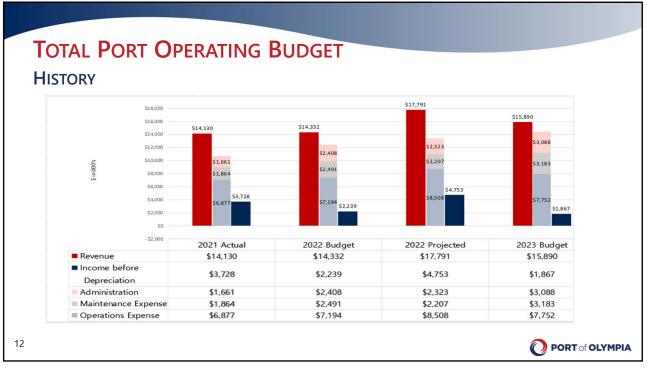
	2022 Adopted Budget	2022 Projected	2023 Budget
Beginning Cash & Investments	\$ 12,461	\$ 14,121	\$ 16,375
Projected Sources of Funds		-	
Operating Revenues	14,352	17,861	15,889
Operating Expense	(12,114)	(14,665)	(14,022)
Funds Provided by Operations	2,238	3,196	1,867
Ad valorem tax revenue	7,124	7,117	7,593
Projected Borrowing for Capital Projects	-	-	-
Other, Net	(2,265)	(1,967)	(3,891)
Projected Sources of Funds	7,097	8,346	5,569
Projected Uses of Funds			
Debt Service Payments (Bond & Bank)	(4,611)	(4,613)	(4,605)
Capital Investments - Planned Projects	(2,010)	(1,479)	(2,147)
Projected Uses of Funds	(6,621)	(6,092)	(6,752)
Ending Cash & Investments	\$ 12,937	\$ 16,375	\$ 15,192

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OPERATING BUDGET INCOME STATEMENT IN \$,000s

	Airport & New Market	Swantown Marina	Marine Terminal	Properties	General Admin.	2023 Budget
Operating Revenues	3,295	4,633	6,301	1,661		\$ 15,890
Operations & Maintenance Expenses	(1,634)	(3,438)	(4,835)	(1,027)		(10,934)
Contribution Margin	1,661	1,195	1,466	634	-	4,956
Administration Expenses	(828)	(828)	(892)	(540)	-	(3,088)
Operating Expenses	(2,462)	(4,266)	(5,727)	(1,567)	-	(14,022)
Operating Income before depreciation	833	367	574	94		1,868
Depreciation	(963)	(653)	(1,778)	(358)	(127)	(3,879)
Operating Income (loss)	(130)	(<u>286</u>)	(1,204)	(264)	(127)	(2,011)
1 Expected Cash from Opera		>			O PC	DRT of OLYMPIA



2023 BUDGET OVERVIEW AIRPORT, NEW MARKET & CLEANWATER CENTRE \$3.3 Million Operating Revenues Decrease of 3% Operating Expenses \$858 Thousand Decrease of 17% Maintenance Expenses \$776 Thousand Increase of 32% Airport Capital Investment Plan \$320 Thousand Net Income (Before Depreciation) \$833 Thousand Net Income (After Depreciation) (\$130) Thousand 13 **PORT** of **OLYMPIA**

13

2023 BUDGET OVERVIEW MARINA, BOATWORKS & FUEL DOCK

Operating Revenues	\$4.6 Million	Increased by 12%
Operating Expenses	\$2.9 Million	Increased by 13%
Maintenance Expenses	\$510 Thousand	Increased by 8%
Swantown Capital Investment Plan	\$748 Thousand	
Net Income (Before Depreciation)	\$367 Thousand	
Net Income (After Depreciation)	(\$286) Thousand	

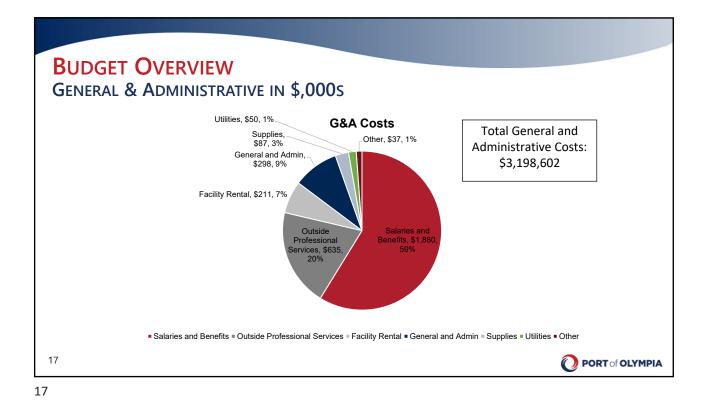
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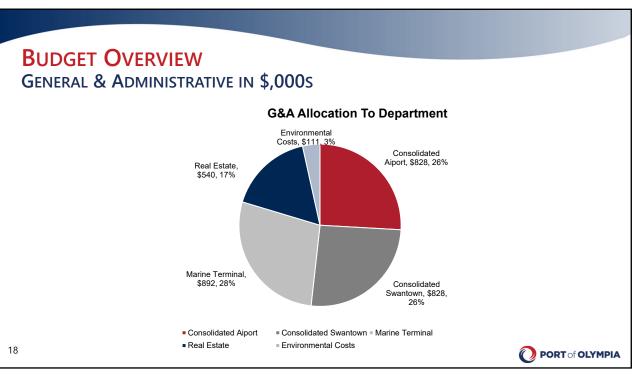
PORT of **OLYMPIA**

Dperating Revenues	\$6.3 Million	Increased by 21%
Dperating Expenses	\$3.3 Million	Increased by 14%
Aaintenance Expenses	\$1.5 Million	Increased by 44%
Aarine Terminal Capital Investment P	lan \$325 Thousand	
let Income (Before Depreciation)	\$574 Thousand	
let Income (After Depreciation)	(\$1.2) Million	

2023 BUDGET OVERVIEW REAL ESTATE AND BUSINESS DEVE

Operating Revenues	\$1.6 Million	Increase of 3%
Operating Expenses	\$656 Thousand	Decrease of 2%
Maintenance Expenses	\$371 Thousand	Increase of 1%
Real Estate Capital Investment Plan	\$298 Thousand	
Net Income (Before Depreciation)	\$93 Thousand	
Net Income (After Depreciation)	(\$265) Thousand	



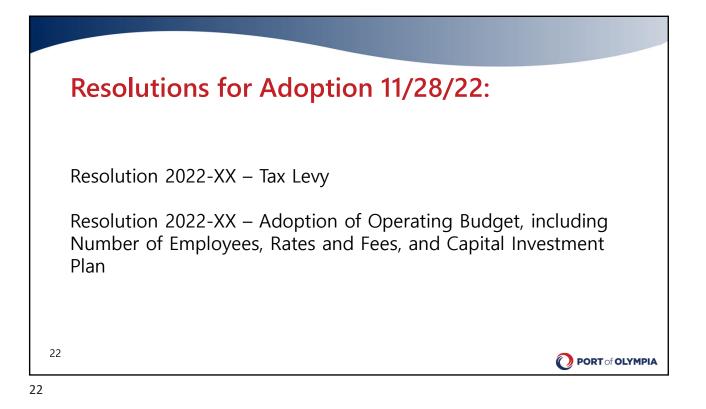


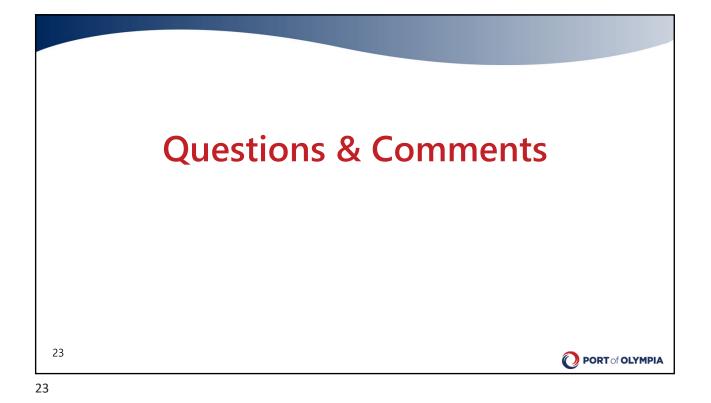
TAX LEVY CALCULATED PROPOSED AMOUNT

	1%·	+ Const. Incr.
2022 levy amount	\$	7,124,012
Increase on prior year levy 1%		71,240
Levy increase for new construction		133,634
Adminstrative Refund Re-Levy		7,945
Increase in value of State Assessed Property		_
Banked Capacity		255,534
Proposed 2023 tax levy	\$	7,592,365
Increase (Decrease)	\$	468,353
2023 Preliminary Assessed Valuation \$59,937,598,057		
2023 Millage Rate (calculated)	\$	0.1267
2022 Millage Rate	\$	0.1507

7,337 255
255
1,424
9,016
(4,605)
(606)
(1,375)
(2,158)
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(75)
(300)
(568)
(137)
(10,243)

	2023 Budget	2022 Budget
Airport, New Market, Cleanwater Centre	6.07	5.85
Swantown Marina	13.43	13.15
Marine Terminal	9	9.04
Properties	3.35	4.08
Administration	13.45	11.95
Environmental Admin/Cascade Pole	1.75	1.98
Public Amenities	1.7	1.7
Total FTEs	48.75	47.75







PORT OF OLYMPIA COMMISSION Resolution – 2022-XX

A Resolution of the Port of Olympia Commission authorizing, providing for acceptance, approval, and adoption of the Final 2023 Annual Operating Budget including annual User Rates and Fees and Capital Investment Plan pursuant to RCW 53.35.045.

WHEREAS, a Preliminary 2023 Annual Operating Budget and Capital Investment Plan was prepared and presented in a public meeting of the Port of Olympia Commission on September 23, October 3, October 10, October 17, October 24, October 31, November 7, November 14, and November 28, 2022; and

WHEREAS, public notices were published in a newspaper of general circulation in Thurston County on October 30, November 6 and November 13, 2022 proclaiming the availability of the Proposed Final 2023 Annual Operating Budget and Capital Investment Plan to taxpayers at the Port office and announcing a public hearing on the Final Budget on November 14, 2022, all in accordance with RCW 53.35.030 and 53.35.045; and

WHEREAS, a public hearing was held on November 14, 2022 at 5:30 P.M., in person and virtually after proper notice for a regular meeting of the Port Commission in the daily newspaper of general circulation in Thurston County was given, and the Port Commission heard from all persons desiring to be heard on the matter of the Final Budget all in accordance with RCW 53.35.030 and RCW 53.35.045.

NOW, THEREFORE, IT IS RESOLVED by the Port of Olympia Commission as follows:

- 1. The Final Annual Budget for Port Operations & Capital Investment Plan for 2023, including number of employees, appended hereto as part of this Resolution is accepted and approved.
- 2. The Port's 2023 Final Annual Budget for Port Operations & Capital Investment Plan shall include schedules of all user rates and fees charged by the Port; and further,
- 3. The Port Commission's adoption of the Final Annual Budget for Port Operations & Capital Investment Plan shall serve as of the 2023 annual update to the Port's user rates and fees.

This resolution shall become effective immediately upon its adoption and repeals any prior resolutions on this matter.

ADOPTED by a majority of the members of the Port Commission of the Port of Olympia, a majority being present and voting on this Resolution at a regular Commission meeting on November 28, 2022, as attested to by the signatures below of the Commissioners physically present this 28th day of November, 2022.

PORT OF OLYMPIA COMMISSION

Bob Iyall, President

Amy Evans Harding, Vice President

Joe Downing, Secretary



Ordinance / Resolution No. 2022-XX RCW 84.55.120

WHEREAS, the $\frac{1}{(Gov)}$	Commission verning body of the taxing of	of	Port of Olympia (Name of the taxing district)	has met and considered
its budget for the caler	ndar year 2023	_; and,		
WHEREAS the distr	icts actual levy amoun	t from the prev	ious vear was \$	7,124,011.63 ; and,
			(Previo	ous year's levy amount)
WHEREAS, the popu	lation of this district is	more that (Check of		0; and now, therefore,
BE IT RESOLVED t	by the governing body	of the taxing d	istrict that an increase in t	he regular property tax levy
is hereby authorized for	or the levy to be collect		2023 tax year.	
The dollar amount of t	the increase over the ac	tual levy amo	unt from the previous year	shall be \$ <u>326,775.04</u>
which is a percentage	increase of 4.59 (Percentage in		e previous year. This incre	ease is exclusive of
	othermal facilities, and			y constructed wind turbines, ed property, any annexations
Adopted this 28	day of Nov	vember ,		

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the <u>total amount to be levied</u> by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: <u>http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc.</u>

To ask about the availability of this publication in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711. For tax assistance, call (360) 534-1400.



COMMISSION MEETING

Briefing Date/Time:	November 14, 2022
DEPARTMENT:	Administration
<u>Staff</u> <u>Contact/Title:</u>	Sam Gibboney Telephone: 360.643.3028 Email: samg@portolympia.com
TOPIC:	Strategic Plan 2025
<u>Purpose:</u> Check all that apply	 Information only Decision needed Follow up from previous briefing

BACKGROUND & OVERVIEW:

The Port last adopted a strategic plan in 2017. That process anticipated that the Port would update its strategic plan every two to four years following an election cycle.

In June 2022 the Port's Commission and senior management team began meeting to consider an updated strategic plan. That work has been completed and a DRAFT **Strategic Plan 2025** is attached for the Commission's consideration.

The process for developing Strategic Plan 2025 included a series of Commission-staff interactions facilitated by the consulting firm of Leeward Strategies. Leeward Strategies has worked with ports across the state on strategic planning efforts and is considered a leading authority on port management and governance.

Foundational to the development of Strategic Plan 2025 was the incorporation of key outcomes of the citizen driven Vision 2050 and Destination Waterfront initiatives – as well as being informed by the Port's financial forecasts, the 2018 Sustainability Action Plan, ongoing capital projects, and staff operational insights.

At its core, strategic planning, is "developing true alignment on multi-year priorities and effectively embracing them to link the present to the future". It serves to communicate the Port's priorities to a host of stakeholders; provides clear direction to staff on Commission priorities; informs the Port's financial decision making; and defines success in the both the near term and long term.

The plan is built on three focus areas:

- ✓ Creating economic opportunities
- ✓ Embracing environmental stewardship
- ✓ Developing community assets

The proposed plan identified six initiatives that are complex and when completed create significant progress in supporting the Port's effectiveness in the community:

- **Culture** improve organizational alignment, operational effectiveness, and employee satisfaction
- **Governance** pursue the creation of a five-member Commission
- **Financial** develop a clear and focused understanding of the Port's financial performance
- **Restoration** achieve environmental cleanup, habitat restoration, and infrastructure improvements in Budd Inlet
- Waterfront implement Destination Waterfront
- **Communications** increase the community's understanding of the role and value of the Port in serving the community

In addition to these six key initiatives the plan identifies an additional twelve community, environmental, and operational goals.

Of note in the attached DRAFT plan are the proposed Mission (*Captures Why the Port exists*) and Vision (*Describes a successful future*) statements. Both of these proposed statements have incorporated the input of the Commission to date but require additional Commission review and consideration.

Mission: "Creating economic opportunities and building community for all of Thurston County through responsible resource use."

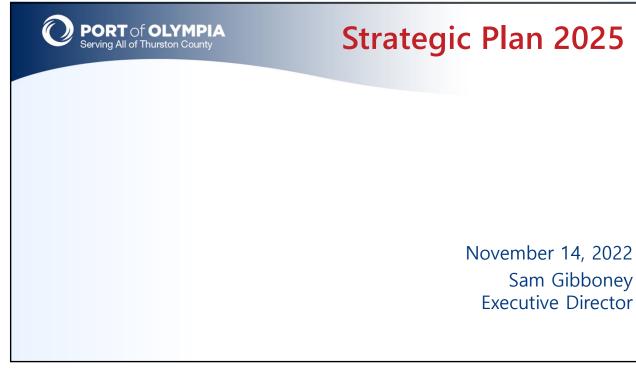
Vision: "The Port is recognized as a trusted community institution connecting Thurston County to the world and serving as a model of environmental sustainability and economic development."

Staff anticipates bringing this topic back to the Commission for consideration and action to approve the final strategic plan at the November 28, 2022, Regular Commission Meeting.

The attached DRAFT has not gone through the Port's final design and branding process. Once the DRAFT is approved as to content and the plan adopted, the Port's communication staff will produce a final and formatted document.

DOCUMENTS ATTACHED:

- Power point Presentation-Strategic Plan 2025
- Strategic Plan DRAFT Version









PORT of OLYMPIA



"Creating economic opportunities and building community for all of Thurston County through responsible resource use."

Our Vision

"The Port is recognized as a trusted community institution connecting Thurston County to the world and serving as a model of environmental sustainability and economic development."

Economic

Opportunitie

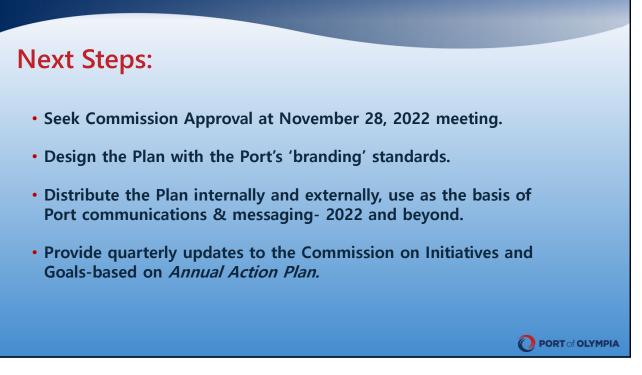
Community

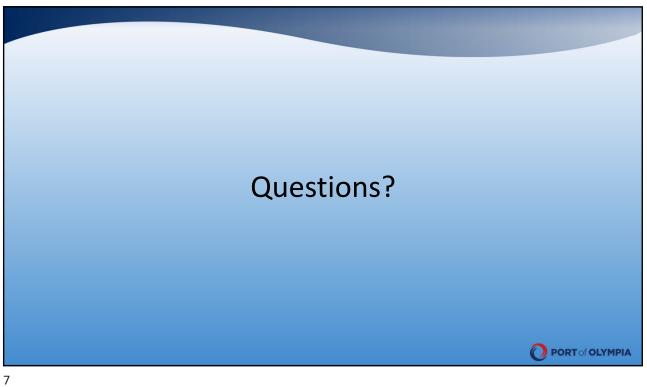
Asset

Environmental

Stewardship









STRATEGIC PLAN 2025

Serving Thurston County













The Strategic Plan 2025

'Strategic planning is developing true alignment on multi-year priorities and effectively embracing them to link the present to the future.'

Strategic Plan 2025 is a working document that...

Reflects essential Commission alignment on current Port priorities.

- Informs the community, Port customers, partner organizations and the marketplace of the Port's priorities.
- Provides clear operational direction to the Port's professional staff.
- Provides a platform on which the Port can develop it's annual and multiyear budgets.
- Informs the capital investment plan as well as the Comprehensive Scheme of Harbor Improvements.
- Supports grant applications and favorable bond ratings.
- And most importantly defines success!

The process of developing these priorities incorporated the extensive work on the Vision 2050; Destination Waterfront Development Plan; the 2018 Sustainability Action Plan; as well as previous strategic planning efforts and financial forecasts.

As captured in Vision 2050 reaffirms the Port Commission's commitment to all of Thurston County prioritizing economic development and being a leader in environmental stewardship.

Our Mission...

The Port's Mission defines its unique role in serving Thurston County, it describes WHY the Port exists. It is based on three focus areas:

- Creating economic opportunities
- Embracing acting as an environmental steward
- Developing and maintaining community assets



"Creating economic opportunities and building community for all of Thurston County through responsible resource use."

Values

Our Values define How the Port will undertake its work in service to the community. These Values are aspirational- embraced to define the Port's character as it pursues its Initiatives and Goals.

Our culture is...

Accountable: Welcome transparency, act with integrity, and be uniformly responsive.

Sustainable: Practice lasting stewardship of our publicly owned assets and natural resources.

Innovative: Demonstrate leadership, decisiveness, and reasoned risk taking in pursuing creative solutions.

Balanced: Embrace diversity, equity and inclusion.

Engaged: Actively collaborate and contribute to greater Thurston County.

Our work depends on ...

Earning the community's support in pursuing our priorities.

Working relationships with customers, tenants, government agencies, and community organizations that share the Port's vision of securing a sustainable future.

Retaining an experienced, competent, and dedicated staff that are responsible for our operational success.

Maintaining a strong commitment to fiduciary responsibility in managing the community's assets.

Recognizing and acting on opportunities that benefit the community.

Letter from the Commission

As we refine the Port of Olympia strategic plan, we are in the midst of a centennial celebration. Understanding the Port's presence in Thurston County for the past 100 years, gives us pause to consider where the Port is now and how we got here. The Port of Olympia has endured good times and bad.

We are learning to be good stewards of our environment while supporting economic development and industry to fulfill the purpose of creating a positive influence on the economy of Thurston County. Collaboration between the Port and the citizens of Thurston County have identified a direction for this Commission and staff to define our strategies for the future.

Today's Commission is dedicated to six initiatives, identified in this Strategic Plan. These initiatives concentrate on issues of the day including improving the culture, performance, and financial reporting of the organization. Environmental restoration, and community outreach also remain at the top of the Commission's priorities. It is with great pride, the Commission of the Port of Olympia, presents Strategic Plan 2025. Our commitment to collaborative, cooperative, and objective management of Port resources will guide us to a vibrant future for the people of Thurston County.

Commissioner Iyall Commissioner Evans-Harding Commissioner Downing



Bob Iyall President



Amy Evans Harding *Vice President*



Joe Downing Secretary



Letter from the Executive Director

It has been my pleasure to work with the Port Commission and our senior staff on developing the Port of Olympia Strategic Plan 2025.

Many thanks for the guidance and thoughtful consideration of the Commission as they identified what is important to our community and the Port District in the near and long-term future.

Establishing clear priorities is fundamental to our success as we balance our fiduciary responsibilities with market realities, operational effectiveness and the vision for all of Thurston County.

This Plan has taken into account the great work the many volunteers spent on developing Vision 2050 and Destination Waterfront - the Port appreciates the work of each and every volunteer that participated in those efforts. Strategic Plan 2025 captures the energy in that community wide work and informs our budget forecasts so that actual projects and programs become a reality. The engagement of our senior management team has been essential in this process. They have provided insights and critical analysis as priorities were established. They are now charged with engaging the entire Port staff and delivering on the commitments of the Port as reflected in Strategic Plan 2025. Their work is very much appreciated today and into the future as we face and overcome new challenges in accomplishing our Mission in service to the community.

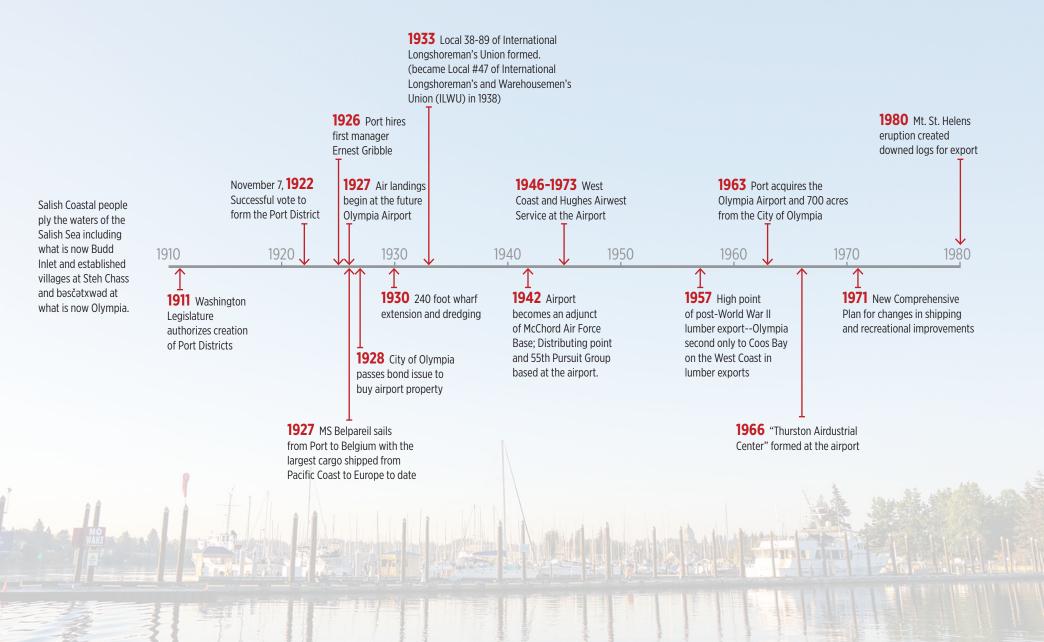
The Strategic Plan will guide the Port in pursuing its priorities on a host of activities and projects. I look forward to making these a reality and to the new opportunities that lie ahead.

Sincerely, Sam Gibboney Executive Director

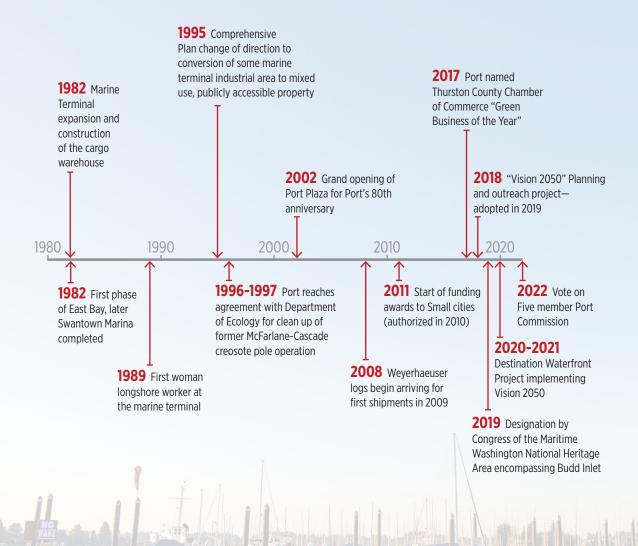


Sam Gibboney Executive Director

100 Years in Service to the Community



Today's Port



Today the Port continues to have a significant impact on the local economy and community-

2,609 direct jobs are supported by activity at the Port of Olympia and its real estate tenants. In addition to the 2,609 direct jobs, indirect and induced jobs bring that total to 5,030.

\$132.0 million in direct wages and salaries are supported in the local and regional economy by the activity at the Port of Olympia marine terminal, marina, general aviation activity and the Port's real estate tenants

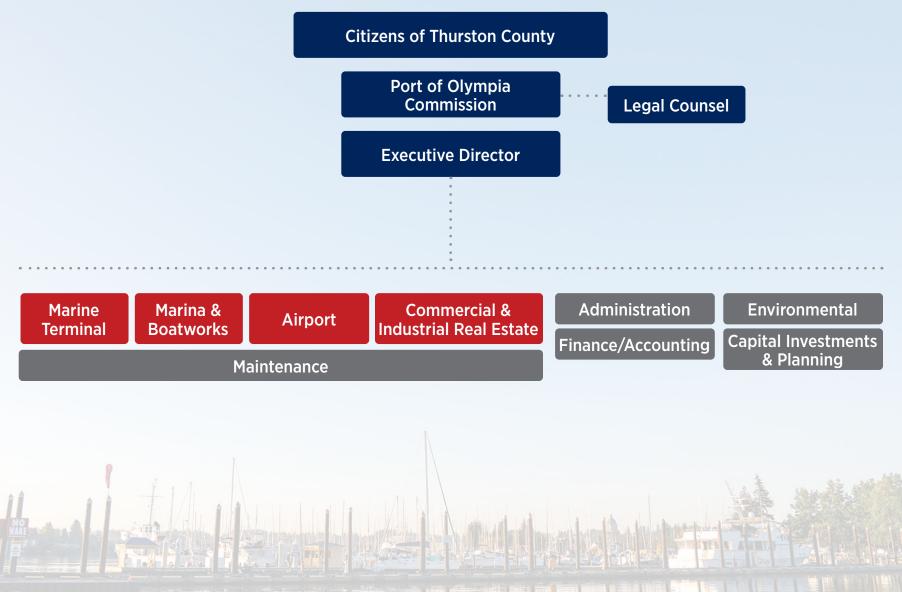
\$124.4 million in local purchases were made by Port tenants, the Port of Olympia and those firms providing services at the marine terminal, airport and marina. These local purchases supported the 1,067 indirect jobs

\$28.6 million of state and local tax revenue was generated in 2020 by the Port of Olympia marine cargo, marina, and airport activity and the business activity of the Port's real estate tenants

The number of jobs attributable to the Port increased by 633 from 2015 to 2020.

(Based on a 2020 Economic Impact Study)

The Organization



Operations

The Port of Olympia operates four core business units that generate operating revenues to the Port to support capital investments that produce sustainable jobs-

- Marine Facilities- The Port of Olympia's 66-acre marine terminal consists of a complete breakbulk/ container yard, log export facility, on-dock rail, on-dock warehouse and three deep water berths for oceangoing vessels, certified by Green Marine for sound environmental practices.
- Marina and Boatworks- Swantown Marina and Boatworks is a full-service public harbor with over 700 slips, haul out and boatyard facility certified by both Clean Marina and Clean Boatyard for sound environmental practices.
- **Airport-** Olympia Regional Airport is a general aviation public airport offering aircraft service and maintenance operations, flight instruction, hangars and tie down space, state and corporate aviation facilities, and land and buildings available for lease.
- **Commercial & Industrial Real Estate Portfolio-** The Port's portfolio consists of a wide range of commercial office and retail space as well as industrial properties.

In addition to its business units the Port develops and operates many public amenities and actively participates with many community organizations in programmatic economic development.

Our Vision

Vision 2050 captured the community's aspirations for the Port as a critical regional institution over the long-term.

"The Port is a trusted community institution that actively engages and communicates with the public it serves. It fulfills its primary role as Thurston County's economic engine by stimulating investment, fostering entrepreneurship, and facilitating transportation and commerce regionally and internationally. It is recognized as a cutting-edge leader in sustainable operations. It manages gathering places, recreational venues and other assets that enhance sense of place, and coordinates with partners on critical challenges and opportunities."

That aspiration for the Port as a regional organization inspired the Port's vision for the Port.

"The Port is recognized as a trusted community institution connecting Thurston County to the world and serving as a model of environmental sustainability and economic development."

Initiatives and Goals

To accomplish its Mission and realize its Vision of the future the Port has adopted achievable priorities.

Its INITIATIVES are the Port's priorities that are, by their nature, exceptionally complex or take considerable time to complete, but when completed represent tremendous breakthrough progress.

Its GOALS, when achieved and/or sustained, represent important milestones in the Port's momentum towards being the most effective agency it can be in serving the community.

Progress on the Port's INITIATIVES and GOALS are supported by an Annual Action Plan that details expected completion dates, responsible leads, and required resources.

Initiatives

Culture- Focus on Port team building, internal communications, and personnel training program(s) to improve organizational alignment, increase operational effectiveness, and increase employee satisfaction and wellness.

Initiate a focused effort in 2022 to increase internal staff performance by improving internal and external communications; enhancing staff skills and capacity; and creating a shared commitment to the Port's priorities as established by the Commission.

Governance- Pursue the creation of a five-member Commission on the November 2022 ballot.

In coordination with Thurston County place the voter initiative to create a five-member commission on the 2022 ballot and move forward with the associated redistricting to accommodate an expanded commission.

Initiatives

Financial- Develop a clear and focused understanding of the Port's financial performance to support long term operational and investment decisions.

Clarify the Commission's expectations regarding how the various business units are categorized, how financial performance is measured and described, and how they define "public benefit". Use this information to develop business unit financial projections and performance analyses in 2023.

Restoration- Provide leadership on collaborative efforts to achieve environmental cleanup, habitat restoration and maintenance dredging in Budd Inlet.

Develop a multipronged, phased, multi-year approach including a funding strategy to address the remediation and restoration of Budd Inlet and secure Commission input and direction by December 31, 2022, to undertake the initial work to address the Port's regulatory obligations.

Initiatives

Waterfront- Implement Destination Waterfront.

Develop and seek Commission approval by end of the first quarter of 2023 of a "Destination Waterfront Implementation and Funding Strategy" to initiate the ongoing development of the peninsula and utilize the Port of Olympia Citizens Advisory Committee as a sounding board.

Communications- Increase the community's understanding of the role, value, and limitations of the Port in impacting the local economy and greater Thurston community.

Launch a refreshed communications effort in 2022 to renew the community's understanding of the Port's role in fulfilling its Mission and commitments to the community it serves.

Community Goals

In addition to its more traditional Port activities and operations the Port of Olympia is committed to community building and improving both the economic and social fabric of Thurston County. To that end it engages with the community and its constituents to develop and advance a shared vision of the future.

- Vision 2050- Report out progress on Vision 2050.
- **Partnerships-** Achieve and maintain ongoing, effective working relationships with Port community and governmental partners to advance mutual interest.
- **Park and Open Space-** Complete a 'parks and open space plan' with an emphasis on the waterfront, making the Port eligible for State RCO grants.
- **Economic development-** Participate in regional and local economic development efforts and provide appropriate levels of funding consistent with Port fiscal constraints

Operational Goals

The Port of Olympia is an operating Port that manages critical services and facilities in support of the local and regional economy. That responsibility requires that the Port be constantly looking to the horizon to ensure its facilities, programs, and institutional infrastructure is up to date.

- Airport- Complete and adopt the Airport Master Plan in 2023.
- Marine Terminal- Complete an updated master site plan for the marine terminal by 2024.
- **Process and Concurrency-** Update all Port planning and operational documents to reflect current priorities on a regular basis.
- **Strategic Planning-** Complete the 5-year strategic planning process and annual reviews with appropriate updates.
- **Capital Facility Maintenance-** Maintain all Port fixed assets in a safe and efficient operating status through funded maintenance and replacement schedules allocated to the appropriate business unit.

Environmental Goals

The environmental goals that follow capture the Port's commitment to sustainably managing the natural resources impacted by the Port's activities by complying with environmental regulations and implementing innovative environmental management initiatives. These goals would be further institutionalized with an update to the 2018 Sustainability Plan.

- Environmental Standards- Hold the Port accountable to the highest environmental standards in its operations and capital investments.
- Environmental Resiliency- Plan and implement strategies to address community environmental resiliency.
- Habitat Conservation Complete and adopt the Habitat Conservation Plan at the Airport and New Market Industrial Campus.

New 'Investment Opportunity' Checklist

Ports are often asked to financially support a market or community investment. The Port of Olympia has adopted this 'Checklist' to better assess the impact of new, unplanned investment opportunities.

- □ Is the investment opportunity consistent with the Port's mission, vision and values?
- Does the investment meet the **Port's rate-of-return threshold?**
- Does the investment opportunity support the Port's efforts to balance both mission and margin?
- □ What, if any, planned Port investment **will be delayed or eliminated** because of this opportunity, and what are the short-term and long-term consequences of that displacement decision? Is that acceptable?
- Does the Port have **sufficient capacity** (financial, staff) to support the opportunity?
- □ Is the investment opportunity **aligned with the economic development aspirations** of our communities and the region?
- Are there joint ventures, partnerships, or grant funding opportunities to mitigate the Port's required investment?
- Does the opportunity significantly advance an existing governmental or community plan or policy?
- What should the **Port's role** be (i.e., support, investment, operations, partner)?
- Is any other entity, private or public, better positioned to undertake the investment opportunity, and are they able to do so?



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COMMISSION MEETING

Briefing Date/Time:	November 14, 2022
DEPARTMENT:	Planning
STAFF CONTACT/TITLE:	Lisa Parks
	Telephone: 360.528.8020
	Email: Lisap@portolympia.com
TOPIC:	Marine Center: Thomas Architecture Studios Contract
	Amendment No. 3
<u>Purpose:</u> Check all that apply	■ Information only
	Decision needed
	Follow up from previous briefing

BACKGROUND & OVERVIEW:

Following a competitive selection process in the late summer of 2020, Thomas Architecture Studios (TAS) was contracted to assist the Port of Olympia with work related to the Destination Waterfront Development Vision (DWDV), including subsequent work related to Sites D (Marina Office/Puget Sound Estuarium/Admin Office a.k.a. "Marine Center") and E (RV Resort). These two sites were identified in the DWDV as two of three initial priorities for implementation and were assigned to the TAS contract for assistance.

The original TAS contract was executed in September of 2020 under the Executive Director's delegated authority, consistent with both RCWs and Port Policy. Two subsequent amendments to the original contract were similarly executed to assist with implementation of the work for Sites D & E, and are summarized, below. Amendment No. 3 is coming to the Commission for review, consideration and potential action because the remainder of the initial work plan associated with Site D – the Marine Center project – will be above the Executive Director's delegated authority.

Agreement	Term	Not-To-Exceed	Date of Execution
Original	Sept, 2020 thru May, 2021	\$50,000	September 15, 2020
Amendment No.1	Extended to April, 2022	No change	December 11, 2020
Amendment No.2	No Change	\$200,000	February 22, 2021

Work completed by TAS to-date under this contract is broken down by the tasks, below.

Task Description	Spent To-Date	Status
Destination Waterfront Development Vision	\$ 84,771	Complete
RV Site Text Amendment & Permitting	\$ 14,379	Complete
Marina/Admin Building (Marine Center)	\$ 51,057	On-Going
Total To-Date	\$150,207	
Remaining Contract Balance	\$ 49,793	

The remainder of the work associated with the schematic design for the Marine Center building is necessary to accomplish three primary tasks:

- Complete initial site planning and schematic design for the overall building including cost estimates, renderings and early permitting documents;
- Incorporate and integrate the schematic design and programming needs of the Puget Sound Estuarium; and
- Assist with development of funding/financing strategies, including options associated specifically with the Puget Sound Estuarium portion of the building.

The work contemplated in this effort has been developed by staff in collaboration with the Puget Sound Estuarium and is proposed to be completed through a cooperative contracting arrangement. TAS will continue (through this contract amendment) to lead the effort, and a second architectural firm, MIG, Inc., will perform specific work related to the programming, exhibit design and space planning for the Puget Sound Estuarium facilities. As the project is currently envisioned, each architectural firm would have separate contracts with the Port that are also integrated and supportive of the overall project, without being duplicative. The overall cost estimate of this effort is described below.

Firm	Description of Services	Cost Estimate
TAS	Overall design services, initial systems and interior designs, site and landscape design, LEED Silver certification, land use regulatory compliance, interior and exterior renderings, and cost estimates.	\$206,300
MIG	Aquarium design and programming, including exhibit space and associated systems requirements as well as classroom and laboratory space.	\$ 66,705
	Total	\$273,005

Based on the existing remaining balance in the TAS contract (\$49,793) and the estimated cost to perform the above work (\$206,300), staff is requesting an additional \$160,000 be added to the total Not To Exceed value of the contract. Additionally, the proposed amendment would include an extension of the term of the agreement through December 31, 2023. The table below summarizes the requested Amendment No. 3 to Professional Services Agreement 2020-1037 for Thomas Architecture Studios.

Agreement	Term	Not-To-Exceed	Date of Execution
Original	Sept, 2020 thru May, 2021	\$50,000	September 15, 2020
Amendment No.1	Extended to April, 2022	No change	December 11, 2020
Amendment No.2	No Change	\$200,000	February 22, 2021
Amendment No.3	Extend to Dec 31, 2023	\$360,000	November 28, 2022

Staff anticipates bringing the proposed Amendment No. 3 to the Commission for final review and potential action at the regularly scheduled meeting on Monday, November 28, 2022. If the Commission decides to move forward with this amendment, the action will be to authorize the Executive Director to sign the contract as outlined above.

DOCUMENTS ATTACHED:

- Power Point Presentation
- Draft Scope of Work

MARINE CENTER BUILDING TAS Project No. 2106 SCHEMATIC DESIGN - ABBREVIATED SCOPE



TASK	TASK			Fees								
#	DESCRIPTION	Basi	c Services		dditional Services		onsultant rk-Up (15%)		Total			
1	SCHEMATIC DESIGN (SD) - ABBREVIATED SCOPE											
1.1	Architect (TAS)	\$	110,000	\$	-	\$	-	\$	110,000			
1.2	Structural (PCS)	\$	8,000	\$	-	\$	1,200	\$	9,200			
1.3	Mechanical/Plumbing (Hultz BHU)	\$	8,000	\$	-	\$	1,200	\$	9,200			
1.4	Electrical (Cross)	\$	4,000	\$	-	\$	600	\$	4,600			
1.5	Basic Service Engineering Contingency	\$	5,000	\$	-	\$	750	\$	5,750			
1.6	Civil (SCJ Alliance)	\$	-	\$	17,000	\$	2,550	\$	19,550			
1.7	Landscape (SCJ)	\$	-	\$	6,000	\$	900	\$	6,900			
1.8	Cost Estimator (Acker)	\$	-	\$	5,000	\$	750	\$	5,750			
1.9	Acoustical & AV Consultant (TBD)	\$	-	\$	1,000	\$	150	\$	1,150			
	LEED / Net Zero Consulting (TBD)	\$	-	\$	2,000	\$	300	\$	2,300			
1.11	Interior Design (Seong Shin - McGranahan)	\$	-	\$	3,000	\$	450	\$	3,450			
1.12	Archeology Consultant	\$	-	\$	3,000	\$	450	\$	3,450			
1.13	Building Renderings (TAS) 2 exterior, 2 interior	\$	-	\$	8,000	\$	-	\$	8,000			
1.14	Landuse and Shorelines Code Compliance Coordination (TAS)	\$	-	\$	5,000	\$	-	\$	5,000			
1.15	Coordination (TAS) with Estuarium T.I. Consultant	\$	-	\$	12,000	\$	-	\$	12,000			
	Subtotal	\$	135,000	\$	62,000	\$	9,300	\$	206,300			

DRAFT

Notes

- 1 Design services based on 18 20,000 square foot Marine Center Building (Marina Offices, Potential TI Shell Space, Puget Sound Estuarium, Public Meeting Space, and Accessory Spaces)
- 2 Design services based on Class A office spaces, Exterior Public Courtyard & Esplanade Improvements, and Base Site Improvements with estimated MACC to be determined.
- 3 Additional Consultants may be required dependent on jurisdictional requirements discussed during pre-submission meeting.
- 4 Above fees do not include Furniture Design.
- 5 Schematic Design abbreviated scope of services DOES NOT include submittal of land use application
- 6 Above fees do not include Puget Sound Estuarium Display Designer and Exhibits (by others).



COMMISSION MEETING

BRIEFING DATE/TIME:	November 14, 2022
DEPARTMENT:	Planning
STAFF CONTACT/TITLE:	Lisa Parks Telephone: 360.528.8020 Email: Lisap@portolympia.com
TOPIC:	Marine Center: MIG, Inc. Professional Services Agreement
<u>Purpose:</u> Check all that apply	 Information only Decision needed Follow up from previous briefing

BACKGROUND & OVERVIEW:

During late 2020 and early 2021, the Port conducted the Destination Waterfront Development Vision (DWDV) planning project to identify opportunities for development on the north and east portions for the Port Peninsula, outside the Marine Terminal fence. At completion of the project, several action items were prioritized as next steps for the Port to pursue:

- Move Forward with a Capital Plan
- Study Site Specific Development in the following locations:
 - Site D –Port administrative building
 - Site E RV Resort
 - \circ $\;$ Additional Site Development Opportunities, Including Site A

In furtherance of these next steps, the Port partnered with the Puget Sound Estuarium to submit and advocate for a Capital Budget Allocation Request during the 2021 State Legislative Session beginning in January of 2021. The intent of the request was to help fund the construction of a Marine Center, which was described as "…housing marine and maritime related non-profits that connect the public to the nearshore and marine environment, provide educational programs for kids and life-long learners, and develop a sense of stewardship for South Puget Sound – co-located with the Port of Olympia's new Marina and Administration building." This collaboration was widely supported by local governments and economic development entities in the area, which contributed to the Port receiving a \$250,000 allocation in the State's Capital Budget to support the project.

Work in support of the envisioned Marine Center project was initially undertaken by Thomas Architecture Studios (TAS) as part of their existing Professional Services Agreement for the Destination Waterfront Development Vision project. By late fall of 2021, preliminary site design, building design and programming for the Port's administration and marina office functions had been outlined. As the Port was working through these initial steps in the schematic design process, the Puget Sound Estuarium was working on refining and clarifying their programming and space needs and identifying consulting firms capable of assisting them with their unique needs. During late 2021 and in to 2022, staff at the Port and at the Puget Sound Estuarium have worked to develop a strategy for moving the project forward, collaboratively. The Puget Sound Estuarium identified MIG, Inc. (MIG) as an architectural firm capable of assisting them with the various components of their portion of the facility, including exhibits, classroom space, lab space and supporting areas. MIG. has extensive expertise in the planning and design of zoos, aquariums, nature-focused destinations, and is recognized as a global leader in the design of these facilities, having completed 80 projects worldwide since their start in 1982. Staff, TAS and MIG have met several times to review different iterations of scopes of work to ensure an integrated schematic design is achieved efficiently, without duplication.

The remainder of the work associated with the schematic design for the Marine Center building is necessary to accomplish three primary tasks:

- Complete initial site planning and schematic design for the overall building including cost estimates, renderings and early permitting documents;
- Incorporate and integrate the schematic design and programming needs of the Puget Sound Estuarium; and
- Assist with development of funding/financing strategies, including options associated specifically with the Puget Sound Estuarium portion of the building.

The work contemplated in the overall project is proposed to be completed through a cooperative contracting arrangement. TAS will continue to lead the effort, and MIG will perform the programming, exhibit design and space planning for the Puget Sound Estuarium facilities. Each architectural firm will have separate contracts with the Port that are also integrated and supportive of the overall project, without being duplicative. The overall cost estimate of this effort is described below.

Firm	Description of Services	Cost Estimate
TAS	Overall design services, initial systems and interior designs, site and landscape design, LEED Silver certification, land use regulatory compliance, interior and exterior renderings, and cost estimates.	\$206,300
MIG	Aquarium design and programming, including exhibit space and associated systems requirements as well as classroom and laboratory space.	\$ 66,705
	Total	\$273,005

Staff is requesting the Commission consider entering into a Sole Source Professional Services Agreement with MIG to complete the components of building programming and design specific to the needs of the Puget Sound Estuarium, including assisting with identification of funding/financing strategies for their portion of the building. Port Policy 1001 requires Commission authorization prior to the Executive Director executing any professional (A/E) services agreement with a value of \$25,001 to \$99,999, if there wasn't a competitive solicitation process. The current cost estimate for MIG's portion of the work falls within this dollar value, and because of the Sole Source nature of their work, a competitive solicitation process was not completed.

The recommended terms of the Professional Services Agreement between the Port and MIG are identified in the table, below.

Agreement	Term	Not-To-Exceed	Date of Execution		
Original	Dec 1, 2022 thru Dec 31, 2023	\$70,000	November 28, 2022		

Staff anticipates bringing the proposed MIG Professional Services Agreement to the Commission for final review and potential action at the regularly scheduled meeting on Monday, November 28, 2022. If the Commission decides to move forward with this amendment, the action will be to authorize the

Executive Director to sign the contract as outlined above.

DOCUMENTS ATTACHED:

- Power Point Presentation
- Draft Scope of Work
 MIG Qualifications



Puget Sound Estuarium – Programming/Space Planning Proposal

Port of Olympia Scope of Work:

07.27.2022

Project Scope of Services

The extent of scope for design services includes consulting, Programming and Space Planning for a new aquarium facility (approximately 4,000-8000sf) located in the Port Admin Building on the Port Peninsula in Olympia, WA. The design and documentation will be in collaboration with the Port of Olympia (owner), the Puget Sound Estuarium (leasee), and Thomas Architecture Studios (building shell AOR).

The goal of the first phase of work (indicated below) is to determine the highest and best use of the available building space with the understanding that program elements can be shared between the Port and the Estuarium. MIG will coordinate with TAS in determining the correct spatial layout that successfully allows for a functional/flexible Estuarium facility and balances other building program elements (designed by TAS).

The MIG (Aquarium Design Team) scope will include program elements within the Puget Sound Estuarium represented in Exhibit A-Program and Exhibit B-Organizational Overview. Exhibit C is provided to illustrate the assumed scope of work.

The MIG (Aquarium Design Team) proposal is based on the following budgetary assumptions:

- 2600-3000 SF exhibit spaces (inclusive of LSS) = \$4-8M construction cost (per Exhibit A Highlight in Green.)
- 2500 SF of support spaces (including aquarist, LSS, classrooms, restrooms, etc) = \$1.5M construction cost (per Exhibit A Highlight in Green.)
 - Spaces highlighted in Yellow in Exhibit A will be detailed by TAS in coordination with MIG.

A full list of Assumptions and Exclusions are noted below.

Design Team Tasks & Deliverables

1.0 PROJECT MANAGEMENT (PM)

- PM/Weekly meetings
- Weekly Virtual Meetings with TAS, Port of Olympia, and Puget Sound Estuarium

2.0 PROGRAMMING/SPACE PLANNING

- **2.1 Programming/Space Planning kick-off workshop**: (1-day/onsite)
 - Aquarium Design Team Participants:
 - (2) MIG
 - Workshop Goals:
 - Aquarium Program Prioritization/Reconciliation (w/in available building space)
 - Species list and display characteristics
 - LSS objectives



- 2.2 Workshop #2: Programming/Space Planning workshop: (1/2-day/onsite)
 - Aquarium Design Team Participants:
 - (2) MIG
 - Workshop #2 Goals:
 - Presentation of Concept Progress
 - LEED objectives/opportunities

• 2.3 Programming/Space Planning Deliverables:

- Workshop notes and graphics
- Programming/Space Planning Report
 - Executive Summary for the Puget Sound Estuarium
 - Preliminary Program Analysis/Coordination (with the Port of Olympia and TAS Conceptual)
 - Organization of Exhibit Spaces ((1) revision round)
 - Illustrative Floor/Site Plan (interior/exterior aquarium elements)
 - LEED objectives narrative
 - Rough order of magnitude budget (scope per Exhibit A Highlight in Green.)
 - Specifications Table of Contents
- **2.4 Workshop #3**: Programming/Space Planning Final presentation: (1/2-day/onsite)
 - Aquarium Design Team Participants:
 - (2) MIG
 - Workshop #3 Goals:
 - Review owner comments
 - Presentation of Concept Deliverables

• 3.0 Add Alternate Scope

0

- Conceptual Section/Elevation of key exhibits (4 max)
- Conceptual Exhibit Character Renderings and reference images (4 max) ((1) revision round)

[SEE ATTACHED SPREADSHEET FOR FEE BREAKDOWN]

Assumptions

- 1. Design duration = 4 months
- 2. Weekly OAC design/coordination calls.
- 3. Thomas Architecture Studio (TAS) is responsible for the building shell design.
- 4. Aquatic Design Team to coordinate with TAS MEP and Structural Engineers on building shell requirements
- 5. Contract documents to be based on available information or assumed conditions.
- 6. AV/Lighting design is designed by others (can be added in future phases)

Exclusions

- 1. Investigating or surveying existing conditions or facilities, or making measured drawings thereof, or verifying the accuracy of information furnished by others, or providing topographic and boundary surveys.
- 2. Preparing documents for early or alternate bid packages, out-of-sequence services, or phased construction.
- 3. Digital data other than those indicated in the "Deliverables" Section of this agreement.
- 4. Providing services in connection with future facilities, systems or equipment, which are not intended to be constructed as part of this Project.
- 5. BIM/3D coordination or modeling



- 6. Design of off-site improvements.
- 7. Coordination of regulated utilities
- 8. Sanitary or stormwater pump and vault design.

MIG		MIG, Inc. MIG Staff									
				ck Mayes ct of Record	Kevin Bazzell Project Manager/ Lead Exhibit Designer		Roxanne Glick Exhibit Designer		MIG Totals		Fees Totals
	Hours @	\$205	Hours @	\$275	Hours @	\$155	Hours @	\$105			
Puget Sound Estuarium - Programming/Concept Design											
1.0 Project Management	10	¢0.460		¢040	16	¢1.000	2	¢240	22	\$4.560	¢4.500
1.1 Project Setup and Planning + weekly Client call (10 week duration)	12	\$2,460	2	\$210	16	\$1,680	2	\$210	32	\$4,560	\$4,560
2.0 Programming/Concept Design											
2.1 Kick-off Workshop (1-day onsite) includes prep	16	\$3,280	12	\$3,300	4	\$620	0	\$0	32	\$7,200	\$7,200
2.2 Workshop #2 (1/2-day onsite) includes prep	8	\$1,640	8	\$2,200	2	\$310	0	\$0	18	\$4,150	\$4,150
										•	
2.3 Programming/Space Planning (Arch, Exhibit, and Landscape Arch)											
Executive Summary	4	\$820	1	\$275	0	\$0	0	\$0	5	\$1,095	\$1,095
Preliminary Program Analysis/TAS Coordination	8	\$1,640	4	\$1,100	16	\$2,480	0	\$0	28	\$5,220	\$5,220
Conceptual Organization of Exhibit Spaces (interior/exterior)	12	\$2,460	8	\$2,200	24	\$3,720	24	\$2,520	68	\$10,900	\$10,900
Illustrative Floor/Site Plan (interior/exterior aquarium elements)	12	\$2,460	2	\$550	2	\$310	40	\$4,200	56	\$7,520	\$7,520
Preliminary LEED Checklist/Opportunities	1	\$205	1	\$275	12	\$1,860	2	\$210	16	\$2,550	\$2,550
ROM Budget	2	\$410	8	\$2,200	0	\$0	0	\$0	10	\$2,610	\$2,610
Specifications TOC	1	\$205	0	\$0	8	\$1,240	0	\$0	9	\$1,445	\$1,445
2.4 Workshop #3 (1/2-day - onsite) - includes prep	6	\$1,230	6	\$1,650	2	\$310	0	\$0	14	\$3,190	\$3,190
Subtotal	0	\$0	0	\$0	0	\$0	0	\$0	0	\$50,440	\$50,440
Professional Time and Costs Subtotal	82	\$16,810	52	\$13,960	86	\$12,530	68	\$7,140	288	\$50,440	\$50,440
NTE Project Expenses (travel, mileage)									\$	2,000.0	\$2,000.0
Total Project Cost for Programming/Space Planning											\$52,440
3.0 Add Alternate Scope/Fee											
(4) Conceptual Exhibit Character Renderings and reference images	2	\$410	1	\$275	8	\$1,240	40	\$4,200	51	\$6,125	\$6,125
Concept Section/Elevation(s) [4 exhibits max]	8	\$1,640	4	\$1,100	24	\$3,720	16	\$1,680	52	\$8,140	\$8,140
Total Project Cost for Programming/Space Planning (WITH ADD ALTS)											\$66,705

About MIG, Inc.

MIG was founded in 1982 to help our clients plan, design, and sustain places that support the environment and human development. Our team of more than 250 professionals assists public agencies on projects that enhance community livability, support revitalization, and connect people with nature. We intently listen to our clients in order to create robust spaces for conservation, research, interpretation, and informal education. We are architects, landscape architects, exhibit designers, interpretive planners, engineers, and scientists; we explore and illuminate the relationship between the built and natural environments beyond the boundaries of traditional practice.

ZOO EXHIBIT DESIGN

MIG offers expertise in the planning and design of zoos, aquariums, nature-focused destination resorts, and themed attractions. We are recognized as a global leader for the design of zoological exhibits and aquariums, having completed more than 80 projects worldwide—each uniquely crafted to meet the needs, messages, and mission of its zoo, aquarium, or animal park. We design immersive exhibit experiences that are healthy and stimulating for animals and completely realistic, authentic, and engaging for visitors. MIG's designs maximize the quality and environmental richness of each animal's exhibit environment to reflect its home habitat while providing appropriately sized living spaces and enriching complexity to encourage natural behaviors and allow the animals to live happy, healthy lives. Careful design of exhibit elements—in consideration of guest viewpoints, vistas, and pathways—allows us to plan exhibits to encourage animals to choose to spend time where the visitors will see them, so that guests will encounter and experience animals as if they are in the wild.







EDUCATIONBKLA

» BLA, University of Georgia

REGISTRATIONS

» Landscape Architect: WA, CO, MS

PROFESSIONAL AFFILIATIONS

- » American Society of Landscape Architects
- » American Zoological Association (AZA)

Jacob Dumler, PLA, ASLA

PRINCIPAL-IN-CHARGE / LEAD EXHIBIT DESIGNER

Jacob Dumler is an award-winning exhibit designer whose versatility and creativity have contributed to outdoor spaces around the country- from zoos and aquariums to parks and streets. Growing up on a farm, Jacob has a connection to land and nature that he strives to replicate for people every day. He is inspired by the opportunity to create authentic places that are captured in memory—offering potentially life-changing experiences and activities through interaction with the natural world. By day, Jacob collaborates with clients, colleagues, and communities to take ideas from concept to built reality. By night, he is a craftsman of bicycles, skis, and other tools that enhance the outdoor experience. His interest and background in fabrication enables him to bridge the disciplines of design, engineering, and facilities maintenance, and facilitate interdisciplinary communication. As Director of Experience Design, Jacob ensures that all landscape design—regardless of setting—balances aesthetics and function; promotes engagement and awareness; and infuses meaning and a sense of discovery.

SELECTED PROJECT EXPERIENCE

- » Ocean Wonders: Sharks! New York Aquarium, Brooklyn, NY
- » Gulfarium Marine Adventure Park Dolphin, Fort Walton Beach, FL
- » Sitka Sound Science Center, Sitka, AK
- » Marine Discovery Center, Port Angeles, WA
- » Denver Zoo 7-Year ZIP, Denver, CO
- » Denver Zoo Flamingo, Denver, CO
- » Denver Zoo Australia, Denver, CO
- » Minnesota Zoo Treetop Trail, Minneapolis, MN
- » Lincoln Park Zoo Pride of Chicago, Chicago, IL
- » Houston Zoo Gorillas of the African Forest, Houston, TX
- » Minnesota Zoo 28 by 2028, Phase I: Wells Fargo Family Farm Expansion, East Entry, Nocturnal Hallway Renovation, Moose, Bison/ Prairie Dog, Center for Tiger Conservation, Bunkhouse, Crossroads Plaza, Farmers Memorial, Apple Valley, MN
- » Nashville Zoo Spider Monkey, Otter and Tiger Exhibits, Nashville, TN
- » Edmonton Valley Zoo, Nature's Wild Backyard, Alberta, Canada
- » Nashville Zoo Spider Monkey, Nashville, TN
- » Nashville Zoo Tiger Crossing, Nashville, TN



EDUCATION

» Associates in Technical Design, Olympic College

PROFESSIONAL AFFILIATIONS

- » American Institute of Architects
- » American Zoological Association (AZA)

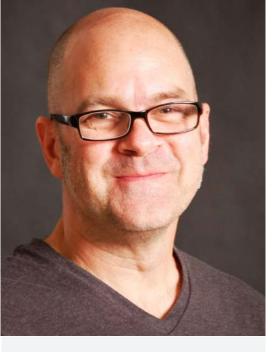
Kevin Bazzell

PROJECT MANAGER / EXHIBIT DESIGNER

Kevin Bazzell has extensive hands-on experience in all phases of design on a variety of projects. Whether in lead or supporting roles, his knowledge combined with his enthusiasm for great design and successful projects are invaluable. Developed from a background in both A&E roles, his skills and understanding provide the flexibility demanded from design, schedule and budget constraints. By identifying needs and solutions, he can further strengthen the project team's effectiveness in communication and overall design, ultimately leading to a successful project.

SELECTED PROJECT EXPERIENCE

- » Ocean Wonders: Sharks! New York Aquarium, Brooklyn, NY
- » Gulfarium Marine Adventure Park Dolphin, Fort Walton Beach, FL
- » Sitka Sound Science Center, Sitka, AK
- » Fresno Chaffee Zoo Sea Lion Cove, Fresno, CA
- » Pacific Fleet Submarine Museum, Honolulu, HI
- » Denver Zoo 7-Year ZIP, Denver, CO
- » Denver Zoo Flamingo, Denver, CO
- » Denver Zoo Australia, Denver, CO
- » Lincoln Park Zoo Pride of Chicago, Chicago, ILL
- » Houston Zoo Gorillas of the African Forest, Houston, TX
- » Houston Zoo Africa Phase III, Houston, TX
- » Houston Zoo Arrival Plaza, Houston, TX
- » Oklahoma City Zoo Sam Noble Aquarium, Oklahoma City, OK
- » Woodland Park Zoo Animal Ambassador Building, Seattle, WA
- » Woodland Park Zoo Night Exhibit, Seattle, WA
- » Woodland Park Zoo Tree Kangaroo Exhibit, Seattle, WA
- » Hands On Children's Museum, Olympia, WA
- » The New KidsQuest Children's Museum, Bellevue, WA



EDUCATION

- » BArch, Rhode Island School of Design
- » BFA, Rhode Island School of Design
- » Bachelor of Technology in Architecture, Ryerson University, Toronto

PROFESSIONAL AFFILIATIONS

» American Zoological Association (AZA)

James Pase

EXHIBIT DESIGNER

With more than 25 years of experience, James Pase is a cross-trained designer who seems to operate simultaneously from both sides of his brain. His work is architectonic and artistic, carefully organized, but playful, full of scale and drama, but offering small beguiling "moments" on closer examination. This results in highly nuanced experiences that function well for visitors, animals, keepers, and staff. James is an avid adventurer and tinkerer, fueled by an innate curiosity of crossing borders, stretching limits, jumping gaps, and capturing essential moments. With an ever expanding breadth of experience networking zoo design, architecture, interaction design, mechanical, and visual effects, his skills are a perfect fit to MIG's multidisciplinary staff.

SELECTED PROJECT EXPERIENCE

- » Gulfarium Marine Adventure Park Dolphin, Fort Walton Beach, FL
- » Marine Discovery Center, Port Angeles, WA
- » Los Angeles Zoo and Botanical Gardens Living Amphibians, Invertebrates and Reptiles, Los Angeles, CA
- » Birch Aquarium at Scripps Fairy Penguins Exhibit, San Diego, CA
- » Birch Aquarium at Scripps Revitalization and Sea Dragon Exhibit, San Diego, CADenver Zoo Flamingo, Denver, CO
- » Smithsonian National Zoological Park, American Trail and Experience Migration, Washington DC
- » SeaWorld San Diego Turtle Reef, San Diego, CA
- » Kansas City Zoo Helzberg Penguin Plaza, Kansas City, MO
- » Minnesota Zoo Treetop Trail, Minneapolis, MN
- » Busch Gardens Jungala, Tampa, FL
- » Hogle Zoo Asian Highlands Exhibit, Salt Lake City, UT
- » Kansas City Zoo Helzberg Penguin Plaza, Kansas City, MO
- » Kansas City Zoo Orangutan Canopy, Kansas City, MO
- » Los Angeles Zoo and Botanical Gardens Rainforest of the Americas, Los Angeles, CA
- » Los Angeles Zoo and Botanical Gardens Elephants of Asia, Los Angeles, CA
- » Minnesota Zoo Heart of the Zoo Phase II, Minneapolis, MN
- » Nashville Zoo Tiger Crossroads, Nashville, TN
- » Nashville Zoo Spider Monkey: Treetop Passage, Nashville, TN



Ocean Wonders: Sharks! New York Aquarium

Ocean Wonders: Sharks! activates the edge between the New York Aquarium and the Coney Island boardwalk, reconnecting New Yorkers with their natural environment. The building's fluid geometry resembles landforms carved by water. The architecture uses wind, sunlight, and salt air to enchant visitors with an ever-changing façade that is aquatic in appearance, fluid, and shimmering. Integral to the design is a spiral ramp that unveils magnificent ocean views and leads visitors to a roof deck with interactive spaces. From within the aquarium, visitors will experience new ways to understand sharks and their plight for survival.

The building is designed to engage the community, providing food service and seating options along the adjacent boardwalk, as well as small, approachable exhibits set within the beach-facing side of the building. Additionally, the building achieved LEED Silver certification by fulfilling unique aquarium requirements including ocean-side water quality and energy management.

PROJECT DETAILS

Client: New York Aquarium, Wildlife Conservation Society

Location: Brooklyn, NY

Role: Architects, Landscape Architects, Exhibit Designers

Project Dates: Opened June 2018









AWARDS

AZA Top Honors Award, Exhibit Design, 2019

Citation for Kinetic Façade Treatment, Illuminating Engineering Society NYC Lumen Awards, 2019

NYCxDesign Awards, Architectural Installation/Pop-Up, 2019

Public Design Commission of the City of New York Award for Excellence in Design, 2012





Marine Discovery Center

The Marine Discovery Center (MDC) will be a new public aquarium and science center located on the Port Angeles waterfront. MIG was hired to provide conceptual and pre-design services for this 20,000 square-foot center which aims to be an iconic and inspiring building that educates and fosters ocean advocacy through exhibits that highlight marine life, science, and conservation, while weaving in maritime and cultural history.

New exhibits will explore local waters, the science that is changing them, and how visitors can become stewards of the ocean. Interactive elements like touch tanks, remotely operated vehicle manipulation, hands-on experiences, and back-of-house displays will allow visitors to dive deep into the world of ocean life and the importance behind it. The MDC will also tell the story of place, including the history of the native Tribal residents of the Olympic coast.

As part of this process, MIG facilitated design workshops and community meetings to understand the importance of this project to stakeholders and the Port Angeles community. The team also met with several Tribal Nations to learn about their history and how their tribes use water and the ocean.

PROJECT DETAILS

Client: Feiro Marine Life Center, Olympic Coast National Sanctuary, Olympic Coast National Marine Sanctuary Foundation

Location: Port Angeles, WA

Role: Architects, Landscape Architects, Exhibit Designers

Project Dates: 2019-ongoing





Birch Aquarium at Scripps Revitalization and Seadragons & Seahorses Exhibit

The Birch Aquarium at Scripps (BAS) has a new mission: to connect understanding to protecting our ocean planet. BAS focuses on conducting in-house research and translating complex science to the public in engaging and thoughtful ways. In order to translate this new mission and highlight its research to visitors, BAS implemented a multiphase revitalization effort that will result in a facility full of immersive environments and interactive learning opportunities.

New spaces allow for interactive exhibits, pavilions, and open research lab space, all designed to engage, inspire, and empower visitors. MIG also completed a concept design for a seadragon exhibit that highlights the Aquarium's programs in seadragon breeding and seahorse conservation. BAS exhibits are populated with seahorses raised on site, and seahorses are shipped out to zoos and aquariums around the world to help reduce the pressure on wild populations. MIG also worked on the design of The Little Blue Penguin exhibit, another exhibit experience that compliments BAS' mission and the recently completed Sea Dragons exhibit. Visitors flow from the immersive and deep waters of the Sea Dragons exhibit to the deep water viewing experience of the Little Blue Penguins, making the connection to another animal from Australia and New Zealand in the Species Survival Program. The design emphasizes the Little Blue Penguins natural habitat and allows for multiple viewing, underwater and on land, with up close views that encourage the visitors' social connection with the animals, creating empathy and ultimately conservation action.

PROJECT DETAILS

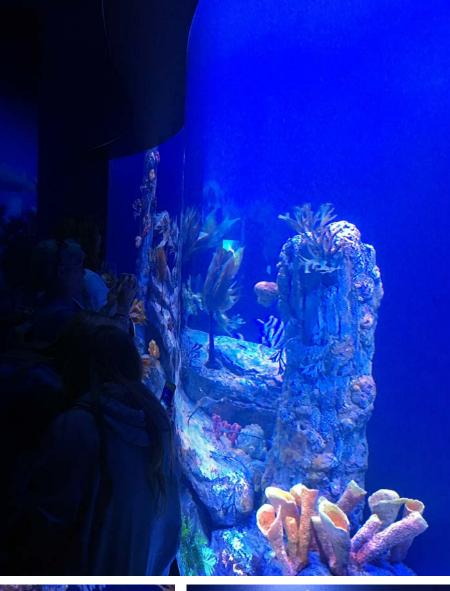
Client: University of California, San Diego

Location: San Diego, CA

Role: Architects, Landscape Architects, Exhibit Designers

Project Dates: Seadragons & Seahorses opened May 2019









Birch Aquarium at Scripps creates a home where animals and families grow. With our seadragon and seahorse breeding program, we promote their conservation.

These amazing fish inspire care or coastal habitats everywhere. By sharing babies born here, ve reduce demand or wild-caught seahorses.

To save species we must also save their habitat, in San Diego and around the world.





Smithsonian National Zoological Park Experience Migration on Bird Plateau and American Trail

Experience Migration on Bird Plateau

Experience Migration will be the first exhibition in a zoological park or natural history museum to tell the story of bird migration and the science behind it. The movement of billions of birds crisscrossing the globe instills wonder and prompts questions about how birds find their way, adapt to the diversity of environments they face, and are able to complete these marathon journeys. Visitors will learn, and wonder about bird migration from a global perspective, reflecting the zoo's mission of exhibition, husbandry excellence and scientific leadership. The project merges the Smithsonian Migratory Bird Center's research with a correlated, revitalized animal collection to showcase science and engage audiences in visitor-activated learning experiences.

American Trail

American Trail centers on the animals and landscape that define and characterize the spectacular Pacific Coast. The upper portion of the exhibit is home to river otters, American beavers, grey wolves, and bald eagles. These renovated exhibits begin at the headwaters of the stream that courses down the valley towards the Pacific Coast exhibits. At the base of a stream, visitors are invited to literally get their feet wet while exploring the grey seal, California sea lion, and brown pelican exhibits. The project also included upgrades to the former out-of-date life support system building, increased animal enrichment through wave machines, an ADA-compliant visitor path, and a more immersive visitor experience.

PROJECT DETAILS

Client: Smithsonian National Zoological Park

Location: Washington, DC

Role: Landscape Architects, Interpretive Planners, Exhibit Designers

Dates: Experience Migration opening 2022; American Trail opened 2012





Gulfarium Marine Adventure Park Dolphin Habitat

Gulfarium Marine Adventure Park opened in 1955 and is one of the oldest marine animal parks of its kind. Throughout the years, additional attractions were added and built on the site, and by the 1980s the park had doubled in size. MIG is currently working with the Park to renovate and expand the existing dolphin habitat and consolidate facilities to meet current animal care standards, support their breeding program, and enhance the visitor experience.

Comprising two acres, the renewed Dolphin Habitat immerses visitors into a more natural environment that mimics the Florida panhandle, connecting visitors with the creatures that live right off the Florida Coast. The exhibit features three rehabilitated holding pools totaling 800,000 gallons that will house 17 dolphins, and new visitor amenities including retail, food kiosks, seating area, and a changing room. Split-level viewing, close-up animal encounters, and a new 400-seat stadium overlooking the demonstration pool will give visitors many opportunities to view and interact with the dolphins.

MIG and the design team collaborated to determine the best pool/habitat sizing, visitor amenities, and LSS system to fit within the Park's budget. The new exhibit is currently in construction and is planned to open in 2022.

PROJECT DETAILS

Client: Gulfarium Marine Adventure Park

Location: Fort Walton Beach, FL

Role: Architects, Landscape Architects, Exhibit Designers

Project Dates: 2019-ongoing









COMMISSION MEETING

BRIEFING DATE/TIME:	November 14, 2022
DEPARTMENT:	Executive
STAFF CONTACT/TITLE:	Sam Gibboney Telephone: 360.528.8001 Email: samg@portolympia.com
<u>Торіс:</u>	Resolution 2022-XX Apprenticeship Utilization Requirement
<u>Purpose:</u> Check all that apply	 Information only Decision needed Follow up from previous briefing
1	

BACKGROUND & OVERVIEW:

The Port Commission tasked the Port of Olympia Citizen Advisory Committee (POCAC) with determining the viability of changing the language within the scope of work of contracts over \$1 million to include mandating apprenticeship utilization. The POCAC delivered a report to the Commission dated September 10, 2018, and entitled Apprenticeship & Training subcommittee.

In August of 2022, Commissioner Iyall requested that Port staff and legal counsel prepare a revision to Port policy to create an Apprenticeship Utilization Incentive or requirement.

The State of Washington has created requirements for apprenticeship utilization for certain public works contracts. In doing so the state recognizes that a well-trained construction trades workforce is critical to the ability to construct public works and that without a concerted effort to train new workers there will be an inadequate supply of skilled workers in the construction industry. Apprenticeship training programs are particularly effective in providing training and experience to individuals seeking to enter or advance in the workforce. By providing for apprenticeship utilization on public works projects, a government agency can create opportunities for training and experience that will help assure that a trained workforce will be available in sufficient numbers in the future for the construction of public works.

Staff and legal counsel have prepared the attached revisions to Port Policy 1004 Public Works Contracting to create an Apprenticeship Utilization Requirement for public works projects estimated to cost more than \$1,000,000 (One Million Dollars.)

DOCUMENTS ATTACHED:

- Power Point Presentation
- DRAFT Resolution 2022-XX Apprenticeship Utilization Requirement
- POCAC Apprenticeship & Training Utilization Sub-Committee

AFFECTED PARTIES:

Public Works contractors

Apprentices in construction trades and those seeking such

<u>NEXT STEPS/TIMEFRAME:</u> Based on the Commission's recommendation, describe the next steps required in order to bring this item to conclusion. Include the time frame for each step.

Staff will consider commission input and bring the draft resolution for commission action on November 28. 2022

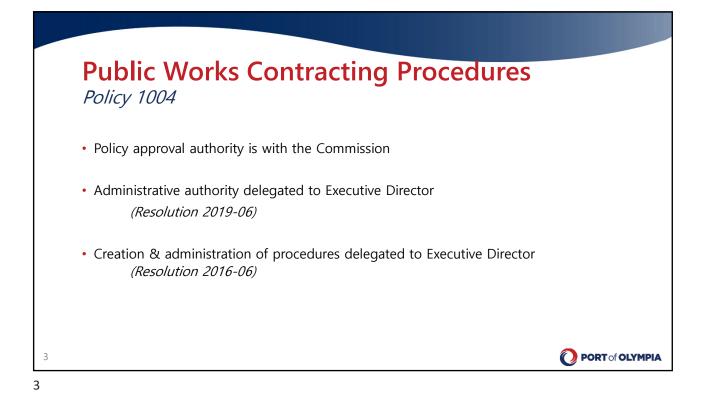


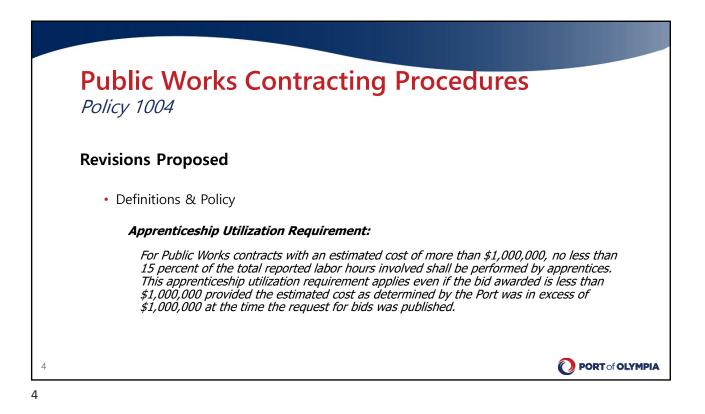
APPRENTICESHIP UTILIZATION

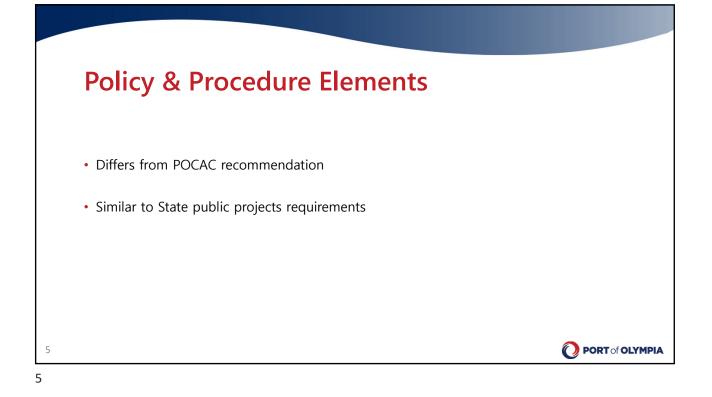
NOVEMBER 14, 2022 SAM GIBBONEY EXECUTIVE DIRECTOR

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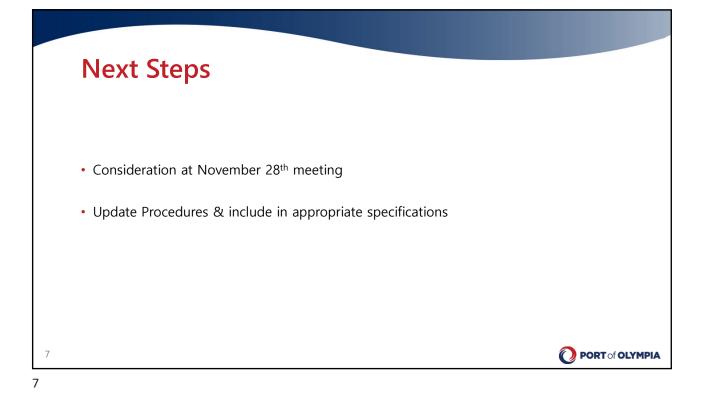


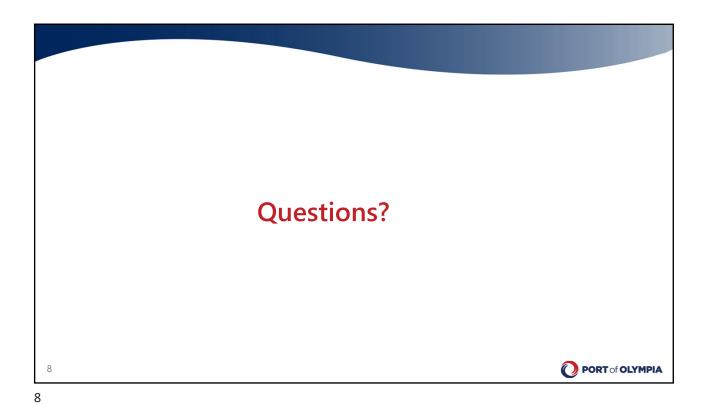












PORT OF OLYMPIA COMMISSION Resolution 2022-XX

A Resolution, of the Port of Olympia Commission, creating an apprenticeship utilization requirement for public works projects with a cost estimate of more than \$1,000,000 (One Million Dollars)

WHEREAS, the State of Washington recognizes that a well-trained construction trades workforce is critical to the ability to construct public works and codifies the purpose of apprenticeship training programs in RCW 39.04.300, and:

WHEREAS, the Port Commission last established a master policy directive for matters related to Port Contract and Acquisitions Policies with the adoption of Resolution 2019-06 that includes Policy 1004 Public Works Contracting; and

WHEREAS, the Port Commission wishes to update Policy 1004 Public Works Contracting to add a requirement for the utilization of apprenticeships for public works projects that exceed \$1,000,000 (One Million Dollars) in estimated costs; and

WHEREAS, Section 53.12.270 of the Revised Code of Washington provides authority to the Port Commission for delegation of powers to the Executive Director; and

WHEREAS, the Port Commission has adopted policy directives delegating administrative authority to the Executive Director and his/her designees for the purpose of expeditious administration of the Port; and

WHEREAS, the Port Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port;

THEREFORE, BE IT RESOLVED, that Port Policy 1004 Public Works Contracting as adopted previously by Resolution 2019-06, is amended as set forth in Exhibit "A" attached to this Resolution and incorporated herein by such reference for the purpose of providing an Apprenticeship Utilization Policy for the Port of Olympia.

BE IT FURTHER RESOLVED that the Port of Olympia Commission delegates the authority to the Executive Director to create procedures for the above listed policy.

ADOPTED BY THE Port of Olympia Commission this _____ day of November, 2022.

PORT OF OLYMPIA COMMISSION

Charles Iyall, President

Amy Evans Harding, Vice President

Joe Downing, Secretary-Treasurer

PORT OF OLYMPIA COMMISSION Resolution 2022-XX

A Resolution, of the Port of Olympia Commission, creating an apprenticeship utilization requirement for public works projects with a cost estimate of more than \$1,000,000 (One Million Dollars)

Exhibit A

Public Works Contracting (Policy 1004)

The Port shall ensure that its contracts for construction of public works comply with applicable laws and regulations. All public works contracts shall be executed by the Executive Director and administered by the Port's Environmental, Public Works and Planning Director or designee.

Policy Definitions:

- **Apprentice** means an apprentice enrolled in an apprenticeship training program approved or recognized by the Washington State Apprenticeship and Training Council.
- **Apprentice utilization requirement** means the requirement that no less than 15 percent of the total reported labor hours involved in a public works project estimated by the Port to cost in excess of \$1 million be performed by apprentices.
- **Contractor** means a person, corporation, partnership, limited liability company, public agency, or joint venture entering into a contract with the Port to construct a public work.
- **Emergency** means unforeseen circumstances beyond the control of the Port that either present an immediate threat to the proper performance of essential functions, or will likely result in material loss or damage to property or bodily injury if immediate action is not taken.
- **Labor hours** means the total hours of workers receiving an hourly wage who are directly employed on the site of the public works project. "Labor hours" shall include hours performed by workers, including foremen, employed by the contractor and all subcontractors working on the project. "Labor hours" shall exclude hours worked by superintendents, owners, and workers who are not subject to prevailing wage requirements.
- Public Works is defined by Washington State law to include "all work, construction, alteration, repair or improvement, other than ordinary maintenance, performed at public cost on any property".
- Ordinary Maintenance means work not performed by contract and that is performed by the employees of the Port on a regularly scheduled basis (e.g. daily, weekly, monthly, seasonally, semiannually, annually) to service, check, or replace items that are not broken; or work not performed by contract that is not regularly scheduled but is required to keep existing infrastructure in good usable, operational condition. Maintenance work by contractors is not Ordinary Maintenance.
- Small Public Works is the procedure created by Washington State statute authorizing the solicitation of public works bids from a limited number of contractors in lieu of formal advertisement to bid.

• **Subcontractor** means a person, corporation, partnership, limited liability company, public agency, or joint venture that has contracted with the contractor to perform all or part of the work to construct a public work by a contractor.

Policies

Competitive Selection:

The Port shall observe a competitive solicitation process for the purposes of contracting Public Works, as determined by the approved Port Signing Authority and Spending Thresholds, in compliance with contracting law, and as is governed by RCW.

Signing Authority and Spending Thresholds for Public Work Contracts:

 $\frac{0}{0}$ to $\frac{40,000}{0}$ – No solicitation requirements apply, although it is best practice to use at least a roster procurement process (i.e. "rosters"). Port staff may perform Public Work projects with in-house resources.

<u>\$0 to \$300,000</u> – Both formal, competitively bid or Small Works Roster contracts shall be authorized and executed by the Executive Director (see Policy #1002, "Small Works Roster Procedures").

300,000 or more - The Commission shall authorize all contracts prior to execution by the Executive Director.

The Commission shall authorize any change order if the new contract not to exceed amount exceeds \$300,000 or 10% of the Commission last approved amount. The Executive Director is authorized to execute change orders up to this threshold.

Apprenticeship Utilization Requirement:

For Public Works contracts with an estimated cost of more than \$1,000,000, no less than 15 percent of the total reported labor hours involved shall be performed by apprentices. This apprenticeship utilization requirement applies even if the bid awarded is less than \$1,000,000 provided the estimated cost as determined by the Port was in excess of \$1,000,000 at the time the request for bids was published.



Report of the Citizens Advisory Committee Apprentice & Training Utilization Sub-Committee

Summary

The Apprenticeship & Training Sub-Committee was tasked to determine the viability of changing the language within the scope of work of contracts over \$1 million to include mandating apprenticeship utilization. In the past four years the Port of Olympia has only had two contracts over \$1 million.

Scope of Work

- Study existing apprenticeship and training programs
- Evaluate possibilities costs-and benefits of expanding apprenticeship and training programs at the Port of Olympia
- Recommend options timeline process
- The Port of Olympia currently awards contracts to the lowest bidder. According to RCW 39.10 there are alternatives to selecting the lowest bidder for public work contracts.

2018 Sub-Committee members

Juqita McClure (Chair) Meren Gadman Deborah Pattin Cameron Wilson

Washington State Labor and Industries (L&I) considers compliance of apprenticeship utilization, only when a contractor uses apprentices from Washington State approved apprenticeship programs.

Although RCW 39.04 outlines public works, RCW 39.10 outlines Alternative Public Works Contracting Procedures, which gives the public body the ability to consider additional factors like outreach plans during the bidding process.

Based on the requested evaluation of apprenticeship and training utilization implementation under Port contract similar to other public entities, additional research determined that mandated apprenticeship utilization for contract greater than (>) \$1 million is not required by the Port, because the Port of Olympia does not fall under Governor authority, but is exempt as the contracts are awarded by other state agency headed by publicly elected officials.

Mandating apprenticeship utilization for contract > \$1million has the potential to discourage competitive bidding. Past contractors were contacted (attachment 7) to determine



whether mandated changes to include apprenticeship utilization would discourage the contractor from continuing to bid on Port contracts.

Long term public works contracts projected to take years to complete, often require a Project Labor Agreement (PLA) or Community Workforce Agreement (CWA). The Port of Olympia averages 166 days for its standard contract. The last million-dollar contract (fuel dock) took 170 days to complete.

Recommendation

For contracts with a projected cost > \$1 million, the Port of Olympia does not meet the public works requirements to mandate apprenticeship utilization, nor should the Port of Olympia discourage open competitive bidding of its contractors. The Apprenticeship Utilization Sub-Committee recommends rather than mandating apprenticeship utilization for Port contracts > \$1 million, the port apply an incentive to contractors already utilizing state approved apprentices during the proposal process.

The Port of Olympia Citizen Advisory Committee has reviewed the proposal and recommends the implementation of an incentive (attachment 1) rather than mandating apprenticeship utilization. An incentive for contracts >\$1 million would continue to encourage competitive bidding between open shop contractors and signatory contractors while not discriminating between those contractors who choose not to utilize apprentices. Further recommend the Port of Olympia continues to require contractors meet L&I prevailing wage guidelines as indicated in policy 1004. Prevailing wages are required to be paid to workers, laborers and mechanics on all public works projects, according to RCW 39.12.020. Fair and competitive open bidding can be achieved without labor restrictions and through the prevailing wage requirement.

If the Port of Olympia chooses to adopt this proposal in order to utilize an incentive during the bidding process for contracts >\$1 million, it would require a change to policy #1004 adding a statement in the "BIDDING PROCESS:" that contract documents for project with a cost estimate range >\$1 million will include a bidding incentive for those contractors utilizing Washington State approve apprentices for the project. This would require the contractor to provide the apprentice (s) registration number to the Port during the proposal process, and the Port Contract Administrator can verify each apprentice in Apprenticeship Registration & Tracking (ARTS) in order to utilize any proposed incentive.



Port of Olympia Current Policies/Practice

Policy 1002, Small Works Roster Procedures, dated 9/15 Policy 1004, Public Works Contracting Procedures, dated 9/15 Accepts the lowest *responsive bid* Awarded contracts to *signatory contractors* in past practice

Responsive bids are a bids or proposals that substantially complies with the invitation to bid or request for proposals and all prescribed procurement procedures and requirements.

The Port, in its sole discretion, reserves the right to determine bid irregularities which render a bid non-responsive, and to waive informalities and immaterial irregularities in the bid. A bid shall be considered irregular and may be rejected by the Port as non-responsive for reasons including, but not limited to:

- If the bid form furnished or authorized is not used or is altered;
- If the bid form or any required supplemental documents are incomplete, contain any additions, deletions, conditions, or otherwise fail to conform to the Port's requirements;
- If the bidder adds any provisions reserving the right to reject or accept the award, or enter into the contract;
- If the bid or bid guaranty is not properly executed, or shows an incorrect amount;
- If the bid fails to include a price for every bid item;
- If the Port reasonably deems the bid guaranty inadequate; or
- If the Port deems any of the bid prices to be excessively unbalanced either above or below the amount of a reasonable bid price for the item of work to be performed, to the potential detriment of the Port

Signatory contractors are union contractors. The company or organization has signed a *collective bargaining agreement* between one or more of the unions whose members work directly for the contractor on construction projects.

Collective bargaining agreement means an agreement in writing or writings between an employer and a trade union setting forth the terms and conditions of employment or containing provisions in regard to rates of pay, hours of work or other working conditions of employees.



Attachments

- Attachment 1 Proposed Incentive Process
- Attachment 2 Responsibilities During Contract Process
- Attachment 3 Apprenticeship Training Programs
- Attachment 4 Public Works Projects
- Attachment 5 Project Labor Agreement/Community Workforce Agreements
- Attachment 6 Alternative to Lowest Bid
- Attachment 7 Contractor/Labor Questions and Responses
- Attachment 8 Associated General Contractors (AGC) Feedback



Attachment 1

Proposed Incentive Process

Continue competitive process using public solicitation for proposals of services as outlined in 1004, with the exception for those contracts projected > \$1million, will include the statement during solicitation, "incentive will be granted to those bidders identifying the use of apprentices from an approved Washington State L&I apprenticeship training program."

Contractor should also provide a general description of work to include names of apprentices, trade, occupation, and apprentice identification number for all apprentice who will be working on the project, if any, during the proposal process.

If a contractor has identified the use of State approved apprentices and all proposals are processed and closed for bidding, continue to identify the proposed cost incentive in order to determine the lowest bid submitted.

Determine the average proposed bid from all bids submitted.

Subtract the lowest proposed bid submitted from the average bid to create a cost incentive.

Subtract the cost incentive from the proposal for the contractor(s) who have identified the use of apprentices from the State approved apprenticeship utilization program.

The contract will be awarded to the bidder with the lowest responsive proposal after subtraction of the incentive which could be a slightly higher bid than the lowest bidder's proposal.

Note: See examples below.



** If the calculated incentive changes the proposal to the lowest bid, then grant the contract to the contractor using apprentices at the proposed bid submitted by the contractor. (example #1)

				-
Engineer				
	Bid >\$1 mil	Use Apprentices	Lowest Bid After Incentive	
Contractor #1	\$ 1,303,000.00	No	\$ 1,303,000.00	
Contractor #2	\$ 1,403,500.00	Yes	\$ 1,245,822.63	Award Contract
Contractor #3	\$ 1,462,100.00	No	\$ 1,462,100.00	
Contractor #4	\$ 1,300,512.00	No	\$ 1,300,512.00	
Contractor #5	\$ 1,500,253.00	Yes	\$ 1,342,575.63	
Contractor #6	\$ 1,620,300.00	No	\$ 1,620,300.00	
Contractor #7	\$ 1,583,200.00	No	\$ 1,583,200.00	
Contractor #8	\$ 1,492,650.00	No	\$ 1,492,650.00	
	Avg Bid = west Bid - Avg Bid = ontract Cost to Port		Incentive	-

Example #1

** The incentive may not always change the outcome of the lowest bid proposed. If the calculated incentive does not change the lowest proposal, then the incentive is not considered. (example #2)

Example #2

Enginee]			
	Bid >\$1 mil	Use Apprentices	Lowest Bid After Incentive	
Contractor #1	\$ 2,015,000.00	No	\$ 2,015,000.00	
Contractor #2	\$ 2,033,500.00	No	\$ 2,033,500.00	
Contractor #3	\$ 2,300,520.00	Yes	\$ 2,205,611.67	
Contractor #4	\$ 2,018,630.00	No	\$ 2,018,630.00	
Contractor #5	\$ 2,000,740.00	No	\$ 2,000,740.00	Award Contract
Contractor #6	\$ 2,205,500.00	No	\$ 2,205,500.00	
Avg Bid = Difference of lowest Bid - Avg Bid = Contract Cost to Port		\$ 2,095,648.33 \$ 94,908.33 \$ 200,740.00	Incentive	-

Port of Olympia Citizen Advisor Committee: Apprentice & Training Utilization



Attachment 2

Responsibilities During Contract Process

If the Port of Olympia chooses to adopt this proposal in order to utilize an incentive during the bidding process for contracts >\$1 million, it would require a change to policy #1004 adding a statement in the "BIDDING PROCESS:" requiring that the contractor will provide the apprentice (s) registration number to the Port during the proposal process for verification, and the Port contract administrator must verify each apprentice in Apprenticeship Registration & Tracking (ARTS) to utilize any proposed incentive prior to awarding the contract to the lowest bid.

http://lni.wa.gov/TradesLicensing/Apprenticeship/ARTS/default.asp

Note: Those same apprentice names must also be identified on the intent to pay prevailing wage if contract is awarded, which can be verified also by the contract administrator.

Step-by-step instructions for public works projects for the awarding agency and contractors filing intents can be found at <u>http://www.lni.wa.gov/TRADESLICENSING/PREVWAGE/DEFAULT.ASP</u>. Contractors must submit an affidavit of wages paid addendum D, apprentices when filing with the L&I for a public works contract.

Contractor

- Provide paid on-the-job training to the apprentices in the appropriate occupation and setting
- Complete affidavit of wages paid Addendum D, Apprentices
- Pay the apprentices the right wages (L&I prevailing wage)
- Monitor ratio of journey level to apprentices workers
- Ensure proper supervision of apprentices
- Employ only registered apprentices and journeymen when training for an occupation

Port Contract Administrator

- Track the name of each apprentices and apprentice's registration number;
- Track the name of each project;
- Track the dollar value of each project;
- Track the date of the contractor's notice to proceed;
- Track the number of apprentices and labor hours worked by them, categorized by trade or craft;
- Track the number of journey level workers and labor hours worked by them, categorized by trade or craft; and
- Track the number, type, and rationale for the exceptions



Attachment 3

Apprenticeship & Training Programs

The Apprenticeship Utilization Act encourages apprenticeship programs by requiring apprentices be used in public works projects. The purpose of the Act is to ensure a well-trained trades workforce to ensure the economic future of the county, increase efficiency and economical construction of public works projects, and create experience to individuals seeking to enter or advance in the workforce.

Apprentices – or – Trainee:

An "Apprentice" is an individual who is employed to learn an occupation and registered with a sponsor enrolled in a state-approved apprenticeship training program.

A "Trainee" is a person undergoing training for a particular job or profession. Trainee can be training in terms of apprentices training, a person undergoing military training, or vocational training.

RCW 39.04.310 - Apprenticeship training programs—Definitions.

The definitions in this section apply throughout this section and RCW 39.04.300 and 39.04.320 unless the context clearly requires otherwise.

(1) "Apprentice" means an apprentice enrolled in a state-approved apprenticeship training program.

(2) "Apprentice utilization requirement" means the requirement that the appropriate percentage of labor hours be performed by apprentices.

(3) "Labor hours" means the total hours of workers receiving an hourly wage who are directly employed upon the public works project. "Labor hours" includes hours performed by workers employed by the contractor and all subcontractors working on the project. "Labor hours" does not include hours worked by foremen, superintendents, owners, and workers who are not subject to prevailing wage requirements.

(4) "School district" has the same meaning as in RCW 28A.315.025.

(5) "State-approved apprenticeship training program" means an apprenticeship training program approved by the Washington state apprenticeship council.

RCW 39.04.320 Apprenticeship training programs – Public works contracts – Adjustment of specific projects – Report and collection of agency data-Apprenticeship utilization advisory committee created.

(4) This section applies to public works contracts awarded by the state, to public works contracts awarded by school districts, and to public works contracts awarded by state four-year



institutions of higher education. <u>However, this section does not apply to contracts awarded by</u> state agencies headed by a separately elected public official.

(5)(a) The Department of Enterprise Services must provide information and technical assistance to <u>affected agencies and collect the following data from affected agencies for each</u> project covered by this section:

(i) The name of each apprentice and apprentice registration number;

(ii) The name of each project;

(iii) The dollar value of each project;

(iv) The date of the contractor's notice to proceed;

(v) The number of apprentices and labor hours worked by them, categorized by trade or craft;

(vi) The number of journey level workers and labor hours worked by them, categorized by trade or craft; and

(vii) The number, type, and rationale for the exceptions granted under subsection (2) of this section.

(b) The Department of Labor and Industries shall assist the Department of Enterprise Services in providing information and technical assistance.

(6) The secretary of transportation shall establish an apprenticeship utilization advisory committee, which shall include statewide geographic representation and consist of equal numbers of representatives of contractors and labor. The committee must include at least one member representing contractor businesses with less than thirty-five employees. The advisory committee shall meet regularly with the secretary of transportation to discuss implementation of this section by the Department of Transportation, including development of the process to be used to adjust the requirements of this section for a specific project.

(7) At the request of the senate labor, commerce, research and development committee, the house of representative's commerce and labor committee, or their successor committees, and the governor, the Department of Enterprise Services and the Department of Labor and Industries shall compile and summarize the agency data and provide a joint report to both committees. The report shall include recommendations on modifications or improvements to the apprentice utilization program and information on skill shortages in each trade or craft.



Attachment 4

Public Works Projects

What is a public works project? Construction projects financed by government funds, and includes those projects encompassed by appropriate statute. A public works project is any category of infrastructure projects, such as construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public fund. Projects include hospitals, bridges, schools, libraries, highways, and dams.

Currently apprenticeship utilization is mandated by Washington State for all public works contracts projects overseen by the Governor. Ports do not fall within the defined public works infrastructure, making a mandate for apprenticeship utilization optional for contractors.

Public-work contracts administered by WSDOT currently require 15 percent of the total labor hours be performed by state-approved apprentices for projects estimated to cost \$3 million or more.

The Port of Olympia is not required by the RCW39.04.340 to mandate apprenticeship utilization for contracts over 1 million dollars, as projects are not overseen by the Governor. However, for the employment health of the county and the future strong workforce, apprenticeship utilization is highly encouraged.



Attachment 5

Project Labor Agreement (PLA)/Community Workforce Agreement (CWA)

A Project Labor Agreement (PLA) is a type of collective bargaining agreement typically formed between unions and owners of construction projects. A PLA is a collective bargaining agreement that applies to a specific construction project and lasts only for the duration of the project. The agreement is project-specific and is finalized before labor is hired. Generally used with multiple employers and multi-union for long term construction projects to establish pre-hire collective bargaining agreement designed to establish employment terms and conditions while providing benefits to local communities, tax payers, workers and businesses. A PLA generally specifies the wages and fringe benefits to be paid on a project. A PLA may require contractors to hire workers through a union hiring hall.₃ If not, it may require employees to become union members after being hired.

A Community Workforce Agreement (CWA) is a comprehensive pre-hire collective bargaining agreement between the County and labor unions that sets the basic terms and conditions of employment for an entire public works construction project.

A PLA or CWA generally requires (1) contractors to hire workers through a union hiring hall or (2) employees to become union members after being hired. A PLA applies to all contractors and subcontractors for the duration of the project.

PLAs are designed to assist in long term projects that take years to complete, providing a readily available workforce in the event of illness or injury. Unlike the Port of Seattle and the Port of Tacoma, the Port of Olympia has short term projects that do not necessarily fall within the intent of a PLA. Average contract for the Port of Olympia range from 60 to 90 days.

PROS:

1. Provide uniform wages, benefits, overtime pay, hours, working conditions, and work rules for work on major construction projects.

2. Provide contractors with a reliable and uninterrupted supply of qualified workers at predictable costs.

3. Ensure that a project will be completed on time and on budget due to the supply of qualified labor and relative ease of project management.

4. Ensure no labor strife by prohibiting strikes and lockouts and including binding procedures to resolve labor disputes; Labor conflict resolution.

5. Make large projects easier to manage by placing unions under one contract, the PLA, rather than dealing with several unions that may have different wage and benefit structures.



6. May include diversity provisions to recruit and train workers by requiring contractors to participate in recruitment, apprenticeship, and training programs for women, minorities, veterans, and other under-represented groups (this is a common CWA provision).

7. Reduces misclassification of workers and the related underpayment of payroll taxes, workers compensation, and other requirements;

8. May mean a larger percentage of construction wages stay in the county.

9. May improve worker safety by requiring contractors and workers to comply with project safety rules.

CONS:

1. Increase costs by mandating union wages and work rules and inhibiting competition.

2. Are anti-competitive because nonunion contractors may choose not to bid because either their members would be required to join a union if the contractor wins the bid or the contractor would not be able to use its own workers if the PLA required hiring through the union hiring hall.

3. Are inherently unfair to nonunion contractors and nonunion employees.

4. Are an unnecessary mandate (if imposed by law).

5. Hinder the use of nonunion contractor training programs that may operate more efficiently and are job specific, instead of union apprenticeship programs of a fixed duration.

6. Are unnecessary because of existing prequalification procedures that screen contractors that bid on public projects.



Attachment 6

Alternative to Lowest Bidder

RCW 39.10.200 - Finding—Purpose—Intent.

The legislature finds that the traditional process of awarding public works contracts in lump sum to the lowest responsible bidder is a fair and objective method of selecting a contractor. However, under certain circumstances, <u>alternative public works contracting procedures may best</u> <u>serve the public interest if such procedures are implemented in an open and fair process based on</u> <u>objective and equitable criteria.</u> The purpose of this chapter is to authorize the use of certain supplemental alternative public works contracting procedures, to prescribe appropriate requirements to ensure that such contracting procedures serve the public interest, and to establish a process for evaluation of such contracting procedures. It is the intent of the legislature to establish that, unless otherwise specifically provided for in law, public bodies may use only those alternative public works contracting procedures specifically authorized in this chapter, subject to the requirements of this chapter.

RCW 39.10.330 -Design-build contract award process.

(1) Contracts for design-build services shall be awarded through a competitive process using public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in, or as near as possible to, that part of the county in which the public work will be done, a notice of its request for qualifications from proposers for design-build services, and the availability and location of the request for proposal documents. The request for qualifications documents shall include:

(a) A general description of the project that provides sufficient information for proposers to submit qualifications;

(b) The reasons for using the design-build procedure;

(c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and finalists' proposals, including evaluation factors and the relative weight of factors and any specific forms to be used by the proposers;

(i) Evaluation factors for request for qualifications shall include, but not be limited to, technical qualifications, such as specialized experience and technical competence; capability to perform; past performance of the proposers' team, including the architect-engineer and construction members; and other appropriate factors. Evaluation factors may also include: (A) The proposer's past performance in utilization of small business entities; and (B) disadvantaged business enterprises. Cost or price-related factors are not permitted in the request for qualifications phase;



(ii) Evaluation factors for finalists' proposals shall include, but not be limited to, the factors listed in (d)(i) of this subsection, as well as technical approach design concept; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; ability to provide a performance and payment bond for the project; recent, current, and projected workloads of the firm; location; and cost or price-related factors that may include operating costs. The public body may also consider a proposer's outreach plan to include small business entities and disadvantaged business enterprises as subcontractor and suppliers for the project. Alternatively, if the public body determines that all finalists will be capable of producing a design that adequately meets project requirements, the public body may award the contract to the firm that submits the responsive proposal with the lowest price.

RCW 39.10.360 - General contractor/construction manager procedure—Contract award process.

(1) Public bodies should select general contractor/construction managers early in the life of public works projects, and in most situations no later than the completion of schematic design.

(2) Contracts for the services of a general contractor/ construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals for general contractor/construction manager services. The public solicitation of proposals shall include:

(a) A description of the project, including programmatic, performance, and technical requirements and specifications when available;

(b) The reasons for using the general contractor/construction manager procedure including, if applicable, a clear statement that the public body is electing to procure the project as a heavy civil construction project, in which case the solicitation must additionally:

(i) Indicate the minimum percentage of the cost of the work to construct the project that will constitute the negotiated self-perform portion of the project;

(ii) Indicate whether the public body will allow the price to be paid for the negotiated selfperform portion of the project to be deemed a cost of the work to which the general contractor/construction manager's percent fee applies; and

(iii) Require proposals to indicate the proposer's fee for the negotiated self-perform portion of the project;

(c) A description of the qualifications to be required of the firm, including submission of the firm's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors, the relative weight of factors, and protest procedures including time limits for filing a protest, which in no event may limit the time to file a protest to fewer than four business days from the date the proposer was notified of the selection decision;

(e) The form of the contract, including any contract for preconstruction services, to be awarded;

(f) The estimated maximum allowable construction cost; and



(g) The bid instructions to be used by the general contractor/construction manager finalists.

(3)(a) Evaluation factors for selection of the general contractor/construction manager shall include, but not be limited to:

- (i) Ability of the firm's professional personnel;
- (ii) The firm's past performance in negotiated and complex projects;
- (iii) The firm's ability to meet time and budget requirements;
- (iv) The scope of work the firm proposes to self-perform and its ability to perform that work;
- (v) The firm's proximity to the project location;
- (vi) Recent, current, and projected workloads of the firm; and
- (vii) The firm's approach to executing the project.
- (b) An agency may also consider the firm's outreach plan to include small business entities and disadvantaged business enterprises, and the firm's past performance in the utilization of such firms as an evaluation factor.

(4) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, at the time specified by the public body, these finalists shall submit final proposals, including sealed bids for the percent fee on the estimated maximum allowable construction cost and the fixed amount for the general conditions work specified in the request for proposal. The public body shall establish a time and place for the opening of sealed bids for the percent fee on the estimated maximum allowable construction cost and the fixed amount for the general conditions work specified in the request for proposal. The public body shall establish a time and place for the opening of sealed bids for the percent fee on the estimated maximum allowable construction cost and the fixed amount for the general conditions work specified in the request for proposal. At the time and place named, these bids must be publicly opened and read and the public body shall make all previous scoring available to the public. The public body shall select the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public solicitation of proposals. A public body shall not evaluate or disqualify a proposal based on the terms of a collective bargaining agreement.

(5) The public body shall notify all finalists of the selection decision and make a selection summary of the final proposals available to all proposers within two business days of such notification. If the public body receives a timely written protest from a proposer, the public body may not execute a contract until two business days after the final protest decision is transmitted to the protestor. The protestor must submit its protest in accordance with the published protest procedures.

(6) Public bodies may contract with the selected firm to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.

RCW 39.10.420 - Job order procedure—Which public bodies may use—Authorized use.

(1) The following public bodies of the state of Washington are authorized to award job order contracts and use the job order contracting procedure:



(a) The department of enterprise services;

(b) The state universities, regional universities, and The Evergreen State College;

(c) Sound transit (central Puget Sound regional transit authority);

(d) Every city with a population greater than seventy thousand and any public authority chartered by such city under RCW <u>35.21.730</u> through <u>35.21.755</u>;

(e) Every county with a population greater than four hundred fifty thousand;

(f) Every port district with total revenues greater than fifteen million dollars per year;

(g) Every public utility district with revenues from energy sales greater than twenty-three million dollars per year;

(h) Every school district;

(i) The state ferry system;

(j) The Washington state department of transportation, for the administration of building improvement, replacement, and renovation projects only;

(k) Every public hospital district with total revenues greater than fifteen million dollars per year; and

(l) Every public transportation benefit area authority as defined under RCW <u>36.57A.010</u>.

(2)(a) The department of enterprise services may issue job order contract work orders for Washington state parks department projects and public hospital districts.

(b) The department of enterprise services, the University of Washington, and Washington State University may issue job order contract work orders for the state regional universities and The Evergreen State College.

(3) Public bodies may use a job order contract for public works projects when a determination is made that the use of job order contracts will benefit the public by providing an effective means of reducing the total lead-time and cost for the construction of public works projects for repair and renovation required at public facilities through the use of unit price books and work orders by eliminating time-consuming, costly aspects of the traditional public works process, which require separate contracting actions for each small project.



Attachment 7

Survey questions sent to contractors

- 1) On average, how many employees do you normally have working on a contracted project?
- 2) Are you currently or have you every utilized apprentice on a project?
- 3) If the Port of Olympia changed the statement of work to include apprentice utilization, would you continue to bid on contracts with the Port of Olympia?
- 4) Do you believe that 10% or 15% apprentices utilization of the workforce for contracts is agreeable, too high, or too low for contracts >\$500?
- 5) Would you be willing to sign a Project Labor Agreement (PLA) to gain a contract at the Port of Olympia?

Contractor Response

Hello,

12 Employees.

NOVA Contracting, Inc. is union-free so our apprentices program will not be approved by the state of Washington. No.

No we would not continue to bid work with the Port of Olympia.

Apprentices Utilization is another term to subsidize inefficient companies at the tax payer's

expense. Statistics show that projects with apprentice goals are 10-30% higher directly correlating to the apprentice project goals. For example, recently the Town of Rainier bid "twice" now a \$250,000 engineers estimate project with a 20% DBE goal. Both times the bid result were the same low bidder \$350,000 and second time \$380,000. Jon Hinton, Gray & Osborne, was the consulting engineer. I would contact them to see how apprentice utilization are increasing the bid results and stopping contractors from bidding the work. The first time it was bid (2) bidders and the second time (1) bidder.

Project Labor Agreement goes against our Capitalism system. Tax based municipalities should have no such agreements or even suggest such agreements or contracts unless it is proposed to their tax base constituents first.

Thank you for allowing me to answer your survey request.

On average, how many employees do you normally have working on a contracted project? Varies greatly. Typically 10 to 50 Quest employees.

P Are you currently or have you every utilized apprentice on projects? No.



If the Port of Olympia changed the statement of work to include apprentice utilization, would you continue to bid on contracts with the Port of Olympia? Not definitively, but it would be a deterrent.

Do you believe that a 10% to 15% apprentices utilization of the workforce for contracts is agreeable, too high, or too low, for contracts >\$500,000? Too high. Workforce restrictions make project execution less efficient and, in many cases, more costly.

Would you be willing to sign a Project Labor Agreement (PLA) to gain a contract at the Port of Olympia? No.

******	*****	******	******

On average, how many employees do you normally have working on a contracted project? 10-15

Are you currently or have you every utilized apprentice on projects? yes

If the Port of Olympia changed the statement of work to include apprentice utilization, would you continue to bid on contracts with the Port of Olympia? yes

Do you believe that a 10% to 15% apprentices utilization of the workforce for contracts is agreeable, too high, or too low, for contracts >\$500,000? agreeable

Would you be willing to sign a Project Labor Agreement (PLA) to gain a contract at the Port of Olympia?
 Depends on the term of the PLA. Granite has signed PLA's with other owners in the past.

- On average, how many employees do you normally have working on a contracted project? It depends on the value/scope of work of the contract. For example, a dredging project is very equipment intensive and low on the labor; conversely, a structures project is much more labor intensive. On average for a \$5 million dollar project we would employ 10-15 craft hands.
- Are you currently or have you every utilized apprentice on projects? Yes we do utilize apprenticess
 on our projects. Many of our public works contracts have apprenticesship goals.
- If the Port of Olympia changed the statement of work to include apprentice utilization, would you continue to bid on contracts with the Port of Olympia? Yes, provided the utilization goals and language in the contract was attainable and acceptable.
- Do you believe that a 10% to 15% apprentices utilization of the workforce for contracts is agreeable, too high, or too low, for contracts >\$500,000? Seems high and is significantly impact on the type of work. Again for a dredging project that would be difficult. Another factor to consider would the goals be calculated on total project craft labor hours, or calculated on total hours by trade? This is a significant variable, if the job has 7 pilebucks and 1 operator; meeting a apprenticeship utilization goal for the operator would be difficult. The contractor would be forced to add cost to the bid in order to employ an operator apprentices that otherwise would not be needed on the job. Please keep in mind that the operator position may require a skillset that only a journeyman posses so using a single apprentices as the operator may create a safety hazard. Also, the intent of the apprenticeship is to allow new craft employees to work around/under journeyman in order to learn the trade.

Would you be willing to sign a Project Labor Agreement (PLA) to gain a contract at the Port of Olympia? In my experience PLA are not effective. I have worked with a PLA at the Port of Seattle and in my opinion it add no value. The Navy has used a PLA on one of their recent large Puget Sound projects due to a Federal mandate that



the Obama administration put into place. It was not successful and the most recent Government RFP that we proposed on did NOT have a PLA in it, so it appears that the Government has moved away from them.

On average, how many employees do you normally have working on a contracted project?	Α
minimum of 5 on small jobs, a maximum of 30 on large jobs	

Are you currently or have you every utilized apprentice on projects? Yes, we are a union contractor and utilize apprentices through the union

If the Port of Olympia changed the statement of work to include apprentice utilization, would you continue to bid on contracts with the Port of Olympia? Yes

Do you believe that a 10% to 15% apprentices utilization of the workforce for contracts is agreeable, too high, or too low, for contracts >\$500,000? Yes, that is about right

- **Would you be willing to sign a Project Labor Agreement (PLA) to gain a contract at the Port of Olympia? Yes**
- Generally 2-5 employees on a project
- Yes- we had a PLA agreement for a prior project
- No. We have found for a company of our size the amount of monitoring and documentation is too difficult for us to manage
- We will sometimes look at projects with the apprentice requirements when the project is over 1 million. This passes on to our subcontractors as well.

We would consider it depending on the language and requirements of the PLA. In the past some required that we agree to sign up with the union after a certain # of PLAs—we would not agree to this.

- On average, how many employees do you normally have working on a contracted project? 5
- Are you currently or have you every utilized apprentice on projects? Yes
- If the Port of Olympia changed the statement of work to include apprentice utilization, would you continue to bid on contracts with the Port of Olympia? Yes
- Do you believe that a 10% to 15% apprentices utilization of the workforce for contracts is agreeable, too high, or too low, for contracts >\$500,000? Probably too high because a lot of jobs that size may have a crew of only 2-3 people

Would you be willing to sign a Project Labor Agreement (PLA) to gain a contract at the Port of Olympia? Yes

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Survey questions sent to labor representatives

- 1) What is the name of your organization?
- 2) Does your organization currently have a State-approved apprenticeship program in place?
- 3) If so, how do you determine the number of apprentices or apprentice-hours to allocate to a particular project?
- 4) Do you require a "Project Labor Agreement" to dispatch an apprentice?
- 5) For projects valued greater than one million dollars, how many apprentices (on an individual worker or total hourly basis) would you expect to dispatch on any given project?
- 6) For those workers who have successfully completed an apprenticeship program, approximately what % go on to become professionally employed, full time, in their respective industries?
- 7) Do they generally stay in the area in which they received their training, or do they relocate to other markets?
- 8) What % of your apprentices are veterans or participated in the "Helmets to Hardhats" program?
- 9) What impact, if any, does your apprenticeship program have on the overall cost of the job?
- 10) What are some of the benefits to increasing utilization of apprenticeship programs generally speaking?
- 11) Would your organization be in support of or opposed to the Port of Olympia requiring utilization of an apprenticeship program on contracts greater than \$1,000,000 in value? Why or why not?

Labor Response

Most of the questions don't apply to us in the traditional way but our B registration is something like an apprenticeship program. All costs are born by PMA which is a collective of all of the employers on the west coast.

1. ILWU Longshore Local #47

2. No

3. N/A

4. N/A

5. N/A

6. For our B registered individuals, 100% who make it 5 years become A registered unless there is some type of disciplinary action that would delay their registration.



7. All B registered who make A registration are assigned to the local that they were registered in. After assignment, there are extremely few transfers of A registrants on the west coast.

8. A very small percentage. As far as I know we do not have any helmets to hard hats program on the west coast.

9. Zero percent.

10. As a labor organization we believe that apprenticeship programs are important. Having well trained and motivated workers with a future stake in their chosen industry, is important to our society as a whole. Hiring low paid, part time workers to keep bids low does nothing to help the individuals who are actually doing the work and also can affect the quality of the job being performed.

11. We are in strong support of the Port of Olympia requiring utilization of apprenticeship programs for contracts exceeding \$1,000,000 in value.



Attachment 8

Associated General Contractors Response

The Associated General Contractors (AGC) of Washington would like to respond in a general way to the questions the Port of Olympia Citizen Advisory Committee (POCAC) posed to various contractors on June 19th. The AGC does not contract with any jurisdiction, but we do represent over 600 contractors in the State of Washington who do contract with local jurisdictions like the Port of Olympia. We represent both union and open shop contractors. We appreciate your outreach to the industry.

First, we would like to clear up any confusion that may exist around the need to adopt a Project Labor Agreement (PLA) in order to meet any potential apprentice utilization goal. In no way, shape or form would you need to adopt a PLA to meet an apprentice utilization goal. That notion is severely misinformed and the AGC is willing to talk with you more at a later date to discuss the matter in-depth. After all, WSDOT has long met its apprenticeship goals without the use of PLAs.

Second, because the Port primarily executes contracts on small and medium-sized projects only, there is no need for mandatory apprenticeship utilization goals in the first place. Mandatory goals are likely to limit your bidding pool and increase costs to taxpayers. Contractors are already stretched thin and at maximum capacity. A new government-mandated goal could mean the Port's projects with these potential requirements would be overlooked by contractors.

Next, AGC does not support government-mandated and government-negotiated PLAs. The Port of Olympia is a small to medium-sized local jurisdiction and I want you to be fully advised as to why PLAs won't work at the Port.

- PLAs effectively exclude the majority of construction workers from the opportunity to work on public projects and limit the potential bidding pool because open shop contractors and most Women and Minority Business Enterprise (WMBE) contractors (and their workers) will simply not bid a PLA project. This is the real world and the Port can't force a private construction company to bid a project. Some contractors will silently walk away from the opportunity to bid PLA projects at the Port to work in another jurisdiction. The Port should want general contractors and specialty contractors bidding to general contractors to compete vigorously.
- Because the construction economy is fairly strong in Western Washington, some jurisdictions are already complaining that they are not getting enough bidders on selected projects.
- PLAs impose unnecessary administrative costs in complying with the reporting.
- PLAs are not what they may seem. They unnecessarily restrict a contractor's ability to effectively manage the workforce and deliver quality projects and increase the costs of projects to taxpayers. The Port is not a large enough jurisdiction to not watch every penny spent.



Further, AGC does not support government-mandated priority hire policies. Priority hire would have negative consequences for Thurston County in general. As you may know, priority hire forces contractors to hire employees from lower income, higher unemployment and less educated zip codes. First off, this pits construction workers living in middle income zip codes against workers living in lower income zip codes. Essentially, are you penalizing people with regards to employment based on where they live. That is discriminatory and courts have reversed ordinances like these in the recent past. Educating people about their potential employment options one-on-one does way more than any Port policy surrounding priority hire. AGC and the AGC Education Foundation work hard and devote significant resources to encouraging young people to enter construction and to diversifying the construction workforce.

Lastly, the construction industry understands that we have a workforce development problem, but government mandates don't solve that problem and in most cases just make it worse. The construction industry is doing all it can to advertise employment opportunities to the public and train workers. AGC employers spend well over \$20 million per year in apprenticeship programs. That is a substantial number and should not be overlooked. The AGC wishes to partner with local jurisdictions to find solutions to workforce development issues and not simply defend the industry from regulations that don't work or have little impact other than dramatically increased paperwork for Port employees and construction firms.

We would be happy to discuss this matter with you and/or the Commissioners in more detail.

Thank you for reaching out to contractors for comment.

Tim Attebery Southern District Manager AGC OF WASHINGTON

Tel 253.896.0033 | Fax 253.896.0036 | www.agcwa.com



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