



THE PORT PILOT



SPRING 2016

Coming Soon: *The New Marine Trades Industrial Park*

Things are about to get interesting at the soon-to-come Marine Trades Industrial Park (MTIP). As noted in previous issues of the Port Pilot, the clean-up of the old PenPly/K-Ply site is progressing and the redevelopment phase is kicking in, which will result in the new MTIP. On March 28, the Port Board of Commissioners held a work session to discuss the planning and scope of work that will guide the transformation of the site into a dedicated waterfront marine trades area.

The Commissioners are looking hard at return on investment and expect the MTIP to have a significant effect on the local economy over the next decade, creating around 250 new direct family-wage jobs with an estimated annual income of \$11.5 million.

In addition, MTIP tenants will be in need of skilled employees to grow their businesses, so indirect economic benefits will spread throughout the community as well.

Including indirect and induced multiplier effects, the project could generate 461 total jobs, household income of \$17.6 million and around \$1.3 million in state and local taxes. The MTIP could cost \$8.2 million to develop by 2018, according to Port budget estimates, primarily funded by a combination of reserves and financing. Expected costs for the MTIP are \$5 million in 2017 and \$3 million in 2018.

At the work session, Paul Sorensen of BST Associates and Wendell Johnson of Reid Middleton, project consultants, reviewed the

preliminary scoping documents and answered questions. At this time costs and timelines are in a conceptual stage and will be refined as the scoping proceeds. Currently there are two phases under discussion:

Phase I Tasks

Task 1 – Gather background documentation and mapping.

Task 2 – Develop an interview format for meeting with existing and prospective tenants.

Task 3 – Meet with existing and prospective tenants.

Task 4 – Distillation of interview findings and discussion of Port staff input.

Task 5 – Meet with Port Commission via video conference.

Task 6 – Develop three conceptual master plan alternatives.

Task 7 – Commission reviews concept alternatives.

Phase II Tasks

Task 8 – Concept alternative utilities.

Task 9 – Commission reviews concept alternatives with utilities and costs.

Task 10 – Meet with the City of Port Angeles to review concept alternatives and solicit input.

Task 11 – Hold a public open house to review concept elements.

Task 12 – Commission reviews input from public open house.

Task 13 – Revise concept alternatives.

Task 14 – Commission selects preferred alternative.

Discussions are ongoing to finalize the list of tasks for each phase and their associated costs. It was noted that there are several interested potential tenants already in the community and they would be given first consideration before seeking out-of-town tenants. Mr. Sorensen reported that there is much interest in the Port's MTIP around Puget Sound,

(Continued on page 2)



An aerial view of the site of the future Marine Trades Industrial Park, looking south to north (left to right).

Board of Commissioners:

Colleen M. McAleer (President)

Connie Beauvais (Vice President)

Steven Burke (Secretary)

Karen Goschen, Interim Executive Dir.

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Steve Burke Joins Port Commission as District 2 Commissioner

The Port of Port Angeles recently welcomed a new addition to the Board of Commissioners. Steve Burke was appointed by Commissioners Colleen McAleer and Connie Beauvais to the post of District Two Commissioner and sworn in on March 14, 2016 to complete the term of former Commissioner Jim Hallett until a new commissioner is elected during the November 2017 general election. Steve was chosen out of a field of six candidates. "We were very gratified to have such a diverse group show interest in the Port and this position," said McAleer, Board President. "It was a tough decision and we are grateful for the input from the community as we worked through the selection process. We are sure that Steve will be a great asset to the Port Board."

Steve brings a broad range of experience to his new post. A native of San Diego, California, he attended the University of North Colorado where he earned a BS in Political Science and Public Administration. After serving a combined four years in the Navy and the Coast Guard Reserve, Steve joined the Drug Enforcement Administration as a Special Agent based in Los Angeles, California.

After fifteen years of service at the DEA, Steve took a medical retirement in 1999. With a partner, he founded XcelDyne, a business that manufactured engine parts for Formula 1 and NASCAR vehicles. After three years, the company was sold to a competitor. Steve had moved to Clallam County in 2001 with his family (Cindy, a nurse supervisor at OMC and children Tyler and Jessica, both in college) and was looking to bring the company to the Olympic Peninsula. However, the offer from their competitor was too good to pass up and XcelDyne was sold. Steve then started a business with another partner importing gourmet olive oil. Demand for this luxury product waned during the recession and the business was closed in 2009.

In 2010, Steve was hired by the William Shore Memorial Pool Metropolitan Park District as its Executive Director, overseeing the pool's operations. Pool use had been in decline in recent years and Steve was able to help turn it around financially, increasing usage and revenues substantially.



Commissioner Burke is sworn in by Port counsel Simon Barnhart.

Steve has had a great deal of experience serving the public and has a distinct philosophy regarding the obligation of public agencies to be responsive to their communities. In his application, he stated, "The best way to earn public trust is to present the greatest transparency possible in all matters of operations, including finance, budget and strategic planning, which demonstrates to the public how much we value the public trust."

Steve also feels that the Port has to earn its business customers. "Customer service has to be integrated into everything, from staff to the public. This will breed success. I plan to meet every Port tenant so I can understand how we can best help them do better.

"I believe that the Port and the assets it manages have the greatest economic growth potential for Clallam County. The Port needs to show progress and make good on its mission, which is to grow our economy. Communication is key to the ability of the public to understand the Port's process. I look forward to being a member of the team that executes the strategic goals of the Port."

Steve can be reached at stevenb@portofpa.com

MTIP Planning Well Underway *(continued from page 1)*

particularly because industrial space in Puget Sound ports is limited and expensive. The MTIP site is zoned heavy marine-industrial and has direct access to port marine terminals and a 500-ton travel lift pier.

"The Port of Port Angeles' Marine Trades Industrial Park is the most valuable and viable opportunity in our immediate future to provide living wage jobs and an economic boost for Clallam County," notes Commissioner Connie Beauvais. Director of Engineering Chris Hartman agrees, adding "The development of a Marine Trades Industrial Park is an exciting and daunting task. The Port will put in the necessary time and effort to ensure the development satisfies current tenants needs while remaining flexible to adapt to future market conditions."



Port, Peninsula College & CRTC Represented at 2016 JEC World Composites Conference

The newly-launched Composites Recycling Technology Center (CRTC) was introduced to the international composites community at the 2016 JEC World Composites Show and Conference that took place outside Paris, France on March 8 – 10. This annual event is the largest gathering of companies involved in the composite industry in the world with more than 30,000 attendees and 1,200 exhibitors. It provides the best opportunity to make crucial industry connections and learn about new industry developments.

A Port Angeles delegation was included in the Washington State Department of Commerce booth. Participants included Jennifer States from the Port of Port Angeles, Bob Larsen and Geoffrey Wood of the CRTC, and Jill teVelde of Peninsula College.

The Port has had a presence at this world-wide conference in recent years to promote the local composites industry at the Composites Manufacturing Campus at the Airport Industrial Park. The Port Angeles delegation shared a booth organized by the Washington State Department of Commerce (WDC) as co-exhibitors together with other Washington State organizations and companies. This is the most cost-effective way to gain visibility with the international composites industries.

All the key players in the global composite industry were gathered under one roof at the JEC Composites Conference for three days. CRTC and the Port representatives took advantage of this opportunity by having multiple meetings each day. It was an extremely time-efficient way to initiate contact, hold meetings and have discussions with industry leaders and senior decision-makers, composite manufacturers, and suppliers.

From the WDC website: "Washington State is one of the few places in the nation, if not the world, where the entire composites supply chain is represented," said Commerce Director Brian Bonlender. "From our research labs to factory floors and breaking new ground in composite recycling technology, this industry is creating good jobs and economic activity in

communities large and small, urban and rural, throughout the state." *Read more here:*

<http://www.commerce.wa.gov/media/Pages/PressReleaseView.aspx?pressrelease-id=233>

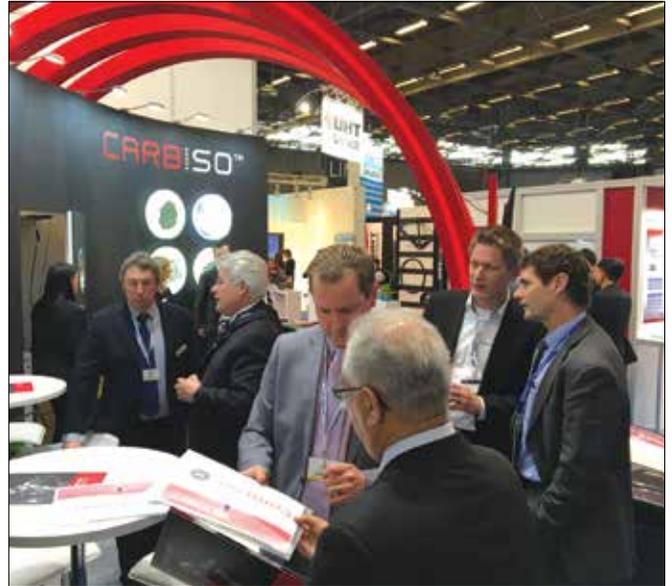
Jennifer States, the Port's Director of Business Development, attended the conference to attract new businesses to Clallam County. She developed two significant leads with companies who are now considering Port Angeles for their planned facilities: one for aircraft manufacture and another for recycling cured carbon fiber. For the latter company, being located near the CRTC is a major attraction.

"JEC World provided a great opportunity to once again put Port Angeles on the world stage for composite manufacturing," said Jennifer. "The Washington State Booth saw a stream of interested companies and organizations looking to connect on composite recycling."

Composites Manufacturing Campus

Construction is underway on a new Port facility for the CRTC and Peninsula College's Composite Manufacturing program, both located at the Port's Composite Manufacturing Campus. The facility was made possible by \$4 million in infrastructure grants from the U.S. Department of Commerce, the Washington State Clean Energy Fund through WDC, and from Clallam County's Opportunity Fund.

CRTC is a first-in-the-world company to divert and repurpose carbon-fiber pre-preg scrap from the landfill, transforming it into commercially-viable products. This generated significant interest with composite industry leaders at JEC because they are pioneering an economically viable way to solve a major problem holding back the growth of the carbon fiber industry – its high volume of scrap. Washington State produces more than 2 million pounds of



CRTC Interim CEO Bob Larsen and VP of Innovation Geoff Wood talks up the CRTC at the Paris composites conference.

carbon fiber pre-preg scrap each year, providing an ample supply of this material for reuse. However, up to now, no company has been able to demonstrate a market demand for this material.

CRTC staff made important connections with companies and organizations. "We have already executed seven new non-disclosure agreements, signaling significant new business relationships providing substantive benefits," said Bob Larsen, CRTC's Interim CEO. "We met with senior leadership from the world's largest composites suppliers and users, laying the groundwork for multiple new partnerships and opportunities in the near future."

The day before JEC opened, CRTC staff made an invited presentation at the American Composite Manufacturing Association's Global Recycling Workshop. The presentation was well received by the mix of EU and US attendees, generating considerable interest in CRTC's progress and potential. The Workshop showed the CRTC was in a world leadership position in recycling carbon fiber pre-preg.

Bob Larsen will be making a series of presentations around Clallam County to service clubs, business groups and other public entities to share more information about the CRTC's progress. Watch local media for times and dates.

Helping County Groups Help Others: The Port's Community Partner Program

Recognizing that supporting and improving the quality of life in our county is a mission shared by many, the Port created a special program to assist the efforts of other local entities to serve their citizens, members and the general public. The Port of Port Angeles' Community Partner Program offers matching funds (up to \$65,000 in 2016) for use in trade promotion, tourism promotion, public education and awareness, and economic development projects. Eligible participants include public or private non-profits, and incorporated or unincorporated small cities of no more than 10,000 residents.

Here's how it works: In its budgeting process, the Port Board of Commissioners determines the total funds available in any calendar year. Small cities and non-profits may submit proposals early in the year by an announced deadline to the Port of Port Angeles for screening and prioritization. Following the solicitation period, Port staff forward all eligible proposals to the Board. The Board then reviews the proposals, selects the groups and/or communities, and awards funds no later than April 15th. The number and value of individual awards may vary from year to year depending on the selections by the Board of Commissioners, available funds and the proposals submitted. Each entity receiving an award then has until the end of the calendar year to spend the project money and submit supporting documentation to the Port of Port Angeles for reimbursement.

Since the program's inception, the Port is proud to have supported many great projects. In 2015, awards were granted to the City of Sequim for AV equipment at the Guy Cole Community Center (\$9,573.66), Concerned Citizens of Forks for one part-time staff and support for its community center (\$9,333.33), the Feiro Marine Life Center for new lighting, exhibit components, entry and retail experience (\$8,333.33), the Peninsula



The Feiro Marine Life Center's new retail area.

Trails Coalition trailhead infrastructure (\$6,000.00), and the Port Angeles Downtown Association for their Arts & Draughts event and business recruitment program (\$3,333.33).

See the complete list of 2015 recipients at <http://portofpa.com/DocumentCenter/View/666>

The Port is proud to be able to directly aid local groups who work hard to improve their community, often on a shoestring. The Port believes that its Community Partner Program is a great way to leverage available funds for the benefit of the whole county.

To learn more about the Community Partner Program, please visit www.portofpa.com/index.aspx?nid=295. The application window has closed for 2016, but the 2017 program will open in early February 2017. Questions may be directed to Holly Hairell, Manager of Human Resources and Public Relations at **360-417-3454**.

New Log Stacker Now at Terminal 1

The Port of Port Angeles recently purchased a refurbished Wagner L80F full load log stacker. It replaces a Wagner L90 that was manufactured in 1967 and has reached the end of its useful life. The costs to maintain the Wagner log stacker had become increasingly expensive over time due to the unavailability of spare parts.

Any major breakdown with the 1967 Wagner L90 could result in an extended out-of-service period, causing expensive delays at both the marine terminal's cargo loading operations and at the Port's Terminal 7 log yard.

Port staff requested quotes from qualified heavy equipment vendors, and determined that the proposal for a Wagner L80F log stacker provided the best value. The machine was remanufactured to new specifications, with a full cost of approximately \$585,000. The Port anticipates that the refurbished-to-new condition machine will serve the needs of the Port and support the Port's log handling facilities for many years into the future.



"We are very pleased with the new addition," said Mike Nimmo, Marine Operations Manager. "The Wagner L80F log stacker provides versatility and will play an important role at the log yard and the marine terminal due to its ability to transit the distance between the log yard and Terminal 3 via Marine Drive."