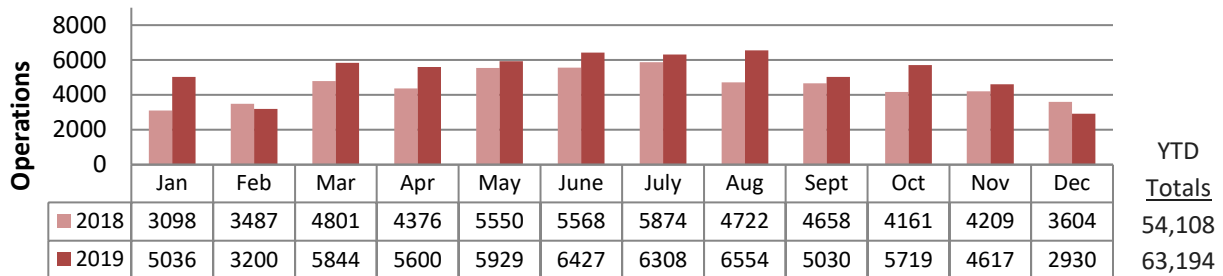


# Quarterly Activity Report: 4<sup>th</sup> Quarter 2019

## Olympia Regional Airport

2019 total annual operations were 17% higher than 2018. Jet fuel deliveries were 16% lower, however aviation gas deliveries were 20% higher than 2018. Landing fees were 15% lower than 2018.

**2019 Airport Operations  
with Prior Year Comparison**



<sup>1</sup>Air traffic counts are recorded by the Control Tower during its operating hours of 8:00am to 8:00pm daily. Operations occurring outside these hours are not monitored and are in addition to these recorded traffic counts.

### Hangar Occupancy – 100%

63 Hangars Total  
0 Vacant

### Landing Fees Collected

2018 YTD \$10,470  
2019 YTD \$ 8,882

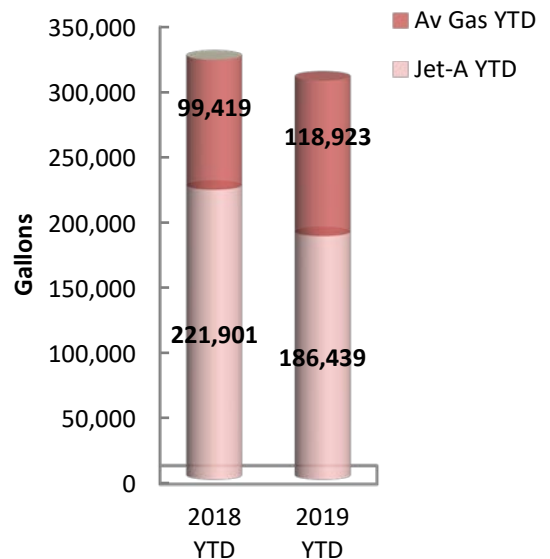
### FAA Grant Funding Received

1993 to 2018 \$27,317,597  
Received 2019 \$ 0  
Total FAA Grants \$27,317,597

### WSDOT-Aviation Grants Received

2005 to 2018 \$ 382,780  
Received 2019 \$ 0  
Total WSDOT Grants \$ 382,780

### Fuel Deliveries

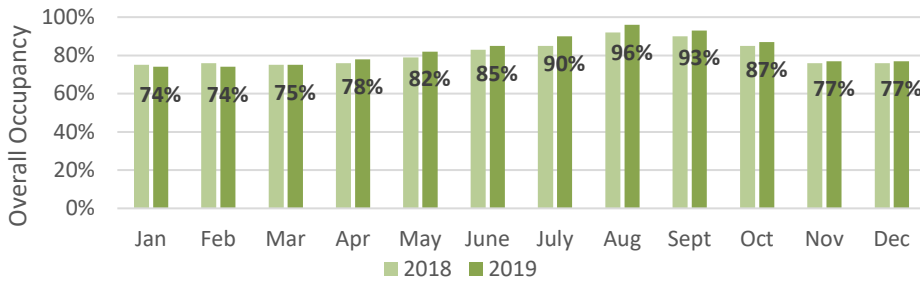


YTD = Cumulative, January to month of report

**Swantown Marina & Boatworks**

The 4th quarter of 2019 concluded with the marina, dry storage and mini storage occupancy continuing with previous trends of increased usage or maximized capacity. As expected, the marina’s occupancy reduced in November and December with the standard decreased seasonal boating activity, but remained at a higher occupancy than in the 2018 winter. Both the demand for dry storage and mini storage remained strong through the 4th quarter, driving a need for increased capacity due to storage overflow. The 4th quarter Boatyard haul out count sustained the pattern of reduction concluding the 2019 season with a 15% decrease in vessel haul outs compared to 2018. In contrast the Boatyard financials show an increase in revenue for lay time storage and long term storage. This indicates that, although there is decrease in haul outs, customers were storing their boats in the Yard for longer periods than in 2018. The Fuel Dock ended the 2019 year with growth in both diesel and gas sales, marking an increase of 9,438 gallons of diesel and 2,416 gallons of gas sold compared to 2018. The increase of gallons sold annually continues the trend of improved activity each year since the fuel dock was opened in 2017.

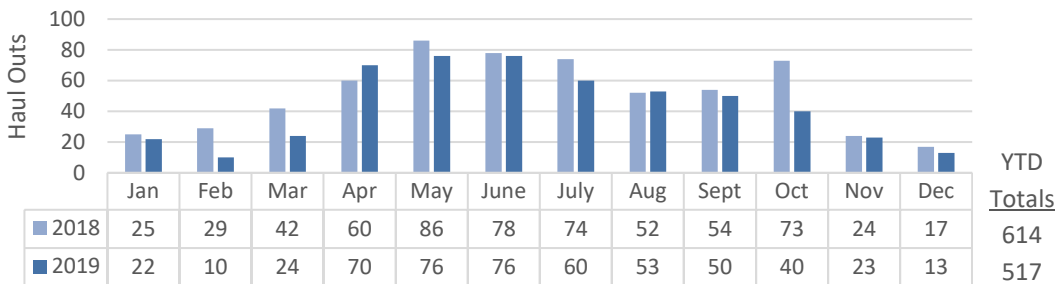
**2019 Marina Total Occupancy**  
with Prior Year Comparison



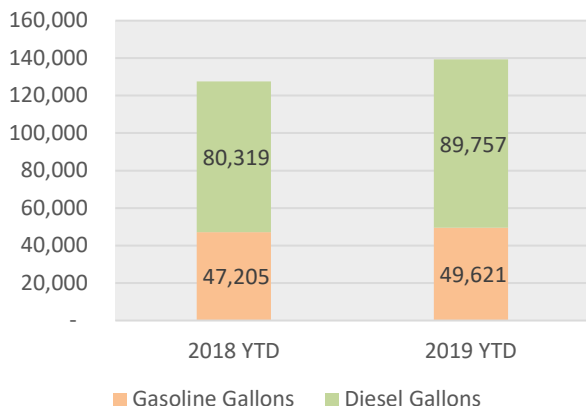
**Occupancy for December:**

Slips 20’-24’	23%
Slips 28’+	87%
Dry Storage	149%
Mini Storage	100%

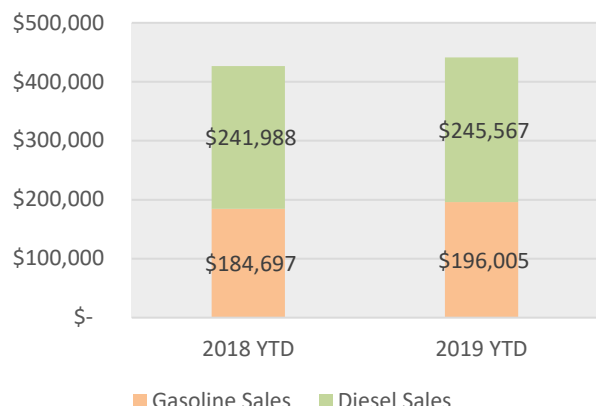
**2019 Boatworks Haul Outs**  
with Prior Year Comparison



**Fuel Dock Gallons Sold**



**Fuel Dock Sales**



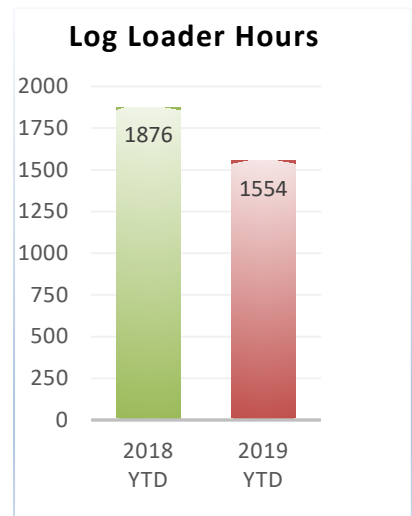
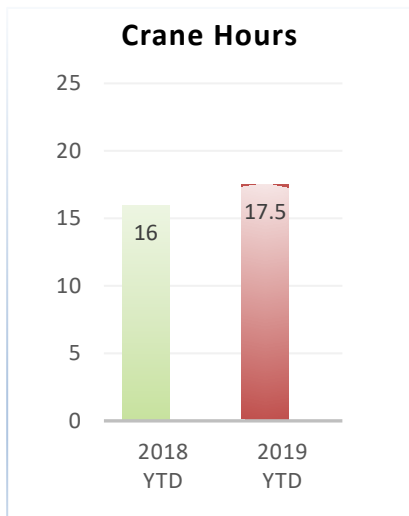
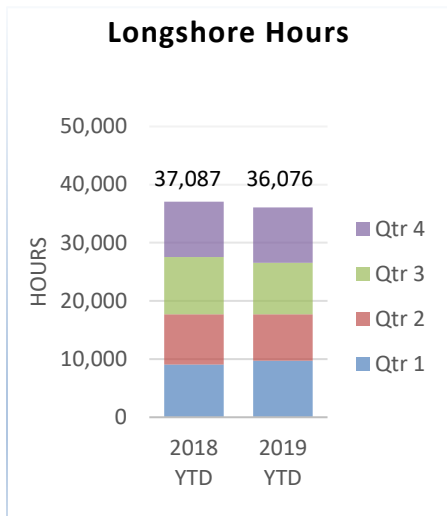
**Marine Terminal**

Fourth quarter activity at the Marine Terminal included the loading of 28.8 MBF of logs onto five vessels, offloading 240 MT of feed, hay and bedding from 9 trucks in preparation for a January cattle vessel, and release of 10 rail cars. The Chinese log market continues to erode driven by the retaliatory tariffs of the trade war and a supply surge from blow down European wood flooding the market. This extra supply is expected to remain a factor anywhere between 9 months and 2 years according to various opinions. Japanese business remains steady for now. The Port has seen a surge in cattle interest and is continuing to move that cargo. Further interest has risen in evaluating long-term options for the warehouse for various cargo sectors. Port staff will continue to pursue options.

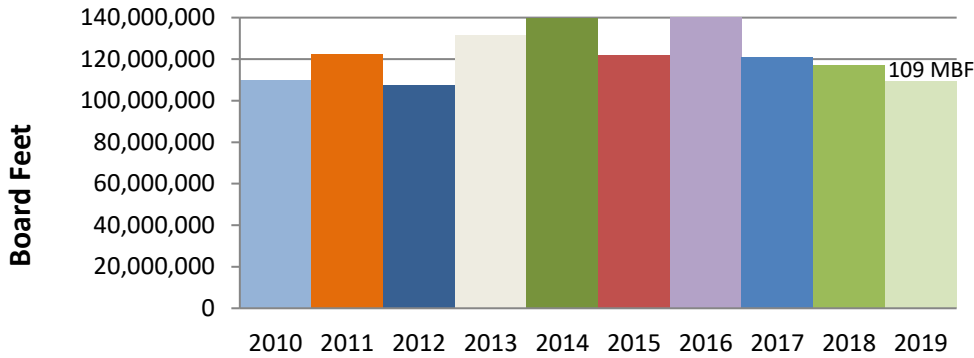
**Vessel Activity YTD**

		2018	2019
<b>Log Vessels</b>			
Japan	Full Vessel	10	11
	Partial Vessel	0	0
China	Full Vessel	4	5
	Partial Vessel	2	0
Korea	Partial Vessel	1	0
China/Japan	Full Vessel	0	0
China/Korea	Full Vessel	4	3
<b>Total Log Vessels</b>		21	19
<b>General Cargo Vessels*</b>		1	1
<b>Barges</b>	Breakbulk/Machinery	0	0
<b>Layberths</b>	Tugs, Barge, Ferry	3	2
<b>YTD Total All Vessels</b>		<b>25</b>	<b>22</b>

*\*General cargo may include steel, pipe, bulk corn, proppants, livestock, wind and energy components and/or other cargo.*



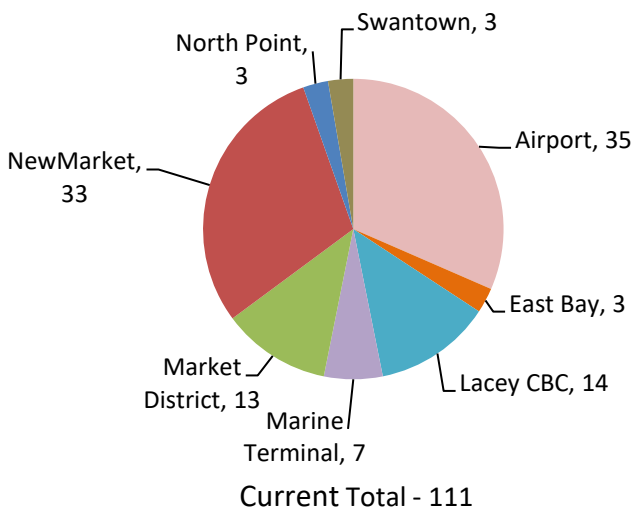
Export Log Volumes per Year



**Properties/Real Estate**

Fourth quarter 2019 real estate activity included the execution of three lease agreements, one lease amendment, one lease assignment, one lease termination and one license agreement for use of Port properties. 2019 lease revenue increased 2% over 2018.

Number of Leases by Location\*



\* See map of leasing locations on page 7.

**Cleanwater Centre Campus:**

- 76,140 sf Leasable Space
- 23.7% occupancy (18,000 sf)
- 3 Tenants

**Lacey Commerce Business Center:**

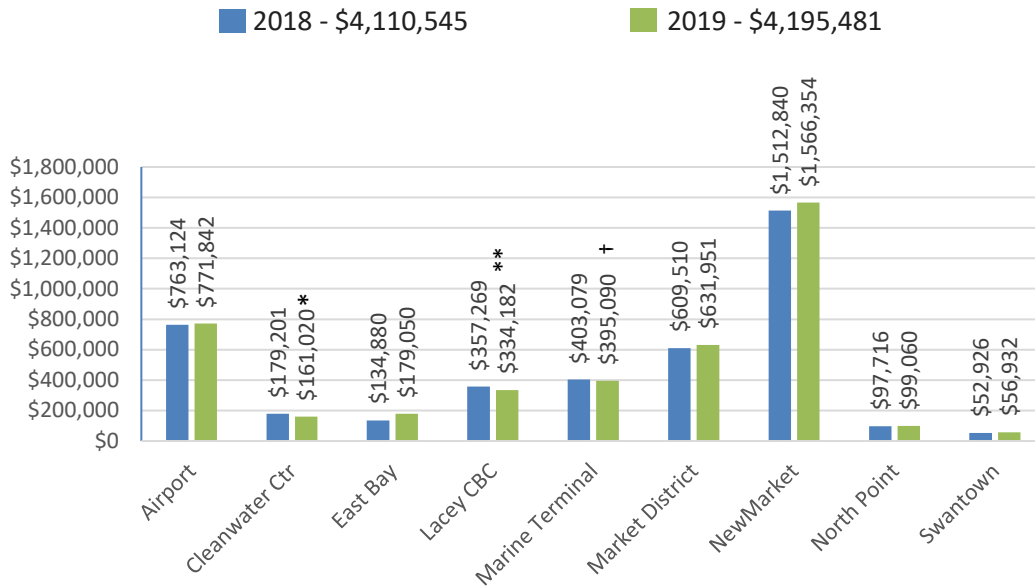
- Bldg 1 – 12,500 sf
- Bldgs 2 & 3 – 47,289 sf
- 85% occupancy
- 15% vacancy
- 14 Tenants

**Rent Adjustments YTD: 57**

**Port Plaza Uses YTD: 15**

Uses: Olympia Yacht Club Events, Olympia Musical Theater Performances, Music on the Plaza Events, Harbor Days, Olympia Brewfest, OLY ARTS Performances, 3 Weddings and 2 other private events.

Lease Revenues YTD

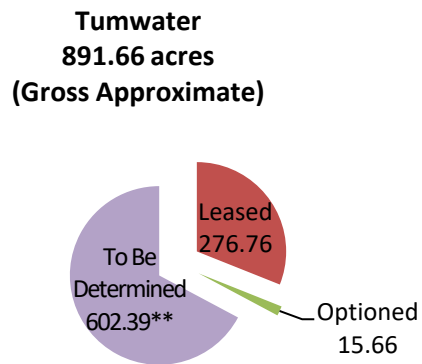
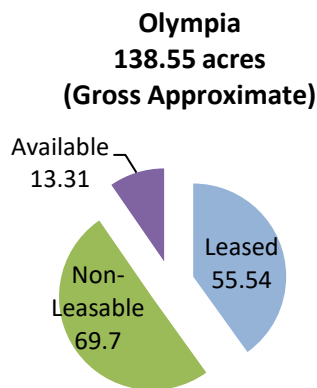


\*Cleanwater Center – Vacate of temporary parking  
 \*\* Lacey CBC – 15% vacancy Bldgs 2&3

† Marine Terminal – Vacate of flex space

Summary of Leasable Land

The charts below show current total leased, optioned and available land in the Olympia and Tumwater properties. The master planning process is ongoing for the Port's Tumwater properties.



**Planning, Public Works and Environmental Programs**

<b>Environmental Clean-up/Remediation Efforts</b>	
<b>East Bay Redevelopment Site</b>	Construction continues on the site. Walker John is ready to move on with the second phase of this first building effort.
<b>Budd Inlet Remediation</b>	Remediation alternatives maps were submitted to Ecology upon their request. Ecology is currently reviewing the documents. We continue to wait for their comments on the Draft Interim Action Plan and the associated additional information they requested.
<b>Airport (Pearson Air) Remediation</b>	The Port received Ecology comments on the RI/FS. Requisite additional testing, well decommissioning, and well installation are underway. On track.
<b>Cascade Pole Site</b>	All documentation and waste disposal is moving forward as required. All DMR's have been submitted on time. Marine Terminal and Planning, Public Works and Environmental staff are working to ensure the plant continues to operate compliantly during the Cascade Pole Site Manager's absence.
<b>Sustainability</b>	
<b>Sea Level Rise</b>	ILA regarding Sea Level Rise governance is being drafted and reviewed by parties. It is anticipated that it can be brought to the Commission by March.
<b>Climate Change &amp; Sustainability Action Team</b>	Staff is participating in the regional Climate Change Mitigation effort led by TRPC. The Sustainability Action Plan has been put on hold.
<b>Green Marine Certification</b>	2020 is an audit year. Contract for 3rd party auditor is in place. Work will begin on the annual report and audit.
<b>SEPA/Environmental Review</b>	
<b>New Market Industrial Campus</b>	Commission authorized staff to move forward with SEPA on the NMIC plan. SCJ submitted a responsive Statement of Qualifications to the RFQ. Details on scope are being refined. Plan to bring contract to Commission for approval in March.
<b>CSHI &amp; Design Guidelines</b>	Nothing to report.
<b>Environmental Permits</b>	
<b>Marine Terminal Air Permits</b>	Annual air inspection is being scheduled with ORCAA.
<b>Industrial Stormwater Permit</b>	The Port has met ISGP benchmarks for 2019 Q1, Q2, Q3, Q4 and Q1 of 2020. Plans and Specs were submitted to Ecology on the treatment pond.
<b>Habitat Conservation Plan</b>	Process continues to move forward.
<b>Capital Projects &amp; Asset Management</b>	
<b>Contracts &amp; Public Works</b>	2020 Capital Budget was modified. Work will now begin in earnest of implementing the projects the Commission approved.
<b>Long-term Asset Management Plan</b>	Phase 2 of the long-term asset management plan has been completed. Staff is working with data to bring to operational directors for review.

Property Leasing Locations

Olympia



Tumwater

