

MembersLetter



Upcoming Events

January 9, 2012
Legislative Session
Olympia

Available Grants

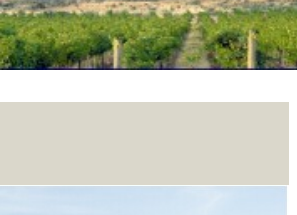
Aquatic Lands Enhancement Account & Boating Infrastructure Grants

Deadline May 1, 2012. For more information, [click here](#).

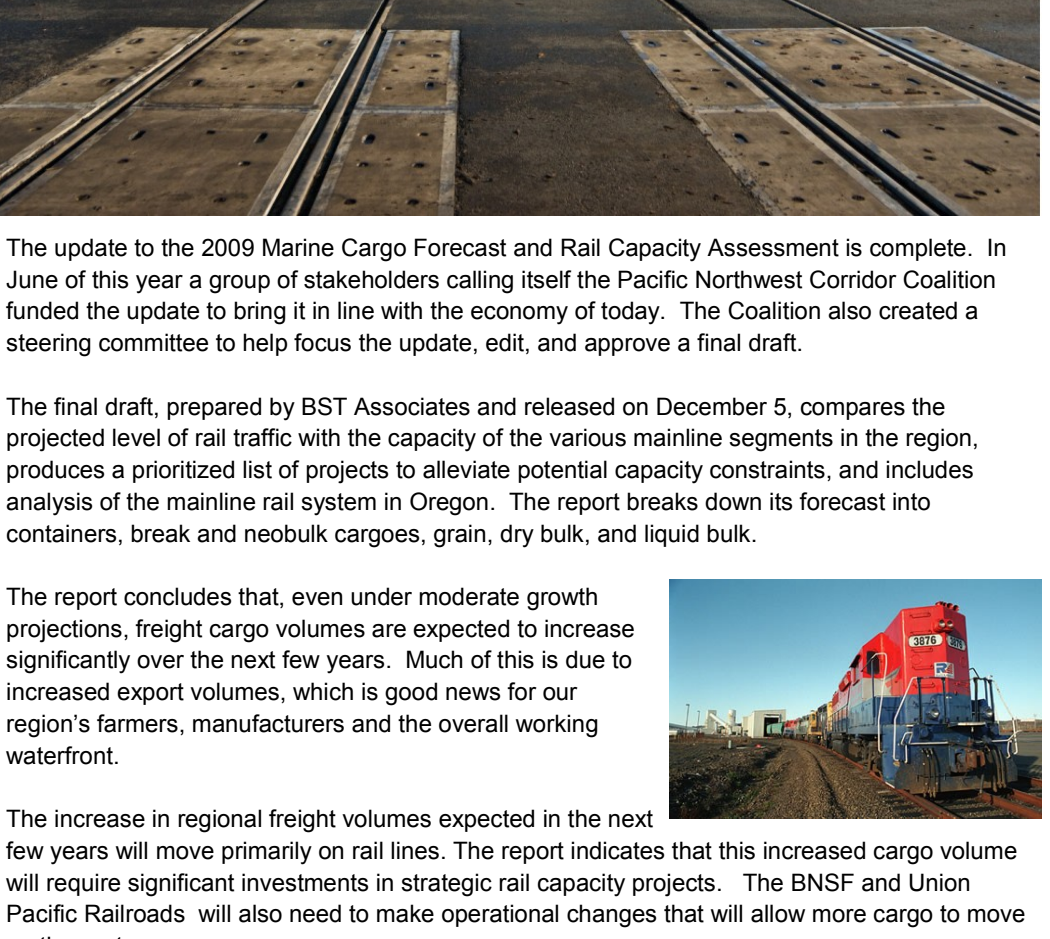
Boating Facilities Program

Deadline July 2, 2012. For more information, [click here](#).

December 2011



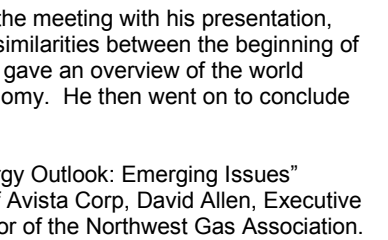
Update to 2009 Rail Forecast Complete



The update to the 2009 Marine Cargo Forecast and Rail Capacity Assessment is complete. In June of this year a group of stakeholders calling itself the Pacific Northwest Corridor Coalition funded the update to bring it in line with the economy of today. The Coalition also created a steering committee to help focus the update, edit, and approve a final draft.

The final draft, prepared by BST Associates and released on December 5, compares the projected level of rail traffic with the capacity of the various mainline segments in the region, produces a prioritized list of projects to alleviate potential capacity constraints, and includes analysis of the mainline rail system in Oregon. The report breaks down its forecast into containers, break and neobulk cargoes, grain, dry bulk, and liquid bulk.

The report concludes that, even under moderate growth projections, freight cargo volumes are expected to increase significantly over the next few years. Much of this is due to increased export volumes, which is good news for our region's farmers, manufacturers and the overall working waterfront.



The increase in regional freight volumes expected in the next few years will move primarily on rail lines. The report indicates that this increased cargo volume will require significant investments in strategic rail capacity projects. The BNSF and Union Pacific Railroads will also need to make operational changes that will allow more cargo to move on the system.

The Pacific Northwest Corridor Coalition includes the Ports of Everett, Seattle, Tacoma, Grays Harbor, Longview, Kalama, Vancouver and Portland. Additional entities participated in the preparation of the report, including the Washington State Department of Transportation, Oregon Department of Transportation, and Washington Public Ports Association.

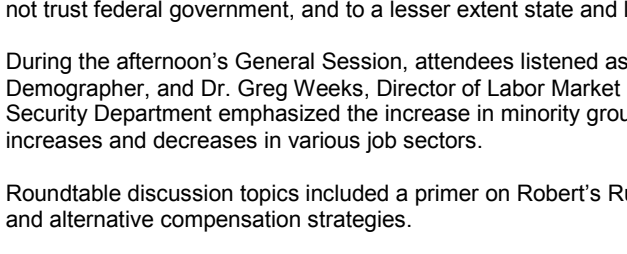
Annual Meeting Provides A Range of Engaging Topics For Members

The 2011 WPPA Annual Meeting in Bellevue was well attended by over 200 members who were treated to presentations on topics ranging from the outlook of the Northwest energy market to a peek into the minds of our state's voters.

Michael J. Parks, Editor Emeritus of Marple's Newsletter opened the meeting with his presentation, "The American recession for the Northwest's Economy." After discussing the similarities between the world of the American recession in 2008 and European issues in 2011, he gave an overview of the beginning of that economy as a background and then focused on our regional economy. He then went on to conclude that all of Washington's biggest economic risks are external.

Wednesday's General Session began with "The Northwest's Energy Outlook: Emerging Issues" presented by Roger Woodworth, VP And Chief Strategy Officer of Avista Corp, David Allen, Executive Vice President of McKinstry, and Dan Kirschner, Executive Director of the Northwest Gas Association. All three speakers reiterated the idea that our reliance on non-renewable resources will never disappear entirely and that they will be needed to supplement newer energy technologies.

The panel was followed by "Our First Century: A Photo Narrative of Our Centennial Book Project" presented by Kit Oldham, John Caldwell, and Jennifer Ott, all of Historylink.org. The three presenters introduced the final product of the port centennial book and gave Association members ideas as to how they can use this tool to educate their communities about port history.



Port of Grays Harbor receiving Port of the Year award.

On Thursday, the ports of Bremerton, Ilwaco, and Douglas County provided a port report, which continue to be a highlight of the annual program. Each port discussed where their port started, the things that make them unique to their community and where they are today.

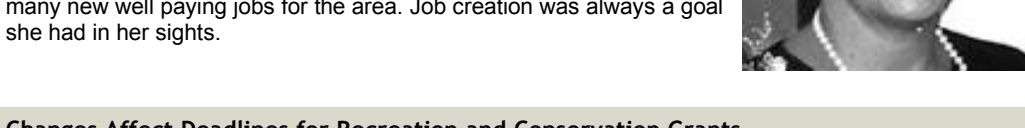
The keynote speaker for Thursday's lunch was Kevin Ingham, Vice President of Polling & Research at Strategies 360. He provided polling results which declare that there is declining public confidence in American institutions and leaders. He emphasized a "new normal" in which nine out of 10 people do not trust federal government, and to a lesser extent state and local governments, to do the right thing.

During the afternoon's General Session, attendees listened as Chandler Felt, King County Demographer, and Dr. Greg Weeks, Director of Labor Market & Economic Analysis at the Employment Security Department emphasized the increase in minority groups throughout the state and the increases and decreases in various job sectors.

Roundtable discussion topics included a primer on Robert's Rules, an economic update on boating, and alternative compensation strategies.

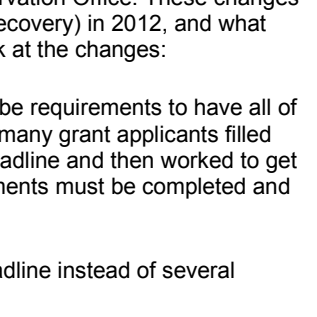
At the conclusion of the Annual Meeting, the Port of Grays Harbor was named as the 2011 Port of the Year. The 2012 board members and nominees were also named, and include:

President JC Baldwin, Port of Chelan County
Vice President Jerry Oliver, Port of Vancouver
Secretary Tom Albro, Port of Seattle
Treasurer Mike Wren, Port of Ephrata
Past President Mike Ahrenius, Port of Friday Harbor
Past President Scott Walker, Port of Bellingham



In Memoriam: Colleen Byam, Port of Grandview Commissioner

Colleen Byam, 65, passed away on December 8, 2011 two days before her birthday. Colleen was born December 10, 1945, in Yakima, Washington, to Fern and Ciell Holmes. Colleen and Dennis Byam, high school sweethearts, were married on August 2, 1969 and together raised two boys, Steven Michael and Joel Ross.



Colleen was active in economic development serving as a board member for New Vision and served as a Grandview Port Commissioner for eighteen years. Ironically she had just received her certificate of election for a fourth six year term. Colleen played an important role in helping attract the Wal-Mart Distribution Center to Grandview creating many new well paying jobs for the area. Job creation was always a goal she had in her sights.

Changes Affect Deadlines for Recreation and Conservation Grants

Changes are coming to the grant programs at the Recreation and Conservation Office. These changes will affect deadlines for recreation and conservation grants (not salmon recovery) in 2012, and what work you'll need to do if you plan to apply for a grant. Here's a quick look at the changes:

- Applicants must submit a complete application. This year, there will be requirements to have all of your documents completed by the application deadline. In the past, many grant applicants filed out general information for their grant proposal by the application deadline and then worked to get all the documents in order several months later. This year, all documents must be completed and in PRISM by the application deadline.
- Review of grant proposals begin two weeks after the application deadline instead of several months later.
- All grants will be accepted every two years, instead of every year. See deadlines below.
- Some of our evaluation processes will change. In the Washington Wildlife and Recreation Program's urban wildlife habitat category, evaluations will be written instead of in-person presentations, and in the critical habitat category and riparian protection account, project review will be done by staff, not an advisory committee.

- Applicants must have RCO approval of comprehensive plans by March 1, 2012 for grants in the following programs:
 - Boating Facilities Program
 - Land and Water Conservation Fund
 - Non-highways and Off-road Vehicle Activities,
 - Washington Wildlife and Recreation Program.

Save the Dates

January 25, 2012: The RCO application workshop is set for Jan. 25, beginning at 9:30 a.m. This year it will be conducted via the Internet. Check for updates to this program at www.rco.wa.gov in early January.

February 1, 2012: Applicants may begin putting applications in PRISM, the online grant application database.

May 1, 2012: Complete applications are due for these grant programs:

- Aquatic Lands Enhancement Account
- Boating Infrastructure Grants
- Land and Water Conservation Fund
- Washington Wildlife and Recreation Program

July 2, 2012: Complete applications are due for these grant programs:

- Boating Facilities Program
- Firearms and Archery Range Recreation
- Nonhighway and Off-road Vehicle Activities
- Recreational Trails Program

2013 Draft EPA Vessel General Permits Still Available.

The 2013 draft Vessel General Permit (VGP) and Small Vessel General Permit (svGP) are now available at <http://www.epa.gov/npdes/vessels>.

The draft VGP, set to replace the current 2008 VGP when it expires in December 2013, would continue to regulate the 26 specific discharge categories that were contained in the 2008 permit, and for the first time, authorize the discharge of fish hold effluent. The draft permit also contains numeric ballast water discharge limits for most vessels to reduce the risk of invasive species in US waters, more stringent requirements for exhaust gas scrubbers and the use of environmentally acceptable lubricants. EPA will be taking comment on the potentially more stringent requirements for bilgewater requirements.

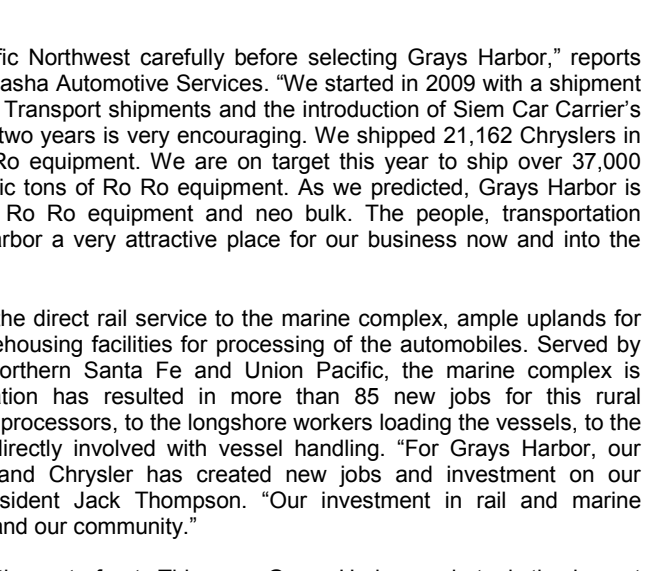
The draft svGP would be the first Clean Water Act permit to regulate discharges incidental to the normal operation of commercial vessels less than 79 feet in length. The draft Small Vessel General Permit would go into effect at the conclusion of a moratorium enacted by Congress exempting all incidental discharges from vessels less than 79 feet and commercial fishing vessels, with the exception of ballast water, from having to obtain a permit until December 18, 2013.

EPA has developed the proposed permit requirements based on stakeholder input, the best available science, and economic achievability. The Agency plans to finalize the permits in late 2012. The permits will take effect in December 2013. The public will have 75 days following publication in the Federal Notice to comment. EPA plans to hold two public meetings and a

Port News

Auto Exports Increase at Port of Grays Harbor

The steady stream of brand new Chrysler automobiles driving on board the M/V Hoegh Beijing is a sign of the times at the Port of Grays Harbor, located on Washington State's Pacific Coast. Through October over 30,000 autos have been loaded for export aboard vessels destined for China and Pacific Rim markets. As they carefully stow each vehicle aboard the vessel, the longshore workers of Local 24 are thankful for the increased business.



The auto export activity is one component of the developing omni-terminal at the Port of Grays Harbor. Partnering with The Pasha Group, an international transportation logistics company handling all types of cargoes, Grays Harbor has emerged as a leading export port for autos, over-high and over wide equipment and other Ro Ro cargoes.

"Pasha studied the Ports of the Pacific Northwest carefully before selecting Grays Harbor," reports Michael Pasha, General Manager of Pasha Automotive Services. "We started in 2009 with a shipment of 3,194 Kia vehicles, 4 Pasha Hawaii Transport shipments and the introduction of Siem Car Carrier's vessel and service. The growth in the last two years is very encouraging. We shipped 21,162 Chryslers in 2010 and 32,000 metric tons of Ro Ro equipment. We are on target this year to ship over 37,000 Chryslers and more than 70,000 metric tons of Ro Ro equipment. As we predicted, Grays Harbor is the right fit for new vehicles, heavy Ro Ro equipment and neo bulk. The people, transportation partners and location make Grays Harbor a very attractive place for our business now and into the future."

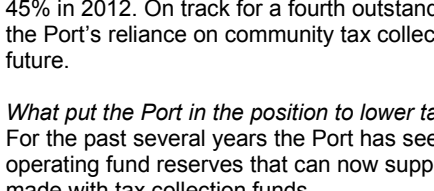
What makes Grays Harbor unique is the direct rail service to the marine complex, ample uplands for auto and equipment storage and warehousing facilities for processing of the automobiles. Served by both Class 1 railroads, Burlington Northern Santa Fe and Union Pacific, the marine complex is positioned for growth. This combination has resulted in more than 85 new jobs for this rural Washington community, from the auto processors, to the longshore workers loading the vessels, to the pilots, tugs, rail and port operators directly involved with vessel handling. "For Grays Harbor, our partnership," reports Automotive and Chrysler has created new jobs and investment on our waterfront," says Pasha Commission President Jack Thompson. "Our investment in rail and marine capacity is paying off for our partners and our community."

Local job creation does not stop at the waterfront. This year Grays Harbor undertook the largest construction project in recent times with the addition of more than 37,000 feet of rail to the marine terminal complex. With the award of more than \$18 million in construction contracts to the low bidder, Roglin's, Inc, the project has also created local construction jobs. Roglin's is headquartered in Aberdeen.

Port of Bellingham Aviation Director Retires, Airport Manager Daniel Zenk Promoted

After 29 years of service, Port of Bellingham Aviation Director Art Choat is retiring at the end of the month. Airport Manager Daniel Zenk is being promoted to Aviation Director, effective December 1.

Choat, who joined the port in 1982 as Harbor Superintendent at Squalicum Harbor, worked in a variety of port management roles in the marinas, during his tenure, Choat oversaw numerous large capital projects including the expansion and redevelopment of the entire Blaine Harbor, expansion and redevelopment of portions of Squalicum Harbor, construction of a new airport fire station, the complete reconstruction and paving of the airport runway and the multi-year expansion of the airport commercial terminal.



"Art has provided leadership in nearly every area of the Port of Bellingham," said Executive Director Charlie Sheldon. "He has been of tremendous service to the entire community."

Before joining the port, Choat worked at Uniflute Boat Builders, Inc., and at Weldcraft Steel and Marine – both on Bellingham Bay.

Zenk was hired as Airport Manager in 2006. In this role, he has taken the lead in managing the Airport Master Plan Update, which is underway. He also has been a leader in the Commercial Terminal Expansion, which also is underway, as well as numerous public parking lot expansions. Zenk worked with Choat and port engineers on the Airport Runway and Taxiway Rehabilitation Project last year.

"Dan has proven his ability to step up and manage the Bellingham Airport during a time of rapid growth and multimillion dollar capital projects," Sheldon said. "I have confidence that Dan will ensure a smooth transition at the airport."

Zenk has 19 years of airport management experience. He came to Bellingham after working as the Airport Operations Supervisor at Oakland International Airport in California. Before that, Zenk worked as the Airport Operations Manager at the Hayward Executive Airport, also in California.

Zenk has a Master of Business Administration in Aviation from Embry-Riddle Aeronautical University and a Bachelor of Science in Aviation Operations from San Jose State University. He also is a private pilot.

Port of Longview to Make Tax Reductions with the Goal of Levy Elimination

The Port of Longview Board of Commissioners voted to reduce the Port's tax levy by 45% in 2012. On track for a fourth outstanding operating revenue year, Commissioners want to reduce the Port's reliance on community tax collections and work toward zero tax collections in the near future.

What put the Port in the position to lower taxes?

For the past several years the Port has seen tremendous growth in operating revenue, creating operating fund reserves that can now support capital projects and equipment purchases previously made with tax collection funds.

How much is being collected and what is the Port using it for?

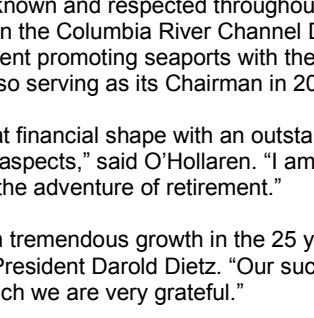
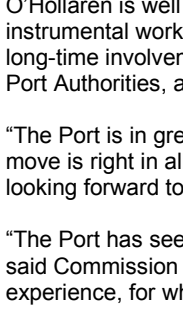
Historically the Port of Longview tax collections have been dedicated to capital projects and acquisitions, which are long-term investments to improve the overall marketability of the Port to attract business. Port taxes are also committed to repaying outstanding General Obligation bond debt, which is the governmental equivalent to a loan.

Based on the Port district's assessed valuation, the Port's 2012 maximum allowable collection is \$3,163,592. At a recent meeting, Commissioners voted to reduce the levy by half of the allowable amount, eliminating \$1,591,862 and dedicating the remaining \$1,571,730 to the payment of annual G.O. bond debt. Capital improvements and purchases will be made from the Port's operating fund reserves, a giant leap toward financial autonomy.

"Ultimately, the Commission wants to eliminate the Port property tax collection entirely," said President of the Commission Darold Dietz. "This is our opportunity to thank the community for its years of support, which has allowed us to build a strong port and work toward financial sustainability."

With the impending start-up of the new export grain terminal at the Port, revenue projections may allow the Port to entirely eliminate the Port's tax collection in the near future.

Bennu Glass LLC Chooses Port of Kalama For Its New Home



The Port of Kalama is celebrating a significant win for the Cowlitz region as it welcomes wine bottle manufacturer, Bennu Glass, to its growing industrial business community. Bennu Glass acquired the assets at the Port location previously owned by Cullerton Family Glass Packaging and will be fully operational by mid-year, 2012.

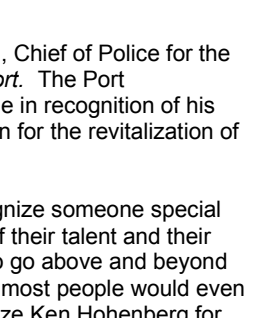
Bennu, which serves the vibrant wine industry in Washington, Oregon, California, and western Canada, anticipates hiring up to 100 salaried and hourly personnel in the beginning of 2012 which is terrific news for ready and skilled local workers. At full capacity, the factory will produce over 100 million wine bottles per year, and will be in the market, as well, to hire numerous local and regional suppliers to meet the factory's demand for raw materials, logistics and services.

"To restart the factory, Bennu will make a significant investment in the existing facility at the Port of Kalama which includes the installation of a new state-of-the-art oxygen-fuel furnace," said Jerry Lemieux, chief executive officer at Bennu Glass. "The Port of Kalama offers exactly what we need to launch a successful manufacturing plant – diverse modes of transportation, a location close to an international airport at PDX, and a ready, skilled workforce."

Bennu joins a growing number of industries and businesses who have found the Port of Kalama an ideal location to grow their businesses. The Port boasts a new Industrial Park and acres of shovel-ready land for manufacturing, technology, storage and many other uses. A 5-acre Marine Park stands out as a popular destination for both locals and tourists. Kalama is already banking on these features and more as it attracts new businesses to the amenity-rich industrial properties.

Port of Longview Executive Director Announces Retirement

Long-time Port of Longview Executive Director Ken O'Hollaren has announced his retirement date for December 2012 after 25 years as the Port's Executive.



O'Hollaren began at the Port of Longview in 1980 as the Assistant Operations Manager before quickly climbing the ranks to Executive Director in 1988. He is currently the longest serving Director among Washington's 76 port districts.

O'Hollaren is well known and respected throughout the industry for his instrumental work in the Columbia River Channel Deepening project and his long-time involvement promoting seaports with the American Association of Port Authorities, also serving as its Chairman in 2009.

"The Port is in great financial shape with an outstanding management team – so the timing for this move is right in all aspects," said O'Hollaren. "I am very fortunate to have had this opportunity, but now looking forward to the adventure of retirement."

"The Port has seen tremendous growth in the 25 years he will have served as the Executive Director," said Commission President Darold Dietz. "Our success is a direct reflection of his leadership and experience, for which we are very grateful."

Ecology Names Marc Horton from the Port of Grays Harbor Named to the Coastal Advisory Body on Ocean Policy

Marc Horton, Director of Environmental and Engineering Services at the Port of Grays Harbor, has been named to the Coastal Advisory Body by the Department of Ecology.

The Department of Ecology is forming this body to advise the State Ocean Caucus, an interagency team of state agencies, on ocean policy. The group will also coordinate on and provide local perspectives on and solutions to marine resource issues, projects and conflicts.

Ken Hohenberg Named 2011 Friend of the Port

The Port of Kennewick Board of Commission announced that Ken Hohenberg, Chief of Police for the Kennewick Police Department, had been chosen as the 2011 *Friend of the Port*. The Port Commission presented Mr. Hohenberg with a plaque in recognition of his efforts to transform Clover Island and as a champion for the revitalization of historic downtown Kennewick.

"Every so often the Port has an opportunity to recognize someone special for making an extra effort; for taking time to share of their talent and their energies; for caring enough about our community to go above and beyond what is expected, what they are paid to do, or what most people would even consider necessary. This year we chose to recognize Ken Hohenberg for doing all of that and more," stated Commission President, Skip Novakovich.

Port officials honored Hohenberg for his work to safeguard the community, for his vigilance in patrolling Clover Island and Columbia Drive, and for his efforts to improve historic downtown Kennewick.

Employment Opportunities

[Director of Engineering, Planning and Public Works, Port of Port Angeles](#)

Questions or comments? Email ross@washingtonports.org or call 360-943-0760.