

Community Report

A NEWS UPDATE FROM THE  Port of Vancouver USA

SPRING 2013

A Round of Applause

Each year during Port Report, awards are presented to tenants and customers that have contributed outstanding benefit to the port and our community. Our sincere appreciation and congratulations go to the following award winners.

Facilities Improvement Award Food Express, Inc.

For investing in significant rail infrastructure improvements in 2012 and continuously supporting the freight community.



Marine Customer of the Year Award Kinder Morgan

For actively pursuing diverse business opportunities that resulted in both economic benefit for the region and Kinder Morgan's best marine cargo year on record at the port in 2012.



Environmental Steward of the Year Award Cadet Manufacturing

For demonstrating that economic success can be enhanced through innovative and positive environmental practices; and for winning the port's 2012 Clean Water Challenge.



Tenant of the Year Award Brewcraft

For strategically expanding operations in 2012 to stimulate economic growth and create jobs for our community.



Commissioners pose with Brewcraft USA award winners. From left to right: Commissioner Jerry Oliver, Chris Sjothun, Amy Mercy, Bryan Bechard, Commissioner Nancy Baker, Jay Hamachek, Commissioner Brian Wolfe, CEO Todd Coleman

PORT REPORT CELEBRATES CONNECTIONS

Connections to trade, Clark County's economy and an efficient river, road and rail transportation network took center stage at the Port of Vancouver's annual Port Report event, held on April 25.

Speaking to a packed audience of over 300, Commission President Jerry Oliver began the program by highlighting that these vital connections promote economic development in our region by generating jobs, increasing trade and attracting businesses to our community.

"I'm enthusiastic about this port and its future. As part of the port's leadership team, I believe our job is to look beyond tomorrow and plan for the long-term. And we're seeing success," said Oliver.

He also explained that the port has passed the half-way mark on its \$275 million West Vancouver Freight Access rail project, a significant milestone.

"This ambitious effort, which will improve our rail connections to all of North America, will serve this community for decades to come," Oliver said. He added that the rail improvements are one of the most important transportation assets the port has ever constructed, and is already drawing new business and jobs to the community.

With a focus on generating family wage jobs, Oliver said the port is committed to being good stewards of the environment and the public's resources. "We truly value the strong connection we have with our community, and we'll continue our efforts to bring economic

benefit to our region today and in the future," he said.

Oliver presented annual awards recognizing port tenant and customers for investments in their facilities, growth and environmental stewardship.

Following Oliver's speech, a panel discussion focusing on connections included insights on trade and industry from Aaron Hegeman, director of public and private partnerships for BNSF Railway, Mel Netzhammer, chancellor of Washington State University Vancouver and Eric Schinfeld, president of the Washington Council on International Trade.

To watch this event, visit www.cvtv.org



Commission President Jerry Oliver addresses Port Report crowd

LOOKING BACK ON 2012



Not only did the port celebrate its centennial in 2012, but we moved a tremendous amount of cargo across our docks. We also welcomed new tenants and reached several construction milestones on our West Vancouver Freight Access rail project. To share our story, port officials offered an in-depth review of the port's performance in 2012 as part of this year's Commission Forum.

CEO Todd Coleman as well as the three

commissioners reported another healthy year, with much projected future growth. Following on the heels of an exceptional year in 2011, port revenue continued to follow an upward trend established over the past decade. Although a 12 percent decrease from 2011, revenues of \$32.5 million in 2012 exceeded totals for 2009 and 2010 by 7.8 percent and 6 percent respectively. Cargo volume experienced an 18.5 percent decrease in overall port cargo tonnage, due primarily to less wheat being handled at the port's grain facility. Other exports such as wood pulp also decreased in 2012 from 2011, while bulk minerals such as bentonite clay and copper concentrate and liquid bulks such as jet fuel increased.

Overall imports in 2012 also were down from 2011, with wood pulp and wind energy components accounting for most of the 13 percent decline. Following the port's best year ever for wind

energy cargo in 2011, the 55 percent decrease in 2012 can be traced directly to delays in extending the federal production tax credit for wind energy. Balancing the declining cargoes, imports such as steel and jet fuel saw significant increases.

On a more positive note, the port's industrial sector recorded an exceptional year. Several new businesses, including Brewcraft USA, Keller Supply Co., Sigma GC/Mateen and Trobella Cabinetry, were added to the port's tenant list, bringing the port's occupancy rate up to an impressive 99 percent. To address the need for additional space, the port began development of the first 58 acres of its new Centennial Industrial Park in 2012 thanks to a \$5.7 million grant from Washington State's Department of Commerce Jobs Now Act. The shovel-ready property is expected to host its first tenant in 2014.

TRACKING PROGRESS - The West Vancouver Freight Access Project

The West Vancouver Freight Access rail project continues to take shape, not only building better rail service and a new rail entrance into the port, but bringing with it jobs and economic benefit to our community. A recent highlight is the nearly complete Gateway Avenue Overpass project, a recipient of the U.S. Department of Transportation's TIGER II grant, and a pivotal project in the port's ability to grow. The project realigns NW Gateway Avenue to the west and elevates the road over the railroad tracks, resulting in an S-shaped

road. The overpass structure includes a three span concrete girder bridge and an elevated intersection. These road-over-rail structures are designed to provide vehicle access across existing and future rail lines. The port plans to have a safe and fun kickoff event this summer on top of the new structure to celebrate its opening.

The port is also progressing on a new rail entrance into the port, with the completion of the first phase of a rail line that will provide a new entry that bypasses the mainlines by going under the Columbia River rail bridge along the river bank and into the port. This project is significant to both the port and the BNSF Railway mainlines due to its ability to remove a chokepoint where the national rail network

has to stop in order to allow trains to enter the port. The next phase of the project begins later this year, with plans for trains to be operating on the new entrance by 2015.



Rail work at Terminal 5

PORT OF VANCOUVER HIGHLIGHTS

We are steadfast in our efforts to attract business and customers to our port. We're making every effort to generate family-wage jobs – and we're committed to being good stewards of the environment. Below are just a few examples of the many economic development activities underway at the port.

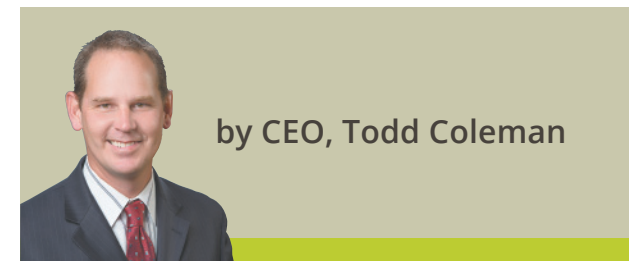
- WEST VANCOUVER FREIGHT ACCESS PROJECT:** We are more than half-way complete on a state-of-the-industry rail system that is already unequalled in the region and attracting new business.
- HEAVY LIFT EXPERTS:** We are known throughout the world for safely and efficiently handling large, oversized cargo such as wind turbines and modularized equipment for the gas and oil industry.
- CENTENNIAL INDUSTRIAL PARK:** We are developing the first 58 acres of our new industrial park and hope to have tenants in residence by early 2014.
- PROPOSED POTASH EXPORT FACILITY:** One of the largest corporations in the world, BHP Billiton, has selected the port's Terminal 5 as the preferred site for a new potash export facility.
- NEW NEIGHBOR:** Farwest Steel Corporation, one of the largest steel fabrication companies in the Northwest, is in full operation and already employing more than 200 people, with plans to grow.
- NEW TENANT:** Sapa Profiles, one of our newest tenants, joined the port in 2012 and is now employing over 100 people in their aluminum extrusion plant.
- EXPANDING LIQUID BULK FACILITIES:** Our longtime tenant Tesoro announced a joint venture with the respected logistics company Savage, to expand liquid bulk operations here at the port. Discussions are underway between the two companies and the port regarding the possible movement of North American crude oil through the Port of Vancouver to refineries in Washington, California and Alaska.

Visit our website at
www.portvanusa.com
for more details



Port of Vancouver USA

A FUTURE OF OPPORTUNITY



by CEO, Todd Coleman

It is a time of great change at the Port of Vancouver. Since the day we turned dirt on our West Vancouver Freight Access rail project in 2008, we have been working from a vision of generating jobs and revenue for our community. The port has methodically invested, planned, adjusted and steadily moved forward on defining how we make this port a player in our region, and around the world, and now we are seeing the fruits of our labor.

The future of the port is directly tied to our transportation assets, emphasizing rail-dependent bulk cargoes such as minerals, grains and liquid bulks – existing commodities that are on the brink of exponential growth. We will continue to diversify our cargoes in order to steady our revenues through changes in the global market and economy – a strategy that served us well as we experienced significant growth even through the recent recession.

As a public agency, we understand that the opportunities we create also require discretion. We have given much thought to how we develop and choose which commodities, customers and tenants to pursue. We strive to make informed decisions in the best interest of our community, while maximizing our return on investment for our primary investors – Clark County tax payers.

Our criteria for growth are focused on doing what our port does best – handling a wide variety of cargoes and accommodating industrial growth. Our goal is to find and attract companies that have a solid, long-term market, are well capitalized and employ

environmental best practices. We look for opportunities for business growth that brings jobs, economic activity and added revenue to our community. We also leverage our public transportation and property assets with private investment to increase return on the public's investment. These are the considerations that will guide our work as we pursue new opportunities, such as the possibility of handling crude oil from North Dakota.

We believe that the combined strategy of solid transportation and property investments, and knowing what we do best is creating the opportunities we want. We have attracted one of the largest corporations in the world, BHP Billiton to locate a potash export facility at our port – supplying mineral fertilizer to a growing global market. Companies including Brewcraft, Farwest Steel, Sapa Profiles and others have added between 350 and 400 jobs this past year. We are optimistic that once we complete the roadways and other infrastructure at our new Centennial Industrial Park, we will have one or more tenants ready to build in 2014.

We are defining the port for the next generation, and preparing it for continued success. We still have work to do, including completion of our rail project and development of new industrial lands. We know where we are heading and are doing our best to make decisions that benefit our community. As we grow and more opportunities arise in the future, our priority is to have the right checklist to take advantage of these opportunities, with full understanding of who we are and what we want to be.

Two port employees invent rain garden-in-a-box remedy to clean roof water

Two talented port employees were recently recognized in the community for inventing what is basically a rain garden in a box. Called the Grattix, it's an innovative system that removes pollutants from stormwater on port terminals.

Matt Graves and Mary Mattix, both members of the port's environmental team, call the new stormwater treatment system the Grattix (a combination of their last names), but many others in the environmental world are calling it innovative, inexpensive and effective.

The pair received a Clark County "Making Every Day Earth Day" award on April 12 for environmental achievement within the county. The award is based on factors such as environmental benefit, cooperative effort, sustainability factors and the ability of the given project to promote public awareness and education within the community.

Because the port owns millions of square feet of covered storage space, zinc runoff can occur from metal roofs, harming fish and wildlife. The Port of Vancouver has strict limits for zinc discharge from stormwater in accordance with Washington State Department of Ecology permit. Meeting these limits can be quite a challenge in a large industrial setting.

Graves and Mattix decided to experiment with inexpensive materials in order to create an effective stormwater treatment system that would reduce zinc runoff and be small enough to cater to 13 individual downspouts within the port terminal.

The Grattix is built using a recycled food grade plastic 55 gallon tote. Inside, a layer of drain rock is added, followed by a simple piping system. This is filled in using a sand filter layer and amended soil consisting of sand and compost. The finishing touches include adding native plantings and bark mulch.

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Mary Mattix (left) with Matt Graves, recipients of one of Clark County's first annual "Making Every Day Earth Day" award

WHAT'S INSIDE...

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2012 Award Winners

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Port of Vancouver USA

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Meet Your Port Commissioners

Kicking off their 2013 public outreach program, port commissioners held a televised Commission Forum on February 26. Commissioners Jerry Oliver, Brian Wolfe, Nancy Baker and Executive Director Todd Coleman discussed how global trade, industry and transportation investments at the port result in jobs and economic benefits for Clark County.

The Commission Forum was facilitated by Lynn Valenter, vice chancellor for finance and operations at Washington State University Vancouver, and can be viewed by visiting either the port's website at www.portvanusa.com or CVTV at www.cvtv.org. A new feature to this year's forum—a live online chat with port leadership—was hosted by *The Columbian* newspaper. Community members were invited to join the conversation and ask questions regarding port activities. Thank you to those who chimed in during the chat and shared your questions with the port.

If you didn't participate in the forum or the chat, now's your chance to meet with your port district commissioner! The port commission is once again hosting its annual community coffee series with hopes to meet with citizens in their port districts. Check below for upcoming times and locations and come chat with us!

- **Wednesday, June 5**, with Brian Wolfe, at Brewed Awakenings Coffee Roasters, 6709 NE 63rd St., Ste. 101, 9 – 11 a.m.
- **Wednesday, June 12**, with Jerry Oliver, at Marshall/Luepke Community Center, 1009 East McLoughlin Blvd., 5:30 – 7:30 p.m.
- **Friday, June 21**, with Nancy Baker, at Latte Da Coffee House, 205 East 39th St., 1 – 3 p.m.



Commissioner Nancy Baker speaking with a citizen at Java House

Two port employees

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During a pilot study of the Grattix from 2008 to 2011, the port environmental team collected inland and outland samples of stormwater and continuously found 90 to 95 percent zinc reduction. The only maintenance involved was periodically replacing the mulch layer, making the Grattix inexpensive, easy to make, and most importantly, effective in maintaining the

health of the Columbia River and surrounding wildlife.

Their invention has spurred the interest of numerous environmental groups and other ports throughout Washington State, eventually resulting in the two being featured in a video called "Innovative Stormwater BMP: The Grattix", which was created by the Washington Stormwater Center. Visit the port's website to watch the informative video.

PORT TAKES RENNOVATIONS TO THE DIGITAL REALM

If you've visited the port's website lately, you may have noticed a new look beginning in March thanks to an updated publishing platform and new layout. The new design was created in an effort to increase user-friendliness in a progressively online world. The website can be found by visiting www.portvanusa.com.

Some of the many new features that now

welcome site visitors include a slideshow of port images, interactive maps of the port's marine and industrial facilities, and the ability to subscribe to the port's online newsletter publications.

We invite you to view the new and improved website to learn more about the port's role in the community and for frequent updates on port happenings.

It's Your Port. Get to Know Us Better.

Attend a Meeting

The Port of Vancouver USA has a three-member Board of Commissioners.

Port commission meetings are open to the public and are held on the second and fourth Tuesday of each month, 9:30 a.m. at the Port of Vancouver administrative office at 3103 NW Lower River Road, Vancouver, WA 98660.

Commission meetings are broadcast on Clark Vancouver Television (CVTV) cable channels 21 & 23. Air times can be found at: www.cvtv.org.

Tour Your Port

The port holds public tours, special group tours and school tours of the marine and industrial

facilities. For information on how to join a tour, please call the Port of Vancouver at 360-693-3611 or email: info@portvanusa.com.

Visit us on the Web

Want to learn more about the Port of Vancouver USA? It's as simple as typing www.portvanusa.com into your browser.

Title VI & ADA

The port complies with Americans with Disabilities Act (ADA) and the civil rights act. Those requiring reasonable accommodations may request written material in alternative formats and languages by contacting us at **360-693-3611 or info@portvanusa.com**



Captain Kidd's Corner

5 things to teach your parents about clean water

It's great being a kid in Vancouver and playing in the lakes, rivers and ponds. Our waterways are also important habitats for fish and wildlife. Here are 5 things to talk about with the big person in your life that help our waterways stay healthy.

1. Remember, "only rain down the drain" – no other liquids go down the storm drain, and sweep your driveway instead of using a water hose. What goes down the drain will make its way to streams, rivers and lakes.
2. Wash your car at a car wash that recycles the water, or wash your car on the lawn using phosphate-free soap.
3. Regularly check your vehicles for leaks and recycle liquids from your car.
4. Pick up after your pet.
5. Use native plants that are used to our climate and don't require excessive watering. Local plants are also naturally pest-resistant so you can minimize your use of pesticides and fertilizers.