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Wind energy is back

Purple martin habitat



Port of Vancouver USA 3103 NW Lower River Road Vancouver, WA 98660 www.portvanusa.com



COFFEE AND CONVERSATION WITH YOUR COMMISSIONERS

There's a lot happening at the Port of Vancouver USA in 2016! Over a cup of coffee in November, your port commissioners shared some of our exciting projects, cargoes and events with citizens from their respective districts. Commissioners Jerry Oliver, Brian Wolfe and Eric LaBrant also listened to feedback and answered questions about the port and its initiatives.

Commissioner Oliver held his coffee event on Nov. 1 at the Marshall Center on the west side of District 3, which includes Hudson's



Bay, Evergreen, the Heights and Cascade Park. Some of the questions Commissioner Oliver heard related to Terminal 1 – the port's birthplace on the Columbia River and the site of unfolding redevelopment.

On Nov. 3, Commissioner Wolfe met with citizens at the Firstenburg Center in the heart of District 1, which includes Minnehaha, Orchards, Sifton, Heritage and Proebstel. Citizens in Commissioner Wolfe's district were curious about the port in general, from where we're located to what cargoes we move, and how they could sign up for our popular public tours. We'll kick off the 2017 tour season in March, and you can receive early notification of tours by emailing Community Relations Specialist Julie Rawls at jrawls@portvanusa.com.

Commissioner LaBrant, whose District 2 includes downtown Vancouver, Fruit Valley, Felida, Hazel Dell and Salmon Creek, hosted his coffee at Felida Coffee House on Nov. 17. Citizens in Commissioner LaBrant's district



were curious about industrial activities at the port and the redevelopment of Terminal 1.

It was wonderful to hear from our community at these events! We appreciate the questions and feedback, and hope you'll continue to share your thoughts with us. Please reach out anytime at info@portvanusa.com or 360-693-3611. You can also find us at www.portvanusa.com and on Twitter (@portvanusa), Facebook and LinkedIn.

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

ATTEND A MEETING

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

VISIT US ON THE WEB

Learn more about the port at portvanusa.com, and follow us on Twitter (@portvanusa), LinkedIn and Facebook.

OUR MISSION

The port's mission is to provide economic benefit to our community through leadership, stewardship and partnership in marine, industrial and waterfront development.

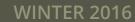


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A NEWS UPDATE FROM THE SPORT OF Vancouver USA





Artist's rendering of the Centennial Industrial Building, which is expected to be complete in June 2017.

CONSTRUCTION UNDERWAY ON CENTENNIAL INDUSTRIAL BUILDING

The Port of Vancouver USA has been at 99 percent industrial occupancy since 2013. On Dec. 8, 2016, the port and its partners broke ground on a new industrial facility -Centennial Industrial Building – the first port-developed facility to be constructed in Centennial Industrial Park.

The Centennial Industrial Building will be ideal for companies in advanced manufacturing, warehousing and distribution. The building will be approximately 125,000 square feet with space for up to five tenants.

Its design includes sustainable and industryforward features, such as a solar-ready roof; 6.5-inch-thick concrete-slab floor; early suppression fast response sprinkler systems; LED lighting; utility infrastructure for future electric vehicle charging stations; bird-safe

windows and lighting; trapped catch basins; oil-water separators in the truck bays; native landscaping; and stringent stormwater management requirements.

The port's contractor, Corp Inc., is currently conducting site work, including underground utilities, subgrade and compaction. Early next year, contractor crews will install underslab utilities and plumbing, pour the floor slab and frame the concrete tilt-up walls. The walls should be up by May, with full completion scheduled for June 2017.

Completion of the Centennial Industrial Building helps us continue achieving our mission of bringing economic benefit to our community by providing more space to support new or growing tenants.



Julianna Marler, **Interim CEO/Chief Financial** & Administrative Officer

DELIVERING ON INITIATIVE

As we close out 2016 and look ahead to next year, I'm reflecting on all we're accomplishing, and it's incredible.

The Port of Vancouver is continuing to lead and innovate in many ways. We're sustaining critical partnerships, improving safety, building assets and supporting economic development by continuing to achieve the key initiatives that drive our mission forward.

Three of these initiatives that are at particularly exciting stages right now are the West Vancouver Freight Access project (WVFA), Centennial Industrial Park (CIP) and our waterfront project at Terminal 1.

WVFA is the largest capital project in the port's history: 21 rail projects over a decade to reduce congestion and improve efficiency for port customers and regional rail shippers. We started work on WVFA in 2007 and the entire project will be operationally complete in early 2018.

Completing WVFA isn't just an accomplishment for the port; it's a big win for our entire region. The project added rail capacity and eliminated a major rail chokepoint by constructing the internationally recognized trench project, which has already provided regional congestion relief. Trains are moving in and out of the port faster, and because of the grade separation between the east-west and north-south tracks, trains on the BNSF Railway and Union Pacific Railroad mainlines no longer have to wait. These improvements increase speed and efficiency on the entire system, from Canada to Mexico and Portland to Chicago.



WVFA has also resulted in investment by our tenants to take advantage of increased rail capacity. United Grain Corp. moves wheat, corn and soybeans, and is our biggest dry bulk tenant by volume. The company has been continually upgrading its facilities and last year moved 4.56 million tons of grains, 6.5 percent more than in 2014.

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Environmental Services employees Matt Harding and Matt Graves installed 24 gourds for purple martin habitat this spring.

PURPLE MARTINS GET NEW HABITAT



The port's Environmental Services team completed a project this year to help a special bird – the protected purple martin – flourish in our community.

The purple martin is the

largest North American swallow. Wintering in South America, purple martins migrate to North America each spring to breed. The species suffered a severe population crash in the 20th century, widely linked to the release and spread of European starlings in North America. Starlings and house sparrows compete with martins for nesting sites. Purple martins once gathered in the thousands, but by the 1980s they had all but disappeared. Environmental Services team members Matt Harding and Matt Graves partnered with a retired US Fish and Wildlife Service biologist and a volunteer bird expert with the Friends of Stiegerwald Wildlife Refuge to extensively research purple martin habitat. They then determined the best gourd placement locations to ensure nesting success for purple martins and installed 24 purple-martin-specific gourds in late spring.

Over the upcoming nesting seasons, we will monitor the newly installed habitat to ensure the gourds are actively used by purple martins.

The port is home to many unique species of wildlife. We're proud of our robust environmental practices, and our dedicated staff who work hard to ensure all species continue to thrive in Southwest Washington.

DELIVERING ON INITIATIVE

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CIP, our ready-to-build light-industrial development on Lower River Road, was completed in 2012 with a grant from the Washington State Department of Commerce. Construction on the first port-owned facility in CIP – a 125,000-square-foot building for up to five tenants – began in November and is scheduled for completion next June. At Terminal 1 on the Columbia River waterfront, restaurant WareHouse '23 is keeping things active while we move through the planning and permitting processes for redevelopment of the port's birthplace. We envision a development that revitalizes this historic site, complements our community and preserves public access to the downtown waterfront. We're making great strides toward that vision as we submit our plans to the City of Vancouver and begin demolition on portions of the former Red Lion hotel.

Focus on: Government Affairs

Government affairs at the Port of Vancouver USA includes cultivating relationships and collaborating with local, state and federal governments and elected officials; other ports across the region; and industry associations, such as the American Association of Port Authorities, Pacific Northwest Waterways Association (PNWA), Washington Council on International Trade and Washington Public Ports Association.

Key government affairs issues right now include the Columbia River Treaty, Water Resources Development Act of 2016 (WRDA) and the three ports initiative.

Columbia River Treaty

The Columbia River Treaty is an agreement between the U.S. and Canada on the development and operation of dams in the upper Columbia River for power and flood control benefits in both countries. The treaty – which is crucial for hydropower, flood control, navigation and irrigation in the Columbia River basin – was signed in 1964 and will expire in 2024. The Port of Vancouver, like many of our sister ports along the Columbia River, is one stakeholder working to help ensure timely renewal of the treaty and continued benefits for ports and communities across our region.

Water Resources Development Act of 2016

WRDA authorizes 25 critical U.S. Army Corps of Engineers projects in 17 states to strengthen our nation's infrastructure to protect lives and property, restore vital ecosystems to preserve our natural heritage and maintain navigation routes for commerce and the movement of goods to keep the U.S. competitive in the global marketplace. The Port of Vancouver, through PNWA, is participating as one stakeholder in the process to help ensure Columbia

Next door to our construction site in CIP is the nearly complete Sunlight Supply Inc./National Garden Wholesale world headquarters, where the Vancouver-based company will consolidate 265 jobs and continue growing its business. Sunlight purchased 15 acres in CIP from the port in 2015 and construction on its facility is scheduled to be complete in early 2017.

We're excited about all of the great progress happening and proud to be your port. We look forward to another busy and successful year in 2017!

River ports and their communities are equitably represented.

Three ports initiative

Together, the ports of Vancouver, Camas-Washougal and Ridgefield generate more than \$2.9 billion in economic benefit to the region and support more than 20,200 jobs. We've been partnering together for the last few years to continue driving economic benefit by supporting local and regional infrastructure improvements, tradefocused legislation and funding for critical environmental and economic development projects.



TERMINAL 1 REDEVELOPMENT MOVING FORWARD

It's been five months since WareHouse '23, the new eatery in the former Quay Restaurant, opened its doors and brought the public back to the waterfront in downtown Vancouver. With its unique menu and lively atmosphere, the restaurant has been keeping things vibrant at Terminal 1 while port staff continues to work behind the scenes to achieve key project milestones and continue moving this historic property toward revitalization.

The port's project team is busy pulling together the Concept Development Plan (CDP), a comprehensive plan for the entire development. The CDP will lay out details of the port's plans for a hotel, mixed-use development, open space and parking, along with specific information about building heights, environmental considerations and project timeline. Staff completed the CDP in November and will submit it to the City of Vancouver late this year. Next steps in the CDP process include review by the city's Hearings Examiner, Planning Commission and City Council.

In late September, port consultant NBBJ made the trip from Seattle for a public commission workshop. The workshop, held during the Sept. 27 commission meeting, gave citizens and commissioners a preliminary look at the nearly final CDP and allowed NBBJ to gather additional commission input.

Earlier in September, representatives from Project for Public Spaces (PPS) conducted two workshops on the feasibility of a public marketplace at Terminal 1. A non-profit organization dedicated to helping people create and sustain public spaces that build stronger communities, PPS met with local stakeholders and potential Terminal 1 vendors to share best practices and gather information and feedback.

The port followed up on this effort with surveys sent Oct. 10 to potential vendors and customers. PPS will use the information gathered from these surveys to make recommendations to the port about a public marketplace at the waterfront

Terminal 1 is a special property for the port and our community. We're excited about the progress being made and the thoughtful course we're taking to ensure the site is redeveloped with attention to good stewardship and partnership.



WIND ENERGY IS BACK AT THE PORT OF VANCOUVER

Wind energy is back, and it's bigger than ever! The Port of Vancouver USA is now moving some of the largest wind energy components on the market. This year we received a shipment of 190-foot-long blades, which require a highly skilled labor force, tandem mobile crane picks and specialized trucks to move across our docks. The majority of imported towers and blades come from Korea, Indonesia, Vietnam, China and other Asian countries. Imported nacelles – the cover that houses all the generating components in a wind turbine – are generally manufactured in Europe. Wind energy components are typically transported by truck, but recently most of them have departed the port by train.

Congress renewed the five-year federal Production Tax Credit (PTC) in 2015, which is reinvigorating and helping stabilize the wind industry. Thanks to the PTC, the port expects wind energy imports will continue to grow over the next few years, supporting jobs in green energy, workers on our marine terminal, truck and rail transporters and more.

PORT MARKETING TERMINAL 5 FOR NEW MARINE CUSTOMER

The Port of Vancouver USA is currently seeking a marine customer to develop 40 acres of property in the southern portion of Terminal 5 to bring more jobs and economic benefit to Southwest Washington. Terminal 5, a very unique property on the West Coast, features a loop track that allows trains to be handled efficiently within the port and a vessel berth on the 43-foot-deep Columbia River shipping channel. Terminal 5 could be home to a diverse commodity group, including dry bulk, liquid bulk or automobiles.

