

*Port of Vancouver USA*

*Board of Commissioners Meeting*

AUGUST 9, 2022



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# *Open Forum*

To provide virtual oral comment during the board meeting, you must register no later than 12:00 p.m. Monday, August 8, 2022, by emailing [povcommissioners@portvanusa.com](mailto:povcommissioners@portvanusa.com)



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# *Special Award Presentation*













**DONALD  
BRYANT**

*USPFC Hall of Fame 2022*



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# *Internship Update*







# *2022 Summer Internship Program*

## *Briana Garden & Cole Klein*

- Introduction & Education Background
- Overview of experience and projects
- How did the internship at the Port build upon college coursework?
- Plans for the future

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# *Action Items*



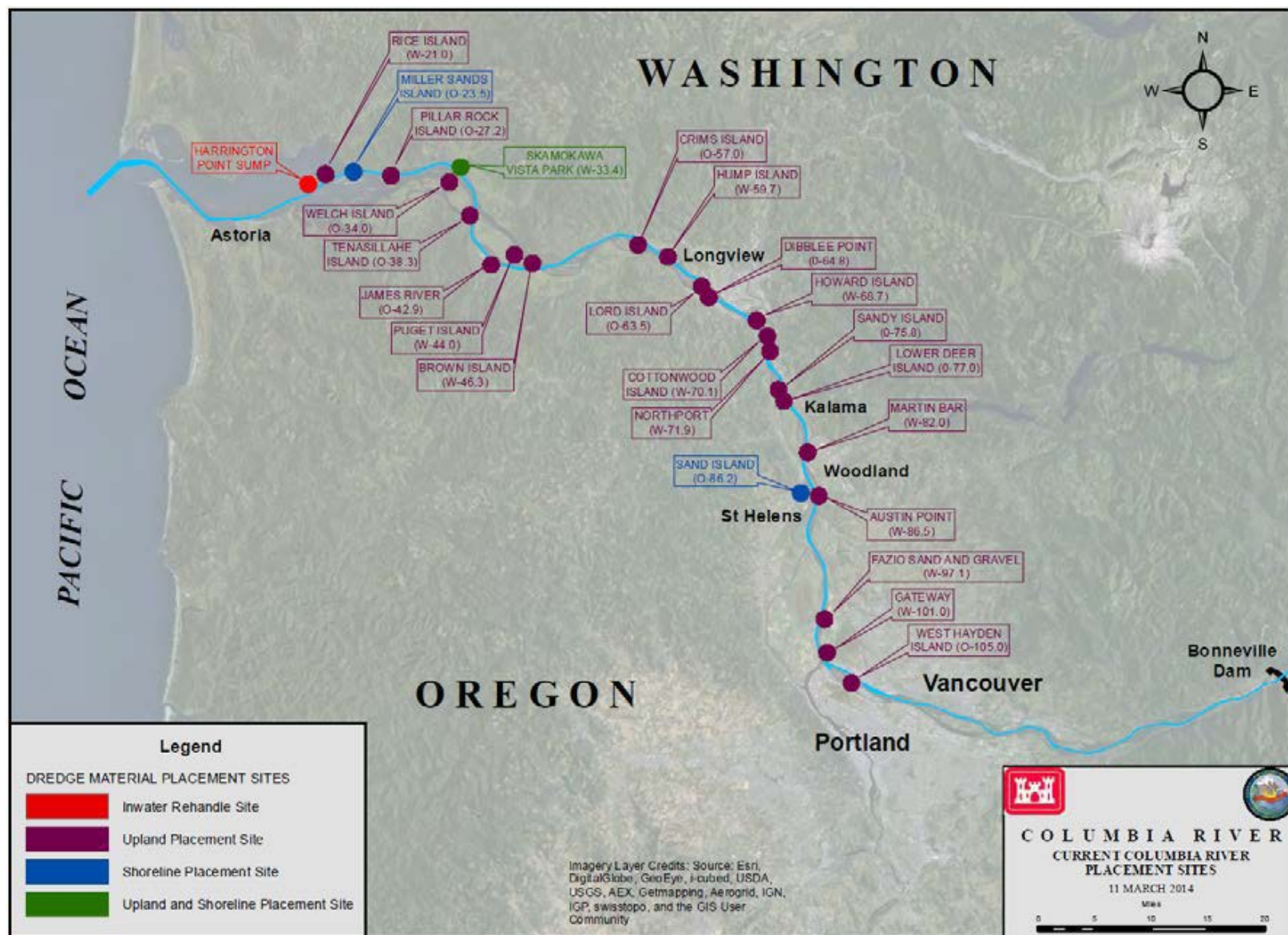


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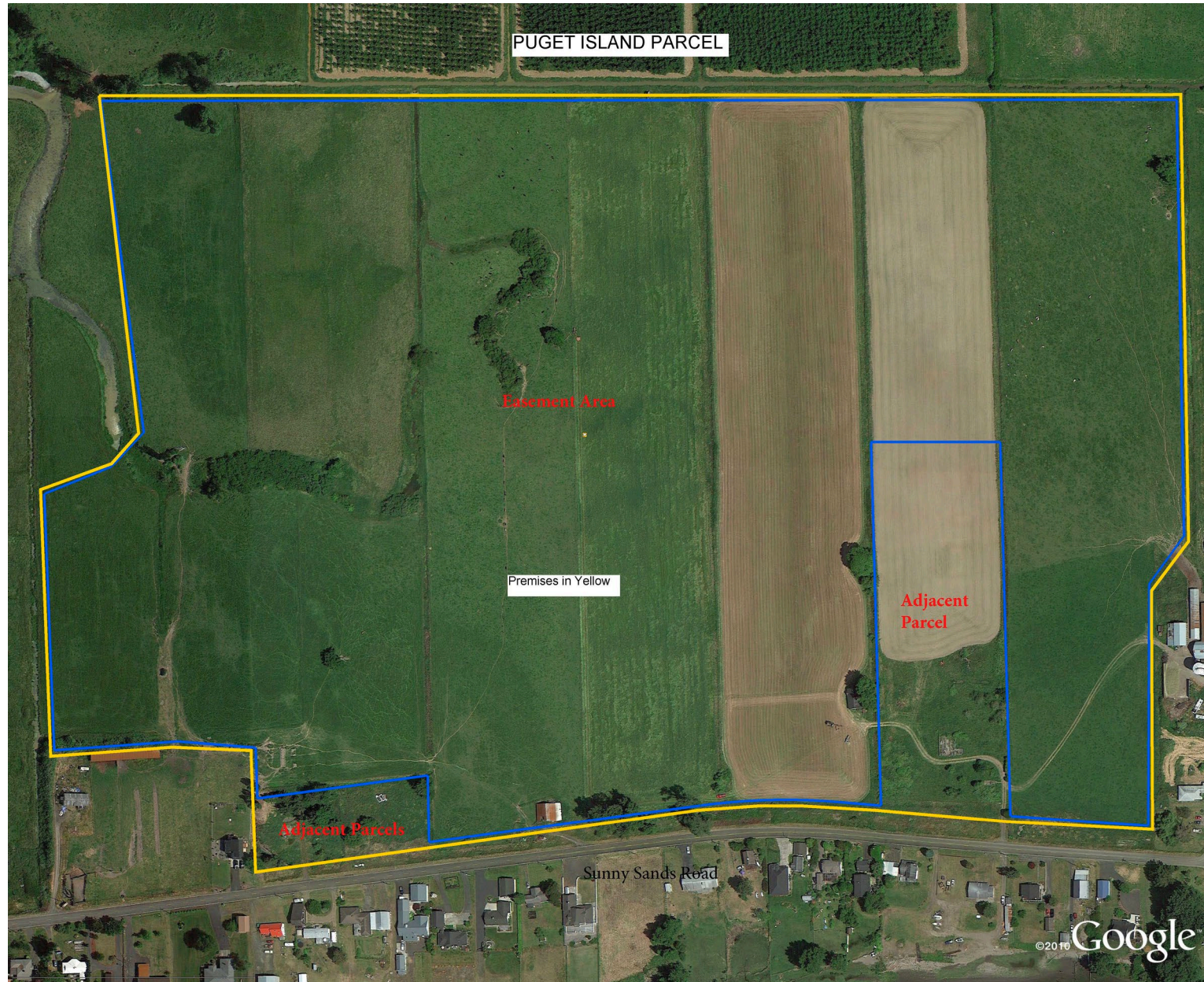
## *Action Item E-1*

Approve the Cosentino Right of Way Offer to  
Acquire a Temporary Easement on Puget Island













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## *Action Item E-2*

Approve Contract Amendment with KPFF Inc. for Engineering Design & Permitting Services for the Demolition and Replacement of Terminal 1 Dock Structures







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## *Action Item E-3*

Approve Resolution 4-2022: Establishing Time and Place for Regular Meetings of the Port Commission



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# *Unfinished Business*

PORT CONTRACTS LOGS



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# *New Business*



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# *Accounts Payable*





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# *CEO Report*



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# *CEO Report I-1*

Action taken under Resolution 2-2020: Declaration of  
Local Emergency and Delegation of Authority of  
Emergency Powers



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# *CEO Report I-2*

## Project Updates



# *Terminal 1 Red Lion Demolition*

CONTRACTOR: KEYSTONE CONTRACTING, INC.



- Substantial completion
- November 29, 1926 to July 8, 2022





# *Terminal 1 Red Lion Demolition*

CONTRACTOR: KEYSTONE CONTRACTING, INC.

- Material salvaged to warehouse
- Salvaged original main timbers, 12x24 and 12x28





# *Terminal 1 Red Lion Demolition*

CONTRACTOR: KEYSTONE CONTRACTING, INC.

- Reclaimed lumber





# *Terminal 1 Red Lion Demolition*

CONTRACTOR: KEYSTONE CONTRACTING, INC.



- Final demolition work complete
- Structural rock in place
- Final fencing alignment remains



# *Terminal 1 Renaissance Trail*

CONTRACTOR: MCDONALD EXCAVATING, INC.

- Project 90% complete
- Concrete surfacing complete
- Corten steel complete
- Custom guardrail complete





# *Terminal 1 Renaissance Trail*

CONTRACTOR: MCDONALD EXCAVATING, INC.

- Landscaping 100% complete
- East stormwater planters complete
- East side thermory seating complete



# *Terminal 1 LPC Zoom Info Bldg. (Not Port Project)*

CONTRACTOR: ROBERTSON & OLSON



- Work began June 15
- August 2024 target completion





# *Terminal 1 LPC Zoom Info Bldg. (Not Port Project)*

CONTRACTOR: ROBERTSON & OLSON



- Site cleared and fenced
- Foundation excavation 75% complete
- Foundation work pad rock 50% installed
- Building rigid inclusion foundation in progress





# *BL 2565 Fire System Replacement*

CONTRACTOR: COSCO FIRE PROTECTION

- Project 20% complete
- Installing 8" main line
- Installing 2" and 4" branch lines
- Replacing approx. 700 sprinkler heads



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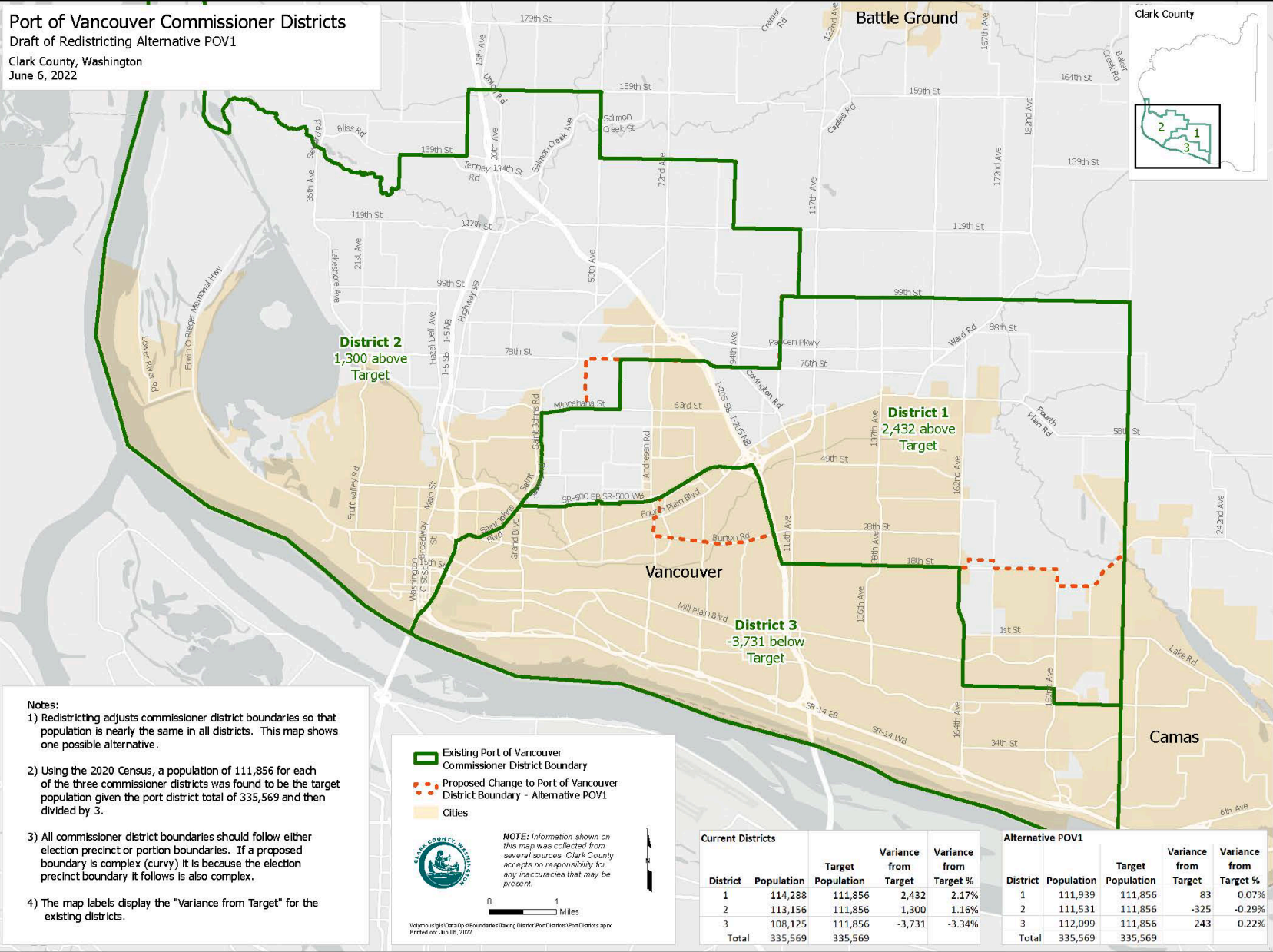
# *CEO Report I-3*

Redistricting





**Port of Vancouver Commissioner Districts**  
Draft of Redistricting Alternative POV1  
Clark County, Washington  
June 6, 2022



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# *CEO Report*



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# *Commissioners Reports*





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# *Upcoming Events*

## **Next Commission Meeting**

- Regular Commission Meeting – Tuesday, August 23, 8:30 a.m.

## **Community Events**

- Waterfront concert series (port is a sponsor)–Friday, August 12, 6 p.m. featuring LaRhonda Steele. Bring a blanket – grassy area at the waterfront
- Carter Park Neighborhood Assoc. meeting –Thursday, August 18, 7 p.m., in-person meeting at Vancouver Housing Authority
- Show & Shine – Saturday, August 20, 10-4 p.m., Main St. and Uptown Village; Classic cars and hot rods on Main Street
- Sip & Stroll – Saturday, August 20, 5-9 p.m., Main St. And Uptown Village; proceeds help fund after school programs and school supplies



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# *Communicating with the Commission*

- Share your thoughts during Open Forum, the public comment period for all regularly scheduled commission meetings.
- Email the commissioners at [povcommissioners@portvanusa.com](mailto:povcommissioners@portvanusa.com)
- Speak to the commissioners by calling the port office at 360-693-3611 for specific contact information.
- Mail your comments to:  
POV Board of Commissioners  
3103 NW Lower River Road, Vancouver, WA 98660
- For more information, visit the port's website: [www.portvanusa.com](http://www.portvanusa.com)



# *Port of Vancouver USA*

3103 NW Lower River Road

Vancouver, WA 98660

[info@portvanusa.com](mailto:info@portvanusa.com)

360-693-3611





# *Workshop*

## 2022 STRATEGIC PLAN MID-YEAR UPDATE



The background image shows a port terminal with a large crane lifting a container. The crane is white with a blue and red logo. The container is blue and white. The port is busy with various ships and equipment. The text is overlaid on the image in a white, serif font.

# *2022 Strategic Plan Mid-Year Update*



Port of Vancouver USA

# *Today's Presentation*

- Review of key milestones for each goal area in the first half of 2022
- Market and commercial trends for 2023
- Mid-year financial update
- Financial forecast for 2023







# *Community Goals Mid-Year Progress*

- Terminal 1 projects
  - Red Lion deconstruction
  - Vancouver Landing completion
  - AC Marriott Hotel opening
  - Dock replacement funding
  - LPC 50-year lease and groundbreaking ceremony
- Community Engagement presentation
- Port tours





## *Economic Development Goals Mid-Year Progress*

- I-5 Bridge Modified Locally Preferred Alternative
  - Freight advocacy
- Foreign Trade Zone
- Workforce development
  - Maritime interns
  - Human Resources intern
  - Economic Development intern
  - Laborers, operator apprenticeship







# *Environmental Goals Mid-Year Progress*

- Climate Action Plan
- T2 stormwater upgrades
- Parcel 3 berm commitments completed
- Tribal engagement
- Partnerships and knowledge sharing – Lower Columbia Estuary Partnership Grattix Grant







## *Organizational Goals Mid-Year Progress*

- Employee turnover and retention trends
- DEI committee and consultant RFP
- Business Continuity and Resiliency table-top training
- Coast Guard audit
- Remote work policy implementation
- Vaccine clinics





## *Marine/Commercial Goals*

### *Mid-Year Progress*

- First Subaru EV vehicles
- Wind energy
- One-year operating agreement with Metro Ports
- Nu-Tech manufacturing facility





# *Looking Ahead to 2023*

## Marine/Industrial Priorities

- Market trends
- Potential markets
- New operator at Berth 7
- Expansion for existing tenants
- Labor supply and challenges





# Assessment, Expectations for US Economy

*"Consumer psychology is an ingredient in spending decisions, and consumers' nerves right now look more frayed than their bank accounts... 'People really hate inflation,' said Andrew Haughwout, director of household and public policy research at the New York Fed."*

From WSJ Article "People Have Money but Feel Glum – What Does That Mean for the Economy?"

## Professional Forecasters Outlook

Professional economic forecasters predict economic **growth will slow but remain positive through 2023**. This is despite deflated consumer sentiment and widespread belief a recession is imminent.



## Macroeconomic Indicators: The #'s

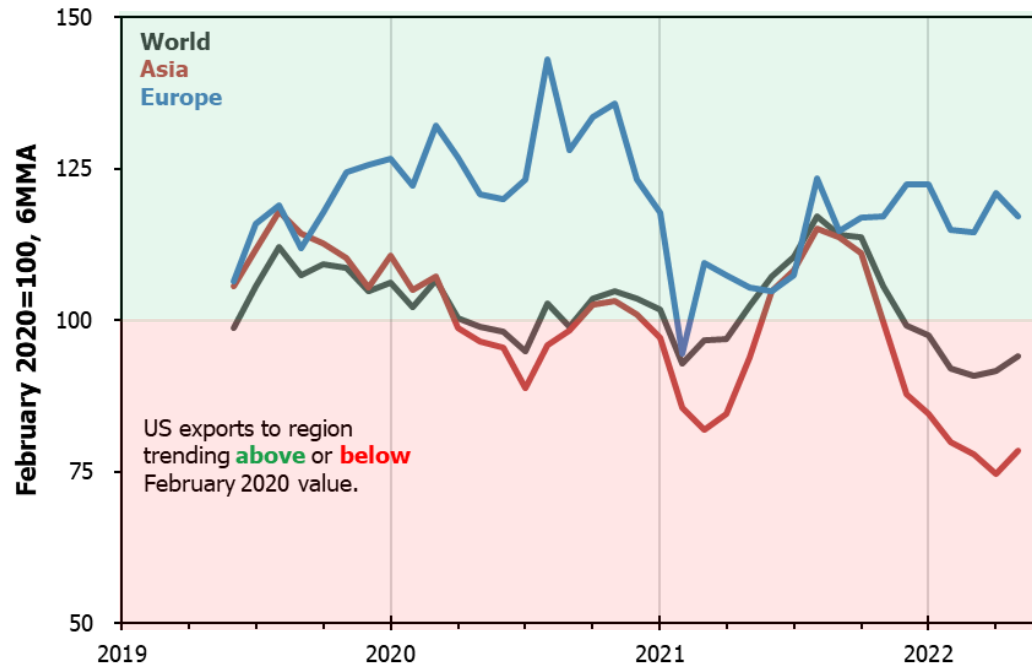
- **Q1 2022** – US households had \$18.5 trillion in cash reserved in savings – \$5 trillion more than measurements heading into the pandemic.
- **May 2022** – Personal consumption expenditure highest recorded.
- **May 2022** – Consumer sentiment polls measured near Great Recession era lows.
- **June 2022** – Unemployment Rate 3.6%
- Total Nonfarm Job Openings have declined two consecutive months but are still above 11M – compared to 7M recorded February 2020.
- **June 2022** – Consumer Price Index for all items increased 9.1% year-over-year.
- **June 2022** – Interest in the term "recession" reached highest ever recorded on *Google* search engine.



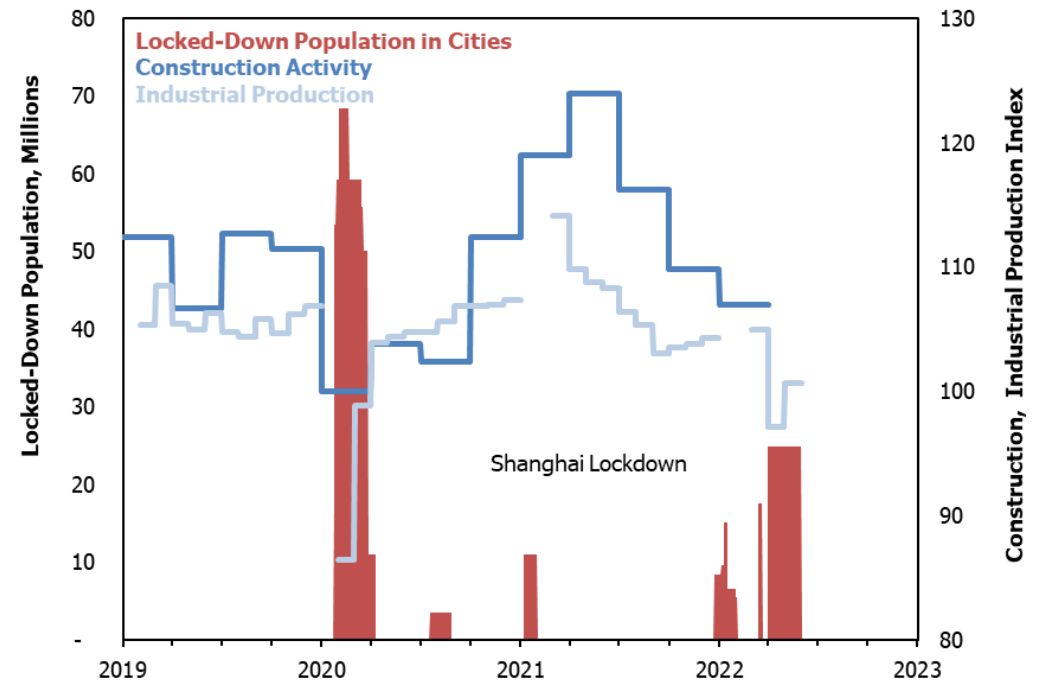
# 60% of Exported Scrap is Destined for Asia and Future Demand May Diminish

*"China – which consumes about three times as much steel scrap as the EU and over four times as much as the US – is an area of particular concern. The country's COVID-19 lockdowns suppressed industrial activity in April and May, further compromising what was already a weakened economic position." - ITR Economics*

Monthly US scrap metal exports to Asia have measured below February 2020 total for 20 of the last 27 months, compared to just 7 of last 27 months for Europe



Covid-19 Lockdown Impact on Construction Activity, Industrial Production in China





# *Financial Goals Mid-Year Progress*

- Establishment of Tax Increment Area
- Renaissance Trail successful grant – Phases 4 and 5
- Asset management – facilities
- Emphasis on cyber security and business resiliency





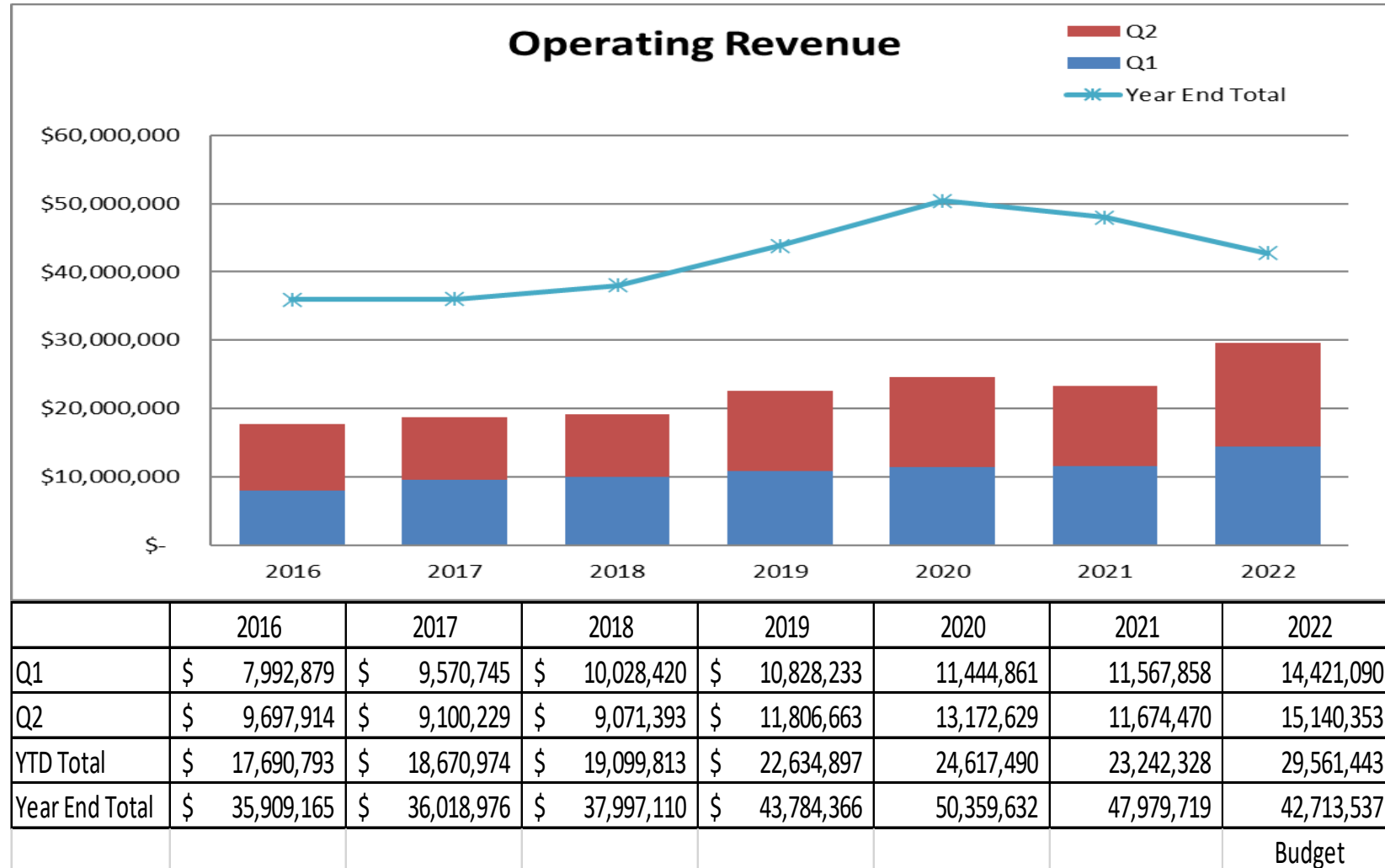


# *Financial Goals Mid-Year Progress*

- Market trends and impacts
  - Interest rates
  - Insurance rates – property, cyber security
  - Supply chain challenges – impact on project timing, procurement, costs
  - Labor shortage – impact on construction costs
  - Revenues and expenses
  - Cash flow



# Operating Revenue



# *Year-to-Date Key Highlights*

## *Mid-Year 2022 vs. Mid-Year 2021*

- **Increased Volumes** Overall tonnage in the first half of 2022 increased 9.08% or 321,970 mt compared with the same period last year.
- **Increased Revenue** Highest first half revenue. First half 2022 Operating Revenues increased 27.19% or \$6.32M compared with the same period last year mainly due to increased steel, sodium hydroxide, windmills commodities, loading/unloading operations, dockage, equipment rental, crane operations, storage, handling, service & facilities, security sales and services.
- **Increased Expense** First half 2022 Operating Expenses increased 31.28% or \$5.20M compared with the same period last year mainly due to increased Terminal labor/Facility expenses.
- **Forecast Increased Net Income** First half 2022 actual \$7.74M compared with budget \$2.92M, Year-end forecast \$10-11M compared with budget \$5.84M.





# *Looking Ahead to 2023*

## Financial/Budget Tools

- Debt issuance
- TIF legislation
- Grants
- Legislative funding requests



*Thank You!*

