

SWANTOWN MARINA MARINE FUELING FACILITY

Ed Galligan
Executive Director

Agenda of Events

- Welcome & History
- Fueling Facility Design Overview
- Fuel Consumption Survey & Updated Financial Evaluations
- Facility Operations
- Next Steps



Public Events, Meetings, Briefings

- 2011 February 24th Commission Study Session
April 19th Port / Olympia Downtown Association
- 2012 February 1st Port Advisory Committee
August 13th Commission Meeting
December 20th Commission Study Session
- 2013 **February 4th** **Public Open House**
May 8th Port / Olympia Downtown Association
June 24th Commission Meeting
September 19th Commission Study Session
October 22nd **Public Open House**
November 12th Commission Meeting
- 2014 February 24th Commission Meeting
- 2015 **April 8th** **Public Open House**
June 18th Port / Olympia Downtown Association
- 2016 January 11th Commission Meeting
June 7th **Public Open House**

- 9 Commission Workshops / Meetings / Briefings
- 4 Public Open Houses
- 4 Olympia Downtown Association Briefings

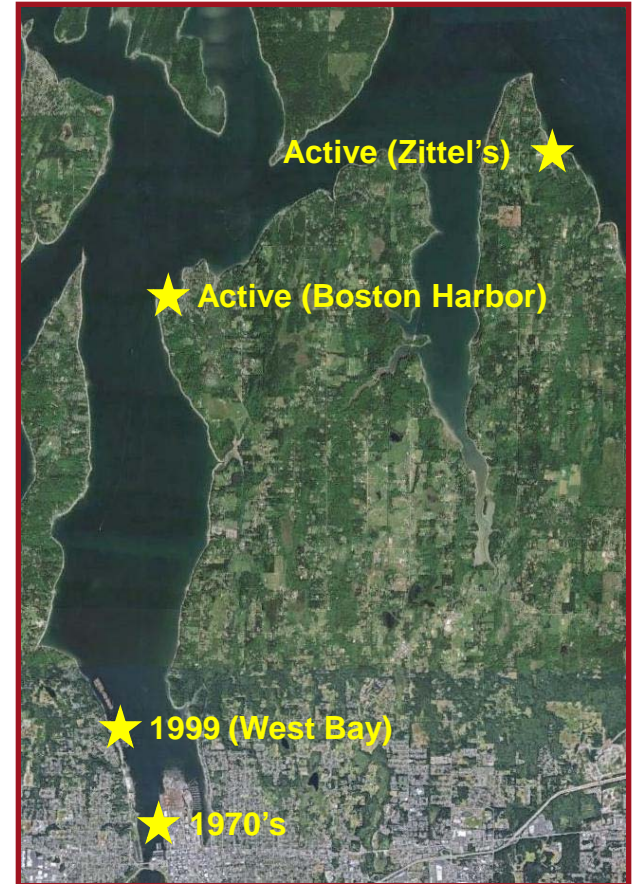
Project Background

Thurston County Marine Fueling Facilities

- 4 Marine Fueling Facilities in County
- Final Downtown Olympia Facility Closed – 1999

Port Marine Fueling Facility Efforts

- Petition Presented to Commission – 2008
- Project Initiation – 2011
- Project Consultant Engaged – 2012



Project Support

“...having a fuel dock in downtown Olympia will create opportunities to expand tourism and support the economic vibrancy and diversity of our downtown. I urge you to move forward with building a safe, convenient and ecologically friendly way to fuel boats...”

– Cheryl Selby, Mayor
City of Olympia

“Olympia needs an environmentally safe and convenient marine fueling facility. I support the Port of Olympia bringing this amenity to the citizens of Thurston County.”

– John Snaza
Thurston County Sherriff

Project Support

“We will be following your progress on the fuel dock project with great interest. We look forward to the Port providing a good service at a good price to the commercial industry.”

- Dave Callantine, Chief Operating Officer
Brusco Tug & Barge

“The Olympia Outboard Club fully supports the need for a marine fuel station... We ask that you provide this safe and convenient source of fuel for south sound boaters.”

- Dan Krick, Commodore
Olympia Outboard Club

Project Concerns

- Vessel Queuing
- Competitive Pricing
- Fuel Cans
- Safety for Non-Motorized Craft
- No Taxpayer Subsidies



Marine Fueling Facility Financial Review

Jeff Smith, CPA
Finance Director & Port Auditor

Process

Assumptions:

- Construction Cost
- Fuel Volumes: Gallons Sold
- Market Pricing
- Operation & Maintenance Costs
- Local Bank Financing – Thurston First

Process

Exclusions from Fuel Sale Volumes:

- Visiting Boaters
- Boats on Trailers
- Commercial Vessels
- Port Vessels

Process

Assumptions for Fuel Volumes – Gallons Sold:

Fuel Sale Scenario	Annual Volumes *
WSU Fuel Dock Survey:	
High	444,941
Most Likely	390,659
Low	336,733
Goal	277,500
30% Inactive Boaters	246,318

Process

<i>Scenario for 30% Inactive Boaters</i>			
		Boats	Gallons
Total Boats		1,438	
Response from WSU Survey		<u>622</u>	200,118
Estimate remainder		816	
Less: Unused Boat Population	(1,438 x 30%)	<u>(431)</u>	
Remaining Boats		385	
Multiply by Median fuel sales per boat	Gallons	<u>120</u>	
Fuel sales for remaining population			<u>46,200</u>
Fuel Sales Volume where 30% are Inactive			246,318

Process

Methodology:

- Use Incremental Cash Flows
- Estimate Annual Results
- Discount Cash Flows

Financial Results:

- Internal Rate of Return

Financial Results

Fuel Sale Scenario	Annual Volumes *	Internal Rate of Return
WSU Fuel Dock Survey:		
High	444,941	14.6%
Most Likely	390,659	11.9%
Low	336,733	9.2%
Goal	277,500	6.0%
30% Inactive Boaters	246,318	4.1%

Financial Results

All Scenarios Shown:

- Fuel Dock pays for itself over 30 years
- Fuel Dock does have a Net Loss for the first several years.
- Cash generated from Fuel Dock Pays for:
 - Cost of the Fuel
 - Loan Principal and Interest
 - Operating and Maintenance Expenses

Marine Fueling Facility Operations

Bruce Marshall
Harbor Director

Facility Operations

- The Underserved
- Operational Safety
- Environmental Operations
- Fuel Products
- General Operations

The Underserved



Operational Safety

- Multi-Use Facility
- Fuel Attendant on Site
- Fire
- Fuel Spills
- Traffic Control
- Training





Environmental Operations

- Alternative to Illegal Filling from Jerry Jugs
- Reduce Emissions from Idling Waiting to Fuel
- Provide a Cleaner Burning Fuel
- All Operators are Hazardous Waste Certified
- Substantial Spill Containment Equipment On Site
- Burn Less Fuel & Reduce Emissions from Traveling to Distant Fuel Docks
- Staff On Site 24/7/365



Fuel Products

- Non Ethanol
- Fuel Stabilizers
- Contains Extra Corrosion Inhibitors
- Contains Bio-Guard Biocide
- Contains Extra Moisture Dispersants
- Reduces Harmful Exhaust Emissions
- Increases Power
- Increases Fuel Economy



General Operations

- Hours of Operation
- Fuel Flow Rates
- Sewer Pump Out Facilities

Marine Fueling Facility Next Steps

Bill Helbig, PE
Engineering Director

Project Work to Date

- *Marine Fueling Facility Feasibility Study* – December 2012
- Preliminary Design and Permitting – August 2013
- Fuel Dock Survey (WSU) – November 2015
- Project Financial Evaluations – May 2016
- Final Permitting – Finalizing
 - US Army Corps of Engineers (USACE)
 - US Fish & Wildlife Service (USFWS)
 - National Oceanic and Atmospheric Administration (NOAA)
 - Washington Department of Fish & Wildlife (WDFW)
 - Washington Department of Ecology (WDOE)
 - City of Olympia
- Construction Documents – Finalizing

Next Steps

▪ Authorize Call for Bids	June 13th	*
▪ Solicit Bids	June / July	
▪ Evaluate Bids	Late July	
▪ Update Financial Evaluations	Late July	
▪ Award / Not Award Project Construction	Early August	*
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▪ Marine Fueling Facility Construction	August – January	
▪ Facility Operational	February 2017	
▪ Project Acceptance	March 2017	*

Informational Areas

- Fuel Consumption Survey / Financial Review
- Facility Design Overview
- Facility Operations





Thank You