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BEFORE THE HEARING EXAMINER
CITY OF SEATTLE

In the Matter of the Appeal of:) Hearing Examiner File:
) **S-15-001 and S-15-002**
)
9 **FOSS MARITIME COMPANY**) DEPARTMENT OF PLANNING AND
) DEVELOPMENT'S RESPONSE TO
10) APPELLANTS' CLOSING ARGUMENTS
from an interpretation by the Director,)
11 Department of Planning and Development.)
_____)

The issue in this case is simple: is loading "stores, provisions and gear" onto the Polar Pioneer and its assisting vessels consistent with the cargo terminal use permitted at Terminal 5? Because the definition of cargo terminal states that "goods" at a cargo terminal are there in order to transfer them to another location, the answer must be no. Stores, provisions and gear are cargo that a ship consumes or uses on the ship's own mission – vessels can load these items from any use that has a pier. Therefore, the Interpretation correctly determines that to be consistent with the cargo terminal use a vessel must load something other than stores, provisions and gear. The evidence in the hearing shows such goods are called "paying cargo." That is the cargo that is transferred to another location. The evidence clearly supports upholding the Interpretation, and no argument in Appellants' post-hearing briefs shows they have met their burden to show the Interpretation is clearly erroneous.

1 To decide this appeal, the Examiner need only consider the meaning of the definition
2 “cargo terminal” and the scope of the permit for Terminal 5. No evidence in the record shows
3 DPD determined that general moorage is within the scope of the cargo terminal use¹ – not the
4 Port’s business practices, not the permits for Terminal 91, not the pictures the Port introduced.
5 The permit for Terminal 5 was based on Shoreline District Guideline E8 (a) for “cargo handling
6 facility,” not E8(d) “moorage.”²

7 **I. THE INTERPRETATION IS NOT ABOUT THE FISHING FLEET AT**
8 **TERMINAL 91 OR CARGO VESSELS AT TEMINAL 18**

9 Appellants and T-5 Intervenors, particularly, argue the Interpretation will have
10 unintended, serious consequences for activities the Interpretation does not even address and that
11 are outside the narrow scope of this appeal for Terminal 5. These arguments unduly complicate
12 the real issue in this appeal.

13 The reasons why provisioning an oil rig at Terminal 5 is not a cargo terminal use have
14 nothing to do with whether the permits for Terminal 91 allow the fishing fleet to moor there;³ nor
15 does the Interpretation address whether a cargo vessel that is not loading cargo at Terminal 18
16 may moor there while in transit to pick up cargo elsewhere.⁴ These are different hypotheticals

17 ¹ The Environmental Intervenors state it has been “officially recognized” that Terminal 91 is “devoted to
18 commercial moorage.” Foss Post-hearing Brief, p. 17: 13-21. But nothing in the record shows that is part of the
19 container cargo terminal permit, or what DPD permit authorizes general commercial moorage.

20 ² DPD Ex. 4, Resolution 27618, Attachment A, p. 26-27.

21 ³ In fact, McKim testified that he did not have all of the facts needed to make a determination about the
22 hypotheticals he was asked about the fishing vessels and trawlers (Attachment K, McKim 8/13, p. 150:7-23), stated
23 his testimony about the fishing fleet was an off the cuff remark when made at his deposition (Attachment K, McKim
8/13, p. 81:12 to 82:9), that it would need more analysis (Attachment K, McKim 8/13, p. 84:12-19); and stated it
would take some effort to determine what is allowed at Terminal 91 (Attachment D to DPD’s Closing, McKim, p.
137:18 to 138:19).

⁴ At the hearing McKim testified that the lay berthing at cargo terminals should be for cargo terminal vessels that
actually had been loading and unloading at the site, and otherwise should be at commercial moorage (Attachment K,
McKim 8/13, p. 58). But this is extraneous to this appeal, because the Interpretation concerns an oil rig and vessels
DPD determined were not cargo terminal vessels at all. The Interpretation is more limited; it states, “We accept that
lay berthing of vessels otherwise used for transporting goods in the stream of commerce may be regarded as
incidental and intrinsic to the function of a cargo terminal.” Conclusion 11 (part).

1 raised by Appellants that the Examiner does not need to address in order to resolve this appeal.

2 The Interpretation says (1) an oil rig carrying drilling equipment is not a cargo vessel, and
3 the accompanying vessels carrying provisions for themselves and the oil rig are not cargo
4 vessels; (2) vessels that are not cargo vessels may not moor at Terminal 5 for either loading or
5 lay berthing. Terminal 5 only has a permit for cargo terminal and not for commercial or other
6 moorage. The facts of the Interpretation are specific to the permit for Terminal 5 and to the oil
7 rig and accompanying vessels that propose to overwinter there. The Interpretation, itself, does
8 not have the expansive result Appellants claim.

9 Appellants claim it will wreak havoc on the maritime industry to apply the
10 Interpretation's "logic" that a use permit controls what may happen at a site. But this precept
11 assuredly applies to all permits and is nothing new. This is why the City regulates uses,
12 particularly in the Shoreline District to implement the goals of the Shoreline Management Act.
13 To the extent the Port, Foss and T-5 Intervenors are up in arms over DPD's position that a permit
14 limits the scope of activities at a site, they are decrying well established law.⁵

15 Questions about other uses at other sites under other permits must be aired in a different
16 forum.

17 II. FOSS ARGUMENTS

18 A. DPD's Non-existent "Admissions"

19 Foss's argument is laced with repeated claims that DPD Planner McKim made
20 "admissions" at the hearing that show the oil rig and accompanying vessels are cargo vessels
21 within the scope of the definition of cargo terminal. This characterization deserves no weight –
22 the Examiner will determine the facts in this case, regardless of DPD "admissions." And, the

23 ⁵ *Village of Euclid v. Ambler Realty*, 272 U.S. 365, 47 S. Ct. 114, 71 L. Ed 303 (1926).

1 record shows McKim “admitted” nothing material to this case. The Examiner should reject
2 Foss’s claims. The real admission in this case is by the Port – that it moors non-cargo vessels at
3 cargo terminals because the Port hasn’t provided adequate commercial moorage for them.⁶

4 **1. Goods**

5 Foss claims that McKim testified that “pictures of tubulars, pipes, and other materials
6 loaded on to the Polar Pioneer and other vessels are goods,”⁷ and that “myriad types of goods
7 would be loaded and unloaded on to the various vessels” and “the City admitted that all of these
8 materials are considered goods,”⁸ citing McKim 8/13 at 53:14 to 54:12 or 54:25. These claims
9 are incomplete representations of the testimony and grossly exaggerate McKim’s actual
10 testimony.

11 The Interpretation (Finding 12) cites a definition of goods with two senses:

12 **3 . . . b pl** :personal property having intrinsic value . . .
13 **d pl** : WARES, COMMODITIES, MERCHANDISE <canned ~s>

14 McKim was asked to look at Foss Ex. 61 (initially marked Ex. 14) and testified that he
15 saw a lot of items that “could” be goods.⁹ Mr. West then asked him to look at page 1 of Exhibit
16 61, and McKim agreed these were “tubular items” that he assumed to be “pipe.”¹⁰ He then
17 testified that the “tubular items” “could be wares, commodities or merchandise” (the **3d** sense of
18 definition) and that they were “at least something that has economic value” (under the **3b**
19 sense).¹¹ West represented to McKim that the **3b** sense was the sense used in the Interpretation,
20 McKim questioned that, West said that was so, and McKim agreed the tubular items were goods

21 ⁶ Foss Ex. 22 (Port lay berthing letter), p. W-217 (last paragraph) to W-218. See, Section I.B, re: Bullet 7.

22 ⁷ Foss Post-hearing Brief, p. 6: 20-22; p.19: 27-28.

23 ⁸ Foss Brief, p. 29:1-2; p.29:28 to 30: 2; p. 19:27-28.

⁹ Attachment K, McKim 8/13, p. 52:2; and p. 52:17-18.

¹⁰ Foss Exhibit 61 at p. 1; Attachment K, McKim 8/13, p. 53:10-13.

¹¹ Attachment K, McKim 8/13, p. 52:23-25, emphasis added.

1 under “that definition,”¹² He then clarified that the tubular items “would qualify as goods under
2 one of those definitions.”¹³ This is hardly the sweeping “admission” that goods generally or
3 “myriad of types of goods” are goods under the complete definition, as Foss claims. McKim
4 said tubular items were goods and then only under the **3b** sense of “personal property with
5 intrinsic value and that pipes “could” be goods in the **3d** sense of “commodities, wares and
6 merchandise.”

7 Later Mr. McKim clarified that his understanding of “goods” with respect to the cargo
8 terminal use is the **3d** sense, and he specifically excluded pipes used by the Polar Pioneer from
9 “goods.”¹⁴

10 Foss argues that the final Interpretation improperly used a definition of goods that
11 differed from the definition in the first draft. The first draft cites the more general definition
12 (**3b**), and the final Interpretation adds the more specific contextualized definition (**3d**). Foss
13 decries this as “cherry picking the favorable parts” of the definition and asserts the definition
14 must be examined as a whole, citing *State v. Elgin*,¹⁵ but that case says nothing whatsoever about
15 dictionary definitions. In fact, the Washington Supreme Court confirms that words should not be
16 read to consider all possible meanings in the dictionary definition, but should be defined in the
17 sense that is consistent with the intent of the statute being interpreted.¹⁶ In this case, the more
18 specific definition is the more appropriate. “Goods” under section **3b** would include “stores,
19 provisions and gear,” which are loaded onto all vessels at any site with moorage. “Goods” under
20 **3d** differentiates the “goods” in the cargo terminal definition from the **3b** types and is

21 ¹² Attachment K, McKim 8/13, p. 54:1-12, emphasis added.

22 ¹³ Attachment K, McKim 8/13, p. 54:21-25, emphasis added.

23 ¹⁴ Attachment K, McKim 8/13, p. 146:2 to 148:6.

¹⁵ Foss Post-hearing Brief at 31:20-27.

¹⁶ *State v. Lilyblad*, 163 Wn.2d 1, 9, 177 P.3d 686, 690 (2008); *One Pac. Towers Homeowners’ Ass’n v. HAL Real Estate Investments, Inc.*, 148 Wn.2d 319, 330, 61 P.3d 1094, 1100 (2002).

1 appropriate because it is linked to “transfer to other places,” which is the code purpose for cargo
2 terminals. Foss offers no reason why using this particular definition is wrong.

3 **2. Containers**

4 Foss repeatedly claims McKim admitted that the containers in Foss’s photos were
5 “containers” in the sense of the cargo terminal definition and that they were loaded onto the oil
6 rig and vessels,¹⁷ citing McKim 8/13, p. 52:21 to 53:9 and p. 54:13-25. All McKim says is
7 goods are in what appear to be containers, generically. He did not testify these were the type of
8 containers used in the definition’s phrase “container cargo” or that the containers were consistent
9 with the definition of “containerized cargo” in SMC 23.60.906, which has particular dimensions
10 (8’ x 8’x 20’) that these boxes lack. “Container cargo” is used in the trade to mean something
11 more than just something that is not loose cargo, but come in standardized sizes.¹⁸ McKim never
12 “admitted” these photos were container cargo in that sense.

13 **3. Cargo loading activities and transfer**

14 Foss repeatedly claims McKim admitted that the oil rig and vessels were engaged in
15 cargo loading or unloading activities or were “transferring goods” consistent with the definition
16 of cargo terminal,¹⁹ citing McKim 8/13, p. 77:15-23 and p. 74:13 to 75:25 or 76:5. In fact,
17 McKim’s testimony is exactly the opposite.

18 Foss asked McKim whether laying pipe in the ocean floor was transferring material to
19 another location.²⁰ McKim did not “admit” that it was: first, he testified, “in a broad sense, yes,”
20 which is the part cited by Foss. But when pressed in the questions immediately following
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22 ¹⁷ Foss Post-hearing Brief p. 9:16-17; p. 22:2-3; p. 30:4-5.

¹⁸ Attachment L, Knudsen, p. 74:20 to 75:10.

23 ¹⁹ Foss Post-hearing Brief, p. 6:1-3; p. 6:25 to 7:2; p. 9: 25-26; p. 10:1-2; p. 13:7-8; p. 29:3; p. 30:12-15.

²⁰ Attachment K, McKim 8/13, p. 77:15-23.

1 whether this was transferring them in the sense of the cargo terminal definition, McKim replied,
2 “No,” twice in a row.²¹ Foss omits this in its brief.

3 Also, McKim’s alleged “admission” that the oil rig’s support vessels primarily function
4 as cargo vessels and are delivering cargo to the oil rig is based on Foss’s inaccurate hypothetical.
5 Initially, Mr. West asked McKim to assume generic “offshore supply vessels that are used to
6 supply materials to off shore facilities and they transport these materials from all over the
7 world.” He asked whether such a vessel had the “primary function of moving cargo and goods
8 from one place to another,” and McKim said yes. McKim testified that would be the primary
9 function for barges, as well. He also said that if the goods were delivered to an oil rig, the
10 vessels’ primary function would be consistent with the cargo terminal use. But Foss’s
11 hypothetical was not an accurate description of the vessels’/barges’ function in this case, as the
12 testimony of Foss’s Paul Gallagher shows.

13 McKim responded to questions about vessels and barges as independent vessels; but
14 Gallagher testified the primary – the only – function of these support vessels is to support the oil
15 drilling operation;²² their activities are not independent from the drilling. West did not ask
16 McKim to assume these vessels and barges were part of the same operation as the oil rig. But,
17 when presented later with that scenario, McKim answered differently. He testified that it would
18 make sense to look at the fleet as a whole and not at what individual vessels were loading, and in
19 that circumstance “the ultimate purpose being served was the drilling rather than the delivery of
20 goods,”²³ just as Gallagher testified. McKim made no “admission” that these vessels were
21 transporting goods. This same reasoning applies to Foss’s assertion that McKim testified goods

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²¹ Attachment K, McKim 8/13, p. 77:25 to 78:11.

²² Attachment J to DPD Closing, Gallagher, p. 118:25 to 119:13.

²³ Attachment K, McKim 8/13, p. 150:25 to 152:20.

1 would be transferred if stores, provisions and gear were loaded and offloaded between the Polar
2 Pioneer and the assisting vessels while at the drilling site.²⁴ They are all on the same drilling
3 mission.

4 Foss also repeatedly contends that McKim “admitted” “goods” were transferred,²⁵ citing
5 McKim 8/13, p. 156:18 to 157:2. But in fact, in that testimony McKim spoke only about pipes
6 put in the ground in Alaska as part of the drilling process, and he clarified in the very next
7 question that the pipes were not being transferred in the sense of changing ownership – “it is still
8 their own, they have just placed it there.”²⁶

9 **B. The Interpretation includes all relevant facts**

10 Foss contends the Interpretation is erroneous because it considers “a fraction of the
11 activities occurring at Terminal 5 – namely the proposed overwintering of the oil rig and two
12 accompanying barges – rather than considering the full scope of Foss Operations.”²⁷ The
13 information the Interpretation sets out is consistent with the full scope of “Foss Operations” for
14 this project in all material respects: receiving and loading stores, provisions and gear²⁸ onto the
15 oil rig and vessels, which would consume or use those materials to achieve their collective
16 mission. The Interpretation concluded these materials were not “goods” in the sense of the cargo
17 terminal definition, and they were not stored or loaded “in order to transfer them to other
18 locations.” The Interpretation accurately reflects the relevant elements of “Foss Operations.”

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21 ²⁴ Foss Post-hearing Brief, p. 26:4-13.

22 ²⁵ Foss Post-hearing Brief, p. 19:28 to 20:1-2 (re: “goods”); p. 25:15-28 (re: pipe and tubulars); p. 29:3 (re:
“goods”); p. 30:14-15 (re: “goods”). *See also*, Section II.A.3 re: Foss’s erroneous claims of admitting “goods were
transferred” based on other testimony.

23 ²⁶ Attachment K, McKim 8/13, p. 157:3-5.

²⁷ Foss Post-hearing Brief, p. 10:16-20.

²⁸ The Interpretation referred to them as drilling equipment on the Polar Pioneer (Interpretation, Conclusion ¶ 5) and
“provisions” (Interpretation, Conclusion ¶ 7).

1 Foss then sets out a list of omissions and errors²⁹ in the Interpretation in an attempt to
2 carry its burden that the Interpretation is clearly erroneous – but the Interpretation omits nothing
3 material to its conclusion.

4 Bullet 1 - Foss claims that its letter to DPD explained a whole fleet of vessels would be
5 present at Terminal 5. Whether there were two vessels, or eight, or a “fleet” is immaterial to
6 whether these vessels’ activities are consistent with the definition.

7 Bullet 2 - Foss claims DPD ignored Foss’s characterization of what was loaded. That
8 begs the question whether Foss’s description was accurate. DPD’s conclusions in the
9 Interpretation was that the items loaded were “provisions” on the tugs (Conclusion ¶ 7) and
10 drilling equipment on the oil rig (Conclusion ¶ 5). The description Foss provided - “goods,
11 cargo, equipment, supplies, stores, provisions and other materials”³⁰ was broader than what was
12 listed in the Interpretation, but at the hearing the evidence of what was actually loaded is
13 consistent with the Interpretation. The material fact is everything that Foss identified as loaded
14 was loaded for the vessels’ and oil rig’s own use, regardless of whether they fall into the
15 category of “stores” or “gear” as well as “provisions.”

16 Bullet 2 – Foss claims DPD incorrectly assumed that only equipment was loaded onto the
17 oil rig (Interpretation, Conclusion ¶ 5). This is immaterial because, again, equipment is “gear,”
18 used by the oil rig in its mission, and the testimony showed everything loaded onto the oil rig
19 was similarly used by the rig (even if it included stores and provisions, as well as gear), not for
20 other purposes.

21 Bullet 2 – Foss claims DPD admitted all the things that were loaded were “goods,” but
22 DPD did not. *See*, Section A.1 above.

23 ²⁹ Foss Post-hearing Brief, pp. 29 to 30.

³⁰ Foss Ex. 21, emails and Foss letter, p. 2 (RFP 4000974), 2nd full paragraph.

1 Bullet 3 (or #1 on p. 30) – Foss claims DPD did not verify that “in fact” a substantial
2 number of containers were loaded. This is not material, because the evidence shows the SMP
3 has a specific definition of “containers” (SMC 23.60.906), different from the boxes Foss
4 employed and containers are specialized.³¹ DPD did not admit such containers constitute
5 “container cargo.” *See*, Section A.2, above. Moreover, the contents of the boxes were materials
6 for the vessels’ and oil rig’s own use, not the “goods” in the cargo terminal definition.

7 Bullet 4 – Foss claims the Interpretation erroneously failed to acknowledge that what
8 would occur on the oil rig during its seasonal storage was demobilization and mobilization –
9 loading and unloading. Again, such loading and unloading does not change the result, given the
10 nature of the materials that were loaded/unloaded – stores, provision and gear (including
11 submarines and trash) – were materials used by the rig itself for its drilling mission.

12 Bullet 5 – Foss says DPD incorrectly assumed that the material that was loaded onto
13 “vessels supporting the Foss Operations” would not be transferred to other locations. On the
14 contrary, DPD correctly categorized the materials loaded onto other vessels as “provisions” in
15 the sense that they are materials the vessels and rig would use or consume themselves for their
16 mission. Foss’s claim that DPD admitted the “goods were transferred to other locations” is
17 wrong. *See*, Section A.3, above.

18 Bullet 6 – Foss claims DPD ignored historical operations at Terminal 5 and other cargo
19 terminals and Port facilities. No evidence of “historical operations at Terminal 5” shows
20 exploratory oil rigs and assisting vessels have operated at Terminal 5 or that any activity at
21 Terminal 5 has been other than transferring goods in the sense of definition 3d. The sole
22 exception in the record is a recent order from the Coast Guard to allow a vessel to be repaired

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³¹ Attachment L, Knudsen, p. 74:20 to 75:10.

1 there. No evidence shows DPD has approved mooring non-cargo terminal vessels at “other
2 cargo terminals.”³² And, evidence of what happens at “other Port facilities” is irrelevant.

3 Bullet 6 - Foss claims the evidence shows the City’s misunderstanding of how maritime
4 businesses operate in Seattle and throughout the world. How “maritime businesses” operate is
5 irrelevant – the issue in this case is the meaning of “cargo terminal.” Whether other businesses
6 “operate” consistent with that definition has no bearing on what the definition means. And, the
7 question is the meaning of the definition of “cargo terminal” in the Seattle Land Use Code, not
8 worldwide.

9 Bullet 7 – Foss contends Foss told DPD that lay berthing for “vessels of various types”
10 occurs at cargo terminals, but DPD ignored that information. The Interpretation acknowledges
11 the Port provided this information about its facilities (Interpretation, Finding ¶ 5), so it was not
12 ignored.

13 Foss then says (without citation) that McKim acknowledged he had no evidence to
14 support ignoring that information. But the nature of the information, itself, shows its irrelevance
15 to the Interpretation. Regardless of whether the Port or Foss factually reported the Port’s lay
16 berthing activity, the issue is whether such lay berthing is consistent with a permit for cargo
17 terminal use. The Port’s explanation for providing this lay berthing was not that it was part of
18 the cargo terminal permit, but rather the unavailability of commercial marinas (due to Port’s
19 failure to apply for permits for this use at suitable sites): “Commercial marinas in the Seattle area
20 typically lack the necessary physical infrastructure to safely moor these vessels” and “large
21 ocean going vessels cannot access commercial marinas in Lake Union and Lake Washington”
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³² See, DPD Closing, Section IV E.

1 due to the vessels' size.³³ The Port's rationale has nothing to do with lay berthing being allowed
2 under a cargo terminal permit, and confirms that commercial moorage is the correct use for sites
3 providing lay berthing to non-cargo terminal vessels. This is the real admission in this case. The
4 Port needs to apply for the appropriate permits.

5 McKim correctly determined that vessels that are cargo vessels may lay berth at a cargo
6 terminal; since the oil rig and its attendant vessels are not cargo vessels, because they carry only
7 materials that are consumed by the rig and ships on their drilling mission (equipment on the oil
8 rig and provisions on the tugs), an additional permit is needed for them to lay berth. As noted in
9 Section I above, other questions, such as whether other Port facilities have permits authorizing
10 additional lay berthing or whether lay berthing is allowed for vessels that are cargo vessels that
11 are passing through, are questions outside the scope of the appeal of this specific Interpretation.

12 Foss has failed to show the Interpretation was erroneous based on these contentions.
13 Further, DPD is not required to reconfirm its Interpretation at the hearing, as Foss contends.³⁴
14 The burden is on Appellants, and the Examiner's determination is de novo. SMC 23.88.020.G.

15 **C. Foss's arguments fail to carry its burden**

16 Foss makes a variety of other arguments that the Examiner should reject.

17 **1. Shell charters are not independent cargo terminal activities**

18 Foss asserts the Aviq and the Harvey vessels are "cargo vessels" because they loaded
19 materials at Terminal 5 that were "transferred" to other locations in Everett and Port Angeles.³⁵
20 But, the testimony Foss cites shows that these trips were to bring supplies to the Polar Pioneer in
21 Port Angeles and to the Noble Discoverer, another exploratory oil rig, in Everett. Therefore,

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23 ³³ Foss Ex. 22 (Port lay berthing letter), p. W-217 (last paragraph) to W-218.
³⁴ Foss Post-hearing Brief, p. 31, lines 1-3.
³⁵ Foss Post-hearing Brief, p. 6 lines 3-7.

1 these trips were all part of the same exploratory oil drilling mission, and not independent cargo
2 terminal activities.

3 Foss also argues it “transferred goods to other carriers” because Shell has chartered the
4 Polar Pioneer, the offshore supply vessels, and “specialty vessels” Aviq and Tor Viking II,
5 making them “carriers” since they are allegedly “carrying goods for hire” or “paying cargo.”³⁶
6 Not so. Shell hired the vessels to carry Shell’s materials as part of Shell’s own mission to drill
7 for oil. Foss’s arguments that the materials are “paying cargo” and were “transferred” are
8 wrong.

9 Moreover, Foss’s transfer argument still ignores the overarching requirement that “in
10 order to transfer them to other locations” applies to all activities listed in the definition. The
11 stores, provisions, and gear that are the cargo of the chartered rig and vessels are all to be
12 consumed/used by the vessels, themselves, and are not transferred to another location in any way
13 different from any other vessel – cruise ship to motorboat.

14 **2. Transfer is required**

15 Foss argues for applying the last antecedent rule to change the meaning of the cargo
16 terminal definition from the meaning in the Interpretation, which found the phrase “in order to
17 transfer them to other locations” to be the “unifying theme” of the definition. (Interpretation,
18 Conclusion ¶ 6.)³⁷ But Foss concedes that this rule applies “unless contrary intention appears in
19 a statute.”³⁸ As explained in the City’s Closing Argument, that intention appears in this
20 definition, when read in the context of the Code. First, SMC 23.84A.038 shows this contrary

21 ³⁶ Foss Post-hearing Brief, p. 5:16-17; p. 24:1-5; p. 35:18-22 (“paying cargo”).

22 ³⁷ See also, Attachment K, McKim 8/13, p. 64:25 to 65:2 (McKim testified he did not ignore the Code, he
determined the comma was not relevant) and p. 143:3-20 (McKim explained how he addresses rules of statutory
construction.

23 ³⁸ Foss Post-hearing Brief, p. 27:1. (And in this instance, the phrase at the end of the sentence hardly “leaps across
stretches of text,” since the word “them” in the phrase refers to the word “goods” at the beginning of the sentence.)

1 intention: it applies the phrase to all activities at a cargo terminal; the Examiner has ruled this
2 definition applies, as well as the ones in the SMP,³⁹ and Meyer, the Port's permit manager,
3 testified twice that the definitions are the same.⁴⁰ Second, a cargo terminal in the Shoreline
4 District must be water-dependent or water-related, which requires linking the activities of
5 "stored" and "transferred to other carriers" to transfer by a vessel.⁴¹ Third, "storage" is a
6 different use from a "transportation use."⁴²

7 Foss argues that there is no need to apply this phrase to goods that are "stored" because
8 "warehouse," one type of storage use, already contains the concept of transfer by using the
9 phrase "for distribution or transfer to another location" in its definition. But such storage is not
10 sufficient to be a cargo terminal use. It would mean a site would qualify as a cargo terminal
11 simply as a result of colocation of a warehouse and commercial moorage, even if nothing other
12 than stores, provisions and gear (which are never transferred to another location, because they
13 are consumed/used by the vessels themselves) were loaded onto the vessels that moored there.
14 The unique cargo terminal purpose of transferring paying cargo would be eliminated, and there
15 would be no distinction between a commercial marina and a cargo terminal, other than the
16 presence of a storage facility that might be wholly unrelated to the moorage function.

17 Foss also argues that McKim's understanding of a cargo terminal would allow truck to
18 rail transfer of cargo, but not require transport by vessel.⁴³ Transport by vessel is triggered only
19 if the cargo terminal is on a waterfront lot, in which case the use is required to be water-

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21 ³⁹ Order on Motion to Dismiss, p. 1.

22 ⁴⁰ Hearing Examiner Record, Day 3, Tape 2 starting at 40:25 and through 44:20; Attachment G to DPD Closing,
Meyer, p. 68:4-19 and 69:19 to 70:8.

23 ⁴¹ SMC 23.60A.944: water-dependent means "cannot exist in other than a waterfront location;" water-related means
(1) "product or material arrive by vessel," (2) "material that is transported by vessel," (3) "... storage of items that
come off a vessel."

⁴² See Attachment D to DPD Closing, McKim 8/13, p. 144:18 to 145:24.

⁴³ Foss Post-hearing Brief, p. 33:18-25.

1 dependent or water-related, both of which require transfer by vessels in at least one direction.⁴⁴

2 McKim's analysis is correct.

3 **3. Legality of the "primary function" test is a straw man argument**

4 The Interpretation does not include a "primary function test." McKim used this term in a
5 long deposition to try to explain his thinking.⁴⁵ Arguing its legal validity as a basis to reverse the
6 Interpretation is a straw man argument. Appellants used it at the hearing, and use it now in their
7 briefs, to raise questions about vessels completely outside the scope of the Interpretation to foster
8 their arguments about wide-spread uncertainty and economic impacts. The Examiner should
9 review the Interpretation on its merits.

10 However, the test makes common sense and reflects the structure of the City's Land Use
11 Code, which regulates uses, as McKim explained.⁴⁶ Another word for "primary" is "principal,"
12 and another word for "function" is "use." The concept of a "principal use" is well-established.
13 A "use" is "the purpose for which land or a structure is designed, built arranged, intended,
14 occupied, maintained, let or leased."⁴⁷ So when the definition of the permitted use for a site,
15 such as a cargo terminal, states that the activity taking place must achieve a certain purpose, such
16 as "in order to transfer them [goods] to another location," one looks at whether the purpose of the
17 activities on the site (the loading and moorage of an oil rig and vessels) is consistent with the
18 purpose of the use. Then one determines whether that activity is the "principal use" – "not
19 incidental to another use."⁴⁸

21 ⁴⁴ Table A for SMC 23.60A.482.N.2; SMC 23.60A.944: water-dependent means "cannot exist in other than a
22 waterfront location;" water-related means (1) "product or material arrive by vessel," (2) "material that is transported
by vessel," (3) ". . . storage of items that come off a vessel."

23 ⁴⁵ Attachment K, McKim 8/13, p. 117:16 to 118:12.

⁴⁶ Attachment K, McKim 8.13, p. 112:20 to 114:15.

⁴⁷ SMC 23.84A.040.

⁴⁸ *Id.*

1 This analysis is useful when the material loaded onto the oil rig and vessels at Terminal 5
2 are stores, provisions and gear, which can be loaded onto any vessel at any site with moorage.
3 The question becomes: will the function of the cargo terminal definition – “in order to transfer
4 them [goods] to another location” - be carried out if the purpose for which the oil rig and vessels
5 are loading these provisions is to use them to operate the oil rig and vessels, themselves?

6 The concept of the rig and vessels having a primary function is so intuitive that both
7 Englin and Gallagher had no hesitation in stating that the oil rig’s primary purpose is to drill
8 (Englin)⁴⁹ or that the “principal purpose,” “job,” or “mission” of the oil rig is to drill exploratory
9 holes or as an offshore drilling operation (Gallagher).⁵⁰ That is what they do, not transfer goods
10 from one location to another.

11 The validity of the Interpretation does not turn on the primary function test.

12 **4. The Interpretation is consistent with the SMP and the SMA**

13 Foss argues that the Interpretation frustrates the SMP purpose in the UI environment; but
14 requiring a permit to carry out the activities authorized in that environment does not thwart the
15 SMA or SMP purpose of regulating uses in the Shoreline District.

16 Foss also asserts the City erroneously failed to consider Comprehensive Plan Policies,⁵¹
17 though Foss does not cite any policies and makes no argument on how they might impact the
18 decision.

19 Foss claims the Interpretation ignores the term “cargo terminal” in other contexts, citing
20 the exception in the definition of “tugboat services” that reclassifies some tug activities as “cargo

21 ⁴⁹ Attachment F to DPD’s Closing, Englin, p. 26:14-16.

22 ⁵⁰ Attachment J to DPD’s Closing, p. 128:2-7; p.21:2; p. 117:25 to 118:24.

23 ⁵¹ DPD erroneously stated in its Prehearing Brief that the Comprehensive Plan does not apply to interpretations (which is a general rule for regulations in the zoning code), but DPD’s Reply on Motion to Dismiss (p. 22:20-22) and Closing Argument (p. 4:11-13) both cite the SMP requirement to be consistent with the Comprehensive Plan with respect to interpretations of the SMP.

1 terminal,” instead of tugboat services.⁵² This definition is intended to define “tugboat services,”
2 not “cargo terminal.” Still, the exception is consistent with the analysis in the Interpretation:
3 barges loading and unloading need to be at a cargo terminal and may, as cargo vessels, lay berth
4 there, with their assisting tugs, as well. Any requirements for “cargo terminal” use will also
5 apply to the tugs and barges loading, unloading and mooring at a cargo terminal.

6 Foss argues that the City could have limited the types of cargo terminal uses or type of
7 vessels that can use a cargo terminal if it wanted to restrict the oil rig mooring at Terminal 5;⁵³
8 this begs the real question at issue here: is provisioning the oil rig and its assisting vessels a
9 cargo terminal use at all? Foss’s contention avoids the real issue in this case.

10 **5. Terminal 91 activities and permits are not applicable to Terminal 5**

11 Foss points to testimony about activities at Terminal 91 and Terminal 18 as evidence that
12 these activities are appropriate at a cargo terminal. The business decisions by these terminals’
13 operators are not evidence of a determination by DPD that the activities are allowed under a
14 cargo terminal permit. A complaint triggering the City’s enforcement and investigation would
15 be unlikely, given the multiple activities at Terminal 91 and the similarity of lawful container
16 activity at Terminal 18 with the occasional lay berthing described. Even if the City has
17 erroneously failed to enforce a violation, that does not bar correct enforcement at Terminal 5.⁵⁴
18 Terminal 5 has never had the variety of activities or permits issued for Terminal 91, and there is
19 no evidence in the record that Terminal 5 was used inconsistently with its cargo terminal permit,
20 except once at the request of the Coast Guard.

21 ⁵² “ ‘Tugboat services’ means a transportation facility use that consists of moorage for more than one tugboat and
dispatch offices, except that facilities that include barge moorage and loading and unloading facilities for barges as
22 well as tugboat moorage are not tugboat services and are classified as cargo terminals.” SMC 23.60A.938.

⁵³ Foss Pre-hearing Brief, p. 42:2-4.

23 ⁵⁴ *Buechel v State Dept. of Ecology*, 125 Wn.2d. 196, 211, 884 P.2d 910 (1994); *Mercer Island v. Steinman*, 9 Wn.
App. 479 (1973). *Dykstra v. Skagit County*, 97 Wn. App.670, 677, 985 P.2d 424 (1999), *rev. denied* 140 Wn.2d
1016 (2000).

1 Foss argues the Interpretation is inconsistent with DPD's past acknowledgment of
2 activities at Terminal 91, citing the background statements in land use decisions in DPD Ex. 11
3 and Foss Ex. 111. For the reasons set out in DPD's Closing Argument,⁵⁵ these are not DPD
4 authorizations or approvals. In particular, "background statements" in land use decisions do not
5 determine whether a use was legally established.⁵⁶

6 Nor did McKim agree that general moorage or moorage for the fishing fleet at Terminal
7 91 would be appropriate under that terminal's cargo terminal permit, as Foss suggests. Foss
8 asked McKim whether he found a permit for any other use that would authorize such general
9 moorage, and McKim said no.⁵⁷ But that does not mean he agreed that a cargo terminal could
10 authorize that activity.⁵⁸ And again, this issue is outside the scope of this appeal.

11 Foss contends that because the legislature is presumed to know how courts construe a
12 statute, the City Council should be presumed to know how DPD has "interpreted the Code,"
13 referring apparently to the background statements in the land use decisions for Terminal 91.
14 Foss then argues if the Council fails to change the Code in light of those statements, the Council
15 is presumed to agree with the construction of the decisions that Foss asserts. The Examiner
16 should reject this attenuated argument. There is no logical or legal basis for this analogy. As set
17 out above and in the City's Closing, cited above, background statements are not the basis for
18 determining what has been approved by permit, and lack of enforcement sets no precedent.

19 Foss's argument on "past implementation" should be rejected.
20

21 ⁵⁵ DPD Closing Argument, pp. 17-20 and pp. 38-41.

22 ⁵⁶ Attachment D to DPD Closing, McKim, p.136:21 to 137:17; and Testimony 8/25, Tape 4 at 2:99 to 4:57.

23 ⁵⁷ Attachment K, McKim 8/13, p. 115:5-13.

⁵⁸ Environmental Intervenors' Post-hearing Brief (p. 17) states that Terminal 91 "has been officially recognized as devoted to commercial moorage in addition to cargo transshipment." The document referred to is an agreement between the Port and DNR – not an approval by DPD.

1 **6. Lay berthing by non-cargo vessels is not accessory to a cargo terminal**

2 DPD agrees that moorage by a vessel while it is loading and unloading cargo terminal
3 goods (not solely stores, provisions and gear) is an inherent part of the principal use “cargo
4 terminal.” With respect to “accessory uses,” the Interpretation states: “We accept that lay
5 berthing of vessels otherwise used for transporting goods in the stream of commerce may be
6 regarded as incidental and intrinsic to the function of a cargo terminal.” Conclusion 11 (part).
7 Knudsen’s testimony with respect to cargo terminal vessels, cited by Foss,⁵⁹ is consistent with
8 this. But general moorage of other types of vessels is not an accessory use at a cargo terminal,
9 and Foss offers no argument to support that contention.

10 **7. The Interpretation does not regulate the operation of vessels**

11 Foss Issue 16 claims the Interpretation is inconsistent with SMC 23.60A.018 by
12 regulating activities on vessels. The regulation reads in relevant part:

13 Except as specifically provided otherwise, the regulations of this
14 Chapter 23.60A do not apply to the operation of boats, ships and
15 other vessels designed and used for navigation, other than moorage
16 of vessels and uses on vessels unrelated to navigation

17 (Emphasis added.)

18 Foss’s argument is a single sentence: “regulating in the shoreline by making judgments
19 on the vessel’s purpose or use at its ultimate destination essentially regulates vessels in direct
20 violation of its own Code.”⁶⁰ The Interpretation determines whether moorage of certain vessels
21 and the oil rig at Terminal 5 is consistent with the definition of cargo terminal. It will not
22 otherwise affect their operation. This argument is meritless.

23 ⁵⁹ Foss Post-hearing Brief, p. 45:19-27.

⁶⁰ Foss Post-hearing Brief, p. 36:20-22.

1 **8. Foss Issues 15 is abandoned**

2 Foss made no argument on its Issue 15: “The Interpretation erroneously determines the
3 Director lacks authority to interpret or define unlisted uses under the [SMP].” Foss has
4 abandoned Issue 15, and DPD’s Closing (p. 44) showed the Interpretation is correct on this point.

5 **III. PORT ARGUMENTS**

6 **A. A City permit is required for new uses**

7 The Port argues a shoreline substantial development permit is not required. The
8 Examiner does not need to decide this issue as part of this appeal. DPD is not relying on SMC
9 23.40.002 to require a substantial development permit. As explained in DPD’s Closing, a
10 substantial development permit is a permit required under the SMA and is submitted to the
11 Washington State Department of Ecology. DPD has never taken the position that a substantial
12 development permit is required.⁶¹ Whether a substantial development permit is required or not, a
13 City permit is always required. The Port’s Issue 4, last sentence, contests this.

14 The law is clear that the Shoreline Management Act requires uses that are not “substantial
15 development” to comply with the standards in a shoreline master program and with the policies
16 of the SMA. *Clam Shacks v. Skagit County*, 109 Wn.2d 91, 95, 743 P.2d 265 (1987). The Port
17 does not cite this seminal case. To ensure this requirement is implemented, the Washington
18 State Department of Ecology (which is charged with establishing rules to implement the SMA⁶²)
19 addresses this requirement by requiring specific language in shoreline master programs and
20 recognizing this will be enforced through the local permit process.⁶³

21 _____
22 ⁶¹ DPD agrees that the proposed activity does not require a shoreline substantial development permit, unless it is
23 determined that the location of the proposed activity “interferes with the normal public use of the surface waters,”
which would constitute “development.” DPD has not made that determination at this time.

⁶² RCW 90.58.060.

⁶³ WAC 173-26-191(2)(a)(iii)(A) (emphasis added).

1 The Shoreline Management Act's provisions are intended to
2 provide for the management of all development and uses within its
3 jurisdiction, whether or not a shoreline permit is required. . . .
4 Local governments have the authority and responsibility to enforce
5 master program regulations on all uses and development in the
6 shoreline area. There has been, historically, some public confusion
7 regarding the Shoreline Management Act's applicability in this
8 regard. Therefore, all master programs shall include the following
9 statement:

10 "Except when specifically exempted by statute, all proposed
11 uses and development occurring within shoreline jurisdiction must
12 conform to chapter 90.58 RCW, the Shoreline Management Act,
13 and this master program."

14 In addition to the requirements of the act, permit review,
15 implementation, and enforcement procedures affecting private
16 property must be conducted in a manner consistent with all
17 relevant constitutional and other legal limitations on the regulation
18 of private property. . . .

19 This WAC also authorizes shoreline master programs to be integrated into existing development
20 regulations rather than being standalone programs; this is what the City has done by making its
21 shoreline master program a part of Title 23.⁶⁴

22 As explained in DPD's Closing (pp. 22-27), the City's SMP includes this required
23 statement. The SMP uses the City's own permitting process to make the required compliance
determination as described in the Closing and below. A substantial development permit is an
additional permit that is required if the activity is development.⁶⁵ Adopting the Port's position
would be a radical change in the City's program, and so additional information is provided
below.

⁶⁴ WAC 173-26-191(2)(c), which states in part: "Local governments may integrate master program policies and regulations into their comprehensive plan policies and implementing development regulations rather than preparing a discrete master program in a single document."

⁶⁵ The Environmental Intervenors call this a shoreline permit, which is part confusing because that term usually refers to a substantial development permit that is sent to the Washington State Ecology. But if Intervenors mean a permit that establishes compliance with SMA standards, then their position and DPD's agree: a permit is required.

1 The Land Use Code has standards for uses in both the zoning code part of the Code and
2 the overlay part of the Code (Chapter 23.60A is in the overlay part); the Code has regulations
3 that apply to all parts of the Code, including the requirement for a use permit when a new use is
4 proposed. Both the general overlay provisions (Chapter 23.59) and the SMP, itself, require
5 compliance with both parts of the Code. The SMP is clear that even when no substantial
6 development permit is required, “any other regulations apply”⁶⁶ and that the regulations in the
7 SMP are “intended to supplement other regulations of this Title 23 as set out in subsections
8 23.60A.016.B and 23.60A.016.C.”⁶⁷ SMC 23.60A.016.B states, “To be allowed in the Shoreline
9 District, a use . . . must be allowed in both [*sic*] the shoreline environment, the underlying zone,
10 and any other overlay district in which it is located.” Therefore, although no substantial
11 development permit is required, a City permit is.

12 Even if DPD could not require a City permit to demonstrate compliance with the
13 standards in the SMP, the provisions in SMC 23.60A.016.B require uses to be allowed in the
14 underlying zone, and SMC 23.40.002 requires a permit to establish use in the underlying zone.
15 The permit requirement in the Interpretation should be upheld.

16 Lastly, DPD does not issue permits “for vessels to moor,” as the Port mischaracterizes
17 this Interpretation. DPD issues permits to property owners, such as the Port, authorizing a
18 proposed use of the property as being consistent with the Land Use Code, including the SMP if
19 the property is in the Shoreline District.

20
21
22
23 ⁶⁶ SMC 23.60A.020.A.2.b.

⁶⁷ SMC 23.60A.016.A.

1 **B. Port's other arguments do not carry the Port's burden**

2 **1. Standard of proof**

3 The Port cites the LUPA standards⁶⁸ for reviewing the Examiner's decision: this does not
4 relieve the Port of its burden under SMC 23.88.020.G.

5 **2. Factual record supports the Interpretation**

6 DPD's Closing and its Response to Foss's factual assertions above (Sections II A and B)
7 demonstrate the facts in the Interpretation and in the hearing support DPD's Interpretation. The
8 Port's claim that DPD's lack of expertise renders the Interpretation defective is irrelevant since it
9 is the Examiner who will make the final determination based on all the evidence. Moreover, the
10 expertise required - to read the SMP, discern its intent, understand the information provided by
11 the Port and Foss, and construe dictionary definitions - is sufficient. Certainly, the Examiner has
12 this expertise. The information provided at the hearing was supplemental, but does not
13 contradict the basic conclusions drawn in the Interpretation.

14 The Port chastises DPD for not accepting the information presented by the Port and Foss
15 as true, singling out the issue of lay berthing (pp. 15-18); yet McKim testified he did accept the
16 Port's letter concerning lay berthing,⁶⁹ as evinced in Interpretation, Conclusion ¶ 10, which then
17 informs Conclusion ¶ 11, authorizing lay berthing, except for vessels not used for transfer of
18 goods, which would be a separate principal use. This limitation is consistent with reasons the
19 Port initially gave DPD for allowing lay berthing of other large vessels at cargo terminals: it
20 wasn't because this moorage is part of a cargo terminal permit, it is because the Port hasn't
21 provided appropriate commercial moorage.⁷⁰

22 _____
23 ⁶⁸ Land Use Petition Act 36.70C.130; Port Post-hearing Brief p. 13:25 to 14:15.

⁶⁹ Attachment K, McKim 8/13, p. 37:8-16.

⁷⁰ See, Section II.B, Bullet 7 above.

1 Ultimately, the issue before DPD was not whether the Port accurately described its
2 business practices, but whether the Code, in fact, allowed them. This distinction arises with
3 respect to lay berthing because initially McKim considered accessory uses under the wrong
4 standard: SMC 23.42.020.A, which relies on the standard “customarily incidental,” a standard
5 McKim subsequently concluded was inapplicable⁷¹ (which is why one writes first drafts of
6 decisions) and that the Examiner has ruled is inapplicable to this Interpretation.⁷² So the
7 standard for part of the Interpretation shifted away from “customary” activities to those that are
8 intrinsic and incidental.

9 The Examiner must determine the nature of lay berthing that is allowed at Terminal 5
10 based on all the evidence, because the appeal is de novo.

11 **3. The result is consistent with LU270 (former 257) - Port Issue 11**

12 Port Issue 11 contends that the Interpretation is inconsistent with the Comprehensive Plan
13 policy LU 270 to meet the moorage needs of all vessels, citing section 4, particularly with
14 respect to fishing vessels. As noted in Section I, above, the Interpretation does not address
15 fishing vessels, uses at Terminal 91, or the evolution of fish processing and its impact on earlier
16 land use permits. The “absurd results” or violation of Comprehensive Plan policies with respect
17 to the fishing homeport are outside the scope of this appeal.

18 The Port’s quotation of LU 270 omits its introduction and section 1, which are set out
19 below, showing old text struck out and new text underlined:

20 **LU270((257 Citywide))Identify and designate appropriate land for**
21 **water-dependent business and industrial uses as follows:**
22 **((objectives for different types of water-dependent businesses and**
 industries:))
 1. Cargo Handling Facilities:

23 ⁷¹ Foss Ex. 2, p. 3 (RFP 1000006) Section III; Attachment K, McKim 8/13, p. 82:16to 83:25.

⁷² Order on Motion to Dismiss, p. 2 ¶ 9, Foss Issue 5.

1 a. Reserve space in deep water areas with adequate
2 vessel maneuvering areas~~((backup space))~~ to permit the Port of
3 Seattle and other marine industries to remain competitive with
4 other ports.⁷³

5 The policy of LU270 is to “identify and designate appropriate land,” and to do so for both cargo
6 terminals and general moorage. Land is “designated” by assigning it to a particular “shoreline
7 environment” that allows the uses identified in the policy, such as Urban Industrial for both
8 Terminals 5 and 91. Determining the meaning of cargo terminal does not “thwart” the intention
9 to designate areas for fishing vessels. Requiring a permit for commercial moorage to allow that
10 use is not inconsistent with the Plan.⁷⁴

11 4. Primary Function Test

12 This argument is addressed in Section II.C.3 above, and should be rejected. The Port is
13 using this straw man argument to raise issues outside the scope of the Interpretation to bolster the
14 Port’s contention that the results are absurd. The result with respect to the Polar Pioneer and its
15 assisting vessels at Terminal 5, the subject of the Interpretation, is not absurd. The Port also
16 contends that no one in the maritime industry understands this test. However, it is clear that no
17 one, even the Port, considers the scope of land use permits in conducting business. *See*, DPD
18 Closing, Section IV F. The Examiner should ignore this straw man argument.

19 5. Scope of Interpretation is not “extraterritorial”

20 Terminal 5 is in the City of Seattle. Its permitted use is limited to cargo terminal. For
21 this use to be meaningful under the SMA, Comprehensive Plan Policy 270, and the SMP, the use
22 “cargo terminal” must be distinguishable from the use “commercial moorage/marina,” and other
23 uses, here in Seattle. Stores, provisions and gear can be loaded at both facilities, indeed at any

⁷³ DPD Closing, Attachment B, Ordinance 124105, excerpt.

⁷⁴ *Chevron USA, Inc. v. Central Puget Sound Growth Management Hearing Board*, 123 Wn. App. 161, 167-168, 93 P.3d 880 (2004); *see* discussion, DPD Closing, p. 46-47.

1 facility with a pier. Therefore, what differentiates a cargo terminal is that the material loaded is
2 “paying cargo,” such as “container cargo,” which is included in the definition. That
3 differentiation can be made whether the vessel is transferring goods within the City or elsewhere.
4 DPD is not enforcing its Code outside the City, it is enforcing the cargo terminal use permit at
5 Terminal 5.

6 **6. Statutory construction by the Examiner is not limited**

7 The Port argues that because DPD found the definition of “cargo terminal” to be
8 unambiguous, that is the limit of the Examiner’s determination.⁷⁵ The Examiner is not limited to
9 DPD’s assessment, because this is a question of law. Even under the unambiguous standard, the
10 Examiner has broad authority to consider the definition in its context, including other related
11 legislation and documents available under judicial notice.⁷⁶

12 **IV. CONCLUSION**

13 The Interpretation correctly determines that loading cargo that is provisions or equipment
14 (or stores, provisions and gear) does not effectuate the particular purpose for a cargo terminal
15 use: to transfer goods to other locations. Cargo that is consumed or used by a vessel is not
16 transfer to another location. One of the key goals of the Shoreline Management Act is to
17 regulate uses of the shoreline. If the intended function of a specific use in a shoreline master
18 program is expanded to the point where the definition is meaningless, then the goals of the Act
19 are not achieved. The City’s earlier Guidelines E8 in resolution 27618 (DPD Ex. 4) and the very
20 similar current policies in Comprehensive Plan Policy 270 recognize that cargo handling
21 facilities and general moorage are distinct uses. No evidence in the record supports Appellants’
22

23 ⁷⁵ Port Post-hearing Brief, p. 23:24-25.

⁷⁶ See, DPD Closing, Section III.

1 or T5 Intervenors argument to conflate them by allowing moorage of any vessel at a cargo
2 terminal.

3 This Interpretation is specific to Terminal 5 and the oil rig and assisting vessels that
4 propose to overwinter (mobilize and demobilize) there. Concerns over other issues at other sites
5 should be resolved through other avenues. The Examiner should uphold the Interpretation.

6 DATED this 17th day of September, 2015.

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1 **CERTIFICATE OF SERVICE**

2 I certify that on this date, I electronically filed a copy of the **Department of Planning**
3 **and Development's Response to Appellants Closing Arguments** with the Seattle Hearing
4 Examiner using its e-filing system.

5 I also certify that on this date, a copy of the same document was sent to the following
6 parties listed below in the manner indicated:

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Dated this 21st day of September, 2015, at Seattle, Washington.


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