

PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES November 6, 2007 REGULAR SESSION		
<u>TOPIC</u>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE</u>	<p>Commissioners/Staff Present: Port Commissioners (PCs) Norm Deo, Rodger Ford, & Wayne Vinyard; Director Marketing/Public Affairs, (DM/PA) James Donnelly; and Administrative Assistant/Bookkeeper, (AA/B) Margie Ziegler, Facilities/Maintenance Operator, (Fac/Maint) Bryan Charters and Port Consultant Byron Hanke.</p> <p>PC/Staff Absent: Port Counsel Teunis Wyers was excused.</p> <p>Guests Present: Matt Riley, (Rapid Ready Mix Inc), Brad Roberts, (Rivermile 172 LLC), Denny Newell (KC Economic Development), and Steve Tessmer (Gorge Harbor Marina).</p>	Meeting called to order at 4:30 PM
<u>COUNSEL'S REPORT</u>	(DM/PA) James Donnelly talked about the Verizon Lease and he will meet with Port Counsel Teunis Wyers and address the PC's concerns regarding the Port being protected if the reservoir had to be removed.	
<u>Administrative Matters</u>	Items approved: Minutes of October 16, 2007 PC Minutes Vouchers - October 31, 2007, #21735-21753, \$31,324.33 Vouchers - November 6, 2007, #21754-21788, \$28,662.72	PC Vinyard M, PC Ford S a motion to approve the Consent Agenda with correction to the minutes. MP
<u>Consent Agenda</u>	Corrections to the minutes: Delete last line under aggregate operator on page 2.	
<u>Financial Report - September 2007</u>	(AA/B) Ziegler said George Fox reviewed the Financial Report for September 2007.	
<u>Draft 2008 Budget</u>	(AA/B) Ziegler presented the 2008 draft budget. (AA/B) Ziegler said that George Fox, CPA, consultant has reviewed all revenue and expenditures. (AA/B) Ziegler said medical insurance premiums increased 3% and payroll was increase 5% per Port Consultants Hanke & Fox's recommendations. (AA/B) Ziegler said Fox estimated cash carryover and reviewed tax resolutions for Industrial Development and Property Tax Levy for 2008. Discussion followed regarding 101 Parallel roof, Outside Service accounting, backhoe, riding mover, brush cutter, bi-annual port newsletter, computer equipment and software. (DM/PA) Donnelly recommended all PC members to review the budget and give feedback prior to the next meeting.	
<u>Washington State Auditor office's Audit of 2003 through 2005.</u>	(AA/B) Ziegler also said that State Auditor, Laurel Lefebvre, completed the two week field audit 11/1/07 for 2003 through 2005. Ziegler said the audit went smoothly and there was no indication there would be any findings. (AA/B) Ziegler said Lefebvre said once the audit is reviewed by the audit supervisor an exit conference will be scheduled and because there were no findings the exit conference will be a teleconference in late December. (AA/B) Ziegler said Lefebvre said the Port was commended for having George Fox, CPA consultant, for financial oversight. (DM/PA) Donnelly said that Lefebvre said that the Port of Klickitat is doing a tremendous job as a small port and better than she has seen in other ports our size. PC Vinyard said the State Auditor's compliments of our Port's good business management should be shared with the public.	

<p><u>Personnel Policy</u></p>	<p>(DM/PA) Donnelly said a draft Personnel Policy has been received from Leslie Haskell. (DM/PA) Donnelly recommended to the PC that adopting the personnel policy should be done after a new Executive Director has been selected. (DM/PA) Donnelly said current staff will review the draft policy and provide feedback. (DM/PA) Donnelly said after the new Executive Director reviews the Personnel Policy, then the policy will be brought back to a PC meeting for approval.</p>	<p>By consensus, the PC agreed to have the new Executive Director review the Personnel Policy before it is adopted.</p>
<p><u>PSC -Tennessee</u></p>	<p>(DM/PA) Donnelly said a personal services contract (PSC) has been prepared for Tenneson Engineering for the water master plan upgrade. (DM/PA) Donnelly said that because the grant funds need to be expended in 2007 there may be some recommended changes by the Dept of Health and Tenneson has agreed to make those changes at no cost to the Port. PC Ford asked about the CTED grant amount. Denny Newell, (KC Economic Dev), said CTED sent a grant award letter stating up to \$45,000 and that the contract with Tenneson is for \$40,000 therefore there would be no additional commitment from the airport or the Port. (DM/PA) Donnelly said originally the grant was said to be \$35,000 and the Port received a letter from the airport pledging \$2,500 and the other \$2,500 would be paid by the Port. PC Ford asked about the MOU between the Airport, Port and KC County. Denny Newell said the MOU is with the KC Counsel and the details are being worked through. Denny Newell also stated that the MOU is subject to FAA approval. (DM/PA) Donnelly said that PSC has not been shared with George Fox, CPA because it is the same PSC used for the grading project, but the MOU will be shared with Fox so that we can get his input on the financial aspect. (DM/PA) Donnelly requested a copy of the draft MOU from Denny Newell.</p>	
<p><u>Executive Director's Report</u> <u>Bingen Point</u> <u>Insitu/ICE Outside Storage</u></p>	<p>(DM/PA) Donnelly said he has been in an e-mail conversation with Brad Dezurick, Insitu, regarding outside storage between building 1D and 1E. (DM/PA) Donnelly has been waiting for Insitu to give the Port drawings for fencing. (DM/PA) Donnelly recommends negotiating a lease with Insitu now and that Insitu agrees that the property will be fenced within six months. (DM/PA) Donnelly will draft addendum to the current lease of building 1E. PC Ford wants to make sure that the fence does not prohibit access for deliveries and emergency vehicles.</p> <p>(DM/PA) Donnelly has been approached by Steve Maier, ICE, to place a 25 foot refrigerated container next to building 1B that would store refrigerated materials. The container would be ran by electricity. PC Deo said that the Port needs to treat all tenants equally. PC Vinyard said that it is important that all tenants pay for property they are using and set a time limits. (DM/PA) Donnelly said there needs to be an outside storage policy.</p>	<p>By consensus, the PC directed (DM/PA) Donnelly to proceed with working with Ice and Insitu to solve their outside storage needs.</p>

<p><u>Executive Director's Report Bingen Point - continued</u> <u>ICE Building Discussion</u> <u>Marina Update</u></p>	<p>(DM/PA) Donnelly said he is continuing to work with Steve Maier on elevations for a new building. (DM/PA) Donnelly said Tenneson Engineering was approached regarding moving the utility easement. Tenneson said the easement can be moved to the west or to the east for gravity flow of sewer. The easement realignment will allow Steve Maier to reconfigure his building on the lots. PC Deo said it is important to have Tenneson on board for the easement. (DM/PA) Donnelly gave Maier's architect permission to work with Ben Beseda at Tenneson. Steve Maier will come back with elevations based on the realigned easement.</p> <p>(DM/PA) Donnelly said a marina meeting took place and we are still working on the project definition phase. Port Consultant Hanke said he is excited that George Selfridge, Maritime Services, and Jason Spadero, SDS Lumber, are looking into the project as well. Steve Tessmer, Gorge Harbor Marina, discussed public amenities and parking considerations.</p>	
<p><u>Executive Director's Report Dallesport Industrial Park</u> <u>Lot Preparation #40, #41, and #42</u></p>	<p>(DM/PA) Donnelly reported that Underwood Fruit has been talking with Klickitat County Building Department and discovered that a building cannot be built over multiple lots and it would require an amendment to the binding site plan. (DM/PA) Donnelly reported that Curt Dreyer, KC Planning said that we need to amend the binding site plan to create one lot out of the three lots. (DM/PA) Donnelly said there will a \$75 fee and the costs working with Ben Beseda at Tenneson Engineering. Amending the binding site plan will require approval from KC Commissioners and letters to adjacent landowners. There was discussion of Underwood Fruit using a different access than Parallel Ave. (DM/PA) Donnelly said Underwood Fruit is reviewing a draft lease.</p> <p>(DM/PA) Donnelly said UF would like the Port to complete question 13 regarding a cultural survey of the SEPA checklist. UF will reimburse the Port. (DM/PA) Donnelly said that he has been in contact with Archeological Surveyors Northwest (ASN). (DM/PA) Donnelly said ASN did the cultural survey for the DIP wastewater plant and is currently working with Williams pipeline. (DM/PA) Donnelly recommended to the PC that ASN be used for the cultural survey, and that ASN is currently working with Williams Pipeline and would be available to the Port in two weeks. PC Ford suggested that funds for cultural survey be added to the 2008 budget for other shovel ready lots at DIP. PC Deo directed (DM/PA) Donnelly to get a quote from ASN.</p>	<p>By consensus, the PC directed (DM/PA) Donnelly to have the SEPA Checklist cultural survey completed on lots #40, #41, & #42.</p>
<p><u>Aggregate Operator Progress</u></p>	<p>(DM/PA) Donnelly gave an update on the progress of James Dean Construction (JDC). (DM/PA) Donnelly said JDC is considering utilizing the barge dock. PC Vinyard said wharfage rates need to be reviewed. PC Ford asked if JDC is considering leveling any DIP lots. (DM/PA) Donnelly said that no lots have been determined at this time, but there is an allowance in the operator agreement for a those opportunities.</p>	

<p><u>Executive Director's Report Dallesport Industrial Park - continued</u></p> <p><u>Dallesport Log Yard Rock</u></p> <p><u>DIP CC&R</u></p> <p><u>101 Parallel Building - Roof</u></p>	<p>(DM/PA) Donnelly said he has contacted James Dean Construction (JDC) and they agreed to provide 400 tons of pit run material to Dallesport Log Yard (DLY) at \$2.00 per ton to the Port. (DM/PA) Donnelly recommends to the PC that the cost be paid by the Port because the Port did not require the previous tenant to recondition the log yard before their lease ended. (DM/PA) Donnelly said DLY will haul and spread the pit run and put down a layer of 3/4" minus at DLY's expense. (DM/PA) Donnelly said DLY is aware that they will be required to maintain the log yard in the future. (Fac/Maint) Charters said that many loads of bark have been removed from the log yard. (DM/PA) Donnelly said he really appreciates the work of (Fac/Maint) Charters and his expertise that he brings to the Port by being our eyes and ears at DIP.</p> <p>(DM/PA) Donnelly suggested that staff can go through the CC&R's and work on specific language that pertains to DIP and not repeat the Klickitat County's zoning ordinance. (DM/PA) Donnelly provided to the PC in PDF form the CC&R's and a copy of (DM/PA) Donnelly's comparison of the BPT and DIP CC&R's.</p> <p>(DM/PA) Donnelly reviewed the scope of work provided by DSP for the 101 Parallel Building Roof to see what could be completed by Port staff. (DM/PA) Donnelly said Randy at DSP said they should design the bid and George Fox said we need DSP to certify the completed work. PC Deo said the roof will be a big investment for the Port and it is prudent to pay an engineer for expert advice but the DSP bid is too high. Port Consultant Hanke said it is important to have a good bid and good oversight on a project this size because the new roof, if done correctly, will enhance the value of the building. PC Vinyard said the bid is high, but Port staff is already working on other projects and putting a bid together would take away time from those projects. Port Consultant Hanke recommended (DM/PA) Donnelly see what items could be handled by staff then negotiate with DSP for a 20% reduction in price on the items that won't be handled by staff.</p> <p>PC Deo said the loading dock at the 101 Parallel building needs to be repaired. (Fac/Maint) Charters said an angle plate needs to be added to protect the dock. PC Vinyard said there needs to be an agreement with Dallesport Foundry for use of the dock. (Fac/Maint) Charters said Dallesport Foundry will supply the tools and fasteners to make the repair. PC Deo will order the unusual piece of steel for the loading dock and have the bill sent directly to the Port. PC Ford said rubber bumpers could also be installed. PC Ford said there also needs to be repair in the concrete at the end of the rail spur. (Fac/Maint) Charters will talk a look at the concrete and the rail stop.</p>	<p><i>By consensus, the PC agreed to have James Dean Construction provide 400 ton of pit run rock to Dallesport Log Yard to repair the log yard at an expense to the Port of \$2.00 per ton.</i></p> <p><i>PC will review the CC&R's.</i></p> <p><i>By consensus, the PC agreed to have the repairs made to the 101 Parallel building loading dock.</i></p>
---	---	---

<p><u>MISCELLANEOUS</u> <u>Committee Update:</u> <u>WPPA Annual Meeting</u></p>	<p>PC Ford: No MCEEDD meeting. There will be a bridge meeting on the Nov.29, 2007. PC Ford said the Washington and Oregon Department of Transportation officials say the Hood River bridge is not a high priority.</p> <p>PC Deo: Airport meeting was held October 18th. The new well was discussed.</p> <p>PC Vinyard: EDA meeting scheduled for November 8th was canceled.</p> <p>PC Ford will attend the WPPA Annual Meeting on November 14-16th at Bellevue, WA.</p> <p>The second meeting in November scheduled for November 20 will be reschedule to November 28. An executive session will be scheduled at 1:00pm for all three PC members to interview the top two candidates for the Executive Director position and the regular meeting will start at 4:00pm. A budget public hearing will be set for November 28th at 4:00pm.</p>
<p><u>Public Comment</u></p>	<p>Brad Roberts, City of White Salmon Council member, asked the Port to consider supporting the City of White Salmon in procuring additional water rights. Roberts said the city is considering buying down names on the DOH list and the Port is ahead of the City of White Salmon. Roberts talked about different solutions that White Salmon is considering to gain more water source. Roberts said the city is considering using a sand filter system on the Buck Creek water source for nine months out of the year. PC Deo recommended the City of White Salmon contact Tim Flin, Aspects Consulting. Tim worked with the airport in securing water rights and did an excellent job.</p>
<p><u>Executive Session</u> <u>Executive Director</u> <u>Application Review-</u> <u>Approx-One Half Hour</u></p>	<p>The public meeting was adjourned at 7:00pm. PC Ford called for an executive session to discuss Executive Director Applications. PC Ford said the executive session will last one half-four.</p> <p>An executive session started at 7:02pm. Those Present: Port Commissioners (PCs) Norm Deo, Rodger Ford, and Wayne Vinyard, and Port Consultant Byron Hanke. PC Ford adjourned the executive session at 7:29pm.</p>

Approved on: _____
(Date)

Margie Ziegler, Administrative Assistant

Rodger Ford, Chairman