

Agenda for Tuesday, June 19, 2001
Klickitat County Port District
2nd Regular Monthly Meeting
Workshop
June 19, 2001 - 4:30 P.M. - PORT OFFICE

AGENDA

PUBLIC COMMENT - Limited to 10 minutes total; (5 minutes per person)

COUNSEL'S REPORT

ADMINISTRATIVE MATTERS

Consent Agenda:

1. Minutes - June 5, 2001
2. Vouchers - June 15, 2001- Payroll
3. Vouchers - June 19, 2001

Financial Report - May

Change July Meeting Dates

WORKSHOP: SWOT Analysis - Bingen Annexation

EXECUTIVE DIRECTOR'S REPORT

BINGEN POINT:

Fruit Processing Proposal

Personal Services Agreement - Bell Design

Clean up

DALLESPORT INDUSTRIAL PARK:

Pacific Rock Products

Infrastructure Improvements

- KC Grant Request
- Engineer

Waste Water Treatment Facility / Right of Way

Crane

Cascade Propane Lease Renewal

MISCELLANEOUS

Air Shed

Fire Fuels Support Letter

PUBLIC COMMENT - Limited to 20 minutes total; (5 minutes per person)

ADJOURNMENT

	PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES June 19, 2001 REGULAR SESSION	
<u>TOPIC</u>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE:</u>	Commissioners/Staff Present: Port Commissioners (PCs) S. Wayne Vinyard and B. Marc Harvey; Executive Director (Exec.D) Dianne Sherwood; and Administrative Assistant (AA) Vickie Drew PC/Staff Absent: PC Norm Deo and Port Counsel (Counsel) Teunis Wyers Guests Present: Byron Hanke (Port Consultant); Matt Riley (Riley Bros.); Tom Seifert (KC Resc. Dev.); and Mike Smith (Dallesport)	
<u>PUBLIC COMMENT</u>	Chair Harvey opened the public meeting at 4:38. There was no public comment.	
<u>COUNSEL'S REPORT</u>	<ul style="list-style-type: none"> • Counsel had a prior commitment. Exec.D Sherwood reported that she and counsel are working on KC's right-of-way request and Cascade Propane and Weyerhaeuser lease renewals. Insitu's month-to-month agreement has been completed. Dallesport Foundry has paid the May installment on their land sale contract but still owes the June payment and the late penalties for May and June. PC Vinyard wanted to keep on top of the situation. 	
<u>ADMINISTRATIVE MATTERS</u> <u>! Consent Agenda</u>	Items approved: <ul style="list-style-type: none"> • Minutes of June 5, 2001 • Vouchers #16491 - #16493; \$3,305.69 • Vouchers #16494 - #16514; \$35,020.36 	<i>PC Vinyard moved to approve the Consent Agenda as presented; seconded by PC Harvey -- motion carried.</i>
<u>! Cash Balances Memo</u>	AA Drew discussed the cash balances memo noting total liquid funds of \$426,029.92. The Port's State Pool Investment account has a balance of \$424,190.00. At this time last year the balance in that account was \$192,200.00.	

<u>! Financial Report - May</u>	AA Drew discussed the financial statement ending May 31. The balance sheet shows the excess cash over expenditures at \$70,050.83. She discussed revenue and expense account percentages (actual vs. budget) against the target of 42%. Marine Terminal revenues are at 50% of budget, Sale of Water revenues are at 63%, and Property Rental revenues are at 49%. Sale of Fixed Assets is at 32% due to non-payment of the May land sale contract payment from Dallesport Foundry. Total revenues are at 38%. Marina Expenditures are at 33% and Property Rentals Maintenance is at 36%. Port Counsel Expense is at 47% and Office Expense-Supplies is at 37%. Total expenditures are at 30% overall leaving a net income of \$70,050.83.	
<u>! Change July Meeting Dates</u>	Exec.D Sherwood requested a change of meeting dates to the second and fourth Tuesdays in July due to the Fourth of July holiday. PC consensus to change the July meetings to the 10th and the 24th.	
<u>! EXECUTIVE DIRECTOR'S REPORT</u> <u>*BINGEN POINT*</u> <u>! Fruit Processing Proposal</u>	Exec.D Sherwood discussed a proposal for a fruit processing operation at Bingen Point. A sample of one of the products was available for taste testing. The company is currently operating out of the Grange Hall in Pine Grove and is running out of space, as they need about 15,000 s.f. to start. In the first year they expect to provide 45 to 50 jobs, many of which would pay \$8.00 to \$10.00 per hour. They would run approximately 60 trucks per day. Discussion followed regarding a 30 year lease with two twenty-year options. Mr. Hanke stated there is not much residual value in a building after 70 years. He thought the project sounds like a good fit, meets the Port's employment criteria, the product fits in with the locale, and it seems that KC would support the project, though not with funding. He stated that it's definitely worth exploring. PC consensus to pursue the proposal. The PC were interested in scheduling a facilitated retreat with Mr. Hanke. Byron suggested an all-day retreat at some other location with a strictly followed agenda of topics for discussion. The PC will try to determine a date for a retreat in August or September.	
<u>! Personal Services Agreement-Bell Design</u>	Exec.D Sherwood contacted Bell Design to let them know that the Port would like to enter into a professional services agreement with them for the Dock/Ramp project engineering.	<i>Exec.D Sherwood will draw up a Personal Services agreement with Bell Design for PC signature.</i>
<u>! Clean up</u>	Exec.D Sherwood reported that she has completed a scope of work for the clean up project along Lakeview Blvd. She is meeting with George Mersereau, Mt. Logging and James Dean Construction to obtain bids on the project. She spoke with Carl Dugger (WA Fish & Wildlife) regarding timing for cleanup in consideration of ground-nesting birds. He suggested after July 1 would be fine. The seedling trees (200 turned out to be 39) have been received from the Boy Scouts and have been heeled-in but are not doing well. PC Vinyard suggested getting new trees in the spring. If trees are in containers, they could be planted in the fall.	

<u>! Fish & Wildlife Meeting 6/26</u>	Exec.D Sherwood reported that she and Steve Tessmer will meet with Carl Dugger regarding mitigation that may facilitate approval of the Marina project.	
<u>*DALLESFORT INDUSTRIAL PARK*</u> <u>! Pacific Rock Products</u>	Exec.D Sherwood and Byron Hanke met with John Shafer (Pacific Rock Products) on June 11. She sent a letter to John on June 14 outlining her understanding of the outcome of that meeting and has received a response letter back from Pac Rock. Byron stated that most rock producers have their locations determined, but apparently Pac Rock wants to come to DIP to barge aggregate. Neither their conveyor placement (right-of-way) nor their dock plans interfere with anything at DIP in the foreseeable future. He stated we will never know what their motives are (activity or tying it up). There are still a number of details to be worked out, and we may not know for 5 to 10 years if this was a good thing; but we will never know if we don't do something. Mike Smith discussed his perception of Pac Rock based on his experiences negotiating and working with the company. Pac Rock has a mining operation on Mike's property at Dallesport.	
<u>! Infrastructure Improvements</u>	<ul style="list-style-type: none"> • KC Grant Request: The KC EDA Board has recommended to the KC BOC to approve the Port's request for a \$129,521 grant for the balance of the engineering costs for the DIP infrastructure. The topic is on the KC BOC agenda for their meeting on June 25. Tom Seifert said he expects approval of the request. • Engineer: Exec.D Sherwood discussed the scoring of the Statements of Qualifications that she and PC Deo performed. Kennedy/Jenks placed first, Gray & Osborne second, and Taylor Engineering was third. She commended Kennedy/Jenks' excellent submission. She and PC Deo's recommendation is to enter into a personal services agreement with Kennedy/Jenks pending receipt of grant funding award letters from the Forest Service and KC. 	<i>PC Vinyard moved to approve the selection of Kennedy/Jenks and enter into a personal services contract for engineering services for the Dallesport Industrial Park infrastructure improvements pending receipt of the grant award notices; seconded by PC Harvey – motion carried.</i>
<u>! Waste Water Treatment Facility / Right-of-Way</u>	Exec.D Sherwood met with Nate Pool of Right-of-Way Associates to discuss the KC right-of-way at DIP. There are some issues of concern which she has discussed with Counsel who has recommended appropriate language to include in the documents.	<i>PC Vinyard moved to authorize Exec.D Sherwood to convey the easement provided the recommended changes are incorporated; seconded by PC Harvey – motion carried.</i>
<u>! Crane</u>	The crane has been re-listed for auction on eBay. The high bidder on the previous auction was unable to comply with the insurance and bonding requirements. Pursuant to Mike Smith's lead at the last meeting, Exec.D Sherwood contacted the Port of Umatilla who was apparently interested in purchasing a crane. They are purchasing a brand new \$3 million crane and have no interest in this crane.	
<u>! Cascade Propane Lease Renewal</u>	Discussed during Counsel report.	

<u>MISCELLANEOUS</u> <u>! Air Shed</u>	Exec.D Sherwood discussed the news article which states that the Port will be included in the work plan process.	
<u>! Fire Fuels Support Letter</u>	A letter of support was mailed to Brian Shortt.	
<u>! Dallesport/Murdock Town Council</u>	The Dallesport/Murdock Town Council will meet tomorrow night at the Dallesport School with other community councils in Klickitat County. The KC Economic Development Association board (KC EDA) will update the community councils regarding the Waste Water Treatment Facility and will be meeting in conjunction with the communities to determine how to prioritize the projects submitted to them for funding. Exec.D Sherwood will be attending as will PC Vinyard.	
<u>WORKSHOP: SWOT Analysis-Bingen Annexation</u>	Exec.D Sherwood discussed the SWOT analysis sheet she prepared regarding possible Port annexation into the City of Bingen. Some of the <u>weaknesses</u> include: lack of City staffing, no planning or building departments, no full time leadership (Mayor only in on Fridays) and permits approval through one more layer of government. <u>Opportunities</u> include: low cost funding for projects, lower utility rates, the City could assume ownership and maintenance of roads and infrastructure, assistance with access improvements, better emergency response (fire and law enforcement), access to UDAG money. <u>Threats</u> include: may lose good working relationship with KC and all its departments, leasehold excise tax kickback may be affected and KC support may fall only to DIP. Although PC Harvey had requested the SWOT analysis be done, he felt this is probably not the time to consider annexation. PC Vinyard was most concerned with giving up PC control to determine uses on Port property and the Ports relationship with KC.	
<u>PUBLIC COMMENT</u>		

<p><u>! Miscellaneous Issues - Tom Seifert</u></p>	<ul style="list-style-type: none"> •Tom Seifert suggested noting the importance of deferred payments in discussions with KC EDA board for grant/loan packages. •The focus of the meeting tomorrow in Dallesport with the KC EDA is to have a kick-off for going out to bid on June 28 for the Waste Water Treatment Facility, discuss the status of community newsletters and to solicit suggestions for establishing criteria for project selection and how to allocate the landfill money. •He suggested the Flying L Ranch or Three Creeks Lodge as possible sites for a policy retreat. •The timetable regarding the Goldendale Energy Project and crane removal at DIP is still the end of September or early October. The last contact Exec.D Sherwood had with the turbine delivery company said the crane was not an issue. •Regarding the SWOT analysis, Tom referred to the current fruit processing proposal noting that in regards to timeliness of process, the KC Building Dept. said they could issue a permit in about three weeks, and the Planning Dept. about 60 days. 	
<p><u>! Retreat</u></p>	<p>Exec.D Sherwood and Byron Hanke discussed policies and how to deal with long-term lease requests, as Mr. Hanke has facilitated retreats with other Ports to address such issues. PC Harvey felt that a retreat was a very good idea. PC Vinyard stated that the Flying L is within the Port district and he would like to have a retreat there. PC consensus to hold a retreat at the Flying L.</p>	<p><i>Exec.D Sherwood will work with Byron to set up an agenda for a retreat.</i></p>
<p><u>ADJOURNMENT</u></p>		<p><i>PC Vinyard moved to adjourn at 6:30; seconded by PC Harvey -- motion carried.</i></p>

Approved on: _____
submitted _____
(Date)

Respectfully

Vickie L. Drew, Administrative Assistant

Dianne Sherwood, Executive Director

B. Marc Harvey, Chairman

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