

Agenda for Tuesday, July 02, 2002
Klickitat County Port District
1st Regular Monthly Meeting
July 2, 2002 - 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:

June 4, 2002 Minutes

Vouchers

Financial Report - May

Resolution 7-2002 - KC/Port Inter-local Agreement \$500,000

Resolution 8-2002 - KC/Port Inter-local Agreement \$35,000

OTED Contract - \$50,000

PC/The Dalles Joint Meeting - August 20

EXECUTIVE DIRECTOR'S REPORT

BINGEN POINT:

Bldg. 1D:

- Select Engineer/Architect

Dock/Ramp Project

- Resolution 9-2002 - Accept Dock/Ramp Project

Engineer - Binding Site Plan Update

Bridge/Hwy 35 Crossing Update

Fishing Platform - Not on Port Property

Fireworks Ban - Reserve Patrols

Approve Personal Service Contract w/Bell Design - Fill Project

Swimming at Bingen Marina

DALLESPORT INDUSTRIAL PARK:

Waste Water Treatment Facility Update
DIP Infrastructure Engineering Update
Mo. to Mo. Agreement - Piper Transport, LLC
Riley Bros. Amendment to Operating Agreement

MISCELLANEOUS

Committee Updates

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

ADJOURNMENT

PORT OF KCLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES July 2, 2002 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 and S. Wayne Vinyard, Port Counsel (Counsel) Teunis J. Wyers, Executive Director (Exec.D) Dianne Sherwood and Administrative Assistant (AA) Vickie Drew.</p> <p>PC/Staff Absent:</p> <p>Guests Present: Tom Seifert (KC Res. Dev.), Mike Smith (Dallesport), Rich Bell (Bell Design), Reggie Sherwood (Underwood), Jim & Matt Riley (Riley Bros.) and Bruce Enyert.</p>	
<u>PUBLIC COMMENT</u>	<p>Chair Vinyard opened the public meeting at 4:37.</p> <p>There was no public comment.</p>	

<p><u>COUNSEL'S REPORT</u></p>	<ul style="list-style-type: none"> • Counsel reported that the 2nd amendment to the Riley Operating Agreement has been completed and mailed to the Riley's for review. [Editor's Note: The amendment should be #3.] • Resolution 7-2002 was reviewed by Counsel and rewritten as presented. • Counsel had requested clarification from Steve DiJulio (KC Counsel) regarding the inter-local agreement between the Port and KC. Counsel was concerned that the original document did not contain any quantification of the interest KC would have in the property. Discussion followed regarding fractional interest and buy-back. He suggested that signing of the document would not need to be held up by the lack of buy-back terms, which will be addressed in the subsequent purchase and sale agreement, but the percent of interest should be determined before it is signed. • Counsel's office is working on master lease forms for a standard month-to-month lease and a bare land lease. • Underwood Fruit has requested renewal of their lease which expires December 31, 2002. Escalation of the lease amount may be appropriate. Exec.D Sherwood stated that Underwood Fruit has also requested to make fencing improvements to the Lot. Cost of the improvement will influence modification of the rental rate. • Exec. D Sherwood stated that Counsel has reviewed and approved the month to month rental agreement with Piper Transport for bare land at DIP. • Exec.D Sherwood stated that it has been determined inappropriate to move forward with Resolution 9-2002 (regarding the 35,000 inter-local agreement) until KC has moved forward with the first inter-local agreement. <p>PC Deo had some concerns to discuss with Counsel regarding the Inter-local agreement with KC. He was concerned that the agreement withstand subsequent commissions (Port and KC) or changes in the relationship between the Port and KC. Counsel is comfortable with the agreement and has confidence in</p>	
<p><u>COUNSEL'S REPORT, cont.</u></p>	<p>the firm that is drafting the document. Counsel stated that a draft of the subsequent agreement has been e-mailed. After discussion, the PC determined to wait for the subsequent document and possibly sign both agreements at the next PC meeting. Counsel inquired if the rent the Port would pay to lease back the property had been determined. Exec.D Sherwood stated that Steve DiJulio mentioned \$100 a year. He suggested the Port make interest payments on the \$500,000 at the same rate that KC gets from the State Pool investment. Then, the Port could buy the contract back at any time for \$500,000. Resolution 7-2002 was tabled.</p> <ul style="list-style-type: none"> • It has been determined that the fishing platform is not on Port property. A sign has been ordered stating so, and proceed at own risk. 	

<p><u>ADMINISTRATIVE MATTERS</u> <u>! Consent Agenda</u></p>	<p>Items approved: • Minutes of June 4, 2002</p> <ul style="list-style-type: none"> • Vouchers #17479-17481; \$3,467.31 • Vouchers #17482-17504; \$35,803.92 • Voucher #17505; \$41,817.23 • Check #169; \$41,817.23 • Vouchers #17506-17519; \$7,910.65 • Vouchers #17520-17539 ; \$7,054.09 	<p><i>PC Deo moved to approve the Consent Agenda as presented; seconded by PC Ford -- motion carried.</i></p>
<p><u>Financial Report - May</u></p>	<p>AA Drew discussed the financial statement ending May 31. The balance sheet shows the deficit cash receipts over expenditures at (\$33,029.15). She discussed revenue and expense account percentages (actual vs. budget) against the target of 42%. Marine Terminal revenues are at 54% of budget, Sale of Water revenues are at 80%, and Property Rental revenues are at 73% due to receipt of the Pac Rock royalty and OR Cherry Growers and Riley Bros. yearly payment. Total revenues are at 53%. Water System Expenditures are at 82% and Property Rentals Maintenance is at 39%. Port Counsel Expense is at 33% and Office Expense-Supplies is at 40%. Total expenditures are at 61% overall leaving a net loss of \$33,029.15, due to expenditures being made from grant funds received in the prior year.</p>	
<p><u>! Resolution 7-2002</u></p>	<p>TABLED.</p>	
<p><u>! OTED Contract - \$50,000</u></p>	<p>Exec.D Sherwood discussed the OTED contract which has been received for the \$50,000 grant for Bldg. 1D engineering work. She requested the PC approval for her to sign the OTED contract.</p>	<p><i>PC Deo moved to approve Exec.D Sherwood signing the OTED contract; seconded by PC Ford – motion carried.</i></p>
<p><u>! PC/The Dalles Joint Meeting</u></p>	<p>Exec.D Sherwood reported that the joint meeting with the Port of The Dalles commissioners has been scheduled for August 20.</p>	
<p><u>! EXECUTIVE DIRECTOR'S REPORT</u> <u>*BINGEN POINT*</u> <u>! Building 1D</u></p>	<p>Exec.D Sherwood reported that CERB will be meeting on July 18 to hear the Port's loan application. CERB staff recommendation will be to approve the application as presented. <u>Select Engineer/Architect:</u> Exec.D Sherwood reported that she, Bob Westermann and PC Deo interviewed the short list of DSP Architecture, Group Mackenzie and Harder Architecture last Tuesday. They were subsequently ranked in that order. She was dismayed to learn from all three companies that four months would be needed to get the project ready to go to bid. The interview team recommended that the selected firm be willing to use Bell Design as much as possible. Exec.D Sherwood stated that the interview team's recommendation is to enter into negotiations with DSP Architecture. Discussion followed regarding the firms interviewed.</p>	<p><i>PC Deo moved to instruct Exec.D Sherwood to proceed with negotiations for a personal services contract with DSP Architecture; seconded by PC Ford – motion carried.</i></p>

<p><u>! Dock/Ramp Project-Resolution 8-2002</u></p>	<p>Exec.D Sherwood reported that Kennedy/Jenks has notified the Port that the project has been fully completed and they have approved the final pay request (less retainage) from Betz Construction which includes a \$10,000 credit for the rock overage. She discussed Resolution 8-2002 regarding acceptance of the project. Retainage will be released when notifications from Dept. of Revenue and L&I are received.</p>	<p><i>PC Ford moved to approve Resolution 8-2002 as written; seconded by PC Deo – motion carried.</i></p>
<p><u>! Engineer - Binding Site Plan Update</u></p>	<p><i>Discussion inadvertently skipped.</i></p>	
<p><u>! Bridge/Hwy 35 Crossing Update</u></p>	<p>Exec.D Sherwood reported that it was the impression of the Regional Transportation Council (she is the Port's representative) that WADOT was going to be the problem in funding this project into Tier III. It was discussed that Oregon was upset that WADOT was diverting funds from the I-5 corridor project which would extend into Oregon, therefore, Oregon declined to move forward on funding the project at this time. A decision on the project has been delayed until September.</p>	
<p><u>! Fishing Platform - Not on Port Property</u></p>	<p>As discussed earlier, the platform is not on Port property. Rich Bell was very helpful in making the determination. She displayed a map of the area.</p>	
<p><u>! Fireworks Ban-Reserve Patrols</u></p>	<p>Exec.D Sherwood has arranged for 2 or 3 reserve officers to patrol Port property from 8pm to 12pm on July 4. The cost for the reserve officers is \$10.00 per hour per officer. "NO FIREWORKS" signs have been posted at Bingen Point and at DIP. An article in the Enterprise discusses the Port's ban of fireworks.</p>	
<p><u>! Approve Personal Service Contract w/Bell Design - Fill Project</u></p>	<p>Exec.D Sherwood would like PC approval of a personal services contract with Bell Design for oversight of the fill project (in conjunction with the Hwy 14 Fall project) not to exceed \$5,000. She will have Counsel's office review the contract prior to sending it out.</p>	<p><i>PC Deo moved to approve a personal services contract with Bell Design for oversight of the fill project not to exceed \$5,000; seconded by PC Ford – motion carried.</i></p>
<p><u>! Swimming at Bingen Marina</u></p>	<p>Exec.D Sherwood discussed the problem of kids swimming at the dock/ramp creating a hazard for people trying to launch and load their boats. She suggested installing a swimming dock at the old beach in the marina as a temporary solution. PC Vinyard did not want to invest in a dock, but was not opposed to improving access to the area. After discussion, it was determined not to make any improvements.</p>	
<p><u>! Underwood Fruit Lease Renewal</u></p>	<p>Discussed during Counsel's report.</p>	

<p>*DALLESFORT INDUSTRIAL PARK* ! Strawberry Proposal</p>	<p>Exec.D Sherwood discussed the response from Mr. Dearborn regarding siting an organic strawberry growing business in DIP. Discussion followed regarding the proposal. They want to site at DIP due to climate, access to water and natural gas. Jim Riley suggested that if the project doesn't work for the Port, he would consider renting a portion of his property to them.</p>	<p><i>Exec.D Sherwood will consult with Counsel to determine possible language to preclude any impact on future businesses siting at DIP.</i></p>
<p>! Waste Water Treatment Facility (WWTF) Update</p>	<p>The project is proceeding well. The lab building is almost complete.</p>	
<p>! DIP Infrastructure Engineering Update</p>	<p>Exec.D Sherwood displayed the large amount of documentation and drawings to review from Kennedy/Jenks regarding the Water System Plan (delivered last week) which is 95% complete. PC Deo has done a preliminary review of the plan. An outline of probable costs for construction of the infrastructure improvements was given to the PC. The KC Board of Commissioners (KC BOC) are interested in the cost estimates for funding future projects.</p>	
<p>! Mo. to Mo. Agreement - Piper Transport, LLC</p>	<p>Exec.D Sherwood discussed the month-to-month agreement with Piper Transport for 1 acre of Lot #4 at \$300.00 per month plus leasehold tax. They want to move to Lot #40 at a later date since that parcel is fenced.</p>	
<p>! Riley Bros. Amendment to Operating Agreement</p>	<p>Exec.D Sherwood discussed the amendment to the operating agreement. A map of the area was displayed and the new lines discussed. Mr. Riley stated he is not interested in moving the lower boundary line any further to the south than it already is as there is no aggregate there. He would rather move the trailer (at his own expense) farther north so as not to influence the lower boundary, and gain acreage at the northern end of the property, planning ahead for future use. He feels the watchman's trailer is an asset to the Port and as such, shouldn't have to be included within the 50 acres. The Port wants the trailer to be located within Riley's property boundaries. Exec.D Sherwood suggested approving the amendment as prepared, to resolve several of the outstanding issues, without incurring further engineering or legal expense. She questioned how it would be possible for Riley Bros. Concrete to utilize the new acreage up to the northern boundary within the remaining years of their contract (3/20/07). Furthermore, the agreement specifies that only 5 acres are allowed to be opened for mining at one time. Discussion followed regarding how to resolve the issue to everyone's satisfaction. Mr. Riley wanted to know if the surveyor had left any pins in the ground that would enable him to go to the site and determine where the lines are. Exec.D Sherwood will contact Tenneson Engineering and find out if</p>	
<p>! Riley Bros. Amendment to Operating Agreement, cont.</p>	<p>pins were installed and relay that information to Mr. Riley. Mr. Riley will hire Taylor Engineering to resurvey and mark the area and rewrite the legal description. (See additional information in Jim Riley public comment at the end of the meeting.) [Editor's Note: No pins were placed at the site.]</p>	

<p><u>! DIP Water/Sewer Oversight</u></p>	<p>Exec.D Sherwood asked the PC to think about contracting with an outside agency to assist with management of the Port's water system at DIP. As the Port's tenant use increases, utility connections, etc. will need to be examined and approved. It would be convenient to contract with the agency that operates the new WWTF.</p>	
<p><u>! Weyerhaeuser/Guy Bennett</u></p>	<p>Exec.D Sherwood contacted Chuck Lappe of Weyerhaeuser who dispelled a rumor that Guy Bennett Lumber Co. would be taking over the Weyerhaeuser lease. Chuck also requested renewal of their lease, which will be at the going rate of \$300/mo. per acre plus leasehold tax.</p>	
<p><u>MISCELLANEOUS</u> <u>! Governors' Economic Summit, Spokane, Sept.</u></p>	<p>Exec. D Sherwood asked for approval for her to attend the Governor's Economic Summit, Sept. 12-13 in Spokane. PC consensus for her to attend.</p>	
<p><u>! Committee Updates</u></p>	<p><u>AIRPORT</u>: PC Deo reported that there will be no airport meeting until July 12. The meetings have been changed from the first Friday to the second Friday of the month. A joint operating agreement between KC and the City of The Dalles has not yet been signed. <u>MCEDD</u>: PC Ford attended a meeting June 26. He also attended a meeting with the Lt. Governor earlier that day that went very well. He had an opportunity to speak with the Lt. Governor before the meeting. After the meeting he attended a tour of the Goldendale Energy Plant which he found very interesting. <u>BRIDGE/HWY 35</u>: No meeting scheduled for PC Ford. <u>KC PEDA</u>: PC Vinyard reported that the next meeting will be July 24.</p>	
<p><u>PUBLIC COMMENT</u></p>		
<p><u>! Jim Riley</u></p>	<p>Jim reported that Riley Bros. will be vacating Lot #39 once the sewer treatment plant is completed. Ownership of the Groves building is still to be determined by the attorneys.</p>	
<p><u>! Mike Smith</u></p>	<p>Mike reported that there is a grass-roots plan to create a county wide ban on fireworks in other than designated areas. He asked for Port endorsement of the ban. When the plan is formalized, he will ask for a resolution from the Port which will be presented to the KC BOC along with those from other agencies.</p>	
<p><u>! Rich Bell</u></p>	<p>Mr. Bell reported that he has been contacted by DSP and Group Mackenzie to provide site work on the Building 1D project. He suggested considering the desired time line, calling Locate to mark the site in preparation for the site work.</p>	

<u>! Tom Seifert</u>	Tom reported that at the Lt. Governor's conference there was the appearance that F&W did not really recognize the concerns of major businesses in KC. The scoping hearing for the Programmatic Environmental Impact Statement for the Energy Overlay Zone was held last Thursday and was very well attended.	
<u>ADJOURNMENT</u>		<i>PC Ford moved to adjourn at 7:20; seconded by PC Deo - motion carried.</i>

Approved on: _____
submitted _____
(Date)

Respectfully

Vickie L. Drew, Administrative Assistant

Dianne Sherwood, Executive Director

S. Wayne Vinyard, Chairman