

Agenda for Tuesday, February 04, 2003
Klickitat County Port District
1st Regular Monthly Meeting
February 4, 2003 - 4:30 P.M. - PORT OFFICE

AGENDA

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

ADMINISTRATIVE MATTERS

Bonds - Resolution 4-2003
Consent Agenda:
 January 7, 2003 Minutes
 Vouchers
Financial Report - December
Columbia River Bank Signatory Card

COUNSEL'S REPORT

EXECUTIVE DIRECTOR'S REPORT

BINGEN POINT:

Gorge Harbor Marina Project
Bldg. 1D:
 • DSP Architecture - Personal Services Contract
 • Legislative Fix - KC/WPPA
 • CERB Extension
Pet Resort Inquiry
Leashed Dog Ordinance
Berm/Fill Project:
 • Silt Fence - AmeriCorp Feb. 3
 • Berm/Road

DALLESPORT INDUSTRIAL PARK:

RFP - Marketing - KC
Infrastructure Project:
 • Kennedy/Jenks Personal Services Contract Amend. #2

- Bid Services
- Contract Documents & Specifications

MISCELLANEOUS

Weed Control - Goats
Committee Updates

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

ADJOURNMENT

PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES February 4, 2003 REGULAR SESSION		
<u>TOPIC</u>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE:</u>	<p>Commissioners/Staff Present: Port Commissioners (PCs) Norm Deo, 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: PC Rodger Ford</p> <p>Guests Present: Lindsay Sovde (Seattle NW Securities), Marty Hudson (KC Weed Control), Mike Smith (Dallesport), Tom Seifert (KC Resc.Dev.) and Don Struck (KC BOC).</p>	
<u>PUBLIC COMMENT</u>	The public meeting was opened at 4:34.	
<u>ADMINISTRATIVE MATTERS</u> <u>! Bonds - Resolution 4-2003</u>	<p>Exec.D Sherwood introduced Lindsay Sovde (Seattle NW Securities) to discuss the Port's bond issue. \$1.1MM of limited tax, general obligation bonds were issued this morning for the construction of Building 1D. The bonds were sold with bond insurance which gives them a AAA credit rating (the highest credit rating). After insurance and other costs, the net amount to the Port will be \$1,045,770.22. The bonds were sold at an interest rate of 5.66%. Since these bonds have been issued, the Port now has \$586,000 of debt capacity remaining for additional projects. Debt capacity will grow either as the Ports' assessed value goes up or as debt service payments are made. Important dates are today (adopt bond resolution) and February 18 (Port receives the money). The Port will make an interest payment in June and a principal and interest payment in December, with the last principal payment being made in December, 2022. Discussion followed regarding the resolution. Exec.D Sherwood and the PC thanked Lindsay for coming.</p>	<p><i>PC Vinyard moved to approve Resolution 4-2003 as presented; seconded by PC Deo -- motion carried.</i></p> <p><i>PC Deo signed the agreement letter from Seattle NW Securities Corp. outlining their obligations as well as the Port's obligations associated with the bond issue.</i></p>
<u>! Weed Control - Sheep & Goats</u>	<p>Exec.D Sherwood reported that she has discussed innovative methods of weed control with Marty Hudson including the use of goats or sheep. Some concerns she has are the cost to have the shepherder on site to care for the animals, fencing, and the use of guard dogs. Marty knows a farmer in Centerville who has 850 ewes (that will probably have 1,000-1,200 lambs this spring) and 75-100 goats. He would be willing to bring a flock of sheep and/or goats to Port property at Bingen and DIP to graze the foliage. There may be grant money available to assist with this type of project. PC Vinyard has had considerable experience with this type of vegetation control and stated that good management is the key to success. Counsel felt this would be an excellent show of responsible stewardship of public property. PC consensus to pursue this weed control option.</p>	<p><i>Exec.D Sherwood will visit with Max Fernandez and Marty Hudson to discuss this option further.</i></p>

<p><u>! Consent Agenda</u></p>	<p>Items approved:</p> <ul style="list-style-type: none"> • Minutes of January 7, 2003 • Vouchers #17889-17891; \$3,750.04 • Vouchers #17892-17908; \$4,856.91 • Vouchers #17909; \$150.00 • Vouchers #17910-17926; \$15,093.40 • Vouchers #17927-17940; \$7,351.57 	<p><i>PC Vinyard moved to approve the Consent Agenda as presented; seconded by PC Deo -- motion carried.</i></p>
<p><u>! Financial Report - December</u></p>	<p>AA Drew discussed the cash balances memo noting total liquid funds of \$501,389.80. She also discussed the financial statement ending December 31. The balance sheet shows the deficit cash receipts over expenditures at (\$88,291.67). She discussed revenue and expense account percentages (actual vs. budget) against the target of 100%. Marine Terminal revenues are at 98% of budget, Sale of Water revenues are at 135%, and Property Rental revenues are at 112%. Total revenues are at 24% due to loan/bond/grant items not received yet but included in the revised budget. Marina Expenditures are at 113%, Water System Expenditures are at 101% and Property Rentals Maintenance is at 97%. Debt Redemption is at 100% as all loan and bond payments have been made for the year. Port Counsel Expense is at 54% and Office Expense-Supplies is at 101%. Total expenditures are at 26% overall leaving a net loss of \$88,291.67 due to expenditure in this year of grant funds received last year. A trend report was provided that now covers the entire year.</p>	
<p><u>! Columbia River Bank Signatory Card</u></p>	<p>Exec.D Sherwood requested the PC sign the new signatory card for Columbia River Bank which will also be signed by AA Drew allowing her to sign transfer checks from the money market account to the Port's General Fund. Authorization for AA Drew to sign the transfer checks was given with Resolution 1-2003 at the January 7 meeting. PC's Deo and Vinyard signed the card. PC Ford's signature will be obtained as soon as possible.</p>	
<p><u>COUNSEL'S REPORT</u></p>	<p>Counsel reported that he met with Exec.D Sherwood last Thursday to discuss current projects. He has tightened up some of the language in Port's master lease and will be working on the Underwood Fruit and Innovative Composites Engineering leases. Exec.D Sherwood and Counsel have agreed to meet every last Wednesday of the month to stay abreast of Port business. Counsel will stay for one entire meeting each month as well. PC Deo inquired regarding the status of the Riley Bros. operating agreement. Counsel reported that he recently ran into Jim Riley who asked if Ross Rakow, Mr. Riley's attorney, had been in touch with him (having been instructed to get the matter taken care of). He had not. Apparently, the issue is in the hands of both attorneys (Rakow & Wyers). Riley's promised survey has not been received by the Port.</p>	<p><i>Counsel will contact Mr. Riley's attorney.</i></p>

<p><u>KC Inter-local Agreement</u></p>	<p>Don Struck reported that it looks like the KC Auditor's Office is now comfortable with KC's relationship with the Port as it relates to granting funds for economic development. PC Vinyard was dismayed at the legal costs incurred by KC and the Port on this issue. Tom Seifert presented a new inter-local agreement for Exec.D Sherwood's signature. The agreement will then be in place for when the Port requests the \$500,000.00 in grant funds budgeted by KC for the Port's Building 1D project. Exec.D Sherwood displayed the site plan for the new building. The building is planned for 25,450 sf. with an alternate will be included in the bid process that would add another 2,545 sf. ,one additional bay, if the bids are low enough.</p>	
<p><u>! EXECUTIVE DIRECTOR'S REPORT *Bingen Point* ! Gorge Harbor Marina Project</u></p>	<p>Exec.D Sherwood reported that detailed plans regarding the project including upland development, planting plan, phased approach, and the building details need to be submitted to the WA Dept. of Wildlife, National Marine Fisheries Service (NMFS) and to the Port. PC Deo inquired regarding the status of a Gorge Harbor Marina/Port agreement. Exec.D Sherwood stated that there is not yet a signed agreement. She feels an agreement is very close. Counsel stated that the Port needs to see exactly what Mr. Tessmer is proposing before proceeding with an agreement.</p>	<p><i>Exec.D Sherwood will send a letter to Mr. Tessmer outlining her concerns regarding his latest proposal.</i></p>
<p><u>! Bldg 1D</u></p>	<ul style="list-style-type: none"> • DSP Architecture-Personal Services Contract: Exec.D Sherwood reported that she has negotiated with DSP Architecture to continue on with the original contract for the engineering work for the Bldg. 1D project at a cost not to exceed \$122,149.81. Project Manager Bob Westermann reviewed the contract and felt the amount was reasonable. • Legislative Fix - KC/WPPA: Exec.D Sherwood reported that some members of the WPPA legislative committee have concerns about the broad nature of the language in the document prepared by KC and the Cities and Counties Association. They are hoping that the situation with the KC Auditor can be resolved without this legislation moving forward this year. WPPA has offered assistance with language to solve the KC/Port agreement, and will work towards agreeable legislation for next year's session. • CERB Extension: Exec.D Sherwood reported that she was successful in her January 16 appearance before the CERB Board for an extension of the deadline for meeting the general and special conditions for the CERB loan. The original deadline of January 31 has been extended to May 15. 	<p><i>PC Vinyard moved to approve the personal services contract with DSP Architecture and authorize Exec.D Sherwood to execute the contract; seconded by PC Deo – motion carried.</i></p>
<p><u>! Pet Resort Inquiry</u></p>	<p>Exec.D Sherwood reported that a request has been received to consider a pet care and boarding facility on Port property which would provide 2 full-time and 4 part-time jobs. She wanted to know how the PC felt this use would fit at Bingen Point. She compared using three acres of land for 4 jobs vs. one acre with a building on it providing substantially more jobs. Counsel reported that Hood River Co. has a boarding/pound facility in its long range plans and the cities of White Salmon and Bingen have considered contracting with Hood River Co. for dog control since there is currently no facility or control officer for this area. PC Vinyard felt that a industrial/manufacturing use would provide more jobs and was a better use of Port property. PC Deo felt that 3-4 jobs on 3 acres was not enough. He would need to see some real benefits for the community before serious consideration of the project. Exec.D Sherwood spoke with PC Ford today and he is in agreement with PCs Deo and Vinyard.</p>	

<p>! <u>Leashed Dog Ordinance</u></p>	<p>Exec.D Sherwood reported that two weeks ago a couple reported that the wife had been bitten by an unleashed dog during their walk on Port property. Exec.D Sherwood contacted the KC Sheriff's Office for assistance in locating the owner of the dog. The KC Sheriff recommended that the bitten woman file a police report. This event brought forward an ongoing problem with one of the dogs of a Port tenant. Counsel suggested including language in the CC&Rs that no tenant is allowed to bring pets to work. He also suggested an ordinance that requires pets to be on-leash or under immediate control of the owner and recommended that any action be coordinated with other local government agencies. PC Vinyard stated that it's not enough to have an ordinance, there needs to be consequences that can be enforced. KC has a dog-at-large ordinance in some unincorporated areas. Exec.D Sherwood will contact the KC Sheriff's Office and find out if the Port is included in any of the covered areas.</p>	<p><i>Exec.D Sherwood will work with Counsel on language for an ordinance and will contact the Sheriff's Office.</i></p>
<p>! <u>Berm/Fill Project</u></p>	<ul style="list-style-type: none"> • Silt Fence - AmeriCorp Feb. 3: The second silt fence was installed yesterday with assistance from an AmeriCorp crew. • Berm/Road: James Dean Construction completed the new berm road. Exec.D Sherwood spoke with Chuck Ruhsenberger (WSDOT) who believes that there will be an adequate quantity of rock to in-fill our berm road approach area as a construction entrance to keep the trucks delivering the spoils from packing mud into downtown Bingen. Counsel inquired if Lot #2 would be available again this year for Community Pride the last week of April. Trucks may be transporting material through that area by then, but there is not yet a confirmed start date for the filling. 	
<p>*<u>Dallesport Industrial Park*</u> ! <u>RFQ - Marketing - KC</u></p>	<p>A copy of the Request for Qualifications for project management services for marketing industrial properties county-wide was included in the packet. Tom Seifert stated that they have received some phone calls. The deadline for submission is February 14 and the award announcement is scheduled for February 28.</p>	

<p><u>! Infrastructure Project</u></p>	<ul style="list-style-type: none"> • Contract Documents & Specs: Exec.D Sherwood displayed a very large set of documents and specs for the infrastructure project. • Kennedy/Jenks Personal Services Contract Amendment #2: Exec.D Sherwood discussed the Kennedy/Jenks Personal Services Contract Amendment #2 which was included in the packet. The contract document and bid specs will be changed to reflect a smaller scope of work than originally planned. The additional costs to revise the design drawings and the specifications were negotiated to be \$3,800.00 each increasing the total project budget to \$179,300.00. • Bid Services: Kennedy/Jenks prepared a letter to Larry Nicholas outlining different options for bid and construction services for KC to consider. Exec.D Sherwood stated that the Port has some funds remaining in the project budget that could be used toward those services or used toward construction which she would prefer. Don Struck stated that KC would prefer the later as well. <p>Don Struck reported that KC held a workshop last Wednesday with all the heads of departments that would play a role in either permitting or oversight work on the Dallesport project to put together a flow chart outlining each department's responsibility for events that need to occur concurrently to provide the quickest service for a developer or company coming into KC to site. Larry Nicholas (Public Works) was asked to establish a checklist of things to be done regarding the infrastructure project. Skip Grimes (Building Dept.) was consulted regarding fire flow requirements and compaction. Curt Dryer (Planning Dept.) suggested doing a State Environmental Policy Act (SEPA) checklist on the lots identified as the first to be developed. He would prepare (on the Port's behalf) the SEPA checklist document that would include as much advance work as possible saving a developer 45 to 60 days of preparation and assessment of the SEPA items. KC's goal is to get the process from "signing on the dotted line" to move-in down to 100-120 days. In the next couple of weeks, each department will develop a flow chart as to how they fit into the process, what things they will be processing, approximate processing time and a checklist of items needed from the developer. The goal is to create one document for the marketing company to present to a prospective tenant outlining what KC already has in place and a list showing these are the people waiting to help you. KC would like to draft a Memorandum of Understanding (MOU) between the Port and KC which outlines the roles and</p>	
<p><u>! Infrastructure Project, cont.</u></p>	<p>responsibilities of the two entities. Part of the MOU needs to be a PC prioritization of lots planned for early development and which lots may be for sale. The CC&Rs for DIP also need to be a part of the marketing packet. Discussion followed. The PC thanked Don Struck and Tom Seifert for attending the meeting.</p>	
<p><u>! Recycling Operation</u></p>	<p>Rece Bly, who had approached the Port a while back proposing to compost waste from the Portland Metro area has apparently been dealing with Jim Riley. Exec.D Sherwood explained to Mr. Riley that the Port had concerns because KC Solid Waste and Health Depts. as well as DOE had concerns regarding the project. Mr. Riley proposes to locate the recycler on his property near the Port's water tower. Mr. Bly may want water, which would have to be supplied by the Port, unless a well is dug.</p>	

<p><u>MISCELLANEOUS</u> <u>! Committee Updates</u></p>	<p><u>AIRPORT:</u> PC Deo attended a meeting on January 10, the first with the new board assigned by the KC and the City of The Dalles. A proposed budget was compiled at a budget meeting held January 28. The board is accepting applications for an open seat on the board. Counsel suggested that Bob and Denise Bokum be contacted by Mr. Coles (Airport Manager). <u>MCEDD:</u> PC Ford absent. <u>BRIDGE/HWY 35:</u> PC Ford absent. <u>KC PEDDA:</u> PC Vinyard attended a meeting on January 22 to hear the community project funding requests. On January 29 the board met again to determine the projects that would be funded.</p>	
<p><u>! RTC</u></p>	<p>Exec.D Sherwood reported that the RTC's Transportation Plan now designates the Port's roads as significant roads within KC. This would enable the Port to apply for any grants that may come available. They also listed the Port's underpass project at Bingen Point as one of the top three projects in KC.</p>	
<p><u>! PC Ford Surgery Update</u></p>	<p>Exec.D Sherwood reported that she spoke with PC Ford this morning. He had his back surgery on Monday, January 27 and was released on Thursday. The surgery went well and he hopes to be back to PC meetings in March.</p>	
<p><u>! Pacific Rock Letter</u></p>	<p>PC Vinyard inquired about the letter from John Shafer of Pacific Rock. Mr. Shafer has stepped down as President of Pac Rock due to health concerns, but he will continue to be involved in the project at DIP.</p>	
<p><u>! Ross Island Sand & Gravel</u></p>	<p>PC Deo inquired if there had been any Ross Island Sand & Gravel (RISG) activity. Exec.D Sherwood reported that she learned from KC Commissioner Thayer that RISG has discussed the use of Port roads with the KC BOC. RISG doesn't want to improve the roads according to the conditions set forth in their conditional use permit for the Dennis' property. It doesn't appear that KC will make a lot of concessions regarding the conditions set. As a side note, Larry Nicholas (KC Public Works Director) used to work for RISG.</p>	
<p><u>PUBLIC COMMENT</u></p>	<p>There was no public comment.</p>	
<p><u>ADJOURNMENT</u></p>		<p><i>PC Vinyard moved to adjourn at 7:27; seconded by PC Deo – motion carried.</i></p>

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Approved on: _____
submitted _____
(Date)

Respectfully

Vickie L. Drew, Administrative Assistant

Dianne Sherwood, Executive Director

Norman Deo, Chairman