	PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES July 3, 2007 REGULAR SESSION	
<u>TOPIC</u>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
ATTENDANCE	Commissioners/Staff Present: Port Commissioners (PCs) Norm Deo, Rodger Ford & Wayne Vinyard; Executive Director (Exec.D) Dianne Sherwood; Director Marketing/Public Affairs (DM/PA) James Donnelly; and Administrative Assistant/Bookkeeper, (AA/B) Margie Ziegler. PC/Staff Absent:Port Counsel Teunis J. Wyers excused. Guests Present: Matt Riley, (Rapid Ready Mix Inc); and Tony Riley, (Riley Brothers Concrete).	Meeting called to order at 4:33 pm
COUNSEL'S REPORT	(Exec.D) Sherwood said all pending leases are still underway and making progress and there was nothing new to report from Port Counsel Wyers.	
Status of Leases	(Exec.D) Sherwood will be meeting with Leslie Haskel-Apple to update the 1993 Personnel Policy.	
ADMINISTRATIVE MATTERS	Items approved: Minutes of June 5, 2007 Vouchers - June 15, 2007 Vouchers - June 19, 2007	PC Deo M, PC Vinyard S a motion to approve the Consent Agenda, MP
Consent Agenda	Vouchers - July 3, 2007	
Financial Report	(AA/B) Ziegler presented the May 2007 financial report. PC Ford asked that the percentage of the year completed be included at the top of the financial reports in the future.	
Facilities and Maintenance Operator	(Exec.D) Sherwood reported that 13 applicants have applied for the vacant facilities and maintenance operator. PC Deo was asked to sit in on the top three interviews with Maintenance Assistant Esteban Sanchez and (Exec.D) Sherwood.	
Executive Director's Report Bingen Point	(Exec.D) Sherwood said the punch list for bldg. 1E items have been addressed. Change Order #3 was presented, consisting of previously approved COP's (change order proposals) for a pressure reducer, deleting painting of overhead doors and connecting the irrigation system to potable water. (Exec.D) Sherwood recommended the approval of Change Order #3 adding \$2,148.51 to Team's contract for a total contract price	PC Vinyard M, Deo S a motion to approve Change Order #3 to increase Team Construction's contract by \$2,148.51 for a total of
Bldg 1E Update:	of \$1,889,258.71.	\$1,889,258.71.
Team Construction		
Irrigation Pump & Systems	(Exec.D) Sherwood explained the irrigation filter problems. The scope of services from Hopper Dennis Jellison was presented to the PC but the expense of \$5,000 is too high. Clark Bryant from Bryant Pipe and Supply will only charge \$50.00 per hour for consulting. Clark Bryant recommended a self cleaning pre-filtering system for the entire irrigation system. PC Vinyard recommended a standpipe be installed for access to the irrigation water for back-up fire flow.	By consensus, the PC agreed to use Clark Bryant, Bryant Pipe and Supply, for consultation on the irrigation system.
Private Development Opportunities	(Exec.D) Sherwood said she has had inquiries from private developers. Steve Tessmer presented a binder to the Port regarding a marina project, which was also sent to Byron Hanke, Port Consultant, for review. She will contact Maritime Services and Gorge Harbor to clarify issues and then make a recommendation to the PC. Another private developer is also interested in property at Bingen Point.	By consensus, the PC agreed to have (Exec.D) Sherwood continue to meet with developers.
4 th of July Fireworks	(Exec.D) Sherwood reported that dumpsters and porta potties are scheduled to be delivered. The tenants have all been notified about the fireworks event The adult and juvenile probation people are scheduled for litter pick-up. The fire dept will first spray down the grounds and will be on hand during the event. KC Sheriff Dept.	

<u>Dallesport Industrial</u> <u>Park* (DIP)</u>

and Bingen/White Salmon Police Department will be available, and two reserve officers will be on site.

PC Deo said he met with James Dean as he was concerned about the basalt mining verses aggregate rock mining. PC Deo presented language to the PC and asked that a paragraph be added to the aggregate mining contract. (Exec.D) Sherwood will forward the language to Port Counsel Wyers for review. PC Deo suggested that special incentive should be given to Dean when they are asked to drill and blast areas that the Port wants to be readied for building sites at DIP. PC Deo said Dean's rock needs are geared more towards road surfacing and general construction, then for concrete aggregate. (Exec.D) Sherwood said Dean is interested in opening new markets with aggregate. PC Deo asked if the Port wants to deplete the aggregate used for concrete production by allowing Dean's crushing it into gravel. PC Deo said that it is more costly to crush the Port's round river rock then it is to crush blasted basalt rock. The fact that the Port's aggregate can be extracted without blasting could offset this additional crushing cost. The Ports round river rock resource is more valuable for concrete production, and should be considered and promoted as such.

Executive Director's Report Continued

PC Vinyard did not want restrictions put on the operator that would force them to stockpile aggregate for a better market that my not come.

Aggregate Operator RFP Determination

PC Ford wanted to ensure that the operator close up an area before moving on to the next area. (Exec.D) Sherwood said that the operator is required to provide an operating plan to the Port.

Dept of Ecology

(Exec.D) Sherwood said the Dept of Ecology sent a routine letter stated they have discovered a second disposal site that was reported to them by Jim Riley. (Exec.D) Sherwood asked Bob Swackhamer, DOE, to consider helping the Port to investigate, sample, test, and determine the scope of the clean up. His supervisor, Don Abot, DOE, has been out and has not responded back to the Port. The site is within the BPA right-of way, Bob Swackhamer, DOE, said they have not yet contacted the BPA.

MARKETING REPORT

Water Rate Analysis

(DM/PA) Donnelly presented a detailed water rate study. The current resolution for water rates does not provide for system development charges nor does it encourage water conservation. At the current water rates, the Port is not covering its expenses or building a reserve for future water improvements. Water rates were compared to other water systems in our area. The six-year capital improvement costs determined in the Water System Master Plan are \$515,041 and the burden of those costs will be on the general fund because no reserve fund is in place.

The suggested rates and charges were discussed.

PC Vinyard said that if system development charges are routinely assessed, then the Port should have them in place.

PC Deo stressed it is important to continue to push for a municipal water system with the Airport and other water purveyors.

PC Ford would like to see Goldendale's water rates added to the rate study as well as the Port of Hood River, Webber Park, and the Port of the Dalles.

(Exec.D) Sherwood would like the PC to consider the proposed rate structure as presented and when the PC is

PC Ford and PC Vinyard are in support of adding language to the aggregate mining contract.

PC Deo M, to direct (Exec.D)
Sherwood to further negotiate and
take into consideration his additional
language into the operator's
agreement; inform all other
respondents of the winning bid; and
to work with Jim Riley to advise him
of what date the new operator will
operate the pit, PC Vinyard S, MP

	ready to set the rates the DIP tenant's need to be informed so that public cor	mments can be heard.		
MISCELLANEOUS	PC Ford: none			
	PC Deo: none			
Committee Update:	PC Vinyard: The next EDA meeting will be July 11.			
	(Exec.D) Sherwood said there will be regional listening session at the Port of members would like to attend.	f Longview on July 10 if any PC		
	PC Deo said he has bid on many backhoes for the Port but the budget of onloutbid by \$5,000 to \$6,000 each time.	ly \$20,000 is low and he is getting	By consensus, the PC agreed to increase the budget for a backhoe purchase by \$10,000 for a total of \$30,000.	
	(Exec.D) Sherwood said she will be leaving for Ocean Shores for the WPPA July 11 and will return to the office July 16.	Executive Directors Meeting on		
	(Exec.D) Sherwood asked George Fox to attend the next Port Commission r George can not make it on July 17 but can attend July 24. (Exec.D) Sherwo meeting of the month could be changed to July 24.		By consensus, the PC agreed to reschedule the second PC meeting in July to the 24 th to accommodate George Fox.	
Public Comment		y Mix, agreed the water rates need to be adjusted but as the Port grows there will be pay for the expenses of the water system and the rates need to be attractive to new		
Executive Session Personnel - 15 minutes	eeting adjourned at 5.41pm			
<u>ADJOURNMENT</u>				
Approved on:				
	Date)	Margie Ziegler, Administrative Assistant		
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Dianne Sherwood, Executive Director		Rodger Ford, Chairman		