

TOPIC	DISCUSSION/ASSESSMENT/FINDINGS	ACTION
Attendance	Commissioner/Staff Present: Port Commissioners (PCs) James Herman; William Schmitt; and Wayne Vinyard; Executive Director (Exec.D) Marc Thornsby; and Administrative Assistant/Port Auditor (AA/PA) Margie Ziegler. PC/Staff Absent: None. Guests Present: Lee Ast, Ast Commercial Real Estate and Brad Roberts, Rivermile 172.	Meeting called to order at 4:33pm.
Harbor Drive Improvement Project – Public Bid Award	(Exec.D) Thornsby informed the Port Commission that bids were received for the Harbor Drive Project. Thornsby said that Tenneson Engineering reviewed and prepared a breakdown of the bids received: James Dean Construction in the amount of \$483,499.45, Granite Northwest in the amount of \$412,412.00, and Crestline Construction in the amount of \$491,861.75. Thornsby said that it is Tenneson Engineering's recommendation to award the bid to the apparent lowest bidder Granite Northwest in the amount of \$412,412.00. PC Herman stated his son works for Granite Northwest.	PC Herman M, to award the bid for the Harbor Drive Improvement Project to Granite Northwest, PC Schmitt S, MP.
Administrative Matters Consent Agenda	Minutes – July 20, 2010 Payroll Vouchers – July 30, 2010 #23847-23867, \$37,464.59 Vouchers – August 10, 2010 #23868-23905, \$48,941.26 PC Herman stated that the minutes should reflect the August meeting changes from the first and third Tuesday to the second and fourth Tuesday in August.	PC Herman M, to approve the consent agenda with changes to the minutes, PC Schmitt S, MP
Resolution No. 10-2010 Authorizing Execution of Final Contract with CERB	(Exec.D) Thornsby said this resolution authorizes the final contract with CERB and is a formality required by CERB.	PC Schmitt M, to adopt Resolution 10-2010 Authorizing Execution of Final Contract with CERB for the Harbor Drive Improvement Project, PC Herman S, MP
Executive Director's Report:	(Exec.D) Thornsby noted that the Harbor Dr. Project bids came in	PC Schmitt M, to direct (Exec.D)

Harbor Drive Improvement Project	<p>substantially less than the engineer's estimate. Thornsby outlined an option to do property leveling on adjacent lots. Thornsby said the Port could go back to CERB in September and request an amendment to the project proposal to allow for earth moving and property leveling.</p> <p>Discussion followed regarding which area would be leveled first and construction of a truck crossing.</p>	Thornsby to attend the CERB meeting in September and to request amendment of the Harbor Drive Project to allow for earth moving and property leveling, PC Herman S, MP.
Tenant Selection Policy	<p>(Exec.D) Thornsby presented a tenant selection analysis for the PC help to determine what criteria should be used to select new tenants. Discussion followed. The PC ranked the criteria as follows:</p> <ol style="list-style-type: none"> 1. Employment density 2. Wages 3. Existing tenants 4. Best fit with community and adjacent tenants 5. Diversification <p>PC Vinyard comments: Jobs out rank lease rates; ripple effect to create additional jobs in the community; and industry that is clean and compatible with other tenants is desirable.</p> <p>PC Herman comments: Give preference to already established tenants; diversity is important, but you may lose a good tenant by trying to diversify; don't discriminate against the businesses that are already in the area; there are small spaces in town for start-up businesses; and that BPT should be for larger established tenants that want an improvement in square footage.</p>	
Executive Director's Report: cont..	PC Schmitt comments: BPT is a special area for a business park and not	

Tenant Selection Policy continued ..	<p>an industrial park; business origin is not a preference; and the Port's goal should be to keep buildings leased and full and then keep building more buildings when there is opportunity.</p> <p>Lee Ast, Ast Commercial Real Estate, talked about the selection process at the Port of Hood River and how they look at the overall economic impact. Ast said the buildings that the Port of Klickitat has built are very adaptable to new tenants.</p>	
Escalation Rate Policy	(Exec.D) Thornsburg presented an annual escalation rate analysis. Discussion followed regarding using CPI or a fixed percentage increase annually for lease rates.	By consensus, the PC directs (Exec.D) Thornsburg to draft a resolution for annual lease escalation based on the CPI-U all cities, all items, not seasonal adjusted to be approved at the next PC meeting
Deposit/Performance Guaranty Policy	<p>(Exec.D) Thornsburg presented information regarding the Port's current performance guaranty/deposits. Thornsburg said there is a statute regarding deposits, but not a requirement. PC Schmitt said it is important to avoid language that states the Port will be required to pay interest on any deposit it holds.</p> <p>The forms in which the Port will accept the deposit and performance guaranty were also discussed.</p>	By consensus, the PC directs (Exec.D) Thornsburg to begin drafting a deposit/performance guaranty policy with a rental deposit requirement of three months rent.
Tenant Improvements- Building 1D	(Exec.D) Thornsburg said Insitu is considering installing security fencing between Buildings 1E and 1D. Thornsburg said he had not received new drawings from Insitu.	By consensus, the PC agreed to allow Insitu to fence the area between Buildings 1E and 1D.
Compressor Building 1A	(Exec.D) Thornsburg said ICE will be removing their compressor from building 1A, that the Port has an old compressor, and that the compressor could be repaired by purchasing a used motor from Terry Wroe for \$25.00.	By consensus, the PC authorizes the purchase of a used motor to repair the old compressor.
Executive Director's Report: cont..	(Exec.D) Thornsburg said he has attended the fair in the past and	By consensus, the PC elects not to

Klickitat County Fair	worked with Mike Canon in the EDA booth and would like to know if the PC would like him to attend this year.	have Port representatives at the Fair.
Potential Tenant	<p>(Exec.D) Thornsby said he has a potential tenant for lots 14 and 15. Discussion followed regarding future development and existing Port commitments for these and adjacent properties.</p> <p>Discussion followed regarding the parcels on Lakeview Blvd. and the lack of utilities.</p>	By consensus, the PC directs (Exec.D) Thornsby to inform potential tenant that these properties are not available, but lots 1 to 8 are available at a reduced rate if the tenant will construct the required infrastructure.
ICE Letter	<p>(Exec.D) Thornsby presented a letter from ICE regarding Building 1B and Building 1A-D. Thornsby said the ICE lease runs into November 2010. Discussion followed.</p> <p>Advertising the space on Gorge Net Classifies, the Chamber Website and the Port's website was discussed.</p> <p>Setting a lease rate per sq. foot for Building 1A-D and 1B was discussed.</p>	<p>By consensus, the PC agreed to release ICE from its lease of Building 1A-D, if ICE vacates the space, cleans up and repairs the space to the Port's specifications, the Port is able to advertise and show the building, and the Port is able to sign a lease with new tenant.</p> <p>By consensus, the PC agreed to release ICE from its lease for Building 1B as soon as ICE cleans up and repairs the space to the Port's specifications and vacates the space.</p> <p>By consensus, the PC set the lease rate at 0.55 per sq. ft.</p>
Dallesport Terminal Operating Policy	Tabled	
Miscellaneous	Herman: nothing	

Committee Updates	<p>Schmitt: enjoyed the WPPA Port Commissioners meeting in Leavenworth, WA and said the classes, subjects, and speakers were great.</p> <p>Vinyard: nothing</p> <p>PC Schmitt asked if the PC meets with County Commissioners or City Councils on a regular basis. (Exec.D) Thornsby said he has contacted the County Commission and they said they do not have a need to meet at this time. PC Schmitt said at his WPPA class it was suggested that PC members attend County or City Council meetings. PC Schmitt would consider attending a County Commissioner meeting and answer any questions.</p> <p>Next PC Meeting will be on August 24, 2010.</p>	
Public Comment	<p>Brad Roberts, Rivermile 172, told the PC to keep up the good work.</p> <p>Lee Ast, Ast Commercial Real Estate, thanked the PC for the opportunity to give input. PC Vinyard thanked Ast for his input.</p>	
Executive Session Performance Review – Executive Director	<p>PC Vinyard adjourned the regular PC meeting at 8:05pm and called an Executive Session to review the performance of the Executive Director pursuant to RCW 42.30.110(1)g for a period of 30 minutes.</p> <p>PC Vinyard announced an extension of the executive session for a period of 30 minutes at 8:30pm.</p> <p>The Executive Session concluded at 9:03pm and no action was taken.</p>	
Adjournment	PC Vinyard adjourned the PC Meeting at 9:03pm	

Approved on _____
(Date)

Margie Ziegler, Administrative Assistant

Marc Thornsbury, Executive Director

Jim Herman, Secretary