

TOPIC	DISCUSSION/ASSESSMENT/FINDINGS	ACTION
Attendance	Commissioner/Staff Present: Port Commissioners (PCs) William Schmitt and Wayne Vinyard; Executive Director (Exec.D) Marc Thornsby; Administrative Assistant/Port Auditor (AA/PA) Margie Ziegler, and Port Consultant Byron Hanke, PC/Staff Absent: PC James Herman. Guests Present: Marsha Holliston, Mt. Adams Chamber; Lee Ast, Ast Commercial Real Estate; and Phillip Wang, Insitu; Jerry Bertschi, Beneventi's Pizza; Paul Beneventi, Beneventi's Pizza; and Ray Paskey, NW Communications.	Meeting called to order at 4:31pm
Administrative Matters Consent Agenda	Minutes – September 7, 2010 Payroll Vouchers – September 15, 2010 #23965-23972, \$8,420.44 Vouchers – September 21, 2010 #23973-23987, \$21,574.16	PC Schmitt M, to approve the consent agenda with changes to the minutes, PC Vinyard S, MP
Resolution No. 12-2010 Establishing A Tenant Improvement Policy	(Exec.D) Thornsby said this resolution includes the updates from the previous meeting.	By consensus, the PC tabled Resolution 12-2010 until PC Herman can be present.
Executive Director's Report: Tenant Improvements-Building 1D	Phillip Wang, Insitu, showed the proposed changes for Building 1D. Discussion followed regarding tenant improvements.	By consensus, the PC directed (Exec.D) Thornsby to review the maps and give feedback of any concerns.
Harbor Drive Improvement Project	(Exec.D) Thornsby said the Harbor Drive Improvement Project is under way. Thornsby said the contractors have hit a large portion of clay soil that will need to be set aside. Thornsby said the weather has only affected two days of work and that the next step is to finish the road elevation and prepare for franchise utilities. (Exec.D) Thornsby reported that he and PC Vinyard were successful at the CERB board and will be able to amend the project and gain funds to level parcels 17 and 18 and use the materials to fill parcels 25, 26 and 27. Thornsby said this will level 6.5 to 7 acres at 89.5 feet elevation. Thornsby said this will not expand the cost of the original project, it	
Executive Director's Report: cont.		

Harbor Drive Improvement Project cont.	will simply allow the Port to use all of the original funds awarded.	
Executive Director Retention		By consensus, the PC tabled Executive Director Retention until PC Herman can be present.
Bldg 1A Ste. D Update	(Exec.D) Thornsburg said Bldg 1A-Suite D has been vacated and the Port has walked through and inspected the space. Thornsburg said new tile will need to be put down in the utility and restroom area. Thornsburg said there is also an area that could be tiled or carpeted, but a decision should wait to see what the new tenant would like. Thornsburg said the largest expense will be for the electrical improvements.	
Miscellaneous Committee Updates	<p>PC Herman: Nothing.</p> <p>PC Schmitt: Nothing.</p> <p>Vinyard: PC Vinyard attended an EDA meeting on Sept 8th. Vinyard said they talked about how to fund emergency services communication improvements and radio frequency changes and how some departments can not afford it. Vinyard said they are looking at critical needs. PC Vinyard said that Jason Spadaro, SDS, spoke at the EDA meeting about the Whistling Ridge Wind Project and how the Gorge Commission is impacting the project. Vinyard asked Spadaro to provide the Port some information so that the PC could send a letter of support. PC Vinyard said the Port's decision to not sell property to SDS was brought up at the EDA meeting. PC Vinyard said there was discussion and he explained to the EDA board the Port's decision. PC Vinyard also wondered if dock improvements could be made while the locks are closed to reduce impact to our tenant.</p>	

<p>Miscellaneous continued Committee Updates continued</p>	<p>(Exec.D) Thornsby said the packets that the PC were given are the 2008 Financial Statement restated with additional assets. (Exec.D) Thornsby said the report has been submitted to the State Auditor's Office.</p> <p>(Exec.D) Thornsby said the Ramco clean up is completed and that Ecology will continue water monitoring.</p> <p>(Exec.D) Thornsby presented an updated list from PNWA of issues they will be working on for 2011. Thornsby said the navigation locks maintenance project will affect the Dallesport Log Yard. Thornsby asked the PC if they had anything to add to the list.</p> <p>(Exec.D) Thornsby said the Port will have a three year audit by the State Auditor's Office starting on October 11th. Thornsby said the SAO has invited all Port Commissioners to attend an entrance conference that will be held on October 12th at 2:00pm at the Port Office. Thornsby said Jan Fancher, CPA and PC Herman are already scheduled to attend the conference.</p> <p>(Exec.D) Thornsby shared an example of the property descriptions he has prepared for the new website. Thornsby said this will give prospective tenants a nice overview of what the Port has available and what utilities serve each parcel. Thornsby said there will be interactive maps and a photo tour of the properties.</p> <p>(Exec.D) said a letter was sent to the White Salmon Business Partners Group regarding their clean up efforts on the sailboard park beach.</p> <p>(Exec.D) said a letter has been received from SDS Lumber/Dickey Farms regarding their Insitu proposal.</p>	<p>By consensus, the PC had no changes or additions.</p>
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<p>Public Comment</p>	<p>Jerry Bertschi, Beneventi's Pizza, express serious concern regarding the Port's decision not to sell property to SDS for the Insitu Development.</p> <p>Paul Beneventi, Beneventi's Pizza, asked why the Port made the decision not to sell property to SDS. PC Vinyard responded that the Port submitted four proposals in reply to Insitu's RFI on August 14, 2009. PC Vinyard said that SDS/Dickey's still have 35 acres in their proposal to Insitu and if Insitu still needs the original Port acres then the Port will work with Insitu. Vinyard said the Port has been very supportive of Insitu since they started leasing from the Port in 1996 and the Port has a high regard for Insitu and there is a misconception of some public members that the Port is not supportive of Insitu. PC Vinyard said the port is ready and willing to work with Insitu/Boeing and that the Port has invested tax dollars to construct buildings that are leased to Insitu. PC Vinyard said the Port has had to go out for bonds to fund that construction and the Port now has invested taxpayer funds equal to \$488 dollars for every man, woman and child in the Port district. PC Vinyard said the Port established an IDD levy and set those funds aside to pay off the bonds early and save the Port \$40,000.</p> <p>PC Vinyard said that a prospective tenant has approached the Port and is interested in constructing a 35,000 sq. ft. building on 2.5 acres by November of 2011 and bring 70 to 75 jobs to the community. PC Vinyard said the prospective tenant has excellent credentials. PC Vinyard said the Port originally proposed to site them on parcels across from the Wastewater Treatment plant, but the infrastructure there at this time is inadequate. PC Vinyard said the Port Commission very carefully considered the location of the prospective tenant because it would be north of the Port's proposals to Insitu and the south end of the SDS/Dickey proposal. PC Vinyard said Insitu was given proposals up</p>	
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<p>Public Comment continued.....</p>	<p>and down the gorge for possible campus locations and the Port cannot be closed for business while Insitu is considering their campus location. PC Vinyard said the Port Commission withdrew the offer to sell to SDS/Dickeys so that we could talk with the prospective tenant. PC Vinyard said the Port could not have the prospective tenant evaluate the property with his engineers if the Port did not address the status of the property. PC Vinyard said no lease has been signed with the prospective tenant at this time. PC Vinyard said it is very important for the Port to diversify and that the Port can not turn down 70 to 75 jobs that will bring valuable resources into our community.</p> <p>Paul Beneventi, Beneventi's Pizza, voiced concerns that the Port only sent an email to SDS and then sent a letter and feels a meeting should have been held with SDS and Dickeys. (Exec.D) Thornsbury said the Port Commission directed him to contact SDS to find out if they had any additional information. PC Vinyard said he sat across the table from Jason Spadaro, SDS, at the EDA Board meeting on September 8th with the Mayors of White Salmon and Bingen and a County Commissioner and made it very clear to Spadaro that the Port's properties are still available to Insitu if they want to make a campus on the SDS/Dickey/Port properties.</p> <p>PC Schmitt said it is very important to read the last paragraph of the letter sent to SDS/Dickeys that clearly states that the Port properties will be available if Insitu does choose that location for their campus.</p> <p>Paul Beneventi, Beneventi's Pizza, asked why the Port has not built more buildings so that Insitu did not have to move into so many different buildings in the gorge and move into a building in Hood River.</p> <p>(Exec.D) Thornsbury explained the statutory debt cap that Washington Ports have to follow so that the tax payers are not burdened with more debt than they can afford to repay. Thornsbury said the Port can go out</p>	
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<p>Public Comment continued.....</p>	<p>for revenue bonds to construct more buildings, but it can only do so for tenants that sign long term leases and meet the bond holder's criteria. Thornsburry said that Insitu could choose to do long term leases on property and construct buildings themselves.</p> <p>Paul Beneventi, Beneventi's Pizza, said that Jeff Pickhardt also has a proposal to Insitu in Hood River. (Exec.D) Thornsburry said Jeff Pickhardt is a partner with Taylor Pickhardt Development and Key Development and is not aware, and has no evidence of, a proposal to Insitu from Pickhardt.</p> <p>Lee Ast, Ast Commercial, commented that when the Insitu RFI came back he was pleasantly surprised that the SDS/Dickey/Port proposal came about without any input from Insitu. Ast said that showed Insitu a willingness to work together and a desire to have them in our community. Ast said the Port's removal of 2.5 acres should not have any effect on the SDS/Dickey site or the Port's sites when considered by Insitu. Ast said that Boeing is here and the short list process is under way.</p>	
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Executive Session – To consider the Minimum Price for Real Estate Leases	<p>PC Vinyard called an Executive Session at 6:23pm to consider the minimum price for real estate leases pursuant to RCW 42.30.110(section 1.i) for a period of thirty minutes. At 6:55pm PC Vinyard extended the executive session for one hour. At 8:00pm PC Vinyard extended the executive session for one hour.</p> <p>PC Vinyard closed the executive session at 8:45pm. No action was taken in the Executive Session.</p>	
Adjournment	PC Vinyard adjourned the PC Meeting at 8:45pm	

Approved on OCTOBER 5, 2010
(Date)

/s/ MARGIE ZIEGLER
Margie Ziegler, Administrative Assistant

/s/ MARC D. THORNSBURY
Marc Thornsby, Executive Director

/s/ S. WAYNE VINYARD
S. Wayne Vinyard, President