

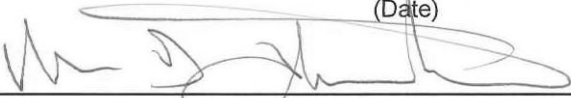
TOPIC	DISCUSSION/ASSESSMENT/FINDINGS	ACTION
<b>Attendance</b>	<b>Commissioner/Staff Present:</b> Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard; Executive Director (Exec.D) Marc Thornsby and Administrative Assistant/Port Auditor (AA/PA) Margie Ziegler. <b>PC/Staff Absent:</b> None. <b>Guests Present:</b> Brad Roberts, Rivermile 172; Jenny Taylor, Insitu; and Steve Wells, Trammel Crow.	Meeting called to order at 4:35 pm.
<b>Public Hearing</b>  Draft 2013 Budget  Amendment of the Comprehensive Scheme of Harbor Improvements and Industrial Development	PC Vinyard opened the public hearing regarding the 2013 Budget and Comprehensive Scheme at 4:36pm. (Exec.D) Thornsby noted the PC had reviewed the budget and capital projects at the Budget Workshop and had requested information regarding early payoff of two CERB loans. (AA/PA) Ziegler said an early payoff would save \$2,927.20 in interest, but would require \$36,124.09 from reserve funds. Discussion followed regarding applying for CERB funds in the future. PC Herman said the small interest savings does not outweigh our ability to ask for CERB funds in the future and recommended the 2013 budget reflect the current year principal and interest payments. (AA/PA) Ziegler said she had corrected the Underground Specialties projected revenue and moved the water rights costs from 2013 to 2017 in the capital budget. Cell phone reimbursement was discussed but Thornsby indicated a need for more research. There was no public comment. PC Vinyard closed the public hearing at 4:43pm. The PC will meet on November 27 <sup>th</sup> to adopt the budget and amend the Comprehensive Scheme.	PC Schmitt M, to close the 2013 Budget Public Hearing at 4:43pm, PC Herman S, MP 3-0.
<b>Administrative Matters</b>  Approval of Minutes  Approval of Voucher	Minutes – October 16, 2012  Minutes – Budget Workshop - October 24, 2012  Payroll Vouchers – October 22, 2012 #24976, #D10554-D10562 for \$10,704.46.	PC Schmitt M, to approve the October 16, 2012 minutes, PC Herman S, MP 3-0.  PC Schmitt M, to approve the October 24, 2012 minutes, PC Herman S, MP 3-0.

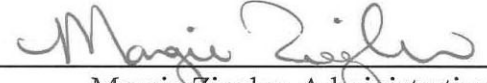
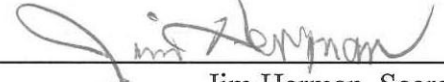
<p><b>Administrative Matters continued...</b></p> <p>Approval of Minutes continued...</p> <p>Approval of Voucher continued...</p>	<p>Vouchers – October 31, 2012 #24977-24980, #D10563-D10566 for \$29,408.42.</p> <p>Payroll Vouchers – November 5, 2012 #24981, #D10567-D10583 for \$13,504.64.</p> <p>Vouchers – November 6, 2012 #24982-25008 for \$14,891.82.</p>	<p>PC Herman M, to approve the vouchers, PC Schmitt S, MP 3-0.</p>
<p><b>Old Business</b></p> <p>Lot 24 Lease</p>	<p>(Exec.D) Thornsburg presented a list of items from Trammel Crow for discussion regarding Lot 24. Thornsburg said he had reviewed the items with Port Counsel. Steve Wells, Trammel Crow, said the list contains items that he has been discussing with Thornsburg. Including:</p> <ol style="list-style-type: none"> <li>1) Acceptance of the premises and indemnification from preexisting conditions.</li> <li>2) Early termination and vacancy provisions. Wells proposed dropping early termination in return for dropping the vacancy provision. PC Schmitt expressed concern regarding the possibility of the buildings being allowed to sit vacant, particularly given the limited industrial property available. Wells said vacancy can not be solved with lease language and Insitu could vacate with plans to move back in. Wells felt that the market will take care of vacancies. Thornsburg said if vacancy cannot be addressed the PC should consider looking for protection in other ways or areas of the lease. Thornsburg said the vacancy provision is unique and feels it would be appropriate to eliminate it in exchange for one or more alternative elements including removal of the early termination option.</li> <li>3) Escalation – This will remain based on CPI in accordance with Port policy.</li> <li>4) Security Deposit – Wells said an increase in the security deposit should not be tied to assignment. Thornsburg said doing so would remove</li> </ol>	

<p><b>Old Business continued...</b></p> <p>Lot 24 Lease continued...</p>	<p>protection for the Port if the lease is assigned to someone else. PC Herman said he does not want another Dallesport situation. The PC agreed to double the deposit amount and index it to CPI adjusted very five years.</p> <p>5) Leasehold financing – It was agreed to accept the language that is in a similar Port of Portland lease.</p> <p>6) Sub-lease – Wells said if the lessee exits, then the Port would assume the existing lease with the sublessee. Port Counsel will review the proposed SNDA agreement and sublease provisions in a similar Port of Portland lease.</p> <p>7) Penalty – Wells asked Thornsby if the penalty is in lieu of termination. Thornsby confirmed this and indicated new draft language will be crafted to make this clearer.</p> <p>8) Damage – Thornsby said the Port will inspect the premises at termination and require Lessee to repair any damage including any caused by the removal of trade fixtures.</p> <p>9) Underground utilities – Wells wanted clarification that the Port will require underground utilities. PC Herman noted cities require utilities to be underground with the exception of emergencies. The lease will include the clarification.</p> <p>10) Sublessee Performance - Thornsby suggested this would be addressed with the prior sublease changes.</p> <p>12) Access – Insitu proposed alternate language which will be reviewed by Port Counsel.</p> <p>Thornsby presented a summary of the lease changes to date.</p>	
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<b>Old Business continued...</b>  Lot 24 Lease continued...	PC Vinyard thanked Steve Wells for his work with Thornsby on the lease. PC Herman said it is hard to write up a contract for things that may or may not happen 45 years from now. Thornsby noted that, we are essentially writing a lease for those that follow since none of the people working on it now will be alive by the end of the initial term.  Thornsby will add the latest information from Port Counsel and will email it to Wells. Wells asked about timing for completion of the lease and said they will probably have comments again. Wells would like to have the lease done by November 27 <sup>th</sup> .	
<b>New Business</b>  Lot 24 Preliminary Plan Approval	(Exec.D) Thornsby reviewed the preliminary plans for Lot 24 and 23 and noted that the request for approval had been withdrawn by the applicant and will be presented at a future PC meeting. Jenny Taylor, Insitu, talked of the land needed for launch and retrieval testing. Taylor said the other buildings and roads were taken into consideration. PC Schmitt asked if a separate lease could be drawn up for Lot 23. Thornsby noted the bioswale cuts off access from Bingen Point Way to the southern part of Lot 23 and suggested the bioswale be reconfigured north-south and not east-west. Wells said if Insitu is not using Lot 23 anymore then the Port could give notice and get the property back. Wells noted they may want to build on the property.	
Shoreline Master Plan	(Exec.D) Thornsby noted Klickitat County Planning Dept. has been working with Ecology on an update of the Shoreline Master Plan. Thornsby said he is working on delineating the Ordinary High Water Mark (OHWM) setting aside river frontage 50 feet in depth from the OHWM to provide public access to the riverfront via the Port's planned multi-use paths. Thornsby said the changes would be made to the binding site plan.	
<b>Executive Director's Report</b>  BP Infrastructure Project	(Exec.D) Thornsby said he met with the contractor and Port's engineer and that further progress is now dependent on the weather. Thornsby said they have some equipment on site and will do finish work to get the roads ready to pave in the spring. Thornsby said the joint utility trench	

<b>Executive Director's Report cont...</b>	will be opened when things dry out. Thornsburgy said leveling the remainder of Lot 23 and 24 might happen in January. Thornsburgy noted the exposed slopes will be hydro seeded soon.	
BP Infrastructure Project continued...		
<b>Commissioners Reports:</b> Committee Updates	PC Vinyard: nothing.  PC Schmitt: nothing.  PC Herman: nothing.  (Exec.D) Thornsburgy said he will be attending the WPPA Annual Meeting in Seattle November 28-30, 2012.	
<b>Public Comment</b>	Jenny Taylor, Insitu, said the temporary trailers on Lot 34 are being installed and will hold 85 to 90 people. Taylor said HVAC and skirting will be added and the units will be painted.	
<b>Adjournment</b>	PC Vinyard adjourned the PC Meeting at 7:44pm.	

Approved on November 20, 2012  
(Date)  
  
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Marc Thornsburgy, Executive Director

  
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Margie Ziegler, Administrative Assistant  
  
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Jim Herman, Secretary