

| TOPIC | DISCUSSION / ASSESSMENT / FINDINGS | ACTION |
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| Attendance | Commissioner/Staff Present: Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard; and Executive Director (ED) Margie Ziegler. PC/Staff Absent: Administrative Assistant (AA) Bonita Snyder. Guests Present: Darrin Eckman, Tenneson Engineering. | Meeting called to order by PC Vinyard at 4:31 PM. |
| Administrative Matters Approval of Minutes | Minutes – March 2, 2021. | PC Schmitt M to approve the March 2 minutes with corrections, PC Herman S, MP 3-0. |
| Approval of Vouchers | Vouchers – March 16, 2021, #28528-28552, \$81,398.14. Payroll Vouchers – March 20, 2021, #D12862-D12869, \$10,373.27. | PC Herman M to approve the vouchers, PC Schmitt S, MP 3-0. |
| Old Business DIP Mine Expansion Permit | ED Ziegler stated the PC toured the mine Tuesday, March 9. PC Vinyard said he felt it was an excellent review of the site and overview of the Port's plan and finish structure. He added Darrin Eckman, Tenneson Engineering, was going to look into a few things and present today. Eckman stated he had not received anything back from the geotechnical engineer regarding the structural stability of the sand for future building. Eckman said he sensed the PC was interested in having developable lots sooner than later, and noted the current mining location is at the back of the lot. He presented marked up drawings of the progression plan to demonstrate existing features. Eckman detailed areas with excess material and provided estimates on the amount of fill needed to bring others up to design grade. In so doing, Eckman presented lot development options to the PC. Vinyard clarified the lot development options were not as a direct result of the mining operation, but rather at the Port's expense for materials placement. | |

Old Business (cont.)

DIP Mine Expansion Permit (cont.)

Eckman agreed but noted areas where mining would be useful in bringing lots to design grade. He also provided examples of areas where design grade is not as deep and may be less beneficial to mine. Vinyard asked if it was important to mine down higher elevation tracts of land. PC Schmitt agreed, and said not everything had to be built at the same level. Eckman responded it was fine to build at different levels, but the design level was to maximize the amount of aggregate coming off the site. He cautioned building at different grades would require land area to transition vehicle traffic. PC Herman clarified that keeping the grade level would result in more leaseable space. Discussion followed about which lots require grading or fill.

Schmitt asked where mining could occur to be economical for a mining operation and beneficial for the Port's goal of developing land, without creating a pit. Schmitt stated he did not want material the Port needed to fill other lots to be mined out. He added in order for the Port to benefit it needs to redirect the mining operation to a higher elevation. Eckman said overall there is six million yards of excess material. Herman asked if mining would still be happening in 100 years. Eckman stated it was possible mining would still be happening in the same section 100 years from now. Discussion followed about the current mining agreement. Schmitt said moving forward the Port will need to invest a great deal of money in leveling lots without relying on the mining operation to generate leveled areas. Vinyard stated the Port is land rich and resource poor. He suggested it might be beneficial to sacrifice some land for road access in order to have a faster turn over to buildable lots.

Ziegler asked who was responsible for monitoring the reclamation process. Eckman stated no areas have been completed enough to start the reclamation process. He clarified reclamation is to stabilize banks, not leveling or grading.

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| <p>Old Business (cont.) DIP Mine Expansion Permit (cont.)</p> | <p>Ziegler asked what more was needed to expand the mine boundary with the Department of Natural Resources (DNR). Discussion followed about the current mine boundary, the anticipated boundary for the new permit, and the next steps for completing the permit application.</p> <p>Vinyard expressed the opinion a workshop may be needed to solidify understanding and provide direction regarding the mine. Eckman suggested the first step was to secure the permit for the mine expansion and presented a projection of what the mine will look like in 200 years. Schmitt said the Port needed a documented plan monitored long term to ensure the plan was being followed.</p> <p>Vinyard said the Port needs to consider the cost of filling and grading a pit against the revenue earned in creating the pit. Schmitt suggested the Port direct the mine operation to dump all spoils and unusable materials into the pit to gradually fill it over time as the mining operation continues at a higher elevation.</p> <p>Vinyard stated the Port needed to clarify its vision, identify target areas, and include James Dean Construction in discussions to ensure the vision is being actively worked toward. Vinyard said he had understood the mine operation would come in, mine, and refill the lot at a 2% grade, leaving lots development ready. Ziegler said the mine was the third highest revenue generator for the Port in 2019.</p> <p>The PCs primary concerns were:</p> <ul style="list-style-type: none"> • Determining beneficial mining locations • Determining which sites can be developed • Determining how soon developable sites will be available • Determining what processes/resources will be required to develop lots • Preserving the long term benefit of the mining operation • Developing a contiguous industrial park | |
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| <p>Old Business (cont.) DIP Mine Expansion Permit (cont.)</p> | <p>The PC weighed the pros and cons of developing Lot 35 at its current grade. Pros include the reduced cost of grading with less material moved and rapid site availability for development. Cons include deviation from long-term leveling plan, elevation transitions to contiguous development, lack of anticipated materials for fill on neighboring lots and possible issues with the sewer system. Discussion followed about BPA easements.</p> <p>Ziegler stated the James Dean operating permit ends 10/01/22 and they have sought a second five year extension. Vinyard recommended Deans be redirected to focus on mining at a higher elevation, with no more excavation below that point unless Eckman has a specific plan for refilling with spoils. Schmitt stated spoils should begin being placed in the lower depth area right away. Eckman stated it would not be fixed right away, but is a step in the right direction. He estimated it would require 29,000 truckloads of material to fill the pit to the appropriate level.</p> <p>Eckman suggested getting input from James and Jim Dean now that the long term plan is more refined and has specific volumes. Discussion followed about basalt mining and lease terms. Eckman noted tying royalties to a CPI adjustment is a common way to have an automatic escalation that takes into account any recession.</p> <p>Vinyard referred to the planned relocation of Dow Road. He noted straightening the road looked nice, but inquired how essential it was. Eckman responded straightening the road would best fit the other roads, but relocation is not essential. He added relocating the road squares Lot 35 increasing its usability and efficiency. Vinyard expressed concern about any easements generated with the road in its present condition. Eckman responded the Port could put a clause in any easement agreement saying the Port reserved the right to relocate the road at its</p> | |
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| <p>Old Business (cont.) DIP Mine Expansion Permit (cont.)</p> | <p>own cost. Vinyard stated it might be more ideal in the long run to have everything square and level, but may be more profitable to focus on putting the land to work. Schmitt stated the Port needs to focus on Lot 35. Vinyard agreed and said the Port needs to ensure mining takes place in areas where it will generate lots for development.</p> <p>Eckman summarized the Port's plan of action as follows:</p> <ul style="list-style-type: none"> • Permit: Review application thus far, see what questions need to be addressed, and then submit completed application to DNR. • Current Operations: Talk to Dean and identify the minimum elevation for mining. Stop mining at elevations below that target and move any acceptable spoils to fill below target elevations. • Vision: Clarify the PCs vision for how mining should progress in the future. | |
| <p>Old Business (cont.) Dirt Hugger Expansion</p> | <p>ED Ziegler stated the Dirt Hugger Expansion is a two part discussion including 1) excess soil from lot leveling and 2) parking and the NW Pipeline easement. Ziegler referred the PC to an email in their packet regarding excess materials, then stated Dirt Hugger had called to say they had no extra material. She noted Darrin Eckman, Tenneson Engineering, had stopped by Dirt Hugger to assess the situation. Eckman said he walked the property. He explained the previous north berm would move to the new northern border with no extra material. He calculated the volume of the material in the east and west berm by taking the expansion acres and dividing by the estimated quantity which equates to removing 2" from the entire area. Eckman said the berm is not 100% topsoil and it contains the organics that were removed from the lot also. By consensus PC determined the lack of excess top soil is a non issue based on Eckman's calculation.</p> <p>Eckman added the lot needs to be covered as soon as possible with Dirt Hugger's stockpiles as the wind has great influence on the exposed sandy material. He said the berm appears to be relatively stable. PC Vinyard</p> | |

Old Business (cont.)

Dirt Hugger Expansion (cont.)

asked if the Port would have to excavate any material in order to access buildable land. He expressed concern about material being worked into the soil over time. Eckman stated he did not believe it would be an issue as 1) Dirt Hugger will want to sell their product so will minimize waste worked into the native bed and 2) Dirt Hugger will have stockpiles with paths on the native bed keeping the distinction clear.

Ziegler brought forward Dirt Hugger's request to park on the NW Pipeline Gas Easement. Ziegler expressed concern about the proposed parking area being the site of the future Rockland Road, as well as being the present easement for NW Pipeline. She added the Port negotiated the license agreement to Dirt Hugger's for vehicle parking. Eckman clarified the NW Pipeline was granted an exclusive easement, which may mean the ground can not be leased without permission of NW Pipeline. He recommended contacting the attorney for clarification. Ziegler asked what the PC wanted to do in the future. Herman said if NW Pipeline gives permission, the Port should make a license agreement with payment terms outlined. Ziegler proposed an alternate location that would eliminate the need for working with easements. Herman and Vinyard agreed, so long as the parking area would be licensed and generating revenue. Eckman added the license agreement would provide the added benefit of allowing the Port to regulate use of the lot. Eckman pointed out the agreement Underwood Fruit entered into with the Port and NW Natural to erect power poles within the easement, and noted a parking lot may also be considered encroachment.

Ziegler expressed concern about the cost of exploring the easement option without a guaranteed return. PC Schmitt suggested Ziegler let Dirt Hugger know the easement was exclusive but the option of an exception could be explored at Dirt Hugger's expense. Ziegler asked if the proposed parking area interfered with Rockland Road. Eckman said it was in the Rockland Road right-of-way. PC Herman said the

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| <p>Old Business (cont.) Dirt Hugger Expansion (cont.)</p> | <p>advantage of a license agreement is that it could be revoked if the Port was ready to develop Rockland Road.</p> | |
| <p>New Business General Fill Policy</p> | <p>ED Ziegler noted now that the rock crushing and leveling portion of the NW Boundary project is completed, the Port has clear and navigable lots ready to accept fill. Darrin Eckman, Tenneson Engineering, stated the Port has been limited in the past because they lacked accessible surface area to accept and compact large amounts of fill. He reviewed the Port's past fill policies and recently considered ideas. He noted a dump fee would not really generate revenue but may be used to offset expenses of hiring a contractor to compact deposited fill. He stated based on recent feedback from a contractor it does not seem as lucrative to charge a dump fee as it first appeared. Eckman explained the typical process for acquiring fill is as follows: buy material, pay for loading in a truck, pay for transportation of material to the dump site, hire a contractor to spread/level materials, and hire a contractor to compact materials. Alternately, the Port could, with oversight, allow contractors to dump suitable material as it comes available, in which case the Port is still paying for a contractor to level and compact materials, but avoiding costs of materials purchase and transport costs.</p> <p>PC Schmitt stated he felt the maintenance staff could be instructed on what to watch for in order to provide oversight on fill acceptance. Schmitt provided examples of other times the Port has attempted to place conditions on fill placement and stated they were not successful. He expressed the opinion it would be cost effective for the Port long-term to accept any suitable fill and hire intermittent leveling and compaction when there is an adequate amount of fill placed. Eckman stated the Port's fill permit reserves the right to reject any fill. PC Vinyard stated he liked the idea of the Port having more control over how fill is placed. Eckman said when hiring a contractor to place and compact fill, the contractor has standards that must be met in order for the contractor to be paid. Eckman cautioned the contractor will be limited in achieving</p> | <p>By consensus the PC determined to not charge for fill unless the material is an excess quantity.</p> |

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| <p>New Business (cont.) General Fill Policy (cont.)</p> | <p>quality work if there is a lack of quality fill material. Eckman stated he could provide instruction on identifying quality material and could also create a fill placement plan map the Port can follow, rather than dumping all fill in one location. Ziegler outlined the fill process:</p> <ul style="list-style-type: none"> • Contractor submits application • Eckman reviews application and determines suitability • Port accepts fill with no fee • Port staff accepts fill per fill placement map • Port staff monitor placement • Port hires compaction leveling and compaction as needed. • Eckman oversees and approves final compaction <p>Ziegler noted the requirement to pay to drop fill lead to the Bingen material being tested. Schmitt expressed the opinion the Port needed a way to ensure soil was not contaminated, especially if there was risk of being near gas tanks. Eckman stated the contractor warrants the fill is clean as part of the fill application and that a requirement for testing would elevate the time and cost of accepting fill. He stated many contractors seeking fill placement have a dump truck loaded they need to empty, and cautioned contractors given a requirement for testing may seek other places to deposit fill. He added the testing process takes two to three weeks, and would cost the contractor enough they may seek a cheaper disposal option. Ziegler noted the application will tell the Port where the material is coming from and the Port can refuse from sites likely to be contaminated. Eckman suggested language could be added to the application to reserve the right to require the contractor to test the soil if questions arose due to observable factors including the source location or fill odor.</p> <p>Ziegler asked if the outlined fill process would be the same for Dallesport as identified for Bingen Point. Schmitt and Vinyard agreed.</p> | |
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| <p>New Business (cont.) General Fill Policy (cont.)</p> | <p>Vinyard added the process needed to be preceded by Eckman's fill plan for each location. Discussion followed about possible fill options in Dallesport.</p> <p>Ziegler said she talked with Lyle Stratton, Cam Thomas's Developer, about fill and concrete. She asked Eckman about appropriate placement of the proposed fill. Eckman provided options with consideration to the PCs desire to have lots readily available for development. He noted the concrete will need to be processed before the Port should accept it.</p> <p>Vinyard said the Port should be mindful of all factors when considering the placement location for accepting fill in the Dallesport Industrial Park. Ziegler stated the Port's property is within the Columbia Hills Archaeological District. Eckman said in his experience Cultural Resources and Historic Preservation Offices are less concerned with adding material to a site than excavating sites. He added one of the approved preservation methods is to cap a site with fill. Vinyard stated he did not want the Port to become involved in a conflict due to unintentional archaeological infractions. He added it would be better to clarify what can and can not happen for the lot to ensure the Port is respectful of any culturally significant sites. Eckman said from a developers perspective it would be beneficial to have the site cleared of archeological concerns before fill was placed, as a developer may dig through the fill placement for footings or utilities. Herman suggested a developer could proceed with archaeological experts onsite while they are digging. Eckman agreed such a condition could be placed on a developer, but cautioned the possibility of finding artifacts could deter prospective developers. Schmitt agreed any archaeological concern should be addressed in advance of fill.</p> | |
| <p>New Business (cont.) BPT Underpass Drainage</p> | <p>ED Ziegler stated it takes an average electricity cost of \$3000 to pump Bingen Lake every year. She added Darrin Eckman, Tenneson Engineering, had suggested a different kind of pump to reduce the</p> | |

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| <p>New Business (cont.) BPT Underpass Drainage (cont.)</p> | <p>electricity cost. Eckman said the pump currently installed is inefficient for what it is doing as it uses a lot of horsepower to generate pressure. He recommended a lower pressure pump that lifts the water enough for it to drain out, rather than being forcefully discharged. Eckman stated Washington State Department of Transportation (WSDOT) has approached the Port about bringing water from the underpass project and additional waters from north of the railroad into Bingen Lake. He noted they have responded with volumes including water runoff from all the land north of the railroad which amounts to more than 10,000 gal. per minute. He said he hoped for a breakdown of the underpass separate from the additional runoff, but had not received one. He noted it was not in the best interests of the Port to accept the runoff from north, but expressed the opinion in the interests of cooperation the Port should consider accepting the stormwater generated from the underpass project itself. Based on the surface area Eckman estimated it would be a considerably smaller amount. He stated it would be appropriate in negotiations to ask WSDOT to participate in building the new pump station with the correct type of pumps. He expressed the belief with the proper type of pump the power bill will not increase, even with the increased runoff.</p> <p>Ziegler asked what a reasonable amount of water to accept would be. Eckman stated he would not accept any water above what would be generated by the underpass itself. Ziegler asked Eckman what her response should be to WSDOT. Eckman suggested being careful with wording as having the Port accept the underpass stormwater runoff is to WSDOTs advantage. Eckman speculated to build a new pump house and plumb a new pump it would cost about \$50,000. Discussion followed about potential issues with unintentional runoff. Ziegler clarified the Port will tell WSDOT it will not accept any water from north of the railroad as the runoff influence would be too great. The Port</p> | |
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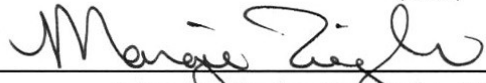
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| <p>New Business (cont.) BPT Underpass Drainage (cont.)</p> | <p>would accept the stormwater runoff from the underpass, however due to the increased amount of flow entering Bingen Lake, would need help with the purchase of a pump facility. Discussion followed about elevation options and the long term impact to the Port. PC Herman suggested offering to pay WSDOT the amount it currently costs the Port to pump the lake and turn over operation and maintenance of the pump house to WSDOT with the understanding the lake be kept at designated levels. Ziegler noted it could cause the Port to loose control of the lake level. Eckman stated the Port is required to maintain the lake level by the Department of Ecology. Discussion followed concerning maintenance and management of the lake and additional water from the north. PC Schmitt said with a new pumping facility and the WSDOT stormwater contribution from the overpass, there should not be a significant effort on Port staff time to manage the pump as the pump could be automated. Ziegler stated she would meet with Bethany Vermaas, WSDOT and outline the Port's concerns.</p> | |
| <p>Executive Director's Report NW Boundary Fill Project and Change Order</p> | <p>ED Ziegler noted she last heard Crestline Construction needed dry fill to finish the project. Darrin Eckman, Tenneson Engineering stated he had left a message for Crestline Construction but not heard back. Eckman noted moving into better weather and the availability of the Bingen material, Crestline will likely use that fill. Ziegler said the change order is to do the section by the pump house. Eckman said Crestline will only use a small amount of the available fill to complete the change order. Ziegler asked if the PC would like to enter into another change order to raise the berm if material becomes available. Eckman suggested it would never be less expensive to move fill for that project given the proximity of the fill and the onsite presence of Crestline Construction. PC Schmitt said the Port should get an estimate on the cost for Crestline and added if the Port could do it, it should. PC Vinyard agreed.</p> | |
| <p>Executive Director's Report (cont.) DIP 151C Building Update & 151B Building Repairs</p> | <p>ED Ziegler mentioned siding was being installed on the 151C building. PC Schmitt said the siding looked great. Ziegler noted at the upcoming construction meeting Dana Hale, Hale Construction, wanted to discuss</p> | |


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| Executive Director's Report (cont.) DIP 151C Building Update & 151B Building Repairs (cont.) | <p>landscaping. Schmitt noted the main water line is in but none of the irrigation lines are in.</p> <p>Ziegler said Century Link has set up DSL for Hamilton's job shack. She said the Port will invoice Hamilton like it does for the 1A tenant utilities. She added Gorge Electric connected power to the 151B Building on March 15, 2021.</p> | |
| Executive Director's Report (cont.) Hamilton Construction | <p>Darrin Eckman, Tenneson Engineering, stated he presented options to Hamilton Construction for the concrete slab. PC Schmitt noted Hamilton was pouring earlier that day. Eckman said he inspected the rebar and observed the pour. Eckman said his goal was to give Hamilton parameters that would result in a viable building or transload/offloading slab the Port could use in the future and he felt Hamilton has done so. Schmitt recounted a conversation he had with a Hamilton Construction foreman concerning gravel depth and the potential for removing some of the material for use elsewhere after Hamilton leaves. Eckman said it looked great as is. PC Herman agreed saying it looked almost too nice to drive on. Eckman noted he completed four nuclear density tests in the gravel/building pad area and all tests exceeded 95% compaction.</p> | |
| Executive Director's Report (cont.) Potential DIP Tenant – L77 | <p>ED Ziegler said she asked for a sketch of the L77 proposed layout and nothing has been received.</p> | |
| Executive Director's Report (cont.) PUD Water System Agreement | <p>ED Ziegler said she had a meeting with the PUD and reviewed the O&M contract. She had Port Maintenance staff look over a Department of Health Small Water Systems checklist to determine what items could be performed by the Port and what should be done by the PUD as certified operators. Ziegler said the cost of hydrant meter purchased through the PUD was higher than expected. She said the quote was from July of 2020 and the cost had increased. She added the meter should be delivered next week.</p> | |

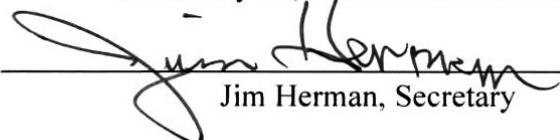
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| <p>Executive Director's Report (cont.) General Updates</p> | <p>ED Ziegler stated she will meet with the prospective tenant onsite to discuss the interior of the building. She added she would like to perform a rate analysis to determine the building lease rate. She said she would prepare a draft lease for the potential tenant.</p> <p>Ziegler said she listened to the One Gorge presentation last Wednesday. She noted there were Zoom problems and the legislators had a hard time connecting. During the presentation she received a call from Richard Foster, Klickitat County Public Economic Development Authority, and was able to ask him about lease rates. The One Gorge presentation was about the need for a new Hood River bridge. She said it showed the amount of work that has taken place to get this far and they talked a little about bi-state ownership.</p> <p>Ziegler reported Izak Riley called and wanted to know if he could move his giant pile of brush/debris onto the Port property and burn it. He said he is getting pressure from SDS's new management to move it and only has two weeks. He said SDS originally wanted the brush for hog fuel but have since changed their mind. Riley said he would clean up the ash. She noted City of White Salmon also wanted to know if they could dispose material on Port property. Ziegler told the City of White Salmon and Riley the Port is under a Department of Ecology permit and is limited on its burning so does not accept outside material.</p> <p>Ziegler stated PC Schmitt and Maintenance Lead Jeff McClain had gone to Portland to look at skid-steers. Schmitt said the bulk of the credit goes to McClain for working with Peterson to find a used skid steer \$10,000 under budget. Schmitt said the skid-steer will be delivered to The Dalles and McClain will pick it up using Schmitt's trailer.</p> <p>Ziegler stated the Port's three-year grounds keeping contract ends April 30th. She asked if the PC wanted to do an extension or if we should go out to bid. PC Herman said going out for bid would be better than doing</p> | |
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| Executive Director's Report (cont.) General Updates (cont.) | an extension of the current contract. Ziegler said the Infrastructure Priority Solicitation Form was submitted to Senator Patty Murray's office on March 15 th in support of replacement of the Hood River-White Salmon Bridge. Ziegler said the City of Bingen and White Salmon both submitted the bridge as their top priority. | |
| Commissioners Remarks | PC Schmitt said he has a Mid-Columbia Economic Development District meeting on March 18 th . | |
| Public Comment | None. | |
| Adjournment | PC Vinyard adjourned the PC Meeting at 5:56 PM. | |

Approved on April 6, 2021
(Date)


 Margie Ziegler, Executive Director


 Bonita Snyder, Administrative Assistant


 Jim Herman, Secretary