

<p style="text-align: center;"><b>PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES August 7, 2007 REGULAR SESSION</b></p>		
<u>TOPIC</u>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE</u>	<p><b>Commissioners/Staff Present:</b> Port Commissioners (PCs) Norm Deo, Rodger Ford &amp; Wayne Vinyard; Port Counsel Teunis Wyers; Director Marketing/Public Affairs (DM/PA) James Donnelly; and Administrative Assistant/Bookkeeper, (AA/B) Margje Ziegler; and Port Consultant Byron Hanke.  <b>PC/Staff Absent:</b> Executive Director (Exec.D) Sherwood excused.  <b>Guests Present:</b> Matt Riley, (Rapid Ready Mix Inc)</p>	Meeting called to order at 3:30 PM
<u>EXECUTIVE SESSION Personnel -One Hour</u>	<p>The public meeting was opened at 3:31pm. An executive session on personnel started at 3:32pm and expected to last one hour. <b>Those present: PC Ford, PC Vinyard, PC Deo and Port Consultant Byron Hanke.</b> Executive session adjourned at 4:29pm.</p>	
<u>COUNSEL'S REPORT</u>	<p>Port Counsel Wyers said the Ice lease has been signed by Steve Maier and is on the agenda for approval.</p> <p>Port Counsel Wyers said the Port is waiting for Verizon to present the Port with a signed lease.</p> <p>Port Counsel Wyers said the ground lease for the Underwood Fruit Project at DIP is completed.</p> <p>Port Counsel Wyers said nothing further has developed on ICE's project on Bingen Pt. property. (DM/PA) Donnelly said the Port is waiting for drawings and elevations from Steve Maier.</p> <p>Leslie Haskell is working on the Port Personnel Policy.</p>	

<p><b><u>ADMINISTRATIVE MATTERS</u></b></p> <p><b><u>Consent Agenda</u></b></p> <p><b><u>ICE Lease Approval</u></b></p> <p><b><u>Facilities &amp; Maintenance Operator</u></b></p> <p><b><u>Signatories for Columbia River Bank and Sterling Bank Accounts</u></b></p>	<p>Items approved: Minutes of July 24, 2007  Vouchers - July 31, 2007  Vouchers - August 2, 2007  Vouchers - August 7, 2007</p> <p>(AAVB) Ziegler explained vouchers for the irrigation system.</p> <p>(DM/PA) Donnelly pointed out section nine of the ICE Lease which states a waiver of the one year security deposit to only one month's rent as a deposit. After discussion the PC agreed that ICE is a long term tenant and has shown interest in expanding at Bingen Pt, and therefore a waiver is appropriate.</p> <p>Bryan Charters will start August 13, 2007, as the Port's new Facility &amp; Maintenance Operator at a rate of pay of \$16.00 per hour.</p> <p>PC Deo said he is satisfied with the management of the Columbia River Bank and Sterling Savings accounts and recommends (AAVB) Ziegler be added to the signature cards.</p>	<p>PC Deo M, PC Vinyard S a motion to approve the Consent Agenda with spelling corrections to minutes, MP</p> <p>PC Deo M, PC Vinyard S a motion to approve the ICE lease with the security deposit of \$7,206.18, MP</p> <p>PC Deo M, PC Vinyard S a motion to approve the change of signature cards, MP</p>
<p><b><u>Executive Director's Report Bingen Point</u></b></p> <p><b><u>Bldg 1E Update:</u></b></p> <p><b><u>Irrigation Pump &amp; Systems</u></b></p>	<p>(DM/PA) Donnelly said he is working with Team Construction to repair the vapor seal over the top of the insulation that is coming down in the manufacturing area. Team will have a contractor come and fix the vapor seal. Down spouts have been ground down and replaced so they are functioning correctly. (DM/PA) Donnelly will continue to work with Team Construction.</p> <p>(AAVB) Ziegler said Bryant Pipe is installing the self cleaning filters and pumps for the Bingen Point irrigation system and we hope to be off city water by mid-August.</p>	

<p><b><u>Dallesport Industrial Park* (DIP)</u></b></p> <p><b><u>Aggregate Operator RFP Determination</u></b></p> <p><b><u>101 Parallel Building</u></b></p>	<p>(DM/PA) Donnelly has completed a red-lined copy of the operators's agreement based on (Exec.D) Sherwood's notes. He will go over the agreement with Port Counsel Wyers and Byron Hanke.</p> <p>(DM/PA) Donnelly presented a letter from an individual expressing interest in purchasing the 101 Parallel Building. PC Ford asked if there are any more inquires regarding leasing the building. (DM/PA) Donnelly said we have inquires regarding interest in 10,000 sq. feet, not 30,000 sq. feet. PC Ford said we need to know more about what is planned for the building. The roof repairs need to be addressed before winter. (DM/PA) Donnelly will investigate the roof repairs further. PC Ford and PC Deo would like to talk to Byron more about the 101 Parallel building and get his input. PC Vinyard feels cautious about selling the building because he would like to see a manufacturing business take over the building and put some people to work.</p>	
<p><b><u>Executive Director's Report Continued</u></b></p> <p><b><u>Aggregate Operator</u></b></p>	<p>PC Deo expressed that we the Port should remain in control of the material until a satisfactory solution is reached between the two operators because Jim Riley has not been given a response to his request for an extension to his interim agreement to 10/31/07. Material that has been processed belongs to the Port until it is weighed and removed from Port property. Wyers asked Matt Riley for an estimate of how much material is on site. Riley said possibly 10,000 tons of 3/4" rock and 10,000 tons of sand. Matt said it is their busy season now and they would prefer not to stop and haul material. (DM/PA) Donnelly said he spoke with James Dean and he said Dean is open to negotiate with Riley, but there is a large pile of gravel in the area where they want to place their crushing equipment. Riley has labor invested in material still on the property. Riley could sell the amount of labor he has in the material to Dean's, but Riley needs the materials for concrete production. (DM/PA) Donnelly said James Dean is open to negotiate with Riley's to make a smooth transition of operators.</p>	

<p><b><u>MARKETING REPORT</u></b></p>	<p>(DM/PA) Donnelly received two calls in the last week of people who want to build buildings on BPT. Both are associated with Insitu's new contracts. It was brought to the Commission's attention that the Port could be a participant in one of the new buildings for the port office.</p> <p>(DM/PA) Donnelly said there will be a public hearing on August 21<sup>st</sup> for water rates. Letters have gone out to all the tenants with the proposed rate sheets. He also encouraged tenants to submit written comments if they cannot attend the meeting.</p> <p>(DM/PA) Donnelly said the DOE will take samples of the 2<sup>nd</sup> salt cake site on August 14, 2007. (DM/PA) Donnelly will be on site with Bob Swackhammer on August 14.</p>	
<p><b><u>Water Rate Analysis</u></b></p>		
<p><b><u>Salt Cakes - DOE Sampling</u></b></p>		
<p><b><u>MISCELLANEOUS</u></b></p>	<p>PC Ford: none          PC Deo: Next Airport meeting will be August 24th          PC Vinyard: none</p>	
<p><b><u>Committee Update:</u></b></p>		
<p><b><u>Public Comment</u></b></p>	<p>None</p>	
<p><b><u>Executive Session Personnel - 30 minutes</u></b></p>	<p>The public meeting was adjourned at 5:20 pm. An executive session on Personnel started at 5:21pm and was expected to last thirty minutes. <b>Those present: PC Ford, PC Vinyard, PC Deo and Port Consultant Byron Hanke.</b> Executive session adjourned at 5:50pm.</p>	
<p><b><u>ADJOURNMENT</u></b></p>		

Approved on: \_\_\_\_\_ (Date)

\_\_\_\_\_ Margie Ziegler, Administrative Assistant

\_\_\_\_\_ Dianne Sherwood, Executive Director

\_\_\_\_\_ Rodger Ford, Chairman