

Agenda for Tuesday, March 16, 2004  
Klickitat County Port District  
2nd Regular Monthly Meeting  
March 16, 2004 - 4:30 P.M. - PORT OFFICE

## AGENDA

EXECUTIVE SESSION: REAL ESTATE

PUBLIC COMMENT - Limited to 10 minutes total; (5 minutes per person)

COUNSEL'S REPORT

Weyerhaeuser Renewal  
Riley Bros. Concrete

ADMINISTRATIVE MATTERS

Consent Agenda:

February 17, 2004 Minutes  
Vouchers

Financial Statements - December & January  
Security Plan Waiver Approved  
Initiative 864

EXECUTIVE DIRECTOR'S REPORT

BINGEN POINT:

Building 1D Update  
July 4th Fireworks

DALLESPORT INDUSTRIAL PARK:

Rinker Materials (formerly Pac Rock) Update  
NW Natural Gas Line Improvements

Inquiry

MISCELLANEOUS

Committee Updates

PUBLIC COMMENT - Limited to 20 minutes total; (5 minutes per person)

ADJOURNMENT

<b>PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES March 16, 2004 REGULAR SESSION</b>		
<b><u>TOPIC</u></b>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<b><u>ATTENDANCE:</u></b>	<p><b>Commissioners/Staff Present:</b> Port Commissioners (PCs) Norm Deo, Rodger Ford and S. Wayne Vinyard, Port Counsel (Counsel) Teunis J. Wyers, Executive Director (Exec.D) Dianne Sherwood and Administrative Assistant/Auditor (AAA) Vickie Drew.</p> <p><b>PC/Staff Absent:</b></p> <p><b>Guests Present:</b> Matt Riley (Rapid Ready Mix).</p>	
<b><u>EXECUTIVE SESSION: REAL ESTATE</u></b>	<p>Chair Ford opened the meeting at 4:30 and went directly into Executive Session. <b>Those present: PCs Deo, Ford and Vinyard, Counsel Wyers, Exec.D Sherwood and AAA Drew.</b> The Executive Session was adjourned at 5:24.</p>	
<b><u>PUBLIC COMMENT</u></b>	<p>Chair Ford opened the public meeting at 5:24. There was no public comment.</p>	
<b><u>! COUNSEL'S REPORT</u></b>	<p>Counsel reported that the Weyerhaeuser lease has been renewed. Bay B has been added to Insitu's month-to-month lease of space in Bldg 1A. The language regarding sub-letting in the Port's master lease is being reviewed for possible revision. Counsel discussed the changes made to some of the language in the Riley Operating Agreement. Changes made include the language regarding the use area acreage, the reclamation plan and the stockpiling issue.</p>	
<b><u>ADMINISTRATIVE MATTERS ! Consent Agenda</u></b>	<p>Items approved:</p> <ul style="list-style-type: none"> <li>• Minutes of February 17, 2004</li> <li>• Vouchers #18837-18851; \$8,606.01</li> <li>• Vouchers #18852-18869; \$5,714.21</li> <li>• Vouchers #18870-18890; \$6,974.17</li> <li>• Vouchers #18891-18893; \$287,014.94 - Proj. Fund</li> <li>• Vouchers #18894-18896; \$3,796.52</li> </ul> <p>Corrections noted were to add the March 15<sup>th</sup> payroll vouchers to the consent agenda and change the statement that PC Vinyard had no <u>MCEDD</u> report to no <u>EDA</u> report in Committee Updates of the minutes.</p>	<p><i>PC Vinyard moved to approve the Consent Agenda with the noted corrections; seconded by PC Deo -- motion carried.</i></p>

<p><b><u>! Financial Statements - December &amp; January</u></b></p>	<p>AAA Drew discussed the cash balances memo noting total liquid funds of \$415,264.39. She discussed the financial statement ending <b>December 31</b>. The balance sheet shows the excess cash receipts over expenditures at \$222,656.42, however, proceeds allocated to Building 1D are \$370,900.00. She discussed revenue and expense account percentages (actual vs. budget) against the target of 100%. Marine Terminal revenues are at 73% of budget, Sale of Water revenues are at 168%, and Property Rental revenues are at 102%. Total revenues are at 80%. Marina Expenditures are at 88%, Water System Expenditures are at 130% and Property Rentals Maintenance is at 109%. Port Counsel Expense is at 85% and Office Expense-Supplies is at 132%. Total expenditures are at 70% overall leaving a net income of \$222,656.42. A trend report through the end of the year was included in the packet. She reported that the annual report has been completed and a copy has been delivered to Jim Herman for review. He is scheduled to give his report to the PC at the May 4th PC meeting.</p> <p>She also discussed the financial statement ending <b>January 31</b>. The balance sheet shows the deficit cash receipts over expenditures at (\$14,203.14). She discussed revenue and expense account percentages (actual vs. budget) against the target of 8%. Marine Terminal revenues are at 8% of budget, Sale of Water revenues are at 0%, and Property Rental revenues are at 4%. Total revenues are at 3%. Marina Expenditures are at 7%, Water System Expenditures are at 8% and Property Rentals Maintenance is at 9%. Port Counsel Expense is at 3% and Office Expense-Supplies is at 5%. Total expenditures are at 5% overall leaving a net loss of (\$14,203.14).</p>	
<p><b><u>! Security Plan Waiver Approved</u></b></p>	<p>Exec.D Sherwood reported that the Port's security plan waiver request has been approved. Exec.D Sherwood and the PC are very grateful for Anita Gahimer Crow's work in preparing the assessment and waiver request.</p>	
<p><b><u>! Initiative 864</u></b></p>	<p>Exec.D Sherwood discussed the information included in the packet regarding Initiative 864. The Initiative seeks to decrease property taxes by requiring regular property tax levies for local taxing jurisdictions to be reduced by 25% annually. This would greatly impact the operation of the Port. A spreadsheet was included that showed the impact of a 25% reduction from 2003 tax revenue. The Port's tax revenue of \$159,000 for 2003 would be reduced to \$119,000 in 2004, a loss of \$40,000.</p>	
<p><b><u>EXECUTIVE DIRECTOR'S REPORT</u></b>  <b><u>*Bingen Point*</u></b>  <b><u>! Building 1D Update</u></b></p>	<p>Exec.D Sherwood reported that the gutters have been replaced. Insitu had considered adding additional office space in the production area, but the cost estimates were prohibitive since the framers and sheetrockers are no longer on site. They may utilize modular units placed inside the building. PC Ford inquired about the possibility that Insitu may want to continue lease of their offices in Building 1A. Exec.D Sherwood stated that she is not advertising the space yet, however, she has spoken with Nancy White (Custom Interface) regarding the potential space. The PUD will install one meter in the new building which will save the tenant money, and which can be separated for multiple tenants in the future if the need arises.</p>	

<p><b><u>! July 4<sup>th</sup> Fireworks</u></b></p>	<p>Exec.D Sherwood met with the KC Sheriff, local law enforcement and the Mayors regarding coordination of the fireworks display for this year at Bingen Point. The Cities will have more participation this year. Clean up was the biggest problem last year; the hope is that by starting the planning process earlier, that situation can be greatly improved. The White Salmon Little League has inquired about having a fireworks booth on Port property that day. Law enforcement was concerned that there be someone available to police the immediate area of the fireworks booth to ensure that no one sets off any fireworks near the booth. Exec.D Sherwood will inquire if they might want to consider a concessions booth instead of a fireworks booth. PC Vinyard suggested that some of the schools have concession trailers and may be interested in having it here on the Fourth. The group will have at least one or two more meetings.</p>	
<p><b><u>! Gorge Harbor Marina - Mtg. 3/17 - Hanke/Fox</u></b></p>	<p>Exec.D Sherwood will be meeting with Byron Hanke and George Fox tomorrow regarding the Gorge Harbor Marina project. Steve Tessmer will join the meeting later.</p>	
<p><b><u>*Dallesport Industrial Park* (DIP)</u></b>  <b><u>! Rinker Materials Update</u></b></p>	<p>Rinker materials is still very interested in the area and have started paying rental on the property.</p>	
<p><b><u>! NW Natural Gas Line Improvements</u></b></p>	<p>Exec.D Sherwood has been working with Larry Nicholas (KC Public Works) and NW Natural for gas line improvements at DIP. With Larry's support, a permit has been issued on Port letterhead with instructions to proceed with improvements that will run alongside Parallel Ave., cross under the rail spur near Oregon Cherry Growers and continue west along Dock Road to the service the newly prepared lots along Hwy 197.</p>	
<p><b><u>! Dana Peck DIP Updates</u></b></p>	<p><u>Inquiry:</u> Exec.D Sherwood and PC Ford met with Dana Peck, Tom Fuller (Shiels Obletz Johnsen) and others regarding an inquiry for a proposal at Dallesport. The proposal is from a fairly large company that would be interested in acquiring 15 acres; possibly a lease with option to purchase. This company provides 180 jobs.  <u>Huggy Bear's:</u> Dana and Don Struck will be meeting with Huggy Bear's management in Portland within the next two weeks.  <u>Airport:</u> The consultant marketing study is complete and being used in the request that a portion of the airport property be transferred out of aviation use by the FAA. This lays the groundwork for expanded development opportunities in Dallesport.</p>	

<p><b><u>! Water System</u></b></p>	<p>Exec.D Sherwood reported that she spoke with Roger of Dallesport Log Yard regarding filling their water tankers for road watering. In the past, they have been allowed to fill from a hydrant on the fire line. She is considering installing a metered fire hydrant with back-flow preventer on the domestic water line near the Well #1 pump house, which would be much nearer the log yard . PC Deo gave an update on the fire diesel booster pump. He believes that a number of minor problems have developed into more serious problems. Firstly, a negative-ground alternator was installed on a positive-ground system. The problem has been compounded by having people work on it that do not fully understand how the system works. Additionally, the block heating system is not circulating to heat the block. This system is designed to keep the block warm so that it starts right up. It is taking several start cycles to get started. PC Deo is trying to</p>	
<p><b><u>! Water System, cont.</u></b></p>	<p>arrange a meeting with Marc Harvey, former PC and Maint. Tech. regarding how the pump operated in the past. The electric booster pump is working properly. Once the system is performing correctly, PC Deo will compile a theory of operation and other critical information so that anyone can read it and understand how the system works. Dept. of Health requires that we install a containment vessel for the diesel tank, insure that there is a screen on top of the tower and verify its condition and install screens on discharge openings. PC Deo suggested a two-compartment fuel tank could be purchased for approximately \$2,500, and one might be available locally.</p>	
<p><b><u>! Berry Drive Ditch</u></b></p>	<p>Jim Riley has proposed to do the work to fill the ditch along the south side of Berry Drive if the Port supplied the material. Material used would be less desirable material already excavated from the Riley Pit. The PC discussed the possible benefits of having the ditch filled in. PC Deo will look at the site when he is in Dallesport for his next airport meeting.</p>	
<p><b><u>MISCELLANEOUS</u></b> <b><u>! Committee Updates</u></b></p>	<p><u>AIRPORT</u>: PC Deo's next meeting will be March 19. <u>MCEDD</u>: PC Ford attended a MCEDD meeting on February 18. He applauded Kate Duggan's efforts with community awareness of what MCEDD is doing. He will attend the their annual meeting tomorrow night. Dana Peck will give a presentation of KC involvement with economic development. <u>BRIDGE/HWY 35</u>: PC Ford attended a meeting on March 11. It was the last committee meeting he will have. The public input portion has been completed. <u>KC EDA</u>: PC Vinyard had no report.</p>	
<p><b><u>! PC Vinyard</u></b></p>	<p>PC Vinyard suggested a burn permit to burn the dead grasses and blackberries that have built up around Bingen Lake prior to July 4. (It is likely that a burn permit would not be issued within the wetland and buffer area.) He also suggested checking the wetland buffer area to determine the location of wetland soils now that the lake level has been maintained. PC Deo stated that the Port should maintain (mow/trim) all the land outside the buffer zone. Discussion followed regarding overgrowth management. PC Vinyard suggested doing some amount clean up every year in order to facilitate Port maintenance of the area.</p>	<p><i>Exec.D Sherwood will contact KC.</i></p>

March 16, 2004

Page 7

<b><u>PUBLIC COMMENT</u></b>	Matt Riley suggested that it would be a good idea the to document the level of the lake. Exec.D Sherwood stated that the level is documented.	
<b><u>ADJOURNMENT</u></b>		<i>PC Vinyard moved to adjourn at 7:06; seconded by PC Deo – motion carried.</i>

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

Respectfully

Vickie L. Drew, Administrative Assistant

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

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