

Agenda for Tuesday, March 06, 2001
Klickitat County Port District
1st Regular Monthly Meeting
March 6, 2001 - 4:30 P.M.

AGENDA

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

COUNSEL'S REPORT

ADMINISTRATIVE MATTERS

Minutes - February 20, 2001 (5 minutes)
Vouchers - February 28, 2000 - Payroll (5 minutes)
Vouchers - March 6, 2001 (5 minutes)
Voucher - March 6, 2001- B. Pt. Fill Acct (5 minutes)
Financial Report - January (5 minutes)

EXECUTIVE DIRECTOR'S REPORT

BINGEN POINT:

Underpass Feasibility Study Update (10 minutes)
CC&R Discussion (5 minutes)
Phase 1 Bldg. - Retainage Release (5 minutes)

DALLESPORT INDUSTRIAL PARK:

Goldendale Energy / Barge Dock (10 minutes)
AmeriGas - Improvements (10 minutes)

MISCELLANEOUS

RTC - Hwy 35 Bridge Feasibility: Open House
Fidel's, Mar. 8, 5-8 p.m.; Questionnaire (5 minutes)

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

ADJOURNMENT

PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES March 20, 2001 REGULAR SESSION		
<u>TOPIC</u>	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE:</u>	<p>Commissioners/Staff Present: Port Commissioners (PCs) S. Wayne Vinyard, B. Marc Harvey, and Norm Deo; Executive Director (Exec.D) Dianne Sherwood; and Administrative Assistant (AA) Vickie Drew</p> <p>PC/Staff Absent: Port Counsel (Counsel) Teunis Wyers</p> <p>Guests Present: John Shaffer (Pacific Rock Products); Matt Riley (Riley Bros.); Mike Smith (Dallesport); Bob Callow (Coyote Springs Sand & Gravel); and Paul Mosbrucker (White Salmon).</p>	
<u>PUBLIC COMMENT</u>	Chair Harvey opened the public meeting at 4:36. There was no public comment.	
<u>COUNSEL'S REPORT</u>	Counsel's presence was not requested.	
<u>ADMINISTRATIVE MATTERS</u> <u>Minutes - March 6, 2001</u>	The minutes of March 6 were submitted for approval.	<i>PC Vinyard moved to approve the minutes of March 6, 2001 as written; seconded by PC Deo -- motion carried.</i>
<u>! Cash Balances Memo</u>	Exec.D Sherwood discussed the cash balances memo noting liquid funds of \$368,575.76. The Port's State Pool General investment account has a balance of \$366,700.00. At this time last year the balance in that account was \$172,600.00.	
<u>! Vouchers - February 15, 2001 - Payroll</u>	Exec.D Sherwood discussed the vouchers of March 15 which were for payroll.	<i>PC Vinyard moved to approve vouchers #16357 through #16359 on the General Fund in the amount of \$3,305.69; seconded by PC Deo -- motion carried.</i>
<u>! Vouchers - March 20, 2001</u>	Exec.D Sherwood discussed the regular vouchers noting payments for: brochure folders which will be reimbursed by KC. KC will have spent approximately \$18,500.00 for the marketing plan, and for design/printing of the brochures and folders on the Port's behalf. Exec.D Sherwood also noted voucher payments for RTC dues and KC weed tax.	<i>PC Vinyard moved to approve vouchers #16360 through #16369 on the General Fund in the amount of \$3,568.09; seconded by PC Deo -- motion carried.</i>
<u>! Marketing Brochure</u>	One of the new marketing brochures was included in each PC packet.	

<p>! EXECUTIVE DIRECTOR'S REPORT *BINGEN POINT* ! Multi-jurisdictional H2O System Update Inter-local Agreement</p>	<p>Exec.D Sherwood discussed the information provided regarding the multi-jurisdictional water system wells. It is believed that the second well provides approximately 2,000 g.p.m., with about 900 g.p.m. artesian, of very good quality "new" (2-3 year old) water. The artesian condition will significantly reduce pumping costs. DOE might not require that an observation well be dug. The hydraulic pressure at the well head is 100 psi, which is higher than the drillers have ever seen. The Inter-local agreement is nearly completed, and should be available for the next PC meeting, which assures the Port will get a 5% allotment of the water.</p>	
<p>! Telecommunications</p>	<p>Exec.D Sherwood met with Brian Skeahan of the PUD in Goldendale last Thursday. Their board has determined that they are not interested at this time in pursuing investment into a study regarding telecommunications. Brian stated that if Sprint does not step up to provide fiber then the PUD would get involved. Exec.D Sherwood will pursue discussions with Sprint. The PUD is willing to help the Port get into NoaNet.</p>	
<p>! Bingen Marina Restrooms</p>	<p>The restrooms have been opened for the season.</p>	
<p>! Northern Pikeminnow Registration Station</p>	<p>The Northern Pikeminnow registration station will be located at Bingen Marina Park from April 30 through September 30 in the afternoons from 2-6:30 p.m.</p>	
<p>! EXECUTIVE DIRECTOR'S REPORT *DALLESPORT INDUSTRIAL PARK* ! Final EIS - Wastewater Treatment System</p>	<p>Exec.D Sherwood reported that a final EIS for the Waste Water Treatment Facility has been received by the Port. PC Harvey will take the document to review.</p>	
<p>! Diesel Generators Update</p>	<p>Exec.D Sherwood discussed the interest in diesel generated power at DIP. She sent draft leases to Northwest Regional Power and to SDS. Capacity at the DIP substation would only support up to three 1.5 megawatt diesel units unless the substation was enhanced.</p>	
<p>! Ross Island Sand & Gravel (RISG)- CUP</p>	<p>Exec.D Sherwood reported that the Klickitat County Board of Commissioners (KC BOC) has upheld the Planning director's decision of a Mitigated Determination of Non-Significance regarding the RISG application for a conditional use permit. A copy of the findings and conditions was included in the PC packets.</p>	
<p>! Transformers</p>	<p>The surplus old transformers at DIP have been removed by Dave Smith of Appleton.</p>	

<p><u>! Crane</u></p>	<p>Exec.D Sherwood reported that she has spoken with a number of individuals regarding disposal of the crane at DIP, but no takers as of yet.</p>	
<p><u>MISCELLANEOUS</u> <u>! Pacific Coast Congress - Skamania Lodge Mar. 21 & 22</u></p>	<p>Exec.D Sherwood discussed the Pacific Coast Congress conference she will attend tomorrow at Skamania Lodge. She will mention the crane during her presentation and she will have a packet of information about it if anyone is interested.</p>	
<p><u>! WPPA - Exec. Director's Meeting Mazama July 12 & 13</u></p>	<p>Exec.D Sherwood asked if the PC would like her to attend the WPPA "Director's Only" conference which will be held at Mazama on July 12 and 13. The PC concur that she should attend.</p>	
<p><u>! NMFS Contact / Marina Agreement</u></p>	<p>PC Vinyard spoke with Kate Vandemeer, Director of the Columbia Gorge District of NMFS regarding issues surrounding the Bingen Marina project. She was very receptive to the discussion and expressed a willingness to meet with the PC for further discussion. PC Deo inquired how negotiations were going with Steve Tessmer regarding the Marina agreement. Exec.D Sherwood reported that she met with Steve yesterday going over the draft lease. One of the issues Steve wished the PC to consider was that he not have to pay a 1% fee to the Port on gross income until Gorge Associates had recovered \$275,000.00 in expenses from profits.</p>	<p><i>PC Vinyard will arrange a meeting for the PC and Steve Tessmer with Kate Vandemeer of NMFS.</i></p>
<p><u>! Boy Scouts</u></p>	<p>PC Deo has been approached by the Boy Scouts regarding doing some community service work. PC Deo's daughter, Melissa is the contact person. They are interested in a tree planting program. Exec.D Sherwood would like to see the poplars removed and new trees planted. PC Harvey suggested plaques near the new trees acknowledging the different funding agencies.</p>	<p><i>Exec.D Sherwood will contact Melissa Deo regarding the Boy Scouts community service work.</i></p>
	<p>PC Harvey asked if Sue Lampe (USFS) had ever called Exec.D Sherwood regarding funding. Exec.D Sherwood will contact her. Ms. Lampe previously stated to PC Harvey that the USFS had some planning funds available and PC Harvey felt that it might work for architectural costs for a new building at Bingen Point.</p>	<p><i>Exec.D Sherwood will contact Sue Lampe of the USFS.</i></p>

<p><u>GUEST: John Shaffer - Pacific Rock Products Proposal</u></p>	<p>John Shaffer discussed the proposal that Pacific Rock Products (Pac Rock) prepared for presentation to the PC this evening. They desire a long-term agreement in order to capitalize the very high cost (\$5 million) of building a crushing plant, conveyor and load-out facility. Pac Rock understands that any proposal must address the issues of business development with minimal risk to the Port. The desired initial term is 22 years, which includes two years of permitting process and 20 years of operation, with two five year extension options. Their intent would be to depreciate the equipment over 30 years. Pac Rock would be responsible for acquiring all necessary permits with the only requirement from the Port being support in the form of letters or public testimony. Pac Rock would be responsible for all in-water work. There would be a number of permanent capital improvements made to Port property. They have included a clause for early termination of the project if there is no market with the provision that ownership of all permanent improvements (in-water construction, the crossings, permits) would remain with the Port. The proposal provides for payment to the Port of a royalty of .11 per ton for all aggregate that is shipped over the Port's dock.</p>	
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<p><u>GUEST: John Shaffer - Pacific Rock Products Proposal, cont.</u></p>	<p>At the end of the two-year permitting period, whether Pac Rock ships any aggregate or not, they would be required to pay a royalty; the equivalent of 250,000 tons a year of material going across the dock. An annual royalty adjustment is included which would be based on CPI. John illustrated on the DIP maps some options as to where the conveyor line could go. They plan for the conveyor to run along the BPA right-of way and in the least obtrusive areas of Port property. PC Deo inquired about Pac Rock's position regarding public use of the facility. John stated that he felt that since Pac Rock is funding the entire project that they should have exclusive use of the conveyor but was not opposed to discussion regarding just having priority use. PC Deo was mostly concerned with public access to the actual load-out site on the dock. John stated that they are looking to make this as automated a system as possible. The project would employ approximately 12-15 people at the crushing site.</p> <p>PC Deo expressed concern regarding the term, the royalty rate, and the minimum tonnage amount. Exec.D Sherwood felt that surely they could capitalize the project in 20 years. The CPI increases would come into play in the year after they begin shipping. The minimum tonnage amount would only be paid to the Port while they are not shipping. The intended market for the Dallesport rock is the west side of Portland. John stated it would cost twice as much to truck rock from their current site near Portland than it would to barge it down-river from Dallesport. PC Deo felt this was a solid proposal and certainly something for the PC to consider. Exec.D Sherwood asked how much material was on the Smith property. John said there is approximately 50-70 million tons. PC Deo was concerned with public access for other operators to the load-out site. John stated he has met with Chuck Steinwandel and Jim Rue (RISG) and asked if they were interested in working with Pac Rock on this project but they have not heard anything from them. The largest barge on the river will carry 8,000 tons. Bernert has a lot more capacity than is currently being utilized, and there are a number of other barges on the river as well. PC Vinyard's main concern was maintaining open public access to the dock. PC Deo wanted a more firm idea of Pac Rock's preferred location for the load-out site. Locations on Lot #43 and Lot #46 were discussed. It was stated that the benefit to the Port would be the royalty and the permanent improvements to the property. PC Harvey asked if there would be any lease on the property used for the facility. Exec.D Sherwood mentioned the potential problem of 'gifting of public funds' if there is no lease in place. Exec.D Sherwood will investigate leasehold tax issues with the Port of Vancouver and the topic will be included on the agenda for the next PC meeting which will be April 3. PC Harvey thanked John for the proposal.</p>	
<p><u>PUBLIC COMMENT</u></p>	<p>There was no public comment.</p>	
<p><u>ADJOURNMENT</u></p>		<p><i>PC Vinyard moved to adjourn at 6:15; seconded by PC Deo -- motion carried.</i></p>

Approved on: _____
submitted _____
(Date)

Dianne Sherwood, Executive Director

Respectfully

Vickie L. Drew, Administrative Assistant

B. Marc Harvey, Chairman