

PORT OF KLIKKITAT BOARD OF COMMISSIONERS MEETING MINUTES January 24, 2006 JOINT MEETING WITH KLIKKITAT CO. BOARD OF COMMISSIONERS		
TOPIC	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE:</u>	<p>Commissioners/Staff Present: Port Commissioners (PCs) Norm Deo, Rodger Ford & Wayne Vinyard; Executive Director (Exec.D) Dianne Sherwood and Administrative Assistant/Auditor (AAA) Vickie Drew. Klickitat Co. Commissioners (KC BOC) Don Struck, Joan Frey & Ray Thayer; Wayne Wooster, KC Econ. Development.</p> <p>PC/Staff Absent: Port Counsel Teunis J. Wyers</p> <p>Guests Present: Mike Smith (Dallesport), Dan Lichtenwald (Goldendale), Jim Riley (Riley Bros. Concrete), Matt Riley (Rapid Readymix), Jim Lehman & Jim Broehl (Columbia Gorge Regional Airport).</p>	
<u>PUBLIC COMMENT</u>	<p>Port Chair Deo opened the public meeting at 2:45. There was no public comment.</p>	
<u>Joint Meeting</u>	<p>The main purpose of the joint meeting was to discuss marketing of Port property. Exec.D Sherwood discussed an exciting new lead for Dallesport referred by Mike Doke from the Port of Hood River. The firm would like to site a 200,000 sq. ft. building which would start with 90 employees. Discussion followed regarding this lead. The gas line and other improvements needed at the site were discussed. Don Struck stated that the county is "tapped out".</p> <p>The Port entered into a Memorandum of Understanding with KC for marketing of the port's property in January of 2004. The hope was to get that first nice anchor tenant at Dallesport and an opportunity to have an update of the Dallesport Industrial Park Conditions, Covenants, and Restrictions (CC&R's) completed and a master plan strategy in place. Since the CC&R's have sunseted, the port has budgeted money to complete it's own review of the CC&R's in 2006.</p> <p>Byron Hanke (Port Consultant) explained that this meeting was suggested by Dana Peck (former Econ. Dev. Director) a few months ago to be held to discuss marketing opportunities prior to the port entering into any agreement with any other public agency or commercial/industrial real estate firm and to determine where we are in the marketing efforts. The port has met with several commercial brokers who will be submitting proposals for marketing the port's property.</p> <p>KC BOC Struck discussed The Port of The Dalles' (POTD) offer of marketing assistance to KC and to the port and felt that this is an offer from someone with experience in the neighborhood and that it is certainly worth considering. He stated that the heat is on from the public and they want job results from KC's investments. PC Ford discussed concern that by utilizing a representative of the POTD, and not knowing if they would obtain additional property of their own, he questioned "what kind of representation would the port receive?". "Would we only get what doesn't work for them?" KC BOC Frey felt that this option would not have to be</p>	
<u>Joint Meeting, cont.</u>	<p>exclusive of marketing efforts by KC and the port; it could be "in addition to". PC Deo asked if there was a cost set forward for POTD services. KC BOC Struck recalled that his impression is that it would not cost much, if anything, unless they delivered. Exec.D Sherwood stated that there are numerous philosophical differences between the two ports, and it would be important for the PC to determine if they want to become a port that sells it's property routinely, like the POTD does, in order to accomplish the port's goals. PC Deo stated that the question has been answered many times; under the right circumstances the PC are willing to sell property. However, he is in favor of completing a sell/lease property survey. KC BOC Frey agreed with an earlier statement from Byron that "whatever it takes to get that first one in there" then make the determination of sell/lease after getting that first business.</p> <p>PC Vinyard asked if an agreement with POTD and an agreement with a broker had to be necessarily exclusive of each other, or could the port engage both. Byron stated that normally a private broker would want an exclusive agreement.</p> <p>PC Deo was concerned about putting so much focus on marketing to bring in new tenants that we fail to also work to retain our existing tenants. He is referring to the current situation with Insitu leasing space in numerous</p>	

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other locations due to the lack of available space at the port. A private developer could build the kind of space they are looking for (200,000 sq. ft.). PC Vinyard stated that infrastructure for development is still an issue at Bingen Point. A private developer could put in the infrastructure for a particular project. Discussion followed regarding Insitu.

PC Vinyard discussed other differences between the ports. At the POTD, the City owned and maintained utilities and roadways, whereas the POK must finance and maintain their own infrastructure.

Byron suggested scheduling a presentation from the broker at the next port meeting on Feb. 7 and also request a proposal from the POTD as well. The PC will discuss the scheduling of these presentations further at their regular meeting to follow. Byron asked if there were any ideas or observations from the public present. Mike Smith commented that he has been hearing for 5 years the question of selling vs. leasing and there needs to be a commitment. PC Deo stated that the question has previously been answered many times. Mike asked what the guidelines were for selling. Byron stated that to the question "do you sell or lease", the answer is yes.

Mike felt that regardless of the outcome, working with POTD is just another marketing tool to be used. Jim Lehman stated that the main focus is in producing jobs. He went on to say that in his experience Norris, Beggs & Simpson is an excellent firm, and that the port could not go wrong in working with this firm.

KC BOC Frey stated that a cultural analysis had been completed on Parcel #53 and she will send a copy to the port. Jim Riley reported that a cultural survey was done everywhere the sewer lines were placed when the waste water treatment plant was built.

The group thanked each other for their time.

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

Chair Deo adjourned the public meeting at 4:05.

Approved on: _____
(Date)

Respectfully submitted _____
Vickie L. Drew, Administrative Assistant

Dianne Sherwood, Executive Director

Norm Deo, Chairman