

PORT OF KLICKITAT BOARD OF COMMISSIONERS MEETING MINUTES JUNE 20, 2006 REGULAR SESSION		M = moved S = seconded MP = motion passed
TOPIC	DISCUSSION/ASSESSMENT/FINDINGS	ACTION/FOLLOW UP
<u>ATTENDANCE:</u>	Commissioners/Staff Present: Port Commissioners (PCs) Rodger Ford & Wayne Vinyard; Port Executive Director (Exec.D) Dianne Sherwood; AA\Bookkeeper Margie Ziegler and Minutes Secretary Peter Frothingham PC/Staff Absent: Counsel Teunis J. Wyers; PC Deo, Guests Present: Matt Riley (Rapid Readymix), Linda Rose, Don Struck (Klickitat County Commissioner), Steve Tessmer, Lee Ast, Brad Roberts	Next Meeting: July 18, 2006 4:30
• <u>PUBLIC COMMENT</u>	<p>PC Ford called the meeting to order at 4:31. Steve Tessmer described a destination resort that Linda Rose and her husband are planning for the golf course area in Dallesport. Steve showed the PC draft plans for the golf course and resort. Whether it happens this year depends on water issues. The Water Commission suggested conversing with an adjacent landowner to trade part of Tessmer's water right for delivering water to the site. The proposed destination resort includes up to 40 family units and up to 175 hotel type accommodations. Steve would give the port 38 acre feet of this water right and then buy it back from the Port as metered water. Steve asked for some sense from the Port of support for this concept before he invests a lot of resources in data gathering. Exec D Sherwood asked if the system could be looped back in. Steve replied that it could. Steve also pointed out that the existing sewer system will benefit from more flow. Exec D Sherwood asked whether the community is aware of and is supportive of the proposal. Steve replied that he has been getting good feedback about the proposal. Exec D Sherwood asked whether the water right is only for irrigation or transferrable to a municipal system. Dan Haller has told Steve that it would not be difficult to get the water right changed to a municipal one. Exec D Sherwood shared the name of the Portland firm (Kennedy Jenks) that did the Water System Plan for the Port. PCs Ford and Vinyard said that the proposal sounds good to them at this point. There was discussion about the location and volumes of the wells in the Dallesport area. PC Vinyard liked the proposal for the fact that it would call for looking at the Port's water system before looking at it as required.</p> <p>Don Struck reported that Klickitat County has been in conversations with a local tenant that has concerns about improving its secure storage area. Don expressed concerns about the absence of public/private partnerships to improve assurance that this tenant will remain in the area. There are considerable time pressures to find a quick short term solution. Lee Ast presented a proposal to lease Parcel 34 to the east of the Port's offices as a short term solution. Lee Ast asked for a lease value on the parcel. Initially it would be a fenced yard with future plans for buildings that would meet all the CC & Rs. The lease would be for 3 years with a 2 year renewal option. Lee said that approval is not sought at this time. In order to build the buildings the property would need to be bought and a longer term lease with the tenant would be needed. PC Ford asked how the ground would be used. Either compacted gravel or paving would be considered for the 20,000 sf. and the storage area would be fenced. PC Ford asked if other areas of the Port had been looked at that are not as visible. The tenant would like it close to its current location. PC Ford suggested that the area next to the marina park seemed to him like a better location than Lot 34 and Parcel 13 is also a site to consider. Exec D Sherwood mentioned that the grading plan for parcel 13 is being prepared at this time. Lee Ast responded that the more immediately a site is available the better it is for the tenant. Exec D Sherwood asked whether the PCs would be willing to sell Parcel 34 for the future buildings. PC Vinyard asked if the 1st step is to have a lease arrangement to permit rapid building of the storage area. PC Vinyard asked if there was a possibility that parcel 13 might be used for future buildings after it was graded. PC Vinyard suggested that the eventual use of parcel 13 would provide a more concentrated area for the tenant. Exec D Sherwood pointed out the parcel 13 was previously surplused so it could now be available for sale. The tenant already has a lease for part of the property next to the marina. The PC thanked Don Struck for the MOU.</p>	<p><i>Exec D Sherwood stated PC Deo had discussed this proposal with her, and she will advise him of tonight's meeting.</i></p>
<u>ADMINISTRATIVE</u>	A correction to the minutes will be made and were tabled to the next meeting. Exec D Sherwood presented the <i>PC Vinyard M approval of the</i>	

MATTERS

**• Consent Agenda
February Financial Rept
Capital Improvement Plan
Maint & Facil Perf Rev.
July meeting change**

vouchers.
Margie presented the February Financial Report. Margie has worked out a format that more clearly presents the revenue and expenses. Margie will be leaving on vacation tomorrow and returning on the 10th of July. When the June report is done it may be appropriate to do a revised budget. Exec D Sherwood reported that she has not completed a capital improvement plan to consider whether to seek some extra money for certain projects. One such is an overhead line in Dallesport which might be pulled through an existing conduit underground for a cost of \$58,000. The PCs by consensus agreed that this would be a good project. Exec D Sherwood mentioned other possible projects that have been of interest to the Port Commission (PC). Some of these may not have any income stream. PC Ford said that he would like to see the grading completed at Bingen Point and PC Vinyard agreed that this is an important project to complete in the near term. Completing a loop in the water line would increase the availability of water for fire flow. PC Ford asked if there were cost estimates for looping the water system. Exec D Sherwood responded that the cost estimated from Tenneson Engineering is approximately \$500,000. Exec D Sherwood showed the PCs the plan for looping the system. PC Vinyard pointed out that the two projects would cost \$800,000 and asked about borrowing ability. Exec D Sherwood responded that if the tenant settled on parcel 13 it would be possible to approach CERB for assistance with the cost of looping the water system. PC Vinyard expressed concern about Dallesport because of the amount of expenditures that are needed without an income stream.

*vouchers. PC Ford S MP
Approval of the minutes was
postponed to the next meeting,
when PC Deo is present, since
PC Vinyard was not present at
the meeting.*

Relative to the performance review for Jared, Exec D Sherwood asked for feedback on how the PCs see the grounds keeping. PC Ford said that he is well satisfied with the grounds work that is being done. PC Vinyard said that the trees along the entry need to be trimmed to accommodate trail system. PC Vinyard said that any trimming can occur that preserves 50% of the crowns. Jared has made a desk manual showing locations of valves, etc. and operating instructions. Exec D Sherwood recommended that Jared's pay be increased to \$15.60 an hour after his six month probationary period is over. Exec D Sherwood reported that other locations in the area are paying more than this amount for similar work. By consensus the PCs supported the increase in Jared's pay on his 7/6/06 anniversary to \$15.60 per hour and he will be changed to permanent status. The PCs were reminded that the July 4th meeting has been changed to July 18th.

**EXECUTIVE DIRECTOR'S
REPORT
Bingen Point - Bldg 1-E
Fireworks 7-4-06
Dallesport Ind. Park
Sub Terra Scope of Wrk**

In cooperation with the Cities of Bingen and White Salmon, there will be fireworks at the Port on July 4th. There will be four policemen on site and the fire department will wet down the grounds to reduce the danger of fire from the fireworks. The extra costs are shared 3 ways between the Port and the two cities. The contractor for Building 1E, Team Construction, is on site and all the necessary documents have been prepared and received. Exec D Sherwood called attention to an error in the amount for DSP Architecture's amendment #1. Exec D Sherwood is asking for proposals for the special inspections needed on the Building 1-E construction, which should be returned by 7/7/06. Exec D Sherwood & Bob Westerman have had continuing discussions with LL Lindberg over their prior claims. The Port feels there is no entitlement, and hopes to come to resolution to close out the pre-load segment of the Bldg 1E project. The scope of work for Sub Terra has been changed a bit to respond to the concerns of the PC expressed at the last meeting. Exec D Sherwood pointed out these changes. PC Vinyard ensured that resources were available for local use and Exec D Sherwood responded that yes, it is included in task 3. Exec D Sherwood presented information about different inquiries she has had for businesses to locate at Dallesport. One is a manufacturing facility of 215,000 sf. She has also been presented with a business plan which was provided to the PC in their agenda packet. She asked for guidance from the PCs about whether they

*PC Ford M to amend prior motion to
\$5,752.25 PC Vinyard S MP*

Inquiries

<p><u>MISCELLANEOUS Committee Updates</u></p> <p><u>PUBLIC COMMENT</u></p> <p><u>ADJOURNMENT</u></p>	<p>are interested in this proposal. PC Ford expressed concern about how and where a business of this kind would fit. Both PCs felt that the jobs per acre produced by this proposal are below their standards. PC Vinyard asked whether some of the lots at Dallesport could be sold without grading. Exec D Sherwood met today with Rinker (Chuck Rose and Jeff Schwarz) to talk about the alignment of the conveyer. They expressed their assurance that they will cooperate so that the Port can move forward with a road alignment and get an agreement with Ross Island.</p> <p>PC Ford said there is a MCCED meeting on 6/21.</p> <p>Brad Roberts said the PCs are doing a great job. Lee Ast said that there could be a chunk of acreage in The Dalles that could be removed from the general industrial pool, and that the UGB is expanding. Lee Ast encouraged the PCs to stick to its guns about Dallesport to protect its industrial land.</p> <p>The meeting was adjourned at 6:28</p>	
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Approved on: _____
(Date)

Respectfully submitted _____
Peter Frothingham, Minutes Secretary

Dianne Sherwood, Executive Director

Norm Deo, Chairman