

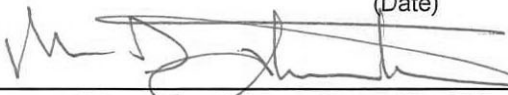
TOPIC	DISCUSSION / ASSESSMENT / FINDINGS	ACTION
Attendance	Commissioner/Staff Present: Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard, Executive Director (ED) Marc Thornsby; Administrative Assistant/Port Auditor (AA/PA) Margie Ziegler; and Maintenance Supervisor Josh Mead. PC/Staff Absent: None. Guests Present: None.	Budget Workshop Meeting called to order by PC Vinyard at 1:00pm.
Budget Workshop Draft 2015 Budget Draft 2015 Capital Improvement Plan	AA/PA Ziegler presented the projected income and expenses for the 2015 budget and ED Thornsby presented a proposed capital projects budget for 2015. Discussion followed regarding potential projects including infrastructure work at Bingen Point, improvements to the water system at the Dallesport Industrial Park, and enhanced information systems for public facilities. Allocating funds for separate utility metering was discussed. PC Vinyard noted that there are no current tenants with high power requirements or running multiple shifts. Thornsby noted that, at present, a single base fee is shared by the tenants in a building and that utility companies charge a separate base fee for each meter installed. The PC concluded that the funds allocated for separate meters would provide greater benefit if used for other purposes. Thornsby explained possible legislative funding opportunities for “shovel ready” projects. The PC chose to allocate the funds for separate metering to planning for projects suitable for possible legislative funding and expressed a preference for the extension of Bingen Point Way to Maple Street.	By consensus, the PC reviewed the budget and directed staff to make the adjustments discussed. The 2015 Budget Public Hearing will be held at the November 4 meeting, pursuant to RCW 53.35.020.
Attendance	PC Vinyard adjourned the Budget Workshop at 4:25pm and opened the Regular PC Meeting at 4:30pm. Guests Present: Jeff Smith, KC PUD;	

Attendance cont...	Ron Schultz, KC PUD; and Dorie Cothren, Dallesport Log Yard.	
Administrative Matters Approval of Minutes	Minutes – September 30, 2014	PC Schmitt M to approve the minutes, as amended, PC Herman S, MP 3-0.
Approval of Vouchers	Payroll Vouchers – October 6, 2014 D11076-D11090, #25870-25871, \$11,184.07. Vouchers – October 21, 2014 #25874-25890, \$12,578.08.	PC Herman M to approve the vouchers, PC Schmitt S, MP 3-0.
Old Business	None	
New Business KPUD Update	<p>Jim Smith, General Manager for Klickitat PUD gave an update regarding the regional electric power system and issues facing the PUD. Ron Schultz, Klickitat PUD, presented power reliability and outage statistics for the Port's industrial parks and explained the PUD's work with PPL to allow for quicker repairs and shorter outages. Schultz stated that KPUD is considering the possible future addition of a second substation in the Bingen area and noted that the Bonneville Power Administration (BPA) will be doing work that will result in a four-day outage in the Dallesport area during which power will be supplied by diesel generators.</p> <p>Smith talked about the PUD's diverse power sources and how it met budget targets for 2013. He also spoke about how power is purchased from, and priced by, the BPA and explained the proposed rate increase that would occur in the Spring of 2015. Smith noted that the PUD has significantly reduced expenditures, that further budget reductions would negatively affect service, and that the market for its surplus power is soft.</p> <p>Smith stated that although the PUD is not directly involved in economic development, its ability to supply power at competitive rates affects economic development. Smith added that, moving forward, new large industrial customers will have to sign a contract for power with the PUD and pay market rates for it. Smith pointed out that the Columbia River</p>	

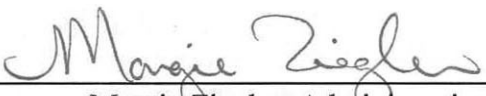
<p>New Business continued... KPUD Update continued...</p>	<p>Treaty is not just about flood control, irrigation, and power production anymore and the era of low-cost BPA power is drawing to a close.</p> <p>ED Thornsbery asked Smith to talk about the charge for equipment such as transformers. Smith said the PUD is now charging customers 100% of the cost to connect, including the cost of transformers. Thornsbery explained the unique issues surrounding leased property where a tenant may pay for a transformer and vacate the property before the equipment reaches its end-of-life. Smith provided an example of a typical project and why ownership of the transformer would rest with the PUD. Thornsbery stated that everyone will need to come to agreement on how initial cost, long-term value, and ownership should be handled so that it is fair to the tenant, Port, and PUD. Smith acknowledged that the situation described by Thornsbery had not been anticipated and noted that discussions had begun to try and resolve the problems noted.</p> <p>ED Thornsbery expressed his appreciation for the efforts of Ron Schultz and Mike Blumenstein and the support of the PUD, noting that the Port and PUD continue to take incremental steps to improve the power distribution system on Port properties.</p>	
<p>Zepher Tower</p>	<p>ED Thornsbery noted that Zepher has proposed the installation of a tower on the north side of Lot 10 to be used in product testing. Thornsbery explained that Zepher will provide engineered drawings at a future date for approval by the PC. Thornsbery said he does not see any problem with the tower, but will contact KPUD because of the close proximity to the main pole supplying power to Bingen Point.</p> <p>PC Vinyard asked about potential visual impacts and any violation of the CC&R's. Thornsbery noted that Insitu currently conducts similar testing on Lot 23 and the visual impact would be similar to the existing power and light poles. Thornsbery explained that certain requirements can be established in the PC's approval once the drawings are received.</p>	

Executive Director's Report	None.	
Commissioners Reports	None.	
Public Comment	<p>Dorie Cothren, Dallesport Log Yard, explained a possible opportunity to obtain financial assistance for improvements to the surface of Dallesport Industrial Park (DIP) Lot 43 and described the current problems with mud and equipment breakdowns. Cothren noted that because they are not the land owner, any financial assistance would likely be contingent upon an extension of the lease and asked if this would be possible. ED Thornsbery stated that additional information would be necessary, but saw no reason why the Lot 43 lease could not be extended. Thornsbery asked Cothren to contact him as soon as more information is available.</p> <p>PC Schmitt asked staff to obtain a quote from the Klickitat County Road Dept. to grade Dock Road and put additional rock down. Discussion followed regarding the current condition of the road and the past use of round river rock. ED Thornsbery suggested that the road first be graded so that the river rock is removed from the surface. Once done, the condition of the road could be reassessed and if additional gravel is needed, funds could be budgeted in 2016. Schmitt agreed that the underlying condition of the road should be known before the Port attempts to fix it.</p>	
Adjournment	PC Vinyard adjourned the PC Meeting at 5:58pm.	

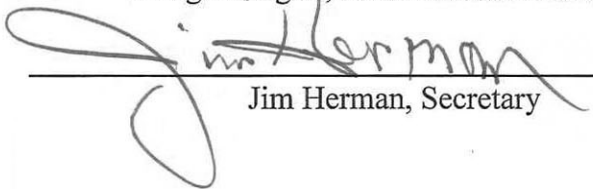
Approved on November 4, 2014
 (Date)



 Marc Thornsbery, Executive Director



 Margie Ziegler, Administrative Assistant



 Jim Herman, Secretary