

TOPIC	DISCUSSION / ASSESSMENT / FINDINGS	ACTION
<p><b>Attendance</b></p>	<p><b>Commissioner/Staff Present:</b> Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard; Executive Director (ED) Marc Thornsby; and Administrative Assistant/Port Auditor (AA/PA) Margie Ziegler. <b>PC/Staff Absent:</b> None. <b>Guests Present:</b> Tammy Kaufman, Insitu; Norm Deo, Maya Sullivan, Insitu; Andy Mack, Zepher; and Brad Roberts, Rivermile 172.</p>	<p>Meeting called to order by PC Vinyard at 12:19 AM.</p>
<p><b>Budget Workshop</b> Draft 2019 Budget</p>	<p>AA/PA Ziegler presented the projected operating income and expenses for the 2019 budget. Ziegler explained income was based on an estimated 2.4% CPI and payroll was estimated at up to a 3% increase.</p> <p>ED Thornsby reviewed the proposed capital project budget for 2019. Discussion followed regarding potential line items including Bingen Harbor boat launch repairs, Marina Park parking area reserve fund, DIP shoreline stormwater management, reservoir repainting, DIP startup industrial building, maintenance truck replacement, dump truck/plow repair, heavy equipment trailer, shop welder, BPBP wetland/property exchange, and structural fill placement.</p> <p>The PC also discussed the DIP startup industrial building and the need to begin work on the design and estimated cost in preparation for potential funding opportunities. AA/PA Ziegler reported maintenance staff have said the 1989 Ford truck is unreliable, rarely driven, and should be replaced, adding this requires them to essentially share one vehicle.</p> <p>PC Schmitt said he is preparing to paint the dump truck and talked about replacing the hydraulic fluid tank and dump box. Schmitt added he might know of someone who has a heavy equipment trailer that would be big enough to transport the backhoe. He also noted the shop should have</p>	<p>By consensus, the PC approved the draft budget and directed staff to schedule a public hearing to be held November 6 pursuant to RCW 53.35.020.</p>

<p><b>Budget Workshop continued...</b> Draft 2019 Budget continued...</p>	<p>a welding table on wheels so that it can be rolled outside so welding can be done away from the flammable materials stored in the shop area.</p> <p>ED Thornsbury talked about the potential wetland property exchange and described the next steps required to see if it is possible. He explained that funds have been budgeted to begin that work, but if the exchange is possible, substantial additional funds will be required to make the exchange itself.</p>	
	<p>PC Vinyard closed the Budget Workshop at 4:12pm and took a 20 minute recess. PC Vinyard resumed the Port Commission Meeting at 4:32pm</p>	
<p><b>Administrative Matters</b> Approval of Minutes</p> <p>Approval of Vouchers</p>	<p>Minutes – September 18, 2018</p> <p>Vouchers – September 20, 2018, #27500-27503, \$1,232.44</p> <p>Payroll Vouchers – October 5, 2018, #D12118-D12133, \$14,131.37.</p> <p>Vouchers – October 9, 2018, #27504-27527, \$19,310.84.</p>	<p>PC Schmitt M to approve the minutes, PC Herman S, MP 3-0.</p> <p>PC Herman M to approve the vouchers, PC Schmitt S, MP 3-0.</p>
<p><b>Old Business</b></p>	<p>None</p>	
<p><b>New Business</b> Surplus Property Disposal</p>	<p>ED Thornsbury presented a list of property no longer needed for district purposes and targeted for disposal pursuant to RCW 53.08.090.</p>	
<p><b>Executive Director’s Report</b> SR-35 Bridge Replacement</p>	<p>ED Thornsbury said a round of stakeholder interviews had been held for the Final Environmental Impact Study. Thornsbury noted a meeting was held with the Washington entities and the Port of Hood River regarding the next steps for a new bridge. Thornsbury stated he is preparing an assessment of the meeting for the PC.</p>	
<p>West Harbor Utilities Project</p>	<p>ED Thornsbury said Crestline Construction is spreading and compacting the overburden from the West Harbor Utility Project and the prior BP Grading Project on Lot 9 as structural fill. Thornsbury said the work</p>	

<p><b>Executive Director's Report cont...</b> West Harbor Utilities Project cont...</p>	<p>along the west side of the harbor is finished and the work along the south side of Bingen Point Way will begin soon. Thornsbery noted a couple of empty sleeves will be added across Spruce St. using 4 and 8 inch pipe left over from the prior BP Grading Project.</p> <p>Thornsbery said the PUD will be making an electric power connection between the switch vaults at 1111 Bingen Point Way and the southwest corner of Spruce St. and Bingen Point Way, creating a third link to improve redundancy. He explained the only future work in the project area might be connecting the eastern Bingen Point Way sewer main to the manhole at Spruce St. when the segment of Bingen Point Way east of Spruce St. is relocated. He added all utilities are in the correct location for that future project. Thornsbery said the project should be done in approximately a week and a half.</p>	
<p><b>Commissioners Remarks</b></p>	<p>PC Vinyard stated he was bothered by the title, "Bridge Assumptions", found on the document provided in advance of the meeting with the Port of Hood River regarding replacement of the SR-35 bridge. Vinyard said in 2005 the Port supported the Port of Hood River's toll increase and was told, at that time, the funds would go to bridge replacement. PC Herman said he reviewed the Port of Hood River's financial statements and said the bridge replacement fund balance had only increased by \$1 over an entire year. PC Schmitt agreed the Port of Hood River had told the community the toll increase was needed for the bridge replacement.</p> <p>PC Vinyard attended the Klickitat County Public Economic Development Authority (KCPEDA) meeting on September 27 and said they discussed the Klickitat PUD pumped storage project to generate power. Vinyard said they also talked about broadband planning.</p> <p>PC Schmitt said the Mid-Columbia Economic Development District (MCEDD) has taken over the Wasco County LINK transportation service and the employees now work for MCEDD. He explained the various bus</p>	

<p><b>Commissioners Remarks cont...</b></p>	<p>services in the region will be interconnected with common stops and noted bus passes will be sold for service on all buses. Schmitt said one day a person will be able to take a bus from Bingen to the Park and Ride in Troutdale with a transfer in Hood River. Schmitt expressed his belief this will work with cooperation, adding Mt. Adams Transportation Services has said they are in favor, but have not yet had time to present it to their board.</p> <p>PC Herman said he attended the Southwest Wash. Regional Transportation Council (SWRTC) meeting held October 2. Herman said he attended the Gorge Rail Summit on September 20 and noted the railroads are having a big problem with the homeless camping and walking near the tracks.</p>	
<p><b>Public Comment</b></p>	<p>Brad Roberts, Rivermile 172, expressed confusion regarding the Port's position concerning replacement of the SR-35 bridge. He added that no matter what has happened in the past, it is important the bridge be replaced. PC Vinyard thanked Roberts for his comments, noting that the Port supports replacement of the bridge, but wants to insure future toll revenues are used properly. Vinyard said the Port of Hood River bought the current bridge and it's their right to do what they want with the toll revenue, but looking ahead, we want to be involved as full and equal participants with respect to a new bridge.</p> <p>PC Schmitt stated if Federal and Washington State money will be used to construct a new bridge, future toll revenue should not be used for items unrelated to the bridge. PC Herman explained the Port sets aside approximately \$24,000 per year to repair or replace the Insitu building at the end of the lease. He added that if the Port of Hood River had done the same with toll revenue instead of spending it on buildings, airports, and parks, they would have funds to replace the bridge. Vinyard said the PC wants a new bi-state bridge and we want to join forces with the Oregon side to fund it.</p>	

**Public Comment continued...**

ED Thornsby pointed out the Port of Hood River does not have the funds needed to build a new bridge and will require financial assistance. He added the issue is not about what has occurred in the past, but what will occur in the future and explained the PC wants to insure that Washington residents—who will substantially contribute to the funding of a new bridge through tolls—will have a say in its governance.

Vinyard said Thornsby has worked with the group forming the Washington Entities to support a new bridge. Thornsby invited Roberts to meet with him to clarify any issues, adding the Port supports a new bridge, but with certain expectations.

Norm Deo expressed concern regarding the direction of the Port and how the Port intends to allocate the available property remaining at Bingen Point. Deo said the PC should insure there is economic diversity and noted growth affects other aspects of the community such as housing and traffic. Deo explained he is a member of the Columbia Gorge Regional Airport Board and said there is a marketing video playing at the airport and he would like to see the Port included. Deo noted there is still space available in the new flex building, but its use is limited to an aviation-related tenant.

Andy Mack, Zepher, said a group of Port tenants and potential tenants get together on a regular basis to discuss the Port and are looking for ideas on how they can help support and improve it. Mack said they will try to attend more PC meetings and questioned why half the PC meetings are canceled. He noted his interest in the recent PC Workshop and asked if the port has a strategic plan.

Schmitt encouraged Mack to have a member of the group attend the PC meetings and offer feedback. Mack said they will also try to meet with ED Thornsby more often. He added the region is in an amazing

**Public Comment continued...**

economic cycle and suggested the Port should be attracting more business before the cycle ends. Mack stated the Port of Hood River built eight buildings in the last 10 years with 15 to 20 new businesses and the Port of Klickitat has only built three with 2 new businesses. Mack expressed his desire to see the Port develop a strategy and vision, adding the port is an economic engine and should be promoting economic growth.

Thornsbury noted it helps if you have bridge revenue to support your growth and the Port of Klickitat does not have that. Vinyard said the Port's property tax revenue in the 2019 budget is only \$265,000 and grant and low-interest loan funds are dwindling away. Vinyard expressed his hope that the new railroad underpass and the possible exchange of wetland property will further encourage development.

Herman pointed out the Port has twice tried to pass a levy lift and both failed. He explained the Port is looking at constructing a building in Dallesport and noted the Port has the lowest levy rate in the county other than the cemetery district. Herman reiterated that the amount of money received by the Port each year from the community is relatively small.

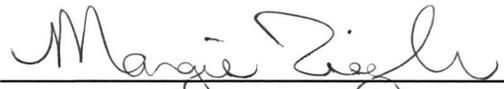
Norm Deo asked about the existence of tax breaks for tenants. Thornsbury said tenants pay a leasehold tax, but not a property tax, adding there were some state tax breaks for manufacturing in a rural county. Schmitt noted Dallesport is in an Opportunity Zones and discussed its potential impact.

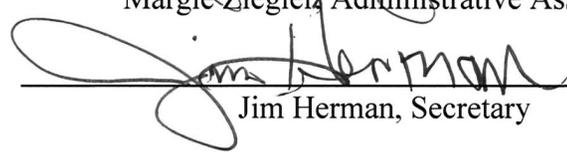
Vinyard encouraged Mack to contact Thornsbury about items so that he can research the topic before the PC meeting. Vinyard said there was a two month break in meetings earlier in the year and the PC had decided that was too long and would meet at least once a month. Schmitt added if there isn't something that has progressed to the point it needs

<p><b>Public Comment continued...</b></p>	<p>discussion by the PC, it makes no sense to have a meeting because doing so costs money that could be put to good use elsewhere.</p> <p>Mack asked about a request to move public comment to the beginning of the meeting. Vinyard explained matters may develop during the meeting on which the public may then wish to comment. Herman said he attends meetings where public comment is at the beginning and people ask to have it shifted to the end. Mack asked for the deadline to submit an item for the agenda. Thornsbery said at least three weeks.</p>	
<p><b>Adjournment</b></p>	<p>PC Vinyard adjourned the PC Meeting at 5:23 PM.</p>	

Approved on November 6, 2018  
(Date)

  
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 Marc Thornsbery, Executive Director

  
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 Margie Ziegler, Administrative Assistant

  
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 Jim Herman, Secretary