

December 1, 2020

TOPIC	DISCUSSION / ASSESSMENT / FINDINGS	ACTION
Attendance	Commissioner/Staff Present: Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard; Administrative Services Manager (ASM) Margie Ziegler; and Administrative Assistant (AA) Bonita Snyder. PC/Staff Absent: None. Guests Present via teleconference: Byron Hanke, Port Consultant; Bill Eling, Port Attorney; Tyler Miller, Dirt Hugger; and Pierce Louis, Dirt Hugger.	Meeting called to order by PC Vinyard at 4:30 PM.
<p>Administrative Matters Approval of Minutes</p> <p>Approval of Vouchers</p> <p>Teresa Johnson, CPA 2021 Financial Services Contract</p>	<p>Minutes – November 17, 2020. ASM Ziegler noted Bill Eling, Port Attorney, provided the correct RCW number for Executive Sessions for the November 3 and November 17 minutes.</p> <p>Vouchers – November 24, 2020, #28349, #28388, \$0.00. Ziegler noted Port Consultant Hanke’s check was voided and reissued.</p> <p>Vouchers – December 1, 2020, #28389-28397, \$10,359.57.</p> <p>Payroll Vouchers – December 7, 2020, #D12774-D12789, \$12,066.08.</p> <p>PC Herman reported the Port CPA increased her hourly charge from \$180 to \$190. Herman stated it was a large increase percentage-wise, but the rate was not excessive and her time on behalf of the Port is minimal. Ziegler said the Port could switch to cash basis reporting rather than accrual. Ziegler stated the CPA is important as she stays current with current Government Accounting Standards Board and Washington State Auditor’s Office updates. She provides valuable year end and financial statement review.</p>	<p>PC Schmitt M to approve the November 3 and November 17 minutes with RCW corrections, PC Herman S, MP 3-0.</p> <p>PC Herman M to approve the vouchers, PC Schmitt S, MP 3-0.</p> <p>By consensus the PC approved the annual engagement letter for Teresa Johnson, CPA for 2021.</p>

Old Business
Dirt Hugger

ASM Ziegler briefly outlined Dirt Hugger’s proposed expansion to the north. She referred to maps provided by Dirt Hugger and the Klickitat County Conditional Use Permit that was added to the packet.

Tyler Miller, Dirt Hugger, stated a need for a minimum of three acres, but due to a rock butte 0.75 acres of the four acre lot to the north was unusable so he proposed leasing only the usable 3.25 acres. Miller stated the lot would be used for top soil mixing, staging, and finished compost with no infrastructure except for a cement treatment to create a non-permeable surface per the Department of Ecology’s requirements.

Ziegler asked if there would be a landscape berm around the proposed lease area. Miller stated the existing berm would move in order to put berm all the way around the contiguous leased land. Miller noted the berm would look the same as their currently leased lot. He added the berm would be eight to ten feet high with trees. PC Vinyard asked about the height of the compost stockpiles. Miller said the stockpiles would be about 12’ and added Dirt Hugger produced compost consistently throughout the year but most sales were in the Spring.

Miller said an archaeological study was completed on five acres to the north and will be shared with the Port. Vinyard stated he was glad archaeological impacts had been considered.

Ziegler asked about the parking to the South of the existing leased property. Miller said they could get off the location, but had not considered moving parking. He asked if there was any way to lease the additional space just for parking. Ziegler noted the Port Surveyor had said it was not leasable, but maybe available for a license agreement, depending on potential conflicts with the Department of Transportation lease and the mine boundary. Ziegler said she could work with the surveyor to find out how much space may be available to Dirt Hugger.

By consensus the PC directed ASM Ziegler to enter into a lease amendment to expand Dirt Hugger 3.25 acres to the north under the same lease terms, and to develop a license agreement for a parking area to the south of the original lease.

<p>Old Business (cont.) Dirt Hugger (cont.)</p>	<p>Pierce Louis, Dirt Hugger, asked if the Port needed fill. Ziegler asked if the fill material would be dirt and rocks. Louis said it was rock and some wood. Vinyard stated the Port's Engineer could determine if the Port could accept the proposed fill material.</p> <p>Ziegler stated she had talked with Miller about their use of log yard materials in the past. Miller said Dirt Hugger has taken material from the log yard before, but discontinued due to the amount of rock. Miller offered to reevaluate the log yard material for use. Vinyard suggested the log yard may be willing to handle some materials differently to keep it clean enough for use by Dirt Hugger, as the log yard constantly battles managing built up waste materials.</p>	
<p>New Business DIP Water Rates</p>	<p>ASM Ziegler noted water rates will be approved at the December 15 meeting and asked if the PC wanted to consider having a different rate for water hookups for short-term tenants. PC Vinyard stated the public mandate requires us to recuperate funds spent to make a connection. PC Schmitt stated the Port needs to recuperate initial out of pocket expenses up front.</p> <p>Ziegler said she would add a section for short-term tenants to the resolution which would add actual costs to the prorated fee schedule. Ziegler noted once lots have water service, the Port can charge a higher rate per acre.</p> <p>Ziegler reported Jim Smith, Klickitat County Public Utility District (PUD), sent an extension to the PUD Water System Operations and Maintenance Contract which is currently being reviewed by Bill Eling, Port Attorney. Ziegler stated the extension would expire March 31, 2021. Schmitt said he believed the PUD agreement had worked well so far and the Port should agree to the extension. Vinyard said the</p>	<p>By consensus the PC directed ASM Ziegler to sign the PUD Water System Operation and Maintenance Contract extension expiring March 31, 2021, after Port Attorney approval.</p>

<p>New Business (cont.) DIP Water Rates (cont.)</p>	<p>extension will allow the Port time to review before entering into a new agreement in March. Ziegler suggested beginning review of the agreement in January 2021.</p>	
<p>New Business (cont.) Road Easement Policy</p>	<p>PC Vinyard said it was important for the Port to have full access to all easements whether utility or road easement. Bill Eling, Port Attorney, clarified the terminology “non-exclusive” grants the easement right to more than one user, in addition to the Port, based on PC approval. Vinyard also said he felt it was important the policy did not require the PC to grant easements, but allowed the PC to have the option to accept or decline easement requests.</p> <p>PC Herman suggested where there would be little Port use of a potential roadway the Port should not pay for maintenance. Vinyard concurred. Eling said it is cleaner to have the easement holder provide maintenance. He also suggested maintenance costs could be considered on a case by case basis. PC Schmitt suggested the attraction of a nice road if the mine is expanded would complicate any agreement based on usage. He indicated maintenance would increase with use of heavy trucks. Schmitt stated the currently proposed wording may be more appropriate, with Port maintenance costs not to exceed a certain percentage. Eling clarified the policy could have a cost cap based on a percentage, or could have a clause stating a case-by-case basis determination of the level of involvement based on intensity of proposed usage. Vinyard suggested combining both methods and using a percent of involvement with a dollar value cap.</p> <p>Vinyard asked if the policy could apply to utility easements as well. Herman added it should apply to any utility going in. Eling said he could add in a utilities provision. Eling said he would make corrections and provide a final draft for the next meeting.</p>	

<p>New Business (cont.) Insitu 1D</p>	<p>ASM Ziegler stated Insitu has asked for two additional five year options with the option to opt out after the third year for Building 1D. Bill Eling, Port Attorney, suggested clarifying Insitu’s intent with the lease, as they currently have two options, a two year and a five year option they can take consecutively. As a result, Eling said it was unclear if they were wanting to take the two year lease extension now and have the option to take the five year renewal later, with an exit option at three years (resulting in a total of five years before the termination of the lease) or if they were wanting to take the five year lease (with exit option at 3 years) now and maintain the two year option for later.</p> <p>PC Schmitt said his main concern was the amount of notice provided on each lease option. He suggested the current lease term of 15-21 months notice be maintained for the proposed amendment. Schmitt added if the notice length was maintained on the proposed amendment, he did not have a problem with the three year opt-out provision. PC Herman concurred.</p>	<p>By consensus the PC accepted two five year extensions with a three year opt out given at least 15 months notice.</p>
<p>New Business (cont.) Hanging H – BPT Lot 18</p>	<p>ASM Ziegler reported BPT Lot 18 has been vacated except for the last office trailer, which is expected to be moved December 7. She noted Darrin Eckman, Tenneson Engineering, met with Hanging H’s representative in November regarding moving the berm to BPT Lot 19. She noted the berm has not been moved and if moved under current saturated soil conditions damage may occur to the lot and the road would become muddy. Ziegler stated she had talked to Hanging H about the Port using the security deposit monies to fund the removal of the berm during appropriate weather conditions, and relieving Hanging H of the responsibility.</p>	<p>By consensus the PC determined the security deposit for Hanging H will be used to move the berm during appropriate conditions.</p>
<p>Executive Director’s Report Future Port Commission Meetings</p>	<p>AA Snyder outlined use of conference calling versus video calling for remote meetings. She noted most local agencies are using Zoom to host their meetings. PC Vinyard stated the free version of Zoom is time limited, and would result in meetings being terminated when the time limit is hit. PC Schmitt stated Zoom is used by Mid Columbia Economic</p>	<p>By consensus the PC determined to use conference calling for future PC meetings with access information listed on each agenda.</p>

<p>Executive Director's Report (cont.) Future Port Commission Meetings (cont.)</p>	<p>Development District and is not a perfect system. Snyder discussed the recording and conferencing options, including considerations for executive sessions and public comment, related to the conference calling application currently in use.</p> <p>Vinyard suggested continuing to use the current conference calling application and publishing the access information on the agenda. Schmitt agreed. Herman noted he and ASM Ziegler discussed using Dropbox to review financial documents remotely.</p>	
<p>Executive Director's Report (cont.) NW Lot Boundary Fill Project and Change Order Update</p>	<p>ASM Ziegler said Crestline Construction has not yet set a start date for the change order for the NW Lot Boundary Fill project to the south. She added Darrin Eckman, Tenneson Engineering will walk the completed project and assess its condition.</p>	
<p>Executive Director's Report (cont.) DIP 151C Building Update</p>	<p>ASM Ziegler stated there will be a meeting with the contractor and architect next Wednesday to discuss utilities and correction of the proposal for archaeological services.</p> <p>PC Schmitt said utilities have not been marked out, so the contractor does not know where to install utilities. He stated the Port needs an engineer to definitively mark out all utilities so it is clear where the trenching needs to take place. PC Vinyard clarified the first step is to get a response from the PUD with a specific plan for where they want utilities to run. Schmitt agreed. Vinyard suggested reaching out to the Mackenzie engineering team. Schmitt said it was important to rely on Mackenzie as they are overseeing this project. Ziegler stated she would call Ryan Weston, Mackenzie, for recommendations.</p>	
<p>Executive Director's Report (cont.) .09 Dollars Grant Update</p>	<p>ASM Ziegler reported Richard Foster, Klickitat County Economic Development Association, will be meeting with her December 7, 2020 to review the Port's application draft for .09 dollars.</p>	

<p>Executive Director's Report (cont.) Prospective Tenant – CERB Funding</p>	<p>ASM Ziegler reported the prospective tenant hopes to hear about his award in December. PC Schmitt relayed tenant requested changes to the 151C Building to include a conference room and kitchenette.</p>	
<p>Executive Director's Report (cont.) Underpass Drainage</p>	<p>ASM Ziegler reported Washington Department of Transportation (WADOT) said the design is at 60% and they hope to advertise for bids in 2021. She said Darrin Eckman, Tenneson Engineering, wants to get more information from WADOT before reporting back to the PC.</p>	
<p>Executive Director's Report (cont.) 1211 Building</p>	<p>ASM Ziegler reported Kerrits have given notice to vacate the 1211 building by December 11. She stated she contacted Akabotics, the next potential tenant in line for the space, and they would like to move in as soon as the space is available. Ziegler explained the graduated lease rate model previously established for the 1211 Building.</p>	
<p>Commissioners Remarks</p>	<p>Vinyard conceded his comment period to Byron Hanke for an update regarding the Executive Director search. Hanke stated there were 30 applications received, and eight applicants were selected for phone interview. He noted the interviews are underway and have been successful. He said he will try to present the PC with three candidates as early as Dec 15 for interviews in executive session with the PC. Discussion followed about scheduling interviews and a projected timeline of the Executive Director search.</p> <p>Schmitt stated the 151C building is already behind schedule. He expressed his confidence the building will be filled quickly and will be a worthwhile investment. Discussion followed about the potential increase in aviation related business due to the hanger and school being started by Klickitat County, Columbia Gorge Community College, and the City of The Dalles.</p>	<p>By consensus interviews will take place in executive session on December 15th prior to the originally scheduled meeting.</p>

	Herman said he thought switching Port accounts to cash basis reporting would make it easier than accrual basis.	
Public Comment	None.	
Adjournment	PC Vinyard adjourned the PC Meeting at 6:24 PM.	

Approved on December 15, 2020
(Date)

SW Vinyard
Wayne Vinyard, President

Bonita Snyder
Bonita Snyder, Administrative Assistant

Jim Herman
Jim Herman, Secretary