

TOPIC	DISCUSSION / ASSESSMENT / FINDINGS	ACTION
<b>Attendance</b>	<b>Commissioner/Staff Present:</b> Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard; Executive Director (ED) Margie Ziegler; and Administrative Assistant (AA) Bonita Snyder. <b>PC/Staff Absent:</b> None. <b>Guests Present:</b> Darrin Eckman, Tenneson Engineering; Bill Eling, Eling Law (via teleconference).	Meeting called to order by PC Vinyard at 4:43 PM.
<b>Administrative Matters</b> Approval of Minutes  Approval of Vouchers      Resolution 7-2022 Dallesport Industrial Park Water Rates	Minutes – November 22, 2022.  Payroll Vouchers – December 5, 2022, #D13356-D13371, \$14,969.54.  Vouchers – December 7, 2022, #29287-29302, \$20,737.20.  Vouchers – December 13, 2022, #29303-29307, \$2,624.32.  Payroll Vouchers – December 20, 2022, #D13372-D13379, \$11,775.67.  Vouchers – December 20, 2022, #29308-29318, \$57,480.96.  ED Ziegler stated the water rates are presented at a 3% increase. Ziegler noted the water rate has not been adjusted by the Consumer Price Index (CPI) when CPI was low, so she felt it was appropriate to maintain the 3% rate when CPI is higher. She noted the fees match the PUD billings. Ziegler suggested the Port reevaluate water rates depending on CPI next year. Ziegler noted at this time the Port’s water reserve is \$284,000 and the PUD Water reserve is \$131,000.	PC Schmitt M to approve the minutes, PC Herman S, MP 3-0.  PC Herman M to approve the vouchers, PC Schmitt S, MP 3-0.      PC Schmitt M to approve Resolution 7-2022, PC Herman S, MP 3-0.
<b>Old Business</b> BPT Bldg 1A Kerrits Remodel	ED Ziegler stated Kerrits is planning to move forward with the studio space in Suite F, but is reconsidering remodeling Suites B, C, and D.	

<p><b>Old Business (cont.)</b> BPT Bldg 1A Kerrits Remodel (cont.)</p>	<p>Ziegler noted the Port will need to update the HVAC whether or not Kerrits proceeds with its remodel.</p>	
<p><b>New Business</b></p>	<p>None.</p>	
<p><b>Executive Director's Report</b> 2022-04 DIP Well #2 Disinfection and Improvements</p>	<p>Darrin Eckman, Tenneson Engineering, said the Well #2 project included a central disinfection station for Well #1 and #2, a new transmission main so Well #1 bypasses the distribution system and goes directly to the disinfection system, and a magnetic flow meter to determine how much either well is pumping. He said the flow meter communicates with the disinfection equipment which will adjust chlorine injection based on the flow rates from the wells. He noted chlorine is corrosive, so a small room with an exhaust fan for increased air flow was framed in by Port staff to limit contact time for chlorine gasses. Eckman shared photos of the tie in, magnetic flow meter, injection coil, and the existing line.</p> <p>Eckman reported the contractor has completed all facets of their work except for the door replacement. He noted the door had a ten week lead time which exceeded the grant deadline. ED Ziegler said she spoke to Veronica Baer, Business and Cooperatives Program Specialist Rural Development USDA grant coordinator, and received an extension from January 31, 2023 to April 30, 2023. Given the extension, Eckman advised the contractor to proceed with the door installation. He noted the contractor encountered very little rock while trenching, which made the project slightly under budget.</p> <p>Eckman observed risk of creating a vacuum and collapsing the main water lines since no air is able to enter the pipe at the valve. He noted if there was a water line break in the distribution system, the current set up would require the Port to either allow the reservoir to drain through the break (up to 740,000 gallons), or risk collapsing the pipe by closing one of the valves near the reservoir. To prevent this, Eckman recommended</p>	<p>PC Schmitt M to accept a Change Order to install two automatic air-vacuum valves on the main water lines into and out of the DIP water reservoir in the amount of \$12,652, PC Herman S, MP 3-0.</p>

<p><b>Executive Director's Report (cont.)</b> 2022-04 DIP Well #2 Disinfection and Improvements (cont.)</p>	<p>installing automatic air-vacuum valves. Eckman noted Beam Excavating quoted installation for two valves at \$12,652. He strongly recommended the PC accept the work. He added the projected total cost of the project including the change order is approximately \$181,000.</p>	
<p><b>Executive Director's Report (cont.)</b> DIP Mine Expansion Permit</p>	<p>Darrin Eckman, Tenneson Engineering stated he, PC Vinyard, and ED Ziegler met with James Dean Construction to discuss mining operations. Eckman said he believed approximately 250,000 cubic yards were needed to bring deficit areas up to grade; however, he noted Deans estimated 500,000 cubic yards were needed. He stated he has not reevaluated the numbers at this time. In conversation with James Dean Construction, Deans thought they may be able to to fill approximately 50,000 cubic yards per year through overburden, excess, or scalping if they were able to use full haul trucks to compact rather than roller trucks. Eckman stated Deans began work on filling, and brought approximately two acres to grade in November. He noted the compaction done by Deans was as strong (or stronger) than native soil materials in Dallesport. Eckman stated his belief Deans have exceeded 50,000 cubic yards of placed fill for 2022. He said Deans are working to create a place to relocate the crushing equipment so the low area can be filled, and estimate the equipment will be moved in one to two years.</p> <p>Ziegler began reviewing the draft operating agreement. Eckman noted the Deans are willing to fill all of the area, but cannot do it in the five year operating agreement, so an additional five year option was proposed for the agreement. Vinyard noted the Port benefits from allowing Deans to complete fill at cost, rather than fronting cash to have the work completed. Ziegler noted changes in language to make the mine progress measurable, including receiving an annual operations plan from Deans. Eckman stated based on his measurements the open pit area is currently 23 acres. Ziegler said the proposed language limits the open pit to 25 acres. Any future expansion would require reclamation to grade.</p>	

**Executive Director's Report (cont.)**  
DIP Mine Expansion Permit (cont.)

Ziegler presented George Bennett's analysis on the royalty rate. Discussion followed about the royalty rate, adjusting to market rate over five years, and accounting for inflation over the adjustment period.

Discussion followed about the bond limit. PC Schmitt cited his experience with bonds and said to take out a large bond is not much more expensive than a smaller bond. By consensus, the bond limit should be proposed at \$1,000,000. Port Attorney Bill Eling agreed saying he believed the bond should be set higher in order to have enough to take care of a problem, if a problem arose.

Eckman stated he would work on language to address the potential for adding water as needed for appropriate compaction.

Eling suggested a provision against assignment and subletting.

Ziegler described the area needed to turn trucks around on DIP Lot 45 and the current uses. She stated the quarry would like to start exporting rock starting in April. Eckman described the proposed transport path from the mine to DIP Lot 8, and from Lot 8 to the barge terminal. He explained the stockpile on Lot 8 would make barge loading more efficient. Using this method, Deans estimate being able to load a 10,000 ton barge in less than two days. Eckman stated they would like to do a trial. Eckman stated Deans have not yet worked out what system of loading will be most effective for them. Discussion followed about how to maintain a clean terminal area without the terminal area being paved.

Eckman stated Dirt Hugger has expressed interest in purchasing topsoil stockpiled in anticipation for reclamation. He estimated the stockpile at approximately 66,000 cubic yards. Eckman evaluated the soil needed to add a foot of soil on all the steep slopes within the existing mine

By consensus the PC determined not to sell top soil as they preferred to have a surplus than a shortage for future needs.

<p><b>Executive Director's Report (cont.)</b> DIP Mine Expansion Permit (cont.)</p>	<p>boundary (not the proposed expanded mine area) and estimated 28,500 cubic yards would be needed. He also calculated approximately 10% of the floor area would be landscaped in future development, which would require approximately 17,700 cubic yards of soil, totaling 46,200 yards of top soil. Eckman stated if the mine boundary was expanded, using the same scenario for slope coverage and landscaping a total of 68,000 cubic yards of material would be needed. Eckman noted the mine will continue to generate top soil, so there was a possibility to have excess, but advised the Port not to go below 50,000 cubic yards of material in stockpile if the PC decided to sell. Eckman stated top soil is hard to find in that area, and expressed the opinion the current mine royalty rate would not be a fair value to the Port.</p> <p>Eckman presented a proposal from Williams Gas to expand the easement near the NE edge of the current mine boundary. Eckman noted to grant the easement, Rockland Road would need to be shifted and the Port would lose approximately 0.6 acres, which is about 160,000 tons of future mining material. PC Herman said he did not see a benefit to the Port. Vinyard suggested the Port recommend a value of the land to Williams.</p>	
<p><b>Executive Director's Report (cont.)</b> Dallesport Log Yard Update</p>	<p>ED Ziegler stated she has arranged with Dallesport Log Yard to inspect the barge dock area in March when the locks are closed. Ziegler reviewed the proposed amendment to the Log Yard's lease. Eckman said he previously evaluated the bridge over the rail and determined it will support road legal traffic. He said it might be advantageous to evaluate the bridge condition. Discussion followed about the different weight distribution of log truck traffic versus loaded dump truck.</p>	
<p><b>Executive Director's Report (cont.)</b> Cam Thomas Development</p>	<p>ED Ziegler said she was contacted about installation of a two inch water meter. Ziegler stated she has let the developer know she wants jersey barriers placed along Dow Road near the intersection to HWY 197 before discussing the water connection. Darrin Eckman, Tenneson Engineering explained Dow is the Port's road and it can limit access onto</p>	

<p><b>Executive Director's Report (cont.)</b> Cam Thomas Development (cont.)</p>	<p>its roadway. Eckman stated any city or county road would have access spacing preventing a driveway so close to an intersection. Eckman stated it appears a truck backing into a loading dock on the North face of the building would not be able park without being in the right of way. Ziegler stated she would work with Eckman on jersey barrier placement.</p>	
<p><b>Executive Director's Report (cont.)</b> Klickitat County Project List Update</p>	<p>ED Ziegler reviewed proposed Port projects for submission to the Klickitat County Project List. Discussion followed about reclaiming the Lot 46 rail cut. Eckman noted permitting in waterways causes significant challenges. Discussion followed about increasing the priority of the barge terminal improvements.</p>	<p>By consensus the Port Commission approved the content and revised priority of the list.</p>
<p><b>Executive Director's Report (cont.)</b> General</p>	<p>ED Ziegler stated Maul Foster and Alongi requested feedback on the conceptual plan for the cornerstone development plan. PC Vinyard suggested moving a larger building out next to HWY 197.</p> <p>Ziegler stated Jenny Taylor, Insitu, requested any information on air space restrictions for drone launching. She said she did not find any documentation about air space restrictions for the Port. Ziegler noted the wetlands and other private businesses should be avoided, but the Port had no resolution preventing drone flight. Darrin Eckman, Tenneson Engineering, stated there are different laws for personal and commercial drones and Insitu should be aware of the laws. Eckman said it was important to mention to Insitu that the Port has no restrictions against such use, but that does not mean Insitu would have exclusive use of non-leased property.</p> <p>Ziegler noted she contacted a community member and offered employment as snow plowing support.</p> <p>Ziegler shared Byron Hanke's notes on his consulting contract. Contract points were discussed.</p>	<p>By consensus there was no comment regarding the conceptual plan.</p>

<p><b>Executive Director’s Report (cont.)</b> General (cont.)</p>	<p>Ziegler reviewed the infrastructure, projects, leases, etc. from 2022.</p> <p>Ziegler requested an extension of vacation hour maximum accumulation.</p>	
<p><b>Commissioners Remarks</b></p>	<p>PC Vinyard said Klickitat County has set up a formal application process to be an Klickitat County Public Economic Development Authority member.</p> <p>PC Schmitt stated a fuel truck driver has approached him twice about having a transfer lot in Dallesport. Schmitt directed him to have his boss contact ED Ziegler. Schmitt said he has seen an increased desire for level fenced lots. He suggested considering rent credit for tenants interested in fencing a lot, and planning which lots the Port may like to have fenced. Vinyard noted the Port needed to ensure archaeological clearance. Discussion followed about tenant responsibilities.</p>	<p>PC Schmitt M to make PC Vinyard the Port’s Klickitat County Public Economic Development Authority representative, PC Herman S, PC Vinyard abstained, MP 2-0.</p>
<p><b>Public Comment</b></p>	<p>None.</p>	
<p><b>Executive Session</b> Performance Evaluation – Executive Director</p>	<p>PC Vinyard called an executive session at 9:10 PM pursuant to RCW 42.30.110(1)(g) until 9:30 PM. Vinyard extended the executive session to 9:40 PM. Vinyard extended the meeting to 9:55 PM. Vinyard invited ED Ziegler to join the discussion and extended the meeting to 10:15 PM. Vinyard adjourned the executive session at 10:15 PM. No action was taken in the executive session.</p>	
<p><b>Executive Director Salary and Vacation Accumulation</b></p>	<p>Vinyard stated discussion took place regarding excess accrued vacation time. Vinyard said an increase was discussed for the Executive Director based on her performance.</p>	<p>PC Schmitt M ED Ziegler be allowed to carry-over her 2022 balance and to accrue vacation hours through 2023, with the expectation vacation hours will be at or below 480 hours at the end of 2023, PC Herman S, MP 3-0.</p>

<b>Executive Director Salary and Vacation Accumulation (cont.)</b>		PC Schmitt M to increase ED Ziegler's salary by 9% effective January 1, 2023, PC Herman S, MP 3-0.
<b>Adjournment</b>	PC Vinyard adjourned the PC Meeting at 10:17 PM.	

Approved on January 17, 2023  
(Date)

Margie Ziegler  
Margie Ziegler, Executive Director

Bonita Snyder  
Bonita Snyder, Administrative Assistant

Wayne Vinyard  
Wayne Vinyard, President