

TOPIC	DISCUSSION / ASSESSMENT / FINDINGS	ACTION
Attendance	Commissioner/Staff Present: Port Commissioners (PCs) James Herman, William Schmitt, Wayne Vinyard; Executive Director (ED) Margie Ziegler; Maintenance Technician (MT) David Sauter, and Administrative Assistant (AA) Bonita Snyder. PC/Staff Absent: None. Guests Present: Darrin Eckman, Tenneson Engineering; Tom and Holly Wood, Wood Family Spirits.	Meeting called to order by PC Vinyard at 4:32 PM.
Administrative Matters Approval of Minutes Approval of Vouchers	Minutes – April 18, 2023. Vouchers – April 25, 2023, #29529-29536, \$41,214.48. Vouchers – April 27, 2023, VOID #29409, Reissue #29536, \$0.00. Vouchers – May 2, 2023, #29538-29539, \$649.20. Payroll Vouchers – May 5, 2023, #D13473-D13487, \$13,027.26.	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.
Old Business 100 Dow Rd Potential Traffic Problem	ED Ziegler stated she has not heard from Cam Thomas or his developer on the traffic problem, water connection, or fire suppression connection. Ziegler stated she is working with the Port Attorney to determine next steps. PC Vinyard asked about the timeline. Darrin Eckman, Tenneson Engineering stated the timing for the water connections would be driven by Cam Thomas. He noted the Port is willing to provide water when in receipt of the water connection application information and related fees.	
New Business DIP Lot 39 Campus Prospective Tenant	Tom Wood, Wood Family Spirits described his product and his current distribution in Oregon. He described his personal work history leading to manufacturing spirits. He noted he has built two production facilities (one in Kentucky and one in Portland) within the last six years and would	

New Business (cont.)
DIP Lot 39 Campus Prospective
Tenant (cont.)

like to build a production facility in the Columbia River Gorge. He described the lack of appropriate industrial properties, and noted a key attraction of the Dallesport property is the potential to ship via rail, as well as the desired temperatures for barrel aging. Wood stated his goal of having a complete facility to produce bulk spirits on adjoining properties with the build-out phased over a 15 year period. He presented a proposed layout of his operations within the Dallesport Industrial Park, and described the utilities and amenities he would require to meet the proposed design. He stated he hopes to create a distillation facility using electric (renewable) energy, though facilities typically require natural gas for distillation boilers. Wood stated he would like to begin development with 10,000 square feet in the Port's Lot 39 campus site plan.

ED Ziegler stated in prior discussions Wood had mentioned needing fire suppression and floor drains. Discussion followed about the use and drainage needs of the 10,000 square feet. Wood explained the 10,000 square feet would be used as a processing (taking an existing spirit and preparing it for a finished product) facility which does not have a lot of waste associated. Darrin Eckman, Tenneson Engineering, noted there would be wash down areas, but for the most part, it was not a wet process. Wood concurred. PC Schmitt asked what Wood's timeline was. Wood stated he hoped to have space within one to two years. He stated has existing bottling facilities, but he wants to extend current production, do co-packing and production for others, and grow to introduce new brands. PC Vinyard clarified the first phase required 10,000 square feet and the rail spur. Wood noted phase one would generate 25-30 full time year-round jobs, which would double when the distillery was added. Discussion followed about whether or not the first phase could stand alone. Wood stated he wanted to ensure this project would be the first phase of a cohesive project. The PC expressed concern about reserving a lot for a tenant to build in the future. Wood

New Business (cont.)
DIP Lot 39 Campus Prospective
Tenant (cont.)

stated he could refine the timeline. He noted if the Port was onboard with the end plan, he would begin due diligence as soon as phase one was started. He noted the equipment itself was on a 12-16 month lead time. Discussion followed about storage and aging time. Ziegler asked how he planned for expansion in prior sites.

Eckman noted the wells were capable of providing the needed water at peak times. He said the water right would need to be evaluated to ensure the capacity would be supported. MT Sauter asked about use and reservation of sewer needs. Wood stated the heavy sewer usage would come from the distillation process. He stated once the distillery was operational, it would be ramped up to its highest volume of waste over the course of three years. Wood stated he was hoping the Port would build the 10,000 square feet of building (targeting building A and B on Lot 39), and Wood would build all other buildings on leased land.

ED Ziegler stated she has been looking at funding opportunities to support development for Lot 39. Vinyard asked about the feasibility of getting the rail spur operational. Discussion followed about the condition of the rail and needs. Wood described his vision for tank storage on Lots 4 and 12. Wood stated security was very important to him, and tanks would be fenced and monitored. Eckman asked about security along the rail spur. Discussion followed about potential users to the rail. Eckman asked where raw materials would come from. Wood stated he would get regional grains via truck and rail.

Wood discussed use of Lot 46 for barrel storage on the water to accelerate aging. He said he would be interested in having rickhouse storage on Lot 46 as well. Wood stated as the business progresses, there will always be need for additional storage. Discussion followed about truck parking. Vinyard asked if Lot 46 was not available, if that would be a deal breaker for Wood. Wood stated the Lot 46 spot was very

New Business (cont.)
DIP Lot 39 Campus Prospective
Tenant (cont.)

attractive, but would not be a deal breaker. Wood shared some examples of distilleries and rickhouse storage.

Ziegler noted Wood had been in the 151C building when it was a shell, and noted the 151C building now had an office. She asked what Wood would need inside the building. Wood stated he was hoping the Port would provide the shell with fire suppression capability, and he expected to do all tenant improvements within the shell, as there were special requirements he needed to meet. Wood said he appreciated the Port was in the business to lease land. He noted the real assets in his business are the barrels and the spirits, not the buildings.

PC Herman asked for clarification about being a distributor. Wood stated there is a good market in selling product and storage of product. He noted bottling for others is one of the best ways to take a facility of this size and have it running at capacity as soon as possible.

Wood stated over the next 15 years the proposed facility would be approximate investment of \$200M. Vinyard asked what other returns to the public this project would offer aside from lease revenue and employment. Wood described other distilleries who have crafted an experience around their distillery including hospitality and recreational activities. He suggested that was not currently part of his design, but he could envision an opportunity for hospitality. Wood also described building local business relationships such as working with composters or cattle farmers. Wood said long term, he expected to see a local boom of micro distillers to meet the local market demand, much like happened in the local micro brewing industry after Full Sail Brewing Company became successful.

Sauter asked how the employee wage would compare to median wage.

<p>New Business (cont.) DIP Lot 39 Campus Prospective Tenant (cont.)</p>	<p>Wood stated he would be bringing in skilled workers from out of state, and hoped to train local talent as well. He noted some of the jobs are highly skilled specialized positions and others require less skill. He noted he believed the average would be around median wage. Wood stated there would be significant initial, and some ongoing, engagement with contractors for facilities construction.</p> <p>PC Vinyard suggested a workshop to consider the new proposal, in addition to the mine monitoring and dock transport. Vinyard expressed concern about utilizing all available property with one tenant. Discussion followed. Eckman suggested targeting the large (151E) building on the Lot 39 site plan, rather than buildings A and B, as there is more room for truck traffic and loading. Eckman noted the 151E building could be built in whole or in part, with a future expansion option.</p>	
<p>Executive Director's Report 2022-04 DIP Well #2 Disinfection and Improvements</p>	<p>Darrin Eckman, Tenneson stated the contractor for the Well #2 project still does not have a firm estimate on the status of the doors. Eckman stated he is having to reevaluating the chlorination settings based on corrections to information received in correspondence with the Klickitat PUD. Eckman noted will continue working with the PUD to ensure the settings are appropriate.</p>	
<p>Executive Director's Report (cont.) Engineering Update</p>	<p>ED Ziegler asked Eckman to provide an update on other projects he is working on. Eckman stated he was ready to provide locations for roadway barriers as needed for Dow Road. Eckman reported Wesco has completed an archaeological study which may or may not have been sent to the state. He noted he is still waiting on a grading plan from Wesco.</p> <p>Eckman provided estimates of \$7,500 to \$16,000 for aerial survey on the mine area and Dallesport Industrial Park. Eckman stated the mine area is especially important in order to monitor the mine and stockpile aggregates volumes. Eckman noted an aerial would not be needed on an annual basis for the entire property, but would be beneficial to have</p>	

Executive Director's Report (cont.)
Engineering Update (cont.)

annual monitoring and tracking of aggregate volumes in the mine area. Ziegler suggested a trip with the PC to witness the reclamation progress.

Eckman stated Verizon wants to run a 4" conduit with 3.25" innerducts from the intersection of Kreps and James along the road up to the reservoir. Eckman stated a set of wires were discovered when installing the combination air vacuum valves at the reservoir. The wires operate the pumps for Wells #1 and #2, are not deeply buried, and are not in conduit. Eckman has stated the Port has negotiated with Verizon to provide a 2" conduit in the same trench as their 4" conduit at 24" depth from the reservoir to Well #2. Eckman noted at a future date, the Port will be able to extend the 2" conduit to Well #1 and get all the wiring inside conduit.

Eckman stated he visited the Barge Dock March 8 which had been cleaned up during the Dallesport Log Yard's scheduled downtime. He stated he did not see any asphalt worth keeping. Eckman said if the Port wants a loading dock with a hard surface that can be scraped and maintained the subbase would need to be completely removed and reinstalled. That process would require the log operation to be moved off for a period of time. Eckman added the impervious surface be costly, in part because it would require stormwater mitigation. Ziegler stated she would like MT Sauter to assist with monitoring the bark cleanup. PC Schmitt requested Port staff seek funds for this project.

Eckman stated he would be working on the shoreline permit process with Sauter and Ziegler in order to continue placing fill within 200' of the wetland. Ziegler stated they were going to meet May 23 to work on the shoreline permit. Discussion followed about where fill can currently be placed. Eckman noted it will likely be a six month process to get the permit in place.

Executive Director's Report (cont.)

<p>Engineering Update (cont.)</p>	<p>Ziegler stated WSDOT appraised the land and the Port will use the appraisal value to negotiate its request for the pump house.</p> <p>Eckman said he was going to evaluate maintenance grading on the Marina Parking lot. He suggested importing some aggregate to fill in low spots. Eckman stated the drone survey will provide details on the surface which will allow him to calculate how much aggregate may be needed.</p> <p>Eckman said he would like to be considered as an engineer/designer for buildings on DIP Lot 39. He described projects he has completed for Port of Cascade Locks. He said he works with an architect and operates as project manager.</p>	
<p>Executive Director's Report (cont.) MT Sauter Update</p>	<p>ED Ziegler asked MT Sauter to provide an update on projects he had worked on. Sauter said an RFQ was issued for the HVAC unit for building 1B. He stated he personally reached out to local providers to let them know about the project. He stated the Port has asked for work to be completed June 15.</p> <p>Sauter also stated he has been in communication with Johnson Controls for the 1D air handler. Sauter noted the air handler is currently working, but not responding as it is supposed to. His contact from Johnson Controls is looking into a replacement control board.</p> <p>Ziegler stated Port Attorney Bill Eling has provided a note to file to allow the Kerrit's contractor to continue with the HVAC replacement in building 1A suites B, C, and D. She noted in future there will be suites B, and C/D.</p>	
<p>Commissioners Remarks</p>	<p>PC Vinyard stated City of Bingen was presenting a request for .09 dollars at the KCPEDA meeting to install a 6" water line. Vinyard stated he felt the project is something the community needs and will meet the</p>	

	economic development objectives of the .09 dollars fund in addition to supporting a housing development. Vinyard noted he was not able to attend the meeting as it conflicted with this meeting.	
Public Comment	None.	
Adjournment	PC Vinyard adjourned the PC Meeting at 7:38 PM.	

Approved on May 16, 2023
 (Date)

Margie Ziegler
 Margie Ziegler, Executive Director

Bonita Snyder
 Bonita Snyder, Administrative Assistant

Jim Herman
 Jim Herman, Secretary