

PORT OF COLUMBIA
Regular Monthly Meeting Minutes
February 13th, 2013

Commissioner Gene Warren opened the meeting at 10:00am. Those present were Commissioners Warren, McKinley and Marvin, Manager Dickinson, Auditor Phinney, and Port attorney Kim Boggs. Members of the public in attendance were Brian Black, Bob Budig, Carl Legg, Ted Kadau, Carla Rowe, Terry Robins, Chris Shires, and Rachel Alexander.

Dickinson gave a brief overview of how the Port acquired the rail line from Dayton to Walla Walla and the role the Port plays in the organization and collection of lease payments along the rail line. Commissioner Warren turned the floor over to Carl Legg and Ted Kadau of Watco to present their new agreement proposal. Legg spoke about the new FRA requirements regarding bridges and crossings, stating that there are more than 20 bridges between Walla Walla and Dayton. These bridges have to be reviewed and inspected by a third party the day before a train can come through due to poor conditions. Seneca is the only business using the 19 mile stretch of line between Dayton and Prescott and moved 73 cars from November to February 2012. Legg stated there was a possibility of using this 19 mile stretch as a switching operation, which would eliminate the need to follow FRA guidelines, but would only work with one business using the line. It was asked what the benefit to Watco would be with this new agreement. Legg stated that the agreement needs to be with the owner of the line not Union Pacific Railroad, and there would be no more confusion as to who is responsible for what. Legg reported that Watco has proposed \$366,500 in their budget for maintenance on this line for this year and that Watco has no desire to pull their contract from this line. The new contract would be good for 5 years and renewable every year after. Watco would like the Port to pay for all maintenance of the 39.3 mile line and would also collect 50% of the revenue taken in from the leases. Dickinson and the Port attorney will work on a list of information that the Port will need from Watco in order to consider the proposal. There was no decision made regarding to the new proposed agreement.

Bob Budig stated that Watco only sprays 8 to 10 feet from the track for weeds and he has to spray the rest. He would like to know if he could be reimbursed for his cost of pesticides. Dickinson stated that this is all part of his lease agreement and he would not be reimbursed. Lease rates are low to enable landowners to provide maintenance. Bob also asked about the non paying parties along the line and what our process has been in collecting this revenue. Brain Black suggested the Port use the Railroad right-of-way to our benefit by running sewer line and conduit down the tracks.

Minutes from the January regular meeting were read and approved. The monthly budget report was reviewed for February. Dickinson stated that the leasehold tax revenue has not been on the budget reports which would account for roughly \$20,000 in non-reported income. The 2012 year end budget report was reviewed with a question from Commissioner Marvin regarding the year end revenues and expenses not matching. Phinney will review the formulas on the spreadsheet and bring the report back to the next meeting. Dickinson stated that Amerein Services is paid up through February and wishes to continue their lease. It was made clear that they cannot be behind on their lease payment again. The Vestas lease is still in the negotiation process but there will be a check in the mail by the 15th of February for January and February rent. The commissioners signed a lease renewal with Myrick Construction. A lease for the garden space at BMS with Tara Brenner was presented to and signed by the commissioners. Brenner will lease the garden space for \$50 per month plus LHT and will be responsible for paying for water. The produce grown will be sold at the Dayton Farmer's Market, through a CSA and eventually at BMS. Dickinson reported that a group of WSU students will be here on March 13th to erect the deer fence around the garden space.

Jim MacArthur called in Purswell's Pumps to evaluate Well #1 at Lyons Ferry Marina. This well is for domestic water and is not functioning. The emergency repair will cost about \$30,000 and has to be done before the marina opens for the recreation season. Because of paying for this repair the Port will not be helping with the infrastructure of the KOA cabins.

MOTION: made by Commissioner Marvin and seconded by Commissioner McKinley to approve the emergency repair to Well #1 at Lyons Ferry Marina. Motion carried unanimously.

Blue Mountain Station site plan application and conditional use permit were both approved. As soon as we have the finalized building plans they will be submitted to the planning department for building permit approval. The project can be out for bid during this process. Bid documents should be ready to go out by March 1st. Stenkamp will be here this

afternoon to finalize the design needs of the tenants. Possible funding options were discussed for the kitchen equipment. Dickinson reported on the solar lease agreement which would be the same kind of agreement that the Port of Walla Walla has with Walla Walla Flat Roof Education. The Port would use all the power and Flat Roof Education would get the tax incentives for the life expectancy of the solar panel. The commissioners are confident enough with the concept to continue putting together an agreement with Flat Roof Education. The commissioners would, however, like to know the life expectancy of a panel. The Seneca Canteen Kitchen was discussed. Dickinson stated that an agreement for all renters has been drawn up and that a rate of \$5 per hour will be charged. A BMS site visit is scheduled for Tuesday February 19th with a grain mill company. Weed control at BMS was discussed with Dickinson stating that all native grasses and plants were used at the site and should not have to be mowed but we will have to spray for weeds and wheat.

Phinney reported that Jay's Garage interior has been painted and the conduit replaced that was taken down when the wall was removed. An exterior man door at Desperado Cowboy Bullets needs to be replaced due to its poor condition. Dickinson told the commissioners that our contract for landscape maintenance with Smith Brothers Lawn and Landscaping will be up for renewal in the first part of March. Options are being reviewed.

This year is the 30 year anniversary for the Dayton Development Task Force. They will be hosting several celebrations throughout the year; a power point presentation at the high school, Make a Difference Day that will be used to clean up areas such as the playground and DOT landscape, and a Main Street party.

The following vouchers were presented for approval of payment:

Payroll	\$	7652.48	Anderson Perry	\$	1465.25
WCIF	\$	712.93	Walla Walla Web Weavers	\$	202.50
Banner Bank	\$	4680.32	Seneca Foods Inc.	\$	250.00
Cardmember Services	\$	276.63	Artmil	\$	700.00
City of Dayton	\$	266.80	Darrell Chapman	\$	501.50
CenturyLink	\$	164.14	Wilbur Fletcher Inc.	\$	102.51
Dingles	\$	14.47	Myrick Construction	\$	2250.00
Dayton Chronicle	\$	78.06	Smith Brothers Lawn Care	\$	107.90
Total Office Concepts	\$	51.44	Stalzer & Associates	\$	967.78
Pacific Power	\$	536.10	Stenkamp Architecture	\$	11562.40
Conference Call.com	\$	66.78	Gypsy Girl LLC	\$	23.00
Col. Co. Health Dept.	\$	175.00	Amber Phinney	\$	33.90
			Jennifer Dickinson	\$	605.59

The amount of vouchers approved for payment was \$33,447.48

Meeting was adjourned at 11:11am.

Dale McKinley, Secretary