

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
Date: February 14, 2017**

Chairman Shanklin called the meeting of the Port of Pend Oreille Board of Commissioners to order at 9:03 a.m. in the Port office located at 1981 Black Road, Usk, Washington. In attendance: Chairman Shanklin, Vice Chairman Whysong, Secretary Harkness and Port staff members Kelly Driver, Susan Bluff, Cliff Bauer, and Brad Byrd. Also in attendance were Chaciel Koscielski from Halme Builders Inc., Phil Harris from RRACO and Kevin Akesson from Sewell Engineering.

For purposes of clarification, the minutes are presented as listed on the agenda, not necessarily in the order they were discussed.

MINUTES: Commissioner Whysong moved to approve the minutes of the regular meeting held on January 10, 2017 and the special meeting held on January 19, 2017 as presented. Motion seconded by Commissioner Harkness, so ordered by Chairman Shanklin.

COMMENTS: None at this time.

BID OPENING: The bid opening for the proposed Blast Booth Addition was held. Kevin Akesson from Sewell Engineering opened and read the bids. Sewell Engineering will review the bids and make a recommendation to the Board. A special meeting will be held on Friday, February 24th, at 9:00 a.m. to discuss the bids and potentially award the project.

There was discussion on the price changes from the previous bid opening, project being approximately \$100,000 over the engineer's estimate, and that special testing and services will be required which will add more to the project. Soils testing could result in additional costs. The areas where the footings will be located will need to be tested but the slab will float so it does not have to be tested. The footings were designed to set on clay. The bid for the project includes fill material.

Add alternates are at the discretion of the Port and include the overhead doors, man-doors and fire suppression. Electrical is not included which will have to be address to get through the building permit process.

ADVERTISED ITEMS:

1. FALL PROTECTION:

A. DISCUSSION: Kelly reported that no bids were received on the fall protection process. Staff will look at alternatives.

B. ACTION: No action required.

2. BRIDGE INSPECTION:

A. DISCUSSION: Cliff reported that he and Corey reviewed the three (3) proposals received on the bridge inspection project. Two (2) of the companies that submitted qualifications had been on site to physically see the bridges. Based on the packets provided Cliff and Corey ranked the three (3) companies as follows: 1). David Evans and Associates (DEA), 2). HDR Engineering and 3). AECOM. They believe DEA understands the needs of POVA the most.

B. ACTION: Commissioner Whysong moved to approve the recommendation to have DEA complete the bridge inspection and load capacity determination provided that contract language and costs can be agreed upon. Motion seconded by Commissioner Harkness, so ordered by Chairman Shanklin.

3. DIESEL FUEL BID:

A. DISCUSSION: Chairman Shanklin opened the one (1) bid received, from City Service Valcon, stating that the bid was for six cents (\$ 0.06) over rack price. There was also discussion regarding the fact that City Service Valcon has been either the only company to bid on diesel fuel or has been the low bid for several years. Kelly suggested that she work with City Service Valcon to discuss extending this over rack price for a two (2) or three (3) year period.

B. ACTION: Commissioner Harkness moved to accept the bid from City Service Valcon and authorize Kelly to negotiate with City Service Valcon for a two (2) or three (3) year period. Motion seconded by Commissioner Whysong and so ordered by Chairman Shanklin.

EXECUTIVE SESSION: At 9:55 a.m. Chairman Shanklin recessed the regular meeting to convene in executive session to discuss pending litigation with Port attorney William Schroeder by telephone. At 10:20 a.m. Chairman Shanklin brought the regular meeting back to order stating no decisions were made in the executive session.

OLD BUSINESS:

1. LEADERS MEETING:

A. DISCUSSION: The Leaders meeting was held on February 10th at the Camas Center. Good attendance and information. Kelly is working on getting available dates for an April meeting.

2. OTHER OLD BUSINESS:

A. STORAGE CARS:

1. DISCUSSION: Kelly, Cliff and Corey met with Chevron on the tank car storage.

NEW BUSINESS:

1. OFFICE REPAIRS:

A. DISCUSSION: Snow sliding off of the roof caused an outside water faucet to shear off resulting in water damage under the office including damage to the duct work. Cliff, Corey and several track crew employees worked to make the necessary repairs and restore heat to the office.

B. ACTION: No action necessary at this time.

2. SALARY SCHEDULE:

A. DISCUSSION: Salary schedule presented for updating regarding longevity and additional certification for an employee.

B. ACTION: Commissioner Whysong moved to approve the salary schedule as presented. Motion seconded by Commissioner Harkness, so ordered by Chairman Shanklin.

3. OTHER NEW BUSINESS:

There was no other new business to discuss at this time.

STAFF REPORTS:

1. ROADMASTER, CLIFF BAUER: Cliff reported on:

- Issues at Newport Towing facility including frozen sewer and frozen water pipes.
- Training for crew members which included Forklift, On Track Safety and Electronic Devices.
- Riley has completed his Conductor training and is now a Certified Conductor.
- Crews have cut brush in slower times.
- New wheels and brakes have been installed on the regulator.
- Roger is installing a turn table on the Mark II tamper.
- Frost heaves at crossings are causing crews to remove and reset planks.
- Snow and ice removal is on-going and has caused some derailment problems.

2. MANAGER- KELLY DRIVER:

- First quarter drug and alcohol testing completed.
- Continuing to work on FELA issue.
- Attending Urban Growth Subarea planning meetings.
- BNSF Agreement reached on rent through December 2018.
- PNC Contract work continues.
- LEPC meetings.
- State Car Mileage reports completed for 2016 movements.
- Newport Crossing Grant work.
- Replaced the office chairs which were over 15 years old.
- State and Federal posting requirements updated.

3. AUDITOR - SUSAN BLUFF:

- Susan presented the financial report and storage report information for the month ending January 31, 2017. Answered questions on transmittals.

4. CHIEF MECHANICAL OFFICER- BRAD BYRD:

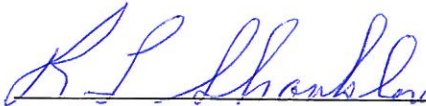
- Dump truck rear end repaired.
- Regulator repaired.
- Lost the main generator in 8310.
- Freeze ups on locomotives due to weather.
- Painting this week; locomotive has been inside since October waiting for paint it needs out for another job.
- Western Rail paint job coming up.

RECORDS FOR APPROVAL:

A. TIME AND EXPENSE SHEETS: Approved as submitted.

B. WARRANTS: Operating Expense warrants 43520 - 43643 totaling \$185,484.88 were approved as submitted.

ADJOURN: There being no further business Chairman Shanklin adjourned the meeting at 11:50 a.m.



R. L. Shanklin, Chairman



Kelly J. Driver, Manager

Date Approved: 03-14-17