

**MINUTES  
PORT OF PEND OREILLE  
BOARD OF COMMISSIONERS MEETING  
Date: June 13, 2017**

Chairman Shanklin called the meeting of the Port of Pend Oreille Board of Commissioners to order at 9:00 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, Brad Byrd and Corey Ives. Also in attendance was Port attorney William Schroeder.

**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 May 9, 2017 as presented. Motion seconded by Commissioner Harkness, so ordered by Chairman Shanklin.

**COMMENTS:** None at this time.

**OLD BUSINESS:**

**1. BRIDGE INSPECTIONS:**

**A. DISCUSSION:** The contract with DEA has been signed. The cost for services, subject to change if there are delays or other unforeseen issues, is \$81,582. They are still scheduled to be on-site the week of June 26<sup>th</sup> with the diving to take place in low water periods of August – September.

**2. BLAST BOOTH:**

**A. DISCUSSION:** Issues with the contractor putting in unapproved footings, building inside dimension not what was requested. Staff is very frustrated but commended Kevin Akesson for his work on the Port's behalf.

**B. ACTION:** None necessary.

**3. WSDOT GRANT – PERMISSION TO SIGN DOCUMENTS:**

**A. DISCUSSION:** Kelly stated that the Port's grant for just under \$572,000, less 1% for WSDOT grant administration fees, has been approved. She is working on the paperwork. Kelly, Cliff and Corey are calling for bids on materials. Interviews for temporary help are being completed. She requested permission to sign all documentation for this grant on the Port's behalf.

**B. ACTION:** Commissioner Harkness moved to allow Kelly to sign all documents concerning this grant. Motion seconded by Commissioner Whysong, so ordered by Chairman Shanklin.

**4. TOWN OF CUSICK – OSPREY PARK:**

**A. DISCUSSION:** Kelly reported the Quit Claim Deed, with the first right of refusal on purchasing back under the same terms and conditions, has been completed.

**5. ROTARY CLUB USE AGREEMENT:**

**A. DISCUSSION:** Kelly presented the signed rental agreement with the Rotary Club. She noted that the Club had forgotten to fill in the name of the contact for fire suppression discussion and had also failed to date the agreement. She will contact them to get the appropriate information.

An email had been received requesting the moving of the cars to a different order. Cliff indicated the crew tried moving the cars but the Club had scaffolding and other materials in the way and that the PA system was not unplugged between the cars. Kelly will contact the Club. Crews will shuffle cars as time allows.

**B. ACTION:** Commissioner Whysong moved to approve the agreement, with Kelly getting the missing information from the Club. Motion seconded by Commissioner Harkness, so ordered by Chairman Shanklin.

**6. TOWN OF CUSICK/KALSIPEL COMMERCE PARK:**

**A. DISCUSSION:** Kelly apologized as this item should have been under new business. She and Commissioner Shanklin attended a meeting with the Town of Cusick and representatives from the Kalispel Tribe of Indians and the members of the Rotary Club. Discussion was on the Tribe's expansion of a small gaming facility, grocery store/convenience store, eating facility, 18 RV parking spots, five mini cabins, gas station and future hotel. The Tribe will need water and sewer lines under the railroad tracks.

In addition, the Town and Tribe want to have a walking path from Monumental Street, along the right-of-way to the new casino and truck stop. Construction, fencing and maintenance issues were discussed. Long term goals are to get the Rotary train rides to go between the casino and Newport.

The Town of Cusick will need to expand water and sewer services and use the right-of-way as well.

Discussion included insurance and liability issues, requirement for the Tribe to waive sovereign immunity and for their insurance company to agree. Staff will move forward on this project.

**7. OTHER OLD BUSINESS:**

**A. HITEST SAND:**

**1. DISCUSSION:** Conversation was held regarding the location of HiTest Sand to the Newport area and what this could mean for rail activities.

**EXECUTIVE SESSION:** At 9:53 a.m. Chairman Shanklin recessed the regular meeting to convene in executive session for approximately 25 minutes to discuss pending litigation matters per RCW 42.30.110 with the Port's attorney. Chairman Shanklin brought the meeting back to order at 10:20 a.m. stating no decisions were made in executive session.

**BREAK:** Chairman Shanklin called for a break from 10:20 a.m. – 10:40 a.m. At 10:40 a.m. Chairman Shanklin brought the regular meeting back to order.

**NEW BUSINESS:**

**1. BACKHOE DAMAGE:**

**A. DISCUSSION:** Corey told the Board that a few days after he returned from inspecting the hyrail gear attachments to the backhoe that it was involved in an accident caused by the truck driver's failure to lower the boom and securing it to the deck of the trailer. Damage at this time is unknown.

Due to the need of the machine for the installation of ties associated with the grant, he has been looking into renting a tie inserter. He looked for a similar backhoe with hyrail gear that lifts the rail and has not found anything comparable; the tie inserter is the closest comparable machine. The rent on the tie inserter is \$8,750 per month plus freight to and from its location at \$7,700 per trip. Contract language and insurance requirements are being prepared.

**2. VANDALISM:**

**A. DISCUSSION:** Kelly reported that on May 27<sup>th</sup> two juveniles decided to vandalize six (6) locomotives belonging to Western Rail. Damage was done to glass including front, side and rear windows, headlights, gauges and more. Total estimated costs are over \$20,000. Kelly will attend court hearings.

### **3. PERSONNEL POLICY DRAFT CHANGES:**

**A. DISCUSSION:** Kelly presented a draft to the Board incorporating changes to the policy based on several years of small changes. There was discussion.

### **4. SALARY SCHEDULE:**

**A. DISCUSSION:** A salary schedule with changes based increased duties for an employee was presented.

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

### **5. OTHER NEW BUSINESS:**

#### **A. OPERATION LIFESAVER REQUEST:**

**1. DISCUSSION:** Kelly presented a letter received from Operation Lifesaver asking for funding based on operating miles. The Board declined to participate in this matter.

#### **B. CHANGE IN MEETING DATE:**

**1. DISCUSSION:** Due to scheduling conflicts the July 11<sup>th</sup> meeting needs to be postponed.

**2. ACTION:** Commissioner Harkness moved to reschedule the meeting to July 18<sup>th</sup>. Motion seconded by Commissioner Whyson, so ordered by Chairman Shanklin.

### **STAFF REPORTS:**

#### **1. ROADMASTER, CLIFF BAUER:** Cliff reported on:

- He and Corey interviewed nine (9) applicants. Sending chosen individuals for drug testing and physicals. Conditional offers of employment have been made provided they are able to pass their physicals and drug tests.
- Crews rebuilt approximately 120 feet of track at Priest River where the locomotives are parked.
- Don Endicott has received his engineers certificate.
- Rip rap has been placed at Johnson Creek and near MP 1425.
- Tie replacement at Albeni Bridge.
- Union Street Crossing is almost completed.

#### **2. MANAGER- KELLY DRIVER:**

- FELA issues.
- Chevron car inspection work continues the contract.
- Employee injuries. Discussion on changing eye protection for all employees when grinding.
- FRA Accident/Incident audit.
- She and Cliff will be meeting with property owners concerned about drainage issues near Dalkena. The County, DOE, WSDOT and potentially the Corps of Engineers will be attending as well.
- FRA inspector McCain stopped by with a report that POVA had moved non-compliant cars. Kelly denied this claim.
- WUTC inspector Debbie Thome inspected at the Union Street Crossing and observed crews; no violations.

#### **3. AUDITOR - SUSAN BLUFF:**

- Susan presented the financial report and car storage report information for the month ending May 31, 2017.

**4. CHIEF MECHANICAL OFFICER- BRAD BYRD:**

- Computer for 102 is back and has been installed. 102 is operational again.
- Working on load boxes.
- MRL sent a locomotive for painting.
- US Sugar locomotive – parts are arriving, waiting for the locomotive.
- Worked on POVA locomotives.

**5. TRACK FOREMAN – COREY IVES:**

- Car repairs for May down a bit, car supply was short.
- Working on getting a quote on surveillance cameras by adding on to the existing Newport Alarm system.
- Discussion on the replacement vehicle for Unit 10 (Car Repairs Truck).

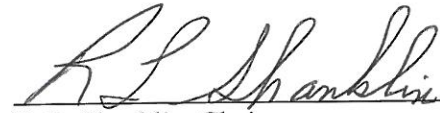
**RECORDS FOR APPROVAL:**

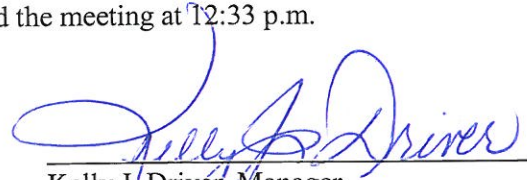
**A. TIME AND EXPENSE SHEETS:** Approved as submitted.

**B. WARRANTS:** Operating Expense warrants 44034-44170 totaling \$261,216.72 were approved as submitted.

**ADJOURN:** Chairman Shanklin, Commissioner Harkness and the Staff said their good-byes to Commissioner Whyson, wishing he and his wife the best in their move.

There being no further business Chairman Shanklin adjourned the meeting at 12:33 p.m.

  
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R. L. Shanklin, Chairman

  
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Kelly J. Driver, Manager

Date Approved:

