

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
Date: December 12, 2017**

Chairman Shanklin called the meeting of the Port of Pend Oreille Board of Commissioners to order at 9:05 a.m. in the Port office located at 1981 Black Road, Usk, Washington. In attendance: Chairman Shanklin, Vice Chairman Kiss, Secretary Harkness (via telephone) and Port staff members Kelly Driver, Cliff Bauer, Brad Byrd, Susan Bluff and Corey Ives.

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

MINUTES: Commissioner Harkness moved to approve the minutes of the regular meeting held on November 14, 2017 as presented. Motion seconded by Commissioner Kiss and so ordered by Chairman Shanklin.

COMMENTS: None at this time.

ADVERTISED ITEM: 2018 FINAL BUDGET HEARING/RESOLUTION 2017-04

A. DISCUSSION: Kelly stated that the final budget numbers did not change from the preliminary budget. She adjusted the Board salary rate to \$114 per meeting as allowed by State law but there is enough room in the budgeted amount to allow for this small change.

B. ACTION: Commissioner Harkness moved to approve Resolution 2017-04 adopting the final budgets as presented. Motion seconded by Commissioner Kiss, so ordered by Chairman Shanklin.

OLD BUSINESS:

1. BLAST BOOTH- SPRINKLER SYSTEM- LIQUIDATED DAMAGES:

A. DISCUSSION: Kelly reported she and Port Attorney William Schroeder attended a mediation hearing with Raco, Walls Construction and their attorneys on December 11th. The liquidated damages issue was resolved. Brad discussed obtaining three (3) bids on the sprinkler system; by doing the sprinkler system separate from the structural constructions saves over \$8,000. He also discussed lighting requirements for the storage area.

2. ROTARY AGREEMENTS – DRAFT DISCUSSION:

A. DISCUSSION: Kelly provided a draft user agreement and a draft lease agreement for the Rotary train ride activities for 2018. Kelly will provide these drafts to the Rotary Club to begin negotiations.

3. CULVERT NEAR DALKENA:

A. DISCUSSION: Corey informed the board that Versatile Construction will be doing the work; materials have been ordered. Because they will be working beyond eight (8)-feet of the rail, they are not required to comply with the drug and alcohol testing requirements of the FRA. If for some reason they need to foul the track, POVA will have to provide a spotter. Staff elected to go with a 20-inch culvert due to the cost savings; the State Highway culvert is only an 18-inch culvert. DOT must be contacted prior to the work so they can ensure that there is no damage or debris entering their culvert.

4. OTHER OLD BUSINESS:

There was no other old business at this time.

NEW BUSINESS:

1. BOARD REORGANIZATION FOR 2018:

A. DISCUSSION: In keeping with long-standing annual tradition regarding the changing of officers, the nominations were Ryan Kiss-Chairman, John Harkness-Vice Chairman, and R.L. Shanklin-Secretary.

B. ACTION: Commissioner Harkness made a motion to approve the nominations. Motion seconded by Commissioner Kiss, so ordered by Chairman Shanklin.

2. OTHER NEW BUSINESS:

None at this time.

STAFF REPORTS:

1. ROADMASTER, CLIFF BAUER: Cliff reported on:

- He is working with the Lions Club on their railbikeproject. He was trying to get some ecology blocks to block off the south end of Box Canyon dam this fall but timing has not worked out, it will probably have to wait until spring.
- He and Corey went over the line between Newport and Dover with BNSF officials.
- Crews are starting to cut brush.
- The late winter allowed crews to replace the Garden Lane crossing as part of the grant work. Crews also replaced a rail at the crossing.
- Track and shop crews worked together to replace the roofing on the 16 x 72 lean-to portion of the old shop.
- Crews worked on the track at Ponderay Newsprint. Wide gauge issues, tightened bolts, added ballast and then tamped a curve. Crews were able to use the new backhoe on this project.
- The regulator is ready for snow plowing.
- Crews have been cleaning out the box car, reorganizing and sorting out good parts from bad parts.
- He and Corey met with members of the Pend Oreille County Road Department regarding the culvert that runs under the Black Road crossing. The culvert is starting to deteriorate. The County and Port will work together to put in a new metal pipe, of smaller diameter, and pump in grout to fill the void. The County will do work to fix a road hazard along the ditch.

2. MANAGER- KELLY DRIVER: Kelly reported on:

- Railroad liability insurance has been secured for 2018.
- Timetable 17 issued December 1st.
- Chevron cars could be transferred back to their owner; working on a new storage agreement.
- Tribe utility crossing work.

3. AUDITOR - SUSAN BLUFF:

- Susan presented the financial report and car storage report information for the month ending November 30, 2017.
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4. CHIEF MECHANICAL OFFICER- BRAD BYRD: Brad reported on:

- 1500 is about ready to ship to Rogue River Railroad in Medford, Oregon.
- US Sugar- working on wiring.
- Savage locomotive – generator is being put in then paint.
- GP-20 locomotive needs a generator for Western Rail.
- EWG- turbo and N-Force installation; this will be in conjunction with Western Rail.

5. TRACK FOREMAN – COREY IVES:

- Car repairs going good; November was around \$27,000.00
- The new car repair truck, complete with flat bed and boxes is now in service. He still has equipment to transfer from the old car repair truck. With the new truck in service there was discussion regarding declaring Unit 10 surplus. Motion by Commissioner Kiss to surplus Unit 10, a 2005 Chevy 3500, 4 x 4 with approximately 180,000 miles. Motion seconded by Commissioner Harkness, so ordered by Chairman Shanklin. Staff will prepare the surplus notification and set a minimum bid price.
- The larger dump truck was in the shop for front and rear brake replacement, fuel tank replacement and a new brake-saver was installed.
- Repairs to the Escape, which was involved in an accident with a deer, are almost complete.
- Perkins Slough inspection with attorneys.

RECORDS FOR APPROVAL:

A. TIME AND EXPENSE SHEETS: Approved as submitted.

B. WARRANTS: Operating Expense warrants 44841- 44989 totaling \$237,578.62 were approved as submitted.

EXECUTIVE SESSION:

No executive session held this date.

ADJOURN: There being no further business Chairman Shanklin adjourned the meeting at 10:15 a.m.



Ryan Kiss, Chairman



Kelly J. Driver, Manager

Date Approved: 1-9-18