

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
Date: January 9, 2018**

Chairman Kiss 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 Kiss, Vice Chairman Harkness, Secretary Shanklin 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 December 12, 2017 as presented. Motion seconded by Commissioner Shanklin and so ordered by Chairman Kiss.

COMMENTS: None at this time.

OLD BUSINESS:

1. BLAST BOOTH- SPRINKLER SYSTEM- LIQUIDATED DAMAGES:

A. DISCUSSION: Brad reported that bids were received on the sprinkler system installation for the new Blast Booth; Fire Control was the low bid. Their design has been submitted to the State Fire Marshall for review. Pend Oreille County Building inspector, Rick Cruse, inspected the structural portion and as long as lighting and an exit sign are installed, with the completion of the sprinkler system, then the booth will be signed off for occupancy. Kelly reported she went to a mediation on the possibility of liquidated damages. A settlement was reached that will allow the project to be closed out upon receipt of releases by L & I, Department of Revenue, and Employment Security; the releases will allow the retainage to be paid.

2. ROTARY AGREEMENTS – DRAFT DISCUSSION:

A. DISCUSSION: The Port's insurance broker read through the draft agreements and suggested that the liability insurance amount be increased to \$10 million. Kelly stated that in talking with Rick Rouse from the Port of Chehalis, he has found that most excursion rides are requesting \$10-\$25 million in coverage.
B. ACTION: Commissioner Harkness moved to have a \$10 million liability requirement for the 2018 rides. Motion seconded by Commissioner Shanklin, so ordered by Chairman Kiss.

3. KALISPEL UTILITY CROSSING:

A. DISCUSSION: Kelly, Cliff and Corey met with representatives from the PUD, Parametrix, Garco Construction and the Tribe regarding the pushing of a sewer pipe under the tracks. Due to the project being within the boundaries of the relicensing of Box Canyon Dam, FERC is involved. Staff discussed requirements for the Town of Cusick's existing water line, the Tribe's sewer line, the building up of the road and more. Staff has told the Tribe that their utility crossing request must include 100% complete drawings before we will make a decision.
B. ACTION: No action required at this time.

4. LIONS CLUB RAILRIDERS:

A. DISCUSSION: The Lions Club issued a press release announcing their Railrider events coming later in 2018. They are in the process of building ten of the bikes.

5. OTHER OLD BUSINESS:

There was no other old business at this time.

NEW BUSINESS:

1. ACCIDENT TRAINING –SEARCH AND RESCUE

A. DISCUSSION: Conversation was held regarding the recent Amtrak accident and having the Search and Rescue members become familiar with the locomotives and passenger cars used by the Rotary Club. Commissioner Harkness will discuss ideas with the Search and Rescue members.

2. TAX CREDIT PAYMENT INFORMATION:

A. DISCUSSION: Kelly reported that the tax credit paperwork is in place, however, with Congress at odds regarding spending, the tax credit has not been finalized. Hopefully it will be finalized before April 1st and POVA will receive payment.

3. TRANSFER OF LICENSE AGREEMENT:

A. DISCUSSION: Kelly informed the Board that Northland Cable sold their assets in the north end of the County to RTI. The three (3) crossings will be transferred over to the existing RTI account.

B. ACTION: No action necessary.

4. FILMING:

A. DISCUSSION: A representative from Trains magazine will be on site Wednesday getting information on POVA's operations and then he will be riding with the crew filming and taking pictures as they go throughout their day on Thursday. Liability insurance has been provided by the magazine.

5. ACCIDENT/INCIDENT 2017 INFORMATION:

A. DISCUSSION: Kelly presented the 2017 accident/incident information to the Board. The information is posted on the Port's bulletin boards as required by law.

6. OTHER NEW BUSINESS:

A. MOTOR CAR RIDES:

1. DISCUSSION: Commissioner Shanklin stated that the motor car group would like to ride over the rails in June, possibly the 9th or 10th. There was discussion on the Rotary Club rides as well as the fact that the cars could only go between Newport and Usk due to tank cars on the line. Additionally, the north end of the line is out of service, slides have not been cleaned up and there are washed out areas. Commissioner Shanklin will discuss this more with the motor car group.

STAFF REPORTS:

1. ROADMASTER, CLIFF BAUER: Cliff reported on:

- Crews installed lighting in the box car across the tracks from the shop.
- Crane work at Priest River.
- Two (2) loads of ties received for POVA use, not as part of the grant.
- 11 centerbeam cars were taken out of storage and returned after performing the air tests. The cars were on line for nine (9) years.
- Brush piles were burnt.
- Snow removal.

2. MANAGER- KELLY DRIVER: Kelly reported on:

- Railroad liability insurance has been bound for 2018. We have not yet received the bill.
- Payment on the diminished value of the backhoe was received from Big Sky Trucking.
- Working with the State of Idaho regarding the flagging requirements for the Highway 41 bridge project.

- Year end reports completed and sent to the FRA.
- Fuel bids will be due February 9th and will be opened at the next Board meeting. The Port will be going along with the County process which calls for a two (2)-year commitment rather than just a single year.

3. AUDITOR - SUSAN BLUFF:

- Susan presented the financial report and car storage report information for the month and year ending December 31, 2017. She explained several revenue and expense items to the Board.

4. CHIEF MECHANICAL OFFICER- BRAD BYRD: Brad reported on:

- Lost a radiator in 1745; it is back up and running.
- Fuel pump failed in 8310; it is repaired.
- Changing a wheel on 8325, had to order new bearings.
- Painting the Savage locomotive next week.
- Waiting on spring gear for the turbo on an EWG locomotive.
- Waiting on a generator to put in the WRIX locomotive.

5. TRACK FOREMAN – COREY IVES:

- The regulator is down; a replacement wheel has been ordered.
- The total car repairs billed out for the year was \$ 286,232.96.
- The LW centerbeam were air tested; all other repairs were completed and billed out previously including reflective striping, cables and corners.
- Purchased a new rail drill; parts were not longer available for the old drill.
- Issue on line yesterday when train crew noticed an individual on the Albeni Falls Dam with a backpack and climbing gear. Albeni Falls Dam was notified as well as the Bonner County Sheriff. Further investigation found that this was a contractor for the dam that failed to realize he needed approval from the railroad as well.

RECORDS FOR APPROVAL:


A. TIME AND EXPENSE SHEETS: Approved as submitted.

B. WARRANTS: Operating Expense warrants 44990-45117 totaling \$313,785.54 were approved as submitted.

EXECUTIVE SESSION:

Chairman Kiss called for a brief executive session to discuss an issue related to the performance of a public employee. Session was called at 10:50 a.m. for approximately five (5) minutes. At 10:55 a.m. Chairman Kiss brought the regular meeting back to order and stated no decisions were made. Staff will work on the issue.

ADJOURN: There being no further business Chairman Kiss adjourned the meeting at 10:56 a.m.



 Ryan Kiss, Chairman



 Kelly J. Driver, Manager

Date Approved: 2-13-18