

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
Date: December 10, 2019**

CALL TO ORDER:

Chairman Peterson 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 Peterson, Vice Chairman Shanklin, Secretary Kiss and Port staff members Kelly Driver, Susan Bluff, Cliff Bauer, Brad Byrd, 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 Shanklin moved to approve the minutes of the regular meeting held on November 12, 2019 as presented. Motion seconded by Commissioner Kiss, so ordered by Chairman Peterson.

ADVERTISED ITEM- FINAL BUDGET HEARING RESOLUTION 2019-05:

A. Discussion: Line items of the final Operating Expense Fund budget were discussed. Susan explained the Budget Status report is on a cash-basis while the Port's financial statements are on an accrual system.

B. Action: Commissioner Kiss moved to approve Resolution 2019-05 accepting the final budgets for the Operating Expense Fund, Capital Improvements Fund, Debt Service Reserve Fund and Insurance Reserve Fund as presented as well as the salary schedule. Motion seconded by Commissioner Shanklin, so ordered by Chairman Peterson.

CORRESPONDENCE TO THE BOARD:

Christmas card received from the PUD.

COMMENTS: None at this time.

OLD BUSINESS:

1. Travel Policy Adoption:

A. Discussion: A final copy of Policy 1501 regarding travel procedures was presented.

B. Action: Commissioner Kiss moved to approve Policy 1501. Motion seconded by Commissioner Shanklin, so ordered by Chairman Peterson.

2. Promotional Hosting Policy Adoption:

A. Discussion: A final copy of Policy 1502 regarding promotional hosting activities was presented.

B. Action: Commissioner Shanklin moved to approve Policy 1502. Motion seconded by Commissioner Kiss, so ordered by Chairman Peterson.

3. Resolution 2019-04 – Board Compensation:

A. Discussion: A final copy of Resolution 2019-04 regarding Board Compensation was presented.

B. Action: Commissioner Kiss moved to approve Resolution 2019-04. Motion seconded by Commissioner Shanklin, so ordered by Chairman Peterson.

4. Other New Business:

A. Salary Schedule changes for the remainder of 2019:

1. Discussion: Kelly presented a salary schedule with two changes for 2019. There was some discussion.
2. Action: Commissioner Shanklin moved to approve the salary schedule. Motion seconded by Commissioner Kiss, so ordered by Chairman Peterson.

NEW BUSINESS:

1. Board Organization for 2020:

- A. Discussion: Nominations for 2020 were as follows: Chairman - Commissioner Shanklin, Vice Chairman – Commissioner Kiss, Secretary – Commissioner Peterson.
- B. Action: Nominations were approved by general consensus of the Board.

2. Other New Business:

None at this time.

BOARD TRAVEL PLANS/ MEETINGS:

- A. Discussion: No additional travel or meetings were anticipated by Board members for the remainder of 2019 or in January 2020. Chairman Peterson may want to attend the WPPA day in Olympia in January or February.
- B. Action: No action required.

REPORTS:

1. Board of Commissioners:

- Commissioner Kiss attended a meeting at the PUD November 19th regarding business recruitment.
- Commissioner Shanklin attended the EDC meeting.
- Chairman Peterson reported on the following:
 - November 1st he had lunch with Jamie Wyrobek.
 - November 19th through the 22nd he attended the WPPA new Commissioner meeting/Annual meeting in Olympia. He talked about the broad authority of Port Districts. He discussed requirements of the Board including the development of short term and long term goals, finding other opportunities for the Port particularly in the area of economic development and how to staff and fund those opportunities as well as if the Port is best equipped to do these things.
 - November 26th he met with Cathy McMorris Rodgers.
 - Based on his letter to the Newport Miner he had an interview with them on November 27th which may run in this week's Miner.
 - December 3, he attended the PUD Commissioners meeting and on December 9th he and Jamie Wyrobek of the EDC met with the County Commissioners where he provided his personal impressions on the authority Port Districts have regarding economic development.

2. Roadmaster, Cliff Bauer:

- Lieven Walston has completed his engineer training and certification.
- He and Corey did bridge inspections. The bridges are in good shape, Davis Creek is scheduled for some work this summer.
- Derailment on Albeni Falls hill which was due to wide gauge. Only locomotives involved and there was no damage. Re-railing and repairs took about six (6) hours. Gauging has been completed on this section of track as well as other sections.

- Evaluations completed for 2019.
- Installed new crossing planks on a private crossing near Blueslide.
- Built a roof over an exit door at the shop.
- He is working on getting the two (2) new track employees on train service. One (1) employee has worked for BNSF as a certified conductor so he should be ready in just a few weeks. The other employee is brand new to train service so he will be longer learning the requirements.
- Currently brining MWS equipment into the shop for maintenance.

3. Manager – Kelly Driver:

- New employee paperwork and orientation on policies.
- Training with Newport Alarm on system.
- Private crossing agreement.
- Working with the City of Newport and their engineer on the Pine Street crossing project and grant application.
- Highway 41 billing for 2019 completed.
- Working on cyber security options.

4. Auditor – Susan Bluff:

- Susan presented the financial report information for the month ending November 30, 2019 and answered questions regarding the report. She reported a small amount of storage cars will be arriving soon.

5. Chief Mechanical Officer-Brad Byrd:

- New shop employee started on December 6th. He will be training a couple of the newer employees to paint so that he and Myles can do more of the electrical work.
- While testing the dynamic brakes, at walking speed, on a locomotive there was a mechanical failure and before the shop doors raised completely the locomotive coupler hit the door on the shop causing damage to part of the roll-up door. He called Priest River Glass for emergency repairs since the shop door will not close completely; safety and securement are a necessity.
- The fifth Coos Bay locomotive is ready to go, just waiting for a BNSF inspection this week before sending it out.
- Working on the Cummins project.
- 92-day inspection on POVA 8325, fixing the plow and working on the heater.
- Three (3) paint jobs coming up.
- Discussions with Western Rail on getting more paint jobs in.

6. Track Foreman – Corey Ives:

- Car Repairs for November were down due in part of car supply issues and holidays.
- He completed the bridge audit requirements after the bridge inspection work.
- Highway 41 project is done, which means no more setting and removing of derails for train movements. He went through the walk-through with the contractor, BNSF and Idaho State Department of Transportation.
- CDL ride-along with new employee to verify skills.
- FRA mechanical inspectors have been in Sandpoint twice recently inspecting our outbound train.
- New furnace installed at Newport Towing.

Records for Approval:

A. Time and Expense Sheets: Approved as submitted.

B. Warrants: Operating Expense warrants 47772-47904 totaling \$254,354.06, approved as submitted.

Executive Session: At 10:40 a.m. Chairman Peterson recessed the regular meeting to convene in executive session. He stated the executive session would be approximately 20 minutes to discuss an update on potential litigation. At 11:00 a.m. the regular session was brought back to order; Chairman Peterson stated no decisions were made in executive session.

As a result of the executive session, Kelly was directed to handle the issue on behalf of the Board.

Adjourn: There being no further business Chairman Peterson adjourned the meeting at 11:00 a.m.



R.L. Shanklin, Chairman



Kelly J. Driver, Manager

Date Approved:

